

2005 INNOVATIONS AWARDS PROGRAM

APPLICATION

Deadline: April 4, 2005

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1. Program Name: **Council on Virginia's Future**
2. Administering Agency: **Virginia Department of Planning and Budget in cooperation with the Weldon Cooper Center at the University of Virginia**
3. Contact Person (Name and Title):
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9. Please provide a two-sentence description of the program.

The Council on Virginia's Future was developed to create a new policy-making framework for the 21st century. The new, dynamic framework balances continuous improvement of the daily delivery of services to citizens with breakthrough thinking to effect long-term, positive quality-of-life changes.

10. How long has this program been operational (month and year)? **Note: the program must be between 9 months and 5 years old on May 1, 2005 to be considered.**

Originated in July 2003.

11. Why was the program created? What problem[s] or issue[s] was it designed to address? **Indicate how the program applies to the "change driver" that you listed above.**

The program was recommended by the Commission on Efficiency and Effectiveness, a commission created under the first Executive Order signed by Governor Mark R. Warner. The Virginia business community strongly urged creation of the Council as a countervailing balance during a period of time when tax cuts were being proposed without consideration of the long-term needs of the state.

12. Describe the specific activities and operations of the program in chronological order.

See Attachment: Interim Report – pages 27-28

2003:

- **Development of the Roadmap for Virginia’s Future – a planning and accountability process.**
- **Publication of *Virginia Today* (a baseline performance report).**
- **Creation of a vision for Virginia’s future comprising four priorities: education, economy, best-managed state, and informed/engaged citizens.**

2004:

- **Development of a performance leadership system that comprises strategic planning, performance-based budgeting, performance measurement and continuous improvement. See Interim Report – page 9.**
- **Development of long-term objectives for Virginia.**
- **Establishment of an organization structure to carry out the work in a collaborative manner.**

2005 Focus:

- **Development and publication of a balanced accountability scorecard.**
- **Synchronization of Council strategies and measures with state agency strategies and measures. See Interim Report – page 18.**
- **Launch of issues forums.**

13. Why is the program a new and creative approach or method?

It integrates the senior members of the legislative and executive branches of government with key external partners - the business community, citizenry and local government - to create a new leadership paradigm for Virginia. These external partners, with a strong history of organizational transformation, have provided a much-needed perspective in launching this project.

In addition, the approach is holistic in that it blends long-term and short-term views for policy making. It also integrates planning, budgeting and continuous improvement processes to ensure Virginia’s state government operations are positioned to achieve ever-higher levels of performance.

14. What were the program’s start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.)

The Department of Planning and Budget, in cooperation with the Governor's office, supported initial costs of the program. The Governor allocated \$150,000 to support consulting costs associated with the development of a combined strategic planning / performance-based budgeting model.

15. What are the program's annual operational costs?

See Interim Report – page 29.

16. How is the program funded?

General funds

17. Did this program require the passage of legislation, executive order or regulations? If YES, please indicate the citation number.

Yes. House Bill 2097, Virginia General Assembly 2003 Legislative Session

Commending Resolution HJR 299, Virginia General Assembly 2004 Legislative Session

18. What equipment, technology and software are used to operate and administer this program?

Virginia Results – a website sponsored by the Department of Planning and Budget through which agency-level management performance data are reported

Virginia Excels – a website that tracks components related to Virginia's objective of becoming the 'best-managed state in the nation' – includes a management scorecard

19. To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and e-mail address.

To the best of our knowledge, Virginia seems to be the only state that has taken a holistic approach, combining long/short term views with a performance leadership system.

20. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?

There are other states that have elements of the program. Iowa (strategic and operational planning; performance measurement); Kentucky, Oregon, North Carolina & Maine (performance scorecards); North Carolina (issues forums).

Perceived differences between Virginia and other states are:

- **Synchronization Approach (see Interim Report - page 18) – Performance measures and strategies from the Council will be examined in conjunction with those from agencies to thoroughly assess what approaches are working and are perceived as critical to employ in the long-term to create positive change societal outcomes.**
- **Systems Approach – The Council will examine the underlying systems that affect outcomes to create strategies and change operating paradigms. This work will be done through public/private collaboration.**

21. Has the program been fully implemented? If NO, what actions remain to be taken?

The program is still maturing, as planned. The focus during 2005 is on the development of a comprehensive balanced accountability scorecard that will track Virginia's performance against its long-term objectives and provide a solid baseline of service and productivity performance at an agency level.

In addition, the Council will host its first issues forum in the fall as a springboard for strategy development.

22. Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.

A great deal of progress is being made in creating efficiency/effectiveness improvements within and across agencies. A new reward/incentive system is being tested to stimulate improvement efforts. The system includes such tactics as seed money for improvement projects and agency retention of a portion of the savings that result from improvements.

A consistent strategic planning and performance-based budgeting model has been designed and is being implemented in 2005. The link between budgets and performance is a significant change in Virginia.

23. How has the program grown and/or changed since its inception?

The original Roadmap for Virginia's Future was very strategic (macro-level) in its design. A short time after initiating the project, it became evident that a new, executive branch performance leadership system had to be developed to implement the Roadmap and create consistency across agencies in their approaches to planning

and performance measurement. The system comprises strategic/operational planning, performance-based budgeting, performance measurement and efficiency/effectiveness improvement. See Interim Report – page 9.

24. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?

The primary challenge other states may face will likely be cultural in nature. Fears of linking performance to funding may arise, along with concerns that policymakers will put undue emphasis on the data without understanding its limitations.

COUNCIL ON VIRGINIA’S FUTURE

ATTACHMENT:

- **Council on Virginia’s Future Interim Report (2005)**

LINKS:

- **Council on Virginia’s Future Website:** www.future.virginia.gov
- **2003 Legislation – House Bill 2097**
<http://leg1.state.va.us/cgi-bin/legp504.exe?031+ful+CHAP0900+pdf>
- **2004 Legislation – House Joint Resolution 299**
<http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+HJ299ER+pdf>

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CSG Innovations Awards 2005

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