

2011

Strategic Planning Workshop
Series

Commonwealth of Virginia

Strategic Planning for the
2012-2014 Biennium

July 28, August 2 & 3, 2011

Office of the Secretary of Finance
Department of Planning and Budget



RECAP

LEARNING OBJECTIVES

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- Evolution of agency strategic planning process
- Purpose/benefits of strategic planning
- Planning process
- Aligning objectives to enterprise priorities and strategies
- Clear and effective mission statements
- Structure and parts of measures
- How to improve agency measures

GOOD MORNING & WELCOME

AGENDA – PART 1

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- **Introduction – Agenda, Learning Objectives**
 - Mr. Don Darr, Associate Director, Department of Planning and Budget
- **Opening Remarks**
 - The Honorable Martin Kent, Chief of Staff
 - The Honorable Richard “Ric” Brown, Secretary of Finance
- **Enterprise Strategic Priorities and Strategies**
 - Ms. Jane Kusiak, Executive Director, Council on Virginia’s Future
- **APA Observations and Findings – 2010 Audit of Agency Measures**
 - Ms. Linda Wade, Director of Budgeting & Performance Management
 - Ms. Judy Bolt
- **Strategic Planning Process & Calendar; Changes for Next Biennium**
 - Mr. Don Darr, Associate Director, Department of Planning and Budget
 - Ms. Christy Berry, Budget and Policy Analyst, Department of Planning and Budget
 - Mr. Sean Weir, Enterprise Solutions and Governance, VITA

GOOD MORNING & WELCOME

AGENDA – PART 2

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- **Agency Strategic & Service Area Plan Structures**
- **Improving Mission Statements**
- **Improving Measures**
 - Measure names
 - Outcome measures
 - Targets
 - Methodology: Data source and calculation method
 - Explanatory notes

Facilitators: Jackie Anderson and John Wheatley, International Consulting Services, LLC

