

The Role of Municipal Council in Strategy: A Shared Context for Strategic Planning

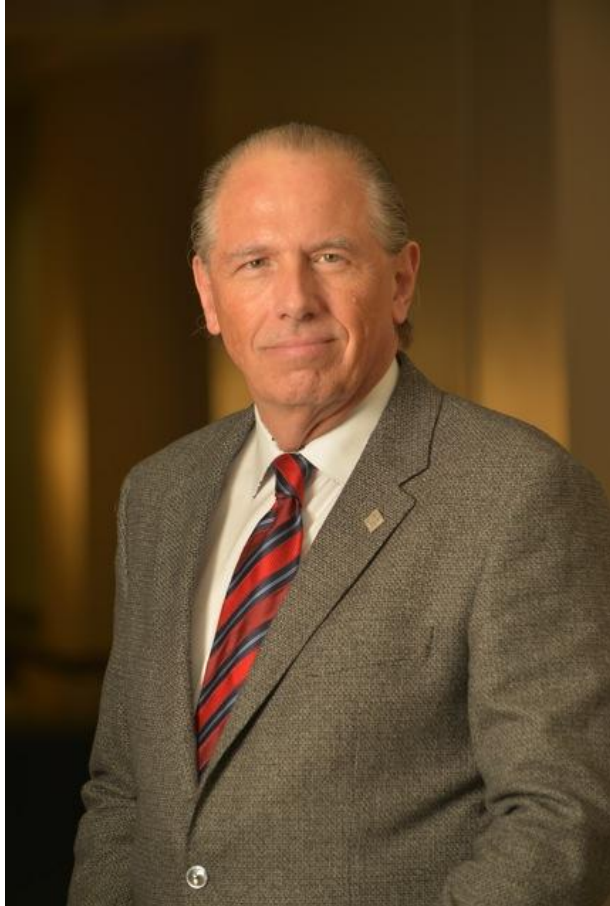
- **Dr. Chris Bart,** FCPA, F.CIoD, C.Dir
- Chairman, Corporate Missions Inc
- &
- Founder, Lead Faculty and Past Principal, The Directors College
- Executive Chairman, The Caribbean Institute of Directors

Objectives / Purpose of Presentation

- - Developing a ***shared understanding of opportunities*** for municipal Council and management and staff in the strategic planning process
- - Creating a ***shared framework*** to set the stage for strategic planning process

WHY ME?

Overview Dr. Chris Bart, FCPA, F.CIoD, C.Dir



- I have...
 - worked for many Senior Executives on their organization's strategic plan
 - Helped a variety of municipal councils (Oakville, Hamilton, Guelph, Burlington) on their strategies
 - been on a number of different Boards
 - in both large and small organizations
 - in private, public and volunteer situations
- **Currently....**
 - Chair, Corporate Missions Inc.
 - Taught strategy and governance @ McMaster University for 33 years
 - Written 170+ articles and 6 books
 - Founded **The Directors College**, the Caribbean Governance Training Institute & the Caribbean Institute of Directors

What is Governance ?

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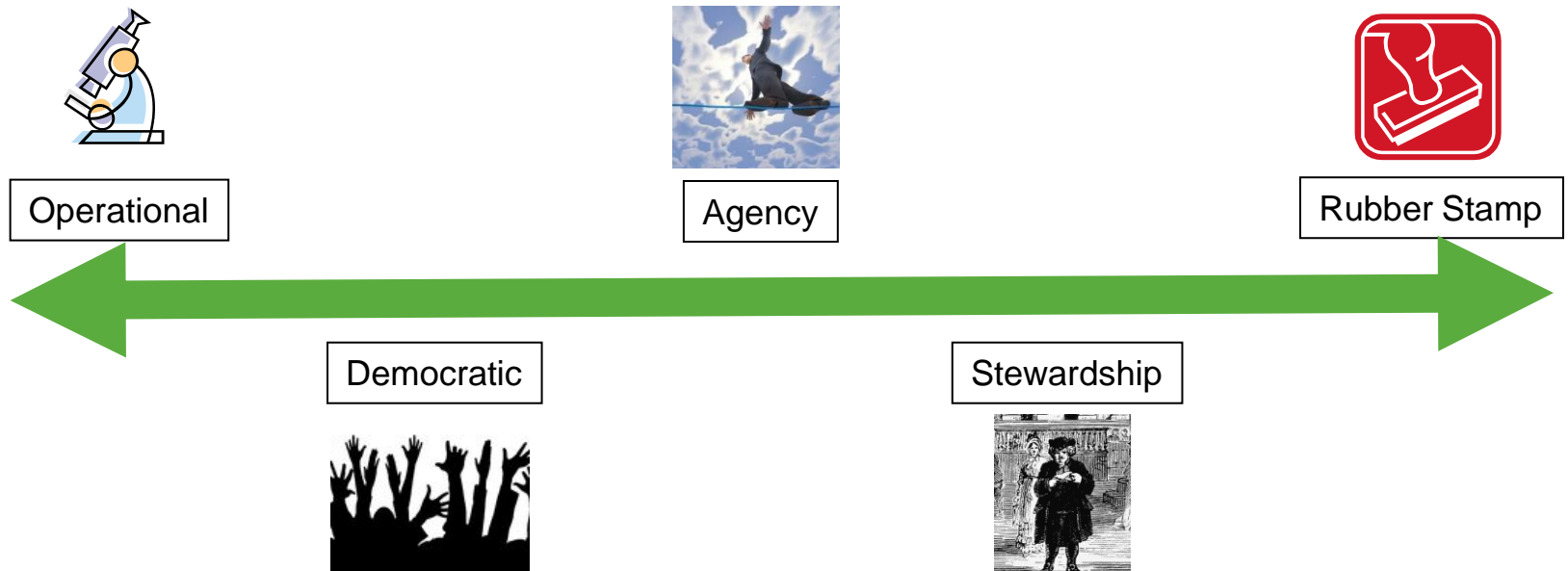
Governance is . . the system by which an organization is directed and controlled

