Practical Strategy: Crafting a Plan, Not a Paperweight

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ICMA Conference Presenters

Who we are

- Why are we here?

- What we will accomplish?

- What can you glean from listening to us?

Agenda

- Introduction
- Situation Analysis
- Strategic Planning
- Value Proposition
- Strategy Prioritization
- Strategy Execution
- Visibility and Accountability
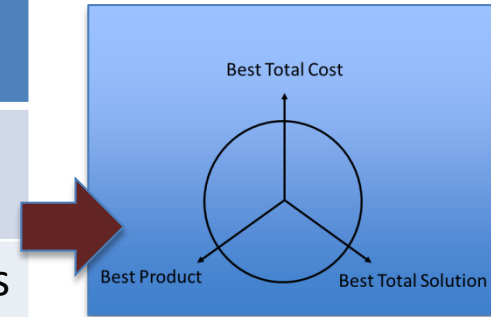- Conclusion

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SITUATION ANALYSIS – PART ONE

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Welcome – Situation Analysis Part 1

- Three things every City Manager needs
  - Clear Direction
  - Consistent Expectations
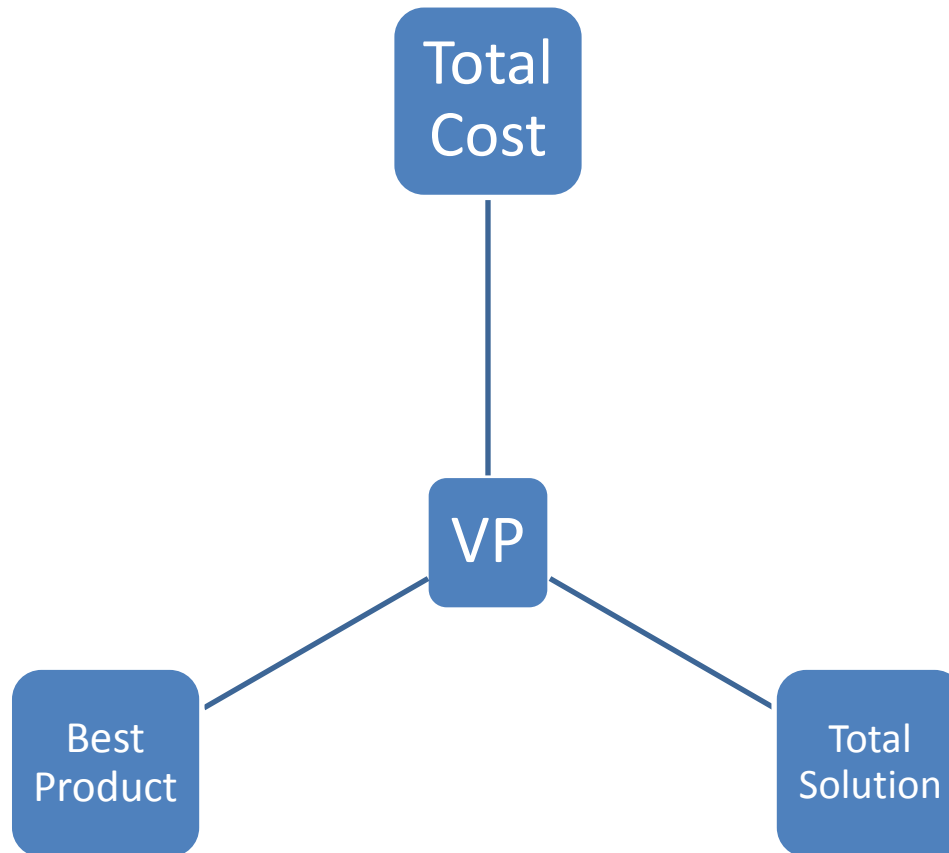 - Priorities

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STRATEGIC PLANNING PROCESS

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Strategic Planning Process

Activity	Gather Information	Analyze Data	Draw Conclusions
City Assessment	Research	Analysis	Strengths & Weaknesses
External Analysis	Gather Trends	Analysis	Opportunities & Threats

Mission Vision Values

Goals	Strategies/Initiatives
Financial	
Customer	
Process	
Staff/Culture	

Transition to Operations

VALUE PROPOSITION

Value Proposition
Discipline of Market Leaders (Treacy & Wiersema)

