



Planning & Accountability

Management in State Government

Comprehensive Public Training Program (CPTP)

Sponsored by the Louisiana State Civil Service

STRATEGIC PLANNING

How does an organization become successful and stay successful?

Certainly not by playing it safe and following traditional ways of doing business. In today's dynamic environment, organizations must take strategic risks, consistently measure performance, and have a dynamic strategic plan to ensure organizational relevance and longevity. This two day course is designed to provide an overview of the strategic planning process. Participants will learn how to develop their department's strategic plan and develop a long-term perspective when developing strategic plans.

Job Outcomes

- ☒ Determines short or long term goals and strategies to achieve them
- ☒ Monitors progress and evaluate outcomes
- ☒ Anticipates potential threats and opportunities
- ☒ Takes a long term view and initiates organizational change for the future
- ☒ Identifies and understands economic, political and social trends that affect the organization

Learning Objectives

- ☒ Understand the benefits of strategic planning and management
- ☒ Understand the basic model of strategic planning
- ☒ Demonstrate ability to scan the environment for potential opportunities and threats
- ☒ Demonstrate ability to identify organizational strengths and weaknesses
- ☒ Create a mission statement, vision, values and goals

STRATEGIC PLANNING DEFINED

Strategy defined

Strategy derives from the Greek words, “stratos,” meaning army and “ago,” meaning leading, guiding, moving. Originally a military term, strategy is known today as a plan of action designed to achieve a vision.

Strategic Planning is an organization's **process** of defining its strategy and making decisions on deploying resources to achieve meaningful results. It includes:

- ◇ Environmental scanning (both external and internal)
- ◇ Strategy formulation (strategic or long-range planning)
- ◇ Evaluation, control and accountability



- ◆ **Strategic Planning is planning for results.** It is a process of agency self-assessment and objective setting that considers an organization's purpose, capacities and environment, and results in a strategic plan that determines a path for development of the organization's resources in order to achieve meaningful results.
- ◆ **Strategic planning is planning for change.** It is dynamic and proactive. Strategic planning stimulates change, rather than simply reacts to it.
- ◆ **Strategic planning builds in accountability.** It incorporates ways to check progress toward targeted outcomes.

“To win by strategy is no less the role of a general than to win by arms.”

—Julius Caesar

STRATEGIC PLANNING DEFINED

- ♦ **Strategic planning is adaptable.** It takes a long-range approach but uses regular reviews and updates to check progress and make adjustments necessary to respond to changing circumstances and take advantage of emerging opportunities.
- ♦ **Strategic planning employs common sense.** It is visionary yet realistic; it pictures a future that is both desirable and achievable. Strategic planning provides a structure for inspired but practical decision making and follow-through.
- ♦ **Strategic planning is good management.** It involves a disciplined effort to help shape and guide what an organization does and why it does it. Strategic planning requires broad-scale information gathering, exploration of alternatives, and emphasis on the future implications of present-day decisions. It facilitates communication and participation, accommodates divergent interests and values, and fosters orderly, informed decision making and successful implementation.

Strategic planning takes a **long-range approach**, employs regular reviews and updates, and provides guidance for annual operational plans and budgets, as well as for capital outlay plans and budgets. Strategic planning addresses five questions:



BENEFITS OF STRATEGIC PLANNING

Strategic Planning is important for any organization's long-term success. Planning ensures that an agency's resources are directed towards service excellence, that it is positioned to profit from opportunities and that it generates real results. Strategic planning also enables executives, managers, and project teams to make better decisions. It helps an agency move from a reactive, crisis management mode into a proactive, anticipatory management setting. Along with effective policy development, strategic planning permits government to be a **catalyst for change**—that is, to "steer" rather than simply "row" the boat or "drift along" with the current.

A strategic plan gives organizations a:

- ◆ Clearer sense of strategic vision for the organization
- ◆ Sharper focus on what is important
- ◆ Improved understanding of a rapidly changing environment.

Many organizations can achieve short bursts of high performance and productivity, but few can sustain high performance over a longer period of time without planning strategically. Bain & Company's 2007, Management Tools and Trends survey of 1,221 global executives revealed strategic planning to be the most used management tool—used by 88% of respondents. Strategic planning ensures that all managers have the same goals and also ensures that organizations adapt to new and changing environments. Strategic Planning is required as part of Louisiana's performance based budgeting process.



Class Discussion: What are some of the main benefits of having a clear strategic plan:

- ◆ For the agency?
- ◆ For your clients?
- ◆ For the public?
- ◆ For employees?

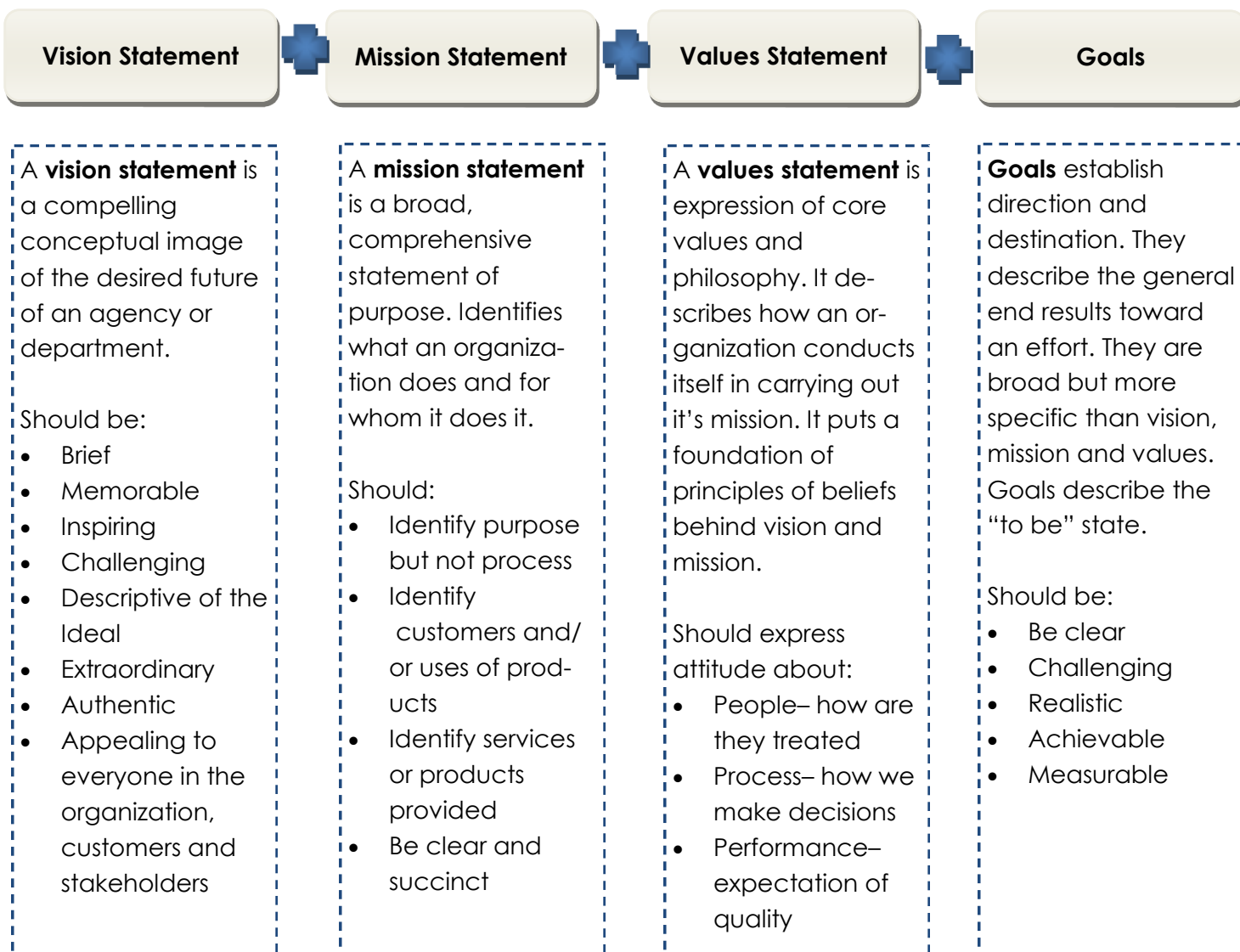
COMPONENTS OF A STRATEGIC PLAN



Before an organization can develop a plan for change, it must first determine where it currently stands and what opportunities for change exist, helping an agency determine “**where are they now.**” The strategic planning process is guided by a shared vision of the future. The vision, along with the mission and philosophy or value statement answer the question, “**Who are we?**” To answer the question, “**where do we want to be?**” strategic planning identifies goals and objectives that provide specific measurable targets for results. Strategies and Action Plans outline “**how we get there?**” by outlining the methods of how the agency will accomplish its goals and objectives. Accountability measures results and determine “**how do we measure our progress?**” Finally, strategic planning guides our resource allocation, the determination and allotment of resources necessary to carry out strategies and achieve objectives.

