

WHAT IS A STRATEGIC PLAN?

A strategic plan is one of the most important documents a community can have to guide its long-term success. Strategic plans are particularly important for economic development organizations (EDOs) in that they allow local economic developers to create and nurture strategies based on the actual economic conditions and priorities of a community, rather than trying strategies that have worked in other communities but may not work in their own community. Strategic plans also provide an assessment of how well existing economic development strategies are working. A **strategic plan** is a document that lays out the vision and goals of a community, the reason behind this vision and the goals, and the method by which the community intends to achieve the vision and goals.

Economic Development Strategic Plan Characteristics

The economic development strategies resulting from a strategic plan should be:¹

- Compatible with the community's vision
- Feasible given the community's strengths and weaknesses
- Implementable given the community's leadership and resources
- Change making for addressing the community's most urgent challenges
- Innovative, enabling the community to "move forward" on its most promising opportunities

*"Difficult economic times should not be used as an excuse to abandon planning efforts. Planning that maximizes the attainment of economic development goals within resource constraints [...] becomes even more valuable under recessionary conditions."*²

Why Communities Should Have a Strategic Plan

- **Clearly defined vision.** Part of strategic planning for communities is defining a vision statement, along with a set of concrete and measurable goals and objectives aligned with that vision.
- **Roadmap.** Strategic planning involves outlining a series of steps that allow communities to achieve their goals and objectives.
- **Reveals new insight.** The strategic planning process reveals information about the community that otherwise would not have been so clearly illuminated, allowing community leaders to define a community's strengths and weaknesses clearly.
- **Compiles data in one place.** The strategic plan of a community includes information about all dimensions of a community, including workforce, industry, fiscal health, downtown, retail, housing, education, and tourism.
- **Builds consensus.** Part of the strategic planning process involves bringing together leaders and other stakeholders to create a coherent vision toward which to work.
- **Places community in context.** The strategic plan allows the leaders to place the community's situation in a larger context, which can illuminate solutions to community problems by drawing on examples from other communities.

¹ (Wilkins, Girdwood and Hackler)

² (Koven and Lyons)

THE STRATEGIC PLANNING LEADERSHIP TEAM

Who Should Serve on the Strategic Planning Leadership Team?

Active participation of a diverse group of community stakeholders in the strategic planning process is essential to ensure the right priorities are articulated in the plan and to achieve buy-in from the people who will execute the plan. Consulting firm SEH recommends assembling a strategic planning leadership team of between six and twelve key stakeholders to develop a strategic plan, with the size of the team roughly corresponding to population size.³ A team with too many members may have difficulty building consensus, while a team with too few members may not offer enough of a diverse perspective to address each of the important areas that should be addressed within a strategic plan.

Each member of the leadership team should have a distinct role in terms of the plan's development and should also represent different roles within the community in order to provide a well-rounded perspective. Some examples of potential team members might include local elected officials, local economic developers, business leaders, prominent and engaged residents, non-profit representatives, religious leaders, representatives from local utilities, and local workforce development staff members, among others. IEDC recommends recruiting members of the leadership team based on those in the community who have a reputation for fairness and are people-oriented relationship builders.⁴

Responsibilities of the Leadership Team

All members of the strategic planning leadership team should be fully committed to the goal of creating a dynamic strategic plan that will guide the community's development and growth. Choosing roles for each member of the leadership team will be most successful if members are assigned areas corresponding to their expertise, their interest, and whether they will be involved in the execution of a particular area of a plan.⁵

The leadership team is responsible for the following functions of the strategic planning process:

- Setting the overall direction
- Structuring the process
- Identifying and maintaining human, technical, and financial resources
- Providing ongoing oversight
- Taking responsibility for all process deliverables
- Render final approval of the vision statement, goals and objectives, and action plan
- Ensure adequate funding to sustain the costs of strategic planning

³ (Botich)

⁴ (Wilkins, Girdwood and Hackler)

⁵ (Collins)

Other Potential Participants in the Strategic Planning Process

The leadership team is responsible for steering the strategic planning process and often works in concert with other teams, committees, or work groups of people recruited by the leadership team for specific functions.⁴

