

Success and Failure in Implementing Strategic Plans

David Mitchell, Ph.D., University of Central Florida

Scott Huizenga, City of Kansas City, Missouri

Julia Novak, Novak Consulting Group



ICMA 2016 | SEPT 25-28

KANSAS CITY

102nd ANNUAL CONFERENCE

Study Background

- Second wave of research
- Examined the role of context in strategic plan implementation
- Based on 74 initiatives from 17 municipalities, data collection ongoing
- Survey of and project data from elected officials, city managers, and project leaders

Study Background

- Context defined as low and high levels of project priority and implementation complexity
- Factors examined
 - Supportive stakeholder coalition
 - Change-conducive culture
 - Upfront implementation planning
 - Dedicated implementation resources
 - Strategic plan / budget link
 - Strategic plan / performance link

Project Implementation

- 51% of projects completed
 - 58% on time
 - 84% within budget

Success Rates

Complexity	High	Low	Moderate
	Low	Moderate	High
	Low <=Priority=> High		

Typically staff-driven, organizational improvement projects

Supportive Stakeholder Coalition

- Support must carry through from project approval through implementation
- A supportive stakeholder coalition is not a critical element of success generally
- For high-priority projects, the success rate is 40% higher for those with supportive stakeholder coalitions

Change-Conducive Culture

- The organization values and is prepared for change
- A change-conducive culture is not a critical element of success generally
- For low-priority projects, the success rate is 13% higher for those with change-conducive culture

Dedicated Implementation Resources

- Organizational capacity to implement multiple, simultaneous change efforts
- Dedicated implementation resources are not a critical element of success generally
 - Dedicated project funding is the exception
- For low-priority projects, the success rate is 11% higher for those with dedicated implementation resources

Strategic Plan / Performance Link

- The ongoing outputs and outcomes of strategic plan initiatives are tracked in a performance management system
- A link between the strategic plan and the budget is not a critical element of success generally
- For low-priority projects, the success rate is 16% higher for those with a link between the strategic plan and the performance management system

Strategic Plan / Budget Link

- Strategic plan initiatives receive adequate funding in adopted budgets
- A link between the strategic plan and the budget is not a critical element of success generally
- For low-priority projects, the success rate is 17% higher for those with a link between the strategic plan and the budget
- For high-complexity projects, the success rate is 11% higher for those with a link between the strategic plan and the budget

Upfront Implementation Planning

- Creation of project plan, budget, schedule, team, etc. ahead of implementation
- Upfront implementation planning is not a critical element of success generally
- For high-complexity projects, the success rate is 9% higher for those with upfront implementation planning

Contextual Relationships with Implementation Success

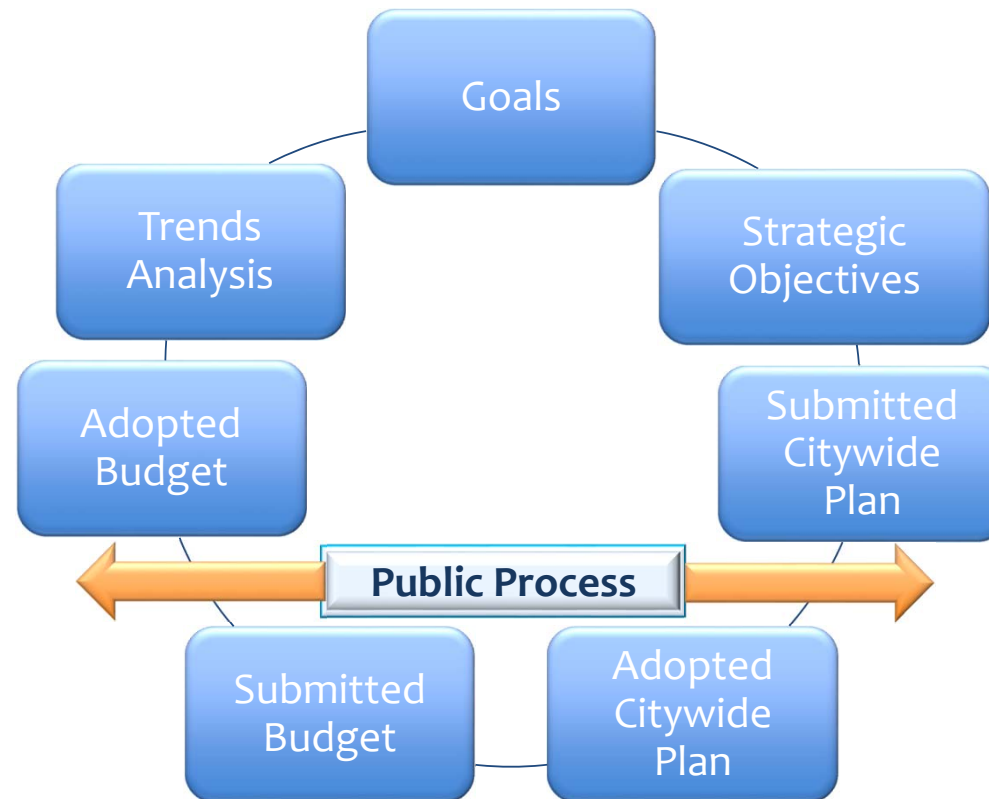
High-Priority	Low-Priority	High-Complexity
Stakeholder Coalition	Change-Conducive Culture	Strategic Plan / Budget Link
	Dedicated Implementation Resources	Upfront Implementation Planning
	Strategic Plan / Performance Link	
	Strategic Plan / Budget Link	