COMPONENTS OF A STRATEGIC PLAN

According to the guidelines for strategic planning established in MANAGEWARE, a strategic plan **must** contain the following main components :



COMPONENTS OF A STRATEGIC PLAN

According to the guidelines for strategic planning established in MANAGEWARE, a strategic plan **may** contain the following main components :

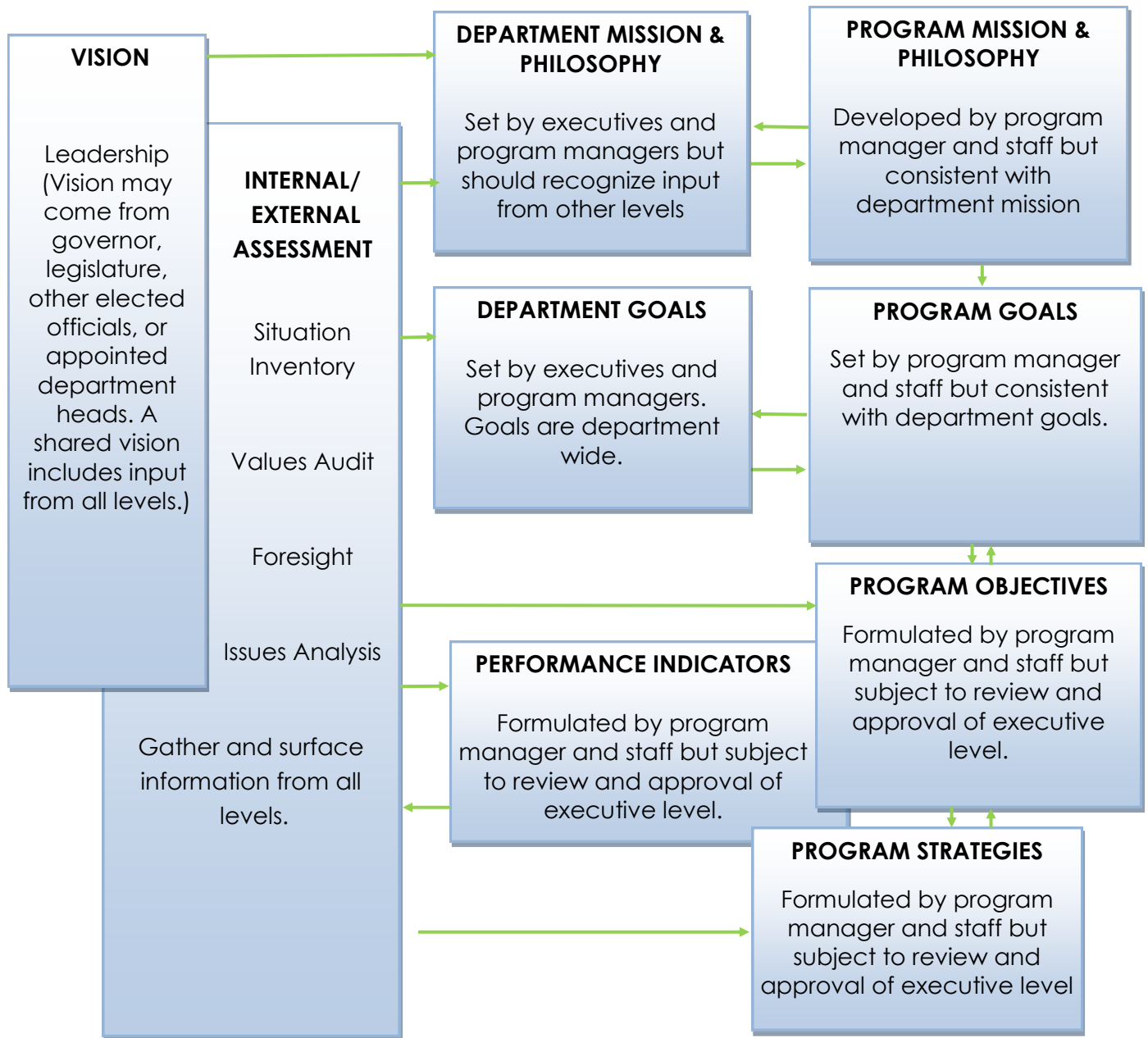


IMPORTANT

Strategic planning must be carried down to the **program** level within each state department or agency and must include activities for each program. It is always a good idea to push strategic planning process down through the organizational level. For each program include:

- ♦ Program vision , mission, and value statements
- ♦ Program goals, objectives, strategies
- ♦ Additional descriptive information, such as organizational charts and program structure charts (optional)
- ♦ Program activity descriptions
- ♦ Program performance indicators

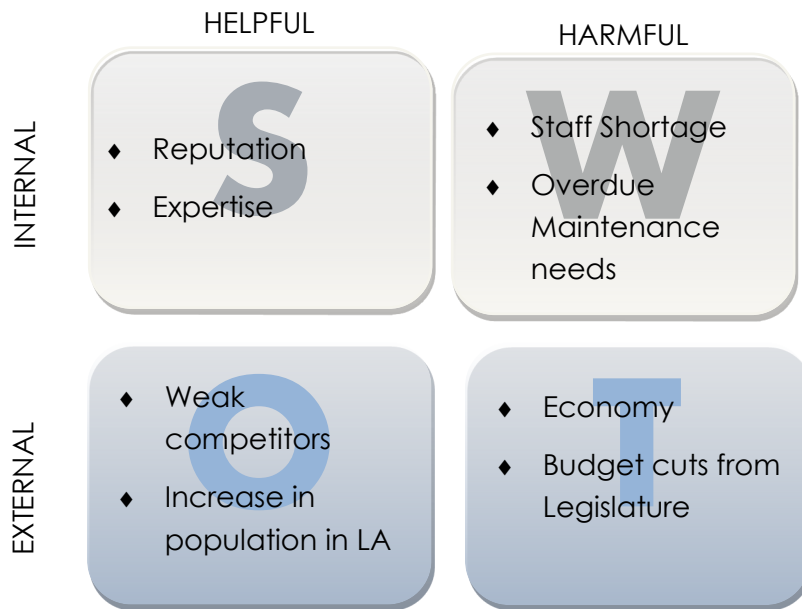
STRATEGIC PLANNING PROCESS FLOW



The graph above is intended to assist in visualizing the flow of the strategic planning process, along with feedback loops. The strategic planning process is not necessarily linear. Feedback during the process may make it necessary to revisit a previous phase. For example, a program manager and key staff may propose a time frame for accomplishment of an objective but find it necessary to modify that time frame if front-line supervisors and employees determine that the time frame is unrealistic. Or a program activity objective that is dependent upon increased allocation of resources may have to be revised if department executives determine that the required enhancements cannot be made as quickly as identified in the program strategic plan.

EXTERNAL & INTERNAL ASSESSMENT

External and internal assessments examine the current environment, and combined with foresight methodologies, anticipates changes in the future environment. Such assessments involve an in depth analysis of key external and internal elements and forces that influence the environment in which an organization functions. A useful technique for understanding these factors is the SWOT Analysis. The SWOT Analysis is a study done by an organization which helps identify **strengths, weaknesses, opportunities, and threats (SWOT)** within the organization and outside of the organization. The result is a better picture of the current environment and the anticipated changes in the future environment. This is a simplified example of a SWOT Analysis for a state agency.



Small Group Exercise

SWOT Analysis can be done quickly and should be a team effort. With your group, create a SWOT Analysis for one of your agencies. Write out your SWOT Analysis on a flip chart or chart paper given to each group.

EXTERNAL & INTERNAL ANALYSIS

To help identify their strengths, weaknesses, opportunities and threats, agencies should conduct the following assessments:

- ✓ **Situation Inventory:** an assessment of an organization's position, performance, problems, and potential.
- ✓ **Environmental Scan:** an analysis of key external elements or forces that affect the environment in which the organization functions.
- ✓ **Foresight or Anticipation:** explicit efforts to systematically identify, monitor, and analyze long-term trends and issues that are likely to affect the organization's future environment, and to examine the implications that these trends and issues may hold for alternative organization goals and possible organization actions.
- ✓ **Issue Analysis:** an identification and analysis of strategic issues – problems or concerns of critical importance to the organization, its customers, other stakeholders, and expectation groups.

[illegible]

SITUATION INVENTORY

A **situation inventory** is an assessment of an organization's position, performance, problems, and potential. A situation inventory asks:

1. Who are the organization's customers (internal and external), other stakeholders, and expectation groups? What are their needs and expectations?

- Stakeholders
- Customers (internal and external)
- Compliers
- Expectations Groups



EFFICIENCY

When you break down a policy, program, or process into its component parts, you use "systems logic" to develop a model of how it should work. Use metrics to gauge and assess your process, diagnose problems, and formulate solutions.

2. Where has the organization been?

- What is the track record?
- What has changed?

3. Where is the organization now?

- What are the organization's current programs and activities? Under what authority does the organization operate them?
- Does the existing program structure make sense? If not, what changes would benefit both the organization and its customers?
- What is going on in program and activities? How do the processes work? What is being done well? What is being done poorly? Are performance standards being met?
- What is the public perception of current programs and activities?
- Do current programs support one another? Are any in conflict? Do they support or coordinate with programs in other agencies? Do any conflict, duplicate, or overlap?
- Are planning, budgeting, and accountability integrated?

4. What opportunities for positive change exist? What remains to be accomplished?

- How are the needs and expectations of the customers changing?
- Has the organization planned to accommodate that change?

5. What are the organization's strengths and weaknesses?

- What advantage does the organization possess?
- What barriers or constraints does the organization face?
- How can the organization build on its strengths and overcome its weaknesses?

SITUATION INVENTORY



Group Discussion:

What is the downside of conducting a situation inventory? How can we manage the downsides of conducting an analysis in our agency?

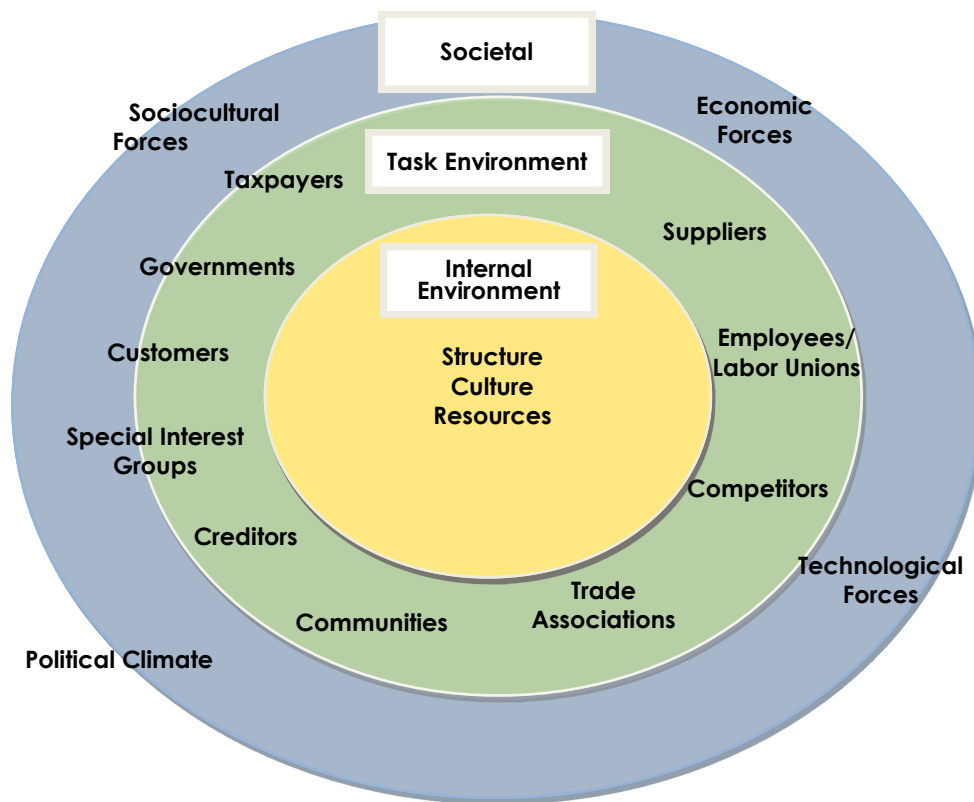


Skill Practice

Create a situation inventory for your agency. Answer the five questions regarding your organization. It is okay if you do not know the answers to each question. For a question, you need to research, simply write a note to remind you to research the topic when you get back to your office.

