



# MANAGEWARE

**A Practical Guide to  
Managing for Results**

## **STRATEGIC PLANNING** *Planning for Results* Part I

**Strategic Planning is planning for results.** It is a process of agency self-assessment and objective setting that considers an organization's purpose, capacities and environment, and results in a strategic plan that determines a path for development of the organization's resources in order to achieve meaningful results.

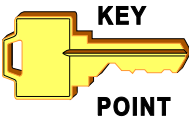
**Strategic planning is planning for change.** It is dynamic and proactive. Strategic planning stimulates change, rather than simply reacts to it.

**Strategic planning builds in accountability.** It incorporates ways to check progress toward targeted outcomes.

**Strategic planning is adaptable.** It takes a long-range approach but uses regular reviews and updates to check progress and make adjustments necessary to respond to changing circumstances and take advantage of emerging opportunities.

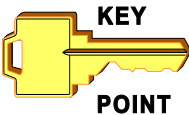
**Strategic planning employs common sense.** It is visionary yet realistic; it pictures a future that is both desirable and achievable. Strategic planning provides a structure for inspired but practical decision making and follow-through.

**Strategic planning is good management.** It involves a disciplined effort to help shape and guide what an organization does and why it does it. Strategic planning requires broad-scale information gathering, exploration of alternatives, and emphasis on the future implications of present-day decisions. It facilitates communication and participation, accommodates divergent interests and values, and fosters orderly, informed decision making and successful implementation.



It is also essential to recognize what strategic planning is not.

- ⊘ It is not a quick fix; it is a long-term investment with payoffs that increase over time.
- ⊘ It is not a cookie cutter; the process is flexible and should be customized to fit an organization's idiosyncrasies.
- ⊘ It is not a magic wand; saying something does not make it so--in other words, any plan must be accompanied by commitment and action.



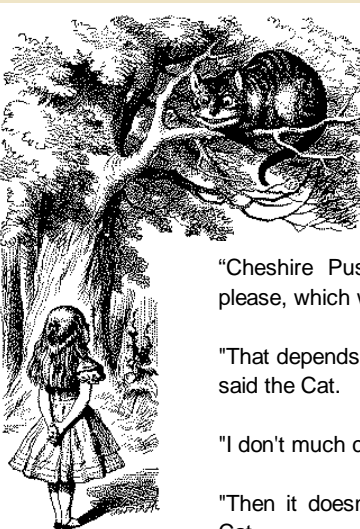
Put simply, strategic planning asks and answers four questions:

- *Where are we now?*
- *Where do we want to be?*
- *How do we get there?*
- *How do we measure our progress?*



## Payoffs: The Benefits of Strategic Planning

Strategic planning is a process that positions an organization so it can structure and direct its resources toward service excellence, profit from opportunities, and generate results. The future can be shaped by choice or chance. Strategic planning is a common sense approach that helps you manage the future, rather than be managed by it.



### Why Plan?

As Alice discovered during her visit to Wonderland:

"Cheshire Puss," Alice began. "Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where. . ." said Alice.

"Then it doesn't matter which way you go," replied the Cat.

Strategic planning enables executives, managers, and project teams to make better decisions. It helps an organization move from a reactive, crisis management mode into a proactive, anticipatory management setting. Along with effective policy development, strategic planning permits government to be a catalyst for change—that is, to "steer" rather than simply "row" the boat or "drift along" with the current.

Strategic planning (along with performance accountability) makes possible the more flexible and "manager friendly" performance-based program budget approach to operational planning and

budgeting. Strategic planning helps managers make the best use of existing resources to provide quality services to customers. It also identifies the need for new or expanded services and provides the justification for seeking additional resources. And, when budget cuts are unavoidable, strategic planning allows managers to identify those cuts that will least diminish the quality of services provided to customers.

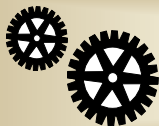
**If you fail to plan, you plan to fail.** State agencies are constantly challenged to manage complex and changing programs with limited resources. Administrators must address new as well as ongoing responsibilities with limited resources. Further, agencies are being asked to focus on achieving results and stretching those results each year so that more work is done, work is performed better, and/or work is done faster. Strategic planning determines the right things for an organization to do to satisfy customer expectations.



We are discussing **strategic planning** not a **strategic plan**. As Supreme Allied Commander in World War II, General Dwight D. Eisenhower remarked: "Plans are nothing. Planning is everything." More recently, management guru Tom Peters noted: "What is a good strategic *plan*? There is none. But there is a good strategic planning process."

Strategic planning should foster flexibility of thought and action, not produce an icon. It is counterproductive to slavishly follow a stagnant plan in the face of changing conditions. Most of the value of strategic planning is realized during the process of planning itself--before the results are committed. (Peters, in fact, believes that the ideal strategic plan is one that is burned the day before it is scheduled to go to the printer.)

Unless a strategic plan is a living document--one that grows, changes, and adapts--then strategic planning becomes just another hassle for managers and staff. At best it will be irrelevant; at worst it will be demotivating and damaging.



## Basics of the Strategic Planning Process

Under the provisions of Act 1465 of 1997, each department of state government and each agency therein must use the strategic planning process and produce a strategic plan to be used to guide its ongoing and proposed activities for the next five years. ("Agency" means any state office, department, board, commission, institution, division, officer or other person, or functional group, heretofore existing or hereafter created, that is authorized to exercise, or that does exercise, any functions of the government of the state in the executive branch, but not any governing body or officer of any local government or subdivision of the state, or any parochial officer who exercises functions coterminous with the municipality in which he performs those functions.)

The guidelines for strategic planning presented in **MANAGEWARE** must be used. These guidelines cover the components of the strategic planning process, required and optional parts of a strategic plan, and planning process documentation that must accompany a strategic plan. There are, of course, many variations on the strategic planning process, and many of these alternatives are interesting and effective in certain settings. However, for the sake of consistency, it is important that all Louisiana state agencies use the strategic planning process presented in **MANAGEWARE**.

The due date for initial strategic plans was July 1, 1998. Initial plans covered the period between FY 1998-1999 and FY 2002-2003 (July 1, 1998 through June 30, 2003). Title 39 requires that strategic plans be revised and updated at least every three years after initial plans are submitted.

## Secrets of Successful Strategic Planning

A successful strategic planning process has the following characteristics:

- ✓ It has the full support of the chief executive officer.
- ✓ It fits the organization and is user friendly.
- ✓ It is participatory. It involves executives, managers, supervisors, and staff at all levels; it gives them "a piece of the action."
- ✓ It clearly defines responsibilities and timetables. It is carried out by those who have the personal responsibility for achieving objectives but is coordinated by a central figure, a person who is aware of the "big picture."
- ✓ It galvanizes an organization; it produces understanding and common purpose throughout an organization.
- ✓ It stays aware of the environment in which it functions. It identifies all the stakeholders (those who have a vested interest in the outcome). It obtains perspectives from many levels and sources, both within and outside the organization itself.
- ✓ It is realistic about outcomes and resources. It is not too risk averse, but it recognizes such constraints as public accountability, visibility, short time horizons, personnel issues, overall fiscal conditions, and budgetary trends.
- ✓ It is politically sensitive.
- ✓ It is convincing. It develops and conveys compelling evidence for its recommendations. It uses innovative communications strategies.
- ✓ It establishes and ensures accountability for outcomes.
- ✓ It leads to resource decisions.
- ✓ It is fresh and continuous not stale and static. Both the plan and the planning process are reviewed and modified regularly.