- Prominent projects require stakeholder support through implementation
- A change-ready and strategic organization provides support for less prominent projects
- Planning and resource acquisition prior to implementation are key for complex projects

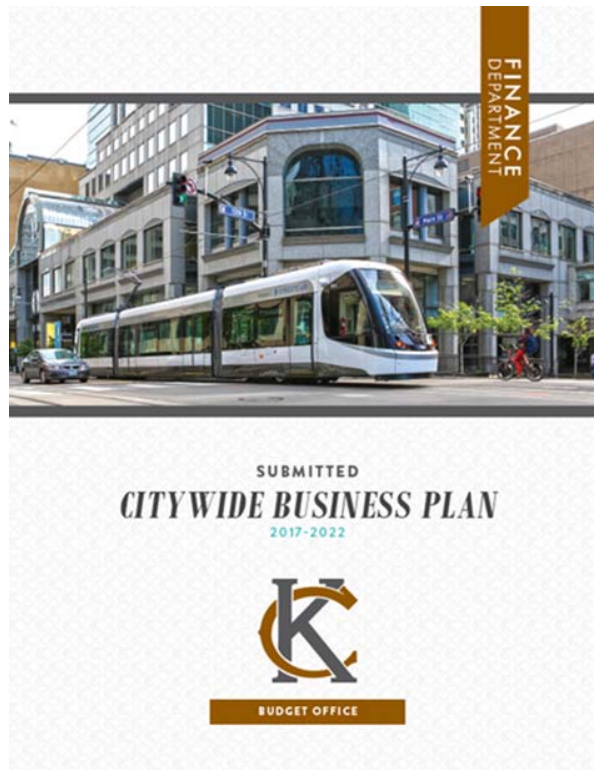
City of Kansas City

CITYWIDE BUSINESS PLAN CHALLENGES AND SUCCESSES

Kansas City Process Overview

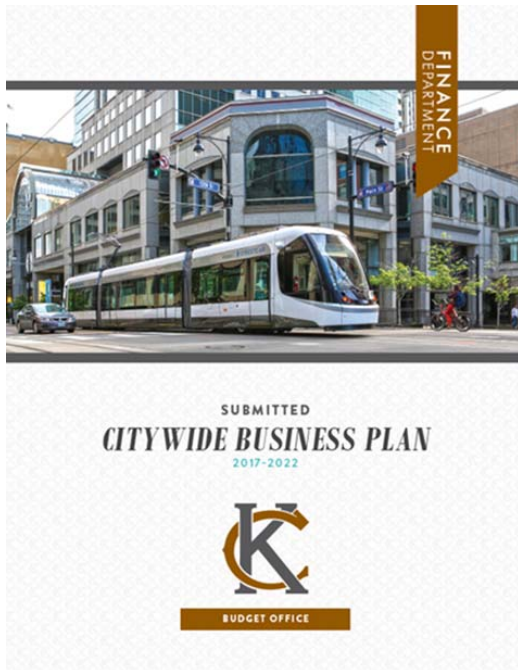


Major Components



1. City Strategic Plan
2. Financial Strategic Plan
3. Five Year Planning Model

Citywide Business Plan



Citywide Business Plan

Department Strategic Plans

Financial Strategic Plan

Division Business Plans

Key Performance Indicators

Five-Year Planning Model

**SUPPORTIVE STAKEHOLDER
COALITION**

Partners

- CEO (City Manager)
- Business/Community Groups (Civic Council)
- Elected Official Champion (Finance Chair)
- Special interests
- Neighborhood groups
- Nonprofits

