Creating a Strategy Focused Organization

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Barbara.heller@prosconsulting.com
224.456.6934
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?

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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

From Kaplan and Norton Strategy Maps
Strategy Maps: Value Creation

From Kaplan and Norton Strategy Maps
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
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

<table>
<thead>
<tr>
<th>Customer Perspective</th>
<th>Delight the Customer</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Expand recreation opportunities, aligned with customer need</td>
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<tr>
<td></td>
<td>Improve customer satisfaction and loyalty</td>
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<td></td>
<td>Provide a quality product at a good value</td>
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<table>
<thead>
<tr>
<th>Financial Perspective</th>
<th>Financial Capability</th>
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<tbody>
<tr>
<td></td>
<td>Non-tax revenue</td>
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<tr>
<td></td>
<td>Aligning financial resources</td>
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<tr>
<td></td>
<td>Growing program and facility revenue</td>
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<table>
<thead>
<tr>
<th>Internal Perspective</th>
<th>Operational Excellence</th>
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<tbody>
<tr>
<td></td>
<td>Build image and brand</td>
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<td></td>
<td>Drive innovation</td>
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<tr>
<td></td>
<td>Streamline critical processes</td>
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<td>Build strategic alliances</td>
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<table>
<thead>
<tr>
<th>Employee Learning &amp; Growth Perspective</th>
<th>Continuous Employee Development</th>
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<tr>
<td></td>
<td>Foster a positive work environment</td>
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<td>Develop competencies</td>
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<td>Develop customer focus</td>
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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.

<table>
<thead>
<tr>
<th>Strategic Themes</th>
<th>Strategic Objectives</th>
<th>Strategic Measures</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td>Delight the customer • Expand recreation opportunities, aligned with customer need • Improve customer satisfaction and loyalty • Provide a quality product at a good value</td>
<td>• Program registration (q) • Customer satisfaction (q) • Customer referral (q) • Customer retention (q)</td>
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<tr>
<td>Financial</td>
<td>Financial capability • Non-tax revenue • Aligning financial resources • Growing program and facility revenue</td>
<td>• Program and facility revenue (q) • Alternative revenue (q) • Non-tax revenue percentage (q) • Program cost recovery (q)</td>
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<tr>
<td>Internal</td>
<td>Operational excellence • Build image and brand • Drive innovation • Streamline critical processes • Build strategic alliances</td>
<td>• New programs (q) • Internal customer satisfaction (a) • Partner satisfaction (a) • Efficiency savings (q) • Key process documented (q) • Percent capital projects complete (q)</td>
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<tr>
<td>Employer &amp; Growth</td>
<td>Continuous employee development • Foster a positive work environment • Develop competencies • Develop customer focus</td>
<td>• Employee satisfaction (a) • Regrettable turnover (q) • Percent competencies achieved (q) • Percent service staff rated high (a)</td>
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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