

DELAWARE VALLEY UNIVERSITY EMBRACES BLUE OCEAN STRATEGY®



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Higher education is an old, established system facing a fast-changing market space — not a good mix. If you are in higher education in 2019, you are well aware of the challenges you are facing.

Here, demography is destiny in so many respects. All over the country, the population of high school graduates heading for small four-year colleges and universities is shrinking. We are reaching a threshold of what people will pay for a traditional college education, at the same time that families are wondering about the value of that education. Add to that ever-increasing pressure from industry for technically-trained employees, of which there are not enough.

In the U.S., at least, this is a time to re-think the place of the college or university in our society. What should traditional, lesser-known institutions of higher learning do if they are not among the top 50 in the country with major endowments and large numbers of potential student applicants? What is their role and for whom?

Perhaps they are ready for their [Blue Ocean Strategy](#).

This case study is designed to help higher ed organizations of all shapes and sizes to step back and rethink their current strategy and wonder why they are mimicking others just like them to compete for essentially the same student in virtually the same way? They are in a “bloody red ocean” and they need to make the competition irrelevant. Instead of copying what other colleges and universities are doing, they need to tackle students’ unmet needs and seek nonusers who could actually become enrolled “users,” albeit in different ways than in the past.

Delaware Valley University is doing just that. This is their Blue Ocean Story.

A New President for Changing Times

In 2016, Dr. Maria Gallo became the 13th president of Delaware Valley University. DelVal, as it is commonly called, is a university of over 2,000 undergraduate and graduate students, and 1,000 continuing education students of all ages. Located in Bucks County, PA, 30 miles north of Philadelphia, DelVal knew it would be facing a challenging time for traditional student recruitment. The number of students graduating from high school across the country was shrinking, and the competition for traditional college students was intensifying, particularly in the Northeast. No longer could a unique college survive with a strategy of “more of the same but better.”

Dr. Gallo and her chief strategist, Roy Ortman, knew they needed a new strategy to take DelVal into the future. But what?

Perhaps a Blue Ocean Strategy (BOS) would offer an approach that could help DelVal find a way forward that could, in fact, open a new market space for them so they could not just survive but thrive.

DelVal’s History

DelVal was founded in 1896 by Rabbi Joseph Krauskopf, an activist rabbi who was a tireless advocate for social justice. He purchased a 100-acre farm in Doylestown, PA, arranged for the construction of a small classroom building, employed a faculty of two and enrolled six students. With this modest start, the National Farm School (now Delaware Valley University) came into being, providing a three-year program combining academics and work experience.

Tellingly, one of Rabbi Krauskopf’s core values was to teach through practice. In keeping with his motto of “science with practice,” students helped run the farm, grow their own food and study.

Today, DelVal still embraces this combination of theoretical and applied approaches to learning. The challenge facing Dr. Gallo and her team was how to sustain the University's growth while supporting its mission, building on its vision and delivering on its promise.

DelVal's climb was challenging when its leaders examined several characteristics, namely:

- A reputation built mostly on its agricultural science legacy.
- The number of competing four-year universities of its size and scope.
- The demographics of the region from which it draws its students.

On the other hand, DelVal was growing and delivering exceptional results, namely:

- Significant growth and expansion of graduate programs over a five-year period.
- Signature animal science-related programs in which 65% of its students were enrolled. Its agricultural facilities also had additional acreage for expansion.
- A beautiful and safe campus close to Philadelphia, with train service to that city.
- An excellent faculty.
- A national award-winning experiential education program (Experience360) in which 100% of undergraduates complete an internship or other experiential learning opportunity.
- A new life sciences facility with excellent STEM programs and a large student body coming to DelVal for STEM courses.
- More than 92% of its graduates obtained jobs or are attending graduate school within six months of leaving the University.
- A stellar reputation among employers, many in the life-sciences, where their students were employed.

While much was going well, there was a need to step back and think about DelVal's strategy with a fresh perspective. How did all of its many assets tie together into a story that would carry it forward for the next phase of its development? Most importantly, could a new

strategy help differentiate DelVal from the rest and create a destination university that would draw a student base from across the country, perhaps even the globe?

Could a Blue Ocean Strategy work for DelVal?