Citizen Work Sessions

Content: Emphasizes citywide objectives, and includes a budget-related prioritization exercise

Focus groups: Each table addresses the objectives for its assigned goal

Expanded participation: Constituents from the grassroots level + representatives from stakeholder organizations





KCMO.GOV

CITY OF KANSAS CITY, MO.

Residents invited to provide direction in budget planning

City officials are [inviting residents](#) to help shape the City's priorities and objectives for the [next five years](#). Councilmembers are gathering information they'll use to set the next annual budget. A big part of this process is the feedback collected from citizens. The City is seeking creative, solution-minded people to participate in one of [four work sessions](#) which start Sept. 13. The interactive forums will forgo formal presentations so the focus can remain on suggestions offered by residents. Participants will enjoy a lively, entertaining experience that includes the all-new "Pick Your Priorities" game that will allow attendees to have fun selecting the best ways to allocate the City's limited funds.

Social Media



mySidewalk

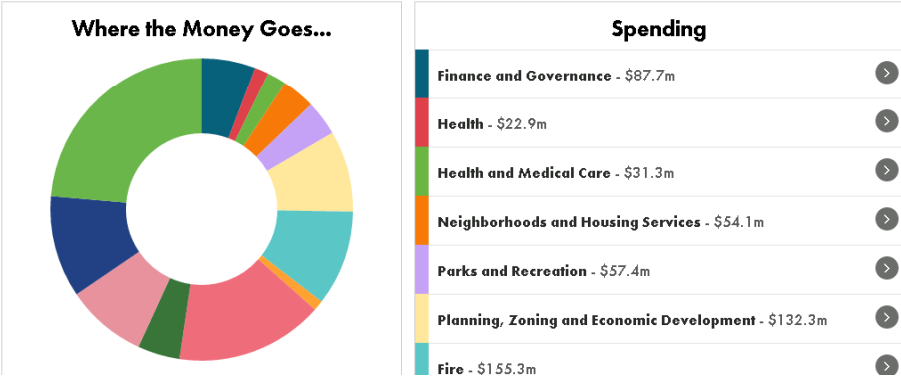


Balancing Act – kcmo.gov/balancingact

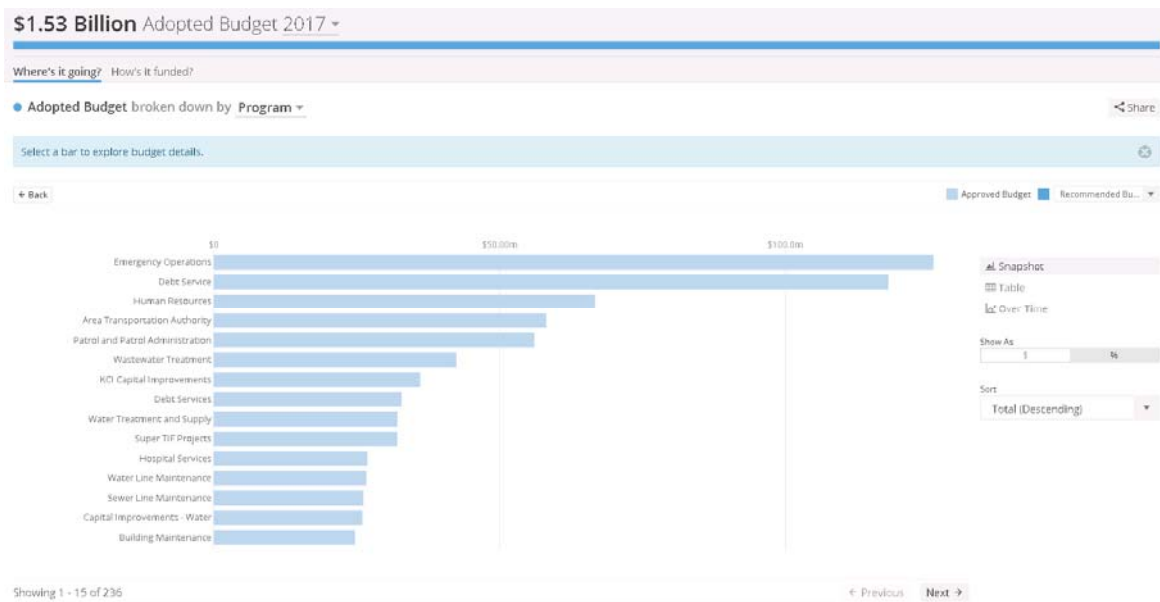


City of Kansas City, MO FY 2016-17
Submitted Budget

Tips

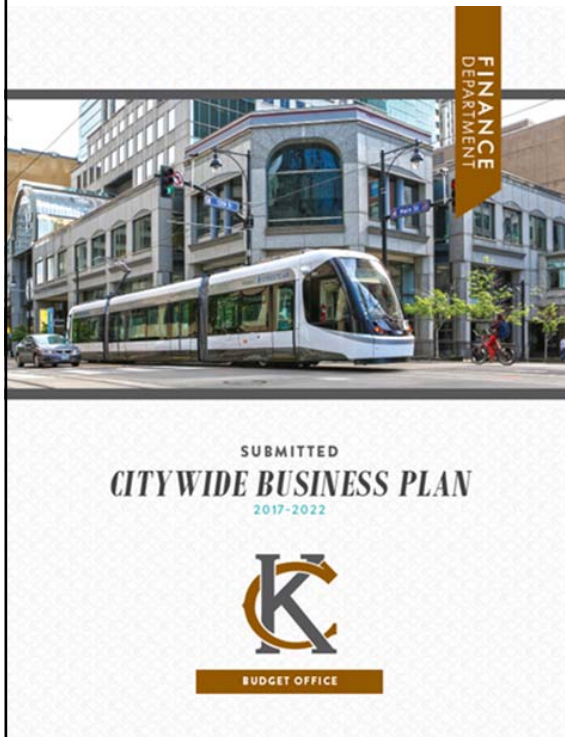


Open Budget – budget.kcmo.gov



LINK TO THE BUDGET

Financial Strategic Plan



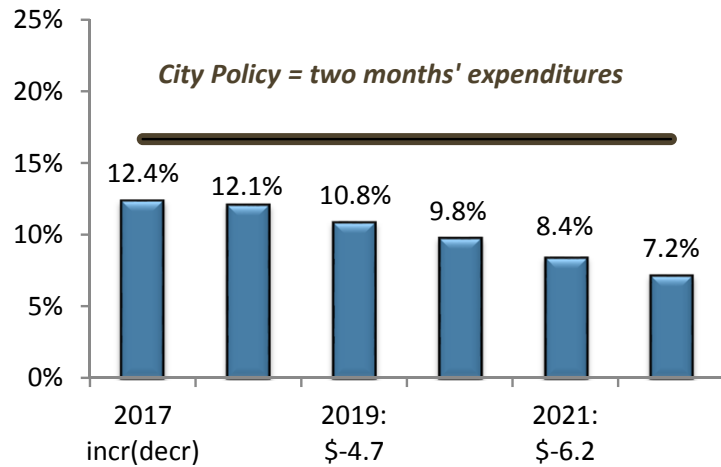
Adopted Financial Policies

1. Fund Balance and Reserves
2. Structurally Balanced Budget
3. Revenue
4. Debt
5. Investment

Five Year Financial Model

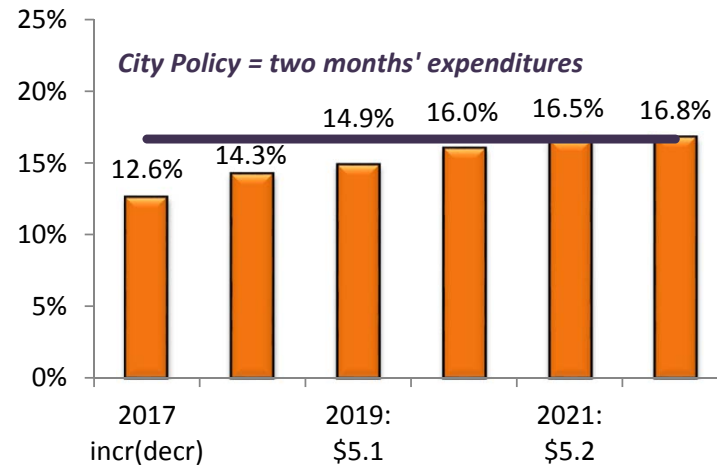
Baseline Scenario

Reserves - General Fund
as a percent of operating expenditures



Balanced Scenario

Reserves - General Fund
as a percent of operating expenditures



Neighborhood Investment



Neighborhood Investment

- \$1.3 million debt service for dangerous building remediation
