



The Intersection of Strategic Planning and Performance Measurement

Where Vision Meets Action

By Monica D. Croskey

A well-developed strategic plan can help a community accomplish meaningful goals by incorporating performance management to ensure that the jurisdiction's resources are tied to its broader vision.

Governments are rarely accused of having too few mission statements or too few aspirations, with frequent proclamations of becoming the safest city in America, the most business-friendly community in the nation, or the best place to live, work and play. No; what governments are often accused of is having too much vision and not enough action. After all, how does a community determine whether it's truly the safest in America? By the complete absence of crime, or by having the lowest crime rate per 1,000 residents? What steps will a community take to decrease its crime rate? What resources — financial, human capital, partnerships, and so on — will be needed to accomplish such a goal? A well-developed strategic plan can help a community accomplish meaningful goals by incorporating performance management to ensure that the jurisdiction's resources are tied to its broader vision

THE PROCESS MATTERS

The way a strategic plan is developed will influence the extent to which it is useful and meaningful. A strategic plan that was created by budget analysts alone will likely only be meaningful to the budget office. The key to a successful process is involving stakeholders. Doing so communicates the important

message that others' contributions are valuable. Their participation will also create buy-in. Governments should develop processes that, at minimum, include citizens, elected officials, senior staff leadership, and even the local media.

Citizen Involvement. Since governments exist to serve the public, strategic plan processes should include contributions from the public. From online citizen forums to neighborhood charrettes, there are many ways governments can involve citizens. Exhibit 1 illustrates the process used by Rock Hill, South Carolina, which begins with a citizen survey and citizen focus groups, both conducted by an independent third party. The planning timeline allow the city to review the citizen survey results before conducting focus groups, so any concerns can be discussed there.

Data — Share, and then Reflect. In addition to gathering data on citizen opinions and perceptions, a government should consider reviewing its current priorities, initiatives, and performance. Once data has been gathered, it needs to be shared with key stakeholders, and time should be set aside for stakeholders to discuss and reflect on the data. If elected officials and staff reflect on the data and develop their insights in com-

Exhibit I: Rock Hill's Strategic Plan Development

Data Gathering

- Citizen Survey
- Focus Groups
- Current:
 - Initiatives
 - Priorities
 - Performance

Data Sharing and Discussion

- City Council and Senior Staff Retreat
- Development of Plan's Focus Areas

Refinement

- Staff Further Develops Plan
- Engage Employees
- Develop and Share Draft

Draft Presentation

- City Council Workshop to Discuss Draft
- City Council Provides Feedback

Finalization

- City Council Changes Incorporated
- Plan Finalized
- City Council Adopts Plan

plete isolation, the strategic plan will have diminished utility; it is no longer a robust tool for mutual awareness. Rock Hill sets aside two days for a retreat for elected officials and senior staff leadership, allowing them to discuss data and begin developing the framework of the strategic plan. To lay a foundation for informed discussion, all attendees are given the citizen survey results and the focus groups report before the retreat starts. Given the open meetings law, it is common for the local newspaper to have its assigned government reporter attend the retreat, and like all other attendees, the reporter is provided with the survey results. Additionally, the city manager and public affairs staff meet with the local reporter to discuss the survey.

During the retreat, a third-party facilitator guides elected officials and city staff through discussions regarding the citizen survey and focus groups, as well as current initiatives, performance, and priorities. These discussions help the city council develop the strategic plan's focus areas — the highest level of the plan's framework. The two-day retreat doesn't provide enough time to

develop the entire plan, so afterward, using the retreat discussion as a springboard, department heads work with staff to further develop the plan's goals, objectives, tasks and performance measures. Once staff develops a draft of the plan, it is provided to the city council and then discussed during a scheduled city council workshop where elected officials offer their feedback. After staff incorporates the city council's changes into a final draft, the city council adopts the plan during an official meeting.

Meeting with local media to discuss citizen outreach in preparation for a retreat might seem excessive, but such efforts can be beneficial to both parties. Media outlets are always searching for stories, and governments often need avenues for communicating with the public. In Rock Hill's case, shortly before the retreat, the newspaper ran several articles discussing the citizen survey with headlines such as "Survey to help update priorities: Rock Hill Council to review newest resident poll before setting the budget." During the retreat, the newspaper featured daily articles summarizing discussion with headlines such as "Rock Hill Council

ends 2-day review of survey. One Goal: Better communication with Rock Hill residents." Sharing the data before the retreat helped the newspaper provide informed coverage. In turn, Rock Hill's retreat and use of citizen survey data received significant local media coverage that sent a resounding message to the community regarding the city's commitment to seeking public input as well as its commitment to reflecting on and using public feedback in meaningful ways.