ENVIRONMENTAL SCAN

An Environmental scan is an analysis of the key external elements or forces that influence the environment in which an organization functions.



An environmental scan asks:

- **What is the current environment?**
 - What external environmental elements currently affect the organization? How? Do they help or impede the organization? Which are most critical?
 - What major current issues or problems affect the organization? Are these local, statewide, regional, national, or global in scope? Why are they of such importance?
 - What current events, issues, or trends have captured the attention of the public? How do these affect the organization?
- **How may the environment differ in the future?**
 - What are the biggest external threats and opportunities?
 - What forces that might alter key elements of the environment are at work?
 - What are the most likely scenarios for the future?
 - Are trends likely to continue or are changes forecast?
 - What major new issues are anticipated?
 - What implications do these future forces and environmental changes (trends and issues) hold for the organization? Which are most critical?

FORESIGHT OR ANTICIPATION / ISSUE ANALYSIS

Foresight or Anticipation:

The environment in which government operates is changing rapidly. For example, demographic shifts, economic swings, technological innovations, and changing social values and lifestyles require alterations to government policies and strategies for service delivery. To avoid crisis management and wasted resources, state leaders must be able to anticipate issues, problems, and opportunities. Foresight leads to better decision making, policy development, and strategic planning. To decide where the organization wants to be in the future, it helps to have an idea of what the future operating environment will be.

- ◆ Foresight methods generally fall into four categories:
 - ◆ Issue Identification: involves methods to identify policy issues that are likely to occur in the future.
 - ◆ Goal Setting: generally used to develop directions or chart the future course for an organization.
 - ◆ Trends Analysis: often used in demographic, economic, technological, and social forecasting in order to analyze trends and attempt to project future developments.
 - ◆ Alternative Futures: a method that uses scenario building to investigate possible or probable future paths

Issue Analysis

An **issue** is a matter of dispute – a point of controversy. Before an issue can be addressed, it must be analyzed during the environmental scan. This involves:

- defining the issue or problem; determine its parameters.
- understanding who is affected and how they are affected.
- determining how serious and immediate the issue or problem is.
- projecting future trends for the issue or problem.
- determining the underlying causes of the issue; identify and verify the key cause (s).
- assigning a priority relative to other concerns.

Strategic issues are high priority issues that merit special attention. These might be described as the “make you or break you” kinds of issues. Strategic issues:

- may arise as a result of an organization's internal assessment
- may be generated by external forces
- may lead to strategic planning goals
- may lead to management improvement efforts or budget modifications
- may be addressed in the short-term or long-term
- may emerge in an unexpected manner and become more important after the strategic plan has been completed and approved.

CREATING A VISION STATEMENT



A **vision statement** is a compelling conceptual image of the desired future of an agency or department. A vision statement should be:

- ◆ Brief and memorable
- ◆ Inspiring and challenging
- ◆ Descriptive of the ideal
- ◆ Descriptive of future service levels
- ◆ Extraordinary but authentic
- ◆ Appealing to everyone in the organization, customers, and stakeholders.

Class Exercise

Can you guess what company belongs to these vision statements?

⇒ To be earth's most customer centric company

⇒ To be the most successful computer company in the world at delivering the best customer experience in markets we serve

⇒ To give people the power to share and make the world more open and connected.

⇒ To be a low cost producer of the highest quality products and services that provide the best customer value.

⇒ To provide innovative and creative leadership focused on outcomes and improvements that promote a new image for Louisiana

CREATING A MISSION STATEMENT

A mission statement is a broad, comprehensive statement of purpose. The mission identifies what an organization does and for whom it does it. That is, it describes an organization's products or services and its customers. The mission is all encompassing and rarely changes. It is the ultimate rationale for the existence of the organization.

A well written mission statement should:

- Identify purpose but not process
- Identify customers or uses of the organization's products
- Identify services or products provided by the organization
- Is clear and succinct.

Sample Mission Statement Template

The purpose of the _____ (fill in the name of the organization) _____ is to provide _____ (identify the service or deliverable) _____ to _____ (identify customers who will receive the service or benefit from the service or deliverable)_____.

Some organizations opt to expand their mission statement by adding one of the following phrases to the end of the mission statement:

- In order to . . .
- So that . . .
- So they can . . .

Guess who?

- To make, distribute and sell the finest quality all natural ice cream and euphoric concoctions with a continued commitment to incorporating wholesome natural ingredients and promoting business practices that respect the Earth and environment.

- To inspire and nurture the human spirit– one person, one cup and one neighborhood at a time

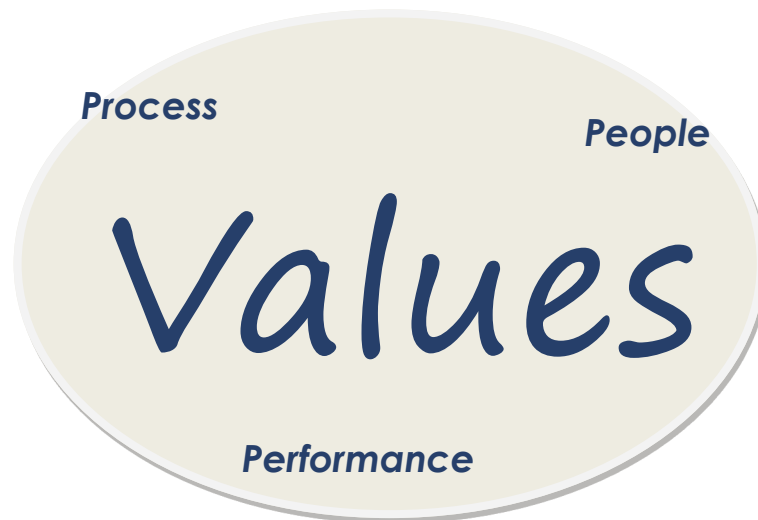
- To protect and promote health and to ensure access to medical, preventive and rehabilitative services for all citizens of the State of Louisiana



Small Group Activity

Write a Vision Statement and a Mission Statement below with the assumption that readers have no knowledge of the organization, what it does, whom it serves, why it is needed, or how it works. Avoid using technical terminology, abbreviations, and acronyms. To develop a brief, clear mission statement, imagine giving a one-minute explanation of the organization (department, agency or program) to a legislative committee, the general public, or a community group. Think about how best to describe the organization in terms they can understand.

CREATING A PHILOSOPHY / CORE VALUE STATEMENT



Core Values describe how an organization conducts itself in carrying out its mission. Philosophy/core values put a foundation of principles or beliefs behind the vision and mission. Philosophy/Core value statements express the organization's attitude about three things:

- **People:** The way in which people inside and outside the organization are treated.
- **Process:** The way in which the organization is managed, decisions are made, and products or services are provided.
- **Performance:** expectations concerning the quality of its products and services.

For example: **"Working together to create an environment for positive change."**
Louisiana Division of Administration


A well-written philosophy statement should:

- ☐ Express principles, core values, or fundamental beliefs in clear, decisive language.
- ☐ Express basic beliefs about the conditions under which people work best.
- ☐ Support systems and processes that will help make the vision a reality.

SKILL PRACTICE



Small Group Activity

 Take a few minutes and write a Philosophy/Core Value Statement or list (at least five) Core Values you would associate with your agency. Be prepared to share these with the class.

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GOALS



The formulation of goals is one of the most critical aspects of the strategic planning process. Goals are broad statements that describe desired outcomes for an organization. They stretch and challenge an organization, but they are realistic and achievable. They chart direction—show where the organization is going—and point toward a desired destination. However, they do not set specific milestones or determine ways to get there.

Tips for Goal Setting:

- ◆ Hold a goal-setting session away from the everyday activities of the office.
- ◆ Use the information gathered in your internal/external assessment to support goal setting.
- ◆ Verify that it is within the authority of the organization to set goals in particular areas.
- ◆ Keep the number of goals manageable.
- ◆ Goals may be internal or external.
- ◆ To the extent possible, goals should be placed in priority sequence.
- ◆ Keep all notes and records from your goal setting sessions (s).

“If you don’t know where you are going, every road will get you nowhere.”

- Henry Kissinger



Group Activity: For each goal listed, decide whether it is a good or bad example of a goal, and discuss with your group the reason behind your decision.

1) GOAL: To create a clean, healthy, and attractive environment, minimizing pollution, litter, and physical deterioration while instilling civic pride.

2) GOAL: To continue to serve our customers.

3) GOAL: To assure clean and sufficient statewide water supplies through conservation, development and pollution control to protect health and preserve beneficial water uses.



Group Activity: Write a goal for your program in the space provided.

Individually, use the checklist on page 54 to evaluate how well your goal meets the criteria for properly stated goals. After making adjustments, ask a partner to review it using the same criteria.



Objectives are specific, measurable targets for accomplishment. Objectives describe specific results that a program seeks to achieve and set targets for performance. Objectives are measurable, time-based statements of intent. Objectives represent milestones, interim steps, or intermediates achievements toward realizing the vision, mission, and goals. Objectives relate to achievement, not to means.

Well written objectives are **SMART**. A tool to help you formulate objectives that meet the state's requirements is the **SMART** approach. Each objective should include all of the following components:

Specific	Specifically what is the goal?	⇒ "Increase the number of gates" is not enough. ⇒ "Increase the number of gates ...by 20 per year" is specific
Measurable	How will you measure success?	⇒ "20 per year" is a clear target which allows us to track the progress towards this number.
Achievable	Aggressive but Achievable	⇒ "Increase the number of gates at Louisiana's public highway/rail crossings by 20 per year," is likely to be attainable. ⇒ "Increase the number of gates at Louisiana's public highway/rail crossings by 20 per year," states that the outcome is an increase
Results Oriented	What are the results and outcomes	⇒ Other examples might include to "reduce," "improve" or even to "obtain accreditation." ⇒ "... 20 per year," puts a deadline on achievement of the objective
Time Bound	What is the time frame or deadline?	

