Strategic Planning for Local Government

SECOND EDITION

Gerald L. Gordon

International City/County
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About ICMA

The International City/County Management Association (ICMA) is the professional and educational organization for appointed managers and administrators serving cities, towns, counties, regional entities, and other local governments throughout the world. The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management and leadership worldwide. To further this mission, ICMA develops and disseminates new approaches to management and leadership through training programs, information services, and publications.

Local government managers and administrators—carrying a wide range of titles—serve at the direction of elected councils and governing boards. ICMA serves these managers and local governments through many programs that aim at improving the manager's professional competence and strengthening the quality of local governments. While ICMA recognizes professional management in all forms of local government, ICMA's origins lie in the council-manager form of local government, which combines the strong professional experience of an appointed local government manager or administrator with the strong political leadership of elected officials in the form of a council, board of selectmen, or other governing body.

ICMA was founded in 1914, adopted its Code of Ethics in 1924, and established its Institute for Training in Municipal Administration in 1934. The Institute provided the basis for the Municipal Management Series, popularly knows as the "ICMA Green Books." By 1994, the institute had evolved into the ICMA University, which provides professional development resources for members and other local government employees.

ICMA's programs and activities include providing professional development; establishing guidelines for voluntary credentialing and standards of ethics for members; managing a comprehensive information clearinghouse; conducting local government research and data collection and dissemination; providing technical assistance; and producing a wide array of publications focused on local government management issues, including *Public Management* magazine, newsletters, management reports, and texts. ICMA's efforts toward the improvement of local government—as represented by this book—are offered for all local governments and educational institutions.

Acknowledgments

This volume was a labor of love. Municipal strategic planning is a process in which I have been engaged throughout the United States and the world for more than thirty years. I have been a practitioner, a lecturer, a professor, and a consultant on the subject. And every time I get involved in a community, I learn a lot of new things about strategic planning. Every situation and every community is different. The issues are different, the stakeholders are different, and, hence, the process is different. This book is a guide. It requires exceptional professionals and active citizens to conduct strategic planning exercises successfully in their communities.

In recognition of the need for strength in numbers and a diversity of perspectives, I asked a number of public officials from across the United States to serve as an advisory committee in the conduct of this research and the writing of this book. Not only was their collective counsel invaluable, it also directed me to include concepts and issues that greatly strengthened the product and make it a far greater tool for local government leaders.

Although I have met some of these exceptional men and women only through telephone conversations and e-mail exchanges, they feel like friends. Moreover, they personify the exceptional qualities and capabilities of today's officials in America's cities, towns, and counties.

Jane Bais DiSessa, city manager, Berkley, Michigan

Michael Freeman, regional partner, HDR, Inc., Fort Collins, Colorado

Richard Kirkwood, city manager, Woodland, California

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Gerald L. Gordon, Ph.D.
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Contents

Preface to the Second Edition

In 1993, the International City/County Management Association (ICMA) published my volume, *Strategic Planning for Local Government.* That text described the process of strategic planning as it had been practiced in the private sector for many years and the successes of city and county leaders who applied those practices to the public sector as well. At that time, although some governments were well versed in the concepts of strategic planning and had achieved significant results, these governments were few and far between. Other local governments were just beginning to acknowledge the applicability of strategic planning to local issues, but most local governments had not yet focused on the benefits that could be derived from such a process. In 1993, developing and pursuing a longer-term vision was the stuff of political rhetoric and theory and was thought to represent a less-than-critical demand on peoples' time.

For the 1993 edition, approximately 40 strategic plans were collected from across the United States, and positive examples were selected for that book. Sections of plans, entire plans, and descriptions of planning processes were drawn from municipalities throughout the country—north, south, east, west; urban, suburban; large, small; thriving economies and struggling.

Lessons from 1993

From the examples presented in 1993, community leaders report that they were able to apply the process and learn the lessons of other communities that had already engaged in strategic planning. Nine important lessons were covered in the first edition of *Strategic Planning for Local Government.*

1. There are no significant variations in the strategic planning process for different local governments.

Although the content of strategic plans was distinct from one community to the next, the process of planning remained essentially the same. Issues varied among communities, and content variations were often the result of areas' distinguishing characteristics. Cities, towns, and counties have different responsibilities and powers; similarly, strategic planners in larger or urban localities tended to identify issues

in the planning processes that were different from the issues identified by their counterparts in smaller or rural locations.

Leaders in all communities tended to walk staff and constituents through the same steps, starting with developing a vision and identifying the organizational mission. From there, they conducted various forms of environmental scanning, which culminated in goals, objectives, and strategies. This consistency enabled local government leadership to observe the processes of other communities and apply them at home.

2. The process needs to be promoted locally.

Many participating communities in 1993 addressed the importance of having the local government initiate and strongly promote the strategic planning process. They derived benefits from community awareness of, and involvement in, the process. Sessions were often conducted in open meetings. Leadership actively used local print and electronic media to apprise the community of progress on the plan. Public hearings sometimes permitted citizens to comment on the plan while it was still in draft. The support and involvement of the most senior people in the community—elected and executive—was made clear. Residents knew the process had the full support of those at the top, and support was generated even before conclusions and action steps were announced.

3. Strategic planning begins with strategic thinking.

Communities embarked on their strategic planning exercises by determining their vision for the future and by addressing broad themes of common interest to all. The issues of the day and the most common concerns of those living and working in the area were addressed later. It was first important to define what the future should be like; afterward it would be possible to begin to assess what the specific issues were and how best to address them.

4. The planning group should be more, rather than less, inclusive.

Local government leaders in 1993 noted the value of including staff from different levels of the organization in the planning process. Staff who received and responded to citizen inquiries and complaints were possibly more aware than their supervisors of the issues and concerns citizens were raising. Their input provided valuable intelligence in the environmental scanning phase of strategic planning. An unexpected benefit of including staff from other levels was that it led to greater employee "buy-in" for the final document.

5. It is important to assess and announce the core values, or inherent beliefs, of the local leadership.

It appeared to be important for strategic planners in 1993 to state the core beliefs of the local government and its elected and appointed officials. In most cases, the statements of most communities were similar—all communities want to provide efficient and effective services to their constituents and enhance the general quality of life of their communities—but in addition there was an acknowledgment that those statements needed to be made to the public. Themes of different jurisdictions varied because they were responsive to either specific local issues or local histories.

6. The most critical element of the strategic planning process is the environmental scan.

The environmental scan is a structured process through which participants in the process seek to apply their collective wisdom to describe the future as clearly and comprehensively as possible. It is from this exercise that strengths, weaknesses, opportunities, and threats are identified, and goals, objectives, and strategies developed. Compromise viewpoints often emerge and issues under review are categorized according to importance. Local government planners in 1993 realized that if the scan was not thorough and rigorous, the final plan would be flawed. This scan is recognized as the most critical phase as well as the most time-consuming phase of strategic planning, and it is the most voluminous in terms of the final written plan.

7. The strategic plan must outline measurable outcomes that will result from its implementation.

A plan without measurable outcomes provides no way to assess its success. It is essential that community leaders be able to document what transpires after the planning phases. Such measures are equally important to those who implement the plans because they provide a guide to both daily and longer-term activities. Staff and volunteers of local governments need to know how many, when, and how often; and those who manage agencies of local government need to participate in those decisions lest the plan result in demands that exceed available resources—financial or human.

The conundrum comes when staffs attempt to apply measures to goals, objectives, and actions. Many local government strategic planners in 1993 recognized that measurement need not be only by the numbers. A valid measure can be a date; for example, one might finish streetscape improvements by May 1. Another measurement that was specified in the 1993 plans was the completion of a specific project. In the 1993 plans, attempts to achieve the measures often fell short, and none of the 1993 plans reviewed mentioned the need to put measurement systems in place to capture data necessary to determine whether the plans had been met.

8. Those who implement plans need to understand and embrace them.

Including representatives of different levels of the municipal government in the planning process provides valuable input and typically results in a higher level of buy-in for the plan. Important also is a review of the finished product with agency staffs because it will help them understand why their activities are important to the bigger picture. Connecting individual performance with an appreciation and implementation of the plan and staff members' pay with the completion of those objectives can provide a strengthened focus and commitment on the part of local government employees.

9. Feedback loops and scheduled replanning sessions are important means of ensuring that plans do not become the end but, rather, the means to an end.

Many of the 1993 plans—especially those that recognized the need to promote the process publicly—stated the need for a schedule of meetings to ensure that strategic plans were revisited, reconsidered, and reworked. Some even included a

schedule in the printed document. The resultant feedback on the plan and progress made toward its objectives were deemed to be valuable for local leaders. The schedule also provided a series of time frames in which planners could report back to their constituents on the progress of their efforts.

In 2004

Now, more than a decade has passed and much has changed. Cities, towns, and counties still confront the issues of a decade ago and have added new issues. Economic problems of the first years of the twenty-first century have combined with the new challenges of public safety to add to the planning issues on already crowded agendas. Local governments report that the continued loss of state and federal revenues—exacerbated by unfunded mandates—has cluttered the planning agendas for their communities. Finally, users of the 1993 volume have pointed out the need to tie together their strategies and their business plans more closely.

In short, a decade later, we need to reexamine the lessons of 1993. This book is intended to do just that. Despite the growing complexities of municipal governance specifically, and of life in general, the second edition of *Strategic Planning in Local Government* has in many ways been an easier task. A greater proportion of cities and counties report that they have been conducting strategic planning processes than was the case in 1993. Most officials who participated in the second edition simply e-mailed me copies of their plans or were able to direct me to appropriate sections of their Web sites.

In other ways, the research was not so much simple as it was different. In this volume, I include communities that represent specific issues in outer suburbs, a comparative concept that was not widely recognized in 1993. Issues in the outer suburbs could well be distinct from issues confronting areas closer to the center city.

In rewriting this volume, I intended to evaluate whether, ten years later, there are new or different lessons to be learned. To discover the answer, I asked community leaders across the United States to allow me to review their plans. From these, I have selected what I believe to be excellent examples of the process and the components of municipal strategic planning. From that analysis, I have drawn conclusions about the lessons for municipal leaders who will conduct strategic planning exercises that are appropriate to our new times and needs. Again, positive examples are cited and sections of plans or whole plans are provided to illustrate the concepts under discussion. In this way, local government leaders can see what has worked elsewhere. A new step-by-step guide, accompanying poster, and PowerPoint® presentation are provided to facilitate the process for others.

The 1993 volume generated a great deal of constructive feedback. My expectation is that this volume will as well, for, as rapidly as this world changes and as quickly as the practice of public administration grows, I fully expect there to be another volume in 2014.

Gerald L. Gordon, Ph.D.
May 2005

1 Introduction

The practice of strategic planning grew out of the private sector, where it gained acceptance as a means of identifying strategies for increasing corporate profits and minimizing the impacts of environmental change. The public sector also adopted it and has now used strategic planning long enough to have gained experience of its own. By now a body of instructive literature and a cadre of public sector practitioners know what works well and what does not.

Public sector practice still closely follows private sector practice. Strategic planning in the municipal setting prescribes a systematic process that enables a community's leadership to understand the numerous future environments in which the community will exist, establish consensus about how best to achieve its most desired vision, and illuminate the actions that will most likely make that happen—all within the context of expected available financial and human resources.

> *Government must act no differently [from business]. Waukesha County receives valuable resources from the taxpayers to provide goods and services. Since 1991, we have participated in a strategic planning process that replicates private sector philosophies and models.*
>
> —Daniel M. Finley, county executive
> Waukesha County, Wisconsin

Strategic planning for cities and counties is a never-ending process, just as it is in the business world. Every organization exists within several interlocking environments. For businesses, these include the industry and the relevant markets. For communities, environments may be local, state, regional, national, and even global.

Complexity

Each community environment is influenced by a series of factors: the economy, financial considerations, technology, ecology, legal and regulatory matters, and more. Communities can use the strategic planning process to consider how each factor will change, and how the community can take advantage of the resulting opportunities and prepare to minimize the impacts of potential threats to the public good.

Strategic planning in the public sector is usually much more complicated than in the private sector. State and local governments have broad responsibilities for providing services that range from human needs such as public safety and education to technical needs such as water treatment. The environments in which these responsibilities function are intricately interwoven. A change in one area often portends impacts in others: a public safety issue may be felt in the schools, and a loss of jobs will be felt by the agencies providing human services.

Concerns about the rapidity of change can be multiplied by the size of the jurisdiction, the complexity of its geography, the diversity of its residents, and the volatility of its industrial sectors. Counties in which numerous independent cities and towns are located often experience greater change—with greater rapidity—than do smaller, isolated jurisdictions.

Collaboration

In some cases, a city and a county collaborate to prepare a comprehensive strategic plan that covers both jurisdictions or specific services and issues that affect both. For example, the city of Columbus and Franklin County, Ohio, developed a consolidated plan that does not supplant the existing strategic plans of either entity but instead addresses their collective housing and community development needs. Even when joint planning is confined to a few specific issues, planners need to study the wider range of issues facing the partnering jurisdiction because those issues may be different from issues in their own locality. To prepare for their joint planning process, officials in both Columbus and Franklin County gathered information from a variety of sources, including earlier visioning exercises, and published goals and strategies of community organizations.

Dynamism

A community and its environment change in hundreds of ways every day, and strategic plans and the planning process cannot be static. They must be dynamic. This concept is vital to planning: many local government strategic plans summarize recent changes in an introduction to make sure that residents understand the context for planning.

Strategic plans represent the current state of collective thinking about what the future will be like. A plan that reflects the best thinking of a group of insightful participants—"two heads are better than one"—who represent a wide spectrum of perspectives enables a community to define the future with the greatest of clarity.

Care is essential, however. A group of smart, well-intentioned people, left to its own devices to reflect on the unknown, is likely to yield as much dissent as clarity.

A structure for the collection and assimilation of data and viewpoints enables a strategic planning group to extract relevant information and build consensus toward an accepted vision of the future. A well-thought-out strategic planning process can produce the best road map to approach the future. The planning has as much value for a community as the plan itself.

We all agree that the process of developing the plan was just as important, if not more so, as the final plan itself.

—Charlie Graham, city manager
Frankenmuth, Michigan

Art of the possible

Results of the strategic planning process must be related to available human and capital resources. No plan is useful unless it can be followed by specific actions that are within the capacity of the local government.

This handbook will describe the strategic planning process and provide on-target examples from local governments across the United States—some from governments of rural communities, some from urban settings; some large jurisdictions, others small; some counties as well as towns, cities, and villages. Each has issues and interests common to all, and each has unique concerns. Resulting plans will be different, but the process to reach a successful plan is essentially the same.

Both the content and the process are highlighted. Examples clarify concepts and illustrate exemplary formats. A step-by-step guide to the local government strategic planning process precedes the appendices.

For municipalities, much has changed in recent years. What is quite clear is that the pace of change will continue to accelerate. Local government leaders will need every possible insight into what is happening, why, and when to help their communities attain the future their constituents desire and deserve.

2 Strategic Planning in Brief

Strategic planning is a systematic process for drawing a vision of a community's future. It enables localities to assess what the best outcomes of environmental forces—foreseen and controlled to the extent possible—can be. Strategic planning

- Prescribes a comprehensive course of interrelated actions
- Integrates that course into the realities of budgeting and business plans
- Establishes measurement and review processes to assess progress.

In short, strategic planning helps communities control the future.

Strategic planning, then, is a means of understanding change, forecasting change, and setting a course of action to manage the expected implications of change. Even in the most negative situations in the life of a community, strategic planning is a positive means of moving forward.

Call and timing

The call for conducting a strategic planning process can come from many sources: elected officials, citizen groups, or other levels of government. In many localities, the timing of each strategic planning process is dictated by the preceding plan, which often identifies a cycle for review and replanning.

Even though many localities codify periodic reviews and in-depth planning, they don't always happen. Over time, new officials get elected, and appointed positions are refilled. The planning process is repeated too infrequently and with little continuity from one cycle to the next. Some local governments prepare a strategic plan simply to appear to be open to internal or community-wide input. To avoid such "planning as window dressing," the manager must ensure that elected officials take ownership of both the process and the plan.

The call for strategic planning can be the result of a specific event: the loss of funding for a project, the loss of a primary employer, a natural disaster, or a report critical of municipal services.

In many communities, however, a strategic planning process arises from the recognition that alliances among local government and citizens and community groups are necessary to solve long-standing problems. In a March 2004 letter, a

Santa Clarita, California, official wrote that "the communications process with the community focused on understanding how these big issues impact the daily lives of people…. From this information, we hope to identify more creative ways to mitigate the impacts of the large issues that will take decades to resolve."

Community support

Regardless of its genesis, local leaders must sell the concept of strategic planning to the community at large in order to engage the numerous community stakeholders in both the planning process and the later implementation of the plan's course of action.

A great advantage of municipal strategic planning is that it can be used to engage the entire community and create enthusiasm for the future. The Carrollton, Texas, city manager wrote in a June 2004 letter that Carrollton's process has proved to be an excellent internal team-building exercise; in addition, "valid plans can have a stabilizing impact on the politics of a community."

The mayor or chair of the local board or council should announce the decision to develop a strategic plan. An official announcement will emphasize the importance of the planning process to the future of the community. Top officials' statements can be supported by comments from senior executive staff, key department heads, school administrators, business executives, and other community leaders. The cooperative nature of the announcement of a strategic planning exercise encourages wide participation and begins to build toward a comprehensive plan with broad-based community support. Citizens will pick up on the enthusiasm and welcome the chance for input and helping craft new directions for the community.

The local government and its agencies also receive additional benefits from the strategic planning process. Direct statements of internal objectives for strategic planning can lead swiftly to internal improvements. The final plan for the city of Frankenmuth, Michigan, notes four specific internal decision-making problems the city expected the strategic planning process to help remedy.

- City goals are not prioritized in line with available funding
- Decision making tends to be reactive rather than proactive
- Decision makers at times do not have open minds when they make decisions or are presented with alternative views
- A lack of trust, honesty, and respect sometimes occurs between and among decision makers as well as between the leadership group and members of the community.

Frankenmuth's four points are followed by specific solutions. The solution to the second point follows.

Barrier:

We tend to be reactive rather than proactive in making decisions.

Recommended strategies:

- Members of council should educate themselves on issues by utilizing Michigan Municipal League training and "inside help"
- Take off blinders—look at all alternatives and determine the best solution
- Reevaluate the timing and purpose of work sessions.

Wide support for the process does not necessarily mean wide support for the content of the resulting plan. Assembling groups with broad representation throughout the community can even impede progress at the beginning because positions may be adversarial. It is better to invite and resolve conflicts—and seek agreement, consensus, or compromise—during the process rather than attempt to implement disagreeable solutions. Acceptable compromises may have a better chance of broader acceptance and successful implementation.

In brief, the plan can become a collectively supported, integrated road map of how a community will begin to move toward its most desirable future; the plan can also be the most acceptable formula for allocating always scarce resources. Over time, the strategic plan also becomes a guide for making intermediate decisions and for demonstrating progress.

From process to product

Strategic planning must be seen as both a product and a process. As a process, it can be a thought-provoking, introspective, and comprehensive register of the key issues confronting a community as well as a perspective on the resolution of the issues. When the process is complete, the community should have agreement or significant consensus on at least the following components of a strategic plan:

- Vision for the community in the future
- Mission statement for the local government entity
- Environmental scan and conclusions about what the unplanned future will be like
- Complete list of the community's strengths and weaknesses as well as its opportunities and threats (SWOT)
- Goals for the time frame identified
- Measurable objectives for each goal
- Tactics to be used to address each objective
- Implementation plan that includes time lines and group or individual assignments
- Description of the plan's relationship to the local government budget and available human resources
- Contingency plan that prepares as much as possible for the unexpected
- Schedule for performance assessment, periodic reviews, and replanning.

Excerpts from actual local government strategic plans can be found in the body of this text and in the appendices at the end.

Realistic expectations

A strategic plan is not a guarantee of management or economic success, although the best plans do provide a means of reacting as well as acting. Even with the best information and the greatest clarity of vision, good people may simply make wrong choices and select the wrong actions. Even best-laid plans can require adjustment.

Neither is a strategic plan a resolution of the debates that take place over a variety of topics in any community. Reaching consensus on long-standing issues such as choosing between tax reduction or program spending or defining and solving traffic problems is not likely to occur through the planning process. A plan does offer an opportunity to reach some common ground—it does so by demonstrating respect for opposing positions—but it is not a panacea for long-term conflicts within a community. A plan can help identify an acceptable middle ground, but it will not create dramatic shifts in structural, philosophical, or political positions.

Neither does a strategic plan increase available resources. The process can result in a more efficient use of existing human and capital resources, and it can identify means of increasing or diversifying revenue sources. It may even enable a community's leadership to agree on programmatic reductions or eliminations. But it should not be regarded as an opportunity to find ways to do more without regard for who will do the work or how they will be paid. Such expectations, although not uncommon, are usually unrealistic and are simply a means of avoiding the need to address programmatic reductions. The strategic plan cannot stand alone; it must be tied to the operating budget.

Work in progress

A strategic plan is never a final document. It will never be completed. As soon as an initial plan is final, a process of review and reconsideration must begin. The breadth of responsibilities facing today's local governments and the overall pace of change in the world almost guarantee that any strategic plan needs to be seen as on its way to becoming out of date as soon as it is adopted.

To understand how quickly a community's strategic plan can become outdated, consider the time span for which plans are typically written. Consider, for example, a plan that was written for a three-year time frame. As of this writing, that plan would have been written in 2001—before the 9/11 attacks, the war with Iraq, the war on terrorism, the terms of office of many current elected and appointed officials, and the emergence of issues particular to different state and local governments. Change occurs too quickly in this world to assume that our three-year-old vision of the world and direction for our communities remain entirely relevant today.

Pitfalls

As the process of strategic planning has become more commonplace in municipal government circles and as local government leadership has become more adept at planning strategically, some of the pitfalls are clearer and better understood than they were in the past.

The community and community leaders believe a finished strategic plan is a permanent document Localities—especially those preparing strategic plans for the first time—often regard the plan as the end point that, once completed, represents the full accomplishment. The plan becomes irrelevant as local conditions change, but because the plan is regarded as permanent, it is not updated. Managers begin to focus on the daily "fires to put out" to the exclusion of keeping relatively scarce resources focused on longer-term objectives.

The community and community leaders do not acknowledge changed environments that call for revision of strategic plan It is common for plans to be developed and implementation to begin but also for local leaders to lose sight of the plan and its long-term vision the minute new issues arise. Every strategic plan needs to be altered, and the community must realize and acknowledge this fact.

Blind adherence to goals or tactics that have lost relevance because of changes in the environment only invite disaster. Communities need to constantly scan the environments in which they operate in order to see the best means of approaching the vision they have created. Continuous diligence will yield a consistent journey rather than a meandering path to the desired future.

Only community leaders participate in strategic planning Some of the most successful strategic planning processes involve participants from a variety of levels of the community and the government staff. Involving people with different perspectives and including their input has numerous advantages. Clerks and others who have daily interaction with constituents are often a valuable source of intelligence for planning.

The downside is that lower-level participants may find it daunting to speak up in front of elected or executive staff at higher levels, resulting in unquestioned assertions and assumptions by senior individuals. This is dangerous and can be avoided if senior officials clarify that everyone needs to be heard and that no individual source of information or opinion is unimpeachable.

Highest levels of community leadership do not commit to the strategic plan and the process High-level commitment is not always easy to obtain, possibly because members of the leadership perceive that the plan will tie their hands by committing resources to the goals and objectives of the plan rather than allowing flexibility to address other issues as the leadership deems appropriate. In this case, planning in the private sector has an advantage over planning in the public sector because private sector resources can be narrowly focused on a single objective—profits. In the public sector, a wider range of issues needs to be addressed. A public sector "product line" cannot be abandoned simply because the costs are too great or the return is too small.