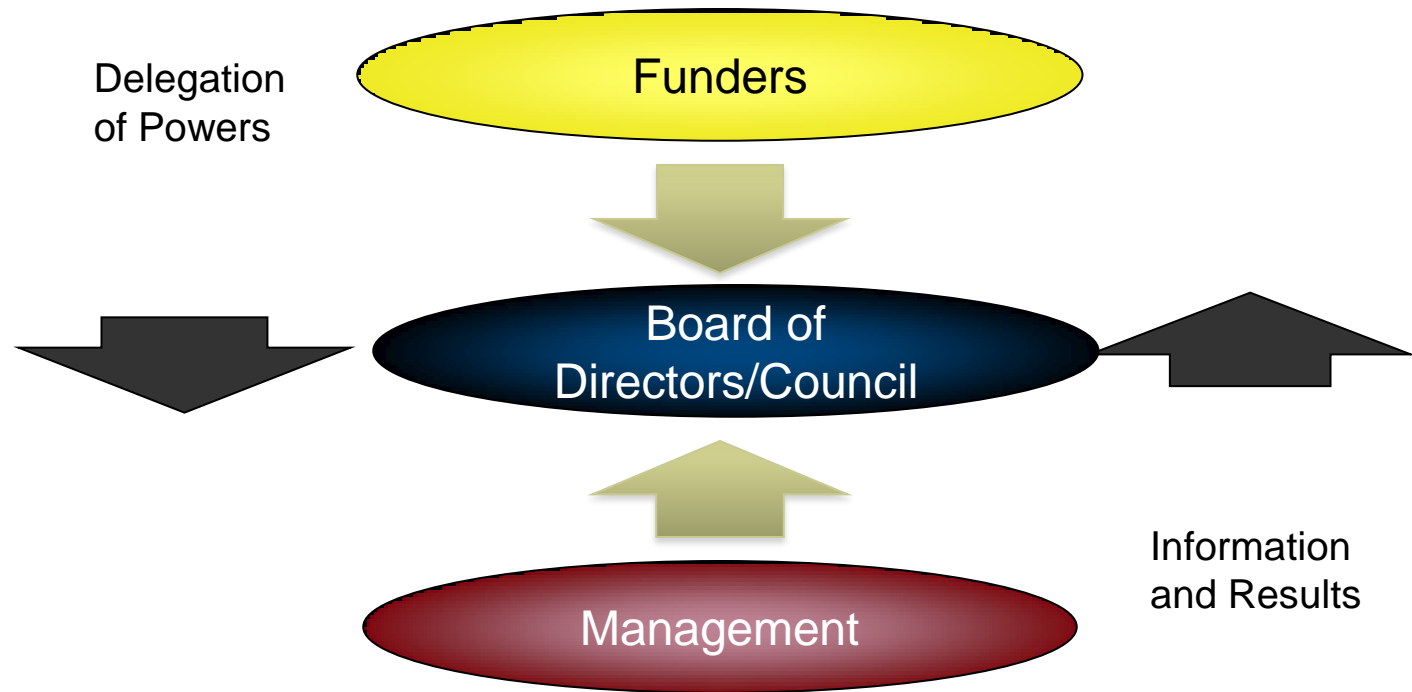
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NB: ONE SIZE DOES NOT FIT ALL

