

## **What is Strategic Planning?**

**Stephen Feist, SNSMR**

### **Why Strategic Planning?**

Last year prior to the UNSM conference, the UNSM, AMA and SNSMR held a joint one day seminar on e-Government. This event proved to be very successful and has resulted in 14 municipal units expressing an interest in participating in joint e-Government ventures. Due to the success of this session, we decided to hold another joint session for this UNSM conference.

Early this spring, SNSMR, UNSM and the AMA had a few informal exchanges on topics we thought would be of interest to Nova Scotia Municipalities. We quickly narrowed it down to Strategic Planning. It was at that time that I contacted Jack Novack of Henson College to see if he was interested in participating in this joint venture because of his extensive experience in Strategic Planning and fortunately for us he agreed.

Although Strategic Planning has been around for a while, there still seems to be a number of questions regarding it, ranging from:

1. What is Strategic Planning?
2. What is its value?
3. Is it really important to the municipality, in terms of its operation and future development?
4. How do you do it? And
5. Does it really work?

Therefore, the purpose of this session is to provide Nova Scotian municipalities with a better understanding to answering these questions and to provide direction on “Why should municipalities consider Strategic Planning?”

Today, we have prepared an agenda, which we hope will answer many of your questions and to assist us we have invited a number of guest speakers will assist us. The Agenda and guest speakers include:

### **Agenda**

1. **Stephen Feist**, SNSMR *What is Strategic Planning?*
2. **Jack Novack** of Henson College *Pros & Cons and What are the steps*
3. **Mark Gilbert** of the Municipal Finance Corporation *Strategic Planning and Capital Budgeting*
4. **Linda Parker**, CAO of the Town of Berwick *Moderate the Practical Session*
5. **Warden Keith Hunter** of the Municipality of the County of Cumberland,
6. **Rennie Bugley, CAO** of the Municipality of the County of Cumberland
7. **Councillor Duke Cormier** of the City of Summerside, P.E.I.
8. **Terry Murphy**, CAO of the City of Summerside, P.E.I.

### **Aint't Broke, Don't Fix it.**

Before we get started, I just want to take this opportunity to get up on my soapbox for a moment for a rant, but I think it relates very closely to what we are attempting to accomplish here today. Before coming to the province, I worked 15 years as a Town Planner at the Cities of Red Deer, Calgary, Oakville, Halifax and then HRM. In each city, I saw many opportunities to plan for better cities lost, as the planners were reduced to dealing with the day to day planning issues, when they should have also been planning for the future and dealing with emerging development trends. We had the opportunities to plan transportation systems, parkways, recreation programs, water and sewer systems and schools systems to support growth, rather than playing catch up to it. And we all know how difficult it is to play catch up, in fact you never do.

In each of these municipalities I noticed a common theme, which can be found with both administrators and elected officials. It is based on mind set that in many ways typifies a lot of the road blocks that something like Strategic Planning has to overcome. And there

are a couple of expressions which typify this mind set... "if it ain't broke, don't fix it!" or "Maintain the status quo!" On the face of it, such a mind set may seem to make sense, if the municipality is humming along without any problems why make changes. But if you look closely at what it really means, is that we like the status quo and we don't want change. But with this point of view, how do you encourage constant improvement to an organization or plan for the future, especially when there are external pressures with which you have not control? So how does one respond to such a mind set?

The other week I was in Baddeck for the AMA Conference and I happened to go to the Alexander Graham Bell museum. At the entrance, in big and bold letters there is this quote from Bell, which really struck me, especially the part where he "wants to improve whatever he sees." I can only imagine, what he would have said about the notion, "if it ain't broke don't fix it" or "maintain the status quo."

**"The inventor looks upon the world and is not contented with things as they are. He wants to improve whatever he sees, he wants to benefit the world, he is haunted by an idea. The spirit of invention possesses him, seeking materialization."**

We should not be contented with the status quo, that is not to say we want change for change sake, rather we should always be striving for improvement.

We also live in a world where events change our environment on a much more rapid pace, from even 10 or 20 years ago. And these events can have a dramatic impact upon the development or operation of our municipalities, events such as the change in price of oil or the collapse of our fisheries, coal markets or steel industry, a shift in government policy or dramatic urban growth or decline.

The beauty of strategic planning is that it is adaptive process and keeps an organization relevant. Where as with the "status quo" approach you are less able or willing to effectively respond to our changing environment until they become significant challenges

to the organization. Therefore, I hope that this seminar will accomplish two things, **first** is to have the same mind set as Alexander Graham Bell, searching for continual improvement and **second** that Strategic Planning can be an effective tool to achieve this goal. There, now I will get off my soap box, even though I know I am preaching to the converted, otherwise why would you be here at this session.