Strongly expressed support for the process by the most senior officials helps create commitment, or buy-in, to the plan by those who must later implement it. Such buy-in quickly permeates all levels of the organization and thus helps to secure the most effective implementation feasible. Anything less than full and enthusiastic support for the process will be detected easily and can debilitate the implementation of the plan and dilute the effectiveness of the local government's services.

Communities want to implement all the tactics identified in the planning process without regard to available human and financial resources After listing potential tactics that will move the community toward its goals, the leadership of the local government must make decisions about what can be done, what cannot be done, what can be done in stages, and what can be done at a later time. The Lewis County, Washington, plan succinctly states this key aspect of local government strategic planning.

> Simply put, we must focus the resources available to us on the most important, most effective services for our community.

Overextension of government resources to accommodate a good idea is an error that can stretch resources too thin or distract people and dollars from more vital services. Tactical plans must be approved or disapproved after they are considered in light of the plan's stated vision and its goals and objectives. Adherence to goals and objectives will ease decisions about which programs are first to be included or excluded from implementation. Remember Charles de Gaulle's remark about his governance of France: "How can anyone be expected to rule a country that produces 265 varieties of cheese?" Local government leaders must make difficult decisions about what to fund and what not to fund; they can use the strategic plan as their guide to making those decisions.

3 Strategic Decision Making

What values must be recognized and nurtured before, during, and after the planning cycle in order to maximize strategic planning? Leadership needs to understand and encourage strategic thinking, select the best decision-making style to be used during the process, clarify the ethical premises that underlie discussions about the community's most difficult topics, and address the potential effects of the resulting plan on the local government workforce.

At this point, it is appropriate to comment about the people who will be doing the planning. Usually a relatively small planning committee is appointed, and it includes local government officials as well as representatives of the community. This committee is responsible for organizing the process and making final decisions on the resulting plan. The following thoughts on strategic thinking, decision making, ethics, and human resource management apply mainly to this group and to managers involved in implementing the planning process and the plan itself.

Strategic thinking

Too frequently, strategic plans end up being little more than an endorsement of the status quo. Industry and government suffer from the same problem. Although it is possible to imagine a time and a place in which the status quo of the past five years makes perfect sense for the next five, it is highly unlikely.

The existing activities and objectives of some program areas might change very little, but, on the whole, a plan for a city or county will probably need to change significantly from one period to the next.

Often, what causes communities' plans to be reauthorized rather than reevaluated and restructured is the absence of serious strategic thinking. Stagnant plans follow from an insufficient review of what has worked, or not, and why. Even more important, stagnation is generally the result of planners not taking the time to think about the future environments in which the community will exist.

Consider the environments that give rise to factors that affect the futures of our communities. It is self-evident that changes locally and in the immediate region will make an impact on everyone's life and activities. Changes in the state will also change what happens in our daily lives.

National events and decisions have an impact on localities, too. Consider, for example, how expenditure to support the armed forces limits funds available to states and how those changes get passed on to localities. Consider also how unfunded federal mandates affect local expenditures for public services. Even global events influence local decision making.

Changes in technology, in educational practices or testing, in clean air and environmental regulations, for example, all make an impact on localities. Local officials cannot see all these changes coming, and very few changes can be anticipated unless the official view is forward in time and not backward. If the changes are not anticipated, communities can neither avoid the changes, minimize the impact of the changes, nor, alternatively, take full advantage of them. They can only react.

Strategic thinking requires looking forward critically at how future events could potentially impact the community and how the community's leaders should prepare for and address future changes if and when they occur. The strategic thinking mindset must be encouraged at all levels in the local government. Leadership as well as first-line supervisors and even those on the front lines can think about what forthcoming changes will affect their specific areas of responsibility. All such intelligence can be gathered at the top of the organization and applied more or less informally every day.

Strategic thinking is an art that can be cultivated. A community that is conducting its first strategic planning exercise—unless participants have engaged an experienced facilitator—tends to concentrate on numbers. What has happened—or not happened—and why? Could we do more? Could we do it less expensively?

Communities whose strategic planning processes have matured still take careful notice of numbers but use them only as a basis for understanding the inherent concepts. The fully matured community strategic planning process regards numbers only as a means of fully understanding the issues that then dominate the discussions in their meetings.

Strategic thinking ultimately means a very critical assessment of the direction of the community and its local government's programs. Strategic thinking can prescribe major changes in some program areas, and it requires difficult decisions. It can also result in actions that, although correct and necessary, could be unpopular for some. Strategic planning—like local government leadership—is not for the faint of heart. The following statement on page 62 of the 1993 edition of this book is just as true today:

> Business as usual is easy, and subsequent failures can be attributed to the mere continuation of past practices. But to risk the survival or success of entire programs, the welfare of constituents, and one's reputation on decisions to move in new directions can require both personal and organizational courage.

Decision-making styles

The manner in which an organization makes decisions affects both the development of the strategic plan and its implementation (implementation is addressed at length

beginning on page 45). The decision-making style of the local government can influence the process of strategic planning either positively or negatively.

Typical business organizations choose one of three decision-making styles—top-down, bottom-up, or group decision making—and apply it fairly consistently. However, few communities consistently use either top-down or bottom-up styles in their purest form. More likely, the style changes from instance to instance and from one individual to the next. Neither approach can be said to be universally correct.

Each style has general applicability to a variety of situations and may be the best method in a given location at a given time and for a given process. For a strategic planning exercise, it would be useful for the community's leadership to consider each style and its relative advantages and disadvantages and then select one to promote as the style in which the process will be conducted. It would also be useful, however, for local leaders who are about to sponsor a strategic planning process to consider and discuss with all the participants the manner in which they would like to see the process proceed.

Top-down decision making

Top-down decision making begins, as the name implies, with the senior-most management person in the process. This can be the mayor, the council chair, or a strong executive. This style is generally successful when difficult decisions need to be made in an urgent fashion. It can be effective only if the leadership is respected and if those who must implement the decisions respond accordingly.

In strategic planning exercises that make use of top-down decision making, senior leadership usually drives the process by identifying the trends and issues to be considered. The leader may even go so far as to itemize options, in which case the planning exercise really becomes little more than a nonstrategic discussion of that individual's ideas.

The top-down style does have some advantages for strategic planning, and the advantages are usually particularly apparent when the community is engaging in its first strategic planning exercise or when there is an abundance of new participants in the process. In these instances, the leadership can use an authority position to encourage the group to take a hard look at certain trends and help identify the difficult decision options that will arise in the future.

The top-down decision-making style appears to be most productive for local government strategic planning when a need exists for strong leadership and clear direction for the planning committee. This style needs to be exercised in a benign manner, however, so that participants are encouraged to consider every possibility within the context of their understanding of the future. There is a very fine line that, if crossed, could be damaging to the outcomes of the exercise.

Bottom-up decision making

In bottom-up decision making, concepts and trends analysis are filtered up from lower levels within the local government organization. Individuals who provide direct services and who manage the various processes of local government on a day-

to-day basis help identify the issues that are important and the trends that need to be addressed in the environmental scanning phase of the process.

The clear advantage of this approach is that it solicits input from those who deal with a variety of issues on a regular basis. This is valuable intelligence for the ultimate decision makers. Another advantage is that it creates buy-in on the part of those who will ultimately implement the final decisions.

The bottom-up style seems to be more egalitarian, but it too has drawbacks. Elected officials and senior managers in a community are the ones who must live and die by the plan. If its components are found over time to be out of alignment with the reality of future conditions, it is they who must answer to the community.

Further, it is the group at the top that is most likely to have a broad view of both the issues at hand and the issues likely to arise in the future. Therefore, they must, at least to some extent, set the tone and provide overall direction. Further down in an organization, increasingly parochial interests in the issues under review are likely to appear, which can ultimately lead to concerns about protecting specific programs. This can potentially derail the process. In such cases, the plan becomes less strategic in nature and little more than a sum of programmatic parts.

Group decision making

The most common approach to decision making is a hybrid of the top-down and the bottom-up styles. In the literature, it may be referred to as team decision making or group decision making. Typically, it is conducted without being intentionally established; it simply evolves as the prevalent manner of operating.

Because strategic planning is important for providing a structure in which to identify and assess future issues that might not otherwise receive due consideration, the broader the representation of the planning committee, the greater the chance for group consideration of all matters of potential significance. And each issue will be reviewed in greater depth.

However, group decision-making styles have significant drawbacks. Some groups tend to feel increasingly secure in their decisions as their numbers increase, which can be an asset because it may enable the group to make the more difficult of the necessary decisions. It can also be dangerous, however, if the group subconsciously equates the inherent safety in its numbers with invulnerability. It may then accept assumptions that may not have been fully considered and evaluated. If they recognize that this tendency exists, groups can consciously work to avoid it.

One of the strengths of group decision making is that it is more likely than either of the other styles to incorporate into the discussions and analyses a wide variety of perspectives and ideas. As such, it can be seen as offering something for everyone. This may sound like an always positive outcome, but any conscious effort to ensure that there is something for everyone can result in making less-than-optimal decisions. Again, often the simple recognition of such possible tendencies is sufficient to help committee members avoid them. A brief review of the process to be used by the group for making decisions might prove to be a productive exercise.

One drawback to group decision making is that it usually slows the process because more people need to be heard and the potential for conflict is greater.

Leadership needs to weigh the positive and negative aspects of each decision-making style and select the one that seems most likely to be successful in the particular situation.

What is the best group size to ensure the most effective communication? Much has been written on this topic, and various articles support numbers from six to twenty. The real number is likely to be different for every situation, every location, and every group of individuals. In some communities, a group considered by the literature to be of an ideal size may be too small to be inclusive enough. Careful review is needed before constituting and training the group.

Ethics

Supreme Court Justice Louis Brandeis wrote: "Honesty by itself is not enough. The appearance of integrity must be concomitant." Public officials must keep this constantly in mind. Many who participate in the strategic planning process have specific and even fairly narrow areas of professional responsibility. They must table their parochial interests and approach the environmental scan, the identification of issues, and the development of goals and tactics with an eye on the best interests of the community rather than on their own, more narrow concerns.

An essential concern is the reality of ethical behavior and an approach that is the best for the community. Ethical behavior is not enough; also necessary is the stakeholders' perception that the process was open, honest, and fair.

Human resource management

The staff of the local government potentially have two functions in the strategic planning process: input and implementation. During both of these, employees may reflect concern over changes that need to be made.

Moreover, many human resource functions—staffing requirements; position descriptions; recruitment and selection; promotions, demotions, and transfers; training and professional development; performance review; record keeping; wages and benefits issues; collective bargaining; safety issues; and federal regulations concerning employment and conditions—are affected by the process of strategic planning and the development and implementation of new community directions.

In addition, a vital contribution of the human resource department to the process and the implementation of the plan is the communications function. The more that can be done to keep staff apprised of the process and potential changes, the greater will be the buy-in by those who will implement the tactics laid out in the final plan.

The human resource staff can support several functions that take place during the strategic planning process; these include data provision and analysis, forecasting and decision making, and providing general guidance to the planning committee. Table 3-1 shows the contributions that human resource managers can make in each part of the strategic planning process.

It is clear from the proliferation of *C*s in Table 3-1 that the communications function is vital for strategic planning. As a critical conduit for communications to employees, the role of human resources begins with the onset of the process.

Table 3-1 How the human resource function contributes to the strategic planning process

Aspects of strategic planning	Recruitment and selection	Internal personnel movement	Organizational development	Training and professional development	Wages and benefits issues	Job descriptions and appraisals	Record keeping	Collective bargaining	Safety
Mission statement	C	C,D,G	C,D,G	C,D,G	NA	C	NA	NA	NA
Inherent beliefs	C	C,D	NA	C,D,G	NA	C,G	NA	C	NA
Environmental scans (internal and external)	A,D,G	A,D,G	A,C,G	A,G	A,G	A,C,G	A,G	A,C,G	C,G
Goals and objectives	A,G	A,C,G	C,G	A,C,G	A	A,C,G	A	A,C	NA
Tactics and implementation	A,C	A,C,D,G	C,G	C,D,G	A,G	A,C	A	C,G	A,C,G
Contingency planning	NA	G	A,C,G	C,G	A,C,D	NA	A,C,G	A,C,G	C
Controls and feedback	A,D,G	A,G	A,G	A,G	A,G	A,G	A,G	NA	A,G

Key:

A Analysis and provision of data
C Communications functions
D Decision-making processes
G General guidance
NA Not applicable.

Employees must be aware of what is expected and why the process is taking place. They must be kept apprised of the progress made by the planning committees, and they must understand what it means for them and for the programs and services they administer.

As programmatic changes are planned, staff may have to be retrained. For example, a strategy that applies technology to previously manual functions may require computer skills to be upgraded. New community outreach efforts may be more successful if staff are trained in public speaking and other communication skills. Gaps in the existing complement of skills and new skills required by new programmatic directions must be identified and addressed.

As elements of the strategic plan are finalized, staff should be advised. Staff's firm understanding of the discussions that led to a revision in the mission statement or the stated core beliefs of a community will lay the foundation for a more firm appreciation of the goals, objectives, action plans, and individual assignments. There is a direct relationship between the extent to which the components of the plan are understood and accepted by staff and the success of the plan.

Record keeping and data analysis are often functions performed by human resource departments. Staffing requirements and performance effectiveness indicate to managers which programs are successful and which employees are most productive. Together with the reasons for such performance outcomes, such data are valuable intelligence for planners who must decide which programs to keep or eliminate, which to expand or minimize, and which to redesign.

As programs, staffing requirements, and assignments change, decisions about reassignments, promotions and demotions, performance measures, and compensation might also have to be made. In some municipalities, human resource professionals may be required to reconsider collective bargaining agreements and employee contracts.

Every component of the strategic planning process could include a role for the human resource manager. The vision for the community and the mission statement for the organization need to be fully understood and serve as the basis for what staff do and why they do it. As staff perform even the most mundane tasks, they must understand why they are doing so. Cleaning a park is more than merely picking up refuse; it is one means of providing the best service possible for tax dollars paid and of improving the quality of life for the residents of the community.

In some communities the human resource director might be a resource for the planning committee, but in others the director could be an active participant in the process. In either case, the range of functions for which human resources is responsible has to be represented and supported.

4 A Process for Strategic Planning

On pages 67–70, the reader will find a step-by-step guide to the strategic planning process. The process described on those pages has been used successfully by many communities throughout the United States but is by no means the definitive process. Themes can vary, and one must adjust the process to the individual community and the individual players. This chapter describes a general approach to strategic planning; it includes the critical steps that will be common to all effective planning processes. The step-by-step guide provides a practical outline that can be applied in communities that conduct an actual strategic planning exercise.

The process is in many ways as critical as the final plan itself. The process engages stakeholders and creates enthusiasm for both the plan and the future of the community. In short, the process can be regarded as one means of generating community spirit.

Locating responsibility

Broad community support does not necessarily imply shared management of the process. Although it is feasible that a broad spectrum of interests could be responsible for the oversight of the process and the preparation of drafts, it is more often the case that those duties fall to the executives of local government. In most situations, a senior staff member is assigned the primary direct responsibility for the conduct of the process and the preparation of the plan.

A note about terminology

In this and subsequent chapters, terminology will be used that may be different from terminology used in other texts and in some local governments.

What are here referred to as goals, objectives, and strategies may in other publications be termed vision, targets, and action steps. Environmental scans have also been called alternative approaches to the future or needs assessments. Stakeholders might be called role players, and core values may be referred to as guiding principles or inherent beliefs.

This should not concern the reader. The important thing is the universal concepts behind the terms.

In addition to the in-house manager, who assumes managerial responsibility to ensure a smooth process and a timely and successful outcome, it is typical to also use an outside facilitator—a consultant, a professor from a local college, a local business executive, or an experienced local government administrator from another area. An impartial facilitator can create numerous advantages because that person can

- Smooth the transition from one phase of the process to the next
- Enforce the already agreed-upon rules of discussion and debate
- Ensure that everyone participates and no person dominates discussion
- Draft difficult issue statements devoid of emotional or political overtones.

Finding the stakeholders

To determine if the county environment was suitable to proceed with a strategic plan update, the pre-planning committee evaluated costs and benefits of strategic planning, discussed barriers to a successful strategic plan and ways to overcome them, and identified key stakeholders. The committee also focused on key issues facing county government, internally and externally. Ultimately, the pre-planning committee agreed that the county should proceed with the strategic plan update.

—Step 1, St. Louis County, Missouri 2003–2004 strategic plan

In the same way that strategic planners in the private sector conduct their processes within the context of their stakeholders—whether stockholders, workforce, or customers—so must planners in the municipal context be aware of the interests and needs of their stakeholders. The stakeholder groups are the parts of the community from which the actual planning committee participants may be drawn—for example, the various demographic groups, citizens associations, and other interest groups. To develop a plan without their input is to run the risk of rejection of the vision and the tactics for achieving that vision. In the private sector, feedback is measured in sales and profits; in the public sector, the metric may be election results.

Decision making in the public sector often reflects politics and emotions. Those who manage and implement strategic plans for local governments need to uncover the dynamics of local issues in the environmental scanning process. To do this, they must include a comprehensive array of local perspectives in the strategic planning process. Strategic planning in the public context is not as simple as the return-on-investment-driven analyses of private sector planning.

To assemble the stakeholders in the plan, first identify the key stakeholders in the community so they can be represented in the planning exercise and review. A broad-based group of stakeholders who are involved in the process will enable the resulting plan to be regarded not simply as one "owned" by the government or the politicians but rather by the community as a whole.

The following list of potential stakeholders is not intended to be exhaustive but should provide a starting point for most communities:

1. Elected officials
   - Local elected officials
   - Relevant state elected officials
   - Elected representatives of neighboring jurisdictions
2. Other government representatives
   - Senior local government staff
   - Mid-level and front-line local government staff members of boards and commissions
   - Federal and state officials with oversight responsibilities
   - Federal and state officials with a local presence or facilities, including military bases
3. Beneficiaries of public services
   - Individual homeowners and homeowner associations
   - Other residents
   - Civic associations
   - Public education systems
   - Special interest groups and others with particular needs
4. Other organizations and individuals
   - Businesses and business organizations
   - Local colleges and universities
   - Nonprofit and community organizations
   - Operators of public facilities and transportations links, including rail terminals, airports, libraries, public beaches, and others
   - Administrators of cultural outlets such as museums and historical sites
   - Multidenominational religious leadership
   - Ethnic and national fraternal organizations
   - Groups such as veterans' organizations and the League of Women Voters
   - The press and other local media.

In many communities, the planning committee includes the senior staff from the agencies of local government that are critical to the key issues of the day: directors of agencies relating to public education, public safety, public works, information services, human services, community services, and personnel, for example. Because each community is different, the planning group is constituted in the way that is most effective locally.

[Our process] provided opportunities for community members and groups to begin to identify networks that exist in the community…so that these networks can be tapped to help resolve the major issues in the community.

—Amelia Reitzel, office of the city manager
Santa Clarita, California

Engaging the community

Stakeholder representatives who are drawn into the planning process become the link to other citizens in the community groups they represent. Involving these representatives is essential, but the ultimate goal is to reach the entire community.

To make sure that the entire community had a chance to contribute to the planning process, Medford, Oregon, held a kick-off for the community that attracted more than 300 residents and engaged high school students as well through a "free-flowing town hall" on the city's Web site.

Nearly everyone signed up to participate on one of seven technical advisory committees…Arts, Culture, and the Environment; Cultural Diversity and Human Services; Economic Development and Telecommunications; Housing and Growth Management; Parks, Recreation, and Open Space; Public Safety; and Transportation.

—Web site, Medford, Oregon, www.ci.medford.or.us

Getting the word out to the community about the a strategic planning process can be done in many ways. When St. Louis County, Missouri, began the process of updating its strategic plan, it used a variety of media and meetings to keep the community informed and to invite community input (see below).

Networks for strategic plan information and input—St. Louis County, Missouri

- **Intranet** Available to all county employees, the intranet was a medium for employees to e-mail feedback and provide input.
- **Internet** The St. Louis County Web site posted information about the strategic plan and had a mechanism for users to e-mail comments directly to county government
- **E-mail** A special e-mail group was set up to receive strategic plan input.
- **Telephone** A 24-hour strategic plan telephone hotline with voice mail recorded citizen comments and provided the dates, times, and locations of the community forums.
- **Flyers and postcards** A flyer announcing the strategic plan update and how to provide input was included in the personal property tax bills mailed to more than 400,000 households. Approximately 10,000 postcards inviting citizens to the community forums were mailed to subdivision trustees, libraries, school districts, churches, state and municipal officials, and many other groups.
- **Mail** The St. Louis department of planning accepted and responded to letters from citizens and other interested parties.
- **Media** Newspapers, cable television, and radio stations were provided with information on the strategic plan.
- **Community forums** Nine community meetings were held at locations throughout St. Louis County to collect input from citizens.

Preparing to plan

After the group is constituted, its members should be trained on the coming process and the time frames.

The planning group will begin to examine the community, its institutions, its needs, and its future directions. It must undertake a comprehensive study of the hard data and other information that will help participants gain the clearest picture possible of current economic, demographic, and social conditions. The purpose is to discover the issues that confront the community, see where they overlap, and address them concurrently.

Strategic planning participants should also study

- Previous strategic plans of the local government and the local public school system
- Strategic plans of cities or towns included within a county, or of neighboring jurisdictions
- Strategic plans of state and federal agencies with a local presence
- Local master plans for land use
- Plans of prominent developers and businesses in the community
- Plans of major utilities and transportation operators, including airports
- Expansion plans of local colleges and universities.

Finding consistent themes—Grand Junction, Colorado

The strategic planning group in Grand Junction, Colorado, reviewed sixteen local plans at the beginning of its strategic planning process. The group wanted to explore overlapping interests of various planning groups as well as identify consistent themes. The plans that Grand Junction reviewed were

- City of Grand Junction City Council and Management Staff 2002 Work Plan with Priority Issues/Projects
- City of Grand Junction Growth Plan
- City of Grand Junction City Council Service Level and Organizational Issues/Priorities
- City of Grand Junction 2001 Citizen Survey
- Fruita Community Plan 2020
- Grand Junction Area Chamber of Commerce 2002 Business Plan
- Grand Junction Arts and Culture Business Plan
- Grand Junction Downtown Development Authority Plan
- Grand Junction Housing Authority Plan
- Grand Valley Vision 20/20
- Mesa County "Build a Generation" Youth Prevention Plan
- Mesa County Economic Development Council Economic Partnership Plan
- Mesa County: Our Picture of Health, 1998; Focusing on Community Health to the Year 2000
- Mesa County Strategic Plan, May 2001
- Mesa County Valley School District #51 Strategic Plan
- Walker Field Airport Authority Plan.

It was discovered [in 1997] that there were 54 different strategic plans developed throughout the county by various departments and committees—all in their own way trying to guide the county's decisions and resource allocations. The process began by forming a cross-functional team of employees to review all 54 plans and search for common themes, customers, and concerns.

—Introduction, Chesterfield County, Virginia, strategic plan FY 2003

Many communities conduct additional research specifically as preparation for the planning process. A wide range of surveys has been reported to deliver valuable information to the planning participants. St. Charles, Illinois, conducted a priorities survey that indicated issues of primary concern to residents; a business retention survey to help establish pro-business ordinances and policies; an employee survey to gauge staff satisfaction with their employment situations; an internal customer survey; and a police incident follow-up survey. The returned information provided valuable input to members of the strategic planning committee about the reactions and preferences of their constituencies.

Some communities take great care to outline the process in significant detail in the plan in order to demonstrate that the plan belongs to the entire community. Consider, for example, the following summary from Santa Clarita, California.

Comprehensive planning process—Santa Clarita, California

The process includes three components: outreach, data analysis, and action planning.