ORGANIZING THE PLAN: THINK AHEAD

In the process of developing a strategic plan, considerable thought should go into what is included in the plan, and how the plan is organized. Both elements will affect how meaningful the plan is and how easy or difficult it will be to evaluate and communicate.

Organization. Several frameworks can be used to organize strategic planning and performance measurement information. They can be as complex or simple as a government desires, but in general, a solid structure will incorporate a cascading framework that

Exhibit 2: Rock Hill's Strategic Plan Framework

FOCUS AREA: Major Categories

- Quality Services
- Quality Places
- Quality Community

GOAL: Desired Result

- Example: Provide high quality parks, recreation and tourism services.

OBJECTIVE: Statement of What the City is Setting Out to Attain

- Example: Increase Rock Hill's success as a premiere sports tourism destination.

TASK: Activity the City Plans to do to Achieve Goal/Objective

- Example: Market Rock Hill's sports facilities to athletic associations.

PERFORMANCE MEASUREMENT: Sets Parameter for Defining Success

- Example: Secure two national tournaments by 2015.

includes high-level, visionary components as well as more tangible, action-oriented components. This will help governments move along the vision-to-action continuum. Exhibit 2 shows Rock Hill's framework, which has five cascading levels. Focus areas and goals lend themselves to communicating the city's vision, while objectives and tasks communicate the city's plan of action, and performance measures communicate how success will be defined.

To Measure, or Not to Measure — this is a Common Question. Organizations are often weighed down with questions about what to include in their plans. Should it exclude output, workload, and project milestone-type performance measures? Should the plan focus more on productivity, effectiveness, and efficiency measures? Organizations need to review literature, research best practices, and consult with leading organizations, but ulti-

mately, questions about what to include in a strategic plan are best answered by the organization itself.

Governments operate in environments that have different priorities, cultures, and values; what's important to one community may not matter to another. For example, if an organization is consistently accused of failing to complete major projects on time or within budget, it may be valuable to include phased milestone dates and budget targets for major projects in its strategic plan. While this performance information might not be interesting to an academic critic or another jurisdiction reading the strategic plan, it will likely be interesting to that community's elected officials, staff, and citizens. Rock Hill has found a comprehensive approach to be most useful. Its plan includes project completion milestone measures, outcome, productivity and citizen satis-

faction measures, and benchmarking measures (industry benchmarks, benchmarks against other jurisdictions, and benchmarks against the city's past performance). Deciding what to include in a strategic plan should be less about satisfying a best practice checklist and more about measuring areas of performance that the organization's elected officials, staff, and community find meaningful.

COMMUNICATE AND EVALUATE

Once a strategic plan is developed and organized, it needs to be communicated and periodically evaluated for progress in meeting its performance.

Effective Communication. Actively communicating a strategic plan both internally and externally promotes transparency. Essentially, the strategic plan helps a government openly share how it will use public resources to accomplish public goals, and a mutual understanding among staff, elected officials, and the public can foster a sense of shared goals and shared purpose. A strategic plan communicates how the individual efforts of the organization's employees contribute to the organization and community's success, and it can help citizens feel connected to the community at large. To experience these benefits, a government must develop strategies for communicating its strategic plan.

Rock Hill's strategic plan has a simple framework that has been easy to communicate. The plan is organized around three focus areas, services, places and community. In short, Rock Hill commits to providing quality services, developing quality places, and

fostering a quality community. (Exhibit 3 shows a few of Rock Hill’s communication pieces.) To help communicate the strategic plan, the city developed an easily read 30-page strategic plan document that lays out the city’s strategy and performance measures. The document is available on the city’s transparency website (cityofrockhill.com/transparency). Visual aids include a staff-created logo, summary rack cards that are displayed at all city facilities, and banners that hang on lamp posts around city hall and are placed on every marked city vehicle. These efforts remind employees and the public about the city’s commitment to quality.

City staff also produced two six-minute videos that provide a high-level

overview of the strategic plan. One video was aimed at communicating the strategic plan to employees and demonstrating how their work relates to the plan. Every employee saw the video during their monthly department meetings and received a decal summarizing the strategic plan focus areas to put on the back of their city employee badges. New employees watch the video and receive their decals as part of the new employee orientation. The second video was aimed at communicating the plan to the community; it is shown on the city’s television channel and is also available on the city’s transparency website.

