



Australian
National
University

ANU Planning and Performance Framework

Integrating planning and budgeting
2022–27

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Why a Planning and Performance Framework

The *ANU Planning and Performance Framework* coordinates and streamlines activities related to the achievement of strategic and operational plans. The integrated framework of planning, budget, reporting and evaluation ensures accountability and supports the University's aims to promote a culture of innovation and improvement. Through effective accountability, the ANU will meet its important national obligations and be better able to achieve its academic mission.

This framework for planning, budgeting, monitoring and evaluating provides clarity as to how the University's priorities of [ANU Strategic Plan 2025](#) (*ANU by 2025*) will be delivered within colleges and portfolios. It also outlines a rationale for the integration of planning and budgeting; the approach to integration; the design principles adopted; the resources required; and the activity for monitoring progress towards targets.

The framework connects activities led by a number of different central divisions to minimise the demands on colleges and portfolios undertaking a range of similar task for multiple purposes. The standard planning template used across the University facilitates a standardised procedure and format of data that will readily translate into proposed budgets and systems.

The framework was developed to be user-friendly and transparent and to be applied internally to coordinate a range of activities and, as well as externally, to illustrate the University's commitment to quality assurance in planning, budget management, evaluation and reporting.

With the implementation of *ANU by 2025* underway it is necessary to demonstrate that the University continues to achieve excellent outcomes and that its processes are exemplary, fair and transparent. Overall, the aim is to provide University Council, the Vice-Chancellor, University Executive, Deans and senior managers with systematic feedback on the performance of the initiatives for which they are responsible and accountable as well as promoting a culture of rigorous self-analysis and review. From this, continuous improvement initiatives are able to be identified and implemented.

The Chief Operating Officer (COO) is the sponsor of the *ANU Planning and Performance Framework*, which is managed by the Director, Planning and Service Performance with support from the Chief Finance Officer (CFO) and college general managers to ensure consistency of approach and connection across the critical activities.

The framework represents a paradigm shift away from a fragmented approach in which previous planning conversations occurred - disconnected from each other - to that of a more connected, contiguous, underpinning planning process that is embedded in, rather than appended to 'business as usual' or core activities. It is recognised that the full implementation of the framework towards a mature process of planning and performance will not be fully realised until 3-5 years post-initiation (March 2022).

Background

In 2021, the Planning and Service Performance (PSP) and Finance and Business Services (FBS) divisions began co-leading the development of an integrated planning and budgeting project. This work was undertaken in parallel with ANU embarking on its inaugural VC Planning Dialogues, thereby ensuring a top down and bottom-up approach to planning and budgeting across the University.

It was timely to consider the best approach to planning, budget, reporting and evaluation that ensures a meaningful and inter-connected process for 2023 and beyond. It was recognised that in 2022 the University may need to retain some past practices with a view to developing short-term improvements, with full implementation in 2023.

Contemporary planning in Higher Education

In an increasingly competitive higher education sector, traditional education and educational institutions are being challenged by new ways of learning and new education providers from the corporate and private sectors. Organisations such as Google, Amazon and LinkedIn are offering non-traditional, credentials and/or degrees (through partnerships with universities) to professionals at all stages of their careers. This non-traditional educational model is characterised by real-time learning, short self-managed modules, exemplary service and infrastructure, curated course selections and customised learning timeframes (i.e. available 24/7).

Similarly, universities are broadening their educational offerings beyond award degrees and evolving their service models to offer unique and personalised experiences, both academically and socially. Achieving this requires a coordinated approach to aligning strategic objectives with operational plans and resourcing these effectively.

Planning in higher education is broadening from a siloed, annual activity to an approach that supports the whole enterprise, which in turn requires multiple parameters to be considered simultaneously. The lists below captures some of the traditional and nascent aspects of planning that characterise the changing landscape in higher education.