Outreach

The goals of this phase were to get the word out, generate invitations to community meetings and attendance at two large community meetings sponsored by the city, and motivate people to either return the postcards sent to them or visit the city's Web site to participate in the process. Activities in this phase included

1. Advertising in local news media, radio, and a 15-second movie theater spot
2. Sending more than 100 letters to local community groups requesting a place on their monthly meeting agendas in January or February 2004
3. Mailing more than 60,000 brochures and postage-paid postcards to every residence in the valley through the local *Magazine of Santa Clarita*
4. Creating a big-picture Web page on the city's home page for data input and updates
5. Providing online surveys for people to fill out in lieu of the postcard
6. Providing up-to-the-minute information on the Web site about which issues were getting the most mention from people participating in the process
7. Providing a telephone hotline as a voice version of the postcard.

The outreach and advertising resulted in the following accomplishments:

1. Attendance—more than 2,600 people—at more than 61 community group meetings that presented information about the effort and . . . gained information about the impact of major issues on the day-to-day lives of people in the community
2. Receipt of more than 1,700 responses through the following input opportunities:
   - 700 cards received in the mail
   - 443 comments submitted via the Web site
   - 11 calls to the telephone hotline
   - 531 participants in one-hour facilitated meetings to provide input.

Data analysis

Data were reviewed in order to categorize the responses and identify key themes that repeat in the data. Data were housed in a database established at the outset of the process to assist in data collection, analysis, and reporting. Once the data were analyzed, they were used in an all-day retreat with staff members from across the city to develop action plans to address issues. Community partners would also be identified.

Action planning

A group of approximately 40 staff members took a full day to analyze data and develop action plans and community partners to address issues identified by the community. The staff group comprised the city manager, assistant to the city manager, department heads, division heads, and other staff representatives from each department. This group was divided into five multidisciplinary teams (one representative from each department) to provide action plans for a variety of issues.

The city council received a report regarding the preliminary data analysis before the action-planning day with staff. Once action plans were completed, the draft plan was taken to the city council for review and comments. All participants in the outreach process were given a draft of the plan as well and would have an opportunity to make comments at a city council meeting.

Focusing on the future, working in the present

Once the strategic planning group has been impanelled and trained on both the process and the available background information, it is time to initiate a process that will encourage not just strategic planning, but the strategic thinking described in Chapter 3. This is one of several organizational considerations that must be addressed.

Strategic thinking is a state of mind. It requires that one remove oneself from the day-to-day considerations of how to handle the most pressing needs. It initially demands that less attention be paid to questions of how, and a far greater focus be given to what and why. Strategic thinkers take themselves out of the current reality in order to consider what the future could and should be like.

For a moment, forget what the community is like today. Concentrate on what it can become. What could we be if we could control the future? What should our

Double feedback loop—Olathe, Kansas

To ensure that their stakeholders had repeated opportunities to understand and comment on the plan as it was being devised, as well as a chance to approve the plan before it was finalized, the planners in Olathe, Kansas, introduced a double feedback loop in the 2000 planning process.

In the first phase, that of issue identification, the planning committee framed the key issues into seven strategic areas for further review. The most influential stakeholders in the community were then given the opportunity to have input into and amend that structure. In the second phase, initial stakeholder input, 13 focus groups were held, allowing input by more than 700 individuals. Television call-in shows and surveys solicited input from 3,000 more. In phase three (June 2001), stakeholder validation, people were allowed to grade the plan on its completeness and accuracy.

The actions of the planners in Olathe were intended to obtain the greatest possible acceptance by the community for the final plan. Another outcome, perhaps unanticipated, was that, when the process was initiated again two years later, there was a new dynamic. In 2000, the council struggled to find community members willing to volunteer for the effort, knowing that it would be a significant commitment of time. In 2003, the council opened recruitment to the public and received more than 50 applications.

community be like? What would make this a great place in which to live or work or play? Strategic thinkers focus on the ideal; they're dreamers first.

Imagine the power of 10 or 20 people on a planning committee, each thinking about what the community's ideal future would be like. The consensus of the group then defines a vision for the plan. There will be ample time later in the process to scale back to interim phases that can realistically be achieved.

Each of those interim phases may constitute a three-year or a five-year plan, but they must have a general direction to pursue. That is the vision.

The next six chapters describe discrete tasks that are crucial to the success and effectiveness of the planning process:

- Defining values, vision, and mission
- Understanding the context for planning
- Selecting goals, objectives, and tactics; and creating an implementation plan
- Measuring performance
- Linking the strategic plan to the business plan and budget
- Selling the plan.

5 Values, Vision, and Mission

Community values are reflected in community vision and mission statements. Often the values, visions, and missions of local jurisdictions are similar even though the jurisdictions vary in their populations, locations, and other defining characteristics. This reflects the fact that most people seek and want to enjoy a similar high quality of life.

Core values

The inherent values of an organization provide the foundation on which the strategic plan is constructed. They are the basis for all decisions and actions. In strategic plans, inherent values are often referred to as "core values," "key elements," "guiding values," or even "critical success factors."

The planning group is not always aware of its inherent or collective values. A good step in the strategic planning process, therefore, is to consider what the values of the stakeholders are for their community.

Not all participants will have the same core values, however. One person may have a strong sense that those in need should be cared for by the community at any cost, while others may believe strongly that programs should be slashed to ensure that no new taxes will be needed. For the sake of an introductory exercise, even those distinctions can be eliminated: the plan may include a statement to the effect that "we believe in a caring community that, within the context of available resources, cares for those who cannot care for themselves." Such a statement is not simply an equivocation because the goal of an introductory exercise is to start the process of strategic thinking and encourage stakeholders to begin to concentrate on the most important aspects of any discussion as they proceed with strategic planning.

This plan is only effective if it reflects the concerns, values, and priorities of our citizens.

—Lewis County, Washington

Collective values and standards of behavior affect the manner in which programs are defined and resources allocated. Planners need to be aware of these perspectives because the context for decision making can often help identify where and when compromises may be feasible. Following are three examples of core values statements. The first example, from Rowlett, Texas, listed three areas its core values fall into.

Our City

- We make the lives of our customers the highest priority.
- We exercise fiscal responsibility.
- We provide the highest quality of service to the community based on concern, compassion, and professionalism.
- We are innovative in responding to the current and future needs of the community.
- We recognize that all individuals living and working in the community are essential resources for achieving the city's mission and goals.

Our Organization

- We work as a team to accomplish our mission and goals through open communication, respect, cooperation, and recognition of any shared successes.
- We promote pride and ownership in our city organization and our community.

Each Other

- We are committed to honesty and integrity.
- We value each member of the city staff and treat his/her contributions with dignity, fairness, and respect.
- We are accountable to those we serve and to each other.

Planners in Grand Junction, Colorado, took a different approach; in their list, they defined what each core value meant.

- **Integrity** We hold ourselves to the highest level of honesty, truthfulness, and ethical conduct.
- **Professionalism** We are committed to the highest level professional standards by recruiting and developing highly trained, skilled, and motivated employees.
- **Teamwork** We embrace a spirit of teamwork, empowerment, cooperation, collaboration, communication, and community involvement.
- **Honesty** We are truthful and open in our interactions with each other and with citizens of our community.
- **Creativity** We encourage innovative and creative approaches to problem solving.
- **Fairness** We treat everyone and all situations in an impartial, equitable, sensitive, and ethical manner.

- **Respect** We believe that all people deserve to be treated with respect, sensitivity, and compassion by showing understanding and appreciation for our similarities and differences.
- **Customer service** We strive to gain the public's confidence and trust by providing friendly, efficient, and effective service.

The city of Columbus, Ohio, and Franklin County, Ohio, prepared a four-year consolidated plan for issues specific to housing and community development in which inherent values are listed.

- **Regional and local** Balance regional issues with specific neighborhood and target area needs.
- **Citizen participation** Provide opportunities for all citizens to participate in plan development, implementation, and evaluation.
- **Proactive** Anticipate and respond to current and emerging trends, community needs, and citizen values.
- **Priority to lowest income** Ensure that no one is left behind, especially the poorest in our community.
- **Collaboration** Encourage public, private, and nonprofit sector collaboration and reduce program duplication.
- **Emphasize the positive** Build on available and realistic community assets, resources, plans, and market forces.
- **Leverage** Leverage the involvement of private sector organizations and resources.
- **Measurable results** Produce and evaluate measurable outcomes and results.
- **Comprehensive** Engage comprehensive strategies to address the holistic needs of a neighborhood, household, or individual.

Vision statements

Vision statements for communities reflect the collective understanding of the ideal situation. They may reflect a certain standard of living, the pleasantness of the environment, or the general vibrancy of the community. In local government strategic plans, the vision statement represents a view of the ideal community toward which the group is working. The mission statement, on the other hand, relates not to the community but instead to the governmental entity. (See page 31 for a discussion of mission statements.)

The entire strategic plan starts with and must consistently relate to the vision statement. The ideal view of the community sets the tone for the process and plan. The mission of the local government must fit into the vision for the community; goals and objectives must support that vision as well.

Because the vision reflects the ideal view of the community, great specificity is not necessary. That comes later. Also, as a reflection of the ideal, the vision statement is unlikely to change over time. Each subsequent plan will address the same vision. Years after an initial vision is agreed upon, subsequent sets of goals and objectives

Vision statements from local government strategic plans

Bartlett, Illinois …is a community of small-town charm with a high level of responsive municipal services. Prudent economic development and diversification of the tax base make the village of Bartlett a safe, family-oriented community that is a great place to live, shop, work, and play…a place where community isn't just a word, but a way of life.

Clark County, Nevada …a dynamic and vibrant community valuing diversity, opportunity, and partnerships, which fosters a healthy environment where individuals and families choose to live, work, and play.

Dover, Delaware …a place where people want to live! …[with] a reputation for being a clean and safe community, with a future of balanced growth and opportunity, where all citizens are heard, enjoy a high quality of life, and diversity is valued.

Hamburg, New York …is the most desirable community in western New York, where quality of life, affordability, and innovation are the norm.

Mesa County, Colorado …will be the best of government in the State of Colorado.

Montgomery, Minnesota …will become the leader in LeSeur County, where others look to see how good a city can become.

Wildwood, Missouri …is about the bonds that link neighbors and neighborhoods into a cohesive community of caring, involved, and dedicated citizens. It's also about a quality of life based upon careful stewardship of the magnificent natural environment found within the city, and ensuring that this legacy is passed on to future generations as a result of planned, responsible, sustainable growth.

Worcester, Massachusetts …the most vibrant, welcoming, medium-sized community in the Northeast.

will assess progress and chart the course anew, but always with a focus on pursuing the vision stated at the outset.

Note that because the vision reflects an ideal, it is unlikely that it will ever be fully and definitively achieved. If a community's vision is to be the best place to live in the Midwest, one could never assert with finality that such a view had been achieved, even though one may believe it without question to be true. And, of course, no matter how pleasant life has become in the community or how wonderful a place it is, it is not likely be the best in every facet of community life. Nor will it ever be of such unparalleled excellence that it can be left to its own devices, never again to be tested or improved.

The best vision statements for communities, then, are broad without being so general as to be common and are expressive of the ideal without being inane. It's safe to assume that, when there is greater specificity reflected in the vision statement, the community has been able to identify an issue of long standing or a depth of criticality that implies that the ideal community cannot be realized until that issue has been addressed and resolved. Subsequent goals and objectives will normally reflect a heavy debt and direct relationship to that issue.

Because most communities want the same kinds of things for their various constituencies, the concept of the ideal, as expressed, may be quite similar from one

plan to the next. Distinguishing features of communities will become clear later, in their environmental scans and their subsequent goals and objectives. An example of an elaborated vision statement comes from the Gratiot County, Michigan, strategic plan.

> Gratiot County will be a cohesive community of people enjoying distinct but interrelated urban and rural living environments; where the natural surroundings and important agricultural resources are protected; and where opportunities abound to live and work in a safe atmosphere, allowing people to enjoy the benefits of well-paying jobs, varying housing choices, excellent public services, superb education, quality health care, ample cultural and leisure opportunities, and a healthy family environment.

Mission statements

The mission statement identifies the local government's role in pursuing the community's vision.

The mission is often described as an organization's raison d'être, the core reason for its existence. It is so central to the purpose of an organization that it can usually be seen in its founding or charter documents. In the case of a local government, it is typical to find the mission statement for the local government restated in bond documents, budget manuals, and elsewhere.

The typical mission statement for a local government is fairly concise. And, as is the case with the vision statement, the mission tends to highlight themes common to most communities.

Consider, for example, the following statement included in the strategic plan for the village of Addison, Illinois.

> . . . to create and sustain a dynamic, engaged, and successful community in which all residents, businesses, and employees enjoy economic opportunity, social stability, and a sense of well-being.

This statement illustrates the most common themes. The role of local government is clear, and the statement is enduring. The lasting nature of the mission statement is important. Over time, mission statements tend to change very little and generally do so only in the wake of a dramatic change in the community or the responsibilities assigned to the local government.

Mission statements are often used to encourage or give credence to the importance of citizen involvement in city life. The mission statement of Gaithersburg, Maryland, is a good example.

> The Gaithersburg city government exists to provide quality, cost-effective, priority community services for its citizens. We are a *Character Counts* city that serves as a catalyst for the involvement of residents, businesses, and organizations to ensure that Gaithersburg is a great place to live, work, learn, and play.

Local government mission statements

Bartlett, Illinois The village of Bartlett is committed to preserving the high quality of life enjoyed by our residents, providing fiscally sound, responsive municipal services, and delivering those services in a professional manner with a high degree of integrity.

Hamburg, New York [The village's mission is] to serve the needs of the people of Hamburg by supporting the village laws and policies, the state constitution, and the constitution of the United States through the effective and efficient stewardship of resources provided.

Jackson County, Kansas The mission of Jackson County…is to evaluate, strengthen, improve, develop, promote, and preserve the quality of life in Jackson County, Kansas.

Lewis County, Washington Lewis County government provides responsive, efficient, quality public service. We promote the self-sufficiency, well-being, and prosperity of individuals, families, businesses, and communities in a manner that fosters public trust and confidence in government.

Mesa County, Colorado [The county's mission is] to provide high quality services to Mesa County in a friendly, cost-efficient manner.

Moore County, North Carolina The mission of Moore County government is to enhance the quality of life by providing exceptional public services.

Wildwood, Missouri The city of Wildwood is dedicated to government of, by, and for the people whose active civic involvement and commitment to community life is the cornerstone of the city. Local representation will be responsive, accountable, and fiscally responsible in pursuit of the public interest while adhering to the highest ethical standards in all its dealings.

The mission statement communicates the purpose of the local government to the community. It is instructive for employees, residents, and others.

6 Environmental Scan

Every local government group working on a strategic plan needs to carry out an environmental scan that considers the various environments that make an impact on the jurisdiction. Local governments operate within numerous environments. In each of these operating environments, local government managers must attempt to describe what will happen during the next several years. Only after they form these descriptions can they devise strategies.

External environment

Of all the areas that affect strategic planning, the area of formal jurisdiction is the one that will most obviously affect the success of the plan. Happenings within the jurisdiction are only one part of what affects a jurisdiction, however. Strategic planners need to look outside their borders and also consider factors in the surrounding areas. What neighbors do can affect local operations, and the region needs to be considered, too.

Local governments are affected by what happens at the state and national levels, not only in terms of unfunded mandates and direct appropriations but also in terms of general political and legislative directions. Border communities are more affected than others by neighboring states within a region and by the policies and actions of other countries; therefore, they need to look closely at factors in those environments. Even states that do not share a border with Mexico or Canada or face a coast may be influenced by what happens in other countries; for example, international air service affects many states, whether or not they have an international border.

Internal environment

The internal environment is the local government itself. Are the elected officials and staff effective? Are they receptive to new ideas? Is the local government properly structured and staffed?

The internal scan is often more difficult for planners to complete effectively than are the scans of the external environments. People outside the government are often unfamiliar with the inner workings of the local government, and those who are inside are too close to situations to view them with a fresh and unbiased eye.

Further, many internal situations require qualitative assessments that are more difficult to evaluate than the often more factual issues in the external environments. Still, the effort is important because, ultimately, the plan will be implemented to a large extent by professionals on the local government staff.

Another consideration important to the scan of the internal environment is that, although the local government managers might believe that they are effective, efficient, and responsive, the perception in the community might be otherwise. It is the perceptions of the local government that will drive the community at large to support the strategic plan and help implement it. Communities often use surveys to assess what people believe to be the strengths and weaknesses of the staff; Appendix A provides the results of a survey of citizen opinion conducted in Winston-Salem, North Carolina.

Management environment

The environment of local government management as a profession is also important. What is new in the practice of municipal management? What lessons have been learned in other communities that can be instructive in other jurisdictions?

The strategic planning committee attempts to anticipate as many of the changes that will occur in its environment as possible. Of course, much cannot be forecast. No one anticipated the events of September 11, 2001, and the impact they would have on local governments. Other events, including natural disasters or business location decisions, can have unanticipated consequences for localities.

Notwithstanding the completely unexpected—for which one can only plan in the most general way—professional managers and planners at the local government level can draw upon their collective experiences and design a fairly accurate picture of what is coming. A planning committee with a great diversity of experiences and perspectives is thus a valuable component of the planning committee's membership.

Environmental scanning matrix

In each of the relevant environments, some factors obviously deserve consideration: legislation and regulations; political and policy shifts; and economic, demographic, sociocultural factors. Each community should also consider whether additional factors characterize local circumstances.

To ensure that the planning committee considers all of the possible changes to the many factors within each of the various environments, it is helpful to construct an environmental scanning matrix to guide study and discussion and to lead to a comprehensive view of the future for the community and its government. The matrix is a tool best used in a flexible way to set an agenda without controlling the discussion. A sample environmental scanning matrix is illustrated in Table 6-1.

It is often helpful to identify, for each of the resulting cells, a number that can serve as a reference point during research and discussion. This can be accomplished by assigning a letter to each environment and a number to each factor, as is illustrated in the example in Table 6-2.

Table 6-1 Sample environmental scanning matrix

	Environments							
Factors	Internal	Managerial	Local	Local government	Regional	State	National	Global
Economic/ financial								
Demographic								
Technological								
Legal/regulatory								
Sociocultural								
Competitive								
Managerial								
Physical/ environmental								
Other								

Table 6-2 Sample environmental scanning matrix with cells identified

	Environments							
Factors	Internal **A**	Managerial **B**	Local **C**	Local government **D**	Regional **E**	State **F**	National **G**	Global **H**
Economic/ financial	A-1	B-1	C-1	D-1	E-1	F-1	G-1	H-1
Demographic	A-2	B-2	C-2	D-2	E-2	F-2	G-2	H-2
Technological	A-3	B-3	C-3	D-3	E-3	F-3	G-3	H-3
Legal/regulatory	A-4	B-4	C-4	D-4	E-4	F-4	G-4	H-4
Sociocultural	A-5	B-5	C-5	D-5	E-5	F-5	G-5	H-5
Competitive	A-6	B-6	C-6	D-6	E-6	F-6	G-6	H-6
Managerial	A-7	B-7	C-7	D-7	E-7	F-7	G-7	H-7
Physical/ environmental	A-8	B-8	C-8	D-8	E-8	F-8	G-8	H-8
Other	A-9	B-9	C-9	D-9	E-9	F-9	G-9	H-9

This scanning matrix can be used effectively in several ways. One means of facilitating the discussions of members of the planning committee is to provide background material for their preparation before the first meeting. The scan can be used to ensure that all relevant information is made available and to classify it for the members.

Second, experts in the group can be assigned to clarify each of the relevant cells. Each person recognized as an expert on a specific topic can be designated as the lead member in preparing the group and facilitating its discussion of that topic.

The scan can also be helpful in facilitating the discussions of the group when it arrives at that point in the process. Planners in St. Louis County, Missouri, took this approach. Expert task forces were formed to "develop the specific outcomes and strategies to address the four critical issues." The four task forces, one focusing on each strategic issue, comprised internal and external experts with considerable knowledge of their specific issue. Task force participants included county officials, municipal officials, regional and civic leaders, and private sector representatives.

The environmental scanning matrix is a tool for discussants, but it must be used flexibly. If the group is discussing cell A-5, for example, and a point is raised that seems to fit cell C-5 instead, it needs to be noted and included when it comes up in the conversation. The fact that it is not in the "best" or "correct" cell is irrelevant because all the conclusions will be integrated at a later point in the process. The strategic planning matrix is only a tool to make sure that all relevant topics are considered.

In the course of discussion, local planners will identify the points requiring discussion for each of the cells in the matrix. Although it is unlikely that two local governments will have exactly the same points to cover, there are some likely constants. Appendix B lists some areas that are likely to be appropriate for most communities.

The detailed analysis and discussions that will later serve as the foundation of the strategic plan now have an outline. Using the environmental scanning matrix, the planning committee will begin to see goals and objectives take form clearly and logically. Appendix C reproduces an excellent example of an environmental scan from Winston-Salem, North Carolina.

SWOT analysis

When the environmental scan has been completed, the conclusions can be categorized in the form of a SWOT analysis—the strengths and weaknesses of the community and its local government as well as the potential opportunities and threats that were discussed. Strategic planners can then develop goals and objectives that address the weaknesses, take maximum advantage of the strengths, and minimize or eliminate the presumed threats while they prepare to take advantage of likely opportunities.

Examples of how three jurisdictions—Gratiot County, Michigan; Wilcox, Arizona; and Franklin County and Columbus, Ohio—documented their SWOT analyses are in Appendix D.

7 Goals, Objectives, and Tactics

Upon the completion of the environmental scan and the identification of the strengths, weaknesses, opportunities, and threats (SWOT), the planning committee will have an outline for the development of goals and objectives. Each of the items from the SWOT analysis represents a potential goal. It is at this point that the committee will begin to transition from the research and analysis phases of the strategic planning process and move toward the development of programs, action items, performance measurements, and assignments.

Following the environmental scan performed by the city of Winston-Salem, North Carolina, planners there compiled a list of goal statements and classified them under five separate categories: economic vitality and diversity, social vitality, service excellence, community participation, and governance. Each goal statement in each category relates to one or more lessons learned in the environmental scan. The following bullet examples are from Winston-Salem's section on economic vitality and diversity.

- Review business regulations and processes to remove unintended obstacles and delays
- Define a proper approach to incentives for manufacturing, small businesses, and new technology
- Revitalize/redevelop existing commercial areas under decline.

Once goals like these are selected, objectives and tactics for achieving the goals can be defined.

Hierarchy and time frames

Goals, objectives, and tactics form a hierarchy. Goals are general statements that are subsets of the vision. They are the points toward which a community works. They may be realized in the short term, but they may also reappear from one strategic plan to the next. Because they are general in nature, they do not typically include any form of measurement.

Objectives are more specific. Each goal may have any number of objectives, and they represent the first point at which measurement can later be considered. A plan can be determined to be successful if its objectives are being met. Objectives are usually carried over from one plan to the next when they cannot be accomplished in one planning cycle.

Goals, objectives, and tactics can be developed for any period of time selected. There are several models from which to choose. Some plans cover three to five years, while other communities develop plans that can be managed within a one- or two-year horizon and then reconsidered.

A hybrid approach often used by local governments allows for a three- or five-year comprehensive strategic plan. However, the reports of the achievement of these goals will be a mixture of short- and long-range targets, and the tactics employed will be items that either can be completed within a year or may continue as actions for many years.

Goals

The goals in the strategic plan are drawn from the environmental scan. They are designed to address the opportunities that are expected and take maximum advantage of them while the jurisdiction resolves or minimizes any anticipated threats before they arrive. The strengths and weaknesses identified in the internal scan can also be addressed in the goal statements.

Goals usually address long-term issues. They are directly tied to the vision statement and do not include a great deal of specificity. Specific performance measurements will appear at the level of the objectives that support each of the goals. Goals, then, are generalized statements of where the community wants to be at some point in the future.

Goals must be at once attainable and sufficiently ambitious to make an organization and its people stretch. A goal that is too ambiguous or overly ideal will generate a lack of focus because people will not regard it as serious. A goal that is overly aggressive can cause frustration and an expectation of failure.

