



Strategic Planning

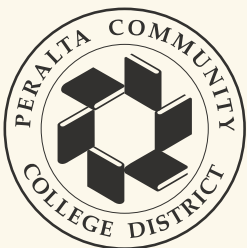


Building Communities, Transforming Lives

Welcome to Our Second Edition

In this second issue of the Creating Our Future newsletter series, the Peralta Colleges' strategic environment is examined in detail. By assessing the present and likely future of our service area, the colleges - Berkeley City College, College of Alameda, Laney College and Merritt College - and the Chancellor's Office will be poised to ask fundamental questions about our future.

With an accurate set of demographic facts, the Peralta Colleges will craft a shared educational strategy in our district-wide Educational Master Plan and will proactively pursue opportunities in each colleges' respective updated Educational Master Plans in 2007.



Who Are We?

In exploring new educational opportunities and responding to our changing demographics, Peralta will acquire new information and insights on who we are in order to answer the pivotal question of who we should be. In addition to collecting information such as Accountability Reporting for the Community Colleges and retention data, we are engaging Chuck McIntyre to conduct a follow-up assessment and assist us in our strategic planning and management. Mr. McIntyre is the Director of Computer-Aided Planning (CAP), a firm that has worked for community and technical colleges and universities, primarily in the areas of futures research and strategic planning. Mr. McIntyre will address the following Board of Trustees' priorities:

- Improve Peralta's access for its service area communities
- Better manage college enrollments
- Ensure the quality of programs and student success
- Establish fiscal stability and sustainability
- Effectively allocate \$390 million available from Measure A (June 2006)

McIntyre's work will be based on a scan of Peralta's current performance and long-term needs, and will include conclusions and recommendations about curriculum, delivery, services, structure and organization and the allocation of District resources for operations and facilities.

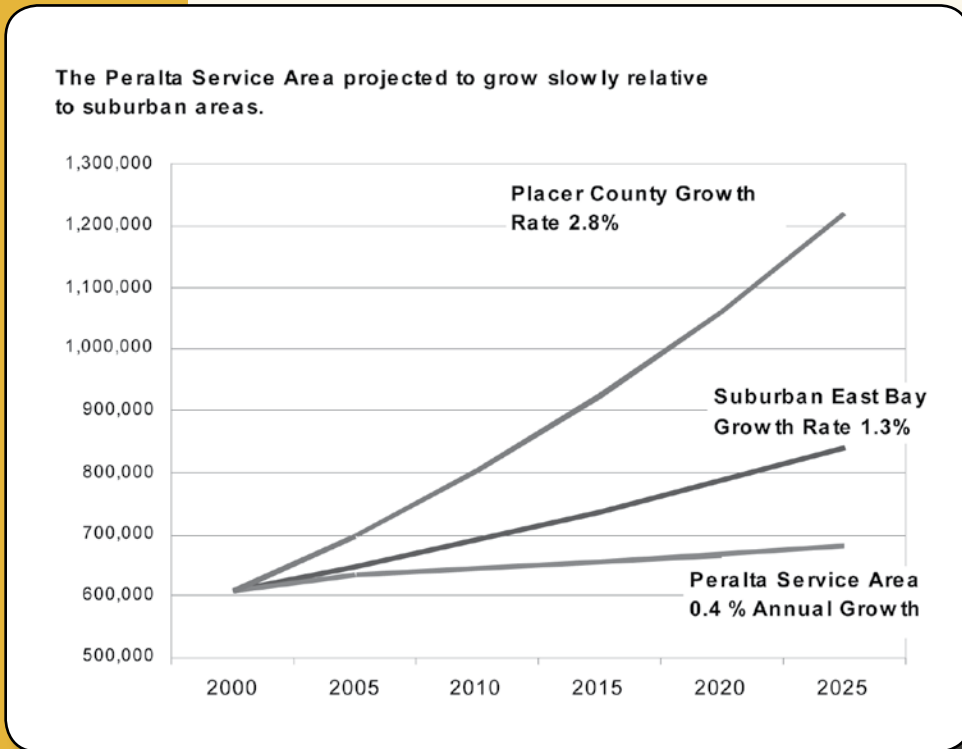
Major project research questions are:

