Kent Taylor Civic Hall
200 NE Second Street
McMinnville, OR 97128

City Council Meeting Agenda
Wednesday, July 19, 2017

6:00 p.m. – Work Session

Welcome! All persons addressing the Council will please use the table at the
front of the Council Chambers. All testimony is electronically recorded.

6:00 PM – WORK SESSION – COUNCIL CHAMBERS

1. CALL TO ORDER

2. DISCUSSION ON STRATEGIC PLANNING

3. ADJOURNMENT

STAFF REPORT

DATE: July 11, 2017
TO: Mayor and City Council
FROM: Jeff Towery, City Manager
SUBJECT: Strategic Planning – Work Session

Report in Brief:

The Mayor and Council identified the need for a comprehensive strategic planning process during its annual goal setting and during subsequent deliberations and adoption of the FYT2017-18 budget.

Background:

Based on the Council's adopted goals, staff has prepared a number of materials and resources to support a strategic planning effort, including budgeted funds to retain consultant services to add capacity. This work session will be the Council's first opportunity since Goal Setting have a focused discussion about strategic planning and to provide specific direction on next steps.

Discussion:

The Council has alreasdy made significant progress on key components of a Strategic Plan, especially related to goals and values. In addition to serving as a public forum to discuss the process and raise awareness of the work done to date, the work session is an opportunity for the Council to discuss and come to consensus on four key topics.

- The relative priority of the remaining components of a strategic planning process.
- Council approach/philosophy on stakeholder involvement.
- The potential use of consultant services as the process moves forward.
- Roles, responsibilities and method of involvement by the Council.

The presentation and discussion will be structured to provide the opportunity to address each of these issues as well as any other aspects of the project as desired by the Council. At the conclusion of the work session, city staff hopes to have enough clarity to prepare a schedule and move forward on the next steps of the Strategic Planning process.

Attachments:

1. Strategic Planning Slideshow
2. Strategic Planning Overview
3. Strategic Planning Detail

Recommendation:

After the presentation and review of the information, any direction the Council provides will guide and inform the strategic planning process moving forward.
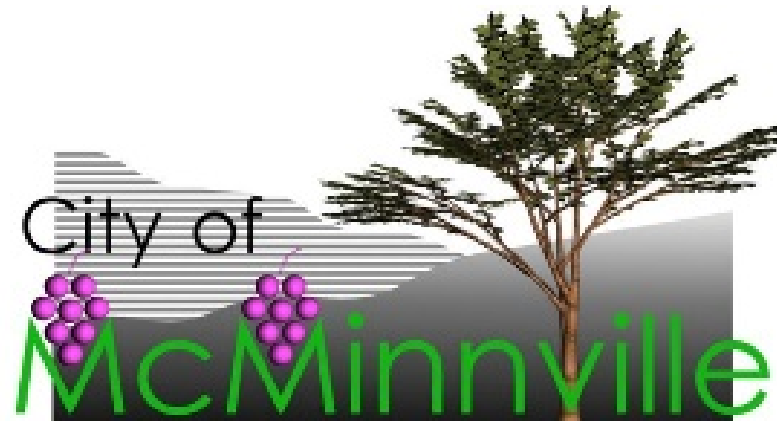
A Commitment to Strategic Planning

A Commitment to
Strategic Planning

Clarifies:

Mission – what business we are in

Vision – what we want to become

Values – operating principles which guide all decisions

Objectives – what we must do well

Work Plans – what will we do this year

Our Mission…

The City of McMinnville is primarily responsible for maintaining a safe and livable environment within the community. This is achieved by providing open governance and efficient delivery of public services.

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Strategic Planning

Council's Vision:

MANAGE AND PLAN TO MEET DEMAND FOR CITY SERVICES

COMMUNICATE WITH CITIZENS AND KEY LOCAL PARTNERS

PLAN AND CONSTRUCT CAPITAL PROJECTS

PLAN FOR AND MANAGE FINANCIAL RESOURCES

PROMOTE SUSTAINABLE GROWTH AND DEVELOPMENT

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Values

Citizen Participation: Citizens will be involved in the decision-making process and be encouraged to serve on boards, committees and commissions.