- **Advisory Team:** An advisory team is a collection of subject matter experts in key areas that will make up the components of the strategic plan. The advisory team may address pre-planning procedures such as whether to engage a consultant or what process to use, review the draft reports to provide an expert perspective, review of proposed action plan items, and the identification of resources to assist in the planning process.
- **Work Groups or Committees:** Work groups or committees are teams created to work on specific areas of the planning scope, such as economic analysis, development of the action plan, and others. They may also be created after adoption of the plan to execute specific parts of the action plan. Work group or committee members often come from organizations that have resources to contribute to the goals of the group, such as business leaders, educational institutions, and others.
- **Execution Team:** The execution team can be the strategic planning leadership team or a group of people that includes some members of the leadership team combined with other individuals. The responsibility of the execution team is ensuring that the action plan is carried out after the strategic plan is adopted.
- **Consulting Team:** Occasionally, the strategic planning leadership team may employ the services of an outside facilitator or a consulting firm to assist with structuring the planning process or with performing the community assessment. Employing outside services is associated with additional costs. The consulting team can conduct surveys and focus groups of the community, facilitate building consensus among the leadership team or other participants in the strategic planning process, or conduct research-driven assessments of the community.
- **Marketing Team:** The roles of the marketing team may include keeping the general public informed and brought in to the process and action plan and developing a comprehensive communications strategy to keep the public engaged with the strategic planning process and the initiatives that arise from its adoption. Approaches to communication and marketing with the public may include public meetings or hearings, community forums, focus groups, community interviews and surveys, public websites, news releases, media coverage, and other measures.

THE STRATEGIC PLANNING PROCESS

The strategic planning process can take as short as six months or as long as nine to twelve months. The plans take years to execute the actions articulated in the plan. Strategic plans are usually recreated every three to five years and action plans do not often extend longer than that period. Strategic planning is a continuous process and is not necessarily carried out linearly in a step-by-step procedure. Goals, strategies, and projects are constantly reconsidered, readjusted, and redefined to meet the changing economic landscape. The process involves the following steps:⁶



⁶ (Wilkins, Girdwood and Hackler)

- 1 to 2 months** **Organizing.** Identify the leadership team and others who will be involved in the strategic planning process. Create the organizational structure, including work groups, advisory team, and any other teams that will be utilized in the process.
- Varies** **Visioning.** Developing a shared vision describing where the community wants to be. The community's future should be clearly defined in the vision statement and the vision should be based on a consensus among all key stakeholders. The vision will be the main focus that will guide all strategic planning.
- 4 to 6 months** **Community Assessment.** The community assessment should evaluate the local community and its economic competitiveness based on strengths, weaknesses, opportunities, and threats (SWOT). Analyze the local economy and trends, including industry, retail, housing, tourism, highest best use, land use, fiscal health, and other dimensions. Community assessment may leverage stakeholders outside the primary leadership team including work groups or committees or a consulting team.
- 1 to 2 months** **Goal and Objective Setting.** Informed by the community assessment, the team identifies the issues most affecting economic development in the community and uses this to set goals and objectives for the community. Growth and development opportunities should be feasible given the external economic environment and internal resources. After developing goals and objectives with stakeholder and community input, the strategic plan is drafted.
- 1 to 2 months** **Publicizing the Plan.** Make the plan publicly available to the community and external audiences through a website of its own or on the community economic development website and disseminate via social media or email.
- 1 to 2 months** **Project Development.** Identify the potential projects that would maximize the opportunity to achieve the goals and objectives laid out in the strategic plan. Prioritize projects based on maximum return and resource availability. Set concrete benchmarks to measure the performance of these projects so that success is clearly defined. Ensure that community stakeholders are involved in the project development process.
- 1 to 2 months** **Action Plan Development.** Within each project, lay out the sequence of actions and resources necessary to achieve the strategic plan goals, including human staff and volunteers, financial capital, and other resources. Define the physical steps to take to achieve the goals and objectives of each project.
- Ongoing** **Plan Implementation.** Carry out action plans according to what was decided in the strategic planning.
- Ongoing but consistent** **Monitoring Outcomes.** Measure the effectiveness of the plan on an ongoing basis and adjust the plan to meet changing conditions. Make sure goals and projects are still realistic and in line with community priorities and current economic conditions. This should occur on an ongoing basis but on a consistent schedule, such as monthly or quarterly.
- Ongoing but consistent** **Adjusting Strategies.** Adjust the plan regularly to meet changing conditions and priorities. This should occur on an ongoing basis but on a consistent schedule, such as monthly or quarterly.
- Ongoing** **Publicizing the Outcome.** Keep the community stakeholders, public, and external parties informed about the progress and outcomes of particular projects and any efforts associated with updating or implementing the strategic plan.

