

Perspectives on Strategic Planning in the Public Sector

By

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Strategic planning... is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead. (Bryson, 1995, p. ix).

Introduction

The literature is replete with coverage on the topic of strategic planning. Every nuance, every variance, every view, and every possible issue associated with strategic planning—purposes, definitions, methods, and implementation—are covered in seemingly endless ways and detail. Indeed, if an author were to write on the subject of strategic planning and add something of significance that was entirely new and innovative, such a chore would be difficult if not altogether improbable. Hence, this monograph attempts to take a rather straightforward and basic approach towards the subject matter and leave novelty to those who are more inclined, more inspired to act on the improbable.

More precisely, this monograph will attempt to look concisely and substantively at strategic planning as it has been examined and written about by some of the leading experts of the present day. In this way, while new trails may not be blazed, the topic of strategic planning will be given a succinct yet authoritative assessment. It is hoped that this approach will be informative and practical to both the academic as well as the casual reader.

First, the background or history of strategic planning will be touched upon. Then from this historical context, several fundamental definitions by a mix of experts and authors will be offered, including some brief discussion from Mintzberg (1994) as to several schools of thought related to strategic planning. Next, strategic planning as a component of the Malcolm Baldrige criteria will be discussed with emphasis on how organizations establish objectives and action plans.¹

A model strategic planning process will then be outlined as based on principally Bryson (1995). This will be a rational, linear multi-step process that has been adapted by many experts and practitioners in the field of public management and administration as useful in achieving desired results in both planning and implementation of public or nonprofit policy. Finally, a close look at the State of Texas and its strategic planning process—

¹ The Baldrige National Quality Program is administered by the National Institute of Standards and Technology of the U.S. Department of Commerce. Information about the Baldrige program is available at <http://www.quality.nist.gov>.

called “Texas Tomorrow”—will offer insights into the practical applications of strategic planning on a statewide basis.

Background

Strategic planning is, in the military sense, an ancient science of warfare. Military campaigns and battles are typically referred to in historical literature as large-scale stratagems to confront and engage the enemy. However, strategic planning in the management and administrative context is a modern concept and process identifiable within both the corporate and public arenas. With regard to public planning itself, municipal governments were the first to engage in putting together formal written documents to identify objectives and ways in which to achieve them. The New York Municipal Research Authority formalized urban planning techniques in the early part of the 20th century, setting goals, activities, schedules, and milestones in carefully ordered planning documents. According to the American Planning Association, the first national conference on city planning occurred in Washington, D.C. In 1916, Nelson P. Lewis published his seminal work entitled *Planning of the Modern City*. In 1928, the U. S. Department of Commerce, under then Secretary Herbert Hoover, administered what was called at the time the “Standard City Planning Enabling Act.” Another influential book on planning was published in 1941 by Robert Walker, *The Planning Function in Urban Government* (See <http://www.planning.org/pathways/history.htm>).

Strategic planning’s origins *per se*, as used in the public sector, can be traced to the late 1950s and early 1960s. The U.S. Department of Defense began to look for better and more useful ways to plan for its long-term needs while at the same time achieving cost savings. The advent of the Planning-Programming-Budgeting-System (PPBS) began what was to blossom into a series of varying strategic planning and budgeting systems.

PPBS promised to do several things to improve federal governmental operations. Some of these anticipated improvements included: establishing long-range planning goals and objectives; examining the costs and benefits of these expected ends; comparing and contrasting alternative activities to achieve agency goals and objectives; and, establishing multi-year projections for both executive and legislative consideration when considering annual budgets and appropriations (Young, 2001, p. 35).

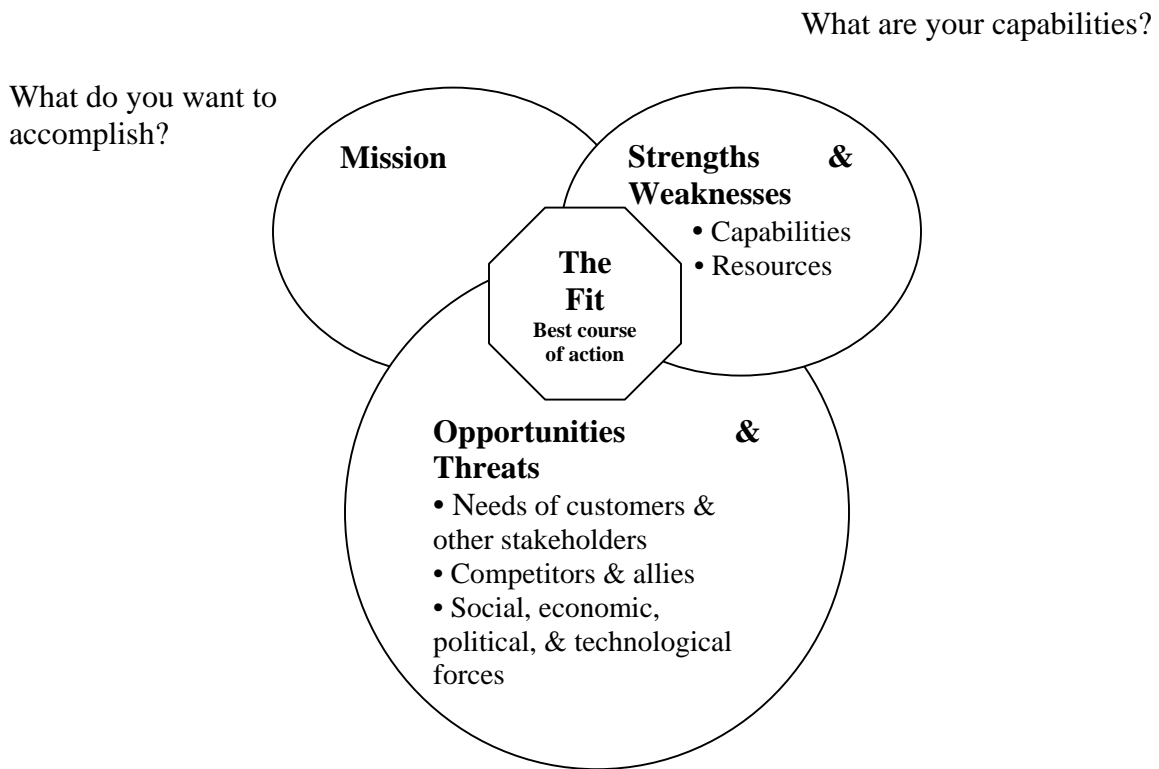
Many states followed suit using this new strategic planning approach, and as new adaptations came into being (Management by Objectives [c. 1970], Zero-Based Budgeting [c. 1977], and the Government Performance Act [c. 1993-present]), states also altered and perfected strategic planning methods and techniques. Ultimately, strategic planning became prevalent, though varied, among many states.

According to the literature,² states (and also many local governments) essentially agree that strategic planning is a process of developing a long-term plan to guide an organization, for example, a state agency, department or commission, towards a clearly

² The following narrative of this section is largely excerpted from Young, 2001, pp. 61-66.

articulated mission, goals and objectives. It is a process of assessing where an organization is presently, ascertaining the challenges and opportunities that present themselves, and determining what destination is most desirable and how to get there.

Figure 1
Strategic Planning



Source: Bryan W. Barry (1997). *Strategic planning workbook for nonprofit organizations*. Saint Paul, MN: Amherst Wilder Foundation, p. 7.