- \$200,000 additional for Land Bank to add 6th mowing cycle
- Transfer of Solid Waste Collection to Neighborhoods and Housing Services
- Additional positions for receivership program and public engagement
- \$300,000 to Housing Court home repair program

Infrastructure Investment

- \$162.5 million in capital improvements
 - \$13.7 million for street resurfacing
 - \$850,000 for Bruce R. Watkins Drive
 - \$3 million to Paseo Gateway to match \$30 million grant
 - \$2 million for Urban Youth Baseball Academy
 - \$24.2 million to advance shovel-ready projects

Over \$10 million fleet replacement debt service

LINK TO PERFORMANCE



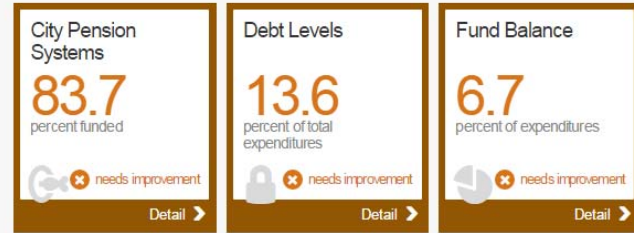
KCStat Dashboards

kcstat.kcmo.org

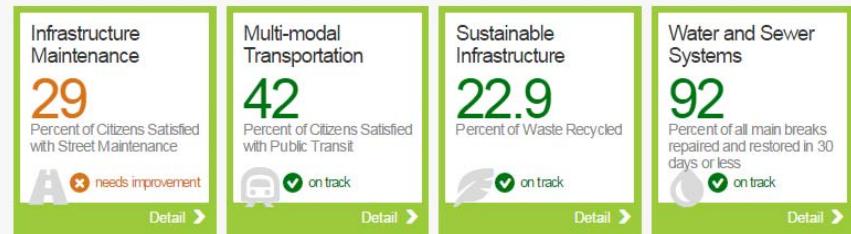
ICMA

Council Goal Areas

Finance and Governance



Infrastructure and Transportation



Neighborhoods and Healthy Communities



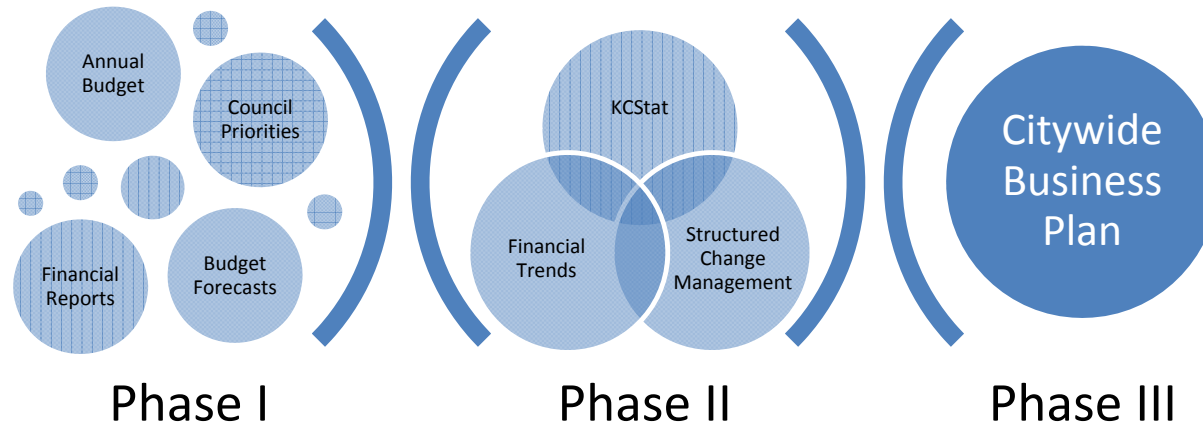
Upcoming KCStat:
 August 11, 9 am
 10th Floor