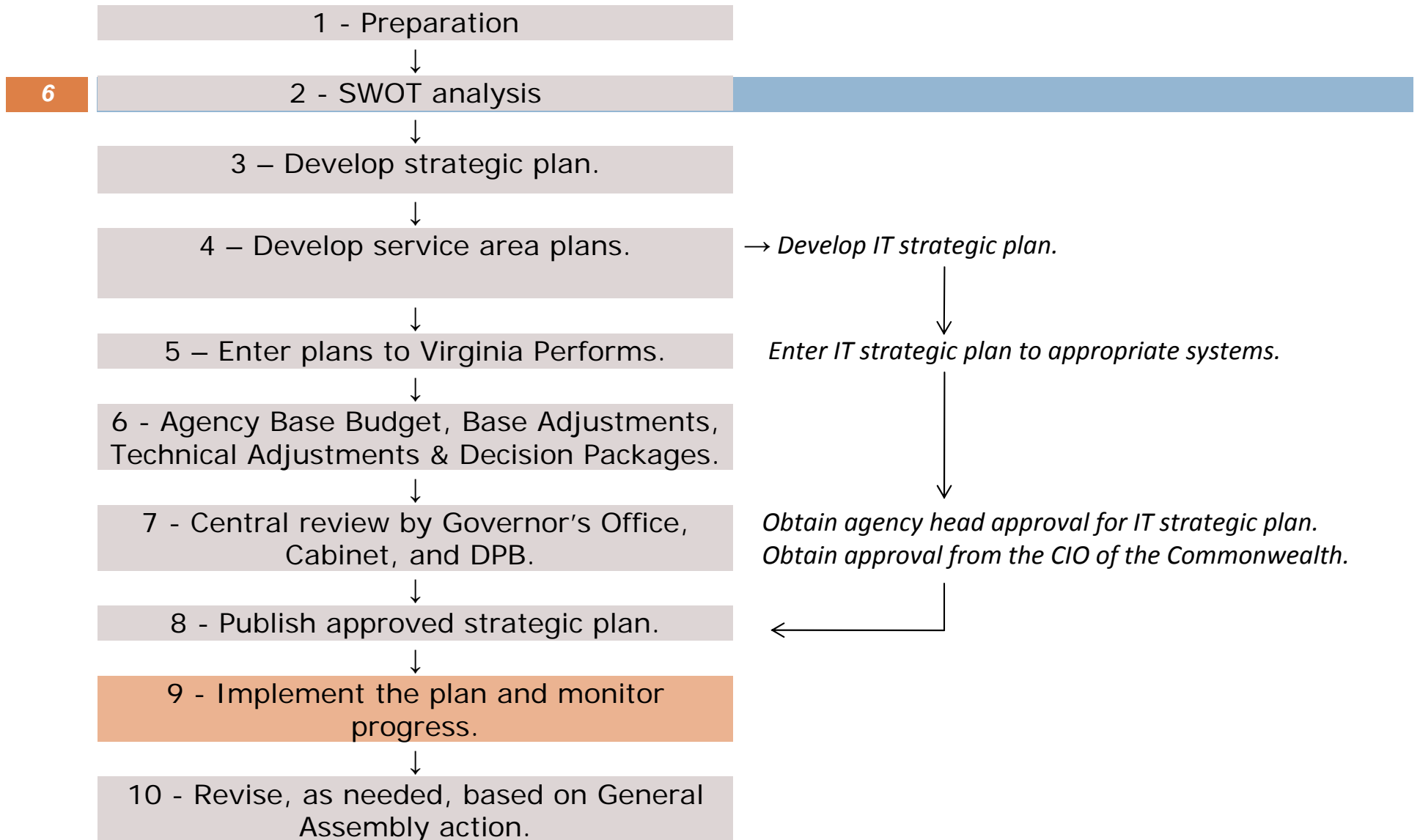
PLANNING CALENDAR

KEY DATES

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FUNCTIONAL AREA	DATE	EVENT
Budget Development - Base Budget	August 15	Base budget due from agencies.
Strategic Planning	August 26	Agency and Service Area Strategic plans due to DPB (except for IT strategic plan).
Budget Development – Technicals	September 1	Agencies submit base budget adjustments and technical adjustments to DPB.
Budget Development - Decision Packages	September 15	Decision packages due.
Strategic Planning	October 3-7	Secretaries finalize review of agency strategic plans.
Strategic Planning	October 28	Information technology strategic plan due
Strategic Planning	November 1	Agencies post approved strategic plans to their web sites.

AGENCY PLANNING PROCESS



ENHANCING THE PROCESS: ENTERPRISE STRATEGIC PRIORITIES

STRATEGIC PRIORITIES

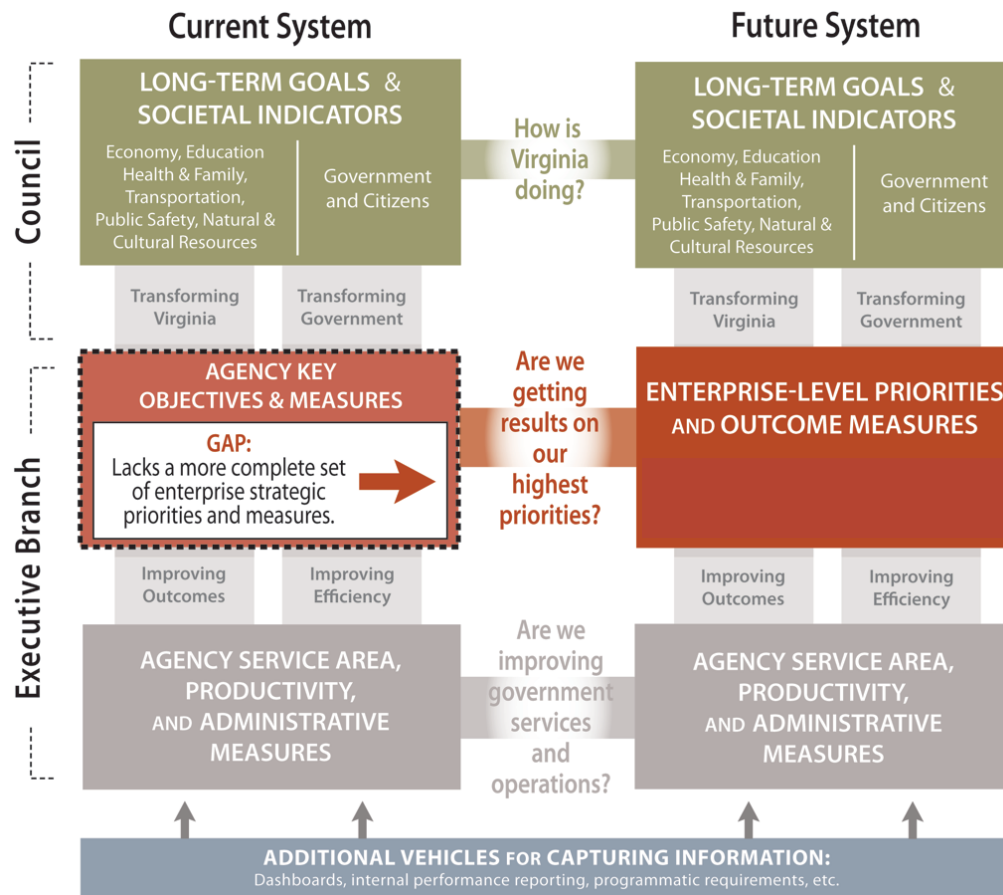
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- In the past, agencies linked their plans to the Commonwealth's long-term goals, which are very broad (for example economy, transportation, health and family).
- We will continue to afford you the opportunity to make this linkage, and we will also provide the potential for your agency to link to the priorities and strategies that are of particular significance to this Administration.
- These enterprise priorities are not intended to capture all critical state functions as that is the purpose of the traditional agency-level strategic planning process.
- Instead, it is hoped that these priorities will educate and inspire agencies regarding how they can best contribute to these initiatives.