The literature also suggests that states (including local governments) do in fact benefit from the strategic planning process mainly for the reason that the development of multi-year policy plans links present situations or circumstances with a more meaningful vision of the future. In other words, a strategic planning process enables, for instance, the governor and the legislature, to understand more clearly where their state is now and where they would like it to be in the future. Basically, a strategic plan would indicate to state leaders—more lucidly—what is state government’s (or more particularly an agency’s) overall mission, its goals and objectives, its strategic or programmatic activities, and its resources (people, monies, technologies, facilities, etc.). This process would further allow state officials to have a solid grasp of the state’s on-going performance and what results are actually being achieved. More specifically, the benefits of a statewide strategic planning process would be:

- The establishment of a long-range, unified and broad direction (a “plan”) for state government in the policy areas of education, health and human services, transportation, public safety, commerce, natural resources, and criminal justice.
- The facilitation of the governor and legislature in being more responsive, and accountable to the current and emerging needs of their state.
- The allocation of limited resources, via the state’s budgetary process, in a more rational, and “results-producing” way.
- The improvement of communication among all state leaders and better coordination of the “omnibus” policy/fiscal decision-making process.
- The measurement of the progress of statewide strategic efforts, by all planning participants, and the updating or revision of these efforts as warranted.

For these states, generally speaking, the key elements or steps of the strategic planning process are fairly rudimentary. Strategic planning is simply a formal yet flexible process to determine where an organization is currently and where it should be in the future. There is agreement, as evidenced in recent literature, in both theory and practice, on the general steps that are involved in a strategic planning process. By and large, these are six steps and can be summarized as follows:

- (1) An “environmental scan” or a situational analysis of the strengths and weaknesses of one’s organization, including an analysis of external threats and opportunities (typically called a “SWOT”). This includes also a “stakeholder analysis” which is an analysis of persons, groups or organizations whose interests and concerns are of key importance to the overall strategic process;
- (2) The formation of a vision for the future and an accompanying mission statement which defines the fundamental purpose of an organization, its values, and its boundaries;
- (3) The development of general goals, specific targets or objectives, and performance measurements to gauge organizational progress;
- (4) A set of “action” strategies to indicate what will be done to accomplish its goals and objectives;
- (5) The implementation of detailed operational or tactical plans that provide for staff assignments and schedules; and finally,
- (6) An evaluation component to monitor and revise the overall strategic approach as it unfolds.

The Council of State Governments published a paper, in 1997, examining state trends and models of state strategic planning and "benchmarking." Several statewide noteworthy planning initiatives were highlighted including those in Utah, Oregon, Minnesota, Florida, Texas, Connecticut, Pennsylvania, Kentucky and Michigan. The Council found that each state’s strategic planning process contained unique characteristics. Most states did, however, attempt to set into place the key steps that constitute, by generally accepted practices, a strategic plan.

Oregon is recognized, arguably, as the most sophisticated or highly evolved state in terms of model strategic planning. Called "Oregon Benchmarks" and alternately "Oregon

Shines," the model system was introduced in 1989 when over a hundred citizens and policy-makers came together to develop a multi-year strategic plan for the state. The state legislature also created that year the Oregon Progress Board to maintain, revise and oversee the implementation of the state's comprehensive strategic plan "well into the twenty-first century."

Figure 2
Oregon Shines II*

The vision for *Oregon Shines II* should be a vital, prosperous Oregon that excels in all spheres of life.

The three recommended goals for *Oregon Shines II* are:

- quality jobs for all Oregonians
- safe, caring and engaged communities
- healthy, sustainable surroundings.

The Oregon Progress Board will still attend to the three support initiatives identified in the original *Oregon Shines*:

- form institutional partnerships,
- invest in public facilities and services,
 - reduce business costs.

Two additional support initiatives are suggested:

- focus on prevention,
- increase government accountability.

* Oregon Shines II is the successor of the original effort, which began in 1989.
Source: Available at <http://www.econ.state.or.us/opb/orshines.pdf>, p. 31.

In 1991, with input from all levels of government and the people of Oregon, the Progress Board adopted 158 indices or "benchmarks" that they considered of the greatest priority to the progress of the state. These measures were oriented to performance and not effort. The Progress Board was interested, for example, not in measuring or monitoring school expenditures to assess school performance, but rather, in measuring student achievement as predicated on standardized testing (See Young, 2001, pp. 61-66).

In 1994, the Progress Board implemented a program to facilitate performance by restructuring many of the state's intergovernmental and programmatic relationships. For instance, it managed to relax federal guidelines and restrictions to more efficiently and effectively implement programs dealing with child services, disabled employees, wildlife preservation, juvenile justice, and welfare recipients. As of 1997, 32 agencies were participating in the Progress Board's "restructuring" program.

In 1997, Oregon's legislature mandated that the Progress Board's strategic planning/performance-based budgeting process be a permanent fixture of the state's government. The law required that the Progress Board report to the state legislature as to the general status of efforts in strategic planning and PBB among Oregon's agencies. A

detailed and "complete update" of Oregon Benchmarks is to be completed and reported to the legislature every six years.

Today, agencies in Oregon's state government are required to develop "results-oriented" performance measures that are tied directly to both agency strategic plans and budgets. Input is encouraged not only from internal agency personnel but also from other state agencies, elected officials, service delivery clients, interest groups, and the public at-large. Participants and observers alike believe that this input is invaluable to the planning and budgeting process and ultimately reflects the values and priorities of all Oregonians.

Minnesota is another state that has received much attention with regard to its strategic planning and performance measurement efforts. "Minnesota Milestones" was begun in 1991 as a planning/performance measurement system that established some 20 goals and 79 milestones to measure progress. Termed a "citizen-based planning process," literally thousands of Minnesotans came together in a series of meetings across the state, and through participation in mail-in surveys, to contribute to the first Minnesota Milestones document. The planning document, containing dozens of measurement indicators, was extended to a 30-year time frame with designated yearly milestones to indicate progress. According to the Minnesota Planning Division, the planning document was and continues to be a centerpiece, for developing the state's budget recommendations (See again Young, 2001, pp. 61-66).

In 1997 and 1998, the public came together once again to review, update and adjust the Minnesota Milestones' master plan. The result was the determination of 19 major goals and 70 measurement indicators. According to Minnesota's planning division, from 1990 to 1998, the state has achieved marked success on seven goals, relapsed slightly on two, and had "mixed" results on five goals.

Figure 3

What is Minnesota Milestones?

Minnesota Milestones is a citizen-based, 30-year plan for the state characterized by concrete and measurable goals. It is a way for Minnesotans to hold their leaders accountable. A report card serves as the summary and the report contains 20 broad goals and 79 specific milestones to measure progress.

Minnesota Milestones is the result of a citizen-based planning process. More than 10,000 Minnesotans participated in the process by:

- attending one of 45 meetings across the state;
- filling out mail-in surveys;
- reviewing draft documents (more than 9,000 copies were distributed).

The report contains a vision for Minnesota, with goals and milestones to measure progress. It is based on the ideas from "Reinventing Government:"

- what gets measured tends to get done;
- if you don't measure results, you can't tell success from failure;
- if you can't recognize success, you can't reward it; and,
- if you can't recognize failure you can't learn from it.

Source: Available at <http://www.mnplan.state.mn.us/pdf/mileston.pdf>, p. 1.