The number of goals cannot be predicted. Strategic plans for local governments may concentrate on four or five key goals, or they may list dozens of areas that will be component parts of the focus for the community during the next several years. The plan must consist of what the individual community feels comfortable with and believes it can implement over time.

To draw the connection between issues identified in the environmental scanning process and statements of specific goals, some communities list the concepts side by side in the published plan. Dover, Delaware, has done this effectively by including a column headed, "What is the issue/problem?" The following excerpt provides the section of Dover's plan that relates to the city library; it is an excellent example of how the juxtaposition of the issue or the problem and the goal can be mutually reinforcing as well as instructive to citizens who read the plan.

Goal	What is the issue/problem?
1. Improve security in library by adding surveillance cameras	Blind spots in the building make it difficult for staff to monitor activities
2. Create an annual report for the library	Community is unaware of available services
3. Provide staff training in customer service feedback and begin a secret-shopper project to gauge current customer service levels	Customers have expressed that service needs to be improved
4. Develop a plan to meet the need for additional library space	Library services are currently limited because of space and other constraints
5. Provide a more diverse library collection	Dover has a diverse population, and we need to meet their needs
6. Create a staff procedure manual	Lack of consistency results in problems with management

Within a jurisdiction, some goals may change from one plan to the next, but often the same statements reappear over time, supported by new or advanced objectives and tactics. Consider, for example, two of the programmatic goals listed in the strategic plan of Los Angeles County, California.

Children's and Families' Well-Being:

Improve the well-being of children and families in Los Angeles County as measured by the achievements in the five outcome areas identified by the Board: good health, economic well-being, safety and survival, social and emotional well-being, and educational/workforce readiness.

Public Safety:

Increase the safety and security of all residents in Los Angeles County through well-coordinated comprehensive response and recovery plans for terrorist incidents.

Clearly, these are areas of concern that will reappear in the county's strategic plan for several years. Other communities' plans also include such longer-term goal statements while they address given issue areas more specifically. The strategic plan developed by the community of Lewiston, Idaho, lists the several goals.

I. Enhance the safety, attractiveness, aesthetics, and health of our city [this goal is supported by eleven objectives]
II. Diversify the economy and stimulate growth [this goal is supported by six objectives]

III. Strengthen the leadership, vision, and planning of our city [this goal is supported by five objectives]
IV. Promote an economical, efficient, productive, innovative, and responsive city government [this goal is supported by four objectives].

Several positive examples of goals, objectives, and tactics from local government strategic plans of Gaithersburg, Maryland; Los Angeles County, California; and Worcester, Massachusetts, are provided in Appendix E.

Objectives

Each of the goal statements in the strategic plan will be followed by one or more objectives. There is no set number of objectives that is appropriate for each goal. Some goal statements may have relatively few objectives attached to them, while some goal statements could have 10 or more objectives.

Objectives begin to provide the specificity attendant to concepts identified in the goal. For that reason, objectives tend to be shorter term than goals. Although the goal may be repeated in successive strategic plans, the (measurable) means of achieving those goals usually change over time as the result of changes in the environment, new ways of doing things, or the accomplishment of previous objectives that then lead to follow-up activities.

Objectives should be measurable. If specific performance measures are not included in the objectives, it will be difficult to document success.

Measures can be of various types: quantities, percentages, or dates; or a measure can be the completion of a unit task (for example, a study, a project, or a plan). One objective may include a numeric metric, such as "increase the number of participants in volunteer programs by 75," or "reduce the number of traffic accidents on the east side of town by 20 percent." Others may state dates by which an assignment should be completed, such as "complete the master plan for the new development no later than June 1." Still another measure for objectives is the single task item, for example, "complete the bus shelter program this year."

Strategic plans that provide measurements as part of the objectives almost always use all of the methods described above, depending on the nature of the goal, the nature of the objective, and the level of comfort the planners have with various levels of specificity. Some goals and objectives seem to defy any form of measurement. One example is "enhance community pride." When sentiments and beliefs are the subject, specific actions with quantitative or timing performance measures are typically identified at the tactics level.

The following example of objectives, from the December 2002 strategic plan of Los Angeles County, California, covers the county's third goal, organizational effectiveness: Ensure that service delivery systems are efficient, effective, and goal oriented. This goal comprises five component objectives (called strategies in the county's plan).

1. By June 30, 2004, implement a countywide framework for performance measurement.
2. By December 31, 2007, design and implement common systems architecture for countywide administrative systems.
3. By February 28, 2003, develop a plan to convey a simple message that highlights to the public and county employees the positive impact the county is having.
4. By June 30, 2004, recommend options for effective alternative support services models to maximize the ability of the departments to focus on the core missions.
5. By July 1, 2003, redesign the process and communications between the chief administrative office, department of human resources, and departments on classification, compensation, and collective bargaining.

Another instructive example, one that incorporates more quantitative measurements, is that of Dover, Delaware. Even the objective relating to the office of the city manager contains specific requirements.

- In FY 03/04, have 80 percent of departments within 95 percent of budget; and by FY 04/05, have 90 percent of departments within 95 percent of budget
- In FY 03/04, have 80 percent of CIP projects done on time and under budget; by FY 04/05, 90 percent
- Implement a citywide survey in the first half of FY 03/04 and use that to establish goals for FY 04/05
- Have three of four key documents fully unified in FY 03/04, and all four unified in FY 04/05
- Implement four new programs per fiscal year that emphasize performance and/or cost efficiency into city organization.

Tactics

Tactics represent action steps. Indeed, tactics are often referred to in strategic plans as action steps, but sometimes the plans refer to them as strategies. These are the activities that the jurisdiction must undertake to achieve the measurements designated in each of the objectives. Tactics may be numerous or few, depending on what is needed to realize the accomplishment of the specific objective. As with the objectives themselves, tactics can be one time, short or medium term, or ongoing. Tactics also typically include measurements, either quantitative or time lines.

Tactics are often presented under each objective in a logical order. In many cases, the order selected is chronological. Consider this hypothetical example.

Goal: Reduce crime on the north side of town.
Objectives:

1. Increase police officers in schools by 10 percent
2. Install 10 new surveillance cameras around schools

3. Initiate neighborhood watch program by September 1.

Tactics for Objective 3:

a. Hold community meetings at 10 locations over the next six months
b. Select volunteers for various roles, assignments, and schedules
c. Conduct three-part training program for volunteers
d. Identify three regular officers to support the operations
e. Develop promotional plan to publicize program
f. Measure impact on crime rates and disturbances during school year and report by start of next school year.

In the above example, it is clear that the goal is a general statement, the objectives are broad but measurable, and the tactics are specific actions. Again, the objectives can be used later to assess organizational performance. Once the tactics are assigned to specific individuals, they can be used as indicators of both organizational effectiveness and individual performance.

Outlining the goals, objectives, and tactics in the strategic plan follows no set format in all communities. The format should be one that will help inform residents and other stakeholders of what is expected and the progress being made. At the same time, the format should be useful to those who will implement the plan and measure performance against the plan over time.

The following strategic plan for Lewiston, Idaho, uses a format similar to the example above; it shows Lewiston's layout of action steps for objective B, which falls under its first of four goals. Goal I comprises eleven objectives; objective B is the second objective of the eleven.

Goal I:

We will enhance the safety, attractiveness, aesthetics, and health of our city.

Objective B:

Promote and expand recreational opportunities

Implementation	Action steps
1. Evaluate and implement a plan to provide cost-effective swimming opportunities for Lewiston residents	1a. Investigate cooperative efforts with city of Clarkston and Asotin County 1b. Provide technical assistance to Asotin County during design and construction phases of new aquatic center and evaluate how city might support the facility, including public transportation issues; site and design architecture selected June 2; construction to begin February 2003

2. Implement the park master plan and develop a public-private financing mechanism	2a. Prioritized project listing is reviewed by parks and recreation annually 2b. Develop and maintain a park of 5–20 acres in each neighborhood, with off-street parking, winterized bathroom, and playground 2c. Upgrade and install year-round restrooms in each neighborhood park
3. Develop a community park	3a. Funding options include general funds, land sales, surcharges, grants, and bond issue
4. Explore opportunities for RV facilities along the travel corridor	4a. Being examined through the North Idaho Travel Council

Relating actions to vision

Gaithersburg, Maryland, provides stakeholders with a comprehensive report that highlights each of Gaithersburg's "strategic directions," the reason each was adopted, and the general approach to implementing each one. It also lists the goals for that strategic direction and all the "critical measures" that will result from implementation. Citizens know what outcomes to expect and how those outcomes contribute to the larger vision. A partial excerpt follows, and examples of the measures used are included in the next chapter on page 50.

Strategic Direction:

Implement traffic and transportation strategies to improve the safety, structure, and function of streets, transit, bikeways, and sidewalks within the city

Background (Why)

- The city is committed to safe and convenient roads, sidewalks, parking areas, and bikeways.
- One of the most common concerns raised by city residents is managing traffic in residential neighborhoods.
- The city recognizes that a comprehensive approach to traffic management must include engineering, education, and enforcement.
- The city's proximity within the I-270 corridor creates both opportunities and constraints on our local road networks, and a regional approach to traffic mitigation is essential.
- The transportation element of the master plan recommends eliminating gaps in the pedestrian and bicycle network and encouraging the use of transit facilities to reduce traffic congestion, conserve energy, and maintain air quality goals.
- The city's concern for pedestrian safety creates a need for new and innovative design standards that can provide both identity and improve pedestrian safety.

Approach (How)

- Work with homeowner associations and other community organizations to identify specific areas of concern.
- Implement traffic calming measures in existing communities where appropriate.
- Ensure that traffic calming measures are considered in new developments through the development review process.
- Use speed and traffic studies to assist in determining where speed enforcement would be effective.
- Enforce parking ordinances and traffic laws aggressively to address hazardous situations and community concerns.
- Encourage state and county officials to fund transit and traffic improvements that will decrease congestion.
- Maximize the location and use of parking through site plan review and by permitting parking on existing streets where appropriate.
- Coordinate with the Maryland Department of Transportation and Montgomery County on road projects, making sure that all new state and county roads in Gaithersburg contain appropriate design features.
- Promote smart growth through the implementation of the bikeways and pedestrian master plan as well as through the transit components of the transportation master plan.
- Integrate bicycle and pedestrian design elements into road design and traffic calming measures.

Looking toward implementation

Some communities choose to array the objectives and tactics in a format that permits managers to set their schedules to accomplish the tasks in the plan. This is the case in the following example, taken from the 2002 strategic plan of Los Angeles County, California. These tactics relate to the county's fifth goal, "Children and Families' Well-Being" and the following objective: Improve the well-being of children and families in Los Angeles County as measured by the achievements in five outcome areas adopted by the Board: good health, economic well-being, safety and survival, social and emotional well-being, and educational/workforce readiness.

Tactics:

- By July 31, 2003, initiate an action plan and identify resources to implement health, mental health, and substance abuse screening and assessment for all children entering out-of-home placement for the foster care and juvenile justice systems.
- By October 31, 2003, complete the design process for an integrated family services system to integrate services and improve outcomes for children in out-of-home placement and/or families receiving two or more . . . services
- By December 31, 2003, fully implement the child care and development project to increase the capacity of child care providers and programs to appropriately serve children with disabilities and other special needs.

- By July 31, 2004, fully implement customer service and satisfaction standards with county departments/agencies and their community partners.
- By December 31, 2004, implement Principles for Partnering pilot and evaluate the collective efforts of county departments and community-based organizations for enhancing families' and communities' capacities to meet their own needs.
- By July 31, 2005, implement the child abuse prevention initiative in partnership with First 5 LA.

As a result of the strategic planning process, communities almost invariably identify more goals, objectives, and tactics than they have the human or capital resources to accomplish. At some point in the process, planners need to compare the lists of tasks with the budget and staffing tables. Then someone must make very difficult decisions about what can be done, what must be tabled for a later time, and what cannot be done at all unless additional resources are identified. The final lists of actions to be taken must then be assigned to groups and/or individuals who will be responsible for their implementation (see Chapter 8 for details).

Implementation plan

The implementation plan is really an extension of the strategic plan for the community. Action steps for beginning the work are assigned to groups or individuals. To develop a realistic, achievable action plan, planners must take into account existing workloads of individuals and agencies.

Many planning groups tend to focus on the new objectives and tactics and give priority to them; in practice, the new tasks must be assigned priorities that also take into account the priorities already assigned to continuing tasks. On the other hand, the work units involved tend to focus on day-to-day issues and ignore new initiatives called for in a plan.

Many local government managers use the implementation plan to develop annual performance standards for employees as well as year-end performance measures. It is important that managers and other staff understand clearly not only what is assigned to them but also the larger context of the plan. Why are these tasks important? Where do they fit in the greater scheme of improving our community? The greater the understanding by those who implement the plan, the better the buy-in; the better the buy-in, the more aggressively and effectively the goals and objectives will be pursued.

It's easy to let the things in the plan slide because of distractions with other hot issues that come up on a daily basis. We have taken the approach of purposely allocating time in our city council work session meetings to review certain sections of the strategic plan in order to keep it in front of the city council and the city staff.

—Charlie Graham, city manager
Frankenmuth, Michigan

Again, there are many ways to lay out the implementation plan. And, again, the plan must correspond with existing personnel operating systems and local comfort

levels. Some implementation plans use a tabular format, but some are in a narrative format. An excerpt follows from the Lombard, Illinois, narrative plan for a conference center.

Action: The following implementation steps and designation of responsibilities have been developed in order to address the village's strategic direction regarding the new conference center.

- Prepare financing alternatives associated with the village's financial participation in the conference center project. Submit the financial *pro forma* to the economic and community development committee and the finance committee for review and approval prior to consideration by the board of trustees. This will be the *responsibility of the village manager, community development director, and the finance director.*
- Develop and review the purchase and sale agreements for the conference center site. Submit to the board of trustees for consideration. This will be the *responsibility of the village manager and the community development director.*
- Prior to board of trustees consideration, prepare and submit the development agreement to the plan commission, economic and community development committee, and finance committee for review. This will be the *responsibility of the village manager, community development director, and finance director.*
- Process the necessary zoning approvals for the conference center project. This will be the *responsibility of the community development department.*
- Create a public facility corporation that will, among other responsibilities, issue bonds for the project. This will be the *responsibility of the board of trustees.*

Jefferson City, Missouri, used a format in its October 2000 strategic plan that enabled managers to line up in one place the action, the person or office to whom it was assigned, due dates, and completion dates. Such a form can be the basis for daily assignments, performance measurement, and even rewards systems.

An implementation plan can also be used to report back to stakeholders on progress toward the various tactics laid out in the strategic plan. The community of Marion, Indiana, uses a reporting format for internal management review that indicates the status. A brief segment of Marion's format follows.

Continue implementation of the city's facilities plan

Strategic priority	Completed by	Responsible
A. Review financing plan and project schedule of city hall/community building, public services, and Thomas Park shop building expansion projects	May 2003	Employee S
B. Implement plan in accordance with ongoing schedule	Ongoing	Employee T

Finally, Worcester, Massachusetts set up a summary listing of strategies and assignments in a format that other communities may wish to consider.

List of Strategies and Assignments

Objective 5:

Improve communication and information systems for youth

Strategies:

- Develop, in cooperation with community partners, a comprehensive communication network of available resources and services.

The following municipal departments will provide services to meet the goals of the new strategic plan within the area of youth services:

- The city manager's office will coordinate with funding agencies and service providers to develop a cooperative multiyear action plan, secure funding, and explore the possibility of establishing a youth services position and/or department within the municipal system.
- The parks department's youth, parks, and recreation division will coordinate with community-based agencies to expand summer recreation, employment, and meals programs and extend, where possible, to a year-round schedule. . . .

Appendix E provides additional examples of goals, objectives, and tactics; and Appendix F shows excerpts from an implementation plan from Medford, Oregon.

Once the plan is ready to be implemented, local government staff must ensure that they have the necessary systems in place to track progress against the measurable objectives and tactics. They must also be aware of lessons being learned as the plan is implemented so that they can apply the lessons to upcoming planning cycles. These topics are covered in Chapter 11.

8 Performance Measurement

Performance measurement enables stakeholders to assess the effectiveness of the strategic plan and enables managers to evaluate the performance of individuals and agencies tasked with accomplishing the tactics and objectives of the strategic plan.

To facilitate review and evaluation, managers in some jurisdictions assemble all assignments from the strategic plan into one list. This list can become an action plan and can be used to monitor assignments, determine performance, and adjust work schedules. It can also form the basis of a regular progress report to the community.

A comprehensive list of all the measures and tactics from the various sections of the strategic plan enables agency managers to evaluate the impact on available resources of new or expanded assignments. Does this agency have enough staff hours to accomplish the items on its portion of the list? Do the new work levels require additional funding or facilities from which to work? What other tasks or expenses can be cut back or delayed in order to assume these new responsibilities?

The measurable benefits and costs of objectives and tactics in the strategic plan should be considered at many levels. At the highest level, what is the relative importance of the program vis-à-vis other programs that must compete for the same limited funding? At the department level, objectives and tactics must be related to the department's mission, capabilities, and resources. The department must also be able to collect the data necessary to measure success. At the program level, outcome measures can be used to help make decisions about whether constituent services are being provided in the most effective and efficient manner possible. At the level of the unit or the individual, outcome measures can influence pay and promotion decisions.

For all of the reasons cited above, a single listing of all of the measures from all of the objectives and tactics listed in the plan can be very useful. Some communities have begun to apply a balanced scorecard model to strategic planning objectives: a weighted index of performance metrics is assessed within the context of acceptable ranges of outcomes. The format that is best for any given community must be the format its leadership finds most comfortable.

The city of Kingsport, Tennessee, lists very general performance outcomes to be expected from each of the goals in its strategic plan. In the plan adopted by the mayor and aldermen of Kingsport in May of 2003, one goal was to "create a healthy

economy by continuing efforts to expand and diversify the economic base." One strategic objective under this goal was to become a "smart city." The very succinct and easily understood summary of that objective and its measures is shown below.

Goal:

Create a healthy economy by continuing efforts to expand and diversify our economic base

Strategic objective:

Make Kingsport known as a "smart city," exemplifying high-quality educational initiatives

Measures:

- Number of students enrolled in higher education institutions in the city
- Percentage of high school graduates who go on to post-secondary education
- Number of high school students who enroll in RCAT [Regional Center for Applied Technology, a collaborative effort of Northeast State Technical Community College and the city of Kingsport]
- Number of students enrolled in post-secondary distance learning in Kingsport
- Percentage of high school graduates who earn post-secondary degrees or certifications
- Vocation survey score (Is the educational system producing what area business needs for its workers?)
- ACT/SAT scores of city school students
- Percentage of households with high-speed Internet
- Number of graduating seniors obtaining ASQ [American Society for Quality] Quality Improvement Associate certification.

Gaithersburg, Maryland, also offers concise measures of performance.

Strategic direction:

Implement traffic and transportation strategies to improve the safety, structure, and function of streets, transit, bikeways, and sidewalks within the city

Critical measures:

- Number of speed studies completed
- Number of citations for traffic violations
- Average reduction of speed after a traffic calming measure has been implemented
- Number of new sidewalks and bike paths.

Appendix G shows performance measures listed in the section on community safety in the strategic plan for Charlotte, North Carolina. Charlotte's measures provide a complete and easily scanned picture of the plan's expected results.

9 Strategic Planning and the Business Plan

Local governments need to ensure that their strategic plans and business plans are consistent and interconnected. Planners now recognize that resource allocations that result from the strategic plan's objectives and tactics must be coordinated with ongoing budgeting tasks, responsibilities, and work assignments.

The three-year (2003–2005) plan of Grand Rapids, Michigan, includes the following statement on its cover.

> Several documents represent the strategic direction of the city, including the city's mission statement, fiscal plan, performance measurement plan, three-year strategic plan, and various departmental, technical, and community strategic plans. Together, these documents form the strategic blueprint for the city to provide equitable access to urban life for all citizens.

Worcester, Massachusetts, is typical. Goals, objectives, and strategies of its strategic plan for 2000 were all tied to its performance budgeting system, which identifies service delivery inputs, outputs, and departmental outcomes. These were linked to departmental performance, budget priorities, and financial allocations. The system identifies costs, benefits, efficiencies, and constraints of municipal dollars and services.

In Maricopa County, Arizona, the 2000 strategic planning effort made a clear connection between strategy and business planning.

> Maricopa County is ready to manage for results, developing strategic plans that integrate planning with budgeting and performance measurement. This effort will create powerful tools for making good business decisions and achieving department/agency and corporate goals and priorities. . . . Of importance, the guide will provide information and time lines on how the county will move toward performance-based budgeting and the integration of results-oriented performance information in every employee's appraisal. . . . The resource guide also provides the methodology for creating alignment of the people, resources, and systems of each department/agency. This makes it possible for each employee to know how his or her job contributes at every level of the organization.

This thorough integration of various planning and budgeting programs has been acknowledged consistently by the communities cited in this book. In some cases, the budget and business plans were used to drive the strategic planning process, although in most instances that order was reversed. In many cases, the municipal leadership incorporated the components of the budget into the strategic plan itself. Objectives and implementation plans from the strategic plan are also frequently embedded into the budget process and documents. See Appendix H for an example of Winston-Salem, North Carolina's integration of strategic planning and business planning.

In this way, planners and staff are forced to connect the documents, the thinking, and the planning. Neither the strategic plan nor the business plan is entirely functional without the other. Making the connection ensures that the ongoing decision-making processes concerning resource allocations are governed not just by funding availability but also within the context of established needs assessments and priorities, and with an eye on the long-term vision for the community. The budget transmittal document of Sedona, Arizona, shows how cross-referencing also enables staff to assign proper priorities to long-term and day-to-day operations.

> The FY 2001 budget represents the first strategically developed expenditure plan. The city council's adoption of the strategic management and planning system . . . laid the foundation for the development of this budget document. The strategic management and planning system links the strategic and community plan's goals and objectives to the planning process. This linkage is accomplished through a series of issue papers or decision packages that the city council approves for major expenditures and work objectives for the upcoming fiscal year. This alignment of the strategic and community plans with the budget and work priorities for the city is intended to make sure that "first things are put first."

Sedona then itemized planned expenditures in the context of the relevant strategic focus.

Proposed budget expenditure	Cost	Strategic plan reference
Traffic officer to improve traffic enforcement and education	$36,110	Customer service goals and objectives, goal #1: Provide high quality, effective, and efficient public service
Assistant engineer/project manager to manage major sewer and non-sewer collection and conveyance system	$43,192	Infrastructure goals and objectives, goal #1: Continue expansion of the city's sewer projects
Assistant planner to provide quality controls on the city's current planning efforts	$36,865	Smart growth management goals and objectives, goal #2: Strengthen the city's design standards to prevent franchised architecture, thereby retaining our unique community

Maintenance crew to maintain drainage ditches, cut brush, and perform other right-of-way maintenance	$150,496	Customer service goals and objectives, goal #1: Provide high quality, effective, and efficient customer service

Both Olathe, Kansas, and Columbus and Franklin County, Ohio, make a very clear connection between the needs of the community as laid out in the strategic plan and the budget that will support the programs planned to meet these needs.

To make clear the link between the strategic plan and the budget, the Olathe, Kansas, 2001 strategic plan summarizes its strategic targets (goals); numbered items are action items from the plan. For each of the action items, a parenthetical statement about the cost of each action is inserted.

We believe this plan should be used to "drive" the budgetary practices in the city and the human resources that make this community great.

