

CHAPTER 11 OVERVIEW

- ✓ Introduces the **benefits of the strategic planning process**.
- ✓ Outlines the **steps of the strategic planning process**.
- ✓ Details **methods for determining the effectiveness of the planning process**.

A. Introduction to the Strategic Planning Process

The primary goal of the CTD Act is to better coordinate the efforts of transit providers across the state of Kansas. Along with this goal comes a series of objectives that enable CTDs and transit providers to work toward the achievement of this goal. One way CTDs can fulfill their end of this bargain is through the creation and implementation of a strategic plan. The same planning method may be relied on by transit agencies to achieve individual success.

A strategic plan 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.

- Strategic planning provides direction to future operations and investments.
- The process identifies all interested stakeholders, both internal and external to the organization, and examines current and potential relationships to these stakeholders.
- Finally, a strategic plan helps to set priorities and allocates resources in accordance with identified critical issues—generally for a period of one to three years, but sometimes for as long as five years.

This process provides an opportunity for CTDs to look beyond the regulatory requirements of forming the organization to consider the transit development needs of communities in their area and the role of the CTD in meeting those needs.

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B. Requirements of the Strategic Planning Process

The first requirement in strategic planning is a commitment from the key stakeholders in the organization that they are willing to engage in the planning process. It is impossible to impose effective strategic planning from the outside or from a small faction within the organization. Commitment to strategic planning within your CTD or any group with which you are working must come from those with the greatest interest and leadership within the organization.

The second recommendation is to recruit a facilitator, preferably from outside of the group. There are many sources available to facilitate strategic planning—some are available at no cost or low cost. Consultants might be hired to do any part of the process, from synthesis of working sessions to actual plan-development. Usual sources of strategic plan facilitators may be your local community college or university, the Chamber of Commerce, executives from larger corporations or agencies with experience in strategic planning, or transit management consultants specializing in strategic planning. Once a facilitator has been selected, the planning process may proceed.

There are several critical steps to development, but many variations on completion of these steps. The basic steps in strategic planning are:

1. Review and update agency mission statement.
2. Identify key stakeholders and their relationship or potential relationship to your organization.
3. Complete a Strengths/ Weaknesses/ Opportunities/ Threats (SWOT) analysis. Strengths and weaknesses are usually identified as current and internal to the organization. Opportunities and threats are usually considered external to the organization and into the future.

4. Prioritize elements identified in the SWOT into critical issues.
5. Revisit the mission statement to ensure that it is still consistent with the environment-scan conducted to develop the list of issues.
6. Develop goals and objectives based on critical issues.
7. Develop action steps to identify potential barriers, specify who will carry them out—and when. While developing goals and objectives for the organization, always keep your eye on the mission statement to ensure congruence.
8. Once the strategic plan is adopted, monitoring task completion and modifying tasks as needed should be programmed into the board's regular agenda.

C. Evaluating the Effectiveness of the Strategic Plan in Meeting Goals and Objectives

Performance evaluations should be conducted in order to determine if the agency is meeting established goals and objectives. The strategic plan is filled with goals and objectives relating to personnel, planning, marketing, public image, community development, and operations costs. These will serve as the basis for performance evaluation.

Once identified, the goals and objectives should be reviewed for indicators that will help determine if the agency is functioning effectively. Indicators may be qualitative and quantitative. They include total expenses, variable expenses, vehicle hours, passenger satisfaction, miles and number or riders, etc.

Data must then be collected and tabulated. This data may come from vendors, drivers, clients and funding agencies.

After calculating the data, an analysis should be made of whether performance of a particular goal or objective has been satisfactory. A clear understanding of the goal or objective established in the strategic plan is key in deciphering success or failure of the elements of the plan.

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Upon interpretation, the transit agency should recognize those areas where it has met or exceeded its expectations and those areas where the goal or objective has not been achieved. Corrective actions should be defined and implemented to compensate for failure to achieve certain goals. Also, additional or different goals may be established at this point to give the agency further points to strive toward in the future. Monitoring and update should occur on a yearly basis, if not quarterly.

CHECKLIST

- Does your agency have a strategic plan? 11-1
- Are the goals and objectives of the plan being implemented? 11-3
- Does your plan need to be updated to reflect changes within your organizations goals and objectives? 11-4

Resources

Measuring Performance: A First Step Towards Standardization, Rural Transportation Reporter, Volume 4, Number 9, Rural America, November 1986.

Handbook for Management Performance Audits, Institute for Urban Transportation, Urban Mass Transportation Administration, March 1988.

Conducting Performance Evaluations, Kansas Trans Reporter, July 1997.