And what has Minnesota learned from its decade-long effort at implementing a strategic planning and performance-based budget system? The Minnesota Planning Office says that on several fronts it is still too early to tell. What they do know, however, are two things with certainty. One is that forming a mission or vision with broad public participation works for them. Policy experts, public administrators, public officials and the citizenry have worked well together and have been able to reach agreement on milestones. On the down side, the Planning Office admits that some legislators are not actively involved in using the planning/measurement process. Though some legislators were involved in the planning series of meetings, other legislators are hesitant or simply lax in using the Minnesota Milestones in budget decision-making. Many believe that this hesitancy is based on partisan politics. Nevertheless, many involved in the budget process are optimistic that political wrangling can be minimized in certain situations where good performance data are available, and cannot be ignored.

Definitions and the Mintzberg Distinctions

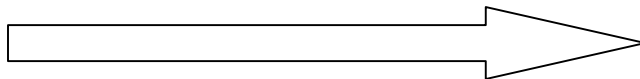
The definition of strategic planning, for the most part, is varied yet remarkably alike in many ways. Extensive research on the subject matter presents several common factors. Some of these commonalities as found in the literature include:

- Vision—Developing a common “vision for the future” or a “conceptualization” of where an organization wants or desires to be in the long-term.
- Assessment—Appraising or determining where an organization is currently (i.e., its goals, objectives, activities, results, etc.).
- Strategies—Identifying how an organization will actually realize (via concrete and predetermined actions) its mission, goals, and objectives.
- Measurement—Evaluating the progress of an organization in the implementation of its action strategies.

Figure 4
Mission Statement and Vision

Strategic Plan

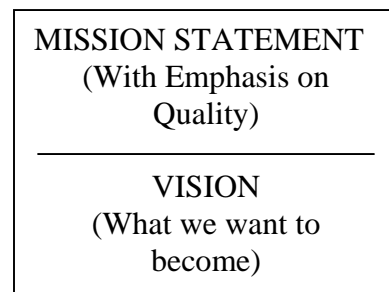
Describes the path we will take to achieve the mission and the vision.



Vision

What we believe about ourselves that guides us in selecting the path we pursue.

- Driving out fear
- Participative leadership
- Use of information and data
- Continuous improvement
- Commitment to learning



Source: John R. Drew (1997). *Quality-centered strategic planning*. New York, NY: Quality Resources Books, p. 74.

With these commonalities in mind, first, an examination of a document produced by the S.C. Ways and Means Committee (WMC) will serve as a good starting point in defining and understanding what strategic planning is. In this document strategic planning is discussed as part of the preparation of agency annual accountability reports and for the purpose of a “strategic planning session.” Its contents combine pointed information on the basics of strategic planning and borrow from Drucker, Senge, and other experts in the management and administrative fields. It also includes a blend of information on strategic planning as practiced in other states. Its noteworthiness is two-fold: 1) it is clear and concise in its discussion of strategic planning, and 2) it represents an effort by a committee of the S.C. House of Representatives to comprehend and utilize strategic planning ideas. (See *Ways and Means Strategic Planning Session*, c. 1994).

The WMC document begins by stating that strategic planning is a “process to change from a mere reactionary policymaking methodology to one that is responsive and knowledge-based.” (Ibid., p. 5). From this point, two definitions are presented.

Definition #1 is portrays strategic planning as:

- a long-term and future-oriented process of evaluation or assessment, which involves goal-setting, and, perhaps most importantly, decision making;
- a “chart” or “diagram” which carefully maps a path between the present and a vision of tomorrow;
- a planning device that relies considerably on an organization’s “capacity” and its changing environment(s); and,
- a plan that takes into consideration the precedence of organizational resources (Ibid., p. 6).

Definition #2 is based on Drucker (1993) and strategic planning is defined here as:

- the ongoing process of making “entrepreneurial” *decisions* methodically and with the maximum knowledge of futurity;
- the organizing logically of efforts to implement these *decisions*; and, finally,
- the assessing of results of these *decisions* as compared to targets or expectations through feedback. (Ibid.).

With these definitions given, a quick review of the literature gives several other useful connotations for the term “strategic planning.” Boulter (1997), for example, similar to the other definitional references above, defines strategic planning as “a procedure for developing a long-term and policy-oriented device or scheme that ties together the present to a clarified image of the future” (p. 6). He proceeds to state that “strategic planning sets out to identify specifically an agency or governmental unit’s mission, goals, measurable objectives, and performance strategies.” Boulter states that:

It includes an assessment of an agency’s performance and accomplishments using a multi-year outlook. It also provides a solid basis for priority-based resource allocations and decisions using a decision-making process that relies on careful consideration of an agency’s capabilities and environment. In developing a strategic

plan, an agency identifies policy and other issues that the agency faces or will face over the course of four or more years. (Ibid.).

Another definition in the literature that is oft used to explain what strategic planning is comes from Bryan Barry’s book entitled *Strategic Planning Workbook for Nonprofit Organizations* (1997). Barry sums up the definition of strategic planning in very clear and distinct terms. He states that it is “*what* an organization intends to achieve and, secondly, *how* leadership within an organization will direct or utilize its resources to achieve its ends” (p. 5). This definition requires that decisions be made about:

- 1) The vision, mission, or goals an organization will follow;
- 2) Whom an organization (client, customer, stakeholder, etc.) will serve;
- 3) An organization’s position and responsibility within the community;
- 4) The types (and quality) of services and/or products to be offered;
- 5) The resources required to be successful and thrive (staff, equipment, facilities, etc.);
- 6) The best combination of above items 2 – 5 to achieve an organizational vision, including its mission and goals (i.e., reference item 1, above) (Ibid.).

Figure 5
Aims of Strategic Planning

Aim	Definition
Provide Strategic Direction	In setting direction, three purposes stand out: 1) strategic planning sets goals on where an organization wants to go; 2) it indicates where resources are to be concentrated; and 3) it gives top priority and attention to strategic goals.
Guide Priority Use of Resources	Resources are scarce or limited. Strategic planning allows for sound and pointed allocation of resources—human, financial, and material.
Set Standards of Excellence	Strategic planning allows an organization to establish <i>shared</i> values and standards of excellence.
Cope with Environmental Uncertainty and Change	Strategic planning aims to be flexible and provide contingencies for uncertainty and change.
Provide Objective Basis for Control and Evaluation	Strategic planning allows for marking success and failure. Performance measurement or tracking of strategic objectives and action plans are of significance and serve as a basis for control.

Source: Jack Koteen (1989). *Strategic management in public and nonprofit organizations*. New York, NY: Praeger Publishers, pp. 25-26.

Streib and Poister (2002), in an article describing the use of strategic planning in municipal governments, state that local officials began seriously to use strategic planning in the 1980s. This was caused principally by local governments’ reaction to “Reaganomics,” which ultimately resulted in a series of draconian cuts of federal funding to city and county governments. In terms of definition, Streib and Poister define strategic planning as something quite basic and necessary, that is, a planning effort or method “to focus scarce resources, to maximize effort, and to exploit opportunities.” (p. 18). They state further that strategic planning is that which:

... seeks to revitalize an organization by channeling effort toward the most important goals and activities. The use of strategies has military roots, and we hear of business strategies of different kinds. Strategic planning is an essential part of aggressive results-oriented management. It is a “big picture” approach that appears well suited to our rapidly changing world. (Ibid.).