Best Total Cost - Examples

Total Cost

VP

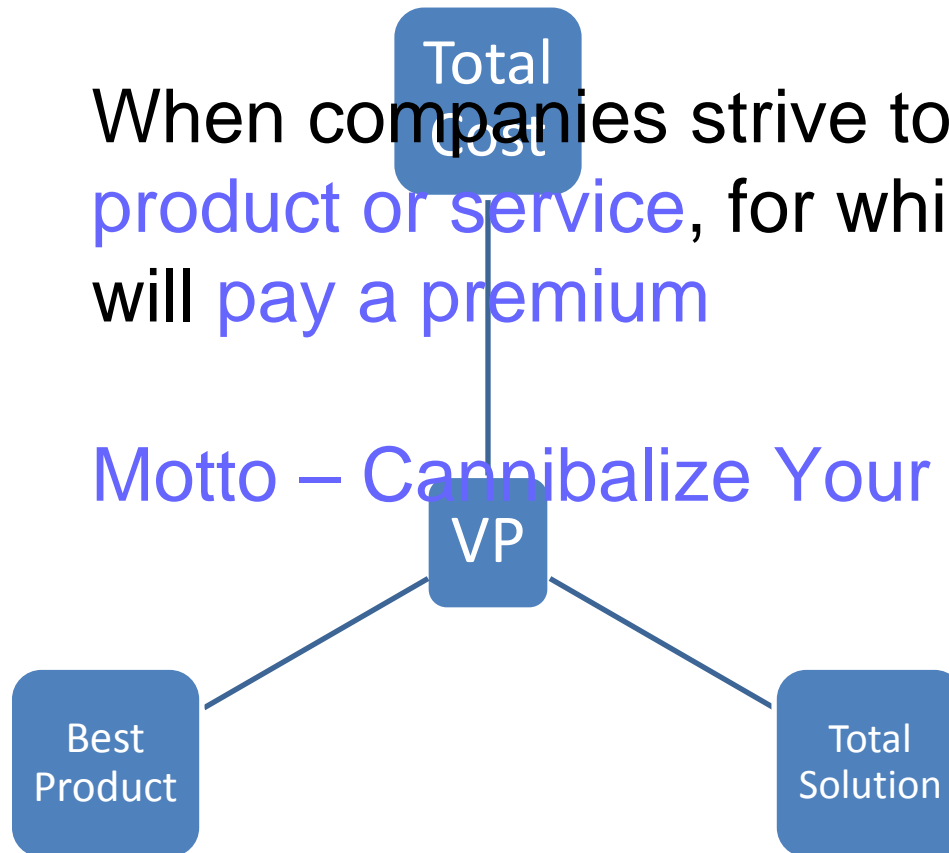When companies strive to achieve _____ position on product _____ support

Variety Kills Efficiency

Best Product/Service

When companies strive to build a better product or service, for which customers will pay a premium