—Olathe, Kansas, cover letter accompanying strategic plan, 2001

1. City should actively consider traffic mitigation needs when planning, developing, and constructing all infrastructure projects (costs borne by developer)
2. City should consider the impact that all infrastructure projects have on east/west connections before plans are finalized
   - Develop the 127th Street overpass (approximately $15 million)
   - Develop the 159th Street connection (approximately $36 million)
   - Develop the 111th Street arterial in partnership with the school district and county (approximately $18 million
3. City should consider the impact that all infrastructure projects have on circulation patterns in and around downtown. The city should also consider opportunities that:
   - Move traffic north/south in the area west of Olathe Lake and around downtown (approximately $100 million)
   - Capitalize on opportunities to create a gateway to the city from the south, such as extending Kansas Avenue south of the mall (cost to be determined)
4. City infrastructure funding priorities should be assessed in terms of their impact on how they promote traffic flow.... The city should also provide needed funding to keep infrastructure working properly (approximately $70,000 annually)
5. City annexation and development criteria should consider impact on traffic flow (approximately $50,000 annually)
6. City should use intelligent transportation systems technology to improve traffic flow (approximately $6 million).

The consolidated plan of Columbus and Franklin County, Ohio, covers their collective housing and community development needs, and it uses a slightly different format, as seen in the following sample section.

Priority housing needs				
Household type	**Income percentile**	**Priority need level**	**Estimated units**	**Estimated dollars to address**
Renter				
Small related	0–30%	H	10,439	$803,803,000
	31–50%	H	6,068	467,236,000
	51–80%	L	4,015	309,155,000
Large related	0–30%	H	3,332	271,558,000
	31–50%	H	1,603	130,644,500
	51–80%	L	1,046	85,249,000
Elderly	0–30%	L	4,635	356,895,000
	31–50%	M	3,006	231,462,000
	51–80%	M	1,665	128,205,000
All other	0–30%	H	12,896	992,992,000
	31–50%	M	10,378	799,106,000
	51–80%	L	6,888	530,376,000
Homeowner				
Existing	0–30%	H	4,233	203,184,000
	31–50%	M	2,097	100,656,000
	51–80%	L	1,547	74,256,000
Purchaser	0–30%	—	na	na
	31–50%	—	na	na
	51–80%	H	11,749	763,685,000

10 Selling the Plan

Just as stakeholders must understand and endorse both the concept and the process of strategic planning if the plan is to enjoy wide support, they must also understand and endorse the result. The result needs to be sold to the community.

Stakeholders must be told what has been accomplished as well as what they can expect from their leadership and staff in the ensuing years. By explaining and promoting the plan, the local government draws attention to the plan's existence and its content, which means that promoting the plan will likely encourage greater attention and scrutiny. In short, promotion will create expectations that:

- The strategies of the plan will result in the objectives outlined
- The objectives achieved will lead toward the stated vision
- The vision is one that the community will embrace
- The plan will yield the most positive outcomes for the best value.

Most communities welcome popular interest in the strategic plan. Because strategic planning is seldom carried out entirely by the elected officials and the staff of the local government, community leaders and community-based organizations outside the government can contribute greatly to the accomplishment of objectives. Wide acceptance of the strategic plan can even lead to support for new taxes or fees for specific strategies.

The first step in selling the plan is to include a plan for promotion within the plan itself. Gratiot County, Michigan, formalized the launch of its strategic plan by making promotion one of the plan's goals.

Goal:

Launch the Gratiot County strategic plan to the community beginning in March 2002.

Strategy:

Build stakeholder support for the plan by presenting the plan to stakeholder groups.

Tasks:

1. Develop a presentation on the Gratiot County strategic plan that can be used to present to stakeholder groups
2. Identify speakers to schedule and present the plan
3. Create a handout that provides background on each strategic plan area of interest, ways for residents to get involved, and a person or organization to contact
4. Develop a media packet that provides an overview of the strategic plan, and designate a spokesperson to deliver it to local media outlets.

Some communities continue to sell their plans during the whole time their plans are in use. For example, the city council in the community of Carrollton, Texas, holds monthly meetings with Carrollton's city manager to discuss progress being made toward the key goals. Carrollton also printed a glossy brochure, "Carrollton by Design: Taking Stock…A Progress Report," and included in it a brief bulleted list of major achievements in the implementation of its strategic plan.

- Over $185 million in capital improvements are under way
- Carrollton justice center (municipal court and new jail) opened on schedule and within budget
- New Carrollton library at Hebron and Josey opened to serve 68,000 library-card holders
- Opening of Segment III of the President George Bush Turnpike provided east-west mobility, and segment IV construction to I-635 begins early 2003 (North Texas Tollway Authority project)
- The Carrollton Renaissance Initiative was adopted to guide the redevelopment of the Belt Line Road corridor and historic old downtown
- Redirection of the city government organization as a service business
- DART light-rail stations and area development, traffic, and zoning plans were completed.

Grand Rapids, Michigan, produces a progress report for its stakeholders. The following excerpt from the Grand Rapids 2003–2005 strategic plan reports progress toward the Great Neighborhoods goal in the plan, including some items included in the first three (of eight) sections devoted to the goal.

Great Neighborhoods:

Create and maintain strong neighborhoods throughout the city.

Outcomes:

Strengthen city neighborhoods by implementing the master plan with appropriate policies and implementation strategies in 2003.

- Following acceptance of the master plan by the city commission in December, the planning department began to follow through with recommended implementation strategies.
- A proposal to develop city-owned vacant lots for new housing will be released before the end of 2003.
- A process for updating the city's zoning code is being developed. A consultant will be contracted by the end of the year to assist with writing and legal review.
- A process to prepare a bicycle and pedestrian facilities plan has begun. This process will result in recommendations and priorities to improve the bike-ability of the city, consistent with the desires expressed by many residents who participated in the master plan process.

Reduce blighting conditions in the community by adopting amendments to city codes and procedures.

- The geographic assignment of inspectors in the housing inspection division was refined to include a supervisor, a property inspector, and clerical support for each team in order to improve responsiveness to neighborhood issues.
- Neighborhood association representatives submit a list of their properties for enforcement action to ensure a focus of efforts on neighborhood issues.
- Neighborhood Improvement hired three seasonal property inspectors to survey neighborhoods and write up orders. Since January of 2003, the department has generated 3,700 TRP cases, of which 98.7 percent have been brought into compliance.

Increase to 75 percent by December 2003 the total number of properties that are brought into compliance, as reported in the 2000 Grand Rapids residential conditions survey.

- The anti-blight team promoted the renovation and reoccupancy of 205 houses, exceeding the established goal by 55 houses.
- A total of 3,577 households was brought into compliance with housing codes. A total of 959 housing units was brought into compliance with zoning and historic preservation codes.
- Of the 670 houses identified with severe or major deterioration, 67 percent have housing cases that have been closed to compliance.

In many cases, the summary of what has been accomplished as a result of the implementation of the strategic plan is very brief. Brevity enables managers to demonstrate results to their stakeholders without letting too much detail discourage readers. A brief set of highlights can introduce a longer summary, capturing the success of the plan and keeping stakeholders informed, whether or not they read the full description.

Ashland, Oregon, placed its status report on the city's Web page and summarized its progress. An example for housing follows.

I have found that valid plans can have a stabilizing impact on the politics of a community.

—Leonard A. Martin, city manager
Carrollton, Texas

Housing

The city has a responsibility to ensure that proper amounts of land are set aside to accommodate the various housing needs in the city, and that its land development ordinances are broad enough to allow for variation in housing type, costs, and location.

2001–2002 Priorities:

- Develop and implement a long-range fundable/affordable housing plan.
- Revise the density bonus program to provide improved incentives for developing affordable housing units.

Response:

The housing commission has been authorized by the council to hire a coordinator to prepare a housing needs analysis for the community, as well as to develop a plan for affordable housing. The consultant was selected in November, with work commencing on the projects through the end of 2001 and early parts of 2002. It is anticipated that a housing strategy addressing the issue of affordability in Ashland will be available for review and adoption by the council in early 2002.

Tucson, Arizona, places quarterly updates, called the "City Strategic Plan Critical Project Status Report," on its Web site. Citizens and other stakeholders can follow progress in six critical areas: transportation, downtown development, growth, neighborhoods, economic development, and good government. An excerpt from the July–September 2003 report, taken from the section on transportation, gives a flavor of the updates.

Focus area: Transportation

Strategies for the year:

- Seek and obtain resources necessary to improve the transportation system
- Provide leadership within the region to address transportation system needs
- Develop some alternative land use patterns to promote a more effective transportation system
- Deploy community character and design policies in transportation projects.

Project name	Description	Accomplishments last quarter	Goals for next quarter
1997 bond program; Intergovernmental agreement (IGA) completion projects	To ensure that 1997 county bond projects within city limits with COT have signed IGAs.	IGAs for library and parks projects signed by board of supervisors, mayor, and council; projects moving forward according to schedule. 1997 transportation projects were negotiated to commence contingent on passage of transportation sales tax.	Develop new strategies for building out in light of May 2002 transportation election results.

Project name	Description	Accomplishments last quarter	Goals for next quarter
Transportation initiative and regional transportation plan	Tucson lacks resources needed to preserve existing transportation assets and implement improvements to system. Substantive improvements to transportation system require additional funding and new sources. Proposed half-cent sales tax increase to fund specific transportation improvements, services, and programs will be presented to voters.... Passage of half-cent sales tax increase would provide dedicated funding for improving neighborhood streets, mitigating traffic congestion by expanding existing major streets and intersections, and improving public transit services.	Election held May 21, 2002. Propositions 100 and 400 failed.	
Update PAG 2030 regional transportation plan	Three-year update process will create financial strategies, transportation solutions and organizational structure for Tucson region's transportation system.	Evaluated new population, land use, travel trends, and financial data. Conducted public roundtables to receive input on priorities, funding, community goals and objectives.	Brief elected officials with results of Phase I public input. Develop alternative transportation scenarios and associated funding options based on public input and financial/technical analysis.

11 Controls, Feedback, and Replanning

Regardless of how performance measures are used, it is critical that local government leadership determine that the measurement data designated in the plan can actually be captured and that the proper control mechanisms are in place to collect the data.

In many communities, necessary data are already being collected or existing data collection systems need only minor adjustments. Occasionally situations occur in which new data collection systems must be designed or significant changes must be made to existing systems.

Most local governments examine outcomes from the strategic plan on a regular basis, more often than once a year or at the conclusion of the planning cycle. By continually monitoring progress, governments can assess whether objectives are likely to be met. When data show progress is lagging, managers can adjust their activities or the level of resources invested for a midcourse correction.

Conversely, if it appears that the target numbers will be exceeded, local government managers may wish to reallocate resources to other activities. If environmental factors have changed or the initial plan was unrealistic, frequent measurement and evaluation of performance against the plan will trigger corrective action.

Feedback loops

Feedback loops collect the lessons of the strategic planning process and implementation, and deliver them to managers for use in subsequent cycles. Strategic planning is an ongoing process of planning, review, evaluation, and replanning. Everyone involved in the next planning cycle can benefit from what was learned in previous planning processes and implementation efforts.

In recognition of the need for strong feedback, many communities' strategic plans memorialize the need for follow-up and feedback in the plan itself. They may do so by simply stating the need or by actually establishing a schedule for review.

Contingency planning

Contingency plans are situations of "what if?" Local government strategic planners need to consider a few key contingencies:

- What if the performance data clearly show that we will fall far short of the target?
- What if the performance data clearly show that we will greatly exceed the target?
- What if the environment changes, making planned or existing programs less, or more, critical to the community?
- What if the forecast resources available for implementing the plan turn out to be too high or too low?
- What if a catastrophic event (natural or otherwise) occurs that requires extraordinary resources?

Contingencies should also be considered at an operational level:

- What if the largest employer in town announces it will shut down in three months?
- What if a new major employer arrives, creating demand for schools, public safety, and other public services?
- What if a major source of grant funding is cut by the state or federal government?
- What if the city's bond rating is lowered?

In its contingency plans, a local government lists the most critical situations that may occur and the government's possible responses. Planners should prepare alternative responses to each situation. Often the mere act of anticipation can result in better responses and a quicker resolution of unexpected problems.

Although contingency planning is not generally a part of strategic plans, it must be done to assure that implementation of the strategic plan will not be delayed or prevented by changes in circumstances.

Planning to replan

As part of every strategic planning process, community leaders must lay out a schedule to update the plan. Too often, the intention to reconvene the process one or two years in the future is overwhelmed by pressing issues. Officials busy "fighting fires" often delay planning to a later time when they "can get to it."

Many communities address this problem by including in the strategic plan a schedule for review, updating, and replanning. The Chesterfield County, Virginia, strategic plan includes the following statement.

> During FY 2003, the county's leadership group worked to refine and revalidate the strategic goals and conduct a thorough review of all objectives and performance measures. This extensive review is conducted every three years to determine if the existing strategic plan, objectives, and measures are logically sound. If necessary, the plan and measures are redefined and goals and objectives are realigned. The county's leadership group also reviews the performance measures provided in the strategic plan quarterly to determine if any management action is required.

12 Lessons Learned

In 1993, when ICMA's first book on strategic planning was published, the practice of local government strategic planning was in its infancy. Some communities had been engaged in such efforts for many years, but most were just beginning. Many lessons cited by local government managers in 1993 were basic lessons. Although basic they remain sound advice 10 years later, but now as reminders.

The lessons from 1993 are presented in detail in the Preface to this edition. In summary,

1. There are no significant variations in the process for different local governments.
2. Promote the process locally.
3. Strategic planning begins with strategic thinking.
4. The planning group should be more, rather than less, inclusive.
5. It is important to assess and announce the core values, or inherent beliefs, of the local leadership.
6. The most critical element of the strategic planning process is the environmental scan.
7. The strategic plan must outline measurable outcomes that will result from its implementation.
8. Those who implement plans need to understand and embrace them.
9. Feedback loops and scheduled replanning sessions are important means of ensuring that plans do not become the end but, rather, the means to an end.

Lessons in 2004

Since 1993, these practices have evolved and become more sophisticated, and local government planners have learned a few new lessons:

1. Tie the strategic plan directly to business plans, operational plans, and budgeting.

Local government managers struggle to contain costs and demonstrate to citizens that their tax dollars are well spent. The strategic plan can help show how the local government is planning to provide a return on the investments it makes. As new

strategies are developed and current programs are slated for extension, expansion, reduction, or elimination, citizens need clear signals that their relatively scarce resources are being used in the most effective and efficient manner in order to return the greatest quality of life for the community. Including performance measures in the strategic plan and tying performance expectations to the budget demonstrate the connection between resources and outcomes.

In addition to demonstrating efficiency, specifying performance measures and resource requirements ensures that newly developed or expanded strategies do not overextend the available human and capital resources. This can best be accomplished by overlaying the performance measures and resource requirements with existing plans, programs, and budgets. If the local government wants to pursue new objectives, it may have to make reductions in other areas or reconfigure its operations.

A locality's operating and capital budgets include financial and other operating plans as well as financial projections and other relevant forecasts. They show how demands for resources will be met over the budgetary period. It is essential that these business plans and the strategic plan be synchronized.

2. Tie strategic goals and objectives directly to employees' performance reviews and compensation.

In the private sector, particularly at the higher levels of organizations, strategic goals and objectives are often tied to performance review and compensation. More and more public bodies are likewise clarifying the connection between compensation and performance for the most critical factors in the future well-being of the community. Financial rewards are incentives that contribute to more effective implementation of a local government's strategic plan.

3. Ensure at the beginning of the process that citizens, the press, and other local stakeholders are aware of the strategic planning.

Selling the plan after the fact is considerably more difficult than encouraging participation and awareness of both the process and the content of the plan as it is being developed. Greater awareness and acceptance contribute to a more effective and efficient implementation of objectives and tactics. Including the press can help gain support as well as disseminate to community stakeholders the content of the plan and the reasons the plan is important. Inclusion of media representatives also helps to dispel stakeholders' concerns that the process is not sufficiently inclusive and open.

4. Ensure that the plan has the clear support of the most senior elected and appointed officials in the community.

This lesson, stated in 1993 and reemphasized in 2004, is especially important for local government managers. Unless the most senior representatives of local government champion the process, those outside government will question the managers' support for the plan. From the beginning, managers must be seen as the source of the concept of a plan and as supporters and engaged at every step of the way. The more evident throughout the process the managers are, the more likely the plan will be implemented effectively. Managers must be aggressive about this; a mere stamp of approval might not be enough.

5. Strategic plans must incorporate ongoing programs and levels of effort. The strategic plan of a local government should include existing objectives as well as new goals and objectives.

Too many strategic plans describe new goals and objectives but fail to incorporate ongoing program goals and objectives. New directions fail to relay the entire picture of what the local government is doing.

To ensure that the picture painted by the strategic plan is complete, some local governments add descriptions of existing levels of effort to the new plan, often as an appendix. Others, however, choose not to incorporate existing goals and objectives on the grounds that including ongoing and required tasks will cloud the issue of strategic direction. If your community chooses not to include current efforts, it is essential to make clear in the introduction to the strategic plan that it includes only new strategic directions; this is then the place to direct stakeholders to a comprehensive compilation of current local government programs and responsibilities. Clark County, Nevada, included the following statement in its plan.

> It is important to note that the strategic priorities identified are not intended to represent a comprehensive listing of all the challenges we face as a local government, or of the many important services provided through Clark County. Rather, these specific priorities have been identified as the most critical issues we will be facing over the next one to two years. They will be used to help provide a focus for future policy and funding decisions, and, where appropriate, provide guidance in the reallocation of existing resources. Additional information about Clark County and our wide variety of services and programs can be accessed through www.co.clark.nv.us/.

6. Communities need to develop contingency plans that can readily be set into motion if key elements of the strategic plan do not come to pass or in case the unexpected occurs.

Some communities have contingency plans that address catastrophic occurrences and establish mechanisms for immediate response to unexpected, unplanned situations. Planners need to make backup plans that can be initiated if the goals and objectives of the strategic plan are not being met.

Conclusions

The world has changed in many ways since 1993, and those changes have altered the type and scope of services expected of local governments as well as the manner in which they are delivered. These changes have created cost implications for municipalities.

If there is both good news and bad news to report, the bad news would have to include the growing and ever-changing pressures being placed on municipalities to provide services to their communities. The good news is local government managers' apparent increased professionalism in strategic planning.

Among the new pressures local governments face are the remarkable demographic changes in the nation. Associated with such changes are both exciting opportunities and inevitable problems. For local governments, the challenges of providing new and expanded services in the environment of disparate cultures, languages, and expectations yield new tactics and additional costs.

The economic recession, the loss of selected industry sectors to overseas competitors, and the advance of new industry sectors in areas like biotechnology create pressures that threaten the fiscal structure of many local governments while they increase the need for economic development and social programs.

The Internet and associated technologies have grown, and growing with them is our capacity to access and exchange information. For localities, this has meant an ability to do more and do it faster, smarter, and cheaper. This fact alone dramatically alters the way in which governments can provide services to their constituents and prescribes changes in the strategies being devised for municipalities. The pace of this technological change seems to be increasing relentlessly.

In addition, the cost of new security measures to protect people and infrastructure has largely been passed on to states and localities. Communities that serve as entry points to the United States or that are near the country's borders are particularly affected.

Local governments that plan strategically recognize these facts and are able to respond, thereby taking advantage of opportunities as they appear and outlining tactics to resolve problematic issues.

The new professionalism of local government is apparent in how strategic plans are developed and in how they are used. In 2004, compared with 1993, significantly greater emphasis is placed on ensuring at every step that the community and all stakeholders are fully apprised of what is being done and why. Substantially greater efforts are made today to obtain community input and sell the plans to stakeholders after the plans are formally approved.

Communities now place a far greater emphasis on connecting the strategic plan with the budgeting process, and vice versa. The budgeting process is conducted in light of the vision for the community's future. Thus, budgets incorporate programs to address both immediate needs and their longer-term evolution, consistent with the vision defined in the strategic plan.

Finally, there is a growing effort to tie the goals and objectives of the strategic plan closely to the performance measurements for the local government and even to the staff who manage the resultant programs. Such linkages create a very real and strong connection between the plan and its implementation.

If the pace of change over the past decade has been dramatic, the pace of change over the next decade could very well seem alarming. Will America's communities be able to change their service provision to accommodate that change? Will environmental forces be anticipated in time for local governments to adjust plans? Can individual communities continue to take effective advantage of opportunities and avoid problems that arise?

The answers will become clear over the next several years. In the meantime, the best way to anticipate and prepare for change, and successfully respond to it, lies in our ability to plan and act strategically. Local governments cannot control the future, but they can help shape it.

Step-By-Step Strategic Planning Guide

There are many variations on the theme of strategic planning. Each jurisdiction's process will vary because of the characteristics of the community, the personalities and relationships of its leadership and participants, and the nature of the issues under review. Therefore, there is no single or best way to approach the process.

Chapter 4 describes a general approach to strategic planning; it includes the critical steps that will be common to all effective planning processes. This step-by-step guide provides a more practical outline that can be applied in communities to conduct an actual strategic planning exercise.

The following step-by-step outline is intended only as a guide. Your community may need more or fewer steps, and each community may want to add to or delete from this outline to create the most effective local process.

I. Announce and promote a strategic planning process with community leaders
   A. Promote the process
      1. Senior local official announces to leaders and stakeholder groups inside and outside of local government the need for and the initiation of a strategic planning process
      2. Involve key elected and appointed officials; discuss the nature of the process and the expected outcomes
      3. Inform local government managers and staff; ensure that senior local government administrator provides information on the process and expected outcomes to the staff
      4. Inform the press to foster community-wide understanding of, and support for, the process
   B. Identify active participant groups
      1. Choose an in-house manager
      2. Identify stakeholder groups
         a. Identify potential participants for the process from each major stakeholder area
         b. Select individuals to represent each identified stakeholder group and announce the selections

3. Identify individuals and types of groups to be represented on the planning committee
   a. Choose chair of the planning committee
   b. Announce participants on the planning committee; include subcommittees and chairs of subcommittees if possible
4. Identify a facilitator

C. Rally community support and engage all stakeholders
1. Provide information about the process and the expected outcomes in community forums with the goal of fostering community-wide understanding and support
2. Arrange opportunities for champions of the strategic planning process to rally community support

D. Prepare committee members for the strategic planning process
1. Determine time frame for each phase of the process and a deadline for final report
2. Decide how review and approval processes will be conducted
3. Determine whether a subcommittee structure will be used and assign chairs
4. Decide whether committee and/or subcommittee meetings will be open to the public
5. Determine at which points in the process interim reports will be made to stakeholders
6. Provide background materials and data to begin thinking about the environmental scan exercise

II. Hold an initial strategic planning committee meeting
A. Support for process declared by senior elected official, who attends meeting
B. Describe purpose, process, and expectations
C. Review committee structure, assignments, reporting requirements, and expected schedule
D. Break into subcommittees to review roles and process
E. Gain explicit commitment to the program and process
F. Review initial background material (provided earlier) and data needs

III. Lay the groundwork for committee work
A. Forward to committee members necessary formal documents, including
1. Charters or other documents that identify mission statements or roles and responsibilities of the local government
2. Previous strategic plans prepared by the locality along with success reports
3. Strategic plans of any units of government within the locality
4. Forecasts and strategic plans of school districts, universities, utilities, military bases, and other relevant organizations
5. Land use or other relevant plans

B. Forward to committee members necessary data, including
   1. Demographic trends and forecasts
   2. Social factors
   3. Economic forecasts
   4. Financial indicators

C. Forward other relevant information, including
   1. News articles
   2. Available statements of local core values
   3. Biographies of committee members
   4. Survey results

D. Visit by senior official to each committee member to discuss process, roles, responsibilities, subcommittee structures, and time frames

IV. Prepare to plan: agenda for early meetings

A. Review handouts
   1. Define issues and concerns
   2. Discover need for additional information

B. Review and revise as needed any existing community or local government vision statements

C. Construct the environmental scanning matrix
   1. Determine whether and what additional information is needed for each cell in order to evaluate future scenarios or groups of cells
   2. Determine whether additional citizen or other surveys would be instructive
   3. Assign lead roles as appropriate for further research and discussion for each cell

D. Acquire additional data
   1. Acquire additional information for each cell where needed
   2. Construct additional surveys if necessary

V. The planning process itself

A. Conduct the environmental scanning exercise to construct a comprehensive view of the future in which the locality must operate
   1. Assess the impact of each cell in the environmental scan
   2. Complete the overall analysis of the scan

B. Use environmental scan to complete a SWOT analysis

C. Extract areas for potential goals from the SWOT analysis and the environmental scan

D. Draft goal statements
   1. Develop measurable objectives for each goal
   2. Develop tactics for each objective

E. Evaluate resources required to accomplish goals, objectives, and tactics
F. Make decisions and set priorities
    1. Decide which items can be accomplished and which must be delayed or not done
    2. Decide which existing programs must be reduced in order to identify resources for new tactics
G. Develop implementation plans for the tactics
    1. Make tactical assignments of implementation plans
    2. Set schedules for completion
H. Contingency situations
    1. Identify potential contingency situations
    2. Develop plans to address contingency situations

VI. Finalize the planning document
A. Draft stage
    1. Prepare initial draft of strategic plan
    2. Seek input from stakeholder groups
    3. Amend drafts
    4. Discuss and approve in final form (at committee level)
    5. Develop an executive summary of the plan for wider dissemination
B. Final version
    1. Submit plan to elected officials for formal approval
    2. Adopt or amend plan
    3. Adopt amended plan (if necessary)

VII. After adoption
A. Implementation
    1. Announce and publicize the plan and assignments for implementation
    2. Disseminate executive summary of strategic plan to stakeholders as appropriate
    3. Implement the plan
    4. Report periodically to elected officials and community stakeholders
    5. Adjust plan as needed
B. Assessment
    1. Develop control and performance mechanisms to collect data necessary to evaluate each tactic
    2. Collect data and measure performance
    3. Use assessment data as a basis for the periodic reports about the plan to officials and stakeholders
    4. Establish schedule for next planning cycle.