Hines (1991, p. 39) speaks to strategic planning in a similar fashion. He emphasizes the common planning elements of strategic planning, such as, the determining of mission, result areas, critical issues, goals, objectives, and strategies. Of particular importance to Hines is the determination of *critical issues*. He states that internal and external factors (viz., critical issues) to an organization are vital to the strategic planning process. The defining of critical issues, according to Hines, however, is complex and can be “overwhelming.” An effective technique for dealing with critical issues is to form a planning group and to request that each member of the group enumerate 10 critical issues that are felt to be significant to organizational success in 3 to 4 years. Group members should also include a SWOT analysis. When everyone has completed this task, a complete listing should be made that most probably will include numerous items. Hines then recommends that all items be organized into broad categories where similarities appear to exist. Finally, these categories should be prioritized. At this juncture, Hines believes the group has finally defined and ordered the *most* critical issues of the organization and is, therefore, in a position to set strategic goals and accompanying activities to accomplish these goals.

Figure 6
Five Key Questions for Defining Strategic Planning

Phases	Defining Questions
Phase A	Where does the organization want to be (i.e., organizational ends, outcomes, purposes, goals, holistic vision)?
Phase B	How will the organization know when it gets there (i.e., the customers’ needs and wants as connected to a systematic feedback system)?
Phase C	Where is the organization presently (i.e., today’s issues and difficulties)?
Phase D	How does the organization get there (i.e., close the gap from Phase C through Phase A [a “backwards process”] in a complete and holistic way)?
Phase E	What will change, in an ongoing sense, in the organization’s environment?

Source: Haines, Stephen G. (2000). *The systems thinking approach to strategic planning and management*. Boca Raton, FL: St. Lucie Press, p. 38.

Finally, Bryson (1995) defines strategic planning in a more comprehensive and political sense. He states that strategic planning is an excellent method for an organization—a governmental or quasi-governmental one—to contend with fluctuating situations and circumstances. Bryson argues that strategic planning’s main aim is to *think* and *act* strategically. Additionally as a planning exercise, in the real world, it should assist in facing the critical issues, on which Hines (1991, see above discussion) is so keen. Further, strategic planning is necessarily cognizant and attuned to political realities. Bryson believes that strategic planning “accepts and builds on the nature of political decision making” (p. 20). In government, much that is decided, insofar as agency

missions and goals—for example—is tied to political decisions. Budgets and appropriations are likewise made by elected officials and are political in one way or another. Strategic planning for Bryson is hence a method of systematically keeping up or ahead of changing environments and is out of necessity politically sensitive.

Having reviewed several definitions and interpretations of strategic planning, a few words on Mintzberg’s schools of thought on “strategy formation” will be helpful at this point. Mintzberg (1994, pp. 2-3) posits that there are 10 schools of thought associated with strategic planning. The first three are related and are designated: “Design, Planning, and Positioning.” These three are, according to Mintzberg, *prescriptive* in nature, that is, they strive to elucidate—or to put into plain words—the appropriate methods or procedures of making strategy. The Design and Planning Schools are almost identical with the exception that the Planning School is more “formal” in its prescribed processes than that of the more conceptual and “informal” processes connected with the Design School. Both are essentially SWOT analyses and, therefore, their strength lies in the assessment stages of strategic planning. The Positioning School places greater emphasis on “content” rather than process and for this reason Mintzberg terms it as being more “analytical” in the rational or methodical sense (Ibid.).

The remaining seven schools of thought Mintzberg categorizes are *descriptive* by comparison. That is to say, they are strategic approaches or viewpoints that take on thematic interpretations. For instance, Mintzberg describes the Cognitive School as one which focuses on mental or deliberative processes. In the case of the Entrepreneurial School of strategic planning, the mainstay is a “strong person” with a compelling vision of the future. The Learning School places emphasis on collective or “group-think.” The other schools of thought regarding strategy formation and their accompanying thematic views or processes include: Political = Power; Cultural = Ideological; Environmental = Passive; and, Configurational = Episodic (Ibid.).

Figure 7
Schools of Thought on Strategic Planning

School	View of Process
Design	Conceptual
Planning	Formal
Positioning	Analytical
Cognitive	Mental
Entrepreneurial	Visionary
Learning	Emergent
Political	Power
Cultural	Ideological
Environmental	Passive
Configurational	Episodic

Source: Henry Mintzberg (1994). *The rise and fall of strategic planning*. New York, NY: The Free Press, p. 3.

Baldrige Criteria—The Strategic Planning Component

Strategic planning is instrumental to the National Baldrige Quality Program.³ The prestigious Baldrige Award is given to world-class organizations in both the private and public sectors once a year. (In 1999, two additional public-oriented categories were introduced—education and health.) The award is based on seven criteria⁴ used by examiners in formal assessments of an organization—as based on the excellence of its processes, efforts, and results. Strategic planning is the second Baldrige criterion and asks organizations basically three things:

- 1) How does your organization develop strategic objectives and action plans?
- 2) How are these strategic objectives and action plans implemented by your organization?
- 3) How does your organization measure the progress or accomplishment of these objectives and action plans? (National Institute for Standards and Technology, 2002, p. 14).

It should be noted that the Baldrige program provides two key definitions for organizations to consider when competing for the Baldrige Award or when simply using Baldrige techniques for self-assessment purposes. First, “strategy development” is defined as an organization’s method or approach used to prepare for the future. This approach, according to NIST, might include the use of differing “forecasts, projections, options, scenarios, and/or other ways to envision the future for both decision making and resource development” (Ibid.). Second, the term “strategy” is to be understood generally. “Strategy might consist of one or all of the following: new products, services, and markets; operations and activities; and new partnerships and alliances” (Ibid.).

More specifically, one key component of the Baldrige process asks simply what *steps* are to be taken in the organization as regards strategic planning. Baldrige expert Mark Graham Brown states that although there are certainly variations of strategic planning

³ The quality program is named after Malcolm Baldrige who was Secretary of Commerce for President Reagan. Baldrige was secretary from 1981 until his accidental death in July of 1987. According to the Baldrige National Quality Program, Malcolm Baldrige was an advocate of quality management and its various and potential contributions to America’s economic success. In honor and as a memorial of Secretary Baldrige’s advocacy for quality improvement, Public Law 100-107 (the Malcolm Baldrige National Quality Improvement Act) was passed in 1987, it is intended to encourage organizations in the U.S. to practice effective quality processes in the provision of goods and services. (Young, 2002).

⁴ These criteria are: *Leadership*. Looks at how senior management directs the organization and addresses public responsibilities. *Strategic Planning*. Examines how the organization plans strategically for short- and long-term purposes and how action plans are put into place. *Customer and Market Focus*. Analyzes how customer requirements and expectations are pinpointed. *Information and Analysis*. Reviews how data and information are used to make performance determinations, organizational changes, and management adjustments. *Human Resource Focus*. Examines how employees are empowered and work together to achieve common goals. *Process Management*. Examines principal managerial processes and improvement techniques. *Results*. Scrutinizes the organization in terms of customer satisfaction, performance among competitors, financial or fiduciary performance, partnering, and overall operational results (NIST, 2002, pp. 9-47).

methods, his experience is that a simple four-phase approach is recommended. Phase I involves the development of “guiding documents.” This includes the development of statements of vision, mission, and values. Phase II entails a situational analysis, that is, a SWOT or, in other words, an assessment of an organization’s strengths and weaknesses as well as its opportunities and threats. Phase III is the actual development of a plan. Such a plan would incorporate key success factors, measures and objectives, and action strategies. Phase IV is the implementation of the plan. This involves aligning and deploying resources, communication, and feedback and adjustment (Brown, 2001, p. 112).