Traditional higher education parameters

- Supplier driven courses
- Internal performance review
- Operational planning
- Lag reporting
- Admissions management

- Standardised student service
- Teaching objectives
- Research output
- On campus/face to face teaching
- Spend to budget
- Course load
- Physical infrastructure
- Individual KPIs

Nascent higher education parameters

- Demand driven courses
- External comparisons
- Strategic and business planning
- Real-time reporting
- Profile planning and student selection strategies
- Self-serve and personalised service
- Learning outcomes, graduate employability
- Research quality and impact
- Online teaching and learning
- Focus on margin
- Student and staff profile
- Virtual infrastructure
- Shared KPIs

This requires a planning and performance framework that aligns strategic objectives and resources to ensure the successful delivery of outcomes in teaching, research, student and engagement portfolios, which are supported by quality staff and the appropriate infrastructure.

Developing a considered and interconnected university-wide planning, implementation, monitoring and enhancement cycle provides an important component of the University's quality assurance framework and enables a holistic approach to delivering the strategic and operational goals of the organisation.

This best practice approach to planning and budgeting needs to support the distinct nature and characteristics of the ANU. By engaging in more effective planning conversations and

processes, the ANU can increase its differentiation from its competitors and deliver outcomes that are distinctly ANU.

Elements of the Planning and Performance Framework

This framework describes the proposed annual cycle of planning, budgeting, evaluating and reporting for the ANU. It is through this process that the University will plan and assess the goals articulated in *ANU by 2025*, and acquit its responsibilities and make transparent the accountabilities embedded in the strategic plan. The framework also supports the ANU to adhere to proper processes for governance and management, and ensures it meets its obligations to senior governance bodies, and leadership and management groups.

The *ANU Planning and Performance Framework* provides a consistent approach and minimises duplication, strengthens integrating resourcing and enhances a shared understanding of priorities. The approach seeks to find an optimal balance between planning, performance monitoring and improvement. As with all changes, the envisaged improvements will not be achieved instantly but will evolve and improve as the cycle is embedded.

The annual cycle of the framework is designed to ensure that at all levels - University-wide, Colleges and Portfolios - the University's strategic objectives are addressed and achieved in a cost-effective and coordinated manner. To do this successfully, university, portfolio and college planning for research, teaching, students, staff, capital works and enabling services must be aligned and reflected in all plans and budgets.

The University's budget should clearly support the framework and be clear as to when activities will be delivered, by whom and at what cost.

The proposed timeline integrates planning, budgeting, monitoring and evaluation across:

- student load profile (EFTSL as well as diversity and equity)
- teaching and learning
- research
- engagement
- workforce
- capital investment
- resource allocation

Figure 1 below summarises the key elements of the *ANU Planning Cycle*. The diagram is provided as a conceptual guide to illustrate the connections between planning, budgeting and performance reporting review. A larger diagram is available at Appendix 1.

There are a number of other activities that may be undertaken locally that are adjunct to this cycle. However, the diagram provides a high-level view of how the University will systematically undertake and sequence processes at college and portfolio levels to achieve the aspirations of *ANU by 2025*. This allows colleges and portfolio leadership to align local activities effectively.