## Components of the Strategic Planning Process

Before an organization can develop a plan for change, it must first determine where it currently stands and what opportunities for change exist ("*Where are we now?*"). Accordingly, strategic planning is supported by:

- **Internal/External Assessment:** An analysis and evaluation of internal and external data and factors that affect the organization. Internal/external assessment involves:
  - **Situation Inventory:** An assessment of an organization's position, performance, problems, and potential. It includes a values audit (an analysis of the organization's business philosophy).
  - **Environmental Scan:** An analysis of key external elements or forces that affect the environment in which an organization functions.
  - **Foresight:** Explicit efforts to systematically identify, monitor, and analyze long-term trends and issues that are likely to affect an organization's future environment and to examine the implications those trends and issues may hold for an organization's future.
  - **Issue Analysis:** An identification and analysis of strategic issues—problems or concerns of critical importance to the organization and its customers, other stakeholders, and expectation groups.

The strategic planning process is inspired by a shared vision of the future. This vision, along with the organization's mission and philosophy, are part of the organization's identity and "uniqueness." Therefore, strategic planning identifies and acknowledges:

- **Vision:** A compelling conceptual image of the desired future.
- **Mission:** A broad, comprehensive statement of the organization's purpose.
- **Philosophy:** The organization's core values, describing how the organization conducts itself in carrying out its mission.

To answer the question "*Where do we want to be?*" strategic planning identifies:

- **Goals:** The general end purposes toward which effort is directed.
- **Objectives:** Specific, measurable targets for accomplishment.

To discover "*How do we get there?*" strategic planning develops:

- **Strategies:** The methods used to accomplish goals and objectives.
- **Action Plans:** Detailed descriptions of how strategies will be implemented on an operational basis.

To determine "*How do we measure our progress?*" strategic planning builds in:

- **Accountability:** The methods used to measure results.

Finally, strategic planning guides:

- **Resource Allocation:** The determination and allotment of resources necessary to carry out strategies and achieve objectives, within the priority framework established in the goal-setting process. Strategic planning emphasizes the deployment of resources to achieve meaningful results. That is, planning drives budgeting.



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Detailed descriptions, including "how to" information, for individual strategic planning process components are contained in [STRATEGIC PLANNING, Part II](#). Be sure to review this material carefully. Then direct any questions to the Office of Planning and Budget.

## Strategic Planning at the Department or Agency Level

Department or agency level strategic planning occurs within the following statewide context:

- ⇒ The governor's vision, policies, goals, and priorities are communicated to state departments and agencies for amplification through their strategic plans. Department or agency planning is influenced also by policies and priorities established by the legislature, other elected officials, and statewide mega-policy entities such as the Louisiana Economic Development Council, the Louisiana Workforce Commission, and the Louisiana Children's Cabinet. Sometimes the mission of a program or activity operated by a department or agency is spelled out in the enabling legislation or executive order for that activity or program.
- ⇒ Guidelines and assumptions for department strategic planning are provided to departments and agencies by the Division of Administration. Guidelines for performance audits are provided to departments and agencies by the Office of the Legislative Auditor.
- ⇒ Department or agency strategic plans are prepared and submitted to the Division of Administration (Office of Planning and Budget) and the various standing committees of both houses of the legislature that have oversight over departments/agencies. Strategic plans also may be requested by the Legislative Fiscal Office, House Fiscal Division, Senate Fiscal Division, House Appropriations Committee, Senate Finance Committee, Office of the Legislative Auditor, and the Consensus Estimating Conference. (In fact, the OPB recommends that, as a courtesy, copies of department/agency strategic plans be provided to these entities.)
- ⇒ The Division of Administration uses department/agency strategic plans in its development of five-year base line budget projections and annual executive budgets.
- ⇒ The Consensus Estimating Conference, a joint executive/legislative body made up of estimating conferences for demographics, economics, education, transportation, health and social services, and criminal justice, uses strategic plans to assess needs in major policy or functional areas, identify the resources necessary to meet those needs, and designate the official information to be used for planning and budgeting.
- ⇒ Legislative standing committees use department/agency strategic plans for oversight activities, sunset review, and development and deliberation of proposed legislation.
- ⇒ Legislative "budget control" units (Legislative Fiscal Office, House Fiscal Division, and Senate Fiscal Division) and committees (House Appropriations Committee and Senate

Finance Committee) use department/agency strategic plans in both long-term and short-range financial and performance analysis.

- ⇒ The Office of the Legislative Auditor includes strategic plans in its performance audits of departments and agencies. Information generated in performance audits is used by legislative standing committees for sunset review and by departments and agencies themselves to make improvements in their strategic and operational plans.



## Participants in the Strategic Planning Process

**Strategic planning is a team effort.** It involves all levels and functional units of an organization—top executives, middle managers and supervisors, and front-line employees. Although strategic planning begins at the top, leaders must seek and reflect the input of those who know their customers and services best.



Some leaders will be tempted to pay lip service to strategic planning while shunning actual involvement in the process; others will be tempted to prepare the whole plan on their own. Leaders must recognize their own role in the plan as well as the roles of others in the organization. The executive who completely delegates his or her responsibility sends the message that strategic planning is not important enough to warrant his or her involvement. The executive who puts together a plan without the participation of the managers and staff who must actually carry out the plan produces a document to which only one person—that executive—is committed.

As a general rule of thumb, the people who will bear the responsibility for accomplishing a part of the strategic plan should participate in the development of that part of the plan.

At the department or agency level, depending upon the organization's size, the strategic planning team may include the following:

**Chief Executive Officer (CEO)**, the head of the department or agency, who provides the leadership necessary to craft the vision, define the mission, and express the philosophy of the organization. The CEO must lead and actively support the planning process. "CEO" is a generic title. In cabinet departments, the CEO is a "secretary" appointed by the governor. Other departments or agencies may be headed by an elected official or an official appointed by some entity other than the governor.

**Members of Boards or Commissions**, who play an important policy-making role in the planning process. Some state departments, agencies, or programs have appointed or elected boards or commissions that have strong policy-making authority; others have boards or commissions with advisory or other functions. Board and commission members can assist in developing the vision, mission, and philosophy of the department or agency. They can also provide valuable feedback during the planning process.