Motto – Cannibalize Your Own Success

Total Cost

VP

Best Product

Total Solution

Best Product - Examples
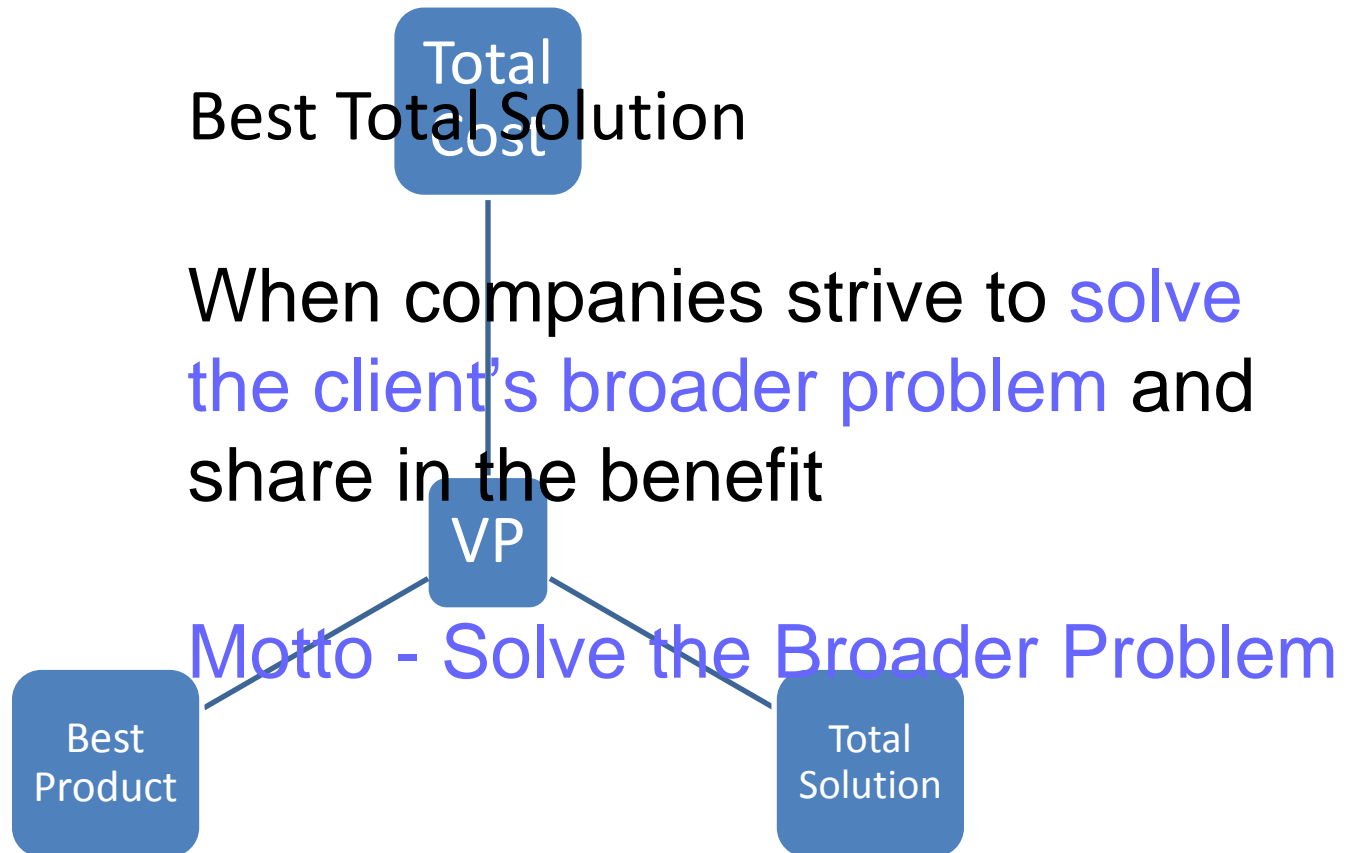
VP

Best Product

Best Product - Innovation

When co[...] to build a better p[...] ich customers will pay a premium

Canni[...] ur own suc[...]

Best Total Solution

Best Total Solution

Total Cost

When companies strive to solve the client's broader problem and share in the benefit

VP

Best Product

Total Solution

Motto - Solve the Broader Problem

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Best Total Solution - Examples

VP

Total Solution

Best Total Solution

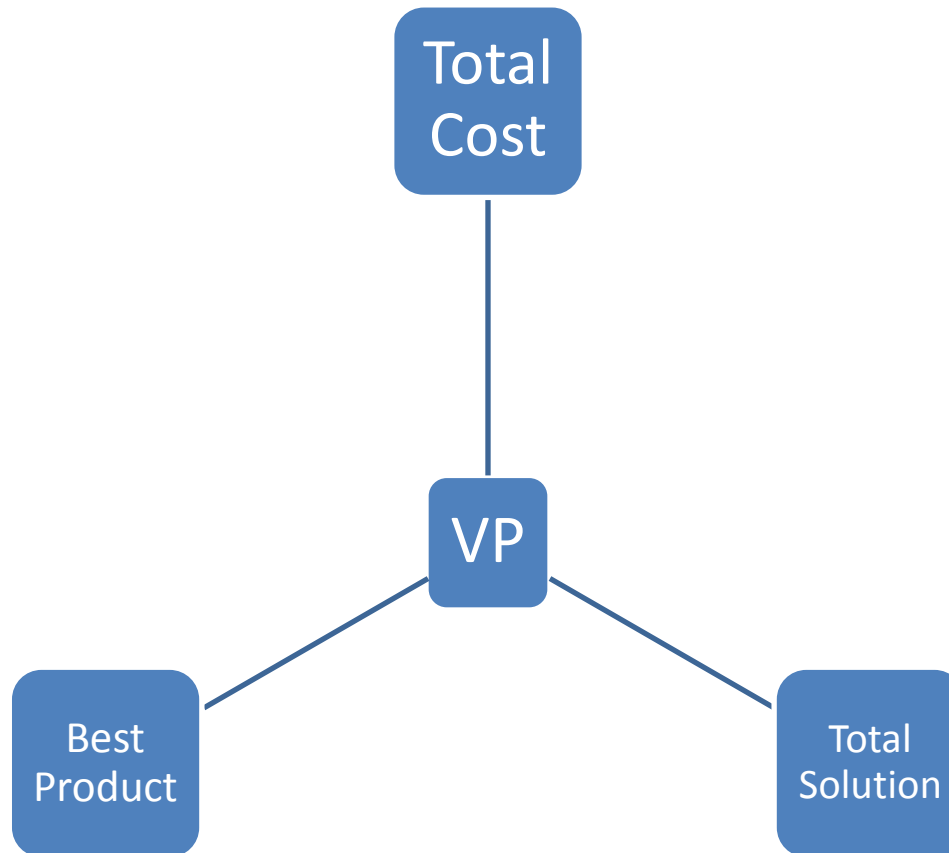When companies strive to solve the client's broader problem and share in the benefit
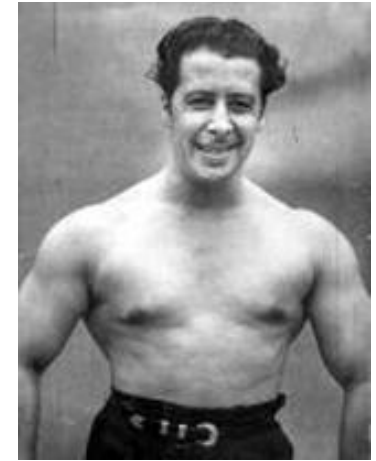
Motto – Solve the Broader Problem