Figure 8
Baldrige Criterion 2

The **Strategic Planning** Category examines how your organization develops strategic objectives and action plans. Also examined are how your chosen strategic objectives and action plans are deployed and how progress is measured.

2.1 Strategy Development (40 pts.)

Describe how your organization establishes its strategic objectives, including enhancing its competitive position and overall performance.

2.2 Strategy Deployment (45 pts.)

Describe how your organization converts its strategic objectives into action plans. Summarize your organization’s action plans and related key performance measures/indicators. Project your organization’s future performance on these key performance measures/indicators.

Source: Available at http://www.quality.nist.gov/PDF_files/2002_Business_Criteria.pdf, pp. 18-19.

Thus, in this instance, the Baldrige strategic planning process takes on “a simple yet fully adequate format.” This is so, says Brown (2001), for those organizations that clearly give *evidence* that shows or demonstrates a planning process that is both highly systematic and appropriate. Further, this is true for organizations that likewise give evidence that shows internal and external environments have been properly and completely examined. And finally, it is true where evidence is put forward that communication lines are open and functioning, resources are being put to good use, and that the process is flexible and adaptable to changing circumstances.

The Baldrige criterion for strategic planning also specifically addresses a number of what are termed simply “key factors.” In the development of strategic plans the Baldrige process requests that an organization “outline how *information* and *data* are used to address” the following (factors):

- customer/client/constituent needs and expectations;
- an organization’s “competitive” or external environment;
- technology and other relevant contingencies affecting services and outcomes;
- an organization’s strengths and weaknesses (human and all other resources); and,
- an organization’s fiscal, societal, and other “risks.” (NIST, 2002, p. 14).

There are obviously several elements to be spoken to regarding information and data used in these factors, at least in Baldrige terms. First, an organization should define the requirements of differing customers as precisely as possible. These requirements should

be for both the present needs of customers as well as those expected in the future. Second, it is important that an organization demonstrate a proactive (rather than reactive) stance when analyzing the external environment for planning purposes. Public organizations are too often criticized as slow, ineffectual, and not future-oriented. Third, technology and other similar factors are constantly changing. An organization should give proof in its strategic plan that it is mindful of these changes and is prepared to contend with them in an appropriate manner. And fourth, finally an organization should have plentiful information and data to confirm, once again, that its strength and weaknesses have been thoroughly considered including any threats and opportunities that may present themselves, now or in the future.

Next, the Baldrige process asks the all-important question, “What are the organization’s key strategic objectives and its timetable for achieving these objectives?” Here the Baldrige process asks not how the planning is done, but rather, *what* are the plans. Objectives are brief statements of intended ends to be accomplished. They are normally brief, time-bound, measurable, and action-oriented. The objectives should tie into or correspond with an organization’s vision, mission, and goals. Additionally, it should be noted that milestones (target dates) for objectives are important in the sense that they indicate progress along a time continuum.

Finally, the Baldrige process focuses on the conversion of strategic objectives into “action plans.” Four main questions are asked of an organization and its strategic plan at this juncture. The first question is, “How specifically does your organization develop and deploy action plans to accomplish strategic objectives?” As such, two answers are required—one pertaining to development and the other deployment. Development of action plans is a decision making process that takes into account all information and data and spells out the steps to be taken to achieve an organizational objective. Deployment is the actual steps set into action.

The next question, deals with the time—short-term or long-term—as relates to the action plans. The timeliness of the implementation of action plans means a great deal. Short-term ones carry a greater certainty than those multi-year that extend 5 to 10 years into the future. Baldrige experts urge that long-term action plans be as flexible as possible and “more supple” in their deployment.

The third question in strategy action plans concerns resources. This would of course include human, fiscal, technological, and other resources vital to action plan components. More importantly, a critical factor here relates to the linking of budgets, which include planned personnel, operating and capital expenditures, to strategic objectives. Each strategic objective and action plan must be adequately budgeted or otherwise success is questionable. Baldrige experts are quick to point out that insufficient resources are “prime reasons” why many organizations fail to accomplish their strategic plans.

Figure 9

Performance Measurement Definitions

Input Measures. These are the volume of resources used or total expenditures (costs)

consumed to achieve a given output.
Output Measures. These are the quantifying of goods and services performed or delivered to customers.
Effectiveness Measures. These are the indices that assess how well a program achieved its goals and objectives; e.g., percent of wetlands preserved as a result of permit issuance; percent of inmates convicted of another crime after release, percent of placements successful after 30 days, etc.
Efficiency Measures. These are indices that assess or compare how much output was achieved per unit of input (costs); e.g. cost per complaint processed, cost per license issued, cost per prisoner incarcerated, etc.
Workload Measures. These are indices that assess the level of effort required to carry out an activity; e.g., number of applications processed, number of inspections completed, number of miles patrolled, etc.

Source: H. Garsombke and Jerry Schrad. (February 1999). "Performance measurement systems: Results from a city and state survey." From *Government Finance Review*. Government Finance Officers Association (GFOA): Chicago, IL.

The last question put forward by the Baldrige process relates to tracking or measuring the progress of action plans. Performance measurement is exceedingly crucial to organizational success. Measuring the performance of action plans can tell an organization several things. These range from output measures or indicators to efficiency and effectiveness measurements.

Pragmatically, and quite simply, measurement of performance assists government officials to assess "what" and "how well" a program is doing. For instance, what is Program X intended to do? Is Program X achieving these intended ends? Are Program X's activities or operations cost-efficient? Asking and answering these and other similar questions will permit decision-makers to make wiser, more intelligent program policy and spending determinations (Young, 2001, pp. 49-50).

The Bryson Strategic Model

As discussed earlier in this monograph, there are several models or approaches to strategic planning. No one model is *completely* exceptional to another. As well, no model is a panacea for organizational ills or problems. However, as a matter of reality and common sense, organizations that desire to plan strategically must take up some model or process, and this of course leads to adopting a model of some kind, for better or worse. In this context, I would suggest consideration and use of the strategic planning process recommended by John Bryson in his 1995 book entitled *Strategic Planning for Public and Nonprofit Organizations*.

Bryson's ten-step strategic planning process is methodical, participative, conventional, and particularly adaptive to public organizations. It combines the concepts, issues, processes, and results that several other experts in the field of strategic planning have advanced (Olsen and Eadie, 1982; Hay, 1990; Schein, 1992; Mintzberg, 1994). It also reflects the more contemporary expertise of the Southern Growth Policies Board and the

Southern Consortium of University Public Service Organizations (1996) and that of Streib and Poister (2002).

According to Bryson, the ten-step strategic planning process is as follows:

- 1) Commence and agree upon a strategic planning process (i.e., “plan to plan”);
- 2) Recognize all organizational mandates relating to the organization (i.e., laws, regulations, rules and procedures);
- 3) Spell out and make clear the organization’s mission statement and shared values;
- 4) Conduct a SWOT (i.e., analyze the organization’s strengths and weaknesses, and its opportunities and threats);
- 5) Identify any relevant issues that may impact the strategic planning process;
- 6) Make plans to confront and manage issues facing the organization;
- 7) Re-evaluate the strategic plan (steps #1—6) and come to agreement;
- 8) Based on the adopted strategic plan, construct an appropriate vision statement;
- 9) Put together a logical and workable implementation plan (viz., in Baldrige terms “action plans”);
- 10) Conduct a final reassessment of the strategic plan and the strategic process (steps 1—9) (Bryson, 1995, p. 23).

