Strategic Planning for Excellence

Government Finance Officers Association of Western Canada
September 14, 2015
Introduction

Reported combined statistics for Grant Thornton LLP and Raymond Chabot Grant Thornton, who together form Grant Thornton in Canada, the Canadian member firms of GTIL.
Agenda

**Section**

Introduction.

What is a strategy?

Why do municipalities need a strategy?

What are some common issues with municipal strategic planning?

Our approach to strategic planning for excellence.

Conclusions.

Questions and discussion.
What is a municipal strategy?

- Plan vs Strategy.
- What?: "Setting priorities and making choices for the present and the future".
  - Flexible and adaptive.
- How?: Allocation of municipal resources.
Why do municipalities need a strategy?

- Structured set of actions to achieve particular goals.
- Effective and efficient resource allocation.
- Why?: to compete and position your municipality in order to provide the quality of life, jobs and services that attract and retain businesses and people.
### Why do municipalities need a strategy?

**Strategic Issues**

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<tr>
<th>Broad strategic context</th>
<th>Symptoms</th>
<th>Strategic questions</th>
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| The municipality is in decline | • Continuous outward migration from the municipality for several years.  
• Very high level of inactive population. | • What conditions or actions could create the basis for a turnaround?  
• How can we consolidate existing resources to make the municipality viable for the remaining population? |
Why do municipalities need a strategy?:

### Strategic Issues

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• How can we consolidate existing resources to make the municipality viable for the remaining population? |
| The municipality is in transition | • Some ‘key’ old industries have closed down and unemployment is high.  
• Municipal labour skills are too much focused on the old industries. | • How can we transform old industrial locations into new spaces for modern living, working, art and culture?  
• How can we encourage new ideas and new business? |
Why do municipalities need a strategy?:

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<td>The municipality is growing</td>
<td>• Inward migration. • Existing infrastructure was not designed for a larger population and is increasingly becoming inadequate.</td>
<td>• How can we provide adequate services and infrastructure for a growing number of people? • How can we ensure social integration and cohesion?</td>
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Why do municipalities need a strategy?:

*Strategic Issues*

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<td>Municipal resources are tight</td>
<td>• The municipality does not have the ways and means to generate sufficient income&lt;br&gt;• Not using its resources efficiently enough.</td>
<td>• How can we generate more income?&lt;br&gt;• How can we deliver more with less?</td>
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Common issues in strategic planning:

*Rome was not built in a day*
Common issues in strategic planning:

*Rome was not built in a day*

1. Perception of strategic plan.
2. Political cycles.
3. Too broad and unspecific goals.
4. Non-integration…
…Non-integration

Capacity?

- No coordination
- Patchy implementation
- No budget link
- Little monitoring / rarely indicators
- Little participation
Citizen engagement and cooperation

Daniel Moore
@banthedan

Hey @nenshi what's the point of the ridiculously expensive bridge again? What does it signify?

Naheed Nenshi
@nenshi

@banthedan I think it's to be used to cross the river

Daniel Moore
@banthedan

Haha @nenshi I get that. But why can't we get the Doritos taco shell at Taco Bell in Calgary?

Naheed Nenshi
@nenshi

Don't worry @banthedan, I assure you that @TacoBell will have Doritos taco shells in Calgary soon enough.
Citizen engagement and cooperation

Thanks to @banthededan and @nenshi we will be introducing the Doritos taco into Calgary immediately.

No way! @nenshi how did you do that?

Because @banthededan, I am the mayor Calgary needs, not the mayor Calgary deserves.

Municipal strategic planning approach

1. Get Organized
   • Setting up effective structures for managing the strategy process.

2. Situational Analyses
   • Involves gathering and analyzing relevant data.

3. Strategy Formulation
   • Establishes priorities, both realistic and opportunistic.

4. Implement Strategy
   • Viable priority projects are identified, prepared, selected, implemented, and monitored.

- months 1-3
- months 3-6
- months 5-10
- Continuously after month 10
Stage 1: Get organized

- Ensure political commitment and leadership.
- Engage municipal administration.
- Identify and engage stakeholders.
- Set up the operational structure.