- How will the East Bay evolve and, as a consequence, how should the Peralta Colleges evolve?
- How should our curriculum evolve, where should it be located and how should it be delivered: on-campus, face-to-face, in partnership, through distance learning or in what kinds of class and out-of-class facilities?
- How can the Peralta Colleges maintain robust basic skills instruction and an effective lower division, general education and transfer core, while augmenting its workforce preparation and contract training? In what specific skill areas ought the latter functions be expanded so as to meet the labor market needs of the East Bay?
- How should the Peralta Community College District be organized: as a four-college district (as at present), four-campus college or in some other way? What delivery modes, organization and staffing changes will maximize the District's access and program quality?
- What kinds of enrollment management strategies will enable Peralta to fulfill its mission and meet its goals and objectives? What strategies best support the priorities of fiscal stability and sustainability?
- To what degree should Peralta make its marketing more consistent across the different service area communities and specific college clientele niches to increase overall area access?

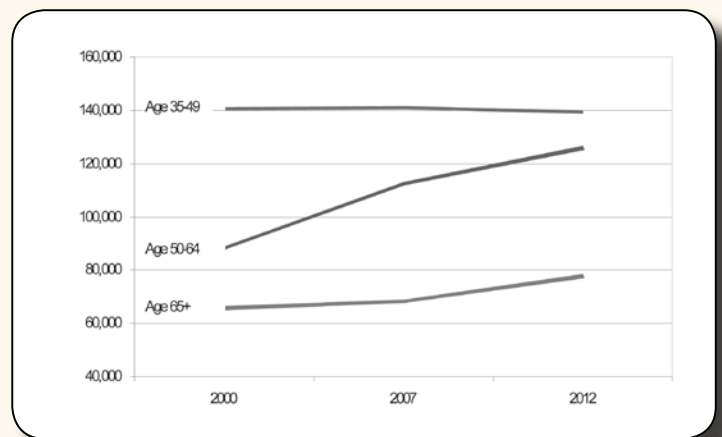
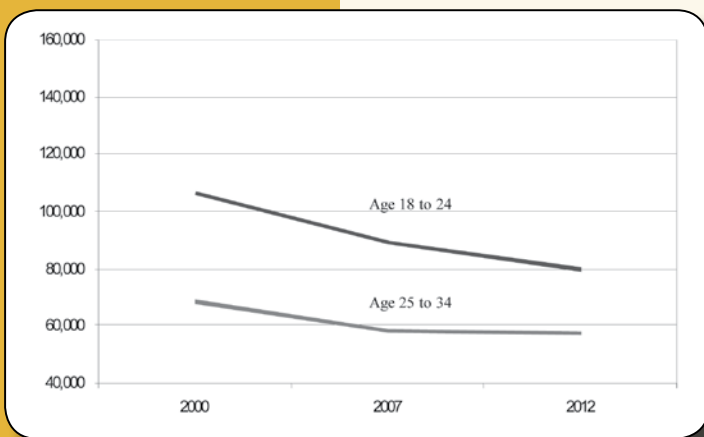
Facts Say It All

The Peralta Community College District is situated in a built-out urban community with very little land available for housing development. Our service area's growth and participation rates would translate to approximately 3,000 new District residents per year, or 30 additional full-time equivalent students (FTES) per college at the current participation rate.