ENHANCING THE PROCESS: ENTERPRISE STRATEGIC PRIORITIES

STRATEGIC PRIORITIES

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- This step in the evolution of Virginia Performs facilitates the integration of enterprise priorities in agency planning.
- Enterprise strategic priorities do not supplant more inclusive agency-level dashboards and operational measures.
- Agency objectives and measures may align with enterprise strategic priorities and strategies, but we should not expect to see a one-to-one alignment.

ENHANCING THE PROCESS: ENTERPRISE STRATEGIC PRIORITIES

EXAMPLE – Priority 5: College Degree Attainment

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Significantly increase college degree attainment in the Commonwealth; award 100,000 additional associate and bachelor's degrees by 2020.

- **Strategy 5.1:** Develop the roadmap and funding model to support policies established in the Higher Education Opportunity Act in order to enable the Governor and General Assembly to base the 2012-2014 biennial budget on the new funding model and policies, thereby aligning ongoing higher education investment with the reform and innovation objectives of the Higher Education Opportunity Act.
- **Strategy 5.2:** Establish a public-private partnership for science, technology, engineering and mathematics (STEM) education that develops and implements strategies toward increasing access to STEM education and future career opportunities.
- **Strategy 5.3:** Increase student interest in STEM fields and expand STEM-related teaching capabilities and numbers.
- **Strategy 5.4:** Enhance the six-year planning and review process to assist state-level and institutional-level determinations regarding higher education policies.
- **Strategy 5.5:** Use reform-based investment to promote excellence and efficiency in Virginia's higher education system.
- **Strategy 5.6:** Support the evolution of the Career Pathways system.

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

BACKGROUND ON APA'S REVIEW

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- APA performs an annual review of performance measures information on the Virginia Performs web site
- Required by Section 30-133(B) of the Code of Virginia
- Performed annually since 2002
- Statewide report is issued each year

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

BACKGROUND ON APA'S REVIEW

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- Objectives are to determine whether the performance measure information is:
 - Accurate and reliable
 - Understandable
- Select a sample and review all of the data elements for each measure selected as they appear on the Virginia Performs web site.

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

SUMMARY OF MEASURES TESTED SINCE 2008

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	2008 Review	2009 Review	2010 Review
Number of Key Measures Tested	59	48	52
Number of Productivity Measures Tested	0	9	17
How we selected measures for review	All key measures for 12 agencies – agencies with budgets greater than \$1 billion or central service agencies	Key measures for 19 agencies with budgets between \$50 million and \$1 billion and productivity measures from agencies whose key measures were in the 2008 Review	Key measures and productivity measures for 21 agencies with budgets between approximately \$20 million and \$50 million

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

RESULTS OF OUR REVIEW

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- Most recent review covers FY 2010 and included 52 key measures and 17 productivity measures
- 91% of performance measures results reported for 2010 were accurate and reliable

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

RESULTS OF OUR REVIEW

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- 95% of measures had some type of issue that affected understandability
- Most common understandability issues
 - Measure names
 - Measure methodologies

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

MOST COMMON UNDERSTANDABILITY ISSUES

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- **Measure names**
 - Measure name is worded like an objective
 - *Start with “we will...” or with a verb...*
 - Measure name is not consistent with other information within the measure or is unclear
- **Measure methodologies**
 - Lack of clarity for average user
 - *Use of acronyms*
 - *Source of data/measure calculation excluded*

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

RESULTS OF OUR REVIEW

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- Agencies and DPB need to improve their review of performance measures information.
- DPB should clarify procedures for updating and changing performance measures information.

