

# Strategic Planning and Government Efficiency

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# Opportunities for Cost Efficiency

- Costs can only be reduced by improving efficiencies, reducing the quality of services or by cutting public services
- Develop a strategic plan that identifies desired public services and the quality of service
- A strategic planning approach can provide a framework for reaching difficult decisions to reduce the quality of services, reduce the level of public services, or to increase taxes

# Resource and Process Evaluation

## ■ Guiding Principles for Success

### □ Communication

- Purpose → Process → Results
- Transparency Critical

### □ Focus on Alignment

- Laser-like focus to do the right things right
- Understanding and agreement on purpose

### □ Engagement

- Knowledge is Key
- Identify those with knowledge and engage

# Phases of Resource and Process Evaluation

- Phase I Build the Foundation
- Phase II Conduct Organizational and Environmental Assessment
- Phase III Perform Process Analysis
- Phase IV Perform Cost Analysis
- Phase V Recommendations, Approvals and Implementation

# Phase I

- Create an understanding amongst various levels of leadership
- Need to establish (and agree upon) a structure to be utilized throughout the process
- Need to initiate and maintain momentum throughout

# Phase I

## Establish Steering Committee

- Meet with elected officials, administration and department directors to determine who will serve on the process sponsor team
  - Team should include a cross-section of employees from different levels and departments
  - Team will approve the process, provide milestone checks and keep departments informed on the process and progress
  - Team will engage others about how they believe change can occur (what they can be a part of)
  - People embrace change with choice; they resist being changed

# Phase I

## Establish Task Team

- Steering Committee will determine who should serve on a team that will have the technical knowledge and experience to provide information, expertise and ideas
- This is a continuation of the idea of involvement, where people will more readily embrace change that they are part of

# Phase I

## Elected Officials and Teams Need to Understand Roles and Process

- To understand the process and the roles each group will play is critical
  - Meetings of the elected officials are often separate from team meetings
  - Should consider introductory remarks to the joint meeting of the Steering Committee and Task Team
    - Encouragement
    - Alignment
    - Goals and Importance of Process



# Phase I

## Develop a Project Scope and Purpose Statement

- Develop Consensus and Guidance
  - This will be a concise statement describing the purpose of the evaluation
  - The statement should speak powerfully, be enabling and motivating

## Phase II

# Review All Background Information Related to Evaluation

- Collect and organize all documents that provide background information
  - Background information will describe work activities, financial and operating challenges, operational procedures and policies, existing development plans, and strategic plans
  - Develop a general sense of environment and a more detailed understanding of the organization's plans and practices in order to provide context and recognize possible inconsistencies

# Phase II

## State the Current Reality

- Develop a three year projection of revenues and expenditures
- The gap between the revenues and expenditures and implications of that gap should be shared with all stakeholders including employees, the public and elected officials
  - Information communicates the reality of the situation
  - If asking people to legitimately participate in making difficult decisions, then they must believe those decisions are necessary

## Phase II

# Determine the Primary Customers

- Engage in a system-wide discovery about consumption of services
- By facilitating a discussion/selection process with group(s), such as the elected officials, department directors, and/or supervisors, seek agreement about the main customers of major services
- Steering Committee should prioritize the primary customers
  - For whom should the City/Town be providing services?
  - Without this type of focus, resources will not align with the greatest needs

## Phase II

# Determine the Outcomes that the Customers Expect

- In addition to determining the customers and assigning them to groups, the customers will be aligned with their expectations and needs – focusing on outcomes
  - Until specific outcomes are determined, the outputs to satisfy the outcomes cannot be determined
  - Focus should be on the outcome results, not outputs
  - This information could be gathered from the community through a survey or community focus groups

# Phase II

## Secure Confirmation of Customers and Outcomes

- Steering Committee should review and, possibly, revise the primary customers and outcomes determined by the Task Team
  - Establishing the customers and outcomes is the foundation for all other decisions about essential services
  - There should be broad agreement from key decision makers before moving to the next stage

# Milestone 1

- Confirm Expected Evaluation Outcomes
  - Broad agreement on customer lists and outcomes
- Communicate findings and decisions from previous steps
  - After the foundational elements have been agreed to, the Steering Committee should be informed of those elements as well as the next steps

## Phase III

# Determine What Services (Outputs) are Currently Provided

- Services should be listed showing the various services departments currently provide
- The list should include resources required in terms of people, contractual services, consumables and equipment
- Steering Committee would then review the information and seek clarification through department-based interviews



# Phase III

## Assess linkage: Services to Outcomes

- Task Team should evaluate the strength of the linkage between outputs and outcomes
- Begin to discuss revisions to how services are provided, levels of service, and other services to discontinue or consider

## Phase III

# Assess Linkage: Services to Outcomes

- For example, if the desired outcome is a rating that 70% of respondents are satisfied or very satisfied with the way that the City/Town maintains its roads, then what actions directly link to that outcome?
  - Once this is decided, information will be more departmental and individually focused
  - This exercise begins to implement the idea of a “Logic Model” which assesses the level of inputs to achieve outputs and the types of outputs to realize the desired outcome

## Phase III

# Conduct Interviews Related to Service Alignment

- Interviews to gather more detail about services and costs (inputs)
  - Department Heads
  - Supervisors
- Clear consensus on actions that lead to outcomes

# Milestone 2

- Communicate findings and decisions from previous steps
  - Matching outputs with outcomes is another critical milestone in the process and a good time to bring Steering Committee up to speed
  - Steering Committee can then communicate progress to various stakeholders of the process

## Phase IV

# Determine Costs to Provide Desired Service Levels

- Using all of the information collected, assess the cost of each service output
- The result of this process of evaluation and alignment of resources should be significant cost savings
- Evaluation and alignment of resources are critical
  - Understand matching principles
  - Sustainability and/or volatility of resources
  - Ability to react to legislative or other changes
  - Need for flexibility and reserves

# Phase IV

## Gather Comparable Community Data

- Identify comparable communities and accumulate external benchmark information about staffing and services
- The services will match those determined to be aligned with desired outcomes
  - While it is difficult to compare services with another community, it can provide a checkpoint to flush out unique approaches and validate current practices
- Internal benchmarking also important for ongoing evaluation, measurement and possible adjustment

# Phase V

## Develop Recommendations

- Steering Committee should agree and compile recommendations based on the activities leading to this point, including background and document evaluation, service level gaps/laps assessment, and cost assignment
- Using all of the information gathered in the preceding steps, begin to develop a report showing findings and recommendations

# Phase V

## Present Findings and Recommendations

- Discuss draft findings with elected officials before presenting to other interested parties
- Seek input, clarification, revisions as warranted
- Steering Committee make needed revisions



# Milestone 3

- Ready to communicate findings and decisions from process to
  - Elected Officials
  - Department Heads/Supervisors
  - Stakeholders

# Implementation

- Transition to the long-range process
- Identify/implement training as needed
- Structure for ongoing process, evaluation and improvement
- Internal/external measurements to desired outcomes
- ‘Best in Class’ focus

# Questions?

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