IBM Global Business Services
The right consulting partner to thrive in a complex world

NORDSTROM

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Value Proposition
Discipline of Market Leaders (Treacy & Wiersema)

Total Cost

VP

Best Product

Total Solution

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Value Operating Models

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Value Propositions and Value Operating Models

VP: Best Total Cost

VOM: Operational Excellence

You must align your

- Culture
- Organization
- Core processes
- Management systems
- Information technology

VP: Best Product

VOM: Product Leadership

VP: Best Total Solution

VOM: Customer Intimacy

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VP/VOM

Total Cost

Operational Excellence

VP

Product Leadership

Best Product

Total Solution

Customer Intimacy

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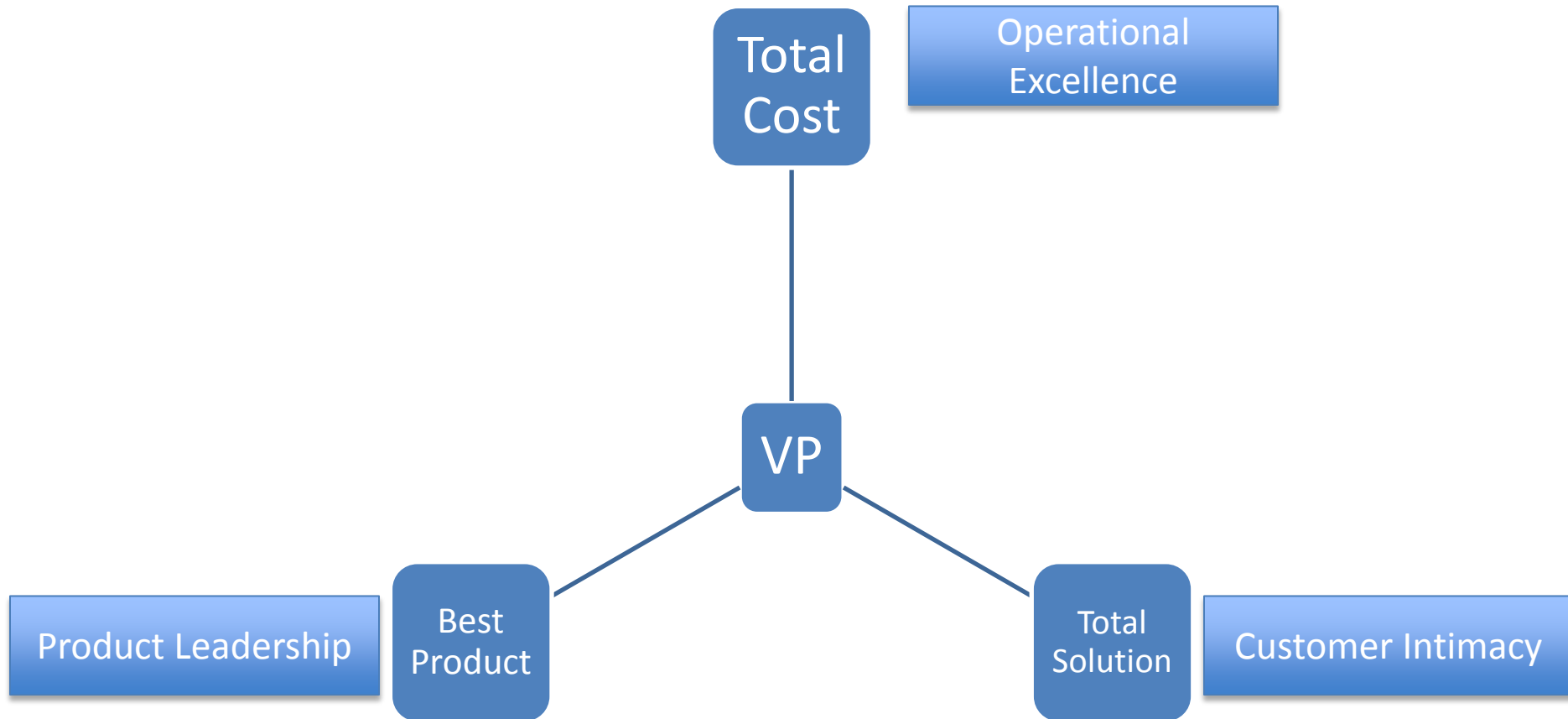
Operational Excellence - Examples