CHANGE CONDUCTIVE CULTURE

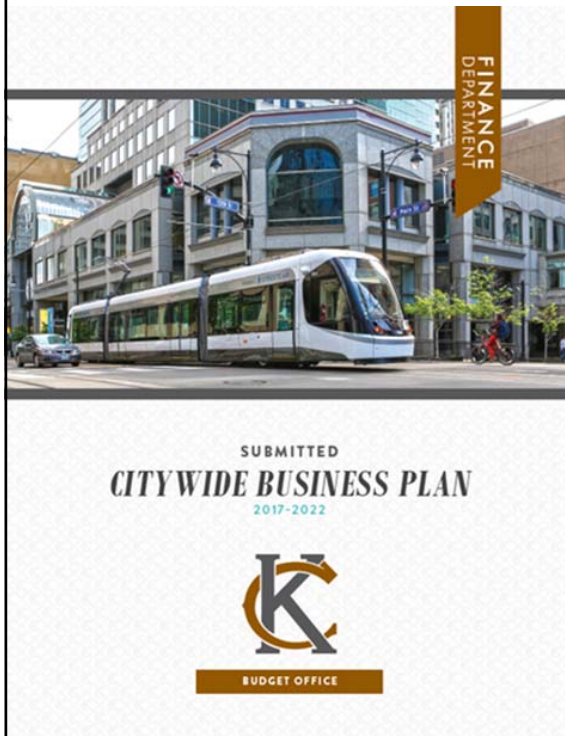
Partners and Roles

Partner	Role
Mayor and City Council	Adopt citywide vision, mission, goals, and objectives
City Departments/Divisions	Develop strategic objectives to accomplish the adopted City goals
Finance Department – Budget Office	Manage and develop citywide business plan and annual budget
Finance – Accounts Division	Prepare Financial Trends report to build expert knowledge of factors that impact performance and funding levels
Office of Performance Management	Draft, monitor, and report Key Performance Indicators
City Communications Office	Coordinate public support and participation

Connecting the Dots



“Common Template”



Values

What we believe

Vision Statement

What we strive to become

Mission Statement

What we exist to do

Goals

What we do to achieve the mission

Objectives

How we achieve each goal

KPI's

How we measure success

Decreased complexity

- Fewer number of goals objectives
 - SMART objectives
 - “How will we do that”
 - Deadlines
- Regular progress reports
- Uses current comprehensive plan framework
- Low investment: redirects existing resources

Links

- Citywide Business Plan
 - <http://kcmo.gov/finance/citywide-business-plan/>
- KCMO Budget Office
 - <http://kcmo.gov/budget>
 - omb@kcmo.org
 - [@KCMOBudget](https://twitter.com/KCMOBudget) 
 - [@Scott Huizenga](https://twitter.com/Scott_Huizenga)
- Open Budget - budget.kcmo.gov
- Balancing Act - www.kcmo.gov/balancingact

A Consultant's View



What is a strategic plan?

- Answers three basic questions
 - What do we know to be true, today?
 - Where are we?
 - What do we hope will be true in the future?
 - What is our vision?
 - How do we make it so?
 - What is the plan to move towards the vision

What is a strategic plan

- Three distinct phases
 - Environmental Scan – what do we know to be true today?
 - Visioning – where do we want to be in the future?
 - Action Planning – what is our plan

What is a strategic plan

- Nothing without implementation...
- Execution is everything!

A single department?
The local government jurisdiction?
The community?