**Senior Executive Team (SET)**, which uses knowledge of service and functional areas to: (1) work with the CEO in crafting an organizationwide vision, defining the agency's mission, and expressing the agency's philosophy; (2) set goals to provide direction for the whole agency and address identified issues, problems, and opportunities; and (3) monitor overall progress



and results. (In some agencies, senior executives may set objectives and strategies as well.) SET members participate because of their knowledge, not because of rank. Therefore, the SET should include knowledgeable individuals from all programs or services operated by the agency yet not become so large as to be counterproductive. Many agencies already have executive management teams that routinely meet and handle management issues. This group may serve as the nucleus of the planning SET, along with any additional resource persons needed. (SET is a generic title; departments or agencies are free to select a name for this executive management group.)

**Middle Managers (Program Managers), Supervisors, and Front-line Employees**, who use detailed involvement with a program to carry the planning process into the program level. They define program missions and philosophies, set program goals and specific objectives; build strategies to achieve objectives; operationalize strategies through action plans; establish and maintain accountability; and determine needed resources.

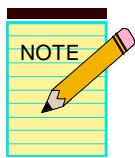
**Financial or Budget Managers**, who analyze fiscal impacts of potential strategies and use strategic plans to guide development of annual operating budgets and capital outlay budgets.

**Facility Managers**, who analyze the impacts of potential strategies on the agency's physical facilities and use strategic plans to guide development of capital outlay plans and budgets.

**Human Resource Managers**, who analyze the impacts of potential strategies on the agency's workforce, training programs, and human resource management policies and practices. Later, human resource managers must be able to integrate individual performance planning and review into the context of the strategic plan.

**Information Management Systems Managers**, who analyze the impacts of potential strategies on the agency's information management systems; help program managers select appropriate performance indicators; and process the data necessary for accountability.

**Planning Coordinator**, who is responsible for making the planning process work. The planning coordinator provides the coordination and tools for moving the agency through the planning process. The planning coordinator develops the timetable for planning and organizes and documents the entire process. ("Planning Coordinator" is a functional title, not a position.) The strategic planning coordinator generally is designated by the CEO. (In some cases, the CEO delegates the authority to designate this position to the senior executive who heads the management and financial functions of the department). In a small agency, the CEO may be the planning coordinator.



It is critical that a strategic planning coordinator be designated. Strategic planning coordinators are part of the Louisiana Management Network. A listing of these coordinators is posted on the OPB website. Training for strategic planning coordinators is available through the OPB.

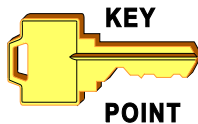
**Public Information Officer**, who is responsible for developing strategies to communicate and market the strategic plan both internally and externally.

**Facilitator**, who guides participants through planning sessions, assuring that all views are considered. A facilitator is neutral; he or she does not express opinions but keeps the discussion flowing. ("Facilitator" is a functional title, not a position.) A facilitator may be someone from outside the agency. In fact, many organizations prefer to have an outsider facilitate their planning sessions, particularly high-level ones.



Obviously, a small department or agency will not have as many people on the planning team as would a large organization. Often one person performs the work of several of the suggested participants. Some of the functions may not exist in small organizations. For example, a small organization may rent space and not have a capital facilities manager; or a small organization may have a few personal computers but not a complex information management system. In such cases, a small organization may choose to include other key staff members on the planning team. In fact, in some small agencies, literally everyone may be on the planning team.

## Carrying the Strategic Planning Process to the Program Level



Department or agency strategic planning efforts must be carried down to the program level. It is always a good idea to push the strategic planning process down through organizational levels. However, because Louisiana uses performance-based program budgeting, it is imperative that the strategic planning process, which drives annual operational planning and budgeting, be carried down to the program level.

“Budget unit” is a term used in budget development to designate a department, agency, institution, board, commission, or other authorized spending unit of the state. Officially, a budget unit is any spending agency of the state that is declared to be a budget unit by the Division of Administration.

Each budget unit is divided into programs. **A program is defined as a grouping of activities that results in the accomplishment of an objective or set of objectives *for each activity within the program*.** A program must be delineated into activities, which are program components representing distinct subsets of functions or services.

Strategic planning guides resource allocation through annual operating plans and budgets as well as capital outlay plans and budgets. For operational budget development, a budget request and operational plan must be submitted for each program activity, and operating funds are appropriated by the legislature to budget units by program. The capital outlay planning and budgeting process requires an explanation of the program impacts of each capital project being requested. Therefore, the strategic planning process must be carried down to the program level within each state department or agency (budget unit), and must include the activities for each program.

**Program structure is an orderly, logical array of programs that indicates the relationship between each.** Although program structure often parallels organization structure, program structure should not be confused with organizational structure. The strategic planning process may, in fact, identify problems with program or organizational structure and prompt redefinition of programs or administrative reorganization. For legislative and administrative control, a program does not cross agency lines.

(See [OPERATIONAL PLANNING AND BUDGETING](#) for more information on program structure and performance-based program budgeting.)

## Generic Approach to Strategic Planning at the Department (or Agency) Level

### HOW STRATEGIC PLANNING WORKS AT THE DEPARTMENT LEVEL (A GENERIC MODEL)



**Step One:** The CEO designates the SET and planning coordinator.



**Step Two:** An internal/external assessment (under the coordination of the strategic planning coordinator and with input from various levels of the department and external stakeholders) is conducted.



**Step Three:** The CEO articulates a shared vision for the department. The CEO and SET define the department mission and express the department philosophy (reflecting the organization's vision of service excellence or core values).



**Step Four:** The CEO and SET establish and rank department goals, based on careful consideration of external factors and internal capacities (revealed in the internal/external assessment). (In large departments, the CEO and SET also may set departmentwide objectives, particularly when coordination among programs is needed to achieve a particular target.)



**Step Five:** Department mission, philosophy, and goals are communicated to every level of the organization.



**Step Six:** Program managers and key staff members define program missions, express program philosophies, and establish program goals (based on internal/external assessment, including input from front-line employees and consideration of resources needed for achievement) that are consistent with department mission, philosophy, and goals.

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## HOW STRATEGIC PLANNING WORKS AT DEPARTMENT LEVEL (*Continued*)

(In large departments, it may be necessary to include a step that clusters programs under an intermediate administrative level—often an office or institution. This step may include the development of intermediate level mission, philosophy, and goals. It will likely involve review and approval of program plans prior to submission to the CEO for approval. In some cases, it will simply be a way of organizing the final departmental strategic plan into units or "chapters.")



**Step Seven:** Program managers and key staff members (including or with input from budget managers and key fiscal staff, facility managers, human resource managers, information systems managers, and front-line supervisors) develop measurable objectives for each activity, build strategies, and identify resources necessary to implement strategies and accomplish objectives. However, objectives and strategies should be considered "tentative" or "proposed" until input is received from the front-line personnel who will bear the responsibility for carrying out strategies and operationalizing them through action plans.