Governance Models – A spectrum





Getting “Governance” right is generally the Responsibility of the Board (Council)



Role of Council (Municipal Act)

- **224. It is the role of council,**
- to represent the public and to consider the well-being and interests of the municipality;
- to develop and evaluate the policies and programs of the municipality;
- to determine which services the municipality provides;
- to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council;
 - d.1) to ensure the accountability and transparency of the operations of the municipality, including the activities of the senior management of the municipality;
- to maintain the financial integrity of the municipality; and
- to carry out the duties of council under this or any other Act.

Role of Staff/Management (Municipal Act)

- **227.** It is the role of the officers and employees of the municipality:
- to implement council's decisions and establish administrative practices and procedures to carry out council's decisions;
- to undertake research and provide advice to council on the policies and programs of the municipality; and
- to carry out other duties required under this or any Act and other duties assigned by the municipality.

Some of the traditional “really big decisions” of a Municipal Council

- CAO selection, evaluation and succession
- Engaging with Management in helping to set the municipality's Strategy and manage the municipality's major risks
- Reviewing and approving the budget

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How Does a Council Add Strategic Value to their municipality?

- Council members can provide an important *outside perspective* on the opportunities and risks that are present - or emerge - in the municipality





The 5 Basic Strategy Questions for Municipal Councillors to Ask?

- What is our current strategy?
- Is it the right strategy?
- Is the strategy working?
- If the strategy is not working, can it be “fixed”?
- If the strategy can’t be fixed, what’s our new strategy?

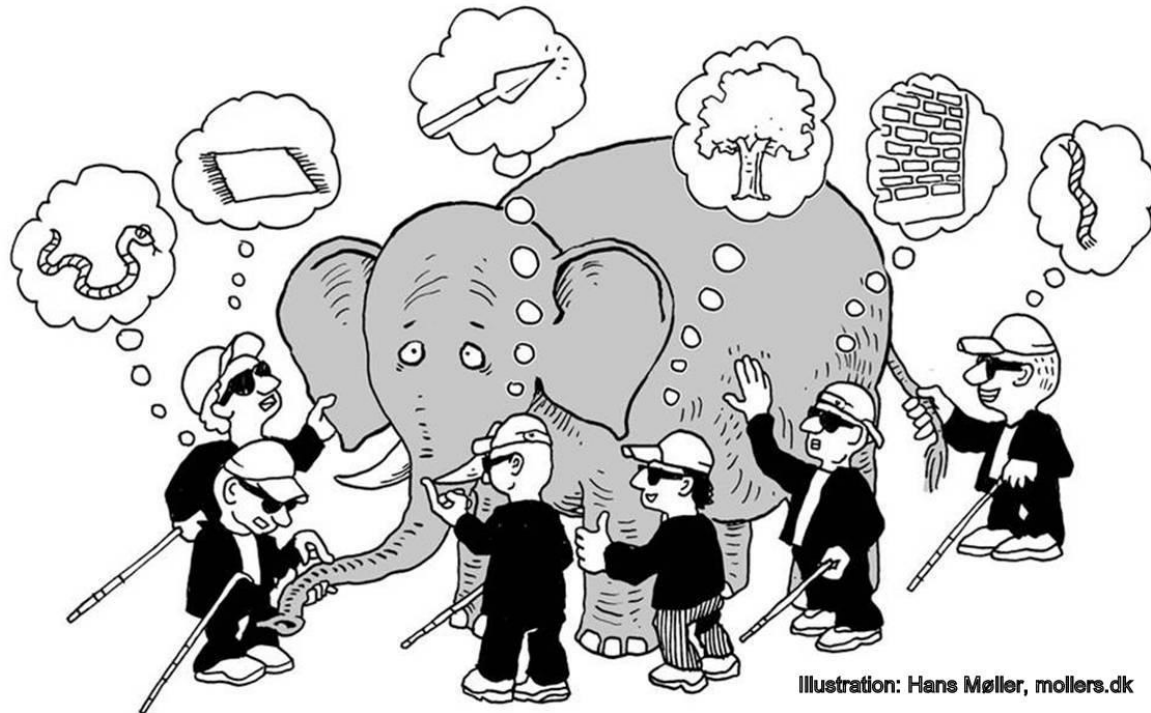
Some Emerging Best Practices in Council's “strategic role”

#1 Best Practice

**There is consensus among Councillors
about what decisions are “strategic”
VS
which ones are “operational”.**

What is Strategy?

