

# Creating a Strategy Focused Organization

NRPA Congress

September 26, 2007

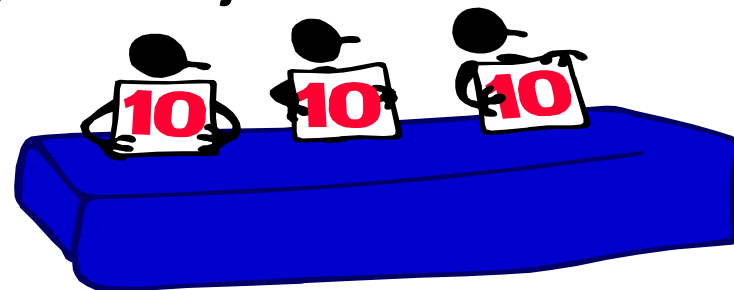
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# Session Outcomes

- Identify components of Malcolm Baldrige criteria and the balanced scorecard
- Create a list of elements necessary to develop success in planning
- “How to” develop a strategic plan
- Strategy can really be fun, interesting, and not feared...and, it’s everyone’s job...what better way to end the day?



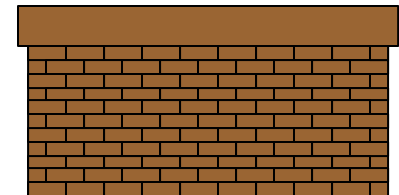
# Why do Strategic Planning?

- Continuous improvement
- Systems approach
- Aligns organizational, divisional, and individual responsibility
- Perpetuates one team environment
- Improves the decision making process
- Focuses on increasing taxpayer value
- Reduces the randomness of scarce resources
- Increases communication with other stakeholders
- Builds organizational credibility
- Provides a future picture
- Gives employees one more thing to be cynical about



# Types of Strategy/Planning

- List all of the types of planning your organization does...rate the plan's success
- Comprehensive plans
- Master plans...by park, by system
- Business plans
- Operational plans
- Strategic plans...bricks and mortar and/or leadership infrastructure
- Marketing plans





# Malcolm Baldrige Criteria

- **Strategic development**—the approach to preparing for the future

The process, addressing organizational issues, major objectives, timeframes

- **Strategic deployment**—making the plan come to life; converting strategy into action

Action plans, resource allocation, just in time, performance measures, communication, visual evidence

# System Strategic Plan Elements

- Citizen input...both qualitative and quantitative
- Demographics, trends
- Equity mapping
- Parks/Facilities/Program inventory and analysis
- Operations, maintenance and financial assessment
- Organizational performance review
- Financial plan for both operations and capital
- Vision, Mission, Values review
- Deployment (communication, measures)