WHAT IS THE SUBJECT OF THE PLAN

Single Department

- Typically lead by department leadership
- Involves staff from the department
- Can fall within the umbrella of an organization-wide strategic plan if one exists

Local Government Organization

- Can be lead by the administration without input from the governing body
- Can be done by the governing body
 - ideally with support and input from the organization
 - With or without input from the community

Community

- Best when multiple stakeholders are engaged and leadership is shared
- Can be “sponsored” by the local government
- Subject is broader than City or County government – encompasses all sectors – public, private and non profit.

What do we know to be true today?

THE ENVIRONMENTAL SCAN

Ingredients of an Environmental Scan

- Strengths, Weaknesses, Opportunities and Challenges (SWOC)
- Customer and Stakeholder input
- Demographic information
- Financial information
- Trend Analysis – Social, Economic, Political, Environmental, Technological

What do we hope will be true in the future

VISIONING



Vision

- Comes in many forms
 - Improved Quality of Life
 - Clear Description of the future
 - Simple words you may remember

Vision Statements

Windsor, Colorado

Windsor is the hub of Northern Colorado; a safe, unique and special town that offers diverse cultural and recreation opportunities. Windsor is recognized as a regional leader that demonstrates fiscal responsibility, environmental stewardship and strategic excellence. A big town that never lost its hometown pride.

Fort Collins, Colorado

To provide world class municipal services through operational excellence and a culture of innovation.

Midland, Michigan

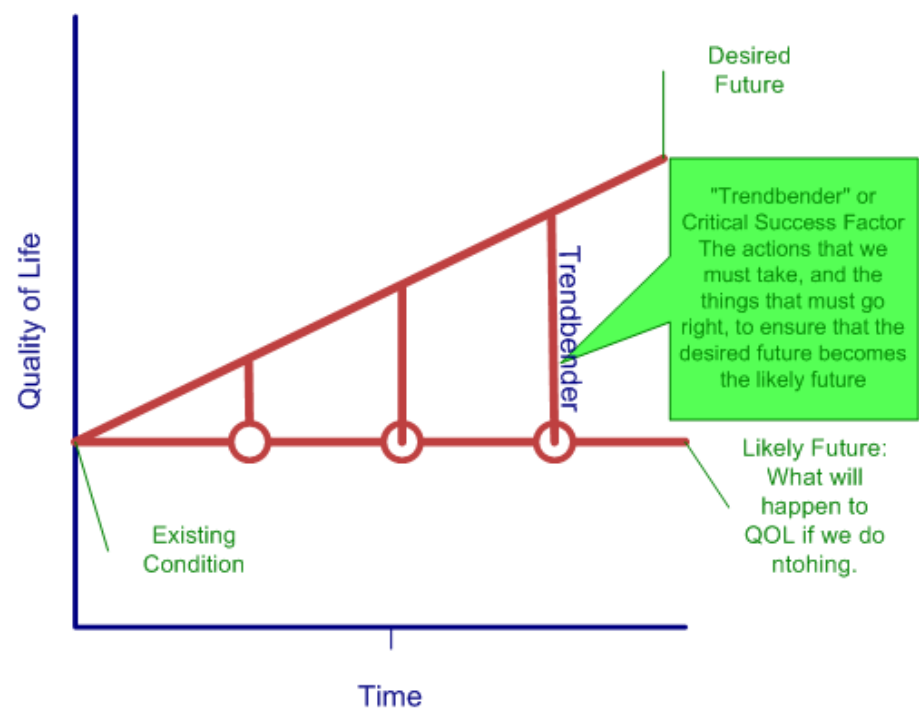
*Together – Forward – Bold
An exceptional place where everyone thrives!*

What must go well in order to make it so

ACTION PLANNING



Critical Success Factors



Action Planning: Critical Success Factors

- Create the context for specific actions to take place
- These are the big buckets

Critical Success Factors



Action Planning and Implementation

- Priority initiatives fit within the context of the “big buckets”

Development and Implementation

SUCCESS



Success in Plan Development

- People developing the plan must be willing to engage (spend the time) to develop a plan
- If the governing body is to be engaged – they must engage
- If the governing body is engaged – the administration **MUST** commit to implement

Success in Implementation

- Must become part of the organizations conversation
- Routine updates on progress for each priority initiative is critical
- Leadership is critical

Questions/Comments?

Additional Information...





ICMA 2016 | SEPT 25-28

KANSAS CITY

102nd ANNUAL CONFERENCE