VP

Total Cost

Operational Excellence

Delivering an acceptable product at the lowest possible price

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Product Leadership - Examples

VP

Best Product

Product Leadership

A means of generating invention after invention and applying them in useful, commercial products

TEXAS INSTRUMENTS

SONY make.believe

Apple logo

intel inside pentium 4

Customer Intimacy - Examples

VP

Total Solution

Customer Intimacy

A customer-intimate company uses its superior expertise in the client's underlying problem to change the way the customer does business
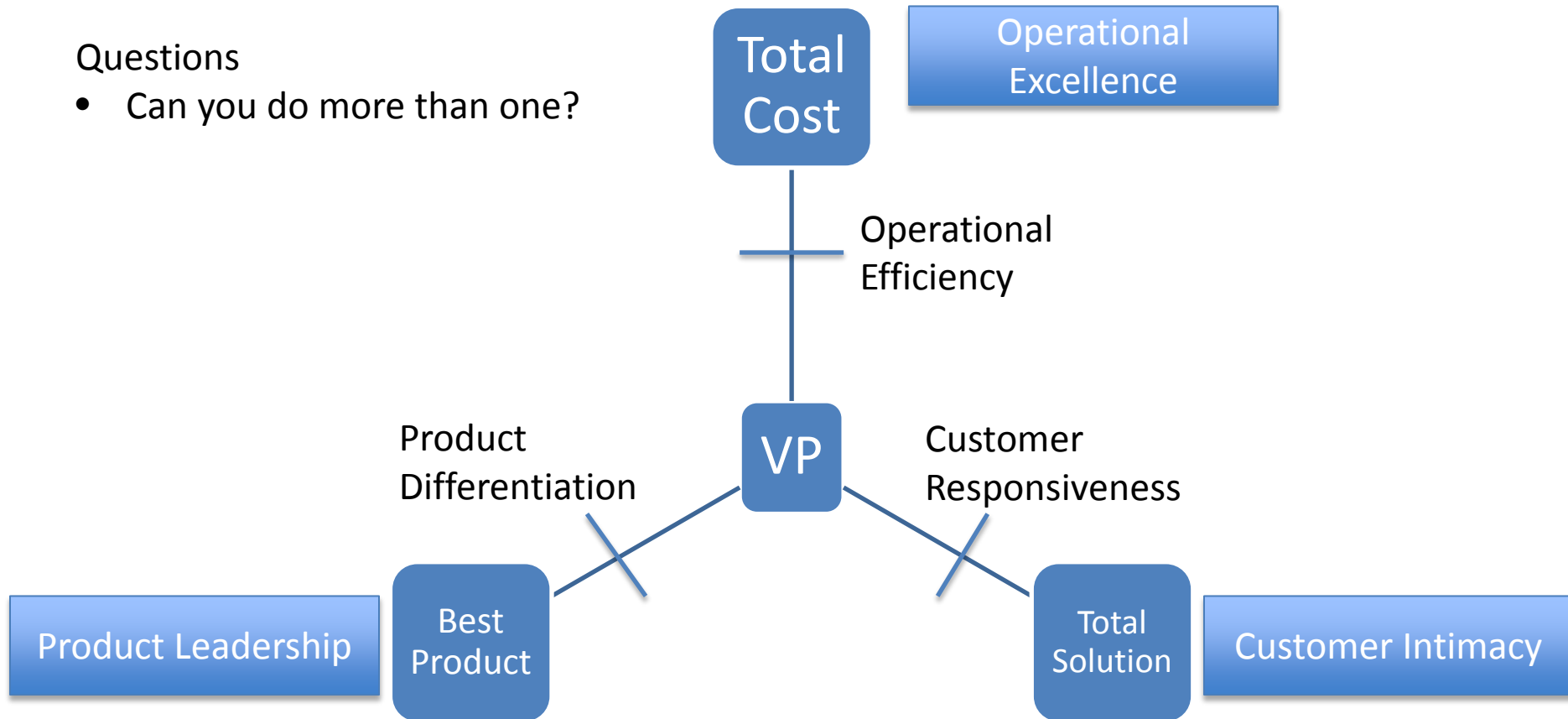

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VP/VOM and Thresholds

Questions
- Can you do more than one?