There Is Minimal Population Growth

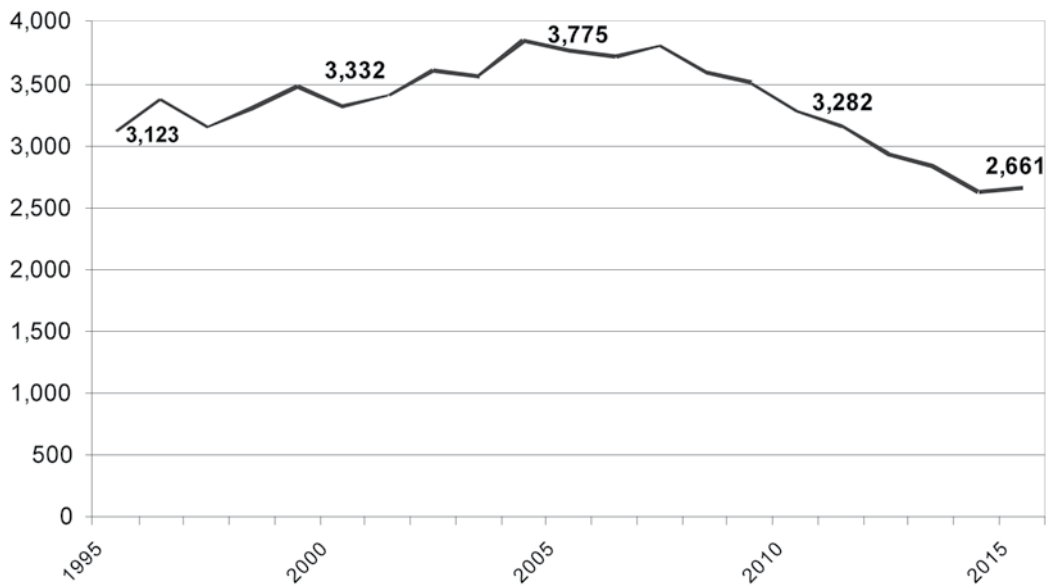


Traditional College-Age Groups are Declining



According to census data, the two age groups that make up over 60% of the enrollment at the Peralta Colleges - 18-24 year-olds and 25-34 year-olds - are declining in numbers. At the same time, the 50-64 year-old age group will increase by almost 30% in the same period.

High School Graduates are Projected to Decline



Source: Department of Finance, Demographic Research Unit

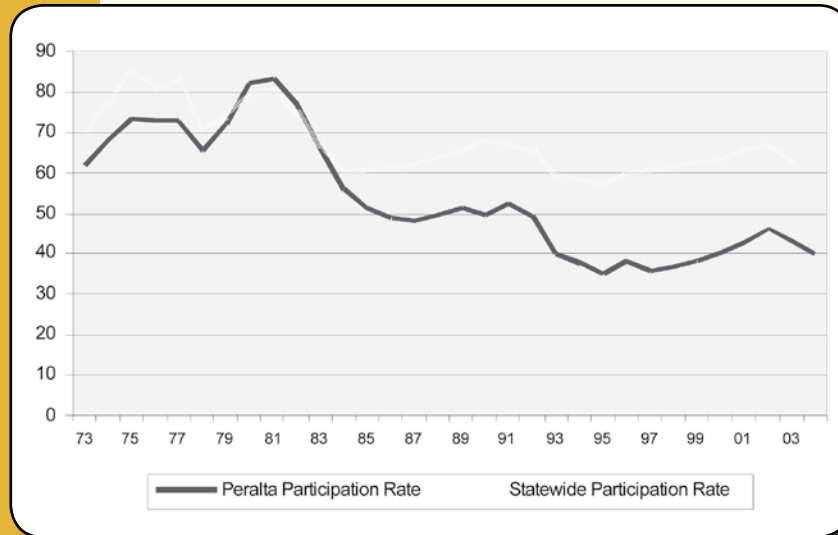
The size of our service area's high school graduating classes will peak in 2007, and will then decline steadily through 2015. According to the California Department of Finance, graduates will decline from a high point of 3,775 graduates in 2007, to 2,661 in 2015. On a percentage basis, people in the 18-19 year-old age category attend community colleges at the highest rate. This suggests that strategies such as finding new student populations and retaining traditional age students will take on increasing importance for the Peralta Colleges.