**Step Eight:** Feedback and rollup begin. Within each program, lower levels submit plan elements to the next higher management level for review and coordination. After revisions (if any) are made, the approved elements are incorporated into the appropriate portion of the program strategic plan. During feedback and rollup it may be necessary to revise objectives or strategies originally proposed. For example, input from front-line levels may show that the time frame or resource allocation originally projected for a particular strategy should be changed. As strategies are "fleshed out," it may become apparent that the time frame or degree of change proposed in an objective should be altered.



**Step Nine:** Program managers combine all elements into a program strategic plan and submit this plan, through the planning coordinator, to the CEO and SET for review and coordination. (As noted earlier, in some departments there may be intermediate management levels under which programs are clustered and which require an additional level of review.)



**Step Ten:** The CEO and SET review program plans. They identify opportunities for coordination among programs plans and any conflicts among program plans are worked out. This review may drive development of departmentwide objectives. When the CEO and SET determine that a program plan must be revised, clear feedback to the program manager and staff is provided. The CEO and SET pinpoint the efforts they must make to support program plans and break down barriers to accomplishing objectives.



**Step Eleven:** The planning coordinator consolidates program plans into a department strategic plan. In some large departments, it may be appropriate to limit the "department plan" to departmentwide vision, mission, and goals--in other words, establish clear departmentwide direction and priorities and leave the more detailed portions of the plan at lower levels. It may be just too cumbersome to roll up plans from a multitude of levels into one department plan. In some departments, program plans may stand alone as sections of the department plan; in others, program plans may be merged to reflect organizational structure or take advantage of opportunities to coordinate efforts. In the latter case, program plans should be retained at the program level in order to guide annual operational planning and budgeting for the programs.



**Step Twelve:** The department puts the strategic plan into action. The plan guides both operational planning and budgeting and capital outlay planning and budgeting. Strategic and operational progress are regularly evaluated and the plan is revised accordingly. Successes are celebrated and rewarded; lack of progress is analyzed, lessons are learned, and appropriate changes made.



**DON'T PANIC**

The generic approach outlined above is just one way to apply the strategic planning process at the department level. If this generic method does not seem appropriate for your organization, please contact the OPB to discuss how the process may be adapted to suit your needs and circumstances and still meet the requirements of the law as well as **MANAGEWARE** guidelines.

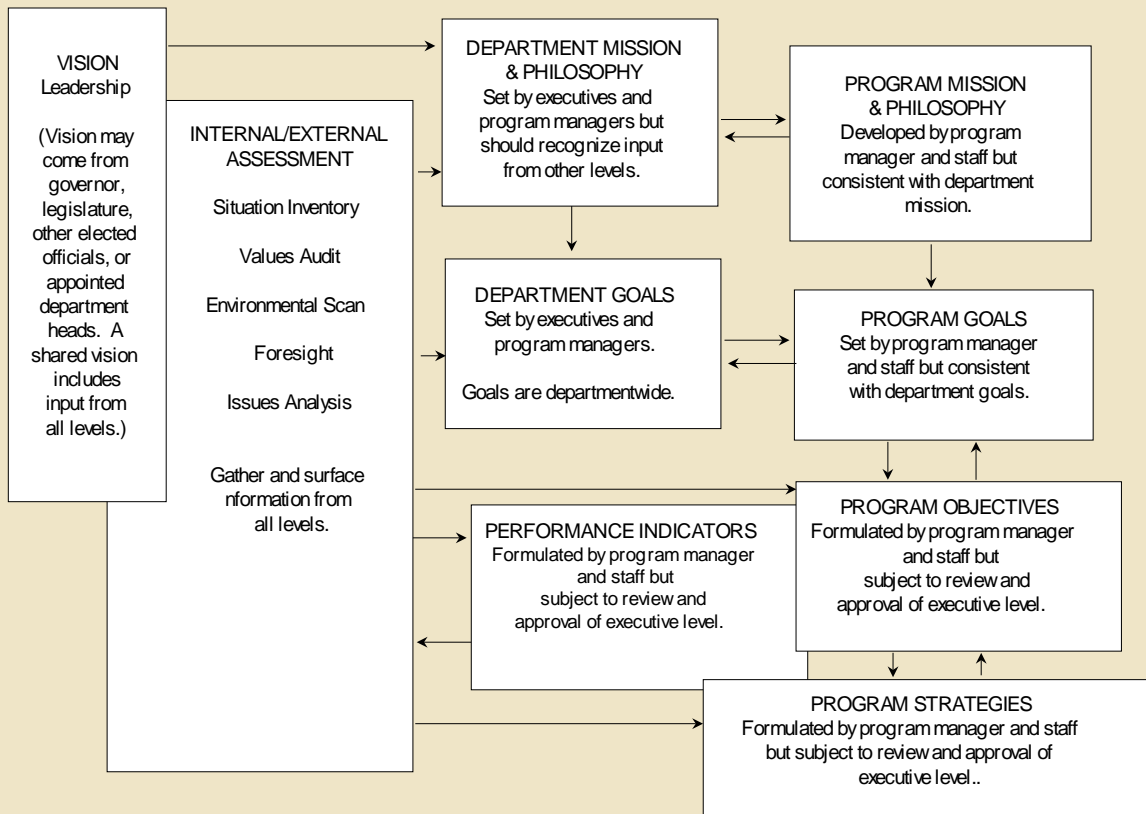


**REMEMBER**

The strategic planning process is not necessarily linear. Feedback during the process may make it necessary to revisit a previous phase. For example, a program manager and key staff may propose a time frame for accomplishment of an objective but find it necessary to modify that time frame if front-line supervisors and employees determine that the time frame is unrealistic. Or a program activity objective that is dependent upon increased allocation of resources may have to be revised if department executives determine that the required enhancements cannot be made as quickly as identified in the program strategic plan.

To visualize the flow of the strategic planning process, along with feedback loops, see the following graphic.

**STRATEGIC PLANNING PROCESS FLOW: A GENERIC MODEL FOR DEPARTMENT STRATEGIC PLANNING**



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Strategic planning is good for any level of an organization--department, agency, program, or activity. However, the planning process places different demands and responsibilities on different organizational levels. Contact your strategic planning coordinator if you do not have a clear picture of your organization's program structure and where your unit fits. The plan should work for you--NOT you for the plan (or planning process). At some point, you have to stop planning and start doing. If you are spending all your time on planning, then something is wrong.