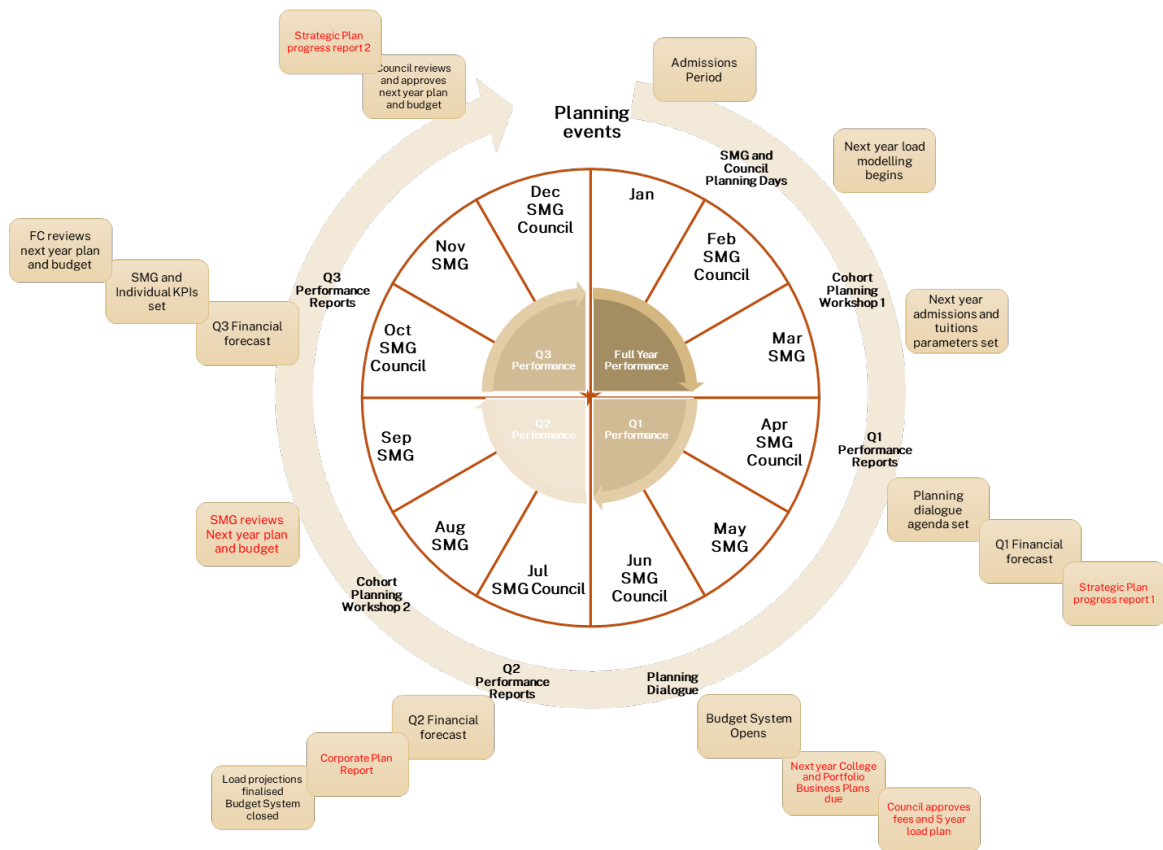


Figure 1: The ANU Planning Cycle (See Appendix A for larger image)

VC Planning Dialogues

The VC Planning Dialogues establishes the integration points of plans and budgets. Developing a process that explicitly links load modelling, student profile, workforce planning, capital planning, research and teaching plans with a budget is critical for the effective overall governance and management at the ANU. The Dialogues provide an opportunity for the VC's leadership team and college executives to share views on priorities, plans and allocating resources.

Student Cohort Modelling Workshops (1 and 2)

The workshops facilitate early discussions on the student profile for the year, with participation from central divisions and colleges.

- **Student Cohort Modelling Workshop One** (April, post-semester 1 census date) to enable a review of the previous year's actuals and assess the likelihood of achieving student load targets for the year, plus consideration of admission targets for the forthcoming year.
- **Student Cohort Modelling Workshop Two** (September, post-semester 2 census) to begin profile planning for the forward years within the 5-Year Load Plans. This workshop reviews actuals and involve admissions, marketing, international, PSP, FBS, and colleges to assess the current student profile, emerging issues effecting intakes, conversion planning and strategies to prepare for the forward years ahead. The workshop is critical in the planning cycle as it draws the link between student load, diversity and revenue. It is essential to ensure an appropriate lead time to develop strategies regarding growing our load back to 19,200, cohort dimensions and sustainability in acknowledging that student tuition fees are a significant part the University's revenue. These discussions

are pivotal to the development of a meaningful plan and budget for the VC Planning Dialogues, Senior Management Group (SMG) and Council.

