

May 1998

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The Strategic Plan

Agency: Strategic Thinking, Planning, Programming and Change

Purpose:

The purpose of this paper is to present the importance of strategic thinking and the strategic plan in guiding the implementation of information technology and changing organizational processes. The paper explores the requirement for information technology to be business process driven, measurable and based on agency mission requirements.

Background:

In past years State Attorney Offices were required to submit a strategic plan. This plan was structured to meet state agency reporting requirements and provided limited value for the agency. With the State enacting major reforms in information resource management, the requirement for State Attorney Offices to submit a strategic plan was eliminated. Information resource reform did not remove the requirement for State Attorney’s Offices to submit an Annual Performance report. The report is due November first each year.

Scholars have observed that government agencies typically cope with situations rather than manage. In order to manage you must plan ahead of the situation to develop processes to solve problems. Bill Hewlett, President of Hewlett Packard stated “If you want to manage it, you have to measure it”

This paper was produced to provide a framework to plan for organizational change, discuss methods of measurement, provide thoughts on process to effect change and meet state reporting requirements.

Strategic Thinking:

Strategic Thinking is the creation of an integrated perspective of the agency. It includes vision and direction. The 1996 statement by B. Guy Peters, “It remains critical for governments, and the individuals who constitute them, to continue their search for innovative mechanisms for making government work better and serve society better.” Sums up the requirement for the agency to apply strategic thinking.

Strategic thinking should be implemented at all levels where ever possible. It is however important to note that individual strategic thinking should be interpreted within that person’s sphere of influence and perspective.

Mental Models:

Mental models are the way we view the world around us. It is the basis that we interpret the words we hear. It is why we need to insure that the audience that we are speaking to understands the perspective that we are trying to communicate. With this definition in mind it is important to address some fallacies that need to be redefined in strategic thinking.

- Prediction, you can not predict the future.
- Detachment, you can not separate strategic planners from you staff.
- Formalization, Strategic thinking must be flexible.

Strategic Planning:

Provides a forum to address business processes. It should be:

- Mission Driven
- Results oriented
- Performance based
- Future directed
- Change focused

The Strategic Plan:

The Strategic Plan is a guide to meet the mission of the agency. It is a communication tool, a way to tell the agency’s story. It is a link among planning, programs, projects and budget. The strategic plan should cover a period of time of not less than three years going forward from the date prepared. The plan should address each agency’s activity and be updated at least every 18 months. The plan should contain:

- Comprehensive mission statement
- General Goal and objectives for major functions and operations of the agency
- Approaches to achieve the goals and objectives
- Relationship between long-term goals and objectives and annual performance goals.
- Key external factors beyond the agency’s control that could influence accomplishment of the goals and objectives.
- Description of how program evaluation is to be used to revise strategic goals

The Benefits of Strategic Planning:

- Provides a unifying and integrating structure.
- Enables autonomous but coordinated actions through-out the organization.
- Promotes organizational cohesiveness through a shared sense of direction, intent and purpose.
- Promotes shared values, beliefs and assumptions.
- Promotes concentration of effort.
- Promotes flexibility for responding to a changing environment.

Strategic Programming:

Strategic Programming is the elaboration of strategies, or visions that already exist. The programming process clarifies the strategy, allows you to develop sub-strategies to accomplish the strategies and articulates the methodology. Programming allows you to articulate what you are going to do and the effects expected on the organization.

Business Process Reengineering:

Reengineering is “the rethinking and radical redesign of business processes to bring about dramatic improvements in performance” Hammer & Stanton, The Reengineering Revolution: A Handbook, p.3. Reengineering is a major undertaking. It is the fundamental rethinking and radical redesign of an entire business process to achieve dramatic improvements in critical measures of performance. It effects activities for producing services, support systems, organizational structures, management systems, values and beliefs.