FORMULATING OBJECTIVES

- Review the organization's mission and goals.
- Be sure that you understand the internal and external forces affecting the organization.
- Decide what results you want:
 - Baseline performance; benchmarks; room for improvement
 - Targets
 - Variables or factors that may influence outcomes
 - Standards or expectations (mandated or not)
 - Consistency with policies, values, and priorities
- Set a time frame for achievement of results.
- Build in accountability.

Use the information gathered in the internal/ external assessment (situation inventory, environmental scan, foresight activities, and issue analyses) to support the formulation of objectives. Three important considerations in formulating objectives are input variables, baseline performance level, and benchmarks. Used together these factors enable an agency to identify and target room for improvement.

Input Variables

- Target Group Variables: Demographic and economic characteristics of the target population.
- Policy and Program Variables: Those things that the program manipulates, such as: resource allocation, intensity of service, or incentives for performance.
- External Variables: Factors not controlled through the program that may have independent and significant effects on outcomes, such as: economic downturns, populations shifts, technological advances, or cultural differences or changes.

Baseline Performance Level

Assess baseline performance levels before deciding how much change is needed or wanted. A baseline is established with data collected at the beginning of an improvement process so it can be compared with future data to measure progress and improvement. In other words, baseline performance represents the “before” state in a “before/after” evaluation. If historical data are available, they can be used to determine the baseline. The baseline is usually derived from the most recent one-year period or, if appropriate, an average of several prior years. Sometimes industry averages can be used.

BENCHMARKING

Benchmarking is the process of rating an organization's practices, processes, and products against the best and then emulating them.

- Seek out best-in-class performers inside and outside your organization.
- Study them to determine why they are the best at what they do.
- Apply what you have learned to your operations.

Benchmarks are the highest levels of quality within specific programs, processes or services.

- Best in business
- Professional standards, accreditation standards, or quality practices
- Highest or lowest rankings (whichever is more desirable)
- Performance or workload levels set in statutes, regulations, or official guidelines

Benchmark for both best management practices and best measurement practices. After comparing baseline status and the benchmarks for a particular program or service, managers and staff know how far the organization must go to equal the best performers. This difference or gap between the actual baseline performance and the benchmark target represents "room for improvement."

Tips for Benchmarking

- Do the benchmarking study quickly or not at all.
- Identify suitable issues or activities to benchmark. Choose a broad and shallow or narrow and deep scope.
- Identify suitable benchmarking partners.
- Gain the cooperation from benchmarking partners.
- Gather information from benchmarking partners.
- Use the information gathered to identify improvement opportunities and implement changes. Manage the change from the state.

OBJECTIVES



Group Activity: Use the SMART approach to develop an objective for the goal you developed earlier. A worksheet is provided in the Appendix on page 55.

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STRATEGIES AND ACTION PLANS

To achieve results, it is not enough to know where you want to be. You must know how to get there. Strategies indicate in general terms how goals and objectives will be achieved. Action plans detail tasks and assign responsibilities for strategies.

Strategy: the method used to accomplish goals and objectives.

Action Plan: a detailed description of how a strategy will be implemented.

Alternative strategies may be identified through the following methods:

- Brainstorming how to achieve results.
- Researching what works
- Evaluating what is already in place

Cost-Benefit Analysis

Cost-benefit analysis is an excellent tool and involves calculating or estimating the known costs and potential benefits of a course of action under consideration. It is a method to compare various alternatives and facilitate rankings of these alternatives.

- Costs are generally considered to be the inputs required to implement a course of action. These include: personnel, operating expenses, and capital expenses.
- Benefits are the anticipated outputs (services provided) and outcomes (results) of the course of action.
- Cost-benefit can be summarized as: What do we give? What do we get?

Building Strategies & Action Plans

Each strategic plan must include a statement of each strategy that the organization will use in achieving each stated goal and objective; an explanation of how duplication of effort will be avoided when the operations of more than one program are directed at achieving a single goal, objective, or strategy; and a description of any program evaluations used to develop strategies.

Use the Strategy Analysis Checklist to be sure that you have considered the costs and benefits of alternative strategies, explain the rationale for your selected strategy, and keep records for process documentation.

STRATEGY ANALYSIS CHECKLIST

SAMPLE STRATEGY ANALYSIS CHECKLIST

☐ Analysis

- | | |
|--|--|
| <input type="checkbox"/> Cost/benefit analysis conducted | <input type="checkbox"/> Financial or performance audit used |
| <input type="checkbox"/> Benchmarking for best management practices used | <input type="checkbox"/> Act 160 Reports used |
| <input type="checkbox"/> Other analysis or evaluation tools used | <input type="checkbox"/> Impact on other strategies considered |
| <input type="checkbox"/> Stakeholders identified and involved | |

☐ Authorization

- | | |
|---|---|
| <input type="checkbox"/> Authorization exists | <input type="checkbox"/> Authorization needed |
|---|---|

☐ Organization Capacity

- | | |
|---|--|
| <input type="checkbox"/> Needed structural or procedural changes identified | <input type="checkbox"/> Resource needs identified |
| <input type="checkbox"/> Strategies developed to implement needed changes or address resource needs | <input type="checkbox"/> Responsibility assigned |

☐ Time Frame

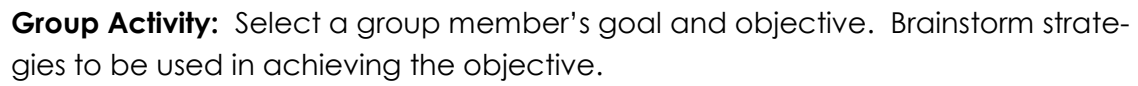
- | | |
|--|--|
| <input type="checkbox"/> Already ongoing | <input type="checkbox"/> New, startup date estimated |
| <input type="checkbox"/> Lifetime of strategy identified | |

☐ Fiscal Impact

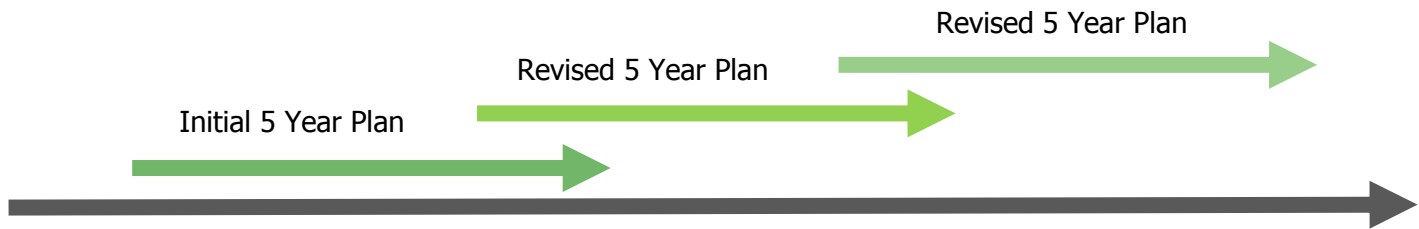
- | | |
|--|--|
| <input type="checkbox"/> Impact on operating budget | <input type="checkbox"/> Impact on capital outlay budget |
| <input type="checkbox"/> Means of finance identified | <input type="checkbox"/> Return on investment is favorable |

Once a strategy has been chosen, the steps necessary to successfully implement the strategy need to be identified. These are the action steps that will appear in the action plan. An action plan operationalizes a strategy. The action plan is where the actual production occurs. Action plan steps describe who does what and when he or she does it. To successfully develop an action plan, it is necessary to:

- assign responsibility for completion
- set a time frame for completion
- detail the action plan in steps
- determine the fiscal impact of the action plan and the resources needed to carry it out
- organize the action plan

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REVISING THE STRATEGIC PLAN



Successful strategic plans are not static. They are evaluated for progress annually; they are revised and updated regularly. At a minimum, strategic plans must be revised and updated **every three years**.

Annual Strategic Plan Progress Evaluation

As a practical management maneuver, departments and agencies should conduct an annual strategic plan progress evaluation. An annual progress evaluation allows department, agencies, and programs to capitalize on the results of their accountability efforts on the operational level. Annual evaluation may reveal the need to make a few adjustments or accommodations in strategic or operational plans. Further, an annual look inside and outside the organization enables those departments, agencies, and programs affected by statewide policy making and strategic planning initiatives to incorporate elements of those statewide policies and planning components into their own strategic plans in a more timely manner.

Regardless of the length of time between initial plan development and plan revision, a strategic plan update **moves the plan into the future**. A three-year update moves the plan three years into the future. The strategic plan remains a five-year plan. Its start and end dates are moved into the future.

Updating your Plan

Strategic plan review compares actual with expected results; it looks at projected versus actual timetables. It determines whether the plan is on time and on target. Annual progress evaluation allows executives, managers, and staff identify what is changing internally and externally as well as what parts of the plan are working or not working. The organization is then poised to update the strategic plan. That is:

IF review and evaluation show that:

- There are no major changes in internal capacity or external operating environment;
- Strategies and action plans are proceeding on schedule;
- Progress toward goals and objectives is being realized as expected; and
- Anticipated results are being achieved,

THEN the organization reaffirms goals, objectives, and strategies—adjusting, as appropriate, to continue or “grow” progress and accomplishments—and moves the plan ahead.

REVISING AND UPDATING THE PLAN

However, **IF** evaluation shows that:

- There are significant changes in internal capacity or external operating environment;
- Strategies and action plans are not proceeding on schedule or working as expected;
- Progress toward goals and objectives is not being made as expected;
- Anticipated results are not being achieved;
- Unexpected or undesirable consequences are being generated; or
- Current goals and objectives are inadequate or unrealistic,

THEN the organization modifies the plan as needed and moves the plan ahead.

