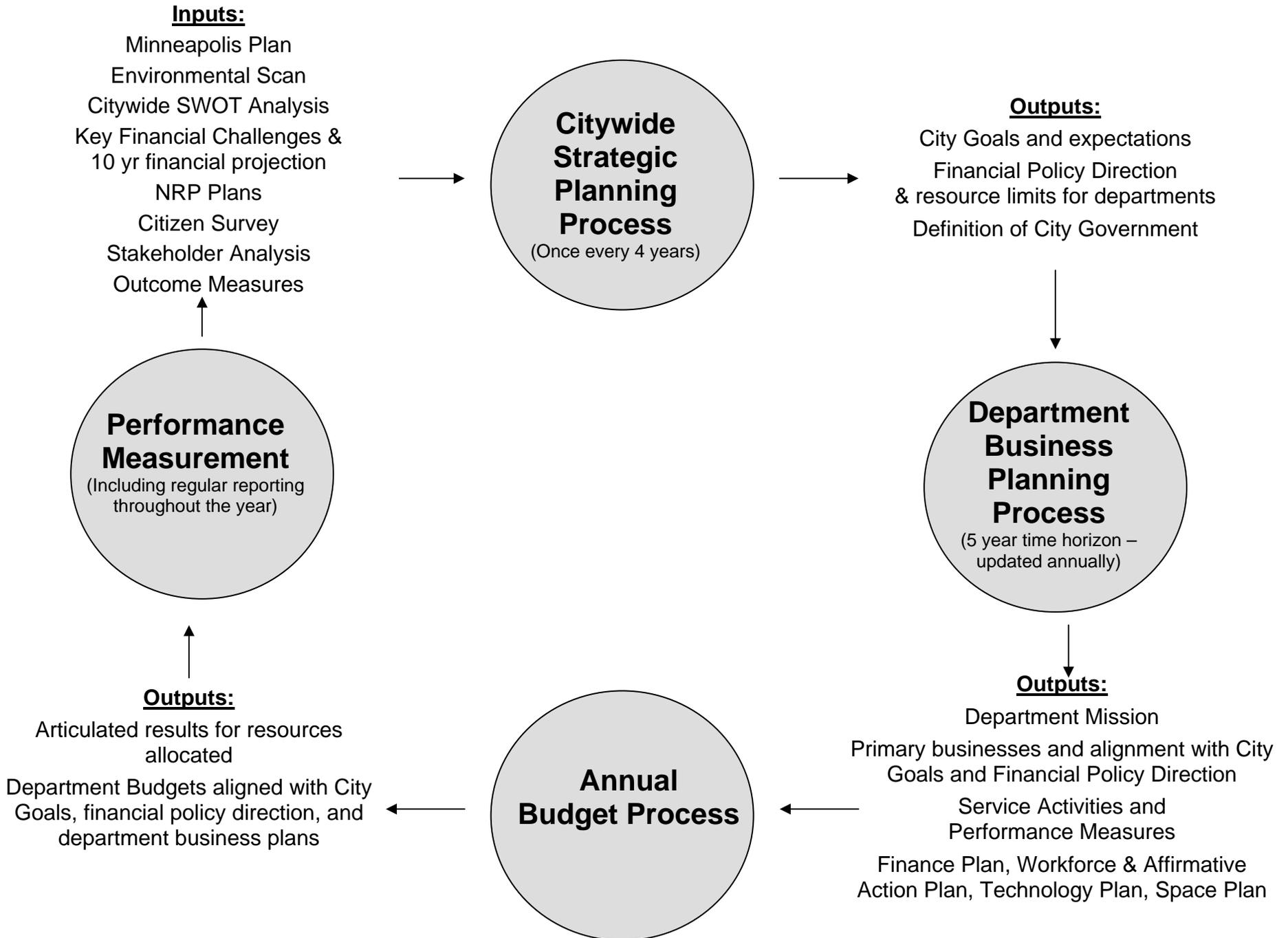


# INTEGRATING KEY CITY PROCESSES

City of Minneapolis – Integrating Key City Processes



Council Adopted Budget

**City of Minneapolis  
FY 2005 Budget**

**Integrating Key City Processes**

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Setting priorities for the City is one of the most important responsibilities Minneapolis' elected officials have. These priorities are articulated and discussed through a number of different means: Citywide strategic planning, department business planning, the annual budget process, and performance measurement.

The diagram on the previous page illustrates the linkages among these key City processes. By fully integrating strategic planning, business planning, budgeting and performance measurement, Minneapolis has the opportunity to change the way it plans for the future and to ensure its efforts and resources are aligned in the same direction.

**Citywide Strategic Planning**

Strategic planning is a process in which an organization sets its long term future direction. It is a tool for assessing its current and future environment and for ensuring the organization's energies are focused toward achieving strategic goals.

In January 2003, the Mayor and the City Council adopted their City Goals and Expectations for the next four years and a resolution establishing commitment to business planning and five-year financial direction. This strategic policy direction serves as a guide by which all other policy decisions should be assessed. As elected officials and departments make decisions throughout the year, they should be asking: "Does this support the City's strategic plan?"

**Department Business Planning**

The development of the Citywide strategic plan is intended to provide clear direction for departments' business planning efforts. Through the strategic planning process, departments have been given direction as to City priorities and their projected level of resources over the next several years, and now have the opportunity to structure their business plans accordingly. A department's business plan will articulate the alignment of its services with the Citywide strategic plan.

Business planning is a process that provides both strategic and tactical direction to City departments. A business plan is a mid-range plan (5-year planning horizon) that aligns department services with City strategic goals. A business plan addresses what the department does; what it is trying to achieve; who are its customers; how it will utilize its resources to achieve its goals; and how it will know when it has been successful.

Business Planning is one of the key City processes intended to ensure the alignment of City efforts with its priorities. A well-developed, focused business plan has the potential to assist departments in:

- ❑ Focusing their efforts on core mission and services and alignment with City Goals.
- ❑ Managing their resources.
- ❑ Measuring their results.
- ❑ Improving how departments convey what they do, what they accomplish, and what their business strategies are.

### **The Annual Budget Process**

Minneapolis' annual budget process is when the Mayor and City Council articulate their priorities for the upcoming year by allocating City financial resources accordingly. As Minneapolis moves toward better integration of its key City processes, the annual budget process should become more straightforward.

As stated above, during the strategic planning process, departments are given the projected level of financial resources to expect over the next several years – they will then be able to develop their business plans in accordance with these projections. Resource allocations will flow from the business plans – departments' annual budgets then will flow from their longer-term financial plans.

### **Performance Measurement**

Performance Measurement is how we know when we have done the right things to achieve our goals and how we know when we have done those things right. A successful performance measurement system can lead to continuous improvement of program performance, improved customer service, strengthened accountability, and empowered employees.

Performance measurement has played a significant role in the development of this 2005 Budget. The format of the department narratives in this budget highlights departments' performance measurement information, including key outcome/quality of life measures. All departments have made concerted efforts to further develop and improve their performance measures as part of this process. As departments update their business plans in future years, they will have the opportunity to strengthen their performance data.

By including performance data in the budget process, the City stands to significantly improve its budget discussions. Performance measures can assist in keeping budget discussions focused on expected outcomes, allowing for greater creativity in how those outcomes are achieved. Finally, performance measures can give both the policy makers and department management the language they need to have a discussion about what resources are needed and why.

### **Financial/Business Decisions Calendar**

The calendar on the following page maps out how these processes are sequenced during the year.

# Financial/Business Decisions Calendar