Appendix A

Survey of Citizen Opinion—Winston-Salem, North Carolina

Citizen Satisfaction and Suggestions

Citizens generally view City government staff very favorably in terms of professionalism, service delivery, and attitudes towards citizens. City government is well respected for its fiscal management and financial stewardship. It is appreciated for its AAA bond rating and keeping tax rates low.

Citizens are generally satisfied with City services. According to a 1999 Citizen Satisfaction Survey conducted by CB&A Research, 92% of respondents were very or somewhat satisfied with the city overall. This overall satisfaction rating did not vary by demographic or ethnic group. African-Americans rated the Convention Center, recreation centers, water and sewer higher than did other ethnic groups, and rated the police and on-street parking lower. Other results from the survey are shown below.

Citizen Satisfaction Survey: Percent Very/Somewhat Satisfied

Backyard Garbage pickup	91	Police	85	Joel Coliseum event	96
Leaf pickup	90	Fire	94	Convention Center event	94
Yard cart pickup	92	Business inspectors	77	Dixie Classic Fair	93
Curbside recycling	95	Home inspectors	86	Ernie Shore baseball	98
Brush pickup	95	City water & sewer	78	Bowman Gray racing	91
Bulky item pickup	92	Traffic flow	63	Street cleanliness	81
City bus	84	Pavement condition	57	Street landscaping	88
Parking decks	83	Lighting	84	Regular grass mowing	90
Van Pool/carpool	100	Signals	82	Vacant lots cleaned	61
TransAid	78	Traffic signs	91	Sidewalk maintenance	81
Golf courses	95	Downtown St. parking	37	St. and building maint.	85
Salem Lake	91	Snow removal	71	Greenways	100
Tennis Center	94	Sidewalk availability	71	Ice skating	90
				Par courses	94

Note: Grouped by category

Interviews and focus groups supported these findings. Citizens had a number of suggestions to improve City operations.

- Most constituents who had an opinion about backyard garbage pickup believe the City should follow the CERC's recommendation to discontinue it. However they think the City should make provisions for people unable to take their garbage to the street.
- Citizens suggested a more efficient telephone system to route calls to appropriate areas. Though they note that City staff are very approachable, their accessibility is limited by the phone system and people's lack of knowledge of whom to call for information.
- Control drug activities in certain neighborhoods better.
- Improve pay of fire and police personnel to retain best employees.

Constituents also suggest areas of improvement for City government in areas outside of basic services and infrastructure. Suggestions include improving communications with citizens so citizens better understand City issues and are aware of plans to address them, supporting the business community more, and proactively addressing change.

Appendix B

Common Discussion Points for Strategic Planning in Local Government

A-1 Internal environment, economic/financial factors

1. Trends in local taxes, revenues, and fees
2. Trends in local expenditures
3. Forecast demand for expenditures
4. Trends in state and federal appropriations and allocations
5. Unfunded federal or state mandates
6. Forecast economic development costs and benefits
7. Debt service and municipal bond ratings
8. Performance of investment portfolios
9. Expected trends in the classification studies and salary changes
10. Forecasts of changing costs for employee benefits

B-1 Managerial environment, economic/financial factors

1. Changing compensation patterns for senior managers in the local government
2. Changes in alternatives for municipal financing

C-1 Local environment, economic/financial factors

1. Key local indicators, including job growth, unemployment and underemployment, consumer confidence, and wage rates
2. Patterns of business growth
3. Reasons expressed for businesses relocating to and staying in the community
4. Reasons expressed for businesses not relocating to or staying in the community
5. Residential growth and the attendant demand for public services
6. Impacts of increasing or diminishing state and federal funding
7. Financial impacts of increased or diminishing state and federal mandates

D-1 Local government management as a practice, economic/financial factors

1. Experiences in other communities that are instructive
2. Tools being used by other local governments that can be replicated
3. Connections with localities in other communities that could help facilitate trade or business expansion
4. Performance of municipal bonds and other financial instruments

E-1 Regional economic environment/financial factors

1. Business relocations to or from surrounding communities
2. Local share of regional infrastructure, including transportation, water, waste treatment, power, and other public services
3. Impact and user fees being applied in neighboring jurisdictions
4. Growth or loss of assets in the region that have relevance for business attraction and retention

F-1 State environment, economic/financial factors

1. Patterns of and projections for state appropriations to localities
2. Proposals for state legislation that will affect businesses in either positive or negative ways
3. State economic development efforts and plans
4. Distribution patterns for locally applied taxes that are controlled and redistributed by the state

G-1 National environment, economic/financial factors

1. National policies that affect dealing with companies from specific countries
2. Projections for federal allocations to states and localities
3. Trends and forecasts of national economic indicators, including consumer and producer price indices, the federal deficit, the strength of the dollar vis-à-vis other currencies, interest rates, the gross national product, and spending and savings patterns
4. Federal plans to recognize new nations as trading partners

H-1 Global environment, economic/financial factors

1. Financial forecasts of countries with which local businesses trade
2. Opportunities to develop new import or export programs
3. Trends in the balance of trade and exchange rates vis-à-vis relevant nations

A-2 Internal environment, demographic factors

1. Employee distribution by characteristic compared with the same distribution in the general population

2. Number of senior management and other employees within a few years of retirement eligibility
3. Training and retraining that may be required to use new technologies or to manage new program directions most effectively

B-2 Managerial environment, demographic factors

1. Changing diversity patterns in the regions
2. Corresponding diversity in local government management and staff

C-2 Local environment, demographic factors

1. Population growth caused by both births and in-migration
2. Trends in the aging of the community and implications for public service costs
3. Growth rates and income levels for individual neighborhoods within the community
4. Growth rates of and issues attendant to the growth of first-generation Americans in the community
5. Correlation of various sub-population groups with issues relating to school performance, safety, and other concerns

D-2 Local government management as a practice, demographic factors

1. Availability of recent graduates with degrees in public administration or other skills in demand by local governments

E-2 Regional environment, demographic factors

1. Population growth in neighboring communities that affects demand for additional job growth
2. Migration to or from rural, urban, and suburban parts of the region, and the relevant impacts on public services and costs
3. Changing patterns of the locality relevant to its neighbors, and the burden of public service costs

F-2 State environment, demographic factors

1. The potential for shifting population totals within the state to result in more or fewer seats in the state legislature

G-2 National environment, demographic factors

1. National policies and trends affecting migration
2. Trends in federal programming to assist communities with high growth among immigrant populations

H-2 Global environment, demographic factors

Not applicable

A-3 Internal environment, technological factors

1. Current state of the information technology support for local government functions
2. Areas in which savings could be realized through computerization
3. Areas in which services could be provided to the community more effectively or more conveniently through computerization
4. Current and future needs for employee training in technology

B-3 Managerial environment, technological factors

1. Best practices in the use of technology to provide local government services
2. New ways of creating operating efficiencies by using technology in local government

C-3 Local environment, technological factors

1. Availability of high-speed cable access required to attract and retain businesses
2. Plans for the enhancement of high-speed connectivity
3. Availability of an appropriately trained workforce to attract and retain businesses
4. Access to higher education opportunities for the retraining of employees

D-3 Local government management as a practice, technological factors

1. Technology practices and applications of other local governments that are instructive and can be emulated

E-3 Regional environment, technological factors

1. Costs to localities of upgrading technology to provide regional public services

F-3 State environment, technological factors

1. State programs that support the growth of technology businesses in the community
2. Progress being made by state to provide public services through technology applications
3. Availability of state purchasing agreements that allow localities to purchase equipment at discounted prices

G-3 National environment, technological factors

1. Availability of federal funding to computerize local government provision of public services

H-3 Global environment, technological factors

Not applicable

A-4 Internal environment, legal/regulatory factors

1. Changing employment laws as they apply to municipal employees
2. Changing nature of relationships with unions representing public sector employees
3. Impact of federal and state laws affecting public sector employment

B-4 Managerial environment, legal/regulatory factors

1. Changes in fiduciary requirements of or responsibilities for local government senior managers

C-4 Local environment, legal/regulatory factors

1. Legislative and regulatory issues potentially affecting all localities

D-4 Local government management as practice, legal/regulatory factors

1. Issues being followed by ICMA and other federal and state associations of local government managers
2. Trends in other communities that could have an impact on all localities

E-4 Regional environment, legal/regulatory factors

1. The state of inter-jurisdictional cooperation

F-4 State environment, legal/regulatory factors

1. Current, future, and needed legislation that will support business growth and the provision of public services

G-4 National environment, legal/regulatory factors

1. Current, future, and needed legislation that will support business growth and the provision of public services
2. Current and projected legislation affecting fair labor standards, wage rates, and immigration limits
3. Current, pending, and needed legislation designed to promote trade, protect local industries

H-4 Global environment, legal/regulatory factors

1. Actions of bordering nations regarding trade policies with the United States that could affect local industries

A-5 Internal environment, sociocultural factors

1. Extent to which staff and programs reflect the social and cultural composition and needs of the community

B-5 Managerial environment, sociocultural factors

1. General trends in management techniques for motivation, team building, and other similar activities

C-5 Local environment, sociocultural factors

1. The changing sociocultural composition of the community and specific neighborhoods, and the implications for the provision and costs of public services
2. Current or potential conflicts between population sub-groups in the community
3. Lists of effective local leadership in the various communities represented and opportunities for such individuals to be involved in the larger community

D-5 Local government management as a practice, sociocultural factors

Not applicable

E-5 Regional environment, sociocultural factors

1. Cultural distinctions between the jurisdiction and its neighbors

F-5 State environment, sociocultural factors

1. Patterns of sociocultural distinctions among urban, suburban, and rural parts of the state
2. State legislation and programs that provide service to sub-populations

G-5 National environment, sociocultural factors

1. Major cultural trends that may affect local government services

H-5 Global environment, sociocultural factors

1. Social and cultural conflicts and cooperation of communities contiguous with Mexico and Canada

A-6 Internal environment, competitive factors

1. Competitiveness of local government salaries and the impact on attracting and retaining qualified staff

B-6 Managerial environment, competitive factors

1. Potential impact of private growth in geographic area that affects the ability of local government to recruit top managers

C-6 Local environment, competitive factors

1. Local taxes and ordinances that can place the community at a competitive advantage or disadvantage in business attraction and retention
2. Local government's ability to obtain federal grants and programs

D-6 Local government management as a practice, competitive factors

1. Competitiveness of salaries and benefits to attract the best professionals to the community

E-6 Regional environment, competitive factors

1. Practice of and reasons for competition within region for business locations
2. Cooperative efforts within the region in business attraction and retention
3. Cooperative efforts to promote regional tourism

F-6 State environment, competitive factors

1. Status of state/local cooperation in business attraction and retention
2. Status of state/local cooperation in tourism promotion
3. Relative strengths of state and competitors for economic development
4. Status of incentive programs for business
5. Business tax structure relative to competitive markets
6. Equality of state funding for communities throughout the state
7. State competitiveness for federal funding, facilities, and employment

G-6 National environment, competitive factors

1. State and local experience in competing for federal funding, facilities, and employment
2. Future of military and other federal installations/employment in the state

H-6 Global environment, competitive factors

Not applicable

A-7 Internal environment, managerial factors

1. Strengths and weaknesses of senior management and professional staff

B-7 Managerial environment, managerial factors

Not applicable

C-7 Local environment, managerial factors

1. Strength, structure, effectiveness, and diversity of community leadership

D-7 Local government management as a practice, managerial factors

1. Succession plans in local government agencies
2. Alignment of current skills with future needs
3. Management training requirements
4. Rising issues in management for local government as identified by ICMA and other professional associations

E-7 Regional environment, managerial factors

1. Strength of and cooperation among leadership of regional entities providing public services
2. Need for additional structures to address public service issues in the region

F-7 State environment, managerial factors

1. Ability of local/regional legislative delegation to gain needed appropriations and programs
2. Management of state organization relative to projects in the locality or region

G-7 National environment, managerial factors

1. Ability of congressional delegation to obtain needed federal projects and appropriations for the state, the region, and the locality
2. Impact of having federal facilities in the region
3. Issues related to gaining or losing federal facilities

H-7 Global environment, managerial factors

1. National policies that affect the locality
2. Global politics, conflicts, and cooperation that affect life in the locality

A-8 Internal environment, physical/environmental factors

1. Need for new local government facilities
2. Condition of existing local government facilities

B-8 Managerial environment, physical/environmental factors

Not applicable

C-8 Local environment, physical/environmental factors

1. Status of infrastructure and future costs of maintenance and construction
2. Projected needs for new infrastructure to support residential and commercial growth
3. Ability to exact infrastructure contributions from developers of projects
4. Development-related issues addressing conservation of land and quality of air and water
5. Comparative appearance of and access to services in various neighborhoods in the jurisdiction
6. Current situation in and plans for downtown and other revitalization areas
7. Need for and costs of maintaining historic sites and land preserves

D-8 Local government management as a practice, physical/environmental factors

Not applicable

E-8 Regional environment, physical/environmental factors

1. Actions and plans of neighboring jurisdictions that affect the locality's environment
2. Existing and needed inter-jurisdictional programs and entities related to environmental protection

F-8 State environment, physical/environmental factors

1. State policies and practices that affect the local environment
2. State responsiveness to local infrastructure funding requests

G-8 National environment, physical/environmental factors

1. Presence and status of national parks in the area
2. National policies that do or will affect local wildlife, pollution standards, airport noise, and other local concerns

H-8 Global environment, physical/environmental factors

Not applicable.

Appendix C

Environmental Scan—Winston-Salem, North Carolina

The Economic Environment

The majority of constituents interviewed or in focus groups during the strategic planning process identified economic development as the single most important issue for the City. "Economic Development" helps to ensure the community will have enough good jobs in the future for its citizens. A healthy economic environment is a prerequisite for a healthy community. For individuals, a healthy economy means "having a good job now and tomorrow, and that my family and friends will also have good jobs." For the community at large, a healthy economy means a strong tax base and diversified employment (not dependent on one or two businesses or industries). By providing meaningful employment to all citizens, a strong economy also helps to bridge the social gap between ethnic groups.

This section includes:

- Employment, workforce composition, and retail sales growth
- Tax base
- Annexation
- 18-to-34-year-olds
- Economic development efforts

Employment, Workforce Composition, and Retail Sales Growth

Economic development is an issue to constituents because over the last decade Forsyth County has not kept pace with the rest of North Carolina counties with major metropolitan areas in terms of employment growth and retail sales growth.

	Employment			Retail Sales		
County	1990	1999	% change	1990	1995	% change
Forsyth	139,449	149,109	6.9	$4,421,978	$5,299,606	19.8
Wake	247,340	340,410	37.6	7,649,497	11,535,942	50.8
Mecklenburg	389,209	354,759	22.7	11,357,291	16,757,604	47.5
Durham	99,005	113,674	14.8	2,373,627	3,167,578	33.4
Buncombe	88,515	98,658	11.4	2,529,695	3,211,541	26.9
Guilford	192,931	212,598	10.2	7,144,204	9,271,942	29.8

RJR, previously the largest employer in the City, has experienced large reductions in workforce. The medical community has experienced the largest increases. Wachovia has recently announced plans to merge with First Union with headquarters in Charlotte. Initial estimates of job reductions of up to 7,000 throughout North and South Carolina would likely impact Winston-Salem disproportionately.

Largest Employers	1990 Employment	2000 Employment	% chg.
RJR	10,540	5,930	−44
Sara Lee	5,600	6,000	7
Wachovia	3,200	5,333	67
Wake Forest University/Medical Center*	8,950	11,695	31
Carolina Medicorp/Novant Health	3,500	5.950	70

*includes former RJR World Headquarters building

The composition of the workforce has changed away from higher-paying manufacturing jobs to service jobs. This has had a significant impact on revenue for the City. Average salaries are lower for non-manufacturing jobs (1997 manufacturing average = $42,928, total non-manufacturing = $21,714). Had the workforce composition been the same in 1997 as in 1980, total income would have been almost $475,000,000 higher. It is estimated that this additional income would generate almost $800,000 a year in sales tax revenue for the City.

Industry	1990		1997		% Change	Average 1997 salary
	#	%	#	%		
Manufacturing	44,761	36	33,424	19	−25	$42,928
Services	20,481	16	52,905	31	158	26,520
Finance, insurance, real estate	6,316	5	12,265	7	94	39,411
Retail trade	17,990	14	30,888	18	72	15,777
Construction	4,435	4	8,148	5	84	27,777
Wholesale trade	5,368	4	7,059	4	32	37,800
Transportation, communications, utilities	10,859	9	10,951	6	1	35,481
Government	14,643	12	15,985	9	10	27,644
Total	125,267	100	172,724	100	38	$29,870

Tax Base

During the 1990s, personal property declined from 29.8% to 21.6% of the tax base, while real property increased as a percent of the tax base. Business personal property makes up a large percentage of personal property and as manufacturing jobs have declined, so has the machinery and equipment used by manufacturers.

Year	% of Tax Base	
	Real property	Personal property
1991	67.8	29.8
1993	71.6	25.6
1995	71.4	26.1
1997	72.1	25.3
1999	73.7	23.8
2001	76.3	21.6

Corresponding to RJR's workforce reduction, its property tax liability also has declined.

Largest employers	1990 property tax	2000 property tax	% chg
RJR	$7,125,266	$3,361,719	−53
Sara Lee	563,319	423,083	−25
Wachovia	252,825	1,091,167	332
Wake Forest University/Med. Center*	259,264	259,147	0
Carolina Medicorp/Novant Health	0	0	0

* Includes the former RJR world headquarters.

Two additional tax base trends are worth noting. Many medical doctors' practices, previously for-profit organizations, have been bought out by nonprofits. As a result, these properties are no longer taxable. Also, the fast growth in the rise in the Hispanic population (discussed in the next section), particularly younger Hispanics, impacts City revenue because employment tends to be in the less-well-paying jobs, household income is lower, and home ownership is less.

Annexation

North Carolina's annexation procedures are among the most favorable to cities. State law allows cities to expand into urbanizing areas in order to ensure that people who benefit from living in an urban environment pay the cost of maintaining the urban environment. While Winston-Salem annexed large areas on its borders in the early 1990s (1991 and 1992) and in 1996, no involuntary annexation has occurred since that time. The annexations of the early and mid-90s increased the City's population base by about 25,000 people and its land area by over 35 square miles. Annexation accounted for 59 percent of the City's population growth between 1990 and 2000, with most of the remainder due to the migration of Hispanics to the City. Winston-Salem's ability to grow physically is becoming more difficult as unincorporated areas of the County are incorporated or annexed into smaller cities. The residents of these areas continue to work in Winston-Salem and make use of its cultural and leisure attractions, yet do not pay City property taxes to fund the services necessary to maintain them.

18-to-34-Year-Olds

During the 1990s Forsyth County had a negative net change of 2,800 18-to-34-year-olds. Forsyth County ranked 95 out of 100 counties in North Carolina in growth of this key age group. Many residents view this drain as a threat to the vitality of the community. Business leaders and others commented during the planning process that lack of 18-to-34-year-olds makes it difficult to find middle-management candidates to fill jobs. In each of the other major urban counties, the 18-to-34-year-old population grew during the 1990s and now makes up a greater proportion of the total population than in Forsyth County.

18–34-Year-Olds		
County	Change in population 1990–2000	% change
Wake	30,791	20.60%
Mecklenburg	33,817	20.60%
Durham	9,551	15.5%
Guilford	5,688	5.4%
Forsyth	−2,813	−3.6%
Rest of NC	11,939	0.9%

Economic Development Efforts

Constituents believe it is very important to the community that the economic base grow and diversify. With the number of manufacturing employees declining, new opportunities for employees need to be developed. These opportunities can be with companies new to the area as well as existing companies. One estimate is that as much as 80% of a community's job growth comes from existing businesses and organizations.

Constituents say that economic development efforts need to be both broad based and neighborhood specific, and need to impact all demographic groups. Some constituents expressed concern that currently most of East Winston is zoned residential, making it difficult to locate businesses in East Winston.

Efforts are under way to improve the city's economic development base. Examples include:

- The **Technology Blueprint of 1997,** as well as the **Idealliance,** which manages the research park and guides technology development.
- The **Education/Technology Blueprint** that is designed to help the Winston-Salem/Forsyth County schools in applying technology.
- **Brownfield redevelopment efforts** to revitalize the Liberty Street corridor, including a $25 million business park near the Smith Reynolds airport.
- **Downtown revitalization efforts,** designed to make Winston-Salem's downtown a focal point in the Triad, for business as well as entertainment. The downtown revitalization effort has involved a variety of organizations and is turning out to

be an example of how City government can collaborate to achieve significant results. With respect to downtown revitalization, some constituents do not think they have enough of an understanding of anticipated results.

- **Transportation initiatives** such as the improvement of U.S. 52 and the effort to bring passenger rail service to Winston-Salem.
- **Winston-Salem Business, Inc.,** provides business recruitment services to the City, with a focus on developing industrial property, particularly the Union Cross Business Park.
- **WinstonNet,** a project of Wake Forest University and the Chamber of Commerce, seeks to electronically connect government, educational institutions, nonprofits, and others and to help establish Winston-Salem's reputation as a home for technology industries.
- The City offers **economic incentives to attract new businesses** as well as to keep growing businesses here.

Economic development projects from 1996 to 2000 had investments from the City of $6.4 million, the County of $1.8 million, and private industry of $187.2 million, resulting in 2,178 new jobs. The current economic incentive program is based on the anticipated revenue for the City that a business is expected to generate over a given period. There is some concern that new technology companies, often requiring fewer personnel and smaller amounts of capital investment, and sometimes requiring a longer payback, may not find the current incentive formula powerful enough to attract or keep them. To support economic development activities, the City appropriated funds for the following activities in the FY 00–01 budget:

Economic Development Administration	$526,030
Business Development Office	209,130
Economic Development Loan Fund	62,000
Economic Development Projects Fund*	899,130
East Winston Demonstration Projects	70,000
Total	$1,766,290

* The Economic Development Projects fund includes S500,000 for Union Cross Business Park and the remainder is primarily to cover the annual transfer for the Wachovia Parking Deck, which is supported for the most part by property tax revenue from the new Wachovia headquarters building.