Total
Cost

Operational
Excellence

Operational
Efficiency

VP

Product
Differentiation

Customer
Responsiveness

Product Leadership

Best
Product

Total
Solution

Customer Intimacy

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Read the bullets under the 5 key component headings. Label each bullet as a TC (Total Cost), BP (Best Product), or TS (Total Solution) Value Proposition component.
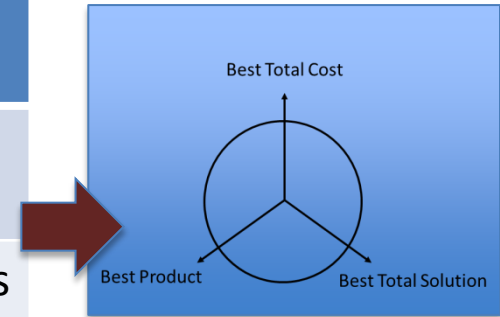
Culture	**Organization**	**Core Processes**	**Management Systems**	**Information Technology**
• Client and field driven • Variation: "have it your way" mindset	• Ad-hoc, organic, and cellular • High skills abound in loose-knit structures	• Client acquisition & development • Solution development • Flexible and responsive work procedures	• Decisive, risk oriented • Reward individuals' innovation capacity • Product lifecycle profitability	• Integrated, low-cost transaction systems • Mobile and remote technologies
• Concept, future driven • Experimentation "out of the box" mindset • Attack, go for it, win	• Entrepreneurial client teams • High skills in the field	• Product delivery and basic service cycle • Built on standard, no frills fixed asset	• Command and control • Compensation fixed to cost and quality • Transaction profitability tracking	• Person-to-person communications systems • Technologies enabling cooperation and knowledge management
• Disciplined teamwork • Process focused • Conformance "one size fits all" mindset	• Centralized functions • High skills at the core of the organization	• Invention, commercialization • Market exploitation • Disjoint work procedures	• Revenue and share of wallet driven • Rewards based in part on client feedback • Lifetime value of client analysis	• Customer databases linking internal and external information • Knowledge bases built around expertise

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Exercise – Part 2

- What is your present Value Proposition?

- What does Council want it to be?

- What is the relevance of this concept to a municipality?

- Discuss

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Strategic Planning Process

Activity	Gather Information	Analyze Data	Draw Conclusions
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Best Total Cost

Best Product

Best Total Solution

Mission Vision Values

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Transition to Operations

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PRIORITIZATION TOOL

Strategy Prioritization

- The Strategy Evaluation Tool – What is the impact of you strategies/initiatives on all of your goals?

Town of Addison Strategy Evaluation Tool 2012											
Goals						Proposed Initiatives for Town of Addison					
Increase revenues by at least 10% while holding the tax rate to $.58 or less and reserves to at least 30%		49	27	22	43	49	27	49	21	49	16	21
Create Raving Fans of the Addison Experience		19	46	46	37	40	13	40	46	22	49	21
Mindful Stewardship of Town Resources		49	34	34	46	46	46	40	46	46	34	43
Maintain and enhance our unique culture of creativity and Innovation		37	49	43	43	43	40	43	43	34	46	27
Totals		154	156	145	169	178	126	172	156	151	145	142
Impact Values (Rate the Impact of each Initiative On Each Goal):		10	6	13	5	2	15	4	6	12	12	15

Strategy Sessions Output

- [Budget Book](#)

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SITUATION ANALYSIS – PART TWO

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Welcome – Situation Analysis Part 2

- Now that you have clear direction of the vision of council, how do you implement?
  - Visibility
  - Accountability
  - Measurement
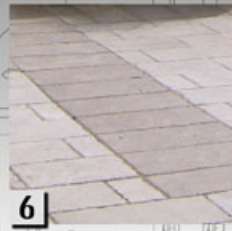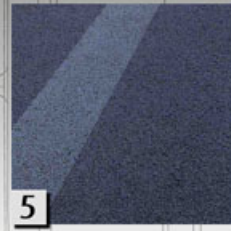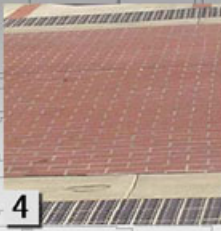
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VISIBILITY AND ACCOUNTABILITY TOOLS

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Strategy Execution

- ## The A3 Discipline

Project	City Council Process													
Scope Intention is to integrate the Strategic Planning Process, the Budget Process and the creation of performance improvement initiative A3s in a seamless way. The goal of this integration is to accelerate the adoption of Council initiatives, to drive implementation and completion, and to increase visibility and accountability.	**Assumptions and Contingency Plans** Assume that the Town of Addison will extend the Council Process contract for at least one year.									Not Started				
Start Date: March 1, 2012	**End Date:** March 4, 2013													
TASK	**Who is Responsible**	3/31/12	4/30/12	5/31/12	6/30/12	7/30/12	8/31/12	9/30/12	10/31/12	11/30/12	12/31/12	1/31/13	2/27/13
Begin Briefing the Council and Candidates	R. Whitehead												
Departmental budget requests													
Conduct Elections													
Strategic planning process with Council	R. Whitehead												
Budget process	R. Whitehead												
City Manager's budget due	R. Whitehead												
Tax rate published	Council												
Adoption of budget, tax rate and related items	Council												
Project implementation plans generated for council strategies	Assgnd Leads												
Execute strategy implementation plans and supporting A3s	Departments												