Communication: We shall work to preserve the strong sense of community pride which is a McMinnville trademark.

Courtesy: All Citizens and fellow employees will be treated with courtesy.

Customer: Our customers, the public, are the most important persons ever in this building. The purpose of our work is to serve the public.

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Values

Economy: Sustainable economic activity is vital to achieving prosperity and job creation. A healthy and diverse private sector is critical to the support of public service financing. A healthy downtown core area is valued as a key element of the City's overall economy.

Employees: Essential to accomplishing our mission is the selection, training and retention of highly qualified women and men as City employees.

Equality: Services will be equally delivered to all citizens. Different points of view will be respected.

Intergovernmental Relations: We shall consider the plans and interests of other governmental entities when making decisions.

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Objectives

- **Commence process improvement, including a cross-functional process for code enforcement.**

- **Promote active engagement with and involvement of the community, including but not limited to:**
  - ➢ **Revisiting the Community Survey and sharing survey results with partners.**
  - ➢ **Establishing a task force or committee on homelessness.**

- **Support implementation of Urban Renewal Plan.**
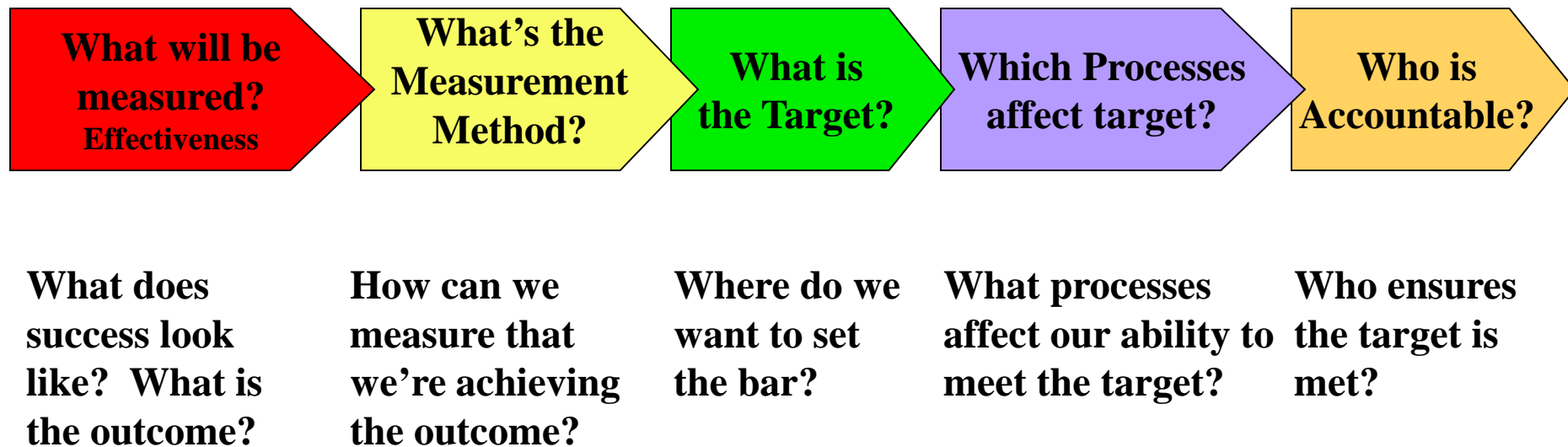
Objectives

- **Continue to plan and implement Transportation Bond improvements.**

- **Prepare and adopt a fiscally prudent FY 2017-2018 budget.**

- **Establish comprehensive strategic financial planning.**

- **Working with partners e.g. the County, COG, and others, identify economic opportunities for addressing affordable housing, homelessness, and growth.**

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Strategic Planning Summary

What will be measured? **Effectiveness**	What's the Measurement Method?	What is the Target?	Which Processes affect target?	Who is Accountable?
What does success look like? What is the outcome?	How can we measure that we're achieving the outcome?	Where do we want to set the bar?	What processes affect our ability to meet the target?	Who ensures the target is met?