This author adds or rather emphasizes two other key steps to the Bryson model. These include: 1) the development of goals, objectives, and performance measures, and 2) the development of “strategies.” These steps are contained for all intents and purposes in the Bryson model (see Bryson, 1995, pp. 21) in steps # 6 and # 9 and are discussed later in this section.

1.) Commence and Agree upon a Strategic Planning Process

Starting the strategic planning process is arguably the most important step. As Bryson sees it, the chief aim here is get key organizational decision makers and other appropriate stakeholders *to agree* that strategic planning is needed and desirable, and that all participants are on board—committed and supportive of the planning process and its various sequence of steps.

This initiation of the strategic process and method presumes of course that the right decision makers are at the table and will participate willingly in the planning process from start to finish. Hence, it is crucial that the correct people are chosen from the organization (units, divisions, departments, etc.) to engage in the strategic planning process, that the right external stakeholders are participating also, and that all, including top management, are thoroughly dedicated and steadfast in their determination to make the planning process work. At this point, a strategic planning group should be established and be prepared to move ahead.⁵

⁵ Bryson recommends that a “strategic planning oversight committee” be established to oversee the strategic planning group. This may be applicable in some cases. This author recommends that top management be full participants in the strategic planning process and, therefore, an oversight committee would not be needed.

In this first step, the agreement of the strategic planning group should include: 1) the reason or intent of the strategic undertaking; 2) the planning steps; 3) the deliverables; 4) the roles and responsibilities of group participants; and 5) the agreement to provide adequate resources to complete the strategic planning undertaking (Ibid., pp. 25-26).

2.) Recognize All Organizational Mandates Relating to the Organization

This recommended step in the strategic planning process is one that is necessary—in both the legal and political sense. Governmental entities, particularly federal and state entities, are established by statute and/or constitutional provisions of law. These laws spell out normally the entities' governance structure, purposes, functions, and any other particulars that pertain to public responsibilities and duties. Legislatively approved rules and regulations also are applicable. In some cases, the legal requirements may be broad and general in purpose and scope, and in other cases, they may be detailed and quite numerous. The first working task of any strategic planning group should be to identify clearly the governmental entity's mandates to ascertain *why* the agency, department, etc. exists and *what* it is expected to do according to law.⁶

The import of this step is that the strategic planning group identify all mandates, that each mandate be clearly understood, and placed within the proper context of the overall organization. Additionally, each mandate should be understood in its political context as in terms of its advocates and foes, its priority in the budgeting and appropriations processes, and its proximity or standing in relation to current issues and/or problems.

3.) Spell Out and Make Clear the Organization's Mission Statement and Shared Values

The mission statement emanates from the establishing law. It should be a clear and concise statement that justifies the existence of the public organization in light of its mandated purpose(s) or aim(s). The mission statement should, in other words, plainly declare that an agency, department or unit, exist to accomplish certain ends or responsibilities that are socially desirable as stated in statute and/or constitutional provisions of law. Reference to these legal provisions should be stated as a footnote to the mission statement.

Further, a mission statement is of significance because strategically it lets everyone internal and external to the organization know its purpose. By doing this, all functions, operations, and outputs of the agency (or other types of public organizations) can have a clear focal point of reference. It should be noted, however, that it is not uncommon for public agencies to “get off track” and pursue endeavors not provided for by their mission statements or legal mandates. Hence, a mission statement assists tremendously in focusing on where the organization is going, whom it will impact, and why all of this is of some consequence.

Bryson also suggests a “stakeholder analysis.” The mission statement, as conceived by the strategic planning group, should clearly take into consideration the stakeholders who

⁶ In the case of local governments this would involve also ordinances and other forms of local mandates.

will be impacted by an agency or governmental entity. By definition, stakeholders are people, groups, or other organizations that will be affected by a public agency and its outputs. This may certainly include service recipients, special interest groups, taxpayers, and/or the citizenry at-large. (Bryson, 1995, p. 27). This is rightly so a political concern as well. The politics of agency actions are critical since agency budgets and priorities are reviewed and approved by elected officials, e.g., legislators, local council members, etc. Additionally, service recipients and other stakeholders often make their concerns and expectations of public agencies known to political officials and this, of course, affects the agency in some manner. Mission statements should, therefore, make some reference to its stakeholders.

Figure 10

Example of a Mission Statement

“The Institute for Public Service and Policy Research is an interdisciplinary research and public service unit of the University of South Carolina. Its principal purpose is to address current and emerging issues relating to matters of public policy, governance, and leadership through research, educational activities, publications, and direct assistance programs. The goal of the Institute is to improve the quality of social, political, environmental, and economic life, with a primary focus on South Carolina.”

4.) Conduct an Analysis of the Organization’s Strengths and Weaknesses, and Its Opportunities and Threats (SWOT)

A public organization always contends with both its internal and external environments. Careful analysis of these environments by the strategic planning group will give understanding and depth to the public agency’s strengths and weaknesses (internal) and its opportunities and threats (external).

Identification of an organization’s or public agency’s strengths and weaknesses relates to resources (human, funding sources, facilities, equipment, etc.), current strategic processes, and performance. Key questions here are: “What are our current resources and are they sufficient to accomplish our mission?” “Are our present strategies adequate or should they be adjusted in light of our mission?” And finally, “Is our performance where it needs to be given our resources and strategies as they stand in relation to our stated mission?” Answers to these questions will provide the strategic planning group with a shared understanding of an organization’s strengths and weakness. (Ibid., p. 29).

To clearly know where an agency or public organization stands, strategically speaking, it is imperative to know also what are the opportunities and threats that exist in the external environment. It is critical not only to the public organization’s mission but likewise its internal standing (resources, operations, and performance). And while this analysis of opportunities and threats pertains to the current and circumstantial, Bryson also points out that it has as well a strong “future orientation.” Opportunities and threats can be ascertained by examining “various political, economic, social, technological, educational, and physical trends and forces.” (Ibid., p. 28). This examination would also include an analysis of current and future stakeholders.

Thus the SWOT analysis provides the strategic planning group with a shared comprehensive and clear grasp of the public organization internally and externally. From this understanding, the group should have all the relevant information and data at its disposal to proceed to the next step of the strategic planning process.

5.) Identify Any Relevant Issues That May Impact the Strategic Planning Process

The identification of strategic issues is the next logical stepping point. Bryson defines strategic issues as:

Fundamental policy questions or critical challenges that affect an organization's mandates, mission, and values; product or service level and mix; clients, users, or payers; or cost, financing, or management (Ibid., p. 30).

Strategic planning is, as discussed earlier in this monograph, discovering an organization's "fit" or "best course of action" given the organization's capabilities, what is needed and feasible, and what the organization wants to accomplish. These elements are in turn weighed against the organization's stated mission and the information and data gathered by the SWOT analysis. As such, strategic issues present themselves as those things that inhibit or prevent an agency or public organization from doing what it clearly needs to do to achieve its stated ends (mandates, mission, etc.). Bryson states that these strategic issues are thus "conflicts" that require some resolution in order to undertake the best course of action to accomplish satisfactorily the agency's mission. Such strategic issues may "involve ends, processes or 'means,' philosophy, timing, and persons impacted" (Ibid., p. 31). In other words, conflicts are the what, how, why, when, and/or who that are strategically at issue.