Dr. Gallo and Roy Ortman found our firm, [Simon Associates Management Consultants](#), through a Google search. We have been Blue Ocean Strategists since 2006 when we met Renée Mauborgne, the co-author of the blockbuster book, "[Blue Ocean Strategy](#)." We have received Blue Ocean Strategy practitioner training, have conducted over 400 BOS workshops with CEOs, and have had dozens of Blue Ocean Strategy clients in a broad range of industries.

Our award-winning book, "[On the Brink: A Fresh Lens to Take Your Business to New Heights](#)," contains several illustrative case studies on how the Blue Ocean Strategy approach helped different types of businesses create new markets and add value innovatively to capture non-users and fulfill unmet needs — the essence of a blue ocean.

In a stroke of great timing, DelVal's dean of graduate and professional studies suggested to Dr. Gallo that she read "[Blue Ocean Strategy](#)." She quickly learned that to continue to compete with other similar universities for the traditional high school graduates, a "bloody red ocean," would leave DelVal struggling to sustain enrollment as the population of traditional students declined. Its leaders needed to step back and re-think where they were going and how to get there.

As is often the case, DelVal's strategy at the time was grounded in much of the same things that were the focus of other institutions. Its tagline, "Dream, Design, Do," with its strong commitment to experiential learning, was not the problem. Finding a strategy that would allow DelVal to fulfill this promise was the challenge.

DelVal's leaders knew they had to expand their "users," or students, by improving access to the University's unique approach to learning and finding ways to provide innovative solutions beyond their current residential students and their local or regional markets.

Thus began a process to answer these key questions: What were DelVal's current students' unmet needs? How could it leverage its reputation by adding value in innovative, not incremental, ways? Who were those nonusers who were just waiting for a DelVal solution to their own challenges? How could DelVal craft the right story to build a reputation for its new, and desired, educational solutions?

The SAMC Approach to Blue Ocean Strategy in Higher Education

This is not a unique situation today, but a recurring theme among colleges and universities with which we are working. There is no one strategic approach that is right for any particular organization. Neither was there only one option for DelVal.

Rather, at SAMC we believe that the BOS process enables an institution such as DelVal to find its way forward together. It taps into (in this case) a university's talent and their experiences, offering an understandable and actionable process that everyone, from faculty and students to trustees and administrators, and even the community, can understand, act upon and embrace.

All DelVal needed was for someone to help them go through that process.

What Dr. Gallo and Roy Ortman found very compelling about Blue Ocean Strategic thinking was that the “process” was an essential part of the model. In similar ways, BOS is very much an experiential approach to strategy — much like DelVal is an experiential-education institution. In other words, it is one thing to read a book about a new strategy, but living a BOS strategic experience is essential if an organization is going to get everyone to “see things with fresh eyes.”

Here are several key assumptions regarding our Blue Ocean Strategy approach with DelVal:

- As [corporate anthropologists](#) and [business change experts](#), both of SAMC's principals, [Andrea and Andrew Simon](#), understand and teach our clients that people hate to change. Humans see things through the story they have created in their “reality.” When asked to see things and do things in new ways, people's brains often flee the new, fear the unknown and appease those asking them to be willing to change. Given a culture that is comfortable, a brain that has long-standing habits that resist change, and the inability to visualize the unknown, humans would rather sit tight and wait for the old to come back than change and create something new.
- The more engaged we can get an organization's stakeholders in a BOS process, the better they can discover the opportunities that await them. Like Rabbi Krauskopf, we believe in experiential learning. If people can “see” and hear someone talk about and experience their unmet needs, it registers as “real.” If we just tell them about it, they easily discount its relevance for them.
- There is a tendency for people to appease us from SAMC as well as their leadership, but not embrace the changes. They really don't know how to change. Nor do they

want to.

- This means that the leadership of an organization has to be deeply involved in leading the transformation, but cannot be the only ones doing so. They are the strong voice of change but ultimately, they need the entire stakeholder body to become engaged in the process. Faculty and staff, even students and trustees, can become the agents of change if leadership empowers them, educates them, embraces their ideas and enables them to lead, not resist, the new strategy and its execution plans.
- Once people begin to see what is possible, we find that they have amazing “aha” moments, recognizing that what we have been saying has relevance for them. They, then, begin to push the changes forward themselves, with better ideas, more effective innovations and exceptional results. They start to think, act and evaluate options in terms of a “blue ocean” instead of just waiting for someone to tell them what to do.