A Commitment to Strategic Planning

Questions?

City of McMinnville, OR
Strategic Planning Overview
June, 2017

Continuous, organization-wide strategic planning is important for information sharing and better communication, team building and for helping organizations achieve better performance and better results.

Strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what the people in the organization do, and why they do it, with a focus on the future. Strategic planning is primarily a management tool that is used for one purpose only; to help the organization do a better job—to focus energy, to ensure that members of the leadership team are working toward the same goals, to assess and adjust the organization's direction in response to a changing environment. Strategic planning provides a framework for continuous, productive, strategic change within the organization as a whole. The framework supports the surfacing of issues and provides a structure for their effective and efficient resolution. It is a useful procedure by which the guiding members of the organization's shared responsibility team envision the future and develop the necessary action plans to achieve that future.

In management, being strategic has to do with responding properly to a dynamic and often hostile environment in pursuit of one's mission. To think strategically is to be informed and consciously responsive to a constantly changing environment. Strategic planning involves intentionally setting goals (choosing a desired future) and developing an approach to achieve those goals. To achieve the best fit between the organization and its environment is not an easy task, especially when the environment is changing in dynamic and often unpredictable ways.

One of the major assumptions that is often brought to the strategic management process is that an organization must become even more responsive to and anticipatory of a dynamic and changing environment. The process should emphasize understanding how the environment is changing and will change, and in developing organizational decisions that are responsive to these changes.

A sustained commitment to strategic management and planning is not achieved overnight. To improve strategic thinking, change management and team-building capacities may take several years. Developing a comprehensive strategic planning process aids annual policy and budget decision-making, improves the day-to-day management and enhances teamwork.

Basically, this is a sequential and developmental process. It is an iterative and reiterative process. Each step in the process follows and builds on the previous ones. As progress is made over time, each year's work should be able to build

on previous efforts. To be truly effective strategic management must be future-focused, outward-looking, results-oriented and customer-centered. Most, if not all, truly effective organizations use strategic planning tools year in and year out. It is a lot like weeding a garden. It has to be done regularly to be effective. When fully developed, strategic management:

1. forces a futures orientation;

2. encourages broad-scale information gathering;

3. requires the consideration of alternatives;

4. provides for communication and participation; and

5. emphasizes the importance of implementation.

Effective strategic planning should be part of a continuous and ongoing improvement process. If mission, core values and guiding principles are too narrowly defined, they are more likely to become SPLOTS—strategic planning languishing on the shelf. If that happens, the wasted time and wasted effort leads to increased organizational cynicism.

It is important that crafting a mission, core values, guiding principles and a vision is not a one-time exercise. A periodic review of mission, core values, and vision not only shows where progress is being made but also where change can or should be made.

Another important outcome of is often a detailed assessment of an organization's present situation together with the identification of some of the strategic issues facing an organization. Once there is agreement about mission, core values, vision and critical issues; key leaders must then begin to figure out what to do about them: the broad approaches to be taken (strategies), and the general and specific results to be sought (goals and objectives).

Strategies, goals and objectives, and action plans may come from individual inspiration, group discussion, formal decision-making techniques, and such—but in the end, the organization's leadership needs to agree on how to address the critical issues.

Doing this work requires a leap of faith. It is an act of hope and self-determination.   Strategic management is not easy work but strategic planning pays off. Those organizations that do it have outperformed those that do not.

City of McMinnville
Strategic Planning Detail
DRAFT for Council Work Session – July 19, 2017

"When you don't know where you are going any road will get you there."

~ Chinese Proverb

◦ **Introduce The Strategic Planning Process**

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.

"There are three kinds of people: those who make things happen; those who watch things happen; and those who don't know what hit them."

~Unknown

◦ **Mandates**

The formal and informal mandates placed on an organization are "the musts". Mandates prescribe what must or should be done under the articles of incorporation, charter, ordinances and policies as well as federal and state laws, codes and regulations. Without examining mandates, it is easy to assume we are more tightly constrained than we are or that if we are explicitly told to do something, we assume we are not allowed to do it.