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

RESULTS OF OUR REVIEW

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APA issues a statewide report with detailed information by agency and specific performance measures we reviewed.

Report for FY 2010 is available at

<http://www.apa.virginia.gov/reports/SWAPM2010.pdf>

APA – STATEWIDE REVIEW OF PERFORMANCE MEASURES

CONTACT INFORMATION

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APA Contacts

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STRATEGIC PLANNING & BUDGET DEVELOPMENT

2012-2014 PLANNING PROCESS - ELIMINATE

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- COOP Objective & Measure
 - Strengthen the culture of preparedness across state agencies, their employees and customers.
- Agency Administration Objective & Measure
 - To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

NOTE: Agencies will be required to develop at least one objective and measure for their administrative and support services program.

STRATEGIC PLANNING & BUDGET DEVELOPMENT

2012-2014 PLANNING PROCESS – CHANGES

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- Key Objectives & Measures
 - Called “Agency Key”
 - “We will” wording is **eliminated**.
 - Key measure summary is **eliminated**.
- Targets – **mandatory** target dates for each measure to standardize across state agencies
 - June 30, 2013
 - June 30, 2016

STRATEGIC PLANNING & BUDGET DEVELOPMENT

2012-2014 PLANNING PROCESS – CHANGES

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- Agency linkage of objectives to enterprise strategies, if appropriate

FYI: Your 2010-2012 strategic and service area plans have been rolled over in Virginia Performs except where you have a new program or service area.

DEVELOPING THE IT STRATEGIC PLAN

INFORMATION TECHNOLOGY (IT) PLANNING

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- Only in-scope agencies need to prepare this.
- Part of the agency strategic plan
- CIO of the Commonwealth approval required
- Must manage IT investments to IT strategic plan, although changes may occur.

DEVELOPING THE IT STRATEGIC PLAN

INFORMATION TECHNOLOGY (IT) PLANNING

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- A collaborative effort between the business and IT organizations
 - VITA will conduct refresher training August 19, 22, and 23.
 - Agency business and IT representatives are strongly encouraged to attend the refresher training.
- Staggered submission date - due October 28, 2011

THE STRUCTURE OF THE PLANS

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STRATEGIC PLAN	SERVICE AREA PLAN
<ul style="list-style-type: none">• Mission• Vision - optional• Values - optional• Executive Progress Report• Background Information• Goals<ul style="list-style-type: none">• Objectives - optional• Appendices<ul style="list-style-type: none">• IT investments• Other - optional	<ul style="list-style-type: none">• Background Information<ul style="list-style-type: none">• Service Area Description• Alignment to Agency• Statutory Authority• Customers• Partners• Products and Services• Resources• Objectives<ul style="list-style-type: none">• Strategies• Measures• Appendices - optional

MISSION STATEMENTS

CHARACTERISTICS OF A GOOD MISSION STATEMENT

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- Clear
- Concise
- Conveys contribution
- Provides strategic direction
- Specific - to distinguish agency from others

Mission statement will be published in the Budget Document and on your web site.

Recommendation: Include agency name in the statement.

GOALS & OBJECTIVES

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GOALS

- Broad statements of long-term results that support the mission
- Typically start with a verb
- May include broad target
- Need a manageable number
- Will likely extend beyond the biennial planning period

OBJECTIVES

- Support goals
- Shorter-term results
- Narrower focus
- Describe results needed to achieve the goal
- Typically start with a verb
- Should be measurable
- Address key business areas
- Need a manageable number

GOALS & OBJECTIVES

EXAMPLE – U.S. Department of Education

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Goal 2: Increase the academic achievement of all high school students.

- Objective 1: Increase the proportion of high school students taking a rigorous curriculum.
- Objective 2: Promote advance proficiency in mathematics and science for all students.
- Objective 3: Increase proficiency in critical-need foreign languages.

INCORPORATING ENTERPRISE STRATEGIC PRIORITIES

ALIGNING AGENCY OBJECTIVES TO ENTERPRISE STRATEGIES

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Commonwealth's Long-Term Goals ↑	Enterprise Strategic Priorities ↑
Agency Goals (from the Agency's Strategic Plan) ↑	Enterprise Strategies ↑
Agency Objectives Align with agency goals. Support enterprise strategies, if applicable.	