Thus, this strategic step asks the planning group to identify the strategic issues facing the public organization. According to Bryson, important questions are to be asked at this juncture. The first question is, "What is indeed the policy question or challenge?" Next, "Can the agency do anything about it?" "If the agency can do anything about the strategic issue or challenge, then what is it that the agency can in fact do?" And lastly, "What are the consequences of doing nothing?" Answers to these questions—believes Bryson—should provide the strategic planning group with 1) a clear indication of the issue(s), 2) the group's ability or capacity to deal with the issue(s), 3) the group's impression of the issue's importance or priority, and 4) other key things the group may need to do to confront proactively the issue or issues at hand.

6.) Make Plans to Confront and Manage Issues Facing the Organization

This is an integral step in the strategic planning process. As a reminder, the goal itself of the strategic planning process is *to make sense* of an organization's purposes, resources, actions, and ends. To do this a "strategy" must ultimately be established. This again leads to an understanding of what the agency or public organization is, what it does, and *why* it is in effect done (Ibid., p.32).

Making plans or formulating strategies is described by Bryson as a “five-part development process.”⁷ The first component of this development process involves ascertaining ways or strategies to confront and manage an issue(s) facing the organization as determined by the planning group in the previous step (i.e., identifying any relevant issues that may impact the organization). Bryson calls these “practical alternatives or dreams or visions for resolving strategic issues.” (Ibid., p. 33).

The second component of this five-part system involves the task of the planning group identifying any impediments to acquiring these practical alternatives, etc. These impediments may be of any nature, internal or external, including resources, mandates, and so on. With this, the next or third component consists simply of the strategic planning group coming up with ideas or proposals for prevailing over the impediments and thus achieving the practical alternatives, visions, or dreams. For example, if a governmental agency wants to achieve a practical alternative or vision with regard to its public relations it may have to rework its method of making press releases available, namely publishing them electronically via the Internet instead of simply using faxes and pasting them on agency bulletin boards.

The remaining two components of the five-part strategy development approach are pinpointing actions that must be taken to bring about the practical alternative, visions, or dreams. These actions, according to Bryson, should occur over a timeline of two to three years. And lastly, the final component is the putting together of a *detailed* work plan (goals, objectives, measures, etc.) for the short-term, six months to a year. (Ibid.).

7.) Re-evaluate the Strategic Plan (Steps #1—6) and Come to Agreement

This step while seemingly a simple one is nevertheless an important one. First it is significant in that it is a recapitulation of the former steps. This allows the strategic planning group to re-think, correct or modify, and reinforce their strategy.

Secondly, the strategic planning group is at a vitally important decision making stage in the planning process. Top management should be not only fully cognizant of the strategic plan at this point in time (preceding steps #1—6), but should be prepared to make some decisions, i.e., approval of the strategic plan as it stands. If there are problems with approving the plan, these should be worked out.

8.) Based on the Adopted Strategic Plan, Construct an Appropriate Vision Statement

Bryson believes that effective public organizations should establish a sweeping “vision for success” (See Bryson, 1995, p.35). As far as a definition is concerned relating to a vision for success, Bryson states that it is when an “organization puts together a clear and distinct description of what it should look like once the organization has successfully

⁷ Bryson prefers two similar approaches to strategy development. The five-step approach is the one discussed here and is modeled on the process outlined by L. Spencer, 1989, *Winning through participation*, Dubuque, Iowa: Kendall / Hunt. See Bryson, 1995, p. 33.

implemented its strategic plan and achieved its intended results” (Ibid.). This would include, of course, the agency’s or public organization’s mission, its strategies (“strategic actions” in Baldrige vernacular), performance measurements, value statements, etc.

An important point that Bryson makes about this strategic planning step concerns the timing or sequence of this step for the creating of a vision. Why not have established a vision for success earlier in the planning process? Earlier rather than later seems perfectly logical. Bryson’s explanation, however, for the timing of this strategic step is, this author concludes, a good one. One reason it is excellent timing is that some organizations simply are not prepared to make or conceive an organizational vision for success because 1) they have not given it any constructive forethought, 2) they have no information or data base to formulate a meaningful vision, and/or 3) there has been little or no communication (internally or externally) about a vision for success (Ibid.).

Most public organizations, says Bryson, are simply not prepared to articulate a vision for success since they have not completed the valuable preliminary strategic steps (steps #1-#7) as discussed in this section. Most agencies or public organizations need to establish a strategic planning group and develop a mission statement, conduct a SWOT, etc. before they are well prepared to develop a vision for success (Ibid., p. 34).

9.) Put Together a Logical and Workable Implementation or “Action” Plan

With all the major foregoing components of the strategic plan now intact, it is time for the strategic planning group to put together an implementation plan. The implementation plan will map out what is to be done, who is responsible for what, when it is to be completed, and so forth. Hence, the implementation plan is the road map and vehicle for real actions to be taken to bring about the strategic ends, which have been so carefully woven together by the planning group.

Such implementation plans should include, as Bryson itemizes them, the following:

- Duties and responsibilities of groups or individuals;
- Detailed, measurable objectives or projected results along with timelines;
- Precise “action plans or steps” and accompanying sufficient details regarding these steps;
- Appropriate or aligned scheduling and “check-off” calendars;
- Resource (manpower, funding, facilities, equipment, etc.) necessities and requirements;
- Established lines of reporting and communication;
- Assessment and corrective action procedures; and,
- A specific method or procedure to achieve or ensure overall accountability for the implementation process (Ibid., pp. 36-37).

10.) Conduct a Final Reassessment of the Strategic Plan and Strategic Process

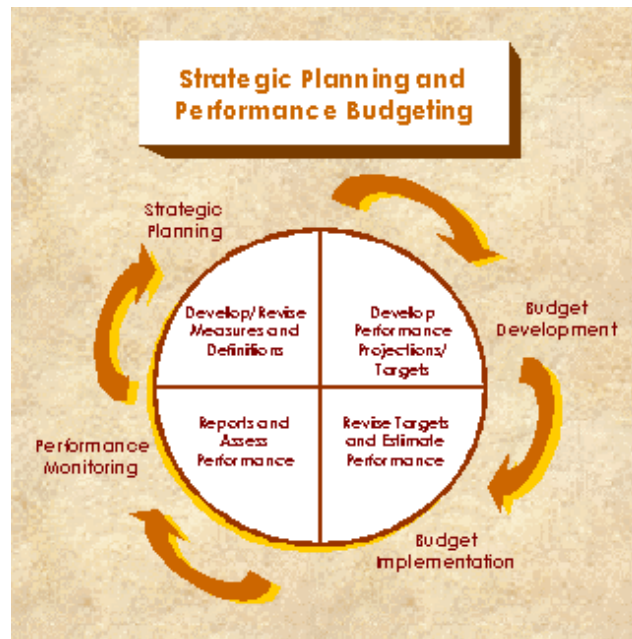
As this author interprets it, the final step in Bryson’s strategic planning and process model is an ongoing review of the strategic system that has been put into action. First, intermittent review of the particulars of a strategic plan will allow for reassessment and

adjustment. This may be involved and require extraordinary shifts and resources or may be minor and require minimal change and wherewithal. In any case, it is important to reassess constantly the strategic plan and make sure all is well. Second, review of the strategic planning process and the dynamics of the planning group should be weighed for effectiveness. Occasionally, the strategic process itself requires some tinkering in order to maximize the way in which an organization “strategizes.”