Sometime mandates are obvious and spelled out in law. Others are informal, some personal. All, nonetheless, constrain and define what we do or think we ought to do. The basic question is: What expectations are held by policy leaders, staff, customers and clients? What are our mandates?

"Planning is the organization of hope."

~ Stephen Blum

◦ **Stakeholder Analysis**

Stakeholder analysis identifies groups inside and outside the organization with the potential to affect organizational objectives. All organizations are influenced by internal and external stakeholders. A stakeholder is any person or group inside or outside the organization that can make a claim on the its attention, resources, or output or affects or is affected by the its output. Stakeholder analysis is a technique to assess the potential impact of all stakeholders on a set of organizational objectives, or a specific plan of action. This information provides a foundation upon which to build strategies to manage stakeholder relations.

In stakeholder analysis, think about the answers to such questions as:

Who are the customers, clients, advocates, and policy makers?

What do they need or want?

Through the eyes of the stakeholder, how do they judge our performance?

How "powerful" are they with respect to influencing the organization's objectives?

What do we need from our stakeholders?

"Habit rules the unreflecting herd."

~ William Wordsworth

◦ **Opportunities and Threats**

Opportunities and threats constitute the "external" environment. We often are preoccupied with internal issues of the organization and fail to identify and appreciate issues and ideas outside the organization that could have a significant impact on us. Looking at opportunities and threats identifies 1) forces and trends, 2) clients and customers and, 3) competitors and collaborators. What major opportunities do we have? What major external threats do we face? What ideas are in "good" currency?

"The essence of good strategic planning is to exploit the inevitable."

~Unknown

◦ **Strengths and Weaknesses**

Strengths and weaknesses constitute our "internal" environment. What aspects of the organization help or hinder accomplishment of the mission and fulfillment of the mandates? What resources do we have? What processes do we use? What outputs do we generate? What are our major internal strengths? What are our major internal weaknesses?

"Plan or be planned for."

~ Russell L. Ackoff

◦ **Major Results, Tasks and Accomplishments**

Participants will each present their prioritized lists of the five to ten most important results, tasks and accomplishments that they want to achieve during the duration of the plan.

"Open your arms to change, but don't let go of your values."

~ Dalai Lama

◦ **Core Values/Guiding Principles**

A values statement is a description of the code of behavior (in relation to employees, other key stakeholders, and the society at large) to which an organization adheres or aspires. A values statement should identify how an organization conducts itself and what system of values it wishes to operate under, with both internal and external stakeholders.

"We will leave this community greater, better, and more beautiful than it was given to us."
~ Ancient Athenian City Oath

◦ **Mission Statement**

A mission statement provides an organization with the social justification for its existence. A mission statement should clarify an organization's purpose and indicate why it is doing what it does. A mission can be developed by responding to a few questions.

Who are we? What is our purpose? What business are we in?

In general, what are the basic social and political needs we exist to address?

In general, what do we want to do to recognize or anticipate and respond to these needs or problems?

"It is strategic thinking and acting that is important, not strategic planning."
~Unknown

◦ **Strategic Issue Identification**

Strategic issues are the fundamental challenges affecting an organization's mandates, mission and values, product or service level and mix, clients or users, cost, financing, organization and management. Strategic issues are those which may turn and "bite" you. They most often involve conflict of one sort or another. Strategic issues should be described succinctly and framed as a question that an organization can do something about. The purpose of identifying selected strategic issues is to enable the organization to focus on key challenges or policy choices. What is the issue? Be sure to phrase the issue as a question that has more than one answer. Why is the topic at hand an issue? How is it related to the organization's mission, mandates, internal strengths and weaknesses, or external opportunities and threats? What are the consequences of not addressing the issue?

"Begin with the end in mind."
~ Stephen R. Covey

◦ **Goal and Objectives/Work Plans**

Effective work plans will include a project description, proposed timeline for completion, responsible or lead parties, ranking or priority and in some cases, budget information.

"I am not afraid of storms, for I am learning how to sail my ship."
~ Louisa May Alcott