## Contents of Strategic Plan

Each department or agency strategic plan must, at a minimum, contain the following:

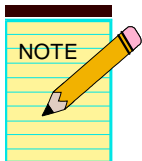
- A vision statement.
- A mission statement, which must provide a broad, comprehensive statement of purpose for the department or agency.
- A statement of philosophy (values).
- A statement of goals that reflect the benefits the department or agency expects to achieve on behalf of the public or specific groups.
- A brief statement identifying the principal clients and users of each program and the specific service or benefit derived by such persons.
- A statement of objectives relative to each program activity which the department or agency expects to achieve in attaining its goals.
- An identification of potential external factors that are beyond the control of the department or agency and could significantly affect the achievement of its goals and objectives.
- A statement of each strategy that the department or agency will use in achieving each stated goal and objective.
- An explanation of how duplication of effort will be avoided when the operations of more than one program are directed at achieving a single goal, objective, or strategy.
- Specific and measurable performance indicators for each objective, accompanied by performance indicator documentation sheets for each performance indicator.
- Statement that data shall be preserved and maintained for a period of at least three years or according to the records retention laws applicable to the agency.

In addition, each strategic plan must include, where applicable:

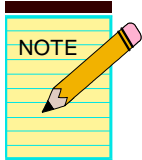
- The statutory requirement or other authority for each goal of the plan.
- A description of any program evaluations used to develop objectives and strategies.
- Identification of the primary persons who will benefit from or be significantly affected by each objective within the plan.

Each plan may include the following components:

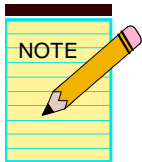
- Entity (department or agency) objectives and strategies;
- Additional entity (department/agency) and/or program descriptive information, including organization charts, and program structure charts;
- Program activity descriptions; and/or
- Action plans.



Large departments, which may have intermediate organizational and management levels, may find it useful to develop organization-wide objectives and strategies in order to coordinate agency and program efforts toward the accomplishment of objectives that cannot be accomplished independently by one agency or program, but programs to work together.



Operational plans require program activity descriptions. Some departments/agencies may find it appropriate and helpful to develop those activity descriptions during strategic planning. However, this is optional.

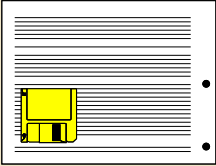


Action plans, which itemize how a strategy will be implemented, are of great value to program managers and supervisors. However, they are much too detailed for inclusion in department or agency strategic plans and they are not a required component of department or agency strategic plans.

## Strategic Plan Format

Just as the strategic planning process is customized to meet the specific structure of each organization, the actual plan document may be customized. Samples of various strategic plans and plan formats are available from the OPB. A generic strategic plan format follows. (Please note that this example is a humorous look at a fictitious state department.)





## GENERIC STRATEGIC PLAN FORMAT

### ➤ Cover sheet or title sheet

The cover or title sheet identifies the entity (department/agency) and the time period covered by the plan.

Example:                   DEPARTMENT OF STATE SYMBOLS  
                                   STRATEGIC PLAN  
                                   FY 2002-2003 THROUGH FY 2006-2007

### ➤ Entity (Department/Agency) Vision Statement, Mission Statement, Philosophy Statement, and Goal(s)

The vision statement, mission statement, philosophy statement, and list of goals may be printed on separate pages or may be printed together on one or more pages. Goals are enumerated in roman numerals.

Example:

VISION: The state symbols of Louisiana will be recognized and esteemed throughout Louisiana.

MISSION: The mission of the Department of State Symbols is to propagate, protect, and preserve the state symbols of Louisiana for the benefit, enjoyment, and pride of all Louisianians.

PHILOSOPHY: The state symbols of Louisiana represent the people and land of the State of Louisiana. The continued well being of the state's official flora, fauna, and other symbolic items is a sign of the overall well being of the state and its inhabitants. The philosophy of the Department of State Symbols is to use informed decision making, proactive policy making, and innovative actions in dealing with issues related to the continued well-being of Louisiana's various state symbols.

GOALS:

- I. The Department of State Symbols will assure the continued well being of official state flora, fauna, and other symbolic items through propagation, conservation, protection, and preservation programs.
- II. The Department of State Symbols will increase the public's recognition and appreciation of Louisiana's state symbols through educational programs.

### ➤ Large departments may need to add an intermediate level for agencies or offices within their department structure--in other words, there would be two entity levels, both department and agency. Program and organization structure dictate how many levels there will be in a strategic plan. An intermediate agency level may contain some or all of the components found at the department level.

Example: The Department of State Symbols has several divisions, each of which is a budget unit (or agency) with one or more appropriated programs. Therefore, the department has intermediate levels in its plan. Each of the budget units (agencies) has a mission statement, philosophy statement, and set of goals. Here are examples from the Brown Pelican Division of the Department of State Symbols.

VISION: Louisiana will be the brown pelican capital of the world.

MISSION: The mission of the Brown Pelican Division is to propagate, protect, and preserve brown pelicans in Louisiana for the benefit, enjoyment, and pride of all Louisianians.

*(Continued on Next Page)*



## GENERIC STRATEGIC PLAN FORMAT *(Continued)*

**PHILOSOPHY:** The brown pelican is Louisiana's state bird. Just as the state's economy and environment were threatened in recent years, so was Louisiana's brown pelican population brought to the edge of extinction. Both Louisiana and the brown pelican have begun a recovery. As a symbol of the state, the brown pelican should be honored and respected. It is our duty to assure the increased size, health, and well being of Louisiana's brown pelican population. As the brown pelican goes, so goes Louisiana.

**GOALS:**

- I. The Brown Pelican Division will enable Louisiana's brown pelican population to reach and maintain a healthy, stable level through propagation and protection and preservation programs.
- II. The Brown Pelican Division will increase the public's appreciation of the brown pelican through educational efforts.

➤ **Program Mission Statement, Goal(s), Objective(s), Strategy(ies), and Performance Indicators**

Entities may choose to include program vision statements and philosophy statements as well. However, the Department of State Symbols, Brown Pelican Division did not elect to do so.

Example: The Brown Pelican Division has two programs: (1) Propagation and (2) Protection and Preservation.

**Propagation Program**

**MISSION:** The mission of the Propagation Program is to promote the propagation of brown pelicans in Louisiana for the benefit, enjoyment, and pride of all Louisianians.

**GOALS:**

- I. The Propagation Program will enable Louisiana's brown pelican population to reach and maintain a healthy, stable level through a propagation program.
- II. The Propagation Program will increase the public's appreciation of the brown pelican through educational tours of the state pelican hatchery.

**PROGRAM ACTIVITY:** Resource Development

**PROGRAM ACTIVITY OBJECTIVE I.1:** Increase the number of brown pelicans in Louisiana to 25,000 by June 30, 2006.

**STRATEGY I.1.1** Operate a state brown pelican hatchery, including a captive breeding program and research on pelican fertility.

**STRATEGY I.1.2** Conduct an "Adopt-an-Egg/Foster Nest" activity for abandoned pelican eggs and/or orphaned pelican nestlings.