WRITING BETTER OBJECTIVES

TIPS FOR IMPROVING OBJECTIVES

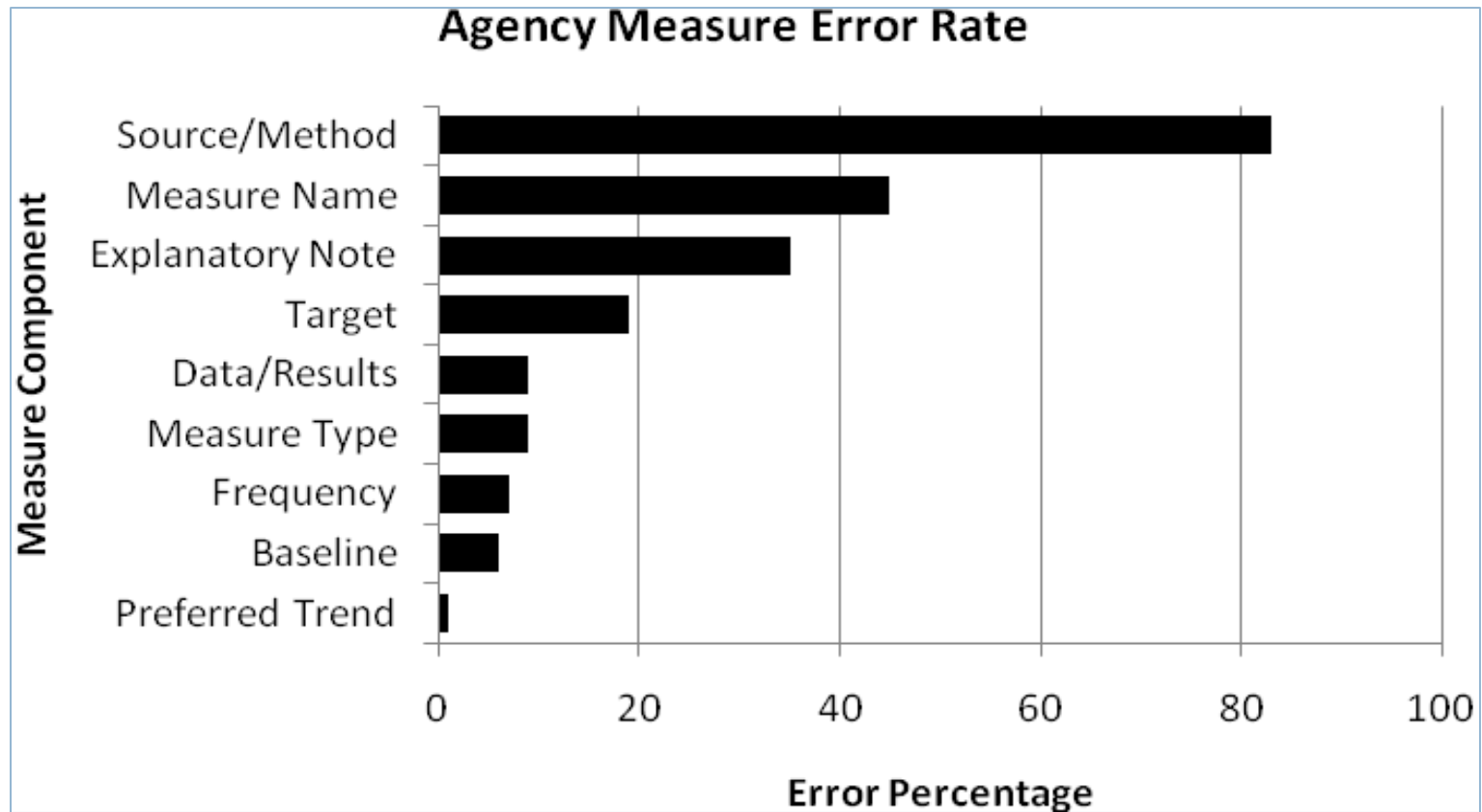
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1. Break the goal into smaller pieces.
2. Distinguish objectives from functions.
3. Review the group of objectives for a given goal.