Immigration Will Strongly Influence Population Growth

Annual average Domestic Migration in Oakland PMSA	
Natural Increase (births less death)	18,055
International Immigration	21,860
Domestic Migration	-18,870
Total	21,045
Source: 2000 Census	

Our service area is an important gateway for immigration. At the same time, there is a negative net outflow of existing residents out of Peralta's service area. This indicates a demand for programs such as ESL and legal and medical interpretation, as the largest countries of origin are non-English speaking.

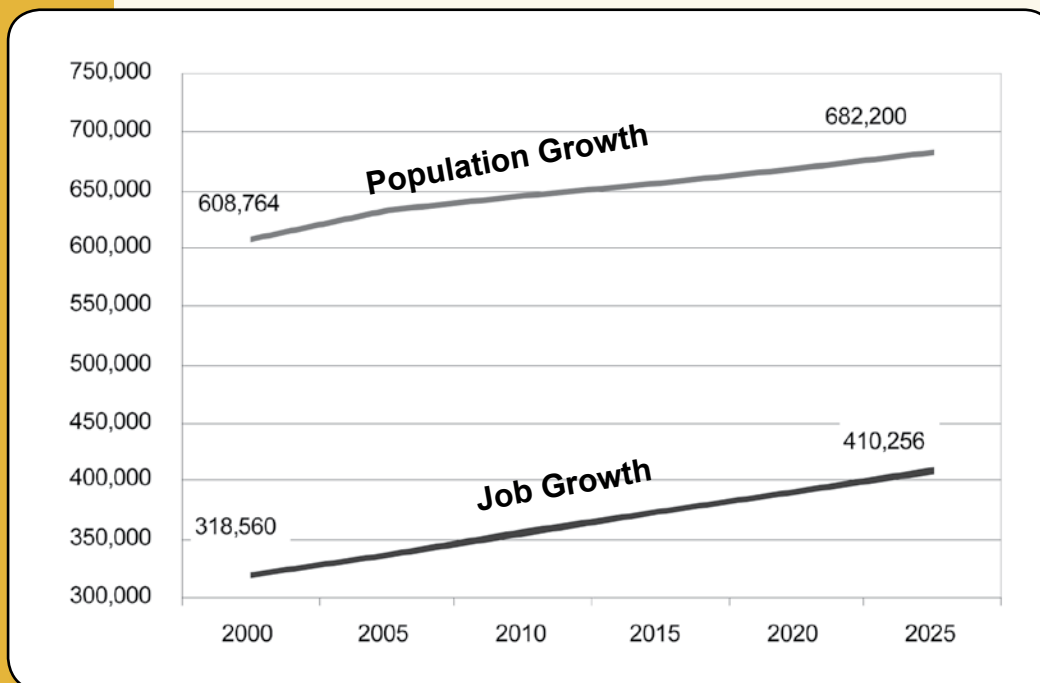
Tackling the Participation Gap Will Increase Enrollments (Per 1,000 adult population)



The participation rate tracks the number of people per 1000 residents who attend community colleges. The statewide average is over 60 people per 1000, while Peralta's rate is 40 students per 1000. One factor driving Peralta's lower rate is that adult education programs are run by our service area's unified school districts, while in other areas, college districts run these programs.

Job Growth Will Outpace Population Growth

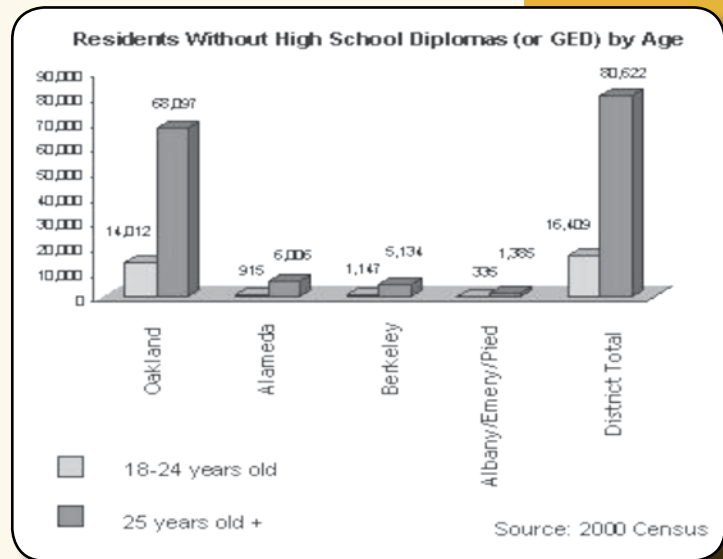
Jobs will grow by 29% while population will grow by 12%