As Dr. Gallo shared with us after we had completed our BOS work together, “People began to see ‘blue’ and stopped comparing DelVal to the rest.” They got it. Now, how to act upon it.

Blue Oceans Are All About Market Creation

A Blue Ocean Strategy is designed to help an organization sustain its growth by creating a new market space, not just competing in an existing one. The core principles of BOS are to:

- Go exploring to really understand what people are trying to do, or the problems they are not solving. Look for unmet needs and listen to how they might like to solve those needs.
- Think about “non-users” who could or should be using you but aren’t. Why aren’t they and how could a different strategy enable you to attract them to your solutions?
- Make the competition irrelevant. You don’t want to be “another” solution. You want to be the “only,” or at least the “best of the rest.”
- Add value through innovation. Rather than try to just tack on some incremental improvements to what already exists now, you have to rethink solutions in better, innovative ways.

With this in mind, we began the BOS process with as much engagement as possible with DelVal's faculty, staff and students. A steering committee was created with a diverse group of faculty, staff, trustees, alumni, students and community members. More than 175 campus community members provided input to the plan. Six task forces comprised of more than 50 people developed the plan's objectives and action steps, all designed to position the new strategic plan for broad engagement, understanding and commitment to it.

How DelVal's new BOS plan was implemented:

- We met with faculty to introduce them to the core Blue Ocean Strategy concepts and to listen to their perspectives on what was great about the University and which areas needed attention. Listening is essential throughout a BOS process. People need to speak, to be heard and to have their ideas incorporated into everything that is done. They need to feel that this is *their* strategy, because it is. Unless their ideas are heard, they discredit us at SAMC, the administration and the entire BOS process.
- As anthropologists, we spent days on campus visiting classes and sitting in the cafeteria, meeting with students and faculty. We wanted to observe the kind of educational institution DelVal is, from the eyes of the students and the faculty.
- At SAMC, we are also trained [Innovation Games](#)® facilitators, so we held eight “games” sessions with groups of faculty and staff. We explained Blue Ocean Strategy and then had participants create a strategic canvas outlining DelVal's strategy as it was currently, from their perspectives. After the strategic canvases were completed, we used an Innovation Game called “Reverse Everything,” which is a safe way for people to think creatively about what could be possible if they no longer did what they do today. The ideas that bubbled forth became part of an emerging idea bank which Roy Ortman, DelVal's chief strategist, compiled.
- DelVal's steering committee played a number of roles. They were presented with the output from the eight “games” sessions and determined what was important and what was possible. They also became involved in going out into the surrounding communities to see what DelVal was ignoring.
- We went visually exploring. In Blue Ocean Strategy, this is essential to see what people are really doing. In what ways were people frustrated? Who was not using the University to solve their educational needs? Among the current students, what were their unmet needs which DelVal might address in such a way as to expand its appeal to other students who needed it but went elsewhere?

- Individuals from the steering committee (and others) decided which areas and ideas that had emerged were worth exploring more deeply. Some went out to investigate what impact DelVal could have within the healthcare sector. Others wanted to better understand home-schooled kids and what needs they and their parents might have. Some wanted to see how they could enhance DelVal’s teacher education program and make it more viable. A number of them went into the Philadelphia community to better understand what they could do to attract more students from diverse backgrounds. Focusing on agriculture, they wanted to know what was happening in urban agriculture through the entire supply chain. This was a great time to turn faculty and staff into explorers!
- They then brought back their ideas to us in small think sessions, after which we had them present their insights to the steering committee.
- Following that session, we used the Blue Ocean Strategic tool called the “Four Action Framework” which allowed us to begin to refocus DelVal’s strategy. Designed to turn ideas into actions, this tool enabled the team to think about how they would change what they were doing to refocus the old strategy, and how they might create a strategic canvas that would conceptualize the new strategy.

At this juncture, it was time for the steering committee to take charge of DelVal’s strategy and plan. While we had drafted a concept piece, they needed to frame the strategy in words that reflected their own vision of where they were now going to be heading. Dr. Gallo and Roy Ortman put into place their own process to maximize engagement among faculty and staff.

The Development of Delaware Valley University’s Blue Ocean Strategy

From Dr. Gallo and Roy Ortman’s work came a plan built around DelVal’s legacy promise to “Dream, Design, Do.”

It was not a strategy to simply outcompete other colleges for traditional students. The entire University realized that there were going to be fewer of those types of students, and that to remain focused on high school seniors was necessary but no longer sufficient to remain viable as an institution.