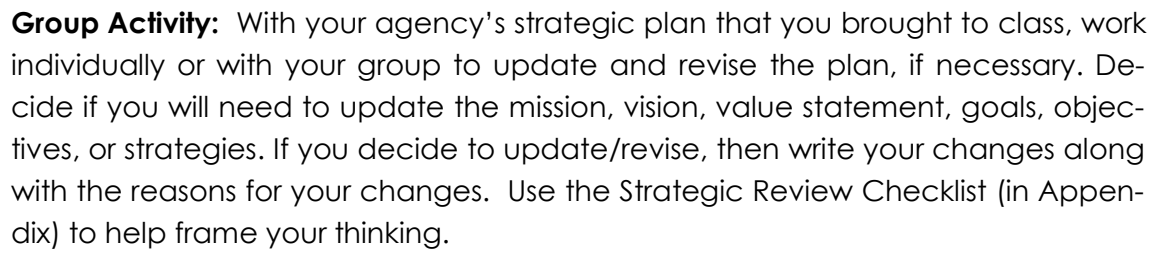
To review, revise, and update a strategic plan, take a look at each of the plan components and determine whether each is still valid. Since the strategic plan was developed or last revised:


- Have there been any significant changes in the organization's internal capacity?
- Have there been major changes in the organization's external operating environment?
- Are objectives, strategies, and action plans on schedule and fulfilling expectations?
- Are performance indicators capturing the information necessary to chart progress and support management decision-making? Does each activity include at least one outcome-based performance indicator? If not, what changes are needed?

As the plan is reviewed, some departments, agencies, and programs may find that few modifications are necessary. However, others may be required to make extensive revisions, particularly in response to changing operating environments and/or statewide strategic planning initiatives that must be echoed in their own strategic plans.

The plan is not the end of the strategic planning process. The planning process is continuous. All of the information gathered during the accountability process should be analyzed for inclusion in the next strategic plan update. Analyzing progress may be the end" of one cycle, but the information gleaned from that analysis is the starting point for the next planning cycle.

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 **Group Activity:** With your agency's strategic plan that you brought to class, work individually or with your group to update and revise the plan, if necessary. Decide if you will need to update the mission, vision, value statement, goals, objectives, or strategies. If you decide to update/revise, then write your changes along with the reasons for your changes. Use the Strategic Review Checklist (in Appendix) to help frame your thinking.

[illegible]

PERFORMANCE INDICATORS

Accountability involves the methods used to measure results. To succeed, you have to know how well you are doing. The most comprehensive, elegant, and technically perfect plan is of no worth unless it works. What gets measured gets done. Accountability monitors progress. It tracks the extent to which strategies have been implemented. It measures performance and compares actual results with expected results of goals and objectives. Accountability must be built into the strategic plan. Performance accountability is not: accounting, conformance with rules and regulations, or traditional quality control.

Performance Measures are the tools used to measure the performance, progress, and accomplishments of policies, plans, and programs.

Louisiana State Government uses five types of indicators to measure performance: **input, output, outcome, efficiency,** and **quality**. **Act 1465** required that a strategic plan include, for each objective, four kinds of performance indicators (input, output, outcome, efficiency). **Act 1169** of 199 amended **Title 39** to require at least one of any of the following: outcome, efficient, and quality. These were to be accompanied by as many input and output indicators as needed. The term "performance indicator" can be used interchangeably with "performance measure". Each type is designed to answer a different question or provide a different perspective regarding performance. Together, these indicators provide a balanced view of performance.

- 1) **Input indicators:** resources that go into providing services or operating programs.
- 2) **Output indicators:** the amount of products or services provided or number of customers served.
- 3) **Outcome indicators:** the results achieved from the outputs; measuring long term success.
- 4) **Efficiency indicators:** measures productivity and cost effectiveness; the relationship of inputs to outputs or outcomes.
- 5) **Quality indicators:** a evaluation of the service; measure excellence.

- **Goal 1:** Improve customer service and public confidence in the area of Highway Rail Safety.
- **Objective 1.1:** Increase the number of gates at Louisiana's public highway/rail crossings by 20 per year.

	Input	Output	Outcome	Efficiency	Quality
Performance Measure	Total # of gated pubic crossings in Louisiana.	Total # of gated pubic crossings in Louisiana minus the Total # from the end of last year.	Output # will be Outcome.	Input # divided by Total # of active pubic crossing in Louisiana., expressed as %.	Is Outcome >20? Yes – good No – not as good

SECRETS OF SUCCESSFUL STRATEGIC PLANNING

A successful strategic planning process has the following characteristics:

- ✓ It has the full support of the chief executive officer.
- ✓ It fits the organization and is user friendly.
- ✓ It is participatory. It involves executives, managers, supervisors, and staff at all levels; it gives them "a piece of the action."
- ✓ It clearly defines responsibilities and timetables. It is carried out by those who have the personal responsibility for achieving objectives but is coordinated by a central figure, a person who is aware of the "big picture."
- ✓ It galvanizes an organization; it produces understanding and common purpose throughout an organization.
- ✓ It stays aware of the environment in which it functions. It identifies all the stakeholders (those who have a vested interest in the outcome). It obtains perspectives from many levels and sources, both within and outside the organization itself.
- ✓ It is realistic about outcomes and resources. It is not too risk averse, but it recognizes such constraints as public accountability, visibility, short time horizons, personnel issues, overall fiscal conditions, and budgetary trends.
- ✓ It is politically sensitive.
- ✓ It is convincing. It develops and conveys compelling evidence for its recommendations. It uses innovative communications strategies.
- ✓ It establishes and ensures accountability for outcomes.
- ✓ It leads to resource decisions.
- ✓ It is fresh and continuous not stale and static. Both the plan and the planning process are reviewed and modified regularly.



Timing and Guidelines

Under the provisions of Act 1465 of 1997, each department of state government and each agency therein must use the strategic planning process and produce a strategic plan to be used to guide its ongoing and proposed activities for the next five years. Guidelines from the Division of Administration, Office of Planning and Budget must be used. These guidelines can be located on the Office of Planning and Budget website. This training class covers the guidelines presented in MANAGEWARE, the Practical Guide to Managing for Results, a manual created by the Division of Administration.


The due date for initial strategic plans was July 1, 1998. Initial plans covered the period between FY 1998-1999 and FY 2002-2003 (July 1, 1998 through June 30, 2003). **Title 39 requires that strategic plans be revised and updated at least every three years after initial plans are submitted.**

Required Documentation

- ◆ A description of any program evaluation used to develop objectives and strategies.
- ◆ Identification of the primary persons who will benefit from or be significantly affected by each objective within the plan.
- ◆ An explanation of how duplication of effort will be avoided when the operations of more than one program are directed at achieving a single goal, objective, or strategy.
- ◆ Documentation as to the validity, reliability, and appropriateness of each performance indicator, as well as the method used to verify and validate the performance indicators as relevant measures of each programs' performance.
- ◆ A description of how each performance indicator is used in management decision making and other agency processes.
- ◆ Process documentation materials may be placed in an appendix to the strategic plan or with relevant components in the plan.
- ◆ Components of Louisiana: Vision 2020, the state's twenty-year master plan for economic development, must be incorporated to the maximum extent possible into the strategic plan and a table cross-referencing components of the strategic plan with components of Louisiana: Vision 2020.

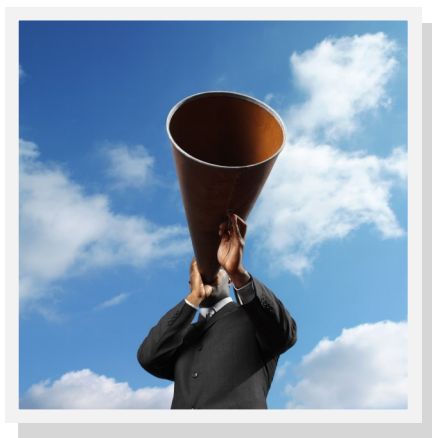
SUBMITTING YOUR STRATEGIC PLAN

Strategic Planning Requirements:

- Strategic plans must be submitted to the Commissioner of Administration through the Office of Planning and Budget and the standing committee of each house of legislature having responsibility for oversight of the department/agency.
 - Since your strategic plan is a public document:
 - Place your strategic plan on your website.
 - Send notification to the official recipients stating the availability and web location of the plan. You should also send notification to the following parties:
 - Legislative Fiscal Office
 - House Appropriations Committee/House Fiscal Division
 - Senate Finance Committee/Senate Fiscal Section
 - Office of the Legislative Auditor
 - Documentation on website, as email attachment, or as a hard copy.
- 
- The seal of the Louisiana Department of Transportation and Development is located in the top right corner. It features a white pelican with its wings spread, perched on a nest of three white eggs. Below the nest is a banner with the words "SAFETY" and "CONFIDENCE" in blue capital letters. The entire seal is set against a blue background.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

COMMUNICATING AND MARKETING YOUR PLAN



Successful implementation of a strategic plan depends on three things:

- 1) Everyone knows the destination.
- 2) A consistent course is being steered.
- 3) The journey sounds so exciting that everyone wants to jump on board and go along.

Therefore, successful implementation of strategic plans is dependent, to a large extent, on effective communication. Initially, the strategic plan must be communicated at all organizational levels. Leaders and staff must have a clear understanding of the plan and their roles in the plan. Externally, the strategic plan must be communicated to individuals and groups who have an interest in, or an effect on, the organization's programs.