The number of jobs in our service area is expected to grow at twice the rate of population growth. This reflects a tight housing market and the competitiveness of the Bay Area's economy. A new area of opportunity is to serve major employers – and their employees – of our service area.

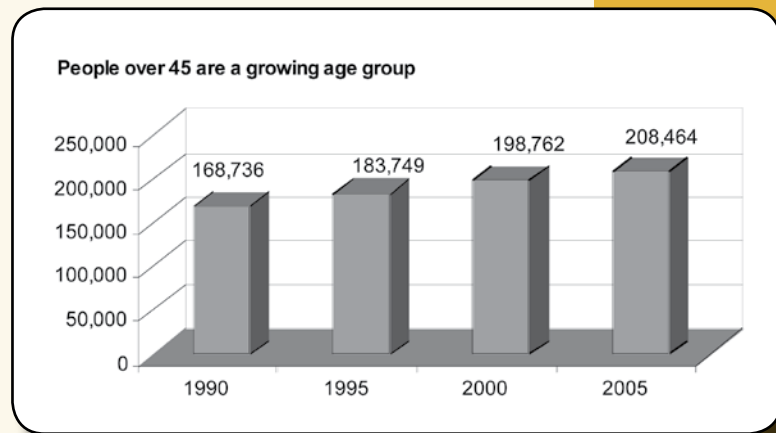
Reaching Underserved Adults is an Opportunity

Many of our service area residents leave high school without a degree. By reaching these under-served groups, the Peralta Colleges can open new opportunities for career advancement and further education. In 2000, there were over 16,000 18-24 year-olds without high school degrees. Similarly, there are over 80,000 residents 25 years old and older without degrees.



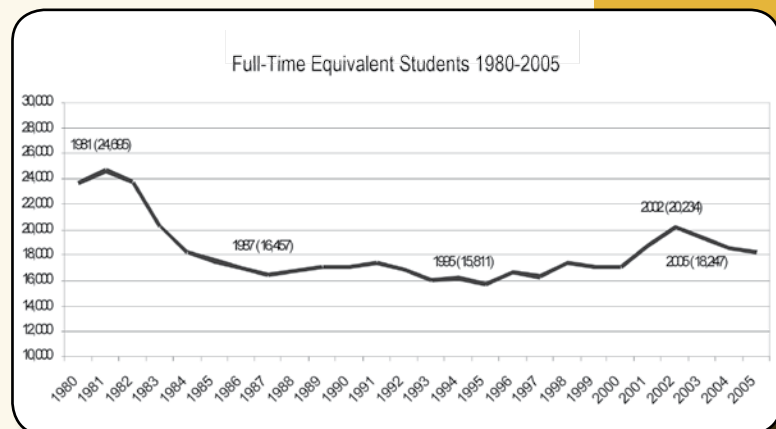
Older Residents Constitute Large Potential Student Group

The generation born between 1946 and 1964 - often called “baby boomers” - is now entering retirement. Younger baby boomers are still in the workforce. Overall, this large age group, together with other older residents, constitutes a large potential student base for the Peralta Colleges.



Enrollment Trends Have Fluctuated

After a peak of 24,695 FTES in 1981, the Peralta Colleges’ enrollment declined to a low of 15,811 in 1995. FTES then grew slowly to a peak of 20,234 in 2002. Since then, however, enrollments have declined to 18,247.



For the Record

Strategic Planning was on the agenda at the Peralta Board of Trustees' meeting on April 24, 2007.