On the other hand, there was strong demand for a different type of education, one that prepared an individual for life-long learning through hands-on experiential educational methods. The effectiveness of “learning by doing” was clearly apparent in the success of the DelVal student, regardless of whether they were hired by a pharmaceutical company in biotech or became teachers or went into criminal justice or started careers in agriculture.

The placement rates of graduating seniors was more than 92%, and alumni and their employers knew that DelVal graduates were different and better than others coming from more traditional types of colleges.

This is how DelVal built its Blue Ocean Strategy upon “Dream, Design, Do” and how it engaged the entire institution to begin implementing it.

DelVal’s Compelling Vision and Strategy

1. Dream

Delaware Valley University will be the leader in experiential education, empowering all learners to transform the world.

This vision is built upon Delaware Valley University’s founding commitment to further knowledge with practice.

Experiential learning is in the DNA of Delaware Valley University. It is our legacy and it is our future.

At Delaware Valley University, learning never ends. Every moment presents an opportunity for all members of our community to learn, grow and succeed through experience.

Opportunity becomes reality when all learners engage, thrive and excel in relevant academic and educational programs that serve their needs and those of our workplaces and communities; when our spaces, places and technology facilitate and support experiential education; and when our University culture inspires the creativity to knit experiential education into the fabric of all we do and the collective passion to lead in this endeavor.

2. Design

As Delaware Valley University builds for the future, we will focus over the next five years on implementation with the following priorities and goals.

Advance Student Success

Our success will be realized when all students can dream, design and do — achieving their potential, learning and earning the credentials that will open doors to the future, and developing the skills which society needs, employers demand and leadership requires.

We will accomplish this by:

- Instituting a student-centered philosophy for all operations and engagement.
- Fostering students' development of academic, social, career and leadership skills.
- Modernizing facilities.
- Fostering an inclusive and welcoming community where students feel they belong and can learn and thrive.

Engage All Learners

We will expand whom we serve by offering relevant academic and educational programs for learning and enrichment across the lifespan. We will support a culture of agility and flexibility to offer innovative programs that meet a wide range of interests and needs for those ready and eager to expand their opportunities. We will engage with those who will benefit from experiencing an education, not just receiving one, particularly those who:

- Seek opportunities that help them meet their personal and career goals.
- Value personalized learning opportunities.
- Embrace collaborative and active problem-solving.

We also plan to cultivate lifetime relationships with the learners we serve.

Experiential Education

Our focus on experiential education will create a personalized approach that fully engages the individual for “learning that lasts.” Through direct “hands-on” experiences, paired with focused personal reflection, Delaware Valley University’s learning experience will always be individually created. This experience is engaging, because experiential education involves actively applying content to real life, to real problems and to real opportunities. And, this experience is lasting, because we focus on *how* to learn, not *what* to learn. At Delaware Valley University, we:

- Infuse the experiential education philosophy broadly and deeply into the curriculum and co-curricular programs.
- Create a center for excellence in teaching and learning with a focus on experiential education.
- Communicate and showcase our expertise in experiential education.

Enhance Faculty and Staff Excellence

We will champion the creative talents and energies of our faculty and staff. We will create and promote an environment of agility and flexibility by fostering a culture of continuous learning, professional development, diversity and inclusion. This will encompass:

- A professional development plan and system for all faculty and staff that accommodates both institutional and individual needs.
- A talent management system and process to maximize all employees' contribution to the institution, and achievement of their individual professional goals.
- Facilities and technology to empower employees to function collaboratively, efficiently and effectively.

Expand Community and Industry Partnerships

A great university cannot be created alone. Delaware Valley University will build partnerships and collaborations with the community, businesses and industry to strengthen our operations, open new markets and expand opportunities for our students. We will:

- Expand our partnership and community network and create opportunities to grow revenues and resources.
- Become an acknowledged resource for external audiences, strengthen the University's identity and increase awareness to improve our marketing and recruiting position.

Dynamic and Inclusive Culture

We will create an inclusive workplace culture characterized by high levels of collaboration, trust and mutual respect. Through shared work, learning, accountability and conversation about what matters most, and by living our core values, we will foster a culture that attracts and retains people who are passionate about fulfilling our mission. This means we will:

- Recruit, hire and retain a talented and diverse workforce.
- Foster an inclusive and welcoming community where employees feel they belong and can thrive.