Quarterly Performance Reporting on ANU 2025

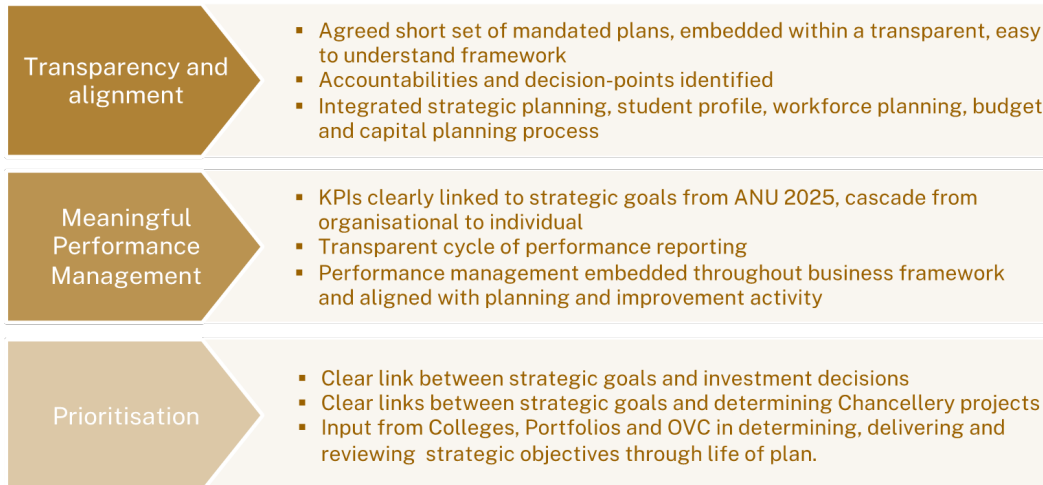
Systematic reporting schedule for SMG, which then informs Council reporting, is an important part of closing the loop in the planning cycle. The KPIs for *ANU by 2025* and Corporate Plan underpin the reporting framework. While some indicators may only change annually and may be lag indicators (i.e. QILT surveys, research income) it is important to establish a discipline around regular reporting and reviewing progress to date.

SMG Planning and Budget Meeting

While the Finance Committee and Council are the key governance bodies for the University budget, it is also important to ensure the broad support of SMG in recognition of its important function as the leadership group of the ANU. The Framework proposes an annual Planning and Budget Meeting with SMG, towards signing-off the University plans (including those of colleges) and the University budget, prior to going to the Finance Committee and Council. This meeting also provides opportunity for the submission of business cases for resource bids for projects led by colleges or portfolios, which have been canvassed in the VC Dialogue and college/portfolio plans, should resourcing be available for this.

Design principles

The figure below provides a summary of the design principles that underpin the *ANU Planning and Performance Framework*.



University-wide planning and alignment

The Vice-Chancellor leads the development of the University strategy and champions the discussion of strategic goals and new initiatives with the University community, leaders and stakeholders. Major refinements of the strategic direction are undertaken approximately every three to five years; the current iteration of the University's ongoing strategic discussion is *ANU by 2025*, covering the period until then end of 2025. Complementary (*Pillar Plans*) have been developed by the Pillar leads to set more specific direction within their respective domains for this period.

Planning in a large and federated organisation such as the ANU needs to involve both top-down and bottom-up engagement. Goals, objectives and targets for the Pillar activities of Student

Experience, Research Excellence, National Responsibilities, and Equity and Inclusivity need to be well aligned to college and portfolio goals and targets, and supported and resourced through a plan-led budget.

Table 1: Planning and Performance Framework's key components

<i>Document</i>	<i>Components</i>	<i>Purpose and scope</i>	<i>Audience</i>	<i>Timeline</i>
<i>ANU 2025</i>		The strategic vision that outlines the University mission 2025.	External and internal Summarises core aspirations for students, teaching, research and staff.	2021–2025
<i>Corporate Plan</i>	Purposes, key activities, operating context and KPIs	Outlines the University's purpose, key activities, operating context and performance measurement over a four-year period.	External Council Management and senior staff	2022–2025
<i>University-wide plans</i>	<ul style="list-style-type: none"> • Education • Research • Services Performance Framework • Digital Masterplan • International Strategy • Reimagine Transform 	Assists internal stakeholders – inform and align with divisions; integrate university-wide services; ensure alignment of resources with the University's operational goals	Council Internal management	2022–2025
<i>College and portfolio plans</i>	12 budget divisions (7 colleges and 5 portfolios)	Divisions' core planning document that sets future directions and priorities, and the means by which these are to be achieved. Basis on which the annual budget of each division is agreed.	University management Division and sub-units	Annual Plan 5-year strategic intent
<i>University budget</i>	University, college and portfolio budgets	The budget quantifies the priority decisions that are made about the use of limited resources to achieve University goals and targets. Outlines principles and policies	Council Finance Committee University and college / portfolio	5-Year budget at the University level Annual allocation at the