Here are statements made in part or in whole at that meeting by Board President Withrow, Board Vice President Gulassa, Chancellor Harris and District Academic Senate President Bielanski.



**Bill Withrow, President,
Board of Trustees**

Strategic Planning, in my mind, is a concept whereby an organization can pull back from the day to day rigor of detailed transactions and interactions and reflect upon the simple questions of: Who are we? Where are we? What do we want to be? How do we change or adjust? How do we prioritize this process? How do we control this metamorphous? How

do we measure and evaluate progress? How do we know when we have arrived at our destination?

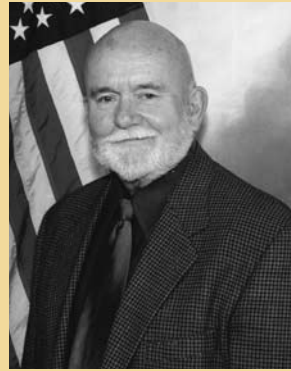
As an organization we have invested considerable time, energy and resources addressing the first three questions. We do have some framework, and while it is not universally agreed upon, it is time to increase the level of specificity and move on to an action plan with measurable goals and objectives. We can always adjust the basic framework at a later date. A Strategic Plan is a living document.

We have to be realistic and yet optimistic. We must fully recognize our constraints and limitations. We obviously do not have unlimited resources. We need to recognize that we have a lot of meaningful and important goals that fit within our stated Mission, Vision and Values that cannot be accommodated within our current financial status. In brief terms, we do not have the money to be a first class institution at this time. However, in terms of our goal setting process, we should use the term when and not if.

Because we are resource constrained, it would make sense to prioritize our goals and action plans to first address areas of revenue generation, increased productivity and the reduction of costs. Unfortunately, there is no multi-million dollar lottery for us to win. There is no magic pill. Discretionary funds must be derived as the product of a focused and decisive decision making process to substantially increase the operating efficiency of The Peralta Colleges.

A Strategic Plan is not a reference document that is periodically pulled off the shelf like a dictionary or thesaurus. It is more than a document that we pull out and review on a periodic basis. All elements of the plan must be engrained into the operational fabric, the decision-making fabric, and the resource allocation process within the entire organization of The Peralta Colleges. It is a process that requires a full commitment of all of our stake holders. Everyone plays in this game.

I am convinced that we are moving in the right direction and that we have achieved considerable progress. It is now a matter of increasing our momentum. As Chancellor Harris has pointed out, we have a very challenging service area. That will make it all that more satisfying when we win!



**Trustee Cy Gulassa,
Vice President of the
Board of Trustees**

Let me begin with congratulations. The Accreditation team said it observed a major boost in staff morale at Peralta and a sense of openness and cooperation. This is a remarkable turnaround for a district that too often has retreated to bunkers, nursed grudges and ex-

changed blame.

Part of this change in culture is, I hope, due to the leadership of the Board, Chancellor Harris and faculty and staff. Part of the change is surely due to the teamwork necessary to pass accreditation muster. But most of all, I think it was due to our quest for a strategic plan. In a desire to serve our students wisely and function efficiently, we have begun to examine ambitions, evaluate strengths and weaknesses, opportunities and challenges, and decide how best to buckle up together for the long ride into an uncertain and threatening future.

I have no illusions. There are many critics of the strategic plan, and many concerns about the vagueness of its lofty aspirations. To argue against the master plan at this early stage is like debating a book based exclusively on its table of contents. It is up to us now to write the chapters for the goals.

Strategic planning is no luxury, it is absolutely essential for our financial survival. Our productivity is low and our overhead is staggering. Compared with other districts, we should serve 25,000 to 30,000 FTES, but today we hover below 18,000 and seem to be stuck there, trapped between low productivity and the 50% ceiling. Because we have four colleges with all the overhead that implies, and overlapping service areas and competitive programs, we are in danger of stagnation or even worse.