What's a “strategic decision”?



The Blind Men & The Elephant

John Godfrey Saxe (1816–1887)

Two dominant strategic viewpoints on strategy:

STRATEGY IS:

- A means to an end (i.e. “what is our strategy TO achieve our goals and objectives”)

Versus

- Both the ends AND the means (i.e. “what goals and objectives are we trying to accomplish AND how do we plan to achieve them”)

20

ESSENTIAL QUESTIONS

**CORPORATE DIRECTORS
SHOULD ASK ABOUT STRATEGY**

and Workbook

Dr. Chris Bart, FCA

*The world's leading authority
on mission and vision statements
and their successful implementation*



Author of the highly acclaimed CICA publication,
20 Questions Directors Should Ask About Strategy, 2nd Edition

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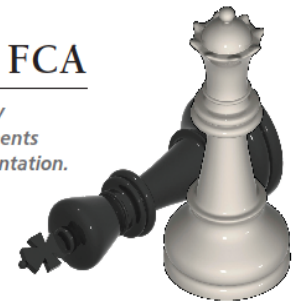
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The Strategy for ANY organization includes a statement of:

- **Vision** – a massively inspiring, overarching, long term goal
- **Mission/Purpose**
 - "Why do we exist?"
 - "What are we here for?"
- **Values** – define the acceptable standards which govern the behaviour of individuals within the organization
- **Strategic Priorities** associated with the M.V.V.
- **Objectives** – specific, measurable targets to achieve regarding the M.V.V. and Priorities
- **Strategic Priority Initiatives** – major high-level tasks and activities to achieve the objectives
- **Business Arena(s) - or Product/Market Scope ("PMS")**
 - defines what business(es) we are in

Strategic Model: 3-5 year horizon



#2 Best Practice

Councillors are clear and in agreement on what the Council's role (versus Management's) is in the strategic "process" and setting the strategic agenda

In just one Municipal Council, different Councillors held the following divergent (and overlapping) views about their role in the strategy process:

1. Just review and comment.
2. Monitor performance against the strategy.
3. Challenge, scrub and vet, and then approve the strategy.
4. Substitute management expertise in specific areas i.e. technology, marketing, distribution, engineering and purchasing/pricing decisions.
5. Identify key strategic and operational issues.
6. Generate other innovative approaches/ideas/solutions.
7. Approve only major strategic initiatives.

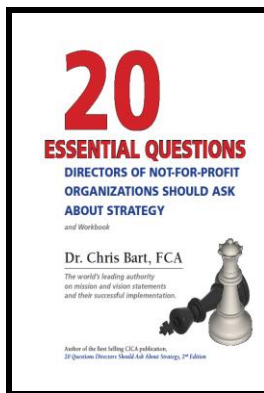
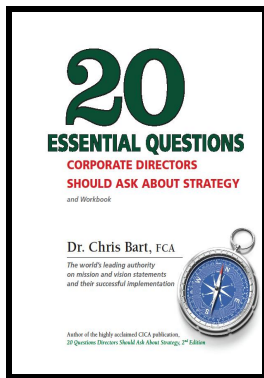
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BUT, whatever the role, a Board/Council is most successful when they are explicit and in agreement.

Appendix 1. Constructive Involvement: Board and Management

Roles and Responsibilities for Strategic Plans and Planning



| TASK | RESPONSIBILITY | |
|--|----------------|-------|
| | Management | Board |
| Developing a strategic planning process | X | |
| Assessing and approving the strategic planning process | | X |
| Developing the mission, vision, and values (1) | X | |
| Assessing and approving the mission, vision and values | | X |
| Developing the objectives | X | |
| Assessing and approving the objectives | | X |
| Identifying the business arenas | X | |
| Assessing and approving the business arenas | | X |
| Data collection and analysis with respect to the strategic plan (See Appendix 2) | X | |
| Preparing the written strategic plan | X | |
| Assessing and approving the strategic plan | | X |
| Scheduling strategic planning and strategy review meetings | X | |
| Preparing operating plans | X | |
| Preparing budgets | X | |
| Approving budgets | | X |
| Preparing reports on the organization's strategic progress and accomplishment of strategic objectives | X | |
| Monitoring the execution of the strategy and its achievement | | X |
| Approving changes to the strategy as warranted | | X |

(1) while traditional practice generally restricts Board involvement to the assessment and approval of the mission, vision and values, recent research suggests that superior organizational performance and innovativeness occurs when Boards are more active participants in the development of these strategic documents.