Constituents note that if Winston-Salem succeeds in enhancing economic development, a side effect will be that the community's education system must be able to produce workers who will be qualified to work in tomorrow's economy. Winston-Salem State University produces more college graduates who live in (and presumably will work in) Winston-Salem than does any other college. Forsyth Technical Community College graduates over 600 students annually.

The Social Environment

This section includes:

- Population growth
- Demographics
- 18-to-34-year-olds
- Social capital
- Education
- Nonprofits

Population Growth

2000 Census information indicates that North Carolina grew 21.4% from 1990 to 2000 (6th in the U.S. in terms of increase). Winston-Salem's population increased by 29.5% (42,291 people) from 1990 to 2000. Growth was due to two primary factors:

- Annexation in 1991, 1992, and 1996: 25,092 people
- Growth of the Hispanic population: 14,807 people (Some constituents think that the Hispanic population is still understated)

State and counties	%	Cities/towns	%
North Carolina	21.4	Charlotte	36.6
Wake County	48.3	Durham	36.9
Mecklenburg County	36.0	Raleigh	32.8
Guilford County	21.2	High Point	23.5
Durham County	22.8	Greensboro	22.0
Forsyth County	15.1	Winston-Salem	29.5
		Clemmons	129.7
		Lewisville	175.3
		Kernersville	58.0

U.S. census data indicate that Winston-Salem's growth was faster than that of High Point and Greensboro, but slower than that of the Triangle and Charlotte. Additionally, smaller communities in Forsyth County that neighbor Winston-Salem (Kernersville, Clemmons, and Lewisville) grew much more rapidly than did Winston-Salem.

In Winston-Salem, percentage growth due to annexation was similar to that of Raleigh and Charlotte. Durham and Greensboro had a higher percentage of "normal" growth (growth that was not due to annexation).

Growth: 1990 to 2000			
	Total growth	From annexation	From "normal"
Winston-Salem	42,291	59%	41%
Charlotte	144,894	56%	44%
Raleigh	64,001	60%	40%
Durham	50,423	38%	62%
Greensboro	39,997	41%	59%

Demographics

The demographic makeup of Winston-Salem has changed in the last decade. African-Americans are the largest minority group in Winston-Salem, making up 37% of the population. Whites make up 56%. Both the African-Americans and Whites grew over 20% during the decade. There has been a significant growth in the Hispanic population.

Winston-Salem population	1990		2000		% Chg.
	#	%	#	%	
Total	143,485	100.0	185,776	100.0	29.5
White	85,330	59.4	103,243	55.6	21.0
African-American	56,328	39.3	68,924	37.1	22.4
Hispanic*	1,236	0.9	16,043	8.6	297.0
Other (includes more than one race)	1,827	1.3	13,609	7.3	**

*Hispanic is an ethnicity, not a race. ** Comparisons not valid as data were categorized differently.

African-Americans make up a significant and important segment of Winston-Salem. One of the most important issues to African-American constituents is race relations, which has been an ongoing issue in Winston-Sa1em. Many African-Americans think that while the City cannot solve race relations by itself, it can serve as a model for how organizations should conduct themselves.

During the environmental scan, constituents advised the City to make sure that African-Americans fully participate in the economic development activities of the community. They advised that it will be important to understand what African-American businesses require to succeed, to consider zoning to ensure adequate space exists for business development, to increase incentives to locate in East Winston, and to leverage Community Development Corporations. Additionally, increasing the housing stock of all price ranges in East Winston can increase the number of consumers who will patronize businesses.

A significant change in the community's population in the last decade has been the increase in the Hispanic population. Most recent U.S. census data indicate that there are nearly 20,000 Hispanics in Forsyth County, the majority of whom (16,043) live within Winston-Salem. The 1990 census reported only 1,236 Hispanic residents

in Winston-Salem. The 1999 Neighbors In Ministry/Hispanic Services Coalition Community Plan indicated:

- Forsyth and Mecklenburg Counties have the highest Hispanic growth rates in the state, and North Carolina has one the highest Hispanic growth rates in the United States.
- Close to 30% of all births in Forsyth County are to Hispanic women.
- Close to 40% of adult Hispanics have only a grade school or less education.
- The Hispanic population has a significantly higher number of people/families with lower incomes than the general population.
- Service providers and local government report difficulty in approaching, providing outreach to, involving, and serving Hispanics. Some of the barriers identified are:
  - The Hispanic population's self-imposed isolation and distrust toward the social service and government sectors;
  - Differences in language and culture from the mainstream community as well as within the Hispanic population; and
  - Lack of sufficient information and understanding by most Hispanics of the resources, opportunities, and terms of coexistence within this community's life.

Additionally, a report by the local Spanish-language newspaper *Que Pasa* references research that indicates over 85% of the Hispanic population in North Carolina read and speak only Spanish or have a very strong preference for using Spanish.

18-To-34-Year-Olds

The size and growth of the 18-to-34-year-old population in a community sometimes is considered a prediction of the future for that community. As discussed earlier, Forsyth County lost approximately 2,800 18-to-34-year-olds during the 1990s, and ranked 95 out of 100 in terms of growth of 18-to-34-year-olds. Job opportunities, as well as social environment, both play a role in this trend.

Social Capital

A recently completed study on civic involvement called the Social Capital Community Benchmark Survey, done in conjunction with The Winston-Salem Foundation, showed that Forsyth County ranked high in terms of giving, volunteering, and faith-based engagement, but relatively low on interracial trust and informal socializing. The study suggests that the community needs to improve and invest in social capital because of the positive impacts including less crime, better schools, and more economic development. Interestingly, the study also suggested that there are "serious challenges of building social capital in a large ethnically diverse community. The more diverse a community…the less likely its residents are to trust other people…to connect with other people…, to participate in politics,…[and] to connect across class lines…."

On a national basis the study found "disturbingly unequal access to social capital in most American communities…. For example, African-Americans/Hispanics were less than half as likely to trust other people in their neighborhoods as whites (56% of whites trusted people in their neighborhoods versus 21% for African-Americans and 19% for Hispanics). Forty-six percent of whites had 6 or more close friends versus only 28% of African-Americans and 30% of Hispanics. Sixteen percent of African-Americans and 26% of Hispanics never spoke with their neighbors versus this being the case with only 6% of whites."

Education

Constituents believe high-quality education is important for both the economic and social viability of the community. Education makes the community more attractive for people to move here and helps to bridge the social divide. The community is fortunate to have as many educational institutions as it has, and they should be leveraged.

Additionally, even though the public schools are a County responsibility, constituents would like the City to "be at the table" on educational issues. For example, this could include continuing to define what job skills will be needed in the future and providing support for the establishment of an engineering/technical school in the community.

Nonprofits

The nonprofit sector in Winston-Salem is a significant contributor to the social fabric of the community. This includes private nonprofits, public nonprofits, educational and medical institutions, arts organizations, faith-based organizations, and foundations. They are all involved in improving the quality of life for the citizens of Winston-Salem. These are critical community assets that need to be included in efforts to achieve the community's vision. Many constituents believe that City government undervalues the contribution nonprofits make to the community and that, were it not for nonprofits, the City would have to provide more services to disadvantaged citizens.

The Political Environment, Including Governance

The City is governed by a mayor and eight aldermen. An alderman is elected by each of eight wards. In the 1997 election for the Board of Aldermen, 25% to 38% of voters in each ward voted. Aldermen who won the election generally won with a margin of 500 to 850 voters (excluding candidates who ran unopposed).

1997 Mayor and Aldermen Election				
Ward	Total # registered	# who voted	% who voted	Winning margin (#)
North	11,813	2,943	24.9	641
Northeast	11,163	3,432	30.4	2,224
East	11,828	2,813	23.8	unopposed
Southeast	10,955	3,303	30.2	622
South	14,264	4,610	32.3	850
Southwest	14,192	4,978	35.1	502
West	17,323	6,621	38.2	unopposed
Northwest	14,001	4,997	35.7	776
Total	105,539	33,653	31.9	4,319 (mayor)

The City operates under a Council-Manager form of government, in which the City Manager is responsible for managing the operations of the City. All staff except the City Attorney report to the City Manager. The City Manager and the City Attorney report to the Mayor and Board of Aldermen. The Mayor's position is compensated part-time. The Mayor votes only in the case of a tie vote.

There are over 30 citizen commissions and committees that advise the Mayor and the Board.

Constituent Input Regarding the Role of City Government

Most constituents interviewed or in focus groups want City government to play broader, higher-level roles in the community. These roles can include identifying strategic issues and stimulating community discussions, setting a community agenda on certain issues (such as housing and race relations), and collaborating with other elected bodies, the business community, and other organizations. Constituents say City government should be one of the leaders, working with others for community progress.

The business community, for example, wants the City to generate enthusiasm about science and technology. But, currently the business community perceives ambivalence on the part of the City's elected officials regarding economic development. Indeed, there are differences among elected officials regarding the scope of City government's role.

A large majority of constituents prefers the Council-Manager form of government to a strong Mayor form. The majority also believes that the Mayor's position should focus on community-wide leadership. During interviews and focus groups, constituents consistently expressed concern about the ward system because they do not think it promotes a community-wide agenda. Several suggested including at-large positions on the Board of Aldermen to promote a community-wide perspective. They did not recommend that the Board be enlarged, but rather that two positions be converted and ward lines redrawn. Staggering the terms for aldermen was also suggested.

Constituents also believe that elected officials should work together more effectively, for the good of the City and community. They say elected officials should focus on the most important issues facing the community, and act as models in terms of cooperation, civility, and respect.

Constituents believe it is important that citizens have positive experiences with City government and feel appreciated for their efforts; for example, when they serve on committees or volunteer boards.

Additionally, constituents believe that the city and county governments should work together, at a minimum to consolidate specific services and address issues of common concern. Some believe that it may be inevitable that the governments would merge over time.

City Government Operations

Tax, Water, and Sewer Rates

Tax rates compare favorably with other major North Carolina cities:

Property Tax Rates per $100 of Assessed Valuation			
Winston-Salem	$0.4967	Charlotte	$0.4670
Raleigh	0.3850	Greensboro	0.5825
Durham	0.6900	Asheville	0.5600

Water and sewer rates for Winston-Salem are significantly below those of other major North Carolina cities:

Water and Sewer rates (based on 1600 cf bimonthly)			
Winston-Salem	$29.47	Charlotte	$47.10
Raleigh	40.59	Greensboro	45.10
Durham	56.28		

Budget Analysis and Projections

Recent and Current Budgets—General Government

Revenue and expense information in the table below reflect general governmental revenues and expenditures (source 2000–2001 Budget) for fiscal years 1999, 2000, and 2001. Both the general fund and the debt service fund are included. This most accurately reflects government services and revenues. Budget information relating to capital projects and propriety funds (enterprise and internal service funds) and fiduciary funds (such as pensions) is excluded to provide a better picture of general government revenue and expenditure.

The budget increased slightly over 1% in the most recent year, and slightly over 4% in total over the last two years. Revenue from property taxes, the largest source of revenue, remained flat from 1999 to 2001. The rate has decreased by 2.83 cents per

$100 of assessed property valuation over the same period (this is equivalent to a 5.4% decrease in the tax rate). At $1,290,000 per 1-cent on the property tax base projection for FY 01–02, the rate reduction has the impact of reducing property tax revenues by $3,650,700 for the upcoming fiscal year.

Sales tax receipts declined slightly in the last year, as did intergovernmental revenue. Charges for services and "other" had the greatest increases in revenue.

City of Winston-Salem General Government Budget: Revenues							
Revenue ($ millions)	% of 98–99 budget	1998–99	1999–00	2000–01	% of 01 budget	%Chg 00 v 01	98–99 v 00–01 Chg % budget
Total taxes	58.94%	$87,856	$87,454	$88,709	57.16%	1.44%	0.97%
Total property	42.36%	63,144	61,840	63,149	40.69%	2.12%	0.01%
General fund	36.04%	53,729	52,477	53,253	34.31%	1.48%	−0.89%
Debt service	4.95%	7,385	7,342	7,525	4.85%	2.49%	1.90%
Mass transit	1.36%	2,030	2,021	2,371	1.53%	17.32%	16.80%
Sales taxes	16.58%	24,712	25,614	25,560	16.47%	−0.21%	3.43%
Licenses and permits	4.38%	6,524	6,452	6,701	4.32%	3.86%	2.71%
Intergovernmental	21.56%	32,133	36,218	33,454	21.56%	−7.63%	4.11%
Interest	1.52%	2,272	2,560	2,750	1.77%	7.42%	21.04%
Charges for services	8.74%	13,024	13,535	14,921	9.61%	10.24%	14.57%
Fines and forfeitures	0.28%	424	519	506	0.33%	−2.50%	19.34%
Other	4.58%	6,828	6,637	8,152	5.25%	22.83%	19.39%
Total	100.00%	149,061	153,375	155,193	100.00%	1.19%	4.11%

Expenditures for public safety, the largest category of expense, increased by over 13% during the last two years. Community and economic development expenditures, the next largest category of expenditures, have declined during the same period. General government expenses, while a small portion of expenditures, declined by a third in the most recent year.

City of Winston-Salem General Government Budget: Expenditures							
Expenditures ($ millions)	% of 98–99 budget	1998–99	1999–00	2000–01	% of 01 budget	% Chg 00 v 01	98–99 v 00–01 Chg % budget
Comm. & econ. dev.	15.28%	22,778	24,823	21,753	14.02%	−12.37%	−4.50%
Environmental health	9.15%	13,637	14,271	14,680	9.46%	2.87%	7.65%
Public safety	31.63%	47,154	51,150	53,542	34.50%	4.68%	13.55%
Transportation	9.32%	13,896	14,452	15,241	9.82%	5.46%	9.68%
Leisure time services	6.37%	9,497	10,776	11,044	7.12%	2.49%	16.29%
Fiscal management	2.92%	4,348	4,657	5,095	3.28%	9.41%	17.18%
Human resources	0.85%	1,270	1,436	1,618	1.04%	12.67%	27.40%
Interdepartmental	4.28%	6,387	6,773	6,670	4.30%	−1.52%	4.43%
General government	3.12%	4,653	4,873	3,027	1.95%	−37.88%	−34.95%
Debt service	9.44%	14,070	14,148	15,723	10.13%	11.13%	11.75%
Other	1.46%	2,171	1,818	872	0.56%	−52.04%	−59.83%
Total expenditures	93.83%	139,861	149,177	149,265	96.18%	0.06%	6.72%
Excess revenues	6.17%	9,200	4,198	5,928	3.82%		
Other sources, trnsfr (net)	−7.25%	(10,808)	(9,129)	(6,562)	−4.23%		
Fund balance	1.08%	1,608	4,931	634	0.41%		

Revenue projections

Projected revenues for City government show an anticipated growth of only 3.2% over the next two years. This is below the expected increases in costs to provide current services in the future. Because City government is required to have a balanced budget, it will be necessary to reduce services or activities, or find appropriate ways to increase revenues. During the focus groups and interviews, constituents expressed concern about the City not having sufficient funds to address needs.

	History		Current & future			% chg 02–03 vs 00–01
Major revenue categories	1990–91 Actual	1995–96 Actual	200–01 Budget	2001–02 Projected	2002–03 Projected	
Property taxes—total	46,231	57,389	63,149	64,968	66,839	2.88%
Sales tax	14,563	16,966	20,942	21,255	21,680	2.00%
Intergovernmental	39,226	45,782	37,098	38,952	40,900	5.00%
Charges for services	55,579	58,142	71,488	73,632	75,842	3.00%
Other	8,829	10,340	15,491	15,955	16,434	3.00%
Total	164,428	188,619	208,168	214,762	221,695	3.2%

Sales tax receipts

The general fund receives two sales tax allocations, based on several formulas that take into account both sales tax revenue generated by each county and actual population. Sales tax receipts are less for Winston-Salem than for other major cities in North Carolina. It is a source of concern for the Board of Aldermen that the City's share of the total sales tax receipts coming to the county has dropped from around 34% in FY 90–91 to 30% in FY 00–01. Given the current method of allocation of sales tax receipts, reductions in property tax rates reduce the amount of sales tax receipts for the City.

Sales Tax receipts per capita (budgeted for FY 00–01)			
Winston-Salem	$124.94	Charlotte	$141.20
Raleigh	160.38	Greensboro	138.22
Durham	134.92	Asheville	159.88

Budget balancing activities

Because City government is required to have a balanced budget, "normal" cost of living increases (3-1/2 to 4% for personnel, 70% of the total expenditures) need to be offset by reductions in other areas. For example, the City has implemented an operations review process every year since 1990–1991, yielding annual savings of around $10 million. The City also budgeted $336,860 in general fund savings from the CERC recommendations, in the FY 00–01 budget. Other offsets to the annual "gap" between operating expenses and revenues have included fleet services savings, a drop in the State retirement costs, and the use of excess investment income from RAMCO and Post-Employment Benefits funds for general purposes.

Staffing

In the last three years headcount has decreased by 10 positions overall.

Headcount	1998–99	1999–00	2000–01	Change compared to PY
General fund	1,791.0	1,802.0	1,791.0	−11
Internal service funds	106.5	98.5	99.5	+1
Enterprise funds	475.5	488.5	488.5	0
Special revenue funds	28.0	25.0	25.0	0
Total	2,401.0	2,414.0	2,404.0	−10

Market Pay Adjustments

For FY 00–01, salary increases were instituted after an analysis indicated salaries were not fully competitive. This had an impact of adding approximately $3.4 million to all funds annually. The portion of the increase that went to the general fund was $2.5 million, which represents a 3% increase over the total general fund personnel base budget for FY 99–00.

Appendix D

SWOT Analysis—Three Examples

Gratiot County, Michigan

Gratiot County's strategic plan lists the potential trends (SWOT) and the issues that result. The issues then form the basis for the county's goals statements.

Potential Trends

- Completion of U.S. 27 between St. John's and Ithaca as a limited access highway, creating development pressure in the county
- Competition from neighboring counties, regional economic development agencies, and the Internet for business
- Increasing community awareness about workforce issues related to substance abuse, quality, and dependability
- Competing and contemporary urban centers for residents and workers
- Lack of adequate broadband communications infrastructure, putting rural areas at an expanding disadvantage
- Access to education and training more critical to future employment
- Growing importance of the healthcare industry to the county and state
- Decreasing public funds for recreation systems and opportunities
- Demise or consolidation of locally owned agricultural markets and infrastructure is driving a movement to larger producers with on-farm storage and transportation
- September 11 refocus of government resources to homeland security.

Issues

Key issues in the county were identified and formed the basis for the development of the strategic plan.

- **Economic Development** Maintaining the economic vitality of the county in the midst of a changing business base
- **Education** Ensuring all citizens are given appropriate educational opportunities to ensure a good quality of life

- **Environmental** There are several areas in the county in need of environmental remediation
- **Land Use** Development pressure from U.S. 27 and neighboring counties will continue to present challenges for the county
- **Quality of Life** Changes in the community and the economy require new diligence in maintaining a basic quality of life for all citizens
- **Recreation** A lack of variety of recreational choices in the county affects the quality of life and the ability of businesses to attract new talent to the area
- **Transportation** Gaps remain in transportation systems that support the needs of residents as well as commercial and industrial sectors of the county
- **Youth** Creating employment, recreational, and educational opportunities for youth in Gratiot County that will enhance the quality of life for them and fellow citizens.

Wilcox, Arizona

Another instructive example of both format and content comes from the strategic plan for Wilcox, Arizona. This can be found on the city's Web page, www.willcox-city.org/. The following is excerpted from the section on economic opportunity.

Promote Economic Opportunity

Wilcox has experienced a less-than-average employment and population growth rate in the 1990s. Although the city's population grew 19.4% during the ten-year period, the average growth rate for the state was 42%. The city was fortunate to attract a truck travel center and a small discount retail outlet during this period. A number of small tourism-related businesses specializing in niche markets were also launched. Most recently, Wilcox has witnessed expansions in the local telephone cooperative industry, as well as in the governmental segment of employment.

Developing a strategy for economic development is essential for economic success and prosperity of the community. Most forecasts and trends point to modest growth beyond the year 2005. At the same time, other indicators suggest the need to position the community for sudden and impulsive growth due to the following issues.

Job growth is expected outside of the incorporated city limits. The Bowie Power Station received approval from the Arizona Corporation Commission to site a power generation plant in Bowie. This project will bring as many as 400 construction jobs and approximately 40 full-time positions to northern Cochise County. Eurofresh, Inc., has also announced expansion of their greenhouse operations. Both of these businesses are located outside of the incorporated city limits. However, Wilcox is the closest incorporated city and will provide the majority of services and programs to the employees of these industries.

The demographics and family income levels of the community are changing. Surveys conducted during the 2000 census indicate that the Hispanic population is now 49% of the city. Additionally, the results indicate a growing number of household incomes within the city are below the median income levels.

The unemployment rate of the community has averaged 4.5 to 5%. The existing workforce lacks the required skills for the information technology and manufacturing industries. Additionally, there is limited access to training within the community. Finally, should the labor force require expansion, the lack of adequate and affordable housing has been identified as a weakness in the Wilcox Housing Strategy and the Wilcox General Plan.

Franklin County and Columbus, Ohio

The following example is taken from the consolidated plan for housing and community development issues for the jurisdictions of the city of Columbus and Franklin County in Ohio. Its SWOT is specific to these issues. This list of obstacles (threats) is preceded by the following statement: "The housing and community development needs assessment (environmental scan) that is a part of the Consolidated Plan provides a basis for identifying obstacles to meeting underserved needs in the community."

People

- Growing gap between rich and poor
- Multiple obstacles and barriers facing people in poverty
- Personal and social problems taken to the workplace
- More single-parent households
- Aging population
- Increased immigrant population
- General public not aware of housing and community development needs

Economy

- Economic opportunity moving to the suburbs
- Minimum-wage and low-wage service- and retail-sector job growth
- Lending institution mergers and acquisitions
- Loss of minority business set-asides
- Turnover and job retention problems
- Growth and the strong economy mask poverty problems

Housing

- Tight rental housing market
- Job/housing location mismatch
- Loss of public and private subsidized units
- NIMBY increasing
- Developers facing more codes and restrictions from the multiplicity of local governments

Services

- Welfare reform dictates human service delivery
- Declining quality of public schools
- Needs for transportation and childcare exceed available services

Resources

- Lack of adequate financial resources and competition for scarce resources
- Changes in federal programs and policies and uncertainty about the future of the programs and funding upon which the plan is built
- Competition for scarce resources between low-income areas and new fast-growth areas
- Duplication and inadequate collaboration among programs, projects, and service providers
- Federal regulations that limit flexibility in use of funds and increase project costs.

Appendix E

Goals, Objectives, and Tactics—Three Examples

Gaithersburg, Maryland

Strategic Direction No. 1

Ensure that all planning and development considers and responds to the City's environmental, transportation, economic, social, and civic needs

Team Leader: Jennifer Russel
Contributing Members: Dave Humpton, Fred Felton, and the Urban Design Team

Background (Why)

- The City has adopted a Smart Growth Policy as a broad guidance document that relates to many facets of City government. This Strategic Direction is primarily focused on planning, zoning, and development issues. The Mayor and City Council have determined that these issues are paramount in maintaining and establishing the high quality of life the City enjoys.
- Many residents and businesses of the City have expressed great interest in land use decisions, and these decisions can have significant impact on their lives.
- It is essential that the City's remaining vacant land be developed in a high quality manner.

Approach (How)
General Philosophy

- The impact on transportation, schools, and other public facilities must be considered when approving new development and redevelopments.
- The Urban Design team, within the Planning and Code Administration, is the primary group responsible for carrying out actions related to this Strategic Direction.
- The City will expand its current methods of gathering information from its residents and businesses in order to provide more usable baseline data.
- Public participation should be all-inclusive by involving all of the major interest groups in the City.