**STRATEGY I.1.3** Conduct "pelicanism" training courses for pelicans born and/or reared in captivity.

**STRATEGY I.1.4** Develop pelican potency pills for distribution at pelican feeding stations by January 2004.

**STRATEGY I.1.5** Purloin pelicans from Texas and Florida.

*(Continued on Next Page)*

## GENERIC STRATEGIC PLAN FORMAT *(Continued)*

### PERFORMANCE INDICATORS:

Input:	Baseline resource allocation for program Baseline pelican population
Output:	Number of pelicans counted in annual pelican population poll Number of pelicans produced through captive breeding program Number of pelicans adopted through "Adopt-an-Egg/Foster Nest" activity Number of pelicans graduating from "pelicanism" training Number of pelicans purloined from Texas and Florida
Outcome:	Percentage change in the number of brown pelicans in Louisiana Success rate of pelicans graduating from "pelicanism" training (as measured by percentage surviving at least one year after introduction into the wild) Success rate of pelican potency pill (as measured in percentage difference in birth rate among pelicans receiving pill and pelican not receiving pill)
Efficiency:	Cost per pelican hatched in captive breeding program Cost per pelican placement through "Adopt-an-Egg/Foster Nest" activity Cost per pelican for "pelicanism" training Cost per pelican potency pill Cost per pelican purloined from Texas and Florida
Quality:	Louisiana=s rank among pelican states for propagation rates

PROGRAM ACTIVITY OBJECTIVE II.1: Increase the number of pelican hatchery tourists by 2.5% each year through FY 2006-2007.

STRATEGY II.1.1 Work with the Department of Culture, Recreation and Tourism to produce tourist brochures for placement in state welcome and visitor centers by January 2004.

STRATEGY II.1.2 Develop an Internet website, with links to Info Louisiana and the Department of Culture, Recreation and Tourism by January 2004.

STRATEGY II.1.3 Erect a huge pelican-shaped billboard with flashing lights at the turnoff to the pelican hatchery by January 2005.

STRATEGY II.1.4 Persuade the governor to don a pelican suit and film a public service announcement about the pelican hatchery by June 2005.

### PERFORMANCE INDICATORS:

Input:	Baseline resource allocation Baseline number of visitors annually
Output:	Number of visitors annually
Outcome:	Percentage increase in number of visitors annually
Efficiency:	Percentage of visitors who indicate on visitor rating cards that they took the tour as a result of (a) brochure, (b) website, (c) billboard, (d) governor=s message, or (f) other.
Quality:	Visitor satisfaction (as measured by comparison of percentage of visitors rating tour as "highly educational" on visitor rating cards)

### **Protection and Preservation Program**

MISSION: The mission of the Protection and Preservation Program is to protect and preserve brown pelicans in Louisiana for the benefit, enjoyment, and pride of all Louisianians.

*(Continued on Next Page)*

## GENERIC STRATEGIC PLAN FORMAT *(Continued)*

### GOALS:

- I. The Protection and Preservation Program will enable Louisiana's brown pelican population to reach and maintain a healthy, stable level through pelican protection and preservation activities.
- II. The Protection and Preservation Program will increase the public's appreciation of the brown pelican through educational courses on pelican lifestyles, habits, and habitats.

### PROGRAM ACTIVITY: Resource Protection

PROGRAM ACTIVITY OBJECTIVE I.1: Reduce average annual adult brown pelican mortality rate to 13.5% by June 30, 2006.

STRATEGY I.1.1 Operate two brown pelican preserves for pelican protection, preservation, and scientific research on pelican populations.

STRATEGY I.1.2 At each preserve implement a "pelican prosthetic pouch" activity to refit and rehabilitate pelicans injured by fishing nets, by January 2004.

### PERFORMANCE INDICATORS:

Input:	Baseline resource allocation Baseline mortality rate of pelican population
Output:	Number of adult pelican deaths Number of pelicans fitted with prosthetic pouch
Outcome:	Annual adult brown pelican mortality rate Percentage change in annual adult brown pelican mortality rate Percentage of pelicans successfully rehabilitated by prosthetic pouch activity (as measured by survival in the wild for one year)
Efficiency:	Cost per pelican fitted with prosthetic pouch Cost per pelican successfully rehabilitated
Quality:	Louisiana's ranking among pelican states for annual adult mortality rate Innovation award won by prosthetic pelican pouch activity

PROGRAM ACTIVITY OBJECTIVE I.2: Suppress annual pelican poaching losses to 1% by June 30, 2005.

STRATEGY I.2.1 Operate the Louisiana Pelican Patrol, a special amphibious unit, to patrol pelican habitat, provide 24-hour protection, and prevent pelican poaching.

### PERFORMANCE INDICATORS:

Input:	Baseline resource allocation (number of patrol officers and budget for patrol) Baseline average annual pelican poaching losses Baseline square miles of pelican habitat to be patrolled Baseline arrest and conviction rates of pelican poachers
Output:	Actual square miles of pelican habitat patrolled Number of pelicans poached Number of poachers arrested Number of poachers convicted
Outcome:	Annual pelican poaching losses Percentage change in poaching losses Pelican poacher arrest rate Pelican poacher conviction rate
Efficiency:	Average number of square miles patrolled per Louisiana Pelican Patrol officer
Quality:	Louisiana's ranking among pelican states for poaching losses

**GENERIC STRATEGIC PLAN FORMAT (Continued)**

PROGRAM ACTIVITY OBJECTIVE II.1: Increase the number of pelican education courses offered by 10% and the number of course participants by 25% by June 30, 2007.

STRATEGY II.1.1 Recruit citizen volunteers to be trained as course instructors.

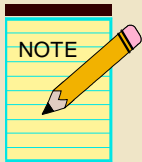
STRATEGY II.1.2 Develop a pelican course to be incorporated by middle school science teachers in their curricula by School Year 2005-2006.

STRATEGY II.1.3 Persuade the governor to don a pelican suit and film a public service announcement about the pelican education course by June 2005.

**PERFORMANCE INDICATORS:**

- Input: Baseline resource allocation  
Baseline number of courses offered  
Baseline number of course participants
- Output: Number of courses offered  
Number of course participants
- Outcome: Percentage change in number of courses offered  
Percentage change in number of course participants
- Efficiency: Cost per course offered  
Cost per person participating in course

➤ Appendix:  
Required process documentation



Some departments and agencies have found it more convenient or helpful to include some of the process documentation with plan components. For example, several departments placed the statutory or other authorization for goals in parentheses after each goal statement. Some departments listed the beneficiaries and others affected by an objective in a statement following each objective. However, most departments found it easier to place internal/external assessment documentation, information on program evaluations or other methods used to develop objectives and strategies, performance indicator documentation, and explanations of how duplication of effort will be avoided in an appendix following the plan document itself. Completion of process documentation is mandatory, but where that process documentation is placed in the plan document is up to the planning entity.