To develop an effective communications or marketing strategy for the plan: organize, plan carefully, and deliver the message using every avenue available. Some simple guidelines are:

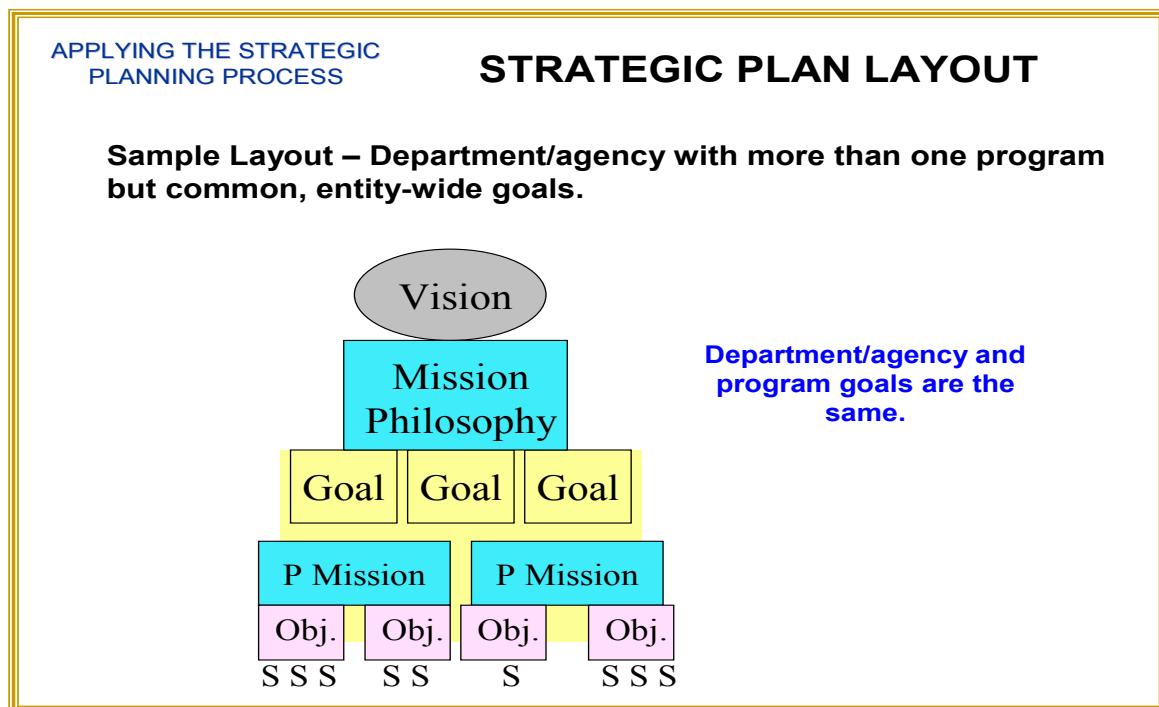
- ◆ Organize and coordinate communications resources.
- ◆ Identify and direct communications to key stakeholders and expectation groups.
- ◆ Clarify and simplify the plan for public consumption.
- ◆ Distribute the message as widely as possible.
- ◆ Broaden the base for support through local connections.
- ◆ Monitor public and media reactions and make adjustments to communications as appropriate.

APPENDIX

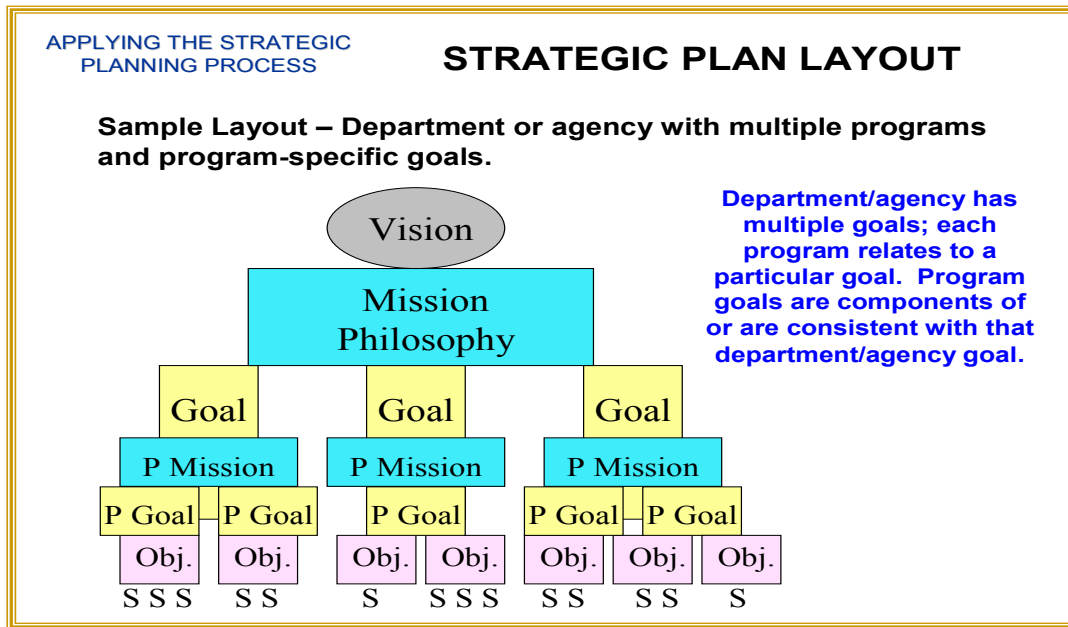
One Program Agency



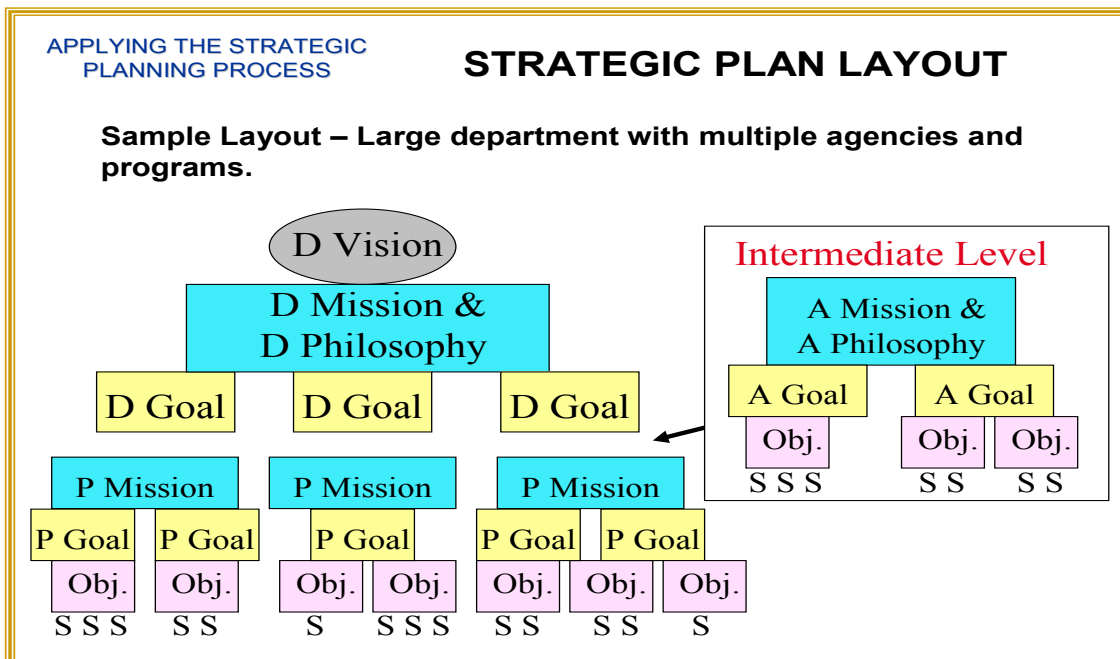
Department/Agency with More than One Program, but Common, Entity-Wide Goals



Agency with Multiple Programs and Program-Specific Goals

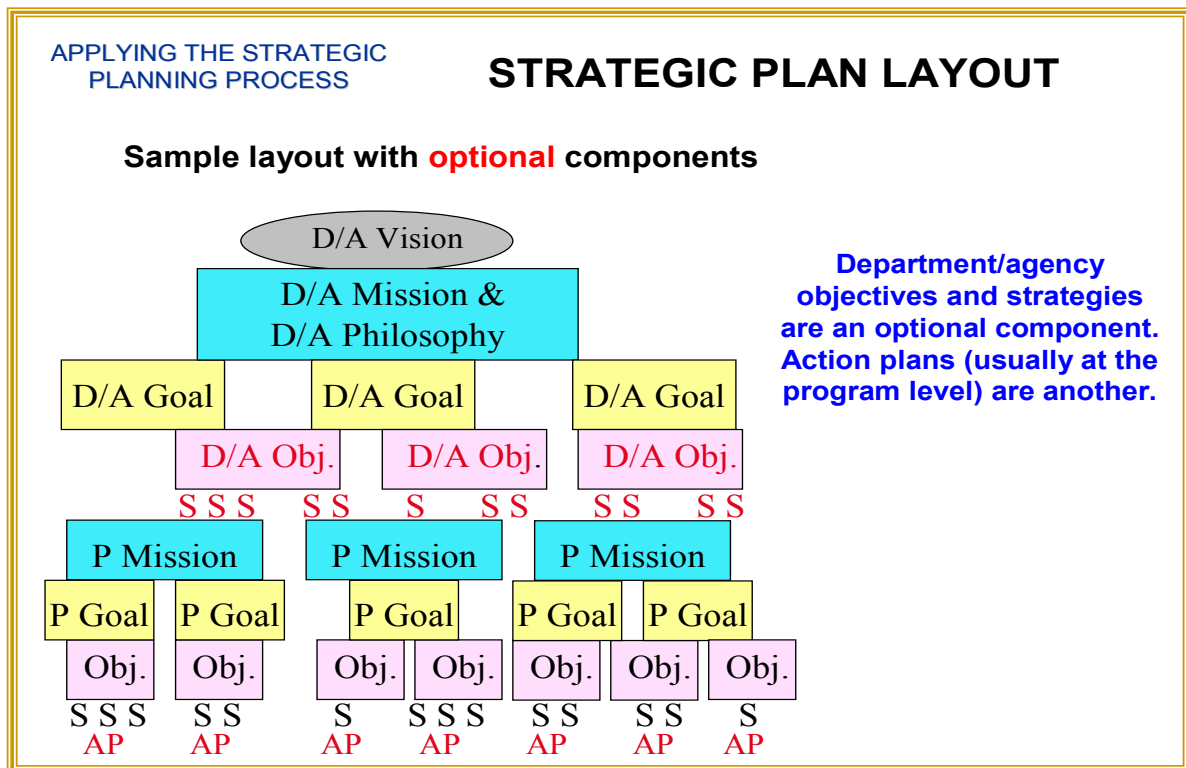


Large Department with Multiple Agencies and Programs



Note: Departments with multiples agencies (often institutions) or agencies with multiple programs that are virtually identical (repeat same goals, objectives, and/or measures of performance) may be able to include a generic agency/program set of goals, objectives, and indicators rather than repeating the same information over and over.