Planned =   Late =   In Danger =   On Track =   Complete =
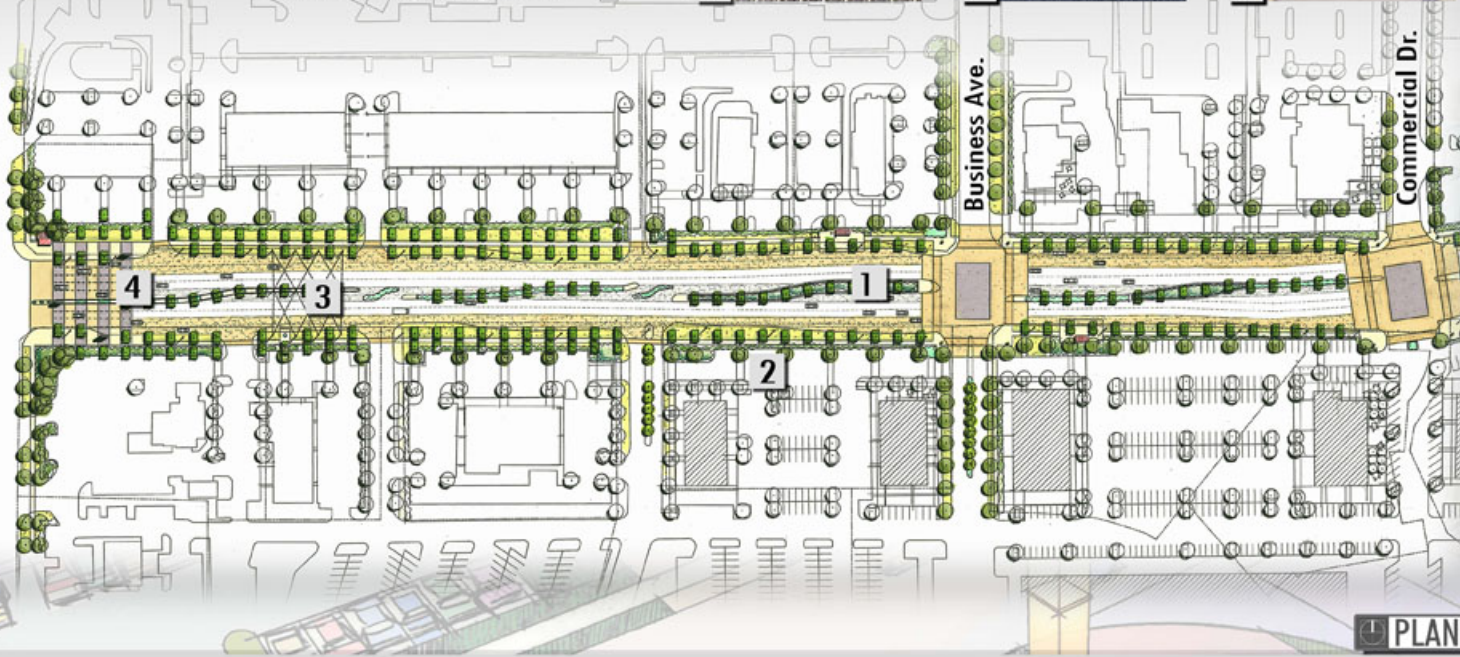
WHAT IF WE DON'T DO THIS?

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RTKL 2005

1 Pleached trees line roadway and median
2 Slip road parking enhanced with planted tree beds
3 Light strings on decorative poles
4-6 Enhanced paving bands

Marsh Lane

Business Ave.

Commercial Dr.

PLAN: 1" = 60'-0"