<i>Document</i>	<i>Components</i>	<i>Purpose and scope</i>	<i>Audience</i>	<i>Timeline</i>
		incorporated in the budget model.		college level with a four-year forecast
<i>Individual senior executive accountabilities</i>	Individual KPIs from SMG cascading to all staff.	Annual key performance indicators (KPIs) that reflect the University and divisional 2022–25 targets.		
<i>Workforce / talent plans</i>	Supporting workforce or talent plans	To support achievement of strategic intent and deployment of resourcing aligned with goals	College and portfolio executives	5-year, revised annually

Process

The COO Portfolio, through the [Director Planning and Service Performance](#), is responsible for coordinating the annual planning cycle.

Leadership Conference

The ANU Leadership Conference, comprising the SMG and heads of schools, is to be scheduled early in the year to precede the Council Planning Day. The conference provides the opportunity for those accountable for delivering on the strategic and operational priorities of the University to debate and discuss challenges and opportunities.

The conference provide a forum for priorities and goals to pivot in response to changing circumstances while preserving the underlying strategic continuity articulated in *ANU by 2025*.

Council Planning Day

A Council Planning Day is held in February to ensure the University's strategic direction, as articulated in *ANU by 2025*, is reviewed and, if necessary, fine-tuned to address internal and external opportunities and threats.

Annual Planning Retreats

The University undertakes annual planning retreats in February of each year to establish the context in which detailed college and portfolio planning can take place in the second quarter via the VC's Planning Dialogues with colleges and portfolios.

Deputy Vice-Chancellors' Performance Reviews

In preparation for the VC Dialogues, the Deputy Vice-Chancellors may undertake performance reviews and strategic discussions with colleges and schools related to the DVC's area of accountability during the first quarter of the year, in alignment with Performance and Development Review processes. This is also the opportunity for the Academic Board to provide advice on standards and other academic matters.

Vice-Chancellor Planning Dialogues (VC's Planning Dialogues)

The Vice-Chancellor conducts an annual strategy and performance review meeting in May with each college and portfolio to discuss the proposed plans of the colleges and portfolios and the prior year's performance. The dialogues cover all aspects of the University's activities in relation to staff, students, teaching, research, engagement, capital works, strategic direction and the financial outlook.

College and portfolio planning

The college/portfolio plans provide the future directions and priorities over a rolling three to five year horizon and the means by which these will be achieved. These plans, which may have minor annual updates, are the basis on which the annual budget of each college/portfolio is developed. The plans are informed by the parameters set in the University's Strategic Plan and Corporate Plan and represent the college/portfolio contribution to the University's objectives.

School planning

Accountability for planning within colleges resides with Deans and general managers. To ensure continuity and a clear line of sight, where possible colleges could adopt the same framework and approach to college-led planning as that used in the VC Planning Dialogues. The template developed for the VC's Planning Dialogues is provided to colleges for use to cascade University-level goals to colleges and schools where appropriate. However, the unique function of some schools, research centres and affiliates may not suit this approach.

As part of the University's academic quality assurance program, schools will be reviewed at least once every five years as stipulated in the University's Academic School or Department Accreditation Policy. While these operate as separate external reviews, undertaking an annual school planning exercise will assist with the preparation of strategies and resource profiles in advance and alleviate pressure on the review process.

Accountability and improvement

Performance monitoring and reporting

Good governance and management require both external reporting to government bodies and internal monitoring of performance against plans and budgets, as well as compliance with University policy. Effective decision-making requires timely information on the current year's performance as well as considering comparative trend information. Performance monitoring and reporting can be articulated across the following groups:

- external reporting: such as the ANU Annual Report, Commonwealth requirements (PSB, Compact, NPLIF)
- internal governance and management reporting: such as performance reporting on internally agreed KPIs against *ANU by 2025*, Corporate Plan and plans
- transactional reporting: such as administrative number of payments made on invoice without a purchase order

The Planning and Performance Framework focuses on internal governance and management performance reporting to Council and SMG in the form of quarterly reporting against the University's Strategic Plan and college/portfolio plans. The framework's reporting regime, draws on college and portfolio input to develop a consolidated University report, while noting some data may only change annually and be lagged - for example, the suite of QILT student surveys.