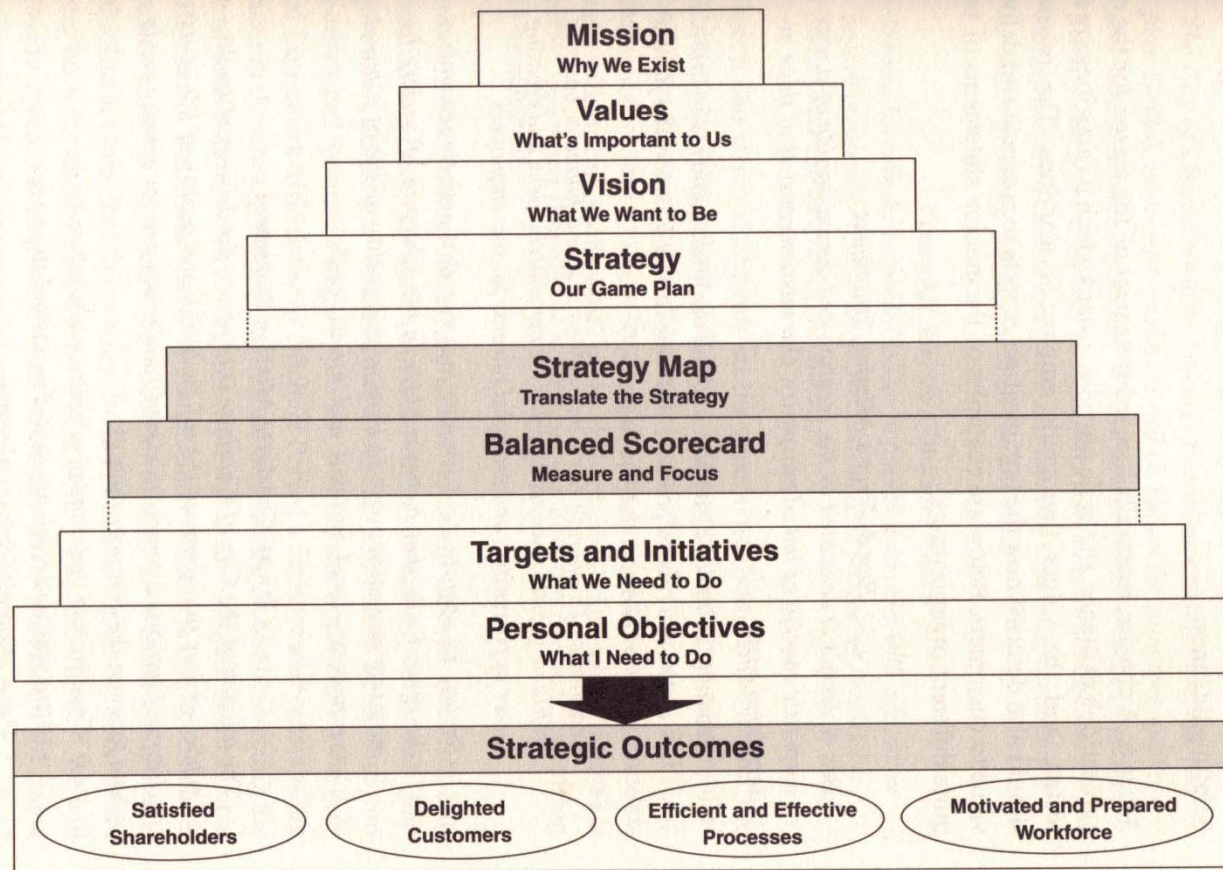


# The Balanced Scorecard

## Four Perspectives

- Customer Perspective—To achieve our vision, how must we look to our customers
- Financial Perspective— If we succeed, how will we look to our taxpayers
- Internal Perspective—To satisfy our customers which business processes must we excel in
- Learning and Growth Perspective—To achieve our vision, how must our organization learn and improve