Sample Layout with Optional Components



RESOURCES FOR INTERNAL/EXTERNAL ASSESSMENTS

Situation inventory resources are:

- Policy development files
- Internal databases
- Annual reports
- Budget requests
- Undersecretary management/program evaluation reports (Act 160 reports)
- Program evaluations
- Financial and performance audits
- Quality assessment surveys
- Employees (survey)
- Customers (survey)

Environmental Scan resources are:

- Information sources you can utilize when conducting an environmental scan are as follows:
- Federal and state statistical reports and databases
- Federal, state, and local government legislation, regulations, executive orders or actions, budgets, policy statements, and special studies
- Court decisions and actions
- National and regional professional organizations and associations
- Interest or advocacy groups
- Media
- University and college resource centers
- Agency advisory and governing boards

EXAMPLES OF PERFORMANCE INDICATORS

Input indicators:

- Budget allocation
- Number of staff members of full-time equivalent employees
- Current illiteracy rate in Louisiana
- Number of clients eligible for program
- Numbers of customers requesting service
- Number of applications received
- Number of school age children
- Current level of child immunization against communicable disease
- Current teen pregnancy rate
- Current visitor rate and advertising/revenue ratio at museum
- Level of motor carrier compliance with weight limits

Output indicators:

- Number of students enrolled in an adult literacy program
- Number of clients/customers served by a program
- Number of applications reviewed
- Number of vaccinations/inoculations given
- Number of teens enrolled in pregnancy prevention class
- Number of museum visitors
- Dollar amount of museum revenues raised
- Number of motor carried weight violations cited

Quality indicators:

- Number of repeat findings
- Number/percentage of errors during application review
- Compliance with error tolerance levels in program guidelines
- Percentage accuracy data entry
- Customer survey satisfaction rate
- Number of client/customer complaints filed
- Percentage of client/customer complaints sustained
- Awards or recognition for service excellence
- Accreditation of program/facility or licensing of staff
- National or regional ranking

EXAMPLES OF PERFORMANCE INDICATORS

Outcome indicators:

- Number/percentage of students able to read and write after completing an adult literacy program
- Percentage change in number of applications reviewed
- Percentage change in number of clients/customers served
- Percentage change in number/percentage of school age children who are vaccinated/inoculated against communicable disease
- Reduction in incidence of communicable disease
- Percentages of teens enrolled in a pregnancy prevention program who become pregnant within 12, 18, 24 months after program ends
- Percentage change in museum visitor rate and revenues raised
- Change in motor carrier compliance with weight limits
- Percentage completion of database

Efficiency indicators:

- Cost per student in an adult literacy program
- Cost per application reviewed
- Average or maximum processing time for application review
- Administrative cost as a percentage of total program cost
- Average cost per client/customer served by program
- Number/percentage of eligible clients receiving services
- Average or maximum waiting time on eligibility list
- Average cost per vaccination/inoculation
- Cost per teen enrolled in pregnancy prevention program
- Annual cost per visitor to operate museum
- Revenue return on every advertising dollar spent on promoting museum
- Savings (time, personnel, and/or costs) from automation of processes and procedures.

EXAMPLES OF PERFORMANCE INDICATORS

Sample Product Development/Engineering Performance Measures

Percent of drafting errors per print	Percent of prints released on schedule
Percent of errors in cost estimates	Number of times a print is changed
Number of off-specifications approved	Simulation accuracy
Accuracy of advance materials list	How well the product meets customer expectations
Field performance of product	Percent of error-free designs
Percent of errors found during design review	Percent of repeat problems corrected
Time to correct a problem	Time required to make an engineering change
Percent of reports with errors in them	Data recording errors per month
Percent of evaluations that meet engineering objectives	Percent of special quotations that are successful
Percent of test plans that are changed (change/test plan)	Number of meetings held per quarter where quality and defect prevention were the main subject
Person-months per released print	Percent of total problems found by diagnostics as released
Number of problems that were also encountered in previous products	Cycle time to correct customer problem
Number of errors in publications reported from the plan and field	Number of products that pass independent evaluation error-free
Number of misused shipments of prototypes	Number of unsuccessful pre-analyses
Number of off-specifications accepted	Percent of requests for engineering
Number of days late to pre-analysis	Percent of requests for engineering action open for more than two weeks
Effectiveness of regression tests	Number of restarts of evaluations and tests
Percent of corrective action schedules missed	Number of days for the release cycle
Cost of input errors to the computer	Percent of bills of material that are released in error
Spare parts cost after warranty	Customer cost per life of output delivered

EXAMPLES OF PERFORMANCE INDICATORS

Sample Security /Safety Performance Measures

Percent of clearance errors	Time to get clearance
Percent of security violations	Percent of documents classified incorrectly
Security violations per audit	Percent of audits conducted on schedule
Percent of safety equipment checked per schedule	Number of safety problems identified by management versus total safety problems identified
Safety accidents per 100,000 hours worked	Safety violations by department
Number of safety suggestions	Percent of sensitive parts located

Sample Clerical Performance Measures

Misfiles per week	Paper waste
Errors per type page	Administration errors (not using the right procedures)
Number of times messages are not delivered	Percent of action items not done on schedule
Percent of inputs not received on schedule	Percent of coding errors on time cards
Period reports not completed on schedule	Percent of phone calls answered within two rings
Percent of phone calls dialed correctly	Pages processed error-free per hour
Clerical personnel/personnel support	Percent of pages retyped
Percent of impressions reprinted	

Sample Human Resource Performance Measures

Percent of employees who leave during the first year	Number of days to answer suggestions
Number of suggestions resubmitted and approved	Turnover rate due to poor performance
Number of grievances per month	Percent of employment requests filled on schedule
Number of days to fill an employment request	Time to process an applicant
Average time a visitor spends in lobby	Time to get security clearance
Time to process insurance claims	Percent of employees participating in company-sponsored activities
Percent of complaints about salary	Percent of personnel problems handled by employees' managers
Percent of employees participating in voluntary health screening	Percent of offers accepted
Percent of retirees contacted yearly by phone	Percent of training classes evaluated excellent
Percent deviation to resource plan	Wait time in medical department

EXAMPLES OF PERFORMANCE INDICATORS

Number of days to respond to applicant	Percent of promotions and management changes publicized
Percent of error-free newsletters	Personnel cost per employee
Cost per new employee	Management evaluation of management education courses
Opinion survey ratings	

Sample Quality Assurance Performance Measures

Percent error in reliability projections	Percent of product that meets customer expectations
Time to answer customer complaints	Number of customer complaints
Number of errors detected during design and process reviews	Percent of employees active in professional societies
Percent of quality inspectors to manufacturing directs	Percent of QE's to product and manufacturing engineers
Number of engineering changes after design review	Number of process changes after process qualification
Errors in reports	Time to correct a problem
Percent of suppliers at 100 percent lot acceptance for one year	Percent of lots going directly to stock
Percent of problems identified in the field	Variations between inspectors doing the same job
Percent of reports published on schedule	Number of complaints from manufacturing management
Percent of field returns correctly analyzed	Time to identify and solve problems
Percent of lab services not completed on schedule	Percent of improvement in early detection of major design errors
Percent of errors in defect records	Number of reject orders not dispositioned in five days
Number of customer calls to report errors	Number of committed supplier plans in place
Percent of correlated test results with suppliers	Receiving inspection cycle time
Number of requests for corrective action being processed	Time required to process a request for corrective action
Number of off-specifications approved	Percent of part numbers going directly to stock
Number of manufacturing interruptions caused by supplier parts	Percent error in predicting customer performance
Percent product cost related to appraisal scrap and rework	Percent skip lot inspection
Percent of qualified suppliers	Number of problems identified in-process
Cost of scrap and rework that was not created at the rejected operation	Level of customer surveys

EXAMPLES OF PERFORMANCE INDICATORS

Sample Information Systems Performance Measures

Reruns caused by operator error	Percent of reports delivered on schedule
Errors per thousand lines of code	Number of changes after the program is coded
Percent of time required to debug programs	Number of cost estimates revised
Percent error in forecast	Percent error in lines of code required
Number of coding errors found during formal testing	Number of test case errors
Number of test case runs before success	Number of revisions to plan
Number of documentation errors	Number of revisions to program objectives
Number of errors found after formal test	Number of error-free programs delivered to customer
Number of process step errors before a correct package is ready	Number of revisions to checkpoint plan
Number of changes to customer requirements	Percent of programs not flow-diagrammed
Percent of customer problems not corrected per schedule	Percent of problems uncovered before design release
Percent change in customer satisfaction survey	Percent of defect-free artwork
System availability	Terminal response time
Time before help calls are answered	Rework costs resulting from computer program

Sample Accounting Performance Measures

Percent of late reports	Percent of errors in reports
Errors in input to Information Services	Errors reported by outside auditors
Percent of input errors detected	Number of complaints by users
Number of hours per week correcting or changing documents	Number of complaints about inefficiencies or excessive paper
Amount of time spent appraising/correcting input errors	Payroll processing time
Percent of errors in payroll	Length of time to prepare and send a bill
Length of time billed and not received	Number of final accounting jobs rerun
Number of equipment sales miscoded	Amount of intra-Company accounting bill-back activity
Time spent correcting erroneous inputs	Number of open items
Percent of deviations from cash plan	Percent discrepancy in MRB and line scrap reports
Travel expense accounts processed in three days	Percent of advances outstanding
Percent data entry errors in accounts payable and general ledger	Credit turnaround time
Machine billing turnaround time	Percent of shipments requiring more than one attempt to invoice
Number of untimely supplier invoices processed	Average number of days from receipt to processing

EXAMPLES OF PERFORMANCE INDICATORS

Sample Manufacturing and Test Engineering Performance Measures

Percent of process operations where sigma limit is within engineering specification	Percent of tools that fail certification
Percent of tools that are networked due to design errors	Number of process changes per operation due to error
Percent error in manufacturing costs	Time required to solve a problem
Number of delays because process instructions are wrong or not available	Percent error in test equipment and tooling budget
Number of errors in operator training documentation	Percent of errors that escape the operator's detection
Percent of testers that fail certification	Percent error in yield projections
Percent error in output product quality	Percent of designed experiments that need to be revised
Percent of changes to process specifications during process design review	Percent of equipment ready for production on schedule
Percent of meetings starting on schedule	Percent of drafting errors found by checkers
Percent error in yield projections	Percent of manufacturing used to screen products
Number of problems that the test equipment cannot detect during manufacturing cycle	Percent correlation between testers
Number of waivers to manufacturing procedures	Percent correlation between testers delivered on schedule
Percent of tools and test equipment on change level control	Percent functional test coverage of products
Percent projected cost reductions missed	Percent of action plan schedules missed
Equipment utilization	In-process yields
Labor utilization index	Asset utilization

Sample Industrial/Plant Engineering Performance Measures

Percent of error in time estimates	Percent of error in purchase requests
Hours lost due to equipment downtime	Scrap/rework due to calibration errors
Repeat call hours for the same problem	Changes to layout
Percent deviation from budget	Percent variation to cost estimates
Number of unscheduled maintenance calls	Percent of equipment maintained on schedule
Number of hours used on scheduled maintenance	Accuracy of assets report
Percent of equipment overdue for calibration	Number of industrial design completions past due
Percent of total floor space devoted to storage	Number of errors found after construction had been accepted by the company
Number of mechanical/functional errors in industrial design artwork	Maintenance cost/equipment cost