MEASURES

SPECIFIC ISSUES FROM APA AUDIT

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MEASURES

THE PARTS OF A MEASURE

31

- Measure Title/Name
- Measure Class
- Measure Type
- Measure Frequency
- Methodology: Data Source & Calculation
- Baseline
- Target
- Preferred Trend

IMPROVING MEASURE NAMES – PART 1

APA REPORT PROBLEMS

32

- Incomplete
- Started with a verb
- Unclear; acronyms
- Contained a target
- Conflicts with targets or calculation method

IMPROVING MEASURE NAMES – PART 1

MEASURE STRUCTURE

33

- Data form
- Object
- Modifier

% of productivity measures that are written in the proper format

IMPROVING MEASURE NAMES – PART 2

OBJECTIVE vs. STRATEGY vs. MEASURE

34

- Goal or Objective – the “end”
- Strategy – the “means”
- Measure – the “gauge”

IMPROVING MEASURE NAMES – PART 3

EXERCISE

35

1. XYZ will eliminate all remaining material weaknesses by MM/YY.
2. Increase the number of performance assessments received from XYZ centers.

IMPROVING MEASURE NAMES – PART 3

EXERCISE

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3. Increase the percentage of customers and business partners who are satisfied with the security, rapidness, and reliability of XYZ-provided data and information.
4. Certify and accredit all information systems prior to their operation.

IMPROVING MEASURE NAMES – PART 3

EXERCISE

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5. Provide security awareness training to all XYZ users annually.
6. Revise and implement standards for the timeliness and accuracy of critical IS management data with the goal of achieving 97% timeliness and accuracy of data.

IMPROVING MEASURE NAMES – PART 3

EXERCISE

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7. Employee satisfaction will increase by 5% from the MM/YY baseline by MM/YY.
8. Properly align XYZ home office and field office operations to facilitate the implementation of asset-based management.

MEASURE NAME CHECKLIST

REMEMBER...

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VERBS OR
ACRONYMS

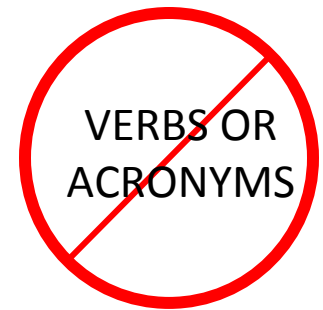
- No verbs
- Correct format – data form, object, modifier
- No undefined acronyms
- No targets

MEASURE NAME CHECKLIST

REMEMBER...

40

- Consistent format – name, target, calculation method
- Clear; understandable to the general public as well as decision makers
- Focused on the most important thing the agency does; outcome focused



OUTCOME MEASURES

EXERCISE

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1. Provide appropriate public safety programs to promote successful re-entry and offender compliance with supervision plans.
2. To promptly process applications for initial licensure and, where necessary, conduct examinations and deny eligibility for all individuals and entities who seek to provide services.

OUTCOME MEASURES

EXERCISE

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3. Department of Health Objective: Increase access to primary health, oral health, and mental health care services in underserved areas of the Commonwealth.
4. Department of Health Objective: Improve pregnancy outcomes by assuring early entry into prenatal care.

TARGETS

PROBLEMS FROM APA AUDIT

43

- Not clear
- Not current
- Not reasonable
- Conflicts with data form in measure name
- Inaccurate
- Set below baseline
- No target

Remember the
new target date
requirements for
each measure:
6/3/13 & 6/30/16

METHODOLOGY: DATA SOURCE & CALCULATION METHOD

PURPOSE

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- Source – identify where you will get data you will report
- Calculation method – describe how the result is calculated
 - Formula
 - Definition of terms
 - Scope

METHODOLOGY: DATA SOURCE & CALCULATION METHOD

PROBLEMS FROM APA AUDIT

45

- No source – easy to fix!!
- Inadequate explanation of method or source
- Inaccurate

METHODOLOGY: DATA SOURCE & CALCULATION METHOD

EXAMPLE

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Department of Planning and Budget Measure:
Ratio of recurring general fund revenue to recurring
general fund spending

Data Source:
The introduced budget bill is the analysis source for
calculating this measure.

Calculation Method:
Recurring general fund revenue divided by recurring
general fund spending. A result of greater than 1.00 is
preferable.

EXPLANATORY NOTES

PROBLEMS FROM APA AUDIT

47

- Undefined acronyms
- Not clear
- Outdated information
- Information not relevant
- Incomplete

*How are you using
this field?*

NEXT STEPS

DEVELOP YOUR PLANS

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- Review your mission.
- Review all measures.
- Determine whether to create or align objectives that support enterprise strategies.

Thanks for participating!