COMPONENTS OF A STRATEGIC PLAN

The main components of a strategic plan should include, at a minimum, the vision statement, the mission statement, the community assessment, goals and objectives, strategies and projects, and the action plan. Strategic plans released to the public may only not include the specific strategies, projects, and action plan since those components are more of a working guide designed to assist the individuals in charge of implementing the strategic plan.

STRATEGIC PLAN COMPONENTS⁷

Vision Statement
Mission Statement
Community Assessment
Goals And Objectives
Strategies and Projects
Action Plan

Vision Statement.

A community's vision statement is a concise statement about where the community wants to be in the definable future. It forms the backbone of the strategic plan, in that all subsequent components of the plan are formulated to support and realize the vision. The vision statement must be created as early in the strategic planning process as possible with input from key stakeholders and community members in order to be a valid reflection of what the community thinks is important. The following questions should be considered when developing the vision statement:

- Are all relevant stakeholders present to the develop the vision?
- Is the vision reactive or pro-active?
- What does success look like for the community?
- Is the vision realistic?
- Is the vision inspirational?

During the visioning process, participants should evaluate the following questions to help them determine a vision.

- If the community continues on its current path, where will it be heading over the next decade? Is the direction good or bad?
- Do the key stakeholders know where the community is headed and agree on direction?
- Do the community's structure, process, plans, organizations, and information systems support the current direction?

“With proper foresight, continuous planning and dynamic economic development, Hampton Roads will be recognized internationally as a region fueled by Innovation, Intellectual and Human Capital, Infrastructure and a Sense of Place.”

Hampton Roads, Virginia, Vision Statement (2010)

⁷ (Wilkins, Girdwood and Hackler)

Mission Statement.

In the context of economic development strategic planning, a mission statement conveys the image and core reason for the economic development organization's existence. The mission statement is a long-term statement of purpose that reflects the guiding principles and priorities of its leadership and identifies the areas in which it is or will be active. A mission statement is not the same as a vision statement. The mission statement should answer the following questions:

- Why do we exist? What stimulated the creation of our organization?
- What distinguishes us from others?
- What is our purpose?
- Who do we serve?
- What are our primary activities and services?

“To provide leadership in advancing core community values; sustain safety, security and health; and provide progressive, caring, and effective services. We take pride in building a community where individuals, families, and businesses can develop and thrive.”

Clearfield City, Utah, Mission Statement (Mission in Vision 2020)

Community Assessment.

The community assessment is intended to evaluate the local community and its economic competitiveness. The community assessment helps the leadership team to set goals and objectives and informs the rest of the strategic planning process. The components of a community assessment may include:

- Community Inventory
- Surveys and Focus Groups
- Industry and Employment
 - Location Quotient
 - Shift-Share Analysis
 - Industry Clusters
 - Target Industry Analysis
 - Workforce Assessment
- Retail and Commercial
 - Retail Leakage and Spending Metrics
 - Trade Area Methodologies
- Resource Analysis
 - Highest Best Use Analysis:
 - Land Use Analysis
 - Economic Impact Analysis
 - Fiscal Analysis
 - Utility Analysis
- Downtown Market Assessment
- Housing and Neighborhoods Assessment
- Tourism Assessment
- SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis

Goals and Objectives.

