Strategic Planning & Performance Measurement Training Session

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DEVELOPING YOUR VISION STATEMENT

Definition: An inspiring picture of a preferred future. A vision is not bound by time, represents global and continuing purposes, and serves as a foundation for a system of strategic planning. A guiding star - forever pursued - but never reached.

A vision statement provides lifelong values that guide and inspire an organization. A vision consists of two major components: core value and envisioned future. It is defined as a core idea or value of an organization and explains what the organization stands for and why it exists.

Key Point: Core values or vision does not change over time and is considered the soul of an organization or at least valid 100 years from now. Otherwise, if you ask the question, "can you envision the statement as valid 100 years from now?" and the answer is no, then there is mostly likely confusion whether it is a core value or operating practices, business goals or strategies or cultural norms.

Typically, an organization has three to five core values. Imagine if your were asked to recreate an organization. Answer the following questions:

1. What core values do you personally bring to work?

2. If you awoke tomorrow morning with enough money to retire, would you continue to live those core values? Can you envision them being as valid for you 100 years from now as they are today?

3. If you were to start a new organization tomorrow in a different line of work, what core values would you build into the new organization regardless of its industry?

VISION STATEMENT

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ORGANIZATIONAL CHART

- Review your organizational structure and ask the question, how will our Department, Appropriation Unit (Division), Internal Program Unit look in the Fiscal Year 2000, 2001 and 2002?

- Is the organization structured in a manner consistent with the attributes associated with effective management?

Who is responsible to whom and for what area of responsibility?

For example:

1. Specialization by function (finance, personnel, training)
2. Vertical authority (superior/subordinate relationship or top/down)
3. Horizontal relationships (links and contacts between and among peers, colleagues and fellow workers who normally have no authority over each other)
4. Clarification of program and support (staff support)
5. Workable span of supervision
   - Formal organization structure
   - Number of individuals or units who are responsible to a particular manager
   - Control number of individuals who report to a program manager
   - "Rule of Thumb" - number should be less than seven (7)

STAKEHOLDER ANALYSIS

Definition: Groups and individuals with a vested interest in what you do. Includes those who receive or use your services---your customers. Includes others who have a stake in your activities.

Example: People like elected officials, businesses, and community groups.

Why conduct a Stakeholder analysis?

1. It guards against becoming too inwardly focused
2. Focuses on the expectations and needs of key players and identifies gaps between expectation and performance
3. Aids in the identification of strategic issues
4. Informs the development of values, mission, and vision statements.

Identify, list and rank interested parties most important to you and your program.

List stakeholders	Rank stakeholders

THE STRATEGIC PLANNING PROCESS

Establish a Steering Committee – Involve Key Stakeholders

Define/refine Department Mission.	Development of the Mission	Why you exist? -Mandates -Policy Agendas
Discuss/Review Internal/External Factors	Environmental Scan	Major effects on the organization's capacity to most effectively pursue its mission.
Departmental Key Objectives	Development of Key Objectives	Describes what the agency needs/wants to do stated in the form of outcomes.
Roles of APU/IPU	Development of Strategic Initiatives	How do you accomplish the key objectives? What strategies should be employed?
Activities of strategies for IPUs	Activities	Activities constitute the strategies for accomplishment of key objectives. Multiple programs.
Performance Measures	Monitoring/ Evaluation	Progress towards key objectives. Plan implementation phases. Evaluation process.

DEVELOPING YOUR MISSION STATEMENT

DEPARTMENT:____

APPROPRIATION
UNIT:____

INTERNAL PROGRAM
UNIT:____

(Develop IPU only if independent and a separate entity)

A mission statement is based on a common point of view about the reason your agency exists. Please respond to the following questions independently of any other member of the planning team. Not all responses will be included in the mission statement.

1. *Who do we serve? (What geographic area do you serve?)*

2. *What are the basic purposes for our agency's existence?*

3. *What makes our purpose unique?*

4. *Is our mission consistent with the agency's enabling statute?*

5. *What are the basic problems to be addressed?*

MISSION STATEMENT WORKSHEET

An example mission statement from the State of Delaware Management Philosophy:

The primary mission of State government is to ensure the welfare of our citizens by providing quality, cost-effective, and appropriate services.

1. Describe below what you understand your organization's mission to be.
2. List any questions, ideas, concerns about the present mission.
3. Consider what might be the best mission for your organization in the future.
4. Describe what your organization might accomplish in future years and who will be served.
5. Discuss your responses with the planning team and note areas of agreement and disagreement.