This includes a visual representation of progress against financial and non-financial targets in the form of a scorecard with a diagnostic narrative provided where required, for example, a downward or below expected trend. The following figure illustrates a scorecard with dummy data.

SAMPLE- Quarterly Reporting Format (NB dummy data only)

University - ANU 2025 Strategy						
Strategic Priorities	Measure	2019 Baseline	2020 Actual	2021 Actual	Trend	2025 Target
The Student Experience						
High quality learning and teaching	UG - Good Teaching Rating - Go8 Rank	5	4	3	↘	1
	UG - Overall Satisfaction - Go8 Rank	3	4	5	↗	1
	PG - Good Teaching Rating - Go8 Rank	1	3	4	↗	1
	PG - Overall Satisfaction - Go8 Rank	1	2	3	↗	1
	Increase MOOCs student satisfaction ratings	85%	95%	98%	↗	95%
Student Experience	Increase the number of UG students participating in an international experience to 25%	15%	17%	20%	↗	25%
Career outcomes	Lead the Go8 in Positive Graduate Outcomes for undergraduate and postgraduate students ¹	1	1	1	↔	1
		5	4	3	↘	1
Equity	Maintain at least 25% of UG students admitted on equity grounds	40%	39%	35%	↘	25%
Research Excellence						
Research Focus and Scale	By 2025 to be consistently among the Top 40 in the ARWU rankings	44	44	44	↔	40
	By 2025 to be consistently among the Top 25 in the THE rankings	33	33	33	↔	25
Research Quality and Performance Culture	Increase the number of HIC1 authors by 20%	11	12	13	↗	14
	Increase the score in Nature and Science	27	25	23	↘	29
	Increase the number of publications (WoS indexed)	6000	6180	6500	↗	7700
	Increase overall annual research income by at least 50% (\$M baseline 2017-2021 average)	\$374	\$412	\$420	↗	\$561
Research Collaboration, Partnerships & Impact	Double annual Cat 2-4 income (\$M baseline 2011-2013 average)	\$163	\$192	\$198	↗	\$320
Future Researchers	Improve RHD completion rate to 75%	65%	65%	65%	↔	75%
Engagement						
International Engagement	Improvement of the University's reputation in the Asia Pacific region and internationally - Teaching Reputation THE	59	65	68	↗	70
	Improvement of the University's reputation in the Asia Pacific region and internationally - Research Reputation THE	60	70	71	↗	70
Alumni and Supporters	Achieve the 2021 annual Campaign target	\$400	\$514	\$600	↗	\$1,000
	Increase the number of alumni actively engaged with the university	50,000	56,181	60,214	↗	100,000

The successful implementation of the framework will also require the availability of good data. It is recognised that the University may not, in its current state, have all the required data available. However, it is important to identify the data the University needs so that work can commence to start collating the data as we become a more mature data-driven organisation. It is important to note that to effect implementation system of such reporting and process enhancements will likely be required to make data collection and analysis reliable, possible and practical.

Strategic risk monitoring

The annual performance reviews focus on the extent to which objectives and targets are being met within the context of the approved budget and in alignment with ANU 2025. The reviews combine strategic and operational aspects and feed into the planning process for the following year. Managing risks across all levels of the University's activities is also an integral part of the framework. A risk assessment could be completed as part of the College/Portfolio planning process, however it may be desirable to keep this activity separate.

The table below reflects the critical risk monitoring activities for the senior executive:

Table 2: Strategic risk monitoring activities

Title	Review Focus	Timing	Responsibility
Vice-Chancellor Planning Dialogue	Colleges and portfolios	Q2	Vice-Chancellor
Research; Teaching and Learning; Equity and Diversity and Student/University Experience	Portfolios	Q2	DVC (Research and Innovation) DVC (Academic)

			DVC (Student and University Experience)
Risk review		Quarterly	ANU Audit and Risk Committee
Performance development and KPIs	Senior executives Vice-Chancellor	Q1	Vice-Chancellor Chancellor
Performance and development review	All staff	Annual	Line manager



Appendix A: The ANU Planning Cycle