- Create an environment characterized by teamwork and high performance unified in fulfilling the University's vision.

3. Do

From Strategy to Execution

When all is said and done, how do you convert a Blue Ocean Strategy into effective implementation? One of the most exciting parts of our work with Delaware Valley University was the type of culture that Dr. Gallo and her team wanted to create. This was not a “top-down” strategy where others had to determine what the strategy was and how they were supposed to “live it.”

Rather, Dr. Gallo believed that when compared with the business world, colleges and universities have different types of organizational models. They do not produce products or services. They educate and transform lives. Yes, DelVal's mission required a new strategy, but it had to emerge from the faculty and the staff, and even from the students.

It was this philosophical perspective that is driving the implementation of DelVal's Blue Ocean Strategy.

What makes the difference is a talented faculty and staff with a compelling vision and a legacy to protect and capitalize upon. If Dr. Gallo could engage this talent in redefining DelVal's strategy and making it happen, the strategy, along with the faculty, staff and students, would lead the institution forward. In addition, the strategy would transform the University into a highly creative culture that would continue to seek innovative ways to deliver educational excellence through “doing.”

This set of values in the hands of an empowered, engaged institution is leading to an implementation process that, within the first six months, is making great strides forward.

Results:

Reflecting the need for bottom-up change, cross-campus working groups are being formed to address the new strategic plan's many action items. Going forward, the activities and outcomes of these working groups will be synchronized by an implementation coordinator and monitored by the executive team.

Seeking to engage nonusers, the University launched a market-research initiative to gauge interest in a variety of potential undergraduate and graduate programs, and it engaged a local healthcare system in a partnership. New graduate programs in education and criminal justice will launch in the fall of 2019, and new programs in healthcare administration and agribusiness will follow in the fall of 2020.

In addition, Kids U!, DelVal's popular children's camp program, is expanding its offerings to Saturdays. And its Center for Learning in Retirement is expanding its programs into the summer. Also, further strategic initiatives are being implemented to build upon recent increases in fall-to-spring and fall-to-fall retention that will lead to improved four- and six-year graduation rates.

Finally, in an effort to better support student success, the University is re-aligning and coordinating the functions of several offices in order to more intentionally support every student to thrive academically, socially, personally and professionally. The new Aggie Care Team is but one such example.

A key point to be stressed here is that all of these initiatives got off the ground in just several months. At SAMC we find that incredible, and are excited that Dr. Gallo and DelVal have embraced Blue Ocean Strategy so strongly. We can't wait to see it continue to strengthen the University and benefit all of its learners in the years to come.

Higher Ed Is “On the Brink” of Big Blue Oceans

This Delaware Valley University case study comes at a time when higher education across the U.S. is facing many of the same challenges. Although the tendency is simply to try more of what is well-known, it cannot be ignored that the times, they are a'changing. This requires institutions to move faster, become better at testing ideas and evaluating results, and change how they see themselves and their roles in the lives of those they serve.

It is one thing to preach agility and flexibility. It is another to provide a way for people to actually “see things with fresh eyes,” which is the greatest value of the Blue Ocean Strategy process. The very foundation of an anthropological approach is to step out and look inside, as if you are not part of the institution itself but an educated observer.

Blue Ocean Strategic thinking is well-grounded in the same belief — namely, that you cannot imagine what is happening all around you. You must go visually exploring and give your eyes new things to see. You must listen differently. You must fight the tendency to fit the stories into your box. You must listen in order to capture new stories and share them.

Now more than ever, it is a time for adding value innovatively, not incrementally. And, it is a time to rethink the talent that is all around you. Faculty, staff, trustees, students and your community are all there with great ideas. They just need a way to tell you their stories and for you to listen to their needs.

The goal of Blue Ocean Strategy is for you to become a mirror where the inside and the outside reflect each other. When that happens, you will be amazed at what you can create that can lead you forward into a blue ocean.



About the Authors

At [Simon Associates Management Consultants](#), we specialize in helping companies discover innovative ways to “see, feel and think” about their business. As [culture change experts](#) and trained practitioners in [Blue Ocean Strategy®](#), we teach organizations how to [adapt to change](#) by applying the tools, methods and principles of [corporate anthropology](#). [Contact us](#) to schedule a consultation to find out how we might help your organization drive change, overcome challenges and reach your potential for success.

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