The format shown above is a generic one. As long as the required components are present, your strategic plan may use the format best suited to your needs. Some strategic plans may contain additional components. For example, some departments or agencies may have departmentwide or agencywide objectives that cross program lines in addition to program-specific objectives. Others may have departmentwide goals but only activity-specific objectives. Before your plan is finalized, your strategic planning coordinator should discuss alternative formats with staff of the OPB.

**REMEMBER**

## Documenting the Strategic Planning Process

As shown in the previous section, Act 1465 of 1997 added several requirements related to documentation of the strategic planning process. These requirements do not add components to the strategic planning process. They merely require you to document how you went about the planning process that resulted in your strategic plan. Previous editions of *MANAGEWARE* recommended that such documentation be made and provided sample forms for process documentation. However, that documentation is now required and not optional.

Under the Louisiana Performance Audit Program (created by act 1100 of 1995), departments, agencies, and programs are subject to performance audits conducted by the Performance Audit Division of the Office of the Legislative Auditor. One of the first things that a performance auditor will seek is the strategic plan for the entity under audit. Auditors look for an "audit trail"—that is documentation of how and why things occurred. The process documentation requirements that are established by Act 1465 mark that audit trail. (For more information on performance audits, see [ACCOUNTABILITY](#).)

## Submitting the Strategic Plan

All strategic plans must be submitted to the commissioner of administration (through the Office of Planning and Budget) and the standing committee of each house of the legislature having responsibility for oversight of the department or agency.

In addition, your plans should be provided to other entities that have responsibility for review and evaluation of performance information: House Fiscal Division, Senate Fiscal Section, Legislative Fiscal Office, Joint Legislative Committee on the Budget, and Office of the Legislative Auditor. Further, strategic plans are public documents.

**To submit your revised strategic plan, post your strategic plan (including process documentation) on your department/agency website by the deadline established by OBP, which is typically July 1 in the year that the plan is due. Provide electronic notification of the availability and web address of your plan to the OPB and the other entities identified above.** Send e-mail notices to the OPB analyst, OPB budget manager, and legislative committee staff members who are assigned to work with your agency; also send an electronic notice to the director of the Performance Audit Division of the Office of the Legislative Auditor. If you do not know whom to contact or do not have e-mail addresses for these individuals, consult the OPB website (<http://www.doa.la.gov/Pages/OPB/index.aspx>), the Louisiana Legislature's website (<https://www.legis.la.gov/legis/Home.aspx>) and the website for the Office of the Legislative Auditor (<https://www.la.la.gov/>) or contact these offices directly for information.

**Website publication of your strategic plan and process documentation is required.** Unless your agency lacks website capability, hard copy or other electronic submission does not substitute for website publication. Agencies that do not have a website capability must submit two (2) hard copies of their strategic plans and plan documentation to the OPB and one (1) hard copy each to each of the other entities identified above. Agencies in this situation should notify the OPB immediately that hard copy submission will be necessary.

## Communicating and Marketing the Strategic Plan

Successful implementation of strategic planning hinges on three things:

- Everyone knows where the organization is going.
- The course is being steered consistently.
- The journey sounds so exciting that everyone wants to jump on board.

Therefore, successful implementation of strategic plans is dependent, to a large extent, upon effective communications.



**HELP**

### HOW TO: Communicate and Market the Plan

**Internally**, the strategic plan must be communicated at all organization levels. Executives, managers, and staff must have a clear understanding of the plan and their roles in it. A "perfect" plan is worth little or nothing if it is not widely understood and accepted. It must form the basis for daily action throughout the organization. Some ideas for improving internal communications about the plan include:

- Make the plan a regular topic at staff meetings or in internal newsletters.
- Distribute the plan internally; make the plan easily accessible to all managers and employees.
- Display the vision, mission, and/or philosophy statements in a prominent location.
- Recognize progress toward achieving goals and objectives at staff meetings, in newsletters, and at other organizational events. Celebrate accomplishments.

**Externally**, the strategic plan must be communicated to individuals and groups that have an interest in, or an effect on, the agency's programs (for example, the governor, legislature, federal courts, local governments, interest groups, and the public) in order to build awareness of and support for the plan. Some agencies have public information officers who can help develop marketing strategies. However, all agencies can utilize some of the following ideas:

- Put the plan on the Internet.
- Include articles about the plan in newsletters externally distributed by the department.
- Explain the plan at community public meetings.
- Issue press releases with highlights of the plan; provide media interviews; work with newspaper editorial boards.

- Prepare an attractive, condensed print version of the plan and make it available to interested persons and organizations.
- Reference the plan in presentations to the legislature or private sector and in presentations at conferences ("dog and pony shows").
- Produce a video on the plan and its implementation.

To develop an effective communications or marketing strategy for the plan, organize; plan carefully; and deliver the message using every avenue available. Some simple guidelines are:

**1. Organize and coordinate communications resources and opportunities.**

- Develop or expand existing internal communications methodology to share and explain the plan.
- Establish an internal communications function that goes beyond press releases. Marketing the plan is a media and public education effort.
- Incorporate existing communications personnel and capabilities where possible. If your agency has a public information officer, bring this professional into the planning process in time to plan an effective external communications strategy.
- Develop support capabilities for electronic communications and graphics. Contemporary marketing strategies stress eye-catching visual presentations.

**2. Direct communications to stakeholders and expectation groups.** Most departments or agencies have constituencies associated with their programs and activities (for example: business, labor, education, medical, social services, environmental, and recreational interest groups). Make these groups aware of the plan and what it means for them.

**3. Clarify and simplify the plan for public consumption.** Make sure that laymen can understand the plan. Use plain language; avoid jargon.

- Distribute the message as widely as possible. Some possible avenues for internal and external dissemination were presented above. Other ideas are:
- Identify and maintain a network of contacts. These may include print and broadcast journalists who routinely cover issues and events associated with the department or program and contacts among stakeholder organizations.
- Maintain open lines of communication with other state departments, agencies and institutions, the governor and his or her policy advisors, and the legislature.

**4. Broaden the base for support through local connections.** Many departments have facilities located throughout the state (for example: correctional institutions, hospitals, parks and commemorative areas, wildlife management areas, and colleges and universities) or offer community level services. Use community relations committees or community public meetings to communicate elements of the plan.

5. **Monitor public and media reactions and make adjustments to communications as appropriate.** If it works the first time, do it again. If the first approach is unsuccessful, try something different.