The results of the community assessment and the vision statement help guide the setting of goals and objectives by community stakeholders. Input from key stakeholders is critically important when setting goals and objectives, since from this will come the actual projects and actions people will need to take to accomplish the vision.

Goals: Represent the overall vision of desired outcomes of the economic development planning process. Goals are qualitative, direction statements that support the community vision and represent the desired outcomes of the planning process. Goals should be complementary to each other or at least not contradictory. Examples of effective goal statements are:

- To create or retain jobs in the automotive and steel industries
- To establish the community as an attractive location for technology-based industries
- To develop a technically educated and skilled workforce prepared for employment
- To diversify the economy from traditional industries
- To maintain the downtown area as an attractive location for retail and office operations
- To develop the waterfront as a tourist destination

Objectives: Set performance standards and define what is to be accomplished. Objectives are quantitative and directional statements that support the vision. Effective objectives are specific, measurable, realistic, action-oriented, and timely.

Strategies and Projects.

Strategies set out how to achieve the established economic development goals and objectives by asking the question “How do we get there?” or “How do we accomplish the goal or objective?” A strategy encompasses projects and programs to be used to achieve the goals and objectives and coordinates resources to achieve this. The SWOT analysis should be kept in mind when developing strategies and projects. Strategies should be based on:

- Economic development goals and objectives
- Economic assets
- Available resources
- Internal and external constraints

Goal: “Lead efforts to retain and grow jobs and business opportunities for all Louisiana citizens...by delivering turnkey workforce solutions for new and expanding businesses.”

Objective: “Provide strategic, integrated workforce solutions to businesses through delivery of at least 2,000 employees annually, resulting in improved competitiveness in retaining existing employers and attracting new businesses to the state.”

Strategy 1: “Execute numerous FastStart projects throughout the State and across various industry sectors.”

Strategy 2: “Roll-out marketing activities that promote FastStart.”

Strategy 3: “Continue to evaluate current and future state workforce needs.”

State of Louisiana (2012-2016 Plan)

Projects are sub-components of strategies. There are three principal stages of the project cycle: (1) identification, (2) assessment or appraisal, and (3) implementation.

Action Plan.

Action plans define the physical actions to implement the chosen strategies. They describe the components of the different proposed projects. Action plans include:

- The tasks involved, including the sequence in which they should be executed
- Who is responsible for each task
- Realistic timetables for the completion of tasks
- The expected impacts of the actions
- Funding requirements and sources for each action
- Performance benchmarks

COSTS OF STRATEGIC PLANNING

Strategic planning is an investment in the economic wellbeing of a community and, as such, there are financial and time costs associated with the process. Effective strategic planning will produce results that are well worth the investment.

Strategic Planning Activities Requiring Financial Resources

Costs of creating a strategic plan are associated with the following activities:

- Community assessment involves a time investment by staff or volunteers and often requires access to funds to purchase research resources, perform community surveys and focus groups, and pay personnel or consultants who are completing the assessment. Consultant team fees can be as high as hundreds of thousands of dollars, depending on the consultant and the activities for which they are engaged.
- Involving public officials and staff, a necessary step in strategic planning, requires allocating a certain portion of their paid time to planning activities. Furthermore, costs are associated with printing of meeting materials for members of the planning teams.
- Costs are associated with publicizing the plan and the progress, including website design and hosting fees, social media marketing, and producing marketing materials.
- A particular organization, such as the local economic development organization (EDO), will have to coordinate the planning process and thus will bear the administrative costs of managing this responsibility.