Role of Executive Leadership:

Any change in an organization creates stress and concern for many levels of staff. Executive leadership ensures that there is direction and a course is being steered to get the organization to a new environment. The critical steps for project success:

- Demonstrate Strong Commitment
- Confirm the Critical Success Factors
- Update the Strategic Plan
- Identify Core Business Process
- Define Goals and Performance Measures
- Identify Problem Process (es)
- Assign Process Owners
- Provide Proper Resources
- Appoint Project Manager
- Participate in the effort

Challenges that Organization's Leadership Must Meet to Prevent Failure:

- Plan and manage the organizational change process
 - Are existing policies and practices supportive
 - Do staff feel threatened
- Communicate a clear strategic direction, with measurable performance targets
- Adopt and maintain a consistent customer focus
- Monitor the agency internal and external environment for changes that impact the Reengineering effort
- Ensure broad participation in the effort

Clarifying Objectives for Business Process Reengineering:

In order to enter into business process Reengineering you must be clear in direction. The following areas must be in order before you start a BPR effort.

- Strategic Plan has been prepared/updated
- Goals and Performance Measures Defined
- Core Business Processes Defined
- Process Managers Assigned
- Comprehensive IT Capital Planning system in place
- Process in need of BPR identified.

Measuring Organizational Performance:

Purpose:

- **Provide Convincing Evidence:** Affirm that the agency actually exists and is a benefit to the State.
- **Make Critical Decisions:** Decide on actions that the agency should take in order to improve its strategic position.

Points of Measurement:

The points of measurement of the organizational system can be organized into three broad areas each having two types of measures:

Inputs:

Resources: The quantity and quality of labor, materials, tools equipment, facilities, support services, energy, etc. provided to and used by the organization in doing its work.

Controls: The amount and adequacy of funding received by the organization and the means by which organizational management influences the way work is done.

Work:

Process: The way work is conducted in the organization, its efficiency, legality, compliance with work standards, or degree of innovation.

Output: The quality, quantity, or timeliness of work products and services provided by the organization and supplied to the customer and target users.

Results:

Feedback: The way the customers or users view the organization's products or services as evidenced by the demand they make for its output and the satisfaction they display.

Outcome: The ways in which the users benefit or the strategic results experienced by the customer by having put the organization's products or services to use.

Benchmarking:

“Benchmarking is the search for industry best practices that lead to superior performance” ASQC Press 1989, by Robert Camp. It is the process of measuring agency processes, services and practices against other organizations to establish performance criteria. Benchmarking not only provides the check-pointing needed for implementation, it also provides a basis for performance evaluation. It is an enabler for process improvement.

There is a variety of benchmarking approaches:

- Internal: Comparing the best practices of staff.
- External: Comparing the best practices of other organizations.
- Paring: A cooperative effort of two organizations to measure, compare and learn to improve their processes and practices.

Management Best Practices:

Use Methodologies Associated with Success:

- Performance Measures and Performance Measurement
- IT Capital Planning and Inventory Control Process
- Business Process Modeling
- Activity Based Costing
- IT Investment Assets using comprehensive criteria

On-Going Management Requirements to Constantly Monitor:

- Management of change – is it working?
- Management commitment – is it at all levels?
- Are promised resources being provided?
- Is cross-functionality being maintained or are the walls just invisible?
- Is the customer the focus – or is it something else?
- Are all education and training needs being met?
- Who is being rewarded and for what? Who is risking something?
- Are important issues being addressed, especially issues not openly expressed, such as rumors of possible job loss?

Summary:

The strategic plan is the end product of a process involving all levels of staff and applying strategic thinking while working toward improving the organization. Specialists and planners may be used along with staff to develop a strategic plan, it is important to also enlist staff for plan acceptance and to cover all aspects of the effects of decision-making. The strategic plan provides the foundation for measuring performance and change.

Change is inevitable; it is caused by external and internal forces. Technology also influences change. The agency must continuously measure performance and make changes to meet mission requirements. When making changes to processes you must constantly monitor the progress and effect. Look for unintended consequences and follow best business practices.

Business Process Reengineering can make drastic change and dramatically improve performance and the outcome of the work efforts of an organization. But before you can reengineer you must know where you are and where you want to go as well as how to get there for “If you do not know where you want to go any road will take you there”. Author unknown.

Acknowledgements: Much of the information presented in this paper was taken from the National Defense University’s Information Resource Management College Course “Reengineering Organizational Processes”.