End of HELP Topic

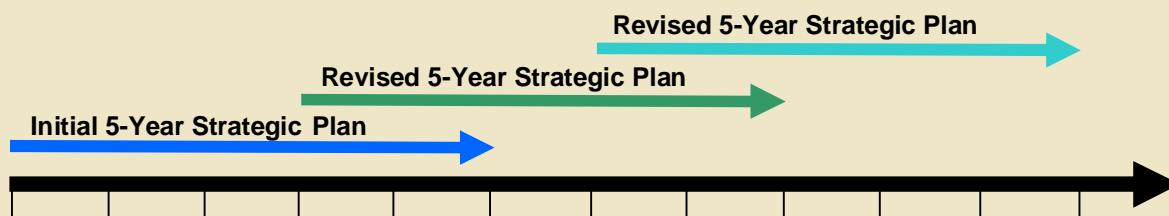
## Reviewing and Updating the Strategic Plan

Successful strategic plans are not static. They are evaluated for progress annually; they are revised and updated regularly. **At a minimum, strategic plans must be revised and updated every three years.**

As a practical management maneuver, departments and agencies should conduct an annual strategic plan progress evaluation. An annual progress evaluation allows department, agencies, and programs to capitalize on the results of their accountability efforts on the operational level. Annual evaluation may reveal the need to make a few adjustments or accommodations in strategic or operational plans. Further, an annual look inside and outside the organization enables those departments, agencies, and programs affected by statewide policy making and strategic planning initiatives to incorporate elements of those statewide policies and planning components into their own strategic plans in a timely manner. (In some cases, organizations may not be given an option to postpone inclusion of these statewide policies and plan components; rather inclusion of these elements on a scheduled basis may be mandated by legislation.) However, unless extraordinary changes in internal capacity or external operating environment have occurred, it should not be necessary to overhaul or rewrite an entire strategic plan annually.

Regardless of the length of time between initial plan development and plan revision, a strategic plan update moves the plan into the future. A three-year update moves the plan three years into the future. The strategic plan remains a five-year plan. Its start and end dates are moved into the future.

### UPDATING A STRATEGIC PLAN MOVES THE PLAN INTO THE FUTURE



and updates.



Submission and distribution of revised strategic plans follow the same guidelines as cited earlier for submission and distribution of initial strategic plans.

Strategic plan review compares actual with expected results; it looks at projected versus actual timetables. It determines whether the plan is on time and on target. Annual progress evaluation

**HELP**

## HOW TO: Revise and Update the Plan

allows executives, managers, and staff identify what is changing internally and externally as well as what parts of the plan are working or not working. The organization is then poised to update the strategic plan. That is:

**IF** review and evaluation show that:

- There are no major changes in internal capacity or external operating environment;
- Strategies and action plans are proceeding on schedule;
- Progress toward goals and objectives is being realized as expected; and
- Anticipated results are being achieved,

**THEN** the organization reaffirms goals, objectives, and strategies—adjusting, as appropriate, to continue or “grow” progress and accomplishments—and moves the plan ahead.

However, **IF** evaluation shows that:

- There are significant changes in internal capacity or external operating environment;
- Strategies and action plans are not proceeding on schedule or working as expected;
- Progress toward goals and objectives is not being made as expected;
- Anticipated results are not being achieved;
- Unexpected or undesirable consequences are being generated; or
- Current goals and objectives are inadequate or unrealistic,

**THEN** the organization modifies the plan as needed and moves the plan ahead. *Factors likely to drive revision include:*

- Significant changes in funding levels in either operating or capital outlay budget;
- Department or agency reorganization;
- Changes in program structure or mandated functions;
- Louisiana Workforce Commission coordination of statewide workforce development activities;
- Children’s Cabinet initiative to coordinate activities and services related to families and children;
- Department of State Civil Service workforce planning initiatives;
- Office of Information Technology standards and strategic planning initiatives;
- Hurricane preparedness and recovery initiatives;

- Other statewide initiatives;
- Changes in the master plan for higher education;
- Changes in leadership, including gubernatorial or other statewide elections and term limit impacts in legislature;
- Review of initial strategic plan by OPB and standing committees of legislature;
- Audit findings and recommendations;
- Input from other entities, such as federal government or courts and stakeholders (constituent, customer, expectation, or special interest groups);
- Knowledge and experience gained from living with the plan and reporting progress regularly;
- Statewide or regional disasters (natural or manmade); and/or
- Unanticipated, or over- or underestimated external factors.

To review, revise, and update a strategic plan, take a look at each of the plan components and determine whether each is still valid. Since the strategic plan was developed or last revised:

- Have there been any significant changes in the organization's internal capacity? For example:
  - Has the organization's mission changed? Have goals changed?
  - Has the organization (department, agency, or program) been assigned or undertaken any new responsibilities? If so, what are they and how will they affect mission and goals?
  - Have budget or position allocations changed significantly?
  - Has the organization undergone reorganization?
  - Have administrative procedures or guidelines been revised significantly?
  - Has the organization received significant or repeated audit findings?
- Have there been major changes in the organization's external operating environment? For example:
  - Have new mandates been placed on the agency by federal or state government?
  - Have major new public issues surfaced that are related to the organization?
  - Have there been economic, demographic, political, environmental, or societal shifts that will affect the organization and its mission?
  - Have statewide policy and strategic planning entities established goals, objectives, or strategies that must be incorporated into the organization's strategic plan?
  - Has the organization's enabling legislation or other authorization been changed? If so, what changed and how will those changes affect mission and goals?
  - Has the organization (department, agency, or program) been assigned or undertaken any new responsibilities? If so, what are they and how will they affect mission and goals?
- Are objectives, strategies, and action plans on schedule and fulfilling expectations?
  - If so, how can the organization build on this progress?
  - If more progress than expected has been made, should objectives be set higher?
  - If less progress than expected has been made, should objectives be lowered or extended in time? Should strategies be revised, overhauled, or thrown out entirely? Are other changes are required to allow the organization to make progress?

- Are performance indicators capturing the information necessary to chart progress and support management decision-making? Does each activity include at least one outcome-based performance indicator? If not, what changes are needed?

**PLANNING****POINTER**

The strategic plan review may be conducted in conjunction with required yearend performance progress reports that compare actual performance with annual performance standards. (See [ACCOUNTABILITY](#) for information on performance progress reports.) Certainly strategic plan review should take the results of performance progress reports into account.

As the plan is reviewed, some departments, agencies, and programs may find that few modifications are necessary. However, others may be required to make extensive revisions, particularly in response to changing operating environments and/or statewide strategic planning initiatives that must be echoed in their own strategic plans.

**REMEMBER**

The plan is not the end of the strategic planning process. The planning process is continuous. All of the information gathered during the accountability process should be analyzed for inclusion in the next strategic plan update. Analyzing progress may be the end" of one cycle, but the information gleaned from that analysis is the starting point for the next planning cycle.

End of HELP Topic

## Strategic Planning and Sunset Review

Sunset review is the process through which, on a regular basis, state agencies are required to justify their existence in order to continue that existence. R. S. 49:190 *et seq.* provides for the legislative termination and re-creation of statutory entities. Sunset review allows the legislature an opportunity and mechanism to evaluate the operations of state statutory entities to determine whether the merits of the entity's activities support its continuation. As part of the sunset review process, agencies are required to submit their strategic plans as well as performance data related to goals and objectives in the plan. For more information on sunset review, see [ACCOUNTABILITY](#).

Updated March 2016