EXAMPLES OF PERFORMANCE INDICATORS

Sample Procurement/ Purchasing Performance Measures

Percent of discount orders by consolidating	Errors per purchase order
Number of orders received with no purchase order	Routing and trace errors per shipment
Percent of supplies delivered on schedule	Percent decrease in parts cost
Expeditors per direct employees	Number of items on the hot list
Percent of suppliers with 100 percent lot acceptance for one year	Labor hours per \$10,000 purchases
Purchase order cycle time	Number of times per year line is stopped due to lack of supplier parts
Percent of parts with two or more suppliers	Average time to fill emergency orders
Average time to replace rejected lots with good parts	Percent of lots received on line late
Time to answer customer complaints	Percent of phone calls dialed correctly
Percent of purchase orders returned due to errors or incomplete description	Percent of defect-free supplier model parts
Percent projected cost reductions missed	Time required to process equipment purchase orders
Number of items billed but not received	Stock costs
Supplier parts scrapped due to engineering changes	Parts costs per total costs
Actual purchased materials cost per budgeted cost	Cost of rush implants

Sample Finance Performance Measures

Percent error in budget predictions	Computer rerun time due to input errors
Percent of financial reports delivered on schedule	Number of record errors per employee
Percent of error-free vouchers	Percent of bills paid so Company gets price break
Percent of errors in checks	Entry errors per week
Number of payroll errors per month	Number of errors found by outside auditors
Number of errors in financial reports	Percent of errors in travel advance records
Percent of errors in expense accounts detected by auditors	Computer program change cost

Sample Production Control Performance Measures

Percent of late deliveries	Percent of errors in stocking
Time required to incorporate engineering changes	Percent of errors in purchase requisitions
Percent of products that meet customer orders	Inventory turnover rate.
Time that line is down due to assembly shortage	Percent of time parts are not in stock when ordered from common parts crib

CHECKLIST FOR PROPERLY STATED GOALS

CRITERIA	YES	NO
In harmony with and clarifies the organization's vision, mission, and philosophy/core values		
Provides a course for direction, but does not determine specific ways to get there		
Addresses policies and priorities, <u>not</u> strategies		
Reflects the primary concerns and strategic direction for the organization; <u>Not</u> a listing of everything the organization does		
Reflects the results of the internal/external assessment and may be developed in response to strategic or critical issues		
Encompasses a relatively long period - the duration of the plan		
Challenging, but realistic and achievable		
Allows one to gauge whether or not progress is being made towards achieving them		

DEVELOPING SMART OBJECTIVES

GOAL:	
OBJECTIVE:	
Elements of S.M.A.R.T.	How the objective incorporates each element
<i>Specific</i>	
<i>Measurable</i>	
<i>Aggressive but Attainable</i>	
<i>Result-Oriented</i>	
<i>Time-bound</i>	

DEVELOPING BALANCED PERFORMANCE INDICATORS

PERFORMANCE INDICATOR MATRIX					
Program:					
Goal:					
Objective:	INPUT	OUTPUT	OUTCOME	EFFICIENCY	QUALITY

EVALUATING THE APPROPRIATENESS OF PERFORMANCE MEASURES

CRITERIA	YES	NO
Meaningful		
Responsibility-linked		
Organizationally acceptable		
Balanced		
Clear and simple		
Comparable		
Credible		
Cost-effective		
Compatible		

REVISING THE STRATEGIC PLAN—QUESTIONS TO ASK

- **Have there been any significant changes in the organization's internal capacity?** For example:
 - Has the organization's mission changed? Have goals changed?
 - Has the organization (department, agency, or program) been assigned or undertaken any new responsibilities? If so, what are they and how will they affect mission and goals?
 - Have budget or position allocations changed significantly?
 - Has the organization undergone reorganization?
 - Have administrative procedures or guidelines been revised significantly?
 - Has the organization received significant or repeated audit findings?
- **Have there been major changes in the organization's external operating environment?** For example:
 - Have new mandates been placed on the agency by federal or state government?
 - Have major new public issues surfaced that are related to the organization?
 - Have there been economic, demographic, political, environmental, or societal shifts that will affect the organization and its mission?
 - Have statewide policy and strategic planning entities established goals, objectives, or strategies that must be incorporated into the organization's strategic plan?
 - Has the organization's enabling legislation or other authorization been changed? If so, what changed and how will those changes affect mission and goals?
 - Has the organization (department, agency, or program) been assigned or undertaken any new responsibilities? If so, what are they and how will they affect mission and goals?
- **Are objectives, strategies, and action plans on schedule and fulfilling expectations?**
 - If so, how can the organization build on this progress?
 - If more progress than expected has been made, should objectives be set higher?
 - If less progress than expected has been made, should objectives be lowered or extended in time? Should strategies be revised, overhauled, or thrown out entirely? Are other changes required to allow the organization to make progress?
- **Are performance indicators capturing the information necessary to chart progress and support management decision-making?** Does each activity include at least one outcome-based performance indicator? If not, what changes are needed?

STRATEGIC PLAN REVIEW

1. Were the strategic plan and required documentation submitted on time and in accordance with guidelines for submission? (Utilize the Strategic Plan Tracking Sheet).

SUBMISSION OF PLAN & DOCUMENTATION		
YES	NO	
		Submitted on time
		No later than 5:00 pm, July 1
		By approved extension deadline
		Submitted per guidelines

Explain any “no” answers and add any additional remarks needed to clarify the situation.

2. Does the strategic plan meet the technical requirements of Title 39?

Plan components – Are all required plan components present? (Remember: Plan formats may vary, depending upon the size and complexity of the organization. Plans may contain other optional components, but statutory provisions and guidelines require the following components.)

SUBMISSION OF REQUIRED PLAN COMPONENTS		
YES	NO	PLAN COMPONENT
		Department/agency vision
		Department/agency mission
		Department/agency philosophy/core values
		Department/agency goals
		Program mission
		Program goals (may be the same as department/agency goals)
		Program objectives
		Program strategies
		Performance indicators for each objective
		Vision 2020 cross-references
		Strategies for development and implementation of human resource policies that benefit women and families

STRATEGIC PLAN REVIEW

Process documentation – Are all required process documentation items present?

SUBMISSION OF REQUIRED PROCESS DOCUMENTATION		
YES	NO	DOCUMENTATION ITEM
		Identification of stakeholders and specific services/benefits received for each program
		Identification of authority for goals
		Identification and discussion of potential external factors that may influence performance
		Description of methods/tools used to develop objectives and strategies (Strategy Analysis Checklist should be completed.)
		Current Strategy Analysis Checklist used
		Explanation of how duplication of effort will be avoided
		Performance Indicator (PI) Documentation Sheet for <u>each</u> performance indicator
		Current PI Documentation Sheet used

3. Do the strategic plan components follow the guidelines and meet criteria established by the Division of Administration (DOA)?

COMPLIANCE WITH DOA GUIDELINES & CRITERIA		
YES	NO	PLAN COMPONENT
		Vision statement is a compelling image of the desired future.
		Mission statements clearly identify the organization. (department, agency, or program), what services it provides, and to whom the services are provided
		Program mission statements are complementary, consistent with, or a component of department/agency mission statement.
		Philosophy/core values statements express organization's attitude about people, process, and performance.
		Goals represent long-range end results, identify direction and destination, are in harmony with the mission statement as well as each other, and provide an effective framework for subsequent parts of plan.
		Objectives are SMART (Specific, Measurable, Aggressive but Attainable, Results-oriented, and Time bound).
		Strategies clearly identify how the goals and objectives will be accomplished.
		Balanced sets of performance indicators are identified for each objective. (Remember, each objective must have at least one measure of outcome, efficiency, or quality and as many other indicators as needed to tell the performance story.)
		Performance measures include indicators for "cost per service unit" and/or external comparisons of efficiency or effectiveness.
		Vision 2020 cross-references are valid and reasonable. (Remember, Vision 2020 was updated and revised in 2003. Check the agency cross-references for validity and accuracy.)

STRATEGIC PLAN REVIEW

For any “No” answer above, describe the deficiency and how it should be corrected.

- Is there evidence (explicit or implicit) that the agency used benchmarking to identify best management practices and/or best measurement practices? Or is it impossible to tell?
- Is there evidence (explicit or implicit) that the agency used cost-benefit analysis or considered return on investment during development of this plan? Or is it impossible to tell?
- Are performance indicator documentation sheets complete? Are responses thorough? Do performance indicator documentation sheets support the validity, accuracy, and reliability of performance indicators? If not, how should deficiencies be corrected?
- If the plan differs significantly from DOA guidelines, is there justification for the deviation? If so, what is that justification and is it sufficient to support the deviation from guidelines? Does the plan fulfill the spirit, if not the letter, of the law?

4. Does the plan address problems and issues identified in audits by the Office of the Legislative Auditor and/or the Office of the State Inspector General? Explain.

5. Does the strategic plan provide an effective guide for operational planning and a workable basis for budget decision-making? Explain.

6. Does the plan support or compromise consistency of performance reporting? Explain.

For example:

- Does the plan propose the elimination or modification of performance indicators that have been used and reported for some time?
 - If so, did the organization discuss and clear these changes with the OPB before submission of the strategic plan?
 - If not, do the changes represent a significant improvement in performance accountability (and not the birth of a “greased pig”)?
 - If not, do the changes represent a positive evolution in performance measures that the OPB can support?
- Are the performance indicators shown in this plan consistent with any measures that the department/agency/program reports to the federal government?

STRATEGIC PLAN REVIEW

7. General Observations:

GENERAL OBSERVATIONS		
YES	NO	
		Is the plan well organized and formatted? Is it easy to follow?
		Does the plan strike a good balance between the KISS principle and sufficient explanatory information?
		Is this plan an improvement from the current strategic plan?
		Does this plan build on/expand earlier strategic plans?
		Does this plan break new ground and identify significant new internal or external initiatives?
		Is this plan just an "instant replay" of the current plan?
		Is this plan just a five-year operational plan?
		Other?

8. Have you discussed the revised strategic plan with the appropriate commissioner’s policy advisor and legislative staff? With what result? Is this a consensus?