Again, what is the value of a master plan? Now some of you may remember that three years ago, The McIntyre study, which Peralta commissioned raised the prospect of closing one or more of our colleges to remain solvent if we didn't act. But nothing happened. Why? Because we had no common vision, no overarching understanding of challenges and consequences, no measurable collective goals and nobody in charge of inspiring us to work together—in brief we had no strategic plan. It was a shelf document. It failed because we had no plan in place to show the interlocking pieces of a grand strategy for long-term institutional success.

This is a new beginning for the Peralta Colleges. I am convinced that if we take strategic planning seriously, we can turn Peralta into a model for the State. Expectations are rising – it's time to stand and deliver.



Chancellor Elihu M. Harris

We have been engaged in this process of communicating, and more importantly building trust. It is important for people to start to believe that in fact we can work together, we can communicate, and we can certainly be collaborative.

We are looking at some very, very daunting problems. We are certainly looking at the changing demographics of our District. The population, age, and certainly the quality, and the development of education that many of our students come to our District with have changed. Peralta was set-up in large part to be a transfer institution. Now, how are we are going to have people work-force-ready?

We have an increasing immigrant population, in need of ESL skills. We have embraced that, and we are going to look at how we can do that more creatively, both in terms of our teaching program, but also in terms of our outreach.

We need to look at our educational program and make sure that our focus is on creating a workforce program, vocational program that will lead to productive jobs and livable wages, not simply for people who want hobbies, or people who are in fact, or are simply looking for life-long learning, but really trying to make sure that we are relevant to a population of students and potential students, who really are looking for a means of feeding themselves and their family, and improving the quality of their lives.

We live in a knowledge-based economy, and that means that even in the vocational area, we need to make sure that we have people with the ability to think analytically, to learn and grow as the changing technology, and changing workforce demands might indicate.

So we have begun the steps forward in the strategic plan. We're working on implementation - and we are already seeing the benefits. We had a meeting recently where the Academic Senate members came together with Deans and Vice-presidents to talk about scheduling. We are setting up the mechanism and the structures to make sure there is a continued dialogue and communication between the District and the colleges.

We are looking at being performance driven both in our management, as well as in our faculty and staff, so that we can in fact know what we are about, know that we have strategies by which we are to achieve those given goals. And even though there is certainly a large gap between setting goals and developing strategies and actually achieving them, we, in fact, know that this is the task that is required of us.

The last thing I want to talk about is the real basic issue of structure. We are structured as a four-college district. But that structure, in fact, is not currently logical given our current FTES. We have to be more productive. We've got to find a way to define how we're going to operate. We need to look at how we work efficiently, how we work effectively with limited resources, and with a structure that, again, anticipated both a different kind of a district, and, certainly, different growth dynamics and data we are currently facing.

So, there are many challenges - and we are looking for answers.



Joseph Bielanski, President, District Academic Senate

As we know, in Spring 2003, our four colleges and the District, were visited by peer review teams from the Accrediting Commission for California Community Colleges, and one of the major recommendations given to the District as a whole, was the requirement that we engage in integrated planning - that it be strategic and that human resources, financial resources, technological resources, and physical resource planning be based on educational master planning coming from the four colleges.

In fact, the District was reminded that this very same recommendation had been given in response to the self-study six years prior. In reality, this is a recommendation that has been on the table for almost 12 years.

For some reason, using Malcolm Gladwell's terminology in *The Tipping Point*, we were real "laggards" - in effect for a long time we said that we saw no reason to change; things were just fine the way we were doing them; what's their problem.

When the commission decided to warn us about being "laggards," we got serious and some "early adopters" stepped up, saw the seriousness of the recommendation, and began to address the recommendation.

So we entered Phase I of responding to the recommendation and engaging in strategic planning. In June 2005, the Board agreed to an external facilitator, MIG, and we launched Phase II of seriously "buckling down" to the task, and the impending cultural shift to a new way of doing business - planning with strategic objectives and measurable outcomes.

