The ISM X and the Fourth Iteration of the Stability Markers

The ISM X™ (illustrated on the next page) is a geometrical arrangement of the ISM Stability Markers™ that comprise the Fourth Iteration. The ISM X shows how the 18 Stability Markers relate to each other and how they combine to produce two critical outcome variables—(1) the interrelation of cash reserves, debt, endowment; and (2) enrollment demand in excess of supply. As School Head, you may wish to become conversant with this teaching tool as a means of communicating more effectively your school’s efforts to position itself strategically in your marketplace.

The Stability Markers along the base of the X are unchanged (from the Third Iteration) in their relative positions. These components together make up the ingredients in a sound strategic plan, including:

- professional growth and development funding;
- the mission-related quality of your facilities;
- the breadth of your employee benefits package;
- the competitiveness of your faculty salaries;
- the percent coverage of your operations expense with hard income;
- the existence of a master property/facilities plan;
- the quality of your Trustee education plan;
- the consistency of your major donor cultivation program;
- the existence of an updated Board profile; and
- the characteristics of Development Office management.

The center of the base focuses on:

- the characteristics of your Board’s leadership;
- the extent to which your Board operates as a strategic entity; and
- the emphasis your Board places on strategic planning/strategic financial planning.

Just below the base and to the right is the first outcome variable (and the Number One ranking Stability Marker), a formulaic mix of cash reserves, low or no debt service, and endowment.

The center of the graph comprises the leadership qualities demonstrated by you, the School Head, as viewed through the eyes of your employees. (This includes the list of leadership characteristics as developed in ISM leadership research and as shown in the ISM Leadership Survey.) Variables that are primarily quantitative—coming up from the base of the ISM X—are translated into variables at the top of the ISM X, variables that are primarily qualitative.

These variables at the top of the ISM X are shown in two interrelated rectangles and one outcome variable. The most critical causative variable is labeled “Healthy School Culture.” In the Fourth Iteration of the ISM Stability Markers, this is measured by two instruments—the Faculty Culture Profile II and the Student Experience Profile II. Developed through a quarter-century of ISM research, these two instruments measure the qualities that fundamentally determine student performance, student satisfaction, and student enthusiasm. In a profound sense, the Stability Markers forming the ISM X base, coupled with the School Head’s leadership qualities, provide the conditions necessary for your faculty and students to deliver and experience the mission at the highest possible levels.

Encompassing the “Healthy School Culture” rectangle is a slightly larger rectangle titled “Internal Marketing.” This geometrical arrangement is designed to suggest the complexity of the relationship between these two Stability Markers. Internal Marketing—a) engaging your faculty in your student-retention program, (b) “purpose-messaging” all schoolwide fundraising efforts, and (c) re-recruiting of all current families—drives and flows from a healthy school culture.

Regular use of the Faculty Culture Profile II and the Student Experience Profile II will help you shape and strengthen both the faculty culture and your students’ experience of that culture. Beyond that, an appropriate internal marketing program will communicate to your current parents the aspects of the faculty culture and the student experience that are most telling. An effective program links school mission to student experience in ways readily understood by your constituents.

The complex interrelationships between “Healthy Faculty Culture” and “Internal Marketing” (suggested by the overlapping rectangles) support the outcome variable depicted at the top of the X—student demand leading to waiting pools of mission-appropriate students at each of your entry points. As School Head, use the ISM X as a teaching vehicle to educate your Trustees, your Management Team, your faculty, your support staff, your parent body, your lead donors, and your community regarding your efforts to strengthen your school’s position in a competitive marketplace.
The ISM X™

Executive Leadership

Healthy School Culture

Internal Marketing

Internal Marketing

STUDENT DEMAND/ENROLLMENT (WAITING POOLS)

RESERVES DEBT (↓) ENDOWMENT

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<thead>
<tr>
<th>$ Faculty PD</th>
<th>Facilities Quality</th>
<th>Employee Benefits</th>
<th>SP/SFP</th>
<th>Master P/I Plan</th>
<th>Trustee Education</th>
<th>Donor Cultivation</th>
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<tbody>
<tr>
<td>Faculty Salaries</td>
<td>% Cvg. Hard Income</td>
<td>Board Leadership/Strategic Board</td>
<td>Professed Board</td>
<td>Development Office Mgmt.</td>
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