Overall Conceptual Streetscape Plan
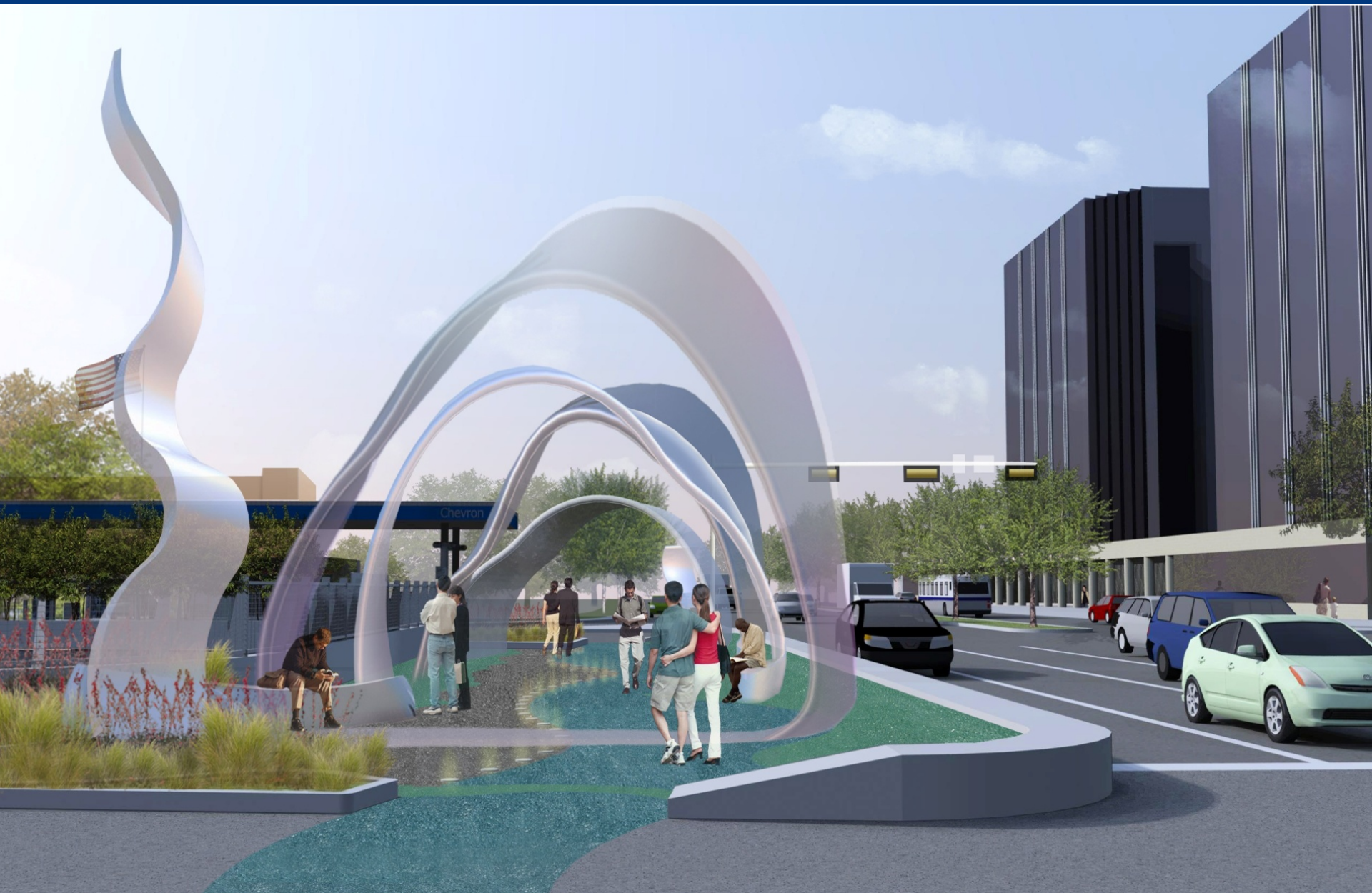
Area A

BELT LINE RD. STREETSCAPE

September 14, 2005

RTKL

Cunningham Architects 2007

HNTB 2009

Final Design

MEASUREMENT AND DASHBOARDS

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Measurement

Department/ Function	City Manager's Office	Mission/Purpose	To implement the goals of council, while embodying the ICMA Code of Ethics. To provide continuity of leadership, to educate, and to protect and enhance our brand.
Our customer(s) is (are)...		Mayor and Council, Staff, Employees, Residents, Businesses, Visitors	
We are successful if we...		- Nurture and develop the organization, its culture, and its people - Encourage creativity and innovation - Ensure consistent delivery of quality services to residents, businesses, and visitors - Create opportunities to educate and manage expectations of residents, businesses, visitors, employees, and council	
Objectives for 2013		- Develop and institutionalize an Individual Develop Plan (IDP) Process by 5/15/13 - Create a formal IDP for all employees by 7/31/13 - Create a formal Career Path Process by 9/30/13 - Develop a Career Path for all employees by 12/31/13 - Develop a documented plan for educating all stakeholder groups by 6/30/13 - Document the Brand Promise for each department by 10/31/13	
Key Performance Indicators		- Stakeholder satisfaction - Employee satisfaction - Education opportunities - Evaluations on Educational Events - Number of new initiatives	

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Questions?

Survey

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Questions/Comments?

For additional information about any of the frameworks, processes or tools presented, please contact Rick Robinson at rrobinson@sdiclarity.com or 214.448.5623