The mission of the ___________________________is to provide/produce_________________________
(Program) (Service or product)
to ________________________so they can (in order to)____________________________________
(Stakeholder) (Planned benefit)

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ENVIRONMENTAL SCANNING PROCESS WORKSHEET

1. List the major strengths and weaknesses of your organization as it faces the future.
2. Combine responses with those of the planning team members
3. Name which strengths and weaknesses will be most critical to your organization's future success in priority order.

Examples – Internal Strength and Weaknesses:

Strengths (or Assets)	Weaknesses (or Liabilities)
1. Support of the people served 2. Services are aligned with community needs 3. Political support from governor, mayor, councils and others.	1. Lack of clear plan for the future 2. Unstable funding base-federal dollars are vulnerable 3. Understaffed-hard to keep medical people

1. List the major opportunities and threats you believe your organization will face in the next 3-5 years that will determine your success or failure.
2. You may do more detailed analysis of your customers or competition.
3. Identify 4-8 opportunities or threats that are most critical to your organization future success.

Examples – External Opportunities and Threats:

Clients/Customers/Stakeholders	COMPETITORS AND ALLIES	***Social, cultural, economic, political, or technological forces***
Health care needs in the community not being met-need for additional services-**(O)**	Competition-HMOs could reduce #s who use our center (T) No formal affiliation with hospitals-could hurt continuity of care (O/T) Have many supporters (federal, state/local) can use support when become independent (O)	Part federal funds maybe cut (T) Possible changes in Medicare and Medicaid: -Mandatory HMO-could lose present patients (T) -Cuts/freezes in benefits-financial pressures (T) -Pressure fore more outpatient care (O)

Emerging Opportunities	**Potential Threats**

CRITICAL ISSUES WORKSHEET

1. Review strengths, weakness, opportunities and threats; then list critical issues or choices that your organization faces over the next 2-5 years.
2. Combine your responses with those of other planning team members; then identify the 4-8 most critical issues.

Issues identified	Most critical issues	Recommendations

KEY OBJECTIVE DEVELOPMENT WORKSHEET

Action	Verb	Intent
Expansion	Expand Increase Broaden	Do more by change in product, place, people, technology, or equipment.
Improvement	Improve Examine Eliminate, Achieve Decrease, Reduce Strengthen Develop Implement	Do it sooner, better, cheaper, more effectively, or with higher quality.
Innovation	Initiate Establish Experiment Explore	Do something new, different
Adaptation/modernization	Adapt Update Modernize Examine	Ensure that service and product reflect changing needs, events, and trends.

List in priority order.

EXAMPLE: To increase__________________from__________to__________by FY 2002

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PERFORMANCE MEASUREMENT

The criteria below should be applied to assist in the development and evaluation of appropriate performance measures.

- **Relevance** The measures should be logically and directly related to agency's goals, strategies, and functions.
- **Reliability** The measures should produce accurate and verifiable information over time.
- **Validity** The measures should capture the information intended.
- **Coverage** The measures should incorporate significant aspects of agency operations.
- **Cost Effectiveness** The measures should be of sufficient value to justify the cost of producing the information.

Questions should be addressed as performance measures are developed (i.e., *Is the outcome measure relevant? Is it logically and directly related to the agency objective?*).

Examples

Outcome Measures:

A. Percentage of clients rehabilitated
B. Criminal cases heard as a percent of number filed
C. Percentage of businesses in compliance with the Clean Air Act requirements
D. Percentage of students who scored above the national median on the Scholastic Aptitude Test (SAT)
E. Percent of transportation projects completed under budget
F. Percent of respondents expressing overall satisfaction with agency services

Efficiency Measures:

A. Average cost per client served
B. Average time to process felony case (hours spent per case)
C. Average cost per inspection
D. Average total SAT score for public high school seniors in Delaware
E. Cost per mile maintained-Asphalt
F. Average wait time per customer

Output Measures:

A. Number of clients served
B. Number of criminal cases processed
C. Number of inspections conducted
D. Percentage of Delaware students taking the SAT
E. Number of lane miles maintained per year
F. Number of customers served per day

Input Measures:

A. Number of clients eligible for services
B. Number of criminal cases filed
C. Number of businesses subject to inspection
D. Number of students eligible to take the SAT
E. Number of lane miles requiring maintenance
F. Number of customers requiring service

NOTES

REFERENCES

- Bryson, John M., Strategic Planning for Public and NonProfit Organizations, Jossey-Bass Publishers, San Francisco

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- Friedman, Mark, "A Guide to Developing and Using Performance Measures in Results Based Budgeting, The Finance Project, 1000 Vermont Avenue, NW Washington, DC 20005

- The State of Delaware Strategic Planning Guidelines