Accountable Evaluation. Including performance targets in the strategic plan clarifies the outcomes that are

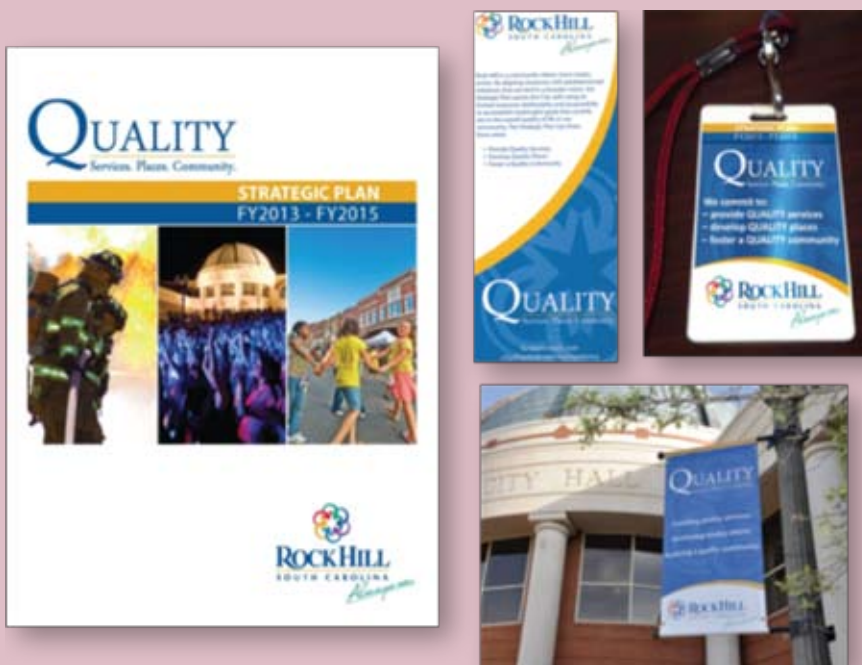
desired, ultimately promoting accountability and improvement. Performance can be evaluated in many ways. For instance, rather than aspiring to a robust economy or wishing for safe neighborhoods, Rock Hill’s strategic plan clearly states how success will be defined. Whether the goal is to add 500 new jobs over three years or to reduce violent crime by two percent annually, the standards by which the city will be judged are explicitly stated.

Rock Hill produces mid-year and year-end performance reports each year that quantify the city’s progress in meeting these targets. The reports are provided to the city council and made public on the city’s transparency website. The mid-year progress report is discussed page-by-page at the mid-year retreat with staff, the city council, and the media present. Whether it is a green dot (signifying success) or a red dot (signifying challenges) that catches a council member’s eye, department heads are called on to discuss and account for performance. These performance reviews do not take place in an adversarial environment, but one that encourages open discussion and shared brainstorming. Rock Hill complements its semi-annual progress reports with a performance dashboard, also available on the city’s transparency website, that communicates the city’s progress on many of the goals in the strategic plan.

Just as unsatisfactory performance needs to be addressed, successful performance should be acknowledged. In Rock Hill, each department works with city leadership to identify the “key measures” that are critical to its operations and to moving the strategic plan

Exhibit 3: Rock Hill’s Strategic Plan Communication Pieces

From left to right: Strategic plan document, strategic plan rack cards, employee badge decal, and strategic plan banners.



forward. If these measures are met, every employee within that department receives a small incentive. The city also established performance targets related to citizen satisfaction with city employees' courtesy, knowledge, and responsiveness. If the satisfaction targets are met, every city employee receives an incentive.

Use the Plan. In addition to evaluating performance and communicating vision, governments should explore other opportunities for using their strategic plans. In Rock Hill, budget requests with a strong connection to advancing the strategic plan's goals are prioritized higher than those that are less in sync with the plan. Additionally, if a city council agenda item is directly linked to a strategic

plan goal, the goal is listed alongside the item on the city council agenda. These practices help demonstrate how individual requests and decisions affect the city's larger vision.

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CONCLUSIONS

Incorporating performance management into a government's strategic plan helps it move from vision to action. Establishing a collaborative develop-

ment process improves mutual awareness among elected officials, staff, and the community regarding vision, goals, priorities, and action steps associated with the strategic plan. A strategic plan helps a government first identify its priorities and then use its limited resources as effectively as possible to address those priorities. Finally, explaining exactly what a government is trying to accomplish provides transparency to staff, elected officials, and the community, including formal evaluation and communication of performance. |

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