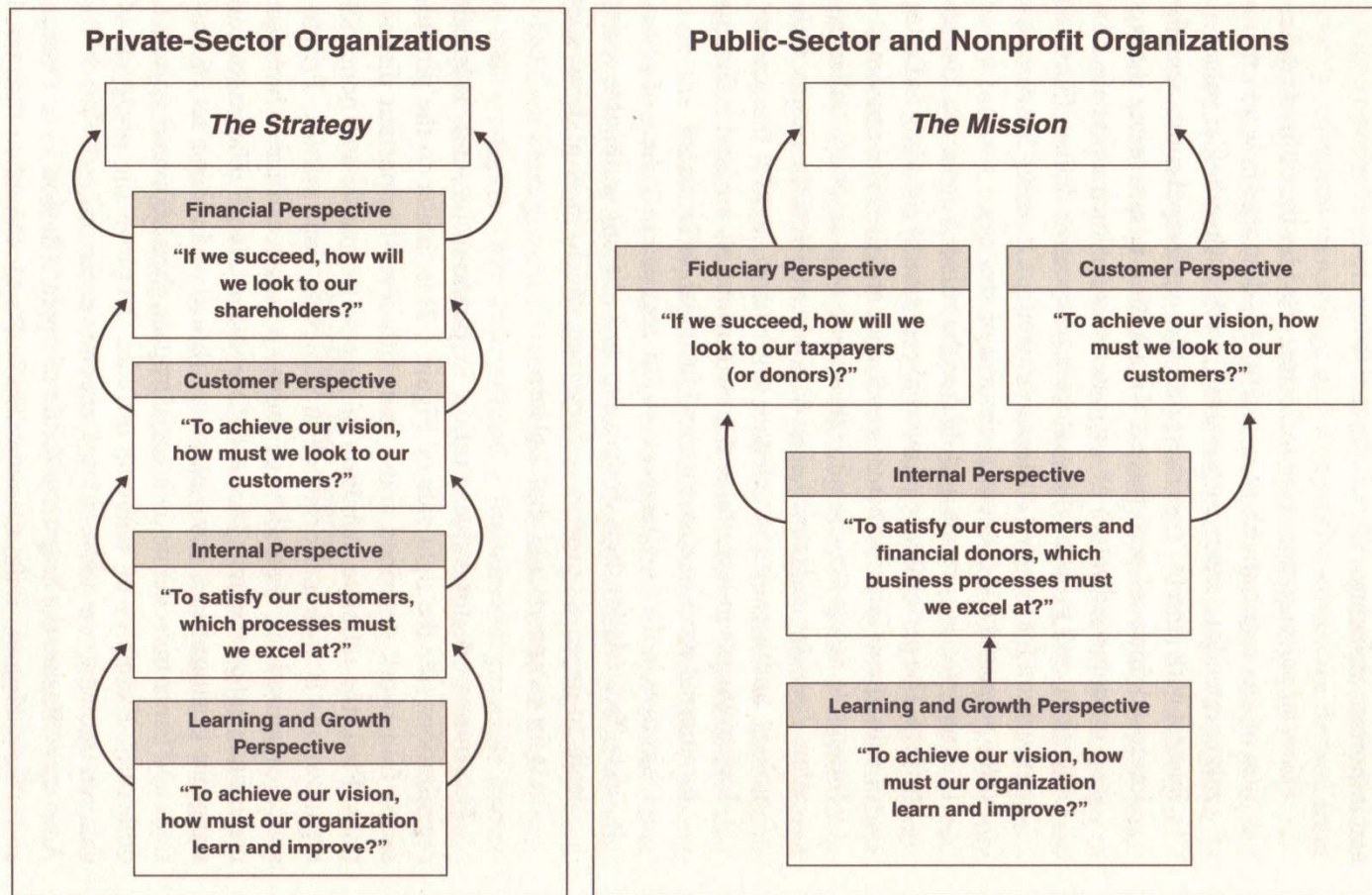
# Balanced Scorecard Hierarchy





# Strategy Maps: Value Creation

Figure 1-2 Strategy Maps: The Simple Model of Value Creation



# Customer Perspective

- Service systems
- Product leadership
- Customer intimacy
- Building relationships with customers
- Customer satisfaction and dissatisfaction



# Financial Perspective

- Annual gross revenues
- Trends in surplus amounts
- Budget variance
- Alternative revenue/non-tax growth
- Efficiency



# Internal Process

- Identify key processes
- External and internal
- Managing process
- Measuring process
- Brainstorm ideas about key external processes



# Learning and Growth

- Foundation to achieve the rest and alignment around strategy
- Identify competencies
- What skills are required?
- How do we train?





# Definitions

- Strategic Themes—broad-macro approaches to direction
  - Delight the customer, increase customer value, improve customer loyalty
  - Financial sustainability, expand revenue opportunities
  - Operational excellence, continuously improve processes, create new ways of doing business
  - Continuous employee development, motivated and prepared workforce, all one team

# Objectives

- What must we excel in to achieve strategic themes
- 12-20 organizational objectives
- Cause and effect linkages
- Develop objective statements to clarify



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# Initiatives

- Specific programs, activities, projects, or actions to help ensure you meet or exceed performance targets.
- Mission, vision and values come first
- Strategy follows
- Next are performance measures and targets
- Initiatives are put into place to support objectives (more tactical)



# Anywhere Park District Strategy Map

## Customer Perspective

### Delight the Customer

Expand recreation opportunities, aligned with customer need

Improve customer satisfaction and loyalty

Provide a quality product at a good value

## Financial Perspective

### Financial Capability

Non-tax revenue

Aligning financial resources

Growing program and facility revenue

## Internal Perspective

### Operational Excellence

Build image and brand

Drive innovation

Streamline critical processes

Build strategic alliances

## Employee Learning & Growth Perspective

### Continuous Employee Development

Foster a positive work environment

Develop competencies

Develop customer focus

# Anywhere Park District Balanced Scorecard

**Vision:** To serve the community by delivering best in class parks and recreation opportunities.

**Mission:** A leader in providing leisure experiences that enhance the quality of life for our community.

	Strategic Themes	Strategic Objectives	Strategic Measures	Targets
Customer	Delight the customer	<ul style="list-style-type: none"> <li>Expand recreation opportunities, aligned with customer need</li> <li>Improve customer satisfaction and loyalty</li> <li>Provide a quality product at a good value</li> </ul>	<ul style="list-style-type: none"> <li>Program registration (q)</li> <li>Customer satisfaction (q)</li> <li>Customer referral (q)</li> <li>Customer retention (q)</li> </ul>	
Financial	Financial capability	<ul style="list-style-type: none"> <li>Non-tax revenue</li> <li>Aligning financial resources</li> <li>Growing program and facility revenue</li> </ul>	<ul style="list-style-type: none"> <li>Program and facility revenue (q)</li> <li>Alternative revenue (q)</li> <li>Non-tax revenue percentage (q)</li> <li>Program cost recovery (q)</li> </ul>	
Internal	Operational excellence	<ul style="list-style-type: none"> <li>Build image and brand</li> <li>Drive innovation</li> <li>Streamline critical processes</li> <li>Build strategic alliances</li> </ul>	<ul style="list-style-type: none"> <li>New programs (q)</li> <li>Internal customer satisfaction (a)</li> <li>Partner satisfaction (a)</li> <li>Efficiency savings (q)</li> <li>Key process documented (q)</li> <li>Percent capital projects complete (q)</li> </ul>	
Employee Learning & Growth	Continuous employee development	<ul style="list-style-type: none"> <li>Foster a positive work environment</li> <li>Develop competencies</li> <li>Develop customer focus</li> </ul>	<ul style="list-style-type: none"> <li>Employee satisfaction (a)</li> <li>Regrettable turnover (q)</li> <li>Percent competencies achieved (q)</li> <li>Percent service staff rated high (a)</li> </ul>	

# Balanced Scorecard Alignment

- Cascade to departments
- Communication plan for the scorecard
- Communicating results both internally and externally
- Performance appraisal process
- Leadership team discussions
- Governance involvement