- The City will work closely with the State of Maryland, Montgomery County, the Board of Education, and the State Highway Administration in a partnership to address transportation, open space, and school capacity issues.
- Utilize effective methods of educating participants on the issues at hand using appropriate visionary and graphic techniques and advanced technology tools.
- Utilize creative tools for presenting proposed ideas so that citizens, staff, and appointed/elected officials can easily envision the existing and future state of the City.
- Address broad areas of concern such as: future fiscal health of the City; future housing mix and demographic makeup of the City; future of the City's transportation network; and quality of life issues (i.e., health of aging neighborhoods and businesses).

Goals (When)
FY 2002 and Beyond
Master Plan Update:

a. Seek feedback from the general public regarding the City's vision in preparation for the Master Plan update. *Completed. Two public visioning meetings were held in the fall of 2001 to obtain important data from citizens to assist in the preparation of the Master Plan update.*
b. Complete technical updates of the existing map designations in the six current planning neighborhoods. *In progress. Each member of the Urban Design Team has been assigned a number of map designations to review.*
c. Invite the Montgomery County Planning Board, the Board of Education, and the State Highway Administration to attend work sessions to discuss Master Plan update.
d. Identify appropriate themes for Master Plan that will guide the land use decisions.
e. Identify appropriate parcels to be designated as special study areas for detailed review during the Master Plan process.

Other Significant Planning and Zoning Initiatives:

a. Consider proposed amendments to the City's Sign Ordinance. *Staff needs guidance from Mayor and City Council on the amortization issue.*
b. Develop Smart Growth Project Designation Matrix and Design Manual.
c. Adopt Thoroughfare Design Code. *Will be ready for public hearing in early summer of 2002.*
d. Rezone appropriate properties along the Frederick Avenue Corridor to the newly created Corridor Development Zone. *Completed. Ninety properties rezoned.*
e. Pursue annexation of appropriate parcels. *Annexation of EZ Storage site on South Frederick Avenue and the 4.19 acre Crown parcel recently acquired by the City are pending. The South Frederick Avenue Casey annexation is on hold due to issues with the property owner.*

f. Amend zoning ordinance to allow the Mayor and City Council to defer approval of residential development while the Master Plan is updated. *Completed. Enabling legislation adopted on January 7, 2002.*

g. Implement residential approval deferment. *Resolution scheduled for adoption on January 22, 2002.*

h. Consider appointing an Alternate Planning Commissioner or amending the zoning ordinance to eliminate this position.

i. Consider text amendment to address citizen concerns with accessory structures.

j. Redesign public hearing notices to make them more informative for citizens not familiar with the development process.

FY 2003 and beyond
Master Plan Update:

a. Complete updates and formally amend Master Plan.

b. Publish and distribute revised Master Plan.

Other Significant Planning and Zoning Initiatives:

a. Continue to pursue appropriate annexations.

Critical Measures

- Level of citizen involvement in the Master Plan process. *Twenty-five people attended the September 25, 2001, Visioning Meeting. Thirty-five people attended the October 9, 2001, Visioning Meeting.*
- Number of properties redeveloped along the Frederick Avenue Corridor. *Redevelopments have been approved for Maryland Carpet and Tile, Kentucky Fried Chicken, and Yi's Interior.*
- Level of citizen satisfaction with the City's land use policies as identified by a survey.

Los Angeles County, California

Strategic Plan: Goals, Strategies and Objectives

Table of Contents
Organizational Goals

GOAL 1:
SERVICE EXCELLENCE: Provide the public with easy access to quality information and services that are both beneficial and responsive

GOAL 2:
WORKFORCE EXCELLENCE: Enhance the quality and productivity of the County workforce

GOAL 3:
ORGANIZATIONAL EFFECTIVENESS: Ensure that service delivery systems are efficient, effective, and goal-oriented

GOAL 4:
FISCAL RESPONSIBILITY: Strengthen the County's fiscal capacity

Programmatic Goals

GOAL 5:
CHILDREN AND FAMILIES' WELL-BEING: Improve the well-being of children and families in Los Angeles County as measured by the achievements in the five outcome areas adopted by the Board: good health; economic well-being; safety and survival; social and emotional well-being; and education/workforce readiness

GOAL 6:
COMMUNITY SERVICES: Improve the quality of life for the residents of Los Angeles County's Unincorporated communities by offering a wide range of department coordinated services responsive to each community's specific needs

GOAL 7:
HEALTH AND MENTAL HEALTH: Implement a client-centered, information-based health and mental health services delivery system that provides cost-effective and quality services across County departments

GOAL 8:
PUBLIC SAFETY: Increase the safety and security of all residents in Los Angeles County through well-coordinated, comprehensive response and recovery plans for terrorist incidents

[The following is an excerpt of a specific goal.]

GOAL 3: ORGANIZATIONAL EFFECTIVENESS:
Ensure that service delivery systems are efficient, effective, and goal-oriented.

Strategy 1: By June 30, 2004, implement a countywide framework for performance measurement.

Objective 1: By June 30, 2003, complete four performance measurement pilots with departments representative of the range of services provided by County departments.

Objective 2: By June 30, 2004, expand the countywide performance measurement framework to all departments, incorporating lessons learned during the pilot.

Strategy 2: By December 31, 2007, design and implement common systems architecture for countywide administrative systems.

Objective 1: By March 31, 2003, determine the financial feasibility of implementing the Los Angeles County Administrative System (LACAS). If found feasible, obtain Board approval to initiate contract negotiations and finalize a contract for Board approval by June 30, 2003.

Objective 2: By December 31, 2005, complete implementation of Phase I of the LACAS project; by December 31, 2007, complete implementation of Phase II.

Or,

Objective 3: By September 30, 2003, if economic constraints prohibit full achievement of Objective 3.2.1 by June 30, 2003, develop a strategy for proceeding to develop new/replacement systems to meet countywide administrative system requirements within available funds to include: 1) prioritization of administrative systems needs, replacement plans, and sources of funding by a committee of chief deputies/departments heads; and 2) establishment of standards for administrative systems development or replacement to be adhered to by all County departments for applications they develop within their own agency.

Strategy 3: By February 28, 2003, develop a plan to convey a simple message that highlights to the public and county employees the positive impact the county is having.

Objective 1: By February 28, 2003, develop a simple message that captures the essence of the new County Mission.

Objective 2: By February 28, 2003, develop a County employee outreach program with the following components: countywide recruitment and community fairs; departmental recruitment; employee orientation; and County employee training.

Objective 3: By February 28, 2003, design and produce County Ambassador tool kits for distribution to each County employee; tool kits to consist of Ambassador lapel pins, pocket mini-brochure and laminated information cards.

Objective 4: By February 28, 2003, develop and implement a County Ambassador Intranet Website and Los Angeles County portal plan to enhance the use of the Internet and Intranet as tools to communicate with County employees about Board actions, current issues, policies and County services that employees must be informed about in order to function as County Ambassadors and community liaisons.

Objective 5: By April 30, 2003, implement, on a pilot basis, a "County Channel" that will broadcast on cable television public information on County services and facilities, as well as major County issues, activities, and events.

Strategy 4: By June 30, 2004, recommend options for effective alternative support services models to maximize the ability of departments to focus on their core missions.

Objective 1: By March 31, 2003, prepare policies to govern service agreements among departments.

Objective 2: By June 30, 2003, prepare performance standards for select support services functions.

Objective 3: By June 30, 2003, determine departments' needs for improving the quality of support services and implement three to five pilots.

Objective 4: By June 30, 2004, evaluate results of pilot projects and adopt appropriate changes in the provision of support services countywide.

Strategy 5: By July 1, 2003, redesign the process and communications between the Chief Administrative Office, Department of Human Resources and departments on classification, compensation, and collective bargaining.

Objective 1: By December 31, 2002, establish a joint Human Resources Executive Management Committee composed of Department of Human Resources/Classification and Chief Administrative Office/Compensation and Employee Relations senior management staff empowered to jointly and rapidly resolve high priority departmental classification, compensation, and employee relations issues requiring collaboration of two or more of the responsible entities. The line department's senior representative will be included in Team deliberations.

Objective 2: By December 31, 2002, develop and implement a process to provide training/education for department management on the collective bargaining process, including the basic process with time frames and responsibilities, in preparation for each negotiation cycle.

Objective 3: By December 31, 2002, establish a procedure to provide feedback to departmental management after negotiations to identify and discuss changes to Memoranda of Understanding, including information regarding why certain requests were not accommodated.

Objective 4: By March 31, 2003, recommend to the Guiding Coalition a County Philosophy to guide compensation and Classification activities, information sharing, and decisions.

Objective 5: By March 31, 2003, 1) develop and implement a process to designate and include a "lead" department in the bargaining process for common classes to represent the divergent positions and solutions of all affected departments and 2) develop a process for obtaining departmental input and synthesizing an overall "management" strategy.

Objective 6: By August 31, 2003, complete analysis of alternative classification models; develop recommendations to improve the County's classification structure.

Worcester, Massachusetts

The Priorities

GOAL: PROVIDE SAFE, CLEAN, ATTRACTIVE NEIGHBORHOODS WHERE CITIZENS CAN WORK, LIVE, AND CONDUCT BUSINESS.

Direct Neighborhood Support Services

Direct neighborhood support services include municipal services from several City departments. The primary citizen concerns expressed about service to neighborhoods related to "curb appeal" such as cleanliness, elimination of graffiti and litter, improved lighting, parking, and general public safety issues.

OBJECTIVE #1 – Provide increased municipal resources to improve Worcester's neighborhoods.

STRATEGIES

- Through the newly established Executive Office of Neighborhood Services, work directly with the Worcester Municipal Research Bureau and its grant-funded ComNET program to catalogue neighborhood conditions. During the first year of implementation, four priority neighborhoods will participate in this project, based upon size, scope, and availability of resources.
- Inventory and assess needs and priorities for each of the selected neighborhoods in partnership with the Worcester Municipal Research Bureau.
- Provide recommendations for funding and technical assistance.
- Provide staff support and funding to neighborhood centers, community development corporations, and neighborhood improvement projects.

Assess and Address Environmental Concerns

Environmental concerns include a wide variety of neighborhood conditions. Abandoned buildings, vacant lots, debris, green space and trees, and parks were all cited as issues to be considered to improve the livability of Worcester's neighborhoods.

OBJECTIVE #2 – Reduce the number of abandoned buildings, vehicles, and vacant lots.

STRATEGIES

- Continue to identify, inventory, and prioritize all vacant and abandoned buildings in need of immediate attention and continue remediation efforts.
- Identify, inventory, and prioritize removal of abandoned vehicles in targeted neighborhoods and continue remediation efforts.
- Identify, inventory, and prioritize vacant lots in need of immediate attention, with emphasis on the four neighborhoods included in the Worcester Municipal Research Bureau Project.

Continue to Support and Develop Affordable and Market Rate Housing

Increased population, escalating real estate values, and aging housing stock continue to impede housing affordability and accessibility in the City.

OBJECTIVE #3 – Provide funding and incentives for home ownership and rehabilitation.

STRATEGIES

- Work with local nonprofit and private organizations to complete construction or rehabilitation of a minimum of 50 units of affordable housing in each of the next five years.
- Work with state and local community-based agencies to assist a minimum of 100 low-to-moderate income, first-time homebuyers in each of the next five years,

and provide post-purchase counseling to a minimum of 50 low-to-moderate income, first-time homeowners.

- Work with local community organizations to identify and assist "senior" homeowners who encounter the barriers that prevent them from renting their vacant units.
- Continue to address housing needs for target audiences—elders, youth, hospice care, persons with disabilities

Address Public Safety Improvements

Public safety concerns include street and sidewalk repair, community policing, and control of illicit behavior (drug trafficking, prostitution).

Appendix F

Excerpt from Implementation Plan—Medford, Oregon

Growth Management

Action Plan Table *(begins on next page)*

Action	Responsible parties	Time line	Human resources	Challenges	Milestone/ evaluation	Fiscal resources
Element 1. A positive community outlook is inhanced by such assets as our schools, our climate, and our commitment to balancing growth to protect our quality of life.						
Action 1.1: Determine how to implement the placement of the parks and schools designation on the City of Medford GLUP map and then do so.	Planning Dept., Parks Dept., with Planning Commission and Council approval	Staff discussion 4/02 Implement ?	Planning Staff, Parks Staff	Understanding the implications, options, pro's and con's of this action	Updated GLUP Map	Absorbable within current budget
Action 1.2: Develop new zoning standards and design guidelines for both the Southeast overlay area and appropriate areas within the city.	Planning Parks Dept., PW's Dept., Fire Dept., S.E. Advisory Committee, with Planning Commission and Council approval	9/02	Planning Staff	Balancing city/ public interest with private sector desires.	New zoning standards and design guidelines completed	TGM grant/ Absorbable within current budget
Action 1.3: Develop new Transit Oriented Development (TOD) code provisions	Planning Dept., Public Works Dept., with Planning Commission and Council approval	At end of TSP project	Planning Staff, PW Staff	Applying TOD principles to a mid-size city.	Adopted TOD code provisions	TGM grants
Action 1.4: Adopt the Public Facilities Element of the Comprehensive Plan	Planning Dept., with Planning Commission and Council approval	3/02	Planning Staff		Adoption of Public Facilities Element	Absorbable within current budget
Action 1.5: Participate in the Regional Problem Solving planning process. Identify a fifty-year growth horizon, buffer areas between adjoining cities, resource land preservation areas. Already the participants have agreed to a coordinated periodic review, the mandated plan update process (2012) and to work on valleywide agricultural buffering standards.	Mayor, City Council, Planning Staff, Planning Commission and City Council approval	Phase One Completed Phase Two 6/02 Phase Three Ongoing	Planning Staff	Identifying the needs/desires of Medford & blend them with the Regional government's desires	Adoption of Regional Problem Solving Plan	Absorbable within current budget for Phases 1 & 2 while Phase 3 may require an appropriation

Action	Responsible parties	Time line	Human resources	Challenges	Milestone/ evaluation	Fiscal resources
Action 1.6: Update the zone change criteria for the Land Development Code	Planning Staff, Planning Commission & City Council approval	3/02 PC Hearing 4/02 CC Hearing	Planning Staff, Legal Counsel	Educating customers to the need & the new standards for zone change review and approval	Adoption of updated zone change criteria	Absorbable within current budget
Action 1.7: The City Council has directed that our urban service agreement with Jackson County be revised to enable the City of Medford to administer the lands in the urban growth boundary.	Planning Staff with PC and CC approval	7/03	Planning Staff, Building Staff, PW Staff, Legal Staff	Understanding Jackson County needs and balancing them with City desires	Adoption of revised agreement	Absorbable within current budget
Action 1.8: The City Council has requested that all enclave areas in the urban growth boundary be annexed to Medford.	Planning Staff with PC and CC approval	PC review 2/02 CC hearing 4/02	Planning Staff, PW's Staff, Legal Staff	Revising city codes. Establishing a public relations program to help property owners being annexed understand why this occurred.	Completed annexation of all enclave areas	Absorbable within current budget
Action 1.9: The Site Plan and Architectural Commission have undertaken the project to update the City Sign Code.	Planning Staff, SPAC, PC, and CC approval		Planning Staff, Legal Staff	Identifying staff to accomplish this project	Adoption of updated City Sign Code	Absorbable within current budget

Action	Responsible parties	Time line	Human resources	Challenges	Milestone/ evaluation	Fiscal resources
Action 1.10: The following implementation list is quoted from the applicable Comprehensive Plan Elements						
Implementation 8-A (2): Prepare hillside development ordinance for consideration by City Council that requires subdivision and site design to be compatible with sloping sites and that preserves appropriate hillside open space.	Planning Staff, Southeast Implementation Advisory Committee, PC & CC approval	10/02	Planning Staff, PW Staff, Parks Staff, Legal Staff	Finding staff resources/ possible consultant resources	Completed hillside development ordinance	Absorbable within current budget/may need money for consulting
Implementation 1-A (3): Prepare hillside design standards that require subdivision and site design to be compatible with sloping sites, for consideration by City Council	Planning Staff, PC & CC approval	After previous item	Planning Staff, PW Staff, Parks Staff, Legal Staff	See prior item.	Adoption of hillside design standards	Absorbable within current budget
Implementation 12-F (1): Undertake efforts to educate the public in wild land fire safety.	Fire Dept.	Ongoing	Fire Staff			Absorbable within current budget
Implementation 1-C (1): Prepare amendments to the Comprehensive Plan and Land Development Code for consideration by City Council that provide requirements for inclusion of open space in residential development plans, ranging from providing usable outdoor open space in all multiple-family projects, to buffering agricultural uses, to preserving open space in environmentally sensitive areas.	Planning Staff, PC & CC approval		Planning Staff, PW Staff, Parks Staff, Legal Staff	See previous item dealing with hillsides	Adoption of amendments by Council	Absorbable within current budget

Community Safety Performance Measures—Charlotte, North Carolina

Following is an excerpt from the "FY2004 & FY2005 Strategic Focus Area Plan," from Charlotte, North Carolina.

Community Safety

Strategic objective	Initiatives	Measures (L = Lead; G = Lag)	Target
Reduce crime	• Target chronic crime hot spots • Disrupt drug markets • Initiative to reduce incidences of robbery for Hispanic victims • Develop and implement Robbery Prevention Strategy	1) Number of chronic crime hot spots where crime is reduced (L) 2) Number of targeted neighborhoods where illegal drug sales are disrupted (L) 3) Percent increase in robbery among Hispanic victims (G) 4) Reduction in robbery rate per 100,000 population (G)	1) 8 of 12 chronic crime hot spots 2) 9 of 12 targeted neighborhoods 3) 0% increase 4) 5% reduction
Increase perception of safety	• Increase City's capacity to respond to homeland security concerns • Develop problem-solving partnerships, enforcement and prevention strategies • Develop enforcement, education, and engineering strategies • Partner with CDOT and other agencies in the design, development, and implementation of transportation-related safety strategies	1) Number of training exercises (L) 2) Number of gas masks purchased (L) 3) Number of neighborhoods trained in the Citizen Emergency Response Team concept (L) 4) Implementation of public awareness campaign (L) 5) Citizen survey on satisfaction with police services and perception of safety (G) 6) Percent increase in collision rate at less than percent increase in vehicle miles driven (G) 7) Percent reduction in collisions at three targeted high accident intersections per patrol district (G)	1) 8 training classes 2) 1,200 gas masks purchased 3) 20 neighborhoods trained 4) One major campaign annually 5) 7.0 on 10-point scale 6) Not to exceed 2.5% increase in vehicle miles driven 7) 5% reduction in accidents at targeted intersections

Strategic objective	Initiatives	Measures (L = Lead; G = Lag)	Target
Strengthen neighbor-hoods	• Integrate Neighborhood Action Teams and Police Response Area Teams • Develop work plans for police response area teams • Integrate Neighborhood Action Teams and Police Response Teams	1) Number of work plans developed for police response area teams assigned to neighborhoods (L) 2) Number of major police initiatives in target neighborhoods (L) 3) Percent reduction in target crime (G)	1) 4 work plans 2) 2 police initiatives 3) 5% reduction
Develop collaborative solutions	• Address domestic violence issue at the neighborhood level	1) Development of a collaborative model (L)	1) Model developed by 6/2004
Enhance customer service	• Conduct a survey of local businesses to determine additional service needs from police and other KBUs • Create an action plan based on survey responses	1) Number of surveys administered (L) 2) Development of action plan (L)	1) 100 local businesses 2) Action plan developed by 6/2004
Achieve positive employee climate	• Create a work environment where employees are motivated to a high level of performance • Maintain or improve public safety employee satisfaction ratings on overall job satisfaction, supervision, internal communication, training and collaboration with other KBUs	1) Employee Job Satisfaction Survey (G)	1) 7.0 on 10-point survey scale
Recruit and retain skilled, diverse workforce	• Implement recruiting and training programs that attract a diverse workforce and encourage bilingual employees • Maintain recruitment programs that attract diverse public safety applicant pool	1) Number of female or minority police applicants in FY2004 & FY2005 as compared to FY2002 & FY 2003 (G) 2) Number of bilingual employees for public safety positions as measured against previous year (G)	

Connecting Strategic Planning and Business Planning—Winston-Salem, North Carolina

Major Focus Area
Economic Vitality and Diversity

Strategy: **Define a proper approach to incentives for manufacturing, small businesses, and new technology businesses.**

Issue: The City has a variety of economic development financial assistance programs. Providing a public benefit is required for all of these programs. The two measures historically used to determine a public benefit have been job creation/retention and tax revenues created. Recently, several questions have been raised regarding the two measures and whether these are the only measures that should be evaluated in determining a public benefit. One concern is that factors such as indirect tax revenues, local ownership and community goodwill have not been considered in the past since these factors are more difficult to quantify. A second concern is the appropriateness of incentives for a particular business. Factors such as local competition and level of public assistance compared to return on investment have not been considered. A third concern relates to how the types of jobs created are evaluated. Finally, the incentives policy needs to evaluate rehabilitation versus new construction. Since rehabilitation does not generate as much tax base as new construction, it does not qualify for the same level of public support; however, rehabilitation is a growing development trend that provides additional public benefit which currently is not being considered in the evaluation of a project.

Action Plan: August 2002–June 2003

A task force of professional economic development organizations will be organized to evaluate the information gathered during the Economic Development Summit breakout sessions to determine the constitutionality, legality, and feasibility of using any of these initiatives in Winston-Salem. The group also will collect and research Best Practices information from other cities, states, and professional

organizations related to new economy incentives, local competition and return on investment guidelines, job creation requirements, and rehabilitation incentives. Based on the findings, City staff will determine if new programs, modifications to existing [programs], or economic development strategies should be considered.

July 2003–December 2003

Present a report of the above findings to the Board of Aldermen for its consideration regarding recommendations.

Begin process of seeking legislative approval, as necessary, for recommended changes.

Outcome: A new or modified financial assistance strategy/program designed to meet local economic needs while providing a measurable return on investment.

Resources: The information can be collected and a strategy/program designed using existing Development Department resources. There is approximately $500,000 of existing economic development loan funds. While these funds are available, as needed, for economic development projects, additional funds will be required for implementation of a long-term strategy/program.

Major Focus Area
Economic Vitality and Diversity

Strategy: **Revitalize/redevelop existing commercial areas under decline.**

Issue: Several commercial corridors/areas are under decline. Conditions within these areas include underutilized, unutilized, and blighted properties. Many of these areas need public financial assistance to induce private investment and change the disinvestment trend. The City already has established some programs to assist in the redevelopment of these areas including the Brownfields programs, Target Area Business Assistance Program, Building Improvement Program, and small business loan program.

Action Plan: October 2002–February 2003

Staff will identify commercial areas in decline (i.e., underutilized, unutilized, and blighted properties) based on at least 20% of the properties in the area being vacant or below minimum code. Other commercial areas which fail to meet the above criteria, but are under decline based on the economic, safety, or aesthetic impact on the area, also may be included for consideration.

Housing and Neighborhood Services will aggressively pursue code enforcement actions for substandard commercial buildings.

March 2003–June 2003

Community meetings will be held with merchants and commercial property owners within these identified areas to identify solutions to the problem of decline, advise them of existing economic development assistance programs, and discuss other ways that they feel the City can assist them to revitalize their declining commercial area.

As declining commercial areas are identified, staff will seek Board approval to declare these areas as business target areas to qualify these areas for existing financial assistance programs.

Planning staff will investigate options for the use of an impact fee or fine that would be assessed on substandard commercial property.

May 2003–August 2003

Based upon community meetings, outline strategies to address the problem of decline. Strategies could include zoning incentives, disincentives to direct new development to these areas, infrastructure, and streetscape improvements.

Outcome: By October 2003, a new or modified program, to assist in the revitalization/redevelopment of declining commercial areas by inducing private investment in these areas, will be presented to the Board.

Resources: The identification of declining areas, qualifying these areas for existing programs, and community meetings can be accomplished using existing City staff resources. There is approximately $150,000 of existing East Winston Demonstration funds which could be used to provide assistance within these areas; however, additional economic development funds will be required for implementation of a long-term strategy/program or for any public infrastructure/streetscape improvements that are identified and receive Board approval.

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