Factors Affecting Costs

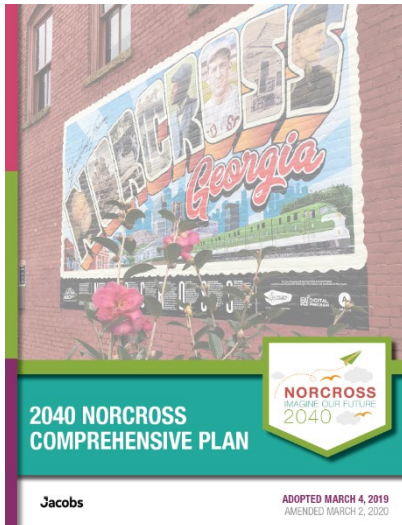
Costs can range anywhere from less than \$50,000 to more than \$500,000 to develop a strategic plan, excluding implementation costs. Costs of developing a strategic plan depend on:

- The scope of the plan
- The size of the community
- The time needed to complete the plan
- Whether a professional consulting team is required

Organizations that Assist with Components of Strategic Planning

- U.S. Economic Development Administration (EDA)
- U.S. Department of Housing and Urban Development (HUD)
- U.S. Department of Agriculture (USDA)
- ECG and EDGE Development
- Georgia Department of Community Affairs (DCA)
- Georgia Tech Research Institute Economic Development Research Program (EDRP)
- Regional colleges and universities
- Private foundations and grants

CASE STUDIES



Norcross 2040 Comprehensive Plan

Norcross, Georgia
March 2019

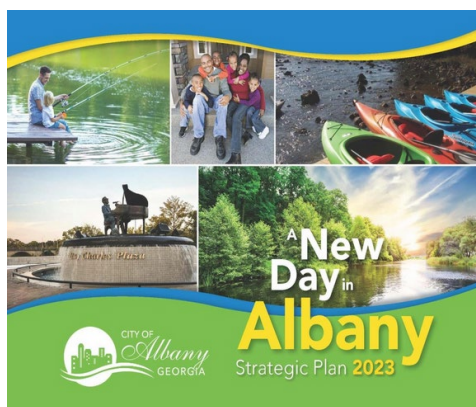
The City of Norcross adopted a plan consisting of vision, goals, policies, 5-year work program, and future development map. The plan is a canonical example of a comprehensive economic development strategic plan.

Norcross Target Industry Study & Strategic Marketing Plan

Norcross, Georgia
November 2018

Consultant: Avalanche

The Target Industry Study & Strategic Marketing Plan prepared for the City of Norcross in concert with Avalanche Consulting primarily consists of community assessment and an action plan specifically related to strategic marketing of Norcross's economic development activities to internal and external audiences.



Albany Strategic Plan 2023

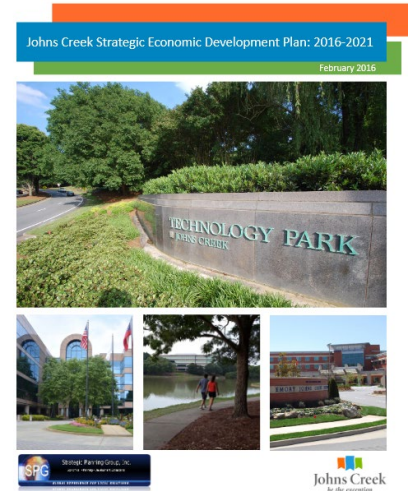
Albany, Georgia

The Albany plan consists of vision statement, strategic priorities, goals and objectives, and action plan.

Johns Creek Strategic Economic Development Plan

Johns Creek, Georgia
February 2016

The Strategic Economic Development Plan for Johns Creek includes a list of the leadership team participants, community assessment, vision statement, goals and objectives, and action plan.



City of Milton 2016-2020 Strategic Plan

Milton, Georgia
2016

The Milton Strategic Plan includes a vision, mission, and core values, goals in different areas, and an action plan to accomplish the goals.

REFERENCES AND FURTHER READING

- Botich, Dan. *How to Develop a Strategic Economic Development Plan*. n.d. <<http://www.sehinc.com/news/how-develop-strategic-economic-development-plan>>.
- Collins, Jim. *Good to Great*. New York City: HarperCollins, 2001.
- Koven, Steven G. and Thomas S. Lyons. *Economic Development Strategies for State and Local Practice*. Washington, D.C.: ICMA, 2010.
- Wilkins, Joy, Christopher J. Girdwood and Darrene Hackler. *Economic Development Strategic Planning*. Washington, D.C.: International Economic Development Council, 2011.

CONTACT

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