Rules of Engagement

Roles (Charter & Director Job Descriptions)

- Of the Council? Of Management?
- Nature and degree of engagement

NEED TO SPECIFY WHO DOES WHAT!



STRATEGIC PLANNING STEPS

Strategic Planning: PART A.

- **Provide an initial orientation presentation to City Council on:**
 - the principles of strategic planning and introducing Council to the SP methodology and framework to be used in the development of the 2019 Plan
 - ***Twenty Essential Questions Directors of Not-for-Profit Organizations Should Ask About Strategy***; and
 - the role of Council as governance leaders and policy makers.

Strategic Planning: PART B.

- **REMOTE EXERCISE 1:**

- individually canvass the City Council and Management to determine their ***‘anonymously attributed’*** views (i.e. confirm or change) on:
 - the existing *mission, vision, and values* (“MVV”) of the City;
 - The MAJOR strategic priorities facing the City
 - the City’s major (perceived) strengths, weaknesses, opportunities and threats – the “SWOT”
 - Key performance indicators of success (the “objectives”)
 - A suite of high level “strategic initiatives” to address the identified SWOT in service to the MVVPO

Strategic Planning: PART C.

Facilitate a two day workshop to help the City Council and Management:

- come to a resolution on the current **MVV**
- identify and rank the City's most important **strategic priorities**
- rank the City's **SWOT** items identified in Exercise 1
- identify and rank the City's essential **strategic “outcome measures”** of performance success;
- identify and rank the most important **strategic initiatives** from Exercise 1 *in order to:*
 - *capture key opportunities, capitalize on its strengths, fix weaknesses and address significant threats/risks*
 - *Address strategic priorities*
 - *Deliver outcome measures*
- Identify and rank the City's programs/services to keep, drop and add.

Strategic Planning: PART D.

- Help the City Council and Management review, assess and fine-tune the OUTPUT from the retreat in PART C;
 - Assist Management in preparing their first draft of the strategic plan for preliminary review by Council. (This will involve helping Management rank and prioritize the strategic initiatives (related to the top strategic priorities) into 2 parts:
 - A = doable and ranked for the current year (given time and resource constraints);
 - B = doable in later periods with additional financial resources and/or staff time availability.
 - Remotely canvass the Council to gather their anonymously attributed feedback on the draft strategic plan;
 - Assist Management in both responding to Council's feedback and the preparation of the next version of the strategic plan for finalization and presentation to Council.
- Provide on-going strategic planning counselling and advice to the City Council and Management.

STRATEGIC PLANNING TIMELINE

- An initial presentation by Dr. Bart on the principles of strategic planning, the importance of a mission statement, the role of Council as governance leaders and policy-makers (January 8)
- A **detailed survey for Council** (January 9 – 31)
- **Survey analysis and summary report** provided to Council (February 21)
- A facilitated **2-day retreat** (March 22-23)
- Help the City Council and Management review, assess and fine-tune the **output from the retreat** - April 12
- **Assist Management in preparing their first draft of the strategic plan** prior to its finalization and presentation to City Council. This will involve helping Management rank and prioritize the strategic initiatives (related to the top strategic priorities) into 2 parts:
 - A = doable and ranked for the current year (given time and resource constraints);
 - B = doable with additional financial resources and/or staff time availability. (April 23)
- **Assist City Council in their review of the first draft of the strategic plan** (via anonymous survey feedback) and their providing feedback to Management. (May 7)
- **Assist Management in preparing their final version of the strategic plan** while taking City Council's feedback into account. (May 21)
- Attend and facilitate a **joint meeting of City Council and Management** to finalize and approve the strategic plan. (June 25)

Strategic Planning Process

Executive Summary

- The strategic plan will reflect high level - but achievable - aspirations for the City of Greater Sudbury and will provide a shared sense of the Council's and Management's vision for the municipality.
- The strategic plan will include Vision, Mission, Goals, Strategic Priorities, Performance Objectives and major Strategic Initiatives as co-developed by the Council and Management. It will also include recommendations regarding the City's major activities/programs/services.
- Management will be responsible for developing the **detailed annual action plans (“operational tactics”)** to achieve the strategic plan. Action plans will be shorter-term, measurable and achievable. They will also be reviewed and monitored by Council and incorporated into the annual budgeting and business planning process.
- The strategic planning process will provide an opportunity for stakeholder/public input with the final strategic plan well communicated to all key stakeholders and the public.



•••CORPORATE MISSIONS INC.▶

THE RIGHT MISSION. THE RIGHT RESULTS.

Thank you, Merci

Good Luck, Bonne chance

Bye, Au revoir!

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