In August 2006, we entered Phase III of the process with the formation of the Strategic Management Team (SMT). This group became the point persons for the planning process. SMT took on the needed responsibility and accountability for the planning process. During this time various initiatives were begun- the VPs of Student Services began addressing Retention and Persistence data with a goal of setting benchmarks to increase retention and persistence and involving both instructional and counseling faculty. The Committee for Strategic Educational Planning was formed in an effort to look at drafting district-wide processes such as scheduling to eliminate competition as much as possible; to create procedures for program readjustment and realignment in keeping with Board Policy 5.11 and Ed Code requirements; and to document the process for needed dialogue in addressing potential new programs in which the colleges should be investing. The committee and the campus communities look forward to the environmental scan report that Chuck McIntyre currently is preparing.

Further, faculty at our four campuses are currently engaged in program review using a new review process and these reviews will be used in developing unit plans which then will emerge as a master plan. Programs will address best practices, needed changes, resource needs, and the process for student learning outcomes-assessment and evaluation.

This particular piece (program review and unit planning), for me, is key to our moving forward. The only way to make integrated strategic planning "stick" is to move from the "seasonal effect" of planning wherein we write a document and shelve it, to the stickiness factor wherein the only way to make things happen is through the planning process.

In my opinion, we currently are at the make or break point of whether we will tip the organizational culture to agreed upon cultural change, or whether we will say, "Look at what we have done" and stop. It's like the question a member of the accreditation team asked, "What's to ensure that you will continue the planning process to full implementation when this team goes home?"

One answer - because we start accreditation self-study this fall; another answer, because we made a decision and a commitment and there is no going back.



Frequently Asked Questions

How do we know the strategic planning process is working?

There are several indicators that we have had success in establishing a "living" strategic planning process:

- There is structure for decision-making and coordination: We have several ongoing structures to maintain attention to strategic issues: The Strategic Management Team (SMT) meets every two weeks; the Strategic Planning and Policy Advisory Committee (SPPAC) brings together two key district wide committees (the steering committee and CPAC) and meets monthly; and the ad hoc Committee for Strategic Educational Planning (CSEP). We have also presented on strategic planning at the last two August flex days.
- There is the documentary body of evidence: The Peralta web site has minutes from the above meetings, and various intermediate and final planning documents.
- The strategic plan is referenced in decision-making: During discussions of Measure A, there has been a consistent statement by the Board that after addressing pressing life/safety issues, funding is to be driven by the educational master plan and strategic planning.
- A senior manager has been identified to coordinate and ensure that process is ongoing and credible: The General Counsel has been given responsibility to coordinate and support the strategic planning process. Coincidentally, the state-wide strategic planning process is also coordinated by the General Counsel for the State Chancellor's Office.
- The district has dedicated resources at critical junctures of the planning process: The District has retained Chuck McIntyre, Moore Iacofano Goltsman, Inc., (MIG), and the Wilfred Jarvis Institute (Minh Le) to support various aspects of the strategic planning process. The District is also in the process of selecting a facilities master planner.

How will the strategic planning process drive resource allocation?

The most important step in linking planning to resources is to update each of the colleges' educational master plans and identify the required supporting resources. The educational master plans will set overall programmatic directions for the next 5-10 years, and identify the staffing, training, facilities, information technology, marketing and fiscal resources needed to build quality programs. The educational master plans will form the foundational investment plan for each college and the District as a whole. All requests for staffing, professional development, equipment or any other resources will be justified against the educational master plans.

There is a task force being led by Dr. George Herring to develop specific processes and procedures for ensuring that the educational master plans and the strategic plan are used to drive resource allocation.

The Process

As the Peralta Colleges update their master plans, we will look at inter-college processes and organizational options that better align to community needs and fiscal realities. We will be asking tough questions and engaging the College community in ongoing conversations about the future.

At the end of the day, the Board of Trustees will weigh options and the views of the Chancellor, internal constituencies, and members of the public. The result will be a Strategic Plan that anticipates the needs of the future and delivers world-class education and services to the community.

We Want Your Feedback! Send Chancellor Harris your questions and thoughts with an email to StrategicPlanning@peralta.edu