**Stage 1 Gems:**
1. Brief the major and council.
2. Appoint a strategy coordinator.
3. Perform stakeholder analysis.
4. Kick off with publicity campaign.
## Stage 1: Get organized

### Stakeholder analysis

<table>
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<tr>
<th>Stakeholder</th>
<th>Stake/Mandate</th>
<th>Potential role in strategy</th>
<th>Capacity</th>
</tr>
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<tr>
<td>President of the business chamber</td>
<td>Represents the business community</td>
<td>Could lead a working group on economy</td>
<td>Strong capacity, key actors</td>
</tr>
<tr>
<td>First Nations community chief</td>
<td>Was elected to represent community</td>
<td>Involvement in the social development working groups, organizes surveys in the community</td>
<td>Previously marginalized; need to ensure active participation and capacity building</td>
</tr>
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</table>
Stage 2: Situational analyses

- Assess the strategic context.
- Gather information for socio-economic municipal profile.
- Prepare a SWOT 2.0 analysis.
- Obtain broad consensus.
- Continue improving knowledge base.
Stage 2: Situational analyses

Stage 2 Gems:
1. PESTL.
2. Municipal capacity & resource assessment tools:
   i. Government of Saskatchewan: Municipal Government Sustainability Self-Assessment
   ii. Government of Alberta: Municipal Sustainability Strategy Self-Assessment Questionnaire
   iii. United Nations Development Program: Assessment of Municipal Capacities in Turkey and the Western Balkans
   iv. European Union: Common Assessment Framework

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<th>Political</th>
<th>Economic</th>
<th>Socio-cultural</th>
<th>Technological</th>
<th>Legal</th>
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Stage 3: Strategy formulation

- Create a municipal vision.
- Develop priorities and objectives.

Stage 3 Gems:
1. Stakeholder workshops with visioning exercises; citizen suggestions; school competition.
2. Priorities and objectives framework:
   I. Aim (describe the aim of the priority).
   II. Objectives (decide the overall objective and the methodology to achieve these).
   III. Rationale (why is this needed).
   IV. Beneficiaries (who does this priority benefit e.g. SME’s, Tourism, farmers, etc).
   V. Implementation bodies / partnerships (who is involved, who is responsible).
   VI. Criteria (mainly aimed at addressing eligibility).
   VII. Indicators of achievement.
3. Prioritization matrix.
Stage 3: Strategy formulation

Prioritization matrix

- Develop waterfront plan.
- Reassess organizational structure.
- Provide safe and affordable emergency services.
- Encourage day care development.
- Recruit and train additional staff.

The options in the top right of the grid are those that should be pursued as a priority.
Stage 3: Strategy formulation con't

- Create a (multi-year) budget.
- Define the delivery mechanism.
- Draft the strategy.

**Stage 3 Gems:**
1. What to do when there is little money?
2. Strategy ToC:
   i. Note from the mayor
   ii. Strategy purpose (explaining the role of the strategy)
   iii. The partnership (partners involved and their contribution to the strategy)
   iv. Achievements
   v. Vision
   vi. Key issues & SWOT analysis
   vii. The strategy (objectives, development themes (priorities), and a description of ‘what will change’ through delivery)
   viii. Cross-cutting issues
   ix. Coordination with other policies & initiatives
   x. Inter-municipal cooperation
   xi. Municipal capacity building
   xii. Financial plan
   xiii. Delivering the strategy
   xiv. Appendices
Stage 4: Implement strategy

- Identify and select priority projects.

Stage 4 Gems:
1. Project criteria:
   - The project clearly meets the strategy priorities and contributes to achieving the objectives.
   - The project is fully prepared, or can be prepared in a reasonable timeframe (including an assessment of feasibility).
   - The project is acceptable (the majority of the partners agrees to it).
   - The project can be financed (sufficient funds are available).
Stage 4: Implement strategy con't

- Sequence and create pipeline of projects.
- Monitor progress.
- Review the strategy.

Stage 4 Gems:
1. Project due diligence:
   - Description of the project (including strategic alignment).
   - Timetable for implementing the project.
   - Cost-benefit analysis (financial, social, and environmental costs and benefits and a risk assessment).
   - Assessment of the feasibility of obtaining full or partial private financing for the project.
   - Financial information – Justification of the rate of assistance foreseen from the budget of the plan.
   - Implementation strategy.
Conclusion

- **What?:** "Setting priorities and making choices for the present and the future".
  - Flexible and adaptive.
  - Not a hard science.
- **How?:** Allocation of municipal resources.
Questions

1. Get Organized
2. Situational Analyses
3. Strategy Formulation
4. Implement Strategy