



# Strategies to Maintaining a Steady Growth Despite the Economic Ups and Downs

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Sound Room

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# Outline

- Impact of the global economy on executive education
- Three ways the Foster School has minimized the negative impacts
  - 1) Diversify program portfolio
  - 2) Motivate internal bench-strength
  - 3) Build effective advisory boards
- Key take-aways

# Impact of the global economy

- 1997: Asian Financial Crisis
- 2001: 9 -11
- 2003: Dot.com bubble burst
- 2007: Collapse of the housing market and sub-prime bust

**So what strategies have worked for the Foster School?**

# 1) Diversify program portfolio

- open and custom
- short and long-term programs
- domestic and international
- case study: Korea

# Foster in Korea

- Strategic entrance to Korea about 12 years ago.
- The following year gained 3 new custom programs.
- Business from Korea comprised about 10% of international back then.
- Today, it's half of all international businesses
- In the last ten years, key leaders have traveled to Korea almost 50 times.
- So why Korea?

# Why Korea?

- 1) Identify and match your competitive advantages
- 2) Understand the political environment
- 3) Develop core supporters in that country
- 4) Stay committed and go in for the long haul

# Identify and leverage your competitive advantages

- Geographical Location
  - Proximity
  - Convenience
- Internal Bench Strength and Champion
  - Staff (understanding of culture and language)
  - Faculty (passion and appreciation)

# Understand the political environment

- How is education viewed?
  - Life-long learning concept
- Are there incentives for organizations to partner with us?
  - Educational expenses
  - Government funding and tax incentive



# Develop core supporters in that country

- High-level Influencer/supporter
  - Well-Respected
  - Connections to the Business Community
  - Personalized Business Relationship
- Alumni
  - Start with one person at a time
  - Recognize publicly
  - Provide linkages on a wider scale (eg, university)

# Stay committed and go in for the long haul

- Be prepared to commit for more than just a year or two
- Stay with your plan, despite economic changes
- Remain agile and flexible
- Maintain contacts with old partners

## 2. Motivate internal bench-strength

- Staff and Faculty are our core products
- How do you motivate them to raise their performance?
- How do you leverage their performance to grow your business?
- Case study on faculty incentive plan

# Motivate internal bench-strength

- Faculty Incentive Program
- Compensation linked to performance
- Performance linked to referrals
- Referrals linked to B.I.S. and growth
- Does this really work?
  - Track and measure
  - Comprehensive process that everyone understands

## 3. Build Effective Advisory Boards

### - How to start

Your Board is your touchstone to the business community and will help you benchmark the needs of the business community. Think carefully about...

- The purpose of the board. What is your value proposition?
- The size of the board.
- The diversity of the board (experience, industry, etc).
- The structure of the board meetings.

# How to Maintain your Advisory Board

## - Keeping them engaged

- **Meet with them frequently** - Keep them informed and respect their time
- **Make them feel valued** - Recognize your board accomplishments
- **Give them a Purpose**- Internal as well as External responsibilities
  - “A” Cubed (Awareness, Advocacy, Assessment)
- **Clearly Define Tasks**
  - Give (Set expectations of what you want them to contribute i.e. sponsor their employees)
  - Get (Set expectations of what you want them to solicit from the business community i.e. company tours, speakers )
  - Get off (Set time limits for Board membership and know how to remove ineffective Board members)

# Program Boards

– what's the key to their success?

## Two Case Examples:

- PRBP Board (since 1970)
- AIMS Advisory Board (since 1962)

*Each Board is unique and requires a committed TLC*

## Jean's Board Maturity Spectrum

|                         | Stage 1  | Stage 2                 | Stage 3                     | Stage 4                                   | Stage 5   | Stage 6   |
|-------------------------|--|-------------------------|-----------------------------|---|---|---|
| <b>Commitment Level</b> | low  | low                     | medium                      | high                                      | very high   | very high   |
| <b>Engagement Level</b> | low, misses meetings                                       | gives advice when asked | initiates new ideas         | gets involved in development; sponsorship | markets the program/school                                | owns the program  |
| <b>Motivation</b>       | self assurance; it's for a good cause; looks good on my CV | I have good ideas       | I want to make a difference | I want to help the program succeed        | believes in the value; starts to think beyond the program | wants to share the benefits; influences key decision makers |
| <b>Example</b>          |  |                         |                             | Exec Ed Board                             | PRBP Board  | AIMS Board  |



# Key Take-aways

- 1) Diversity your portfolio....  
BUT be sure to have a deliberate and systematic approach to diversification.
- 2) Strengthen your bench strength....  
BUT, have a comprehensive process plan in place to track, measure, and follow up.
- 3) Build your advisory board....  
BUT, be prepared to go in for the long-haul and remain aggressive.



# Questions?

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