Texas Tomorrow—A Working Strategic Model

In 1991, the State of Texas passed legislation to require each state agency to prepare strategic plans. The strategic plans were to have a planning horizon of 5 to 6 years and were to be updated every two years. Today, the strategic planning system in Texas has advanced and has been integrated with its performance budgeting system. The Texas strategic planning and budgeting system is officially called the "Strategic Planning and Performance Budgeting System," commonly referred to by the acronym, SPPB. SPPB is described by the state's auditor as "a mission or goal oriented system that joins strategic planning and performance budgeting within the overall framework of the state's appropriations process. In short, SPPB is a system utilized to make agency spending determinations as they are linked to expected agency results."⁸

Figure 11
The Phases of the Strategic Planning and Performance System
Texas



Source: Available at <http://www.sao.state.tx.us/Resources/Manuals/prfmguide>

⁸ Note: See <http://www.sao.state.tx.us/Resources/Manuals/prfmguide>. Office of the Texas State Auditor. (March 1998) "Performance measures in the SPPB system." Austin, TX: OTSA.

Frustrated with the fragmented and ineffectual budget approaches of the 1970s and 1980s, the State of Texas began to integrate strategic planning elements coupled with performance measures into the executive budget and legislative appropriations process. By 1994, Texas had implemented several key components fully into its relatively new SPPB system:

- Strategic missions, goals and objective statements along with action plans;
- Performance measures consisting of outcome and output indices;
- Legislative budget monitoring systems;
- Standardized unit costs; and,
- Certification processes for performance and achievement (state auditor). (See <http://www.sao.state.tx.us/Resources/Manuals/prfmguide> .)

Today, SPPB has three well-defined or integral structural processes. The first phase encompasses a strategic plan that covers a five-year period. It identifies the goals and objectives of agency programs and the performance measures by which these will be calculated or weighed. The second phase is a budgeting "nexus" that incorporates the strategic plan and measurements directly into the general appropriations process. The nexus is, in fact, the General Appropriations Act (GAA) wherein resources or funding allocations are made as based on the strategies defined in phase one. In other words, the legislature, using the same decision-making instrument as is used by the governor, makes its allocation of spending resources on planning and performance-based information within a specific and predetermined budgeting format. And finally, the third phase, performance monitoring, takes place during the operating year in which performance is essentially compared with targeted measures set earlier in the GAA. Where performance gaps exist, the agencies present explanations and make adjustments as necessary. This monitoring occurs quarterly and is completed by the state auditor in cooperation with the state's Legislative Budget Board (LBB), a joint budget review committee (Ibid.).

As regards the strategic planning component of SPPB, it is defined in the following way:

Strategic planning is a long-term, iterative, and future-oriented process of assessment, goal-setting, and decision making that maps an explicit path between the present and a vision of the future. It includes a multi-year view of objectives and strategies for the accomplishment of agency goals. Clearly defined outcomes and outputs provide a feedback that permits program performance to influence future planning, resource allocation, and operational decisions. The strategic planning process incorporates and sets direction for all operations of the agency (Texas Legislative Budget Board, December 1993, p. 1.).

SPPB continues to elaborate on the meaning of a strategic plan *per se* in stating:

A strategic plan is a formal document that communicates an agency's goals, directions, and outcomes to various audiences, including the governor and the legislature, client and constituency groups, the general public, and employees of the agency. The

strategic plan serves as the basis of the agency’s strategic planning and budget structure, through which the agency develops an appropriation request which reflects decisions about how fiscal resources will be allocated (Ibid.).

The Texas approach to strategic planning has several purposes or aims that tie nicely into the Bryson model and other expert approaches. For instance, SPPB attempts to determine an agency-by-agency and a statewide multi-year strategic direction, that is to say, it attempts to address proactively state needs and expectations. Additionally, it provides a solid foundation for aligning resources in a systematic way as opposed to being simply in a “reactive mode.” SPPB also is aimed at being *more focused* on critical issues, attempts more adequately to link strategic planning with budgeting functions, strives to better coordinate policy concerns, and to increase communication at all levels. (Ibid., p. 2).

Figure 12

Example

Vision Statement for the State of Texas

“We envision a Texas where all people have the skills and opportunities they need to achieve their individual dreams; a Texas where people enjoy good health, feel safe and secure from harm, and share a quality standard of living; a Texas where we and future generations can enjoy our bounteous natural beauty and resources.”

Source: The State of Texas. (1994). *Texas tomorrow: The strategic plan*. Austin, TX: Legislative Budget Office.

The strategic planning approach for the State of Texas is straightforward, similar to that recommend by Bryson (1995) and others, and consists of nine steps. Step 1, though its sequence differs from that recommended essentially by Bryson, establishes a vision or “inspiring view of the preferred future of Texas” that is determined by the governor and legislature (Ibid.). The remaining steps include:

- Step 2. Functional Goals. These are the broad and comprehensive ends toward which the state directs its efforts (as determined by the governor and legislature).
- Step 3. Agency Mission. This is a concise statement developed by each agency as to its purposes or aims (as based on enabling legislation).
- Step 4. Agency Philosophy. This is a statement of the shared values and principles of conduct and behavior of the agency in executing its mission.
- Step 5. External/Internal Assessment. This is a SWOT analysis.
- Step 6. Agency Goals. These are the goals or “general ends” established by the agency, in priority order, to achieve within a designated timeline.
- Step 7. Objectives and Outcome Measures. These are the specific and measurable objectives or “targets” to be achieved—via specifically outlined actions—within more stringent timelines.
- Step 8. Strategies and Output Measures. These are the methods or “action strategies” to achieve goals and objectives and the quantifiable end products of the agency.
- Step 9. Action Plans. These are the implementation or action plans that specify group or individual responsibilities, scheduling, milestones, etc.

In closing, a final note on the strategic planning process is both relevant and worth mentioning. Many times strategic plans are made and then shelved or ignored. Texas and other governments have recognized that strategic planning is a priority and is on-going. Therefore, Texas has a clear record of sustained and enduring involvement in the strategic planning process. Additionally, Texas realizes that commitment and involvement of all stakeholders, to the extent possible, is imperative to success. Strategic plans must be an inclusive process and one that is given steadfast attention. Lastly, again, Texas and many other governments realize that strategic planning is not a cure-all. While strategic planning is conducive to problem solving, meeting goals and objectives, and the like, it invariably will not fix every societal or other ill.

Conclusion

In this monograph, strategic planning has been explored in a rather matter of fact way. Examination of strategic plans and processes is numerous in recent literature and strategic systems are widely used among organizations, both public and private. This monograph has attempted to analyze the topic in a pithy yet meaningful way with particular application to the public sector.

To do this, the background and definition of strategic systems have been discussed in the context of expert literature. Additionally, the relevance of strategic planning in the Malcolm Baldrige process has been examined, as have the exigencies of the strategic model suggested by John Bryson, a leading expert in strategic plans and planning processes. These and other topical areas pertaining to strategic planning discussed in this monograph have hopefully given the reader a better understanding of the subject matter.

Citizens want and deserve good government. Strategic planning can be a useful and even an instrumental tool in achieving better government. Therefore, strategic planning takes its place among other management systems, old and new, that seeks to make public sector entities excel.

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