## **Why Strategic Planning?**

Over the last two decades, there have been a wide variety of new management techniques, ranging from cost-benefit analysis, planning-programming-budgeting systems, zero-based budgeting, management by objectives, Total Quality Management, re-invention, re-engineering, etc. On the whole many have disappeared and many were never really implemented. Strategic planning, however, has grown in popularity and used as an effective management tool, especially with municipalities. A quick review of the Internet will quickly illustrate the number of municipalities throughout Canada, North America and the world, which have used strategic planning and made it a cornerstone of their organization's success.

Primarily, the world is changing and no community is exempt from change, due to internal and external factors. Increasingly, each municipality is faced with resource limitations. This requires careful choices and requires new directions to deal with these new realities.

Strategic planning is a systematic way to manage change and create the best possible future within this new realm. It is a creative process for identifying and implementing programs capitalizing on a municipality's strengths, weaknesses, threats and opportunities. It focuses on the allocation of scarce resources to critical issues and encourages municipalities to investigate alternative resources. A strategic plan documents a course for the municipality. This can be particularly important in light of potential changes in personnel at the staff and council levels, thus ensuring the course is

maintained. Finally, strategic planning can give a community a clearer picture of its own unique identity and draw attention to aspects regarding the municipality that have been overlooked before.

From Bryson's, who is kind of a Godfather of Strategic Planning for Nonprofit Organizations, defined strategic planning as a management tool, period. As with any management tool, it is used for one purpose only: to help an organization do a better job - to focus its energy, to ensure that members of the organization are working toward the same goals, to assess and adjust the organization's direction in response to a changing environment. In short, strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it, with a focus on the future.

A word by word dissection of this definition provides the key elements that underlie the meaning and success of a strategic planning process:

The process is **strategic** because it involves preparing the best way to respond to the circumstances of the organization's environment, whether or not its circumstances are known in advance; Governments often must respond to dynamic environments. Being strategic, then, means being clear about the organization's objectives, being aware of the organization's resources, and incorporating both into being responsive to a dynamic environment.

The process is about **planning** because it involves intentionally setting goals or choosing a desired future, and developing an approach to achieving those goals.

The process is **disciplined** in that it calls for a certain order and pattern to keep it focused and productive. The process raises a sequence of questions that helps planners examine experience, test assumptions, gather and incorporate information about the present, and anticipate the future.

Finally, the process is about **fundamental decisions and actions** because choices must be made in order to answer the sequence of questions mentioned above. The plan is ultimately no more, and no less, than a set of decisions about what to do, why to do it, and how to do it.

The strategic planning can be complex, challenging, and even messy, but it is always defined by the basic ideas as I have outlined, and you can always return to these basics for insight into your own strategic planning process.

### **What is Strategic Planning?**

In simple terms, what is strategic planning? It attempts to answer the questions:

- Where are we right now?
- Where do we want to be in the future? Or What kind of municipality do we really want in the future?
- What strategies will we need to implement to get there?
- What internal and external forces are operating that will hinder or help us to achieve our long term goals.

The strategic planning process is different from other management techniques, in that it builds on the nature of the political decision making process and encourages the inclusion of the major stakeholders in the planning process. Proponents of strategic planning have noted the failure of the other systems is due to the fact they are either ignored or tried to circumvent or to counter the political nature of the organization rather than build on the nature of the political decision making process.

Although strategic planning can provide all of these benefits, there is no guarantee it will. Strategic planning is simply a set of concepts, procedures and tools. Municipal leaders, managers and planners need to be very careful about how they engage in strategic

planning because their success will depend at least in part on how they tailor the process to their specific situation. In other words, strategic planning will only work if enough municipal decision makers, managers and planners support it and use it with common sense.

### **What Strategic Planning Is Not**

Everything I have said to describe what strategic planning is can also provide an understanding of what it is not. For example, it is about fundamental decisions and actions, but it does not attempt to make future decisions. Strategic planning involves anticipating the future environment.

Strategic planning has also been described as a tool - but it is not a substitute for the exercise of judgment by leadership. Just as the hammer does not create the bookshelf, so the data analysis and decision-making tools of strategic planning do not make the organization work - they can only support the intuition, reasoning skills, and judgment that people bring to their organization.

Finally, strategic planning, though described as disciplined, does not typically flow smoothly from one step to the next. It is a creative process, and the fresh insight arrived at today might very well alter the decision made yesterday. Inevitably the process moves forward 4 steps and then back 3 steps, several times before arriving at the final set of decisions. Therefore, no one should be surprised if the process feels less like a comfortable trip on a commuter train, getting you to point A to B, but rather like a ride on a roller coaster. But even roller coaster cars arrive at their destination, as long as they stay on track!