

# Corporate Planning Guidance Pack

Short and simple processes for state  
government structures and functions

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# Introduction

Corporate planning is a framework to help state governments' ministries, departments and agencies (MDAs) establish their mission, vision and strategic objectives, and to configure their functions, structures, processes and workforce so they can meet the service delivery standards required of them.

Some of the most important areas of the corporate planning process are:

- Relationship management, including obtaining buy-in from decision makers
- Flexible implementation to reflect the diversity of circumstances in states and in MDAs
- Maintaining the pace and momentum of the process
- A focus on building MDA readiness and capacity to ensure that public servants are able to participate effectively
- A need at certain stages to help public servants not only participate but also draw out learning from the process
- Mechanisms for engagement and cross-working throughout the corporate planning process
- Learning and sharing within and between MDAs and states.

This guidance pack presents a short and simple corporate planning process to be undertaken in five main stages, ideally over a six-month period, as follows:

Stage 1	Preparation	2 weeks
Stage 2	Mandates, Mission, Vision, Objectives	2 weeks
Stage 3	Functions, Structures and Processes	2 months
Stage 4	Establishment and Workforce Planning	2.5 months
Stage 5	Implementation Plan and Handover	2 weeks

Resource materials contained in the accompanying Toolkit have been expanded to include guidance on each stage of the process as follows:

- A briefing note and introductory PowerPoint presentation, a readiness for change checklist, a sensitisation exercise and a model timetable to assist with Stage 1
- Checklists, examples and templates to assist with setting MDAs' mission, vision, values and medium term objectives (MTOs) for Stage 2, as well as a guide to producing service charters
- Step-by-step guidance on functional, structural and process reviews, as well as examples of process flowcharts and a process review template to assist with Stage 3

- Step-by-step guidance on establishment and workforce planning, job evaluation, record-keeping, capacity building and suggestions to address immediate workforce gaps to assist with Stage 4
- An example corporate planning implementation plan to assist with Stage 5.

## Purpose of this Guidance Pack

Corporate planning is an important framework to assist state governments' MDAs to review and improve their organisational performance. This guidance pack sets out a short and simple corporate planning process, along with tools and templates to assist state teams to facilitate the work.

### Structure of the Guidance Pack

The guidance pack provides an overview of the corporate planning concept, context and framework, and provides some practical hints on using the corporate planning approach.

The main body of the guidance pack provides guidance on how to conduct each stage of the corporate planning process, and is supplemented by the expanded Toolkit which provides a variety of step-by-step guides, checklists, templates and examples to help with each stage.

### Users of the Guidance Pack

This pack should be used by state government officials whose role supports corporate planning in their states. The materials are available to be used as they are, and can also be adapted and redrafted as necessary to improve relevance to specific state situations.

## The Corporate Planning Model

### Definition

Corporate planning is a process in which an organisation (ministry, parastatal or agency) analyses its objectives, priorities, development strategies and environment in the light of its mandate, and determines how to organise and apply its resources (human, financial, etc.) to achieve its objectives and meet its service delivery standards and targets.

There is no mystery about corporate planning. It is simply an approach to assist organisations to make themselves fit for purpose. Specifically, a corporate plan guides the management and staff of an MDA or parastatal in a cohesive effort to carry out the MDA's mandates.

In public service, an organisation that is fit for purpose is usually defined as:

- Being equipped with the correct structure, staff and resources to carry out the duties required by its mandate<sup>1</sup>
- Having appropriate systems, processes and infrastructure to achieve the specific objectives and/or service delivery standards required by any overarching strategic plan.<sup>2</sup>

In this guidance pack, corporate planning deliberately emphasises organisational development. The process is intended to help government MDAs adopt a structured approach to building organisational capacity.<sup>3</sup>

The term 'corporate planning' is often used synonymously with 'strategic planning'. Some definitions of strategic planning are identical to the one above of corporate planning. However, the definition above emphasises organisational change. In development terminology, strategic plans are often focused more on the outputs of a government or ministry – the projects, programmes and services to be delivered in a given time period, and the finances required to produce them – and less on the internal organisational and human resource management implications which are the focus of public service management (PSM) reform.

### Why Carry Out Corporate Planning?

Corporate planning is a review and reorganisation process usually carried out in response to some sort of change. Such a change could be:

- A changing environment – political, economic or financial resulting in a changed level of public funds available
- New technologies which radically affect the way work is done, e.g. information and communication technology (ICT)
- New mandates, priorities or services required
- Ageing workforce, redundant skills or other human resource (HR) constraint
- New social/cultural norms e.g. public expectation, gender, etc.

Like any medium term development plan, the corporate plan should be kept under constant review so it can respond to relatively minor changes. It is likely that a major review will be required at approximately five-year intervals.

<sup>1</sup> The mandate of an organisation is generally understood to comprise the framework of laws, rules, regulations or policies which define the organisation's unique contribution to achieving the objectives of government.

<sup>2</sup> Such as a medium term sector strategy (MTSS).

<sup>3</sup> This term is used in the broadest sense. Organisational capacity includes an appropriate organisation structure; well designed systems and processes for doing work; the correct numbers of staff with the correct skills in properly defined jobs; and a performance management system which ensures that staff know what is expected of them, objectively measures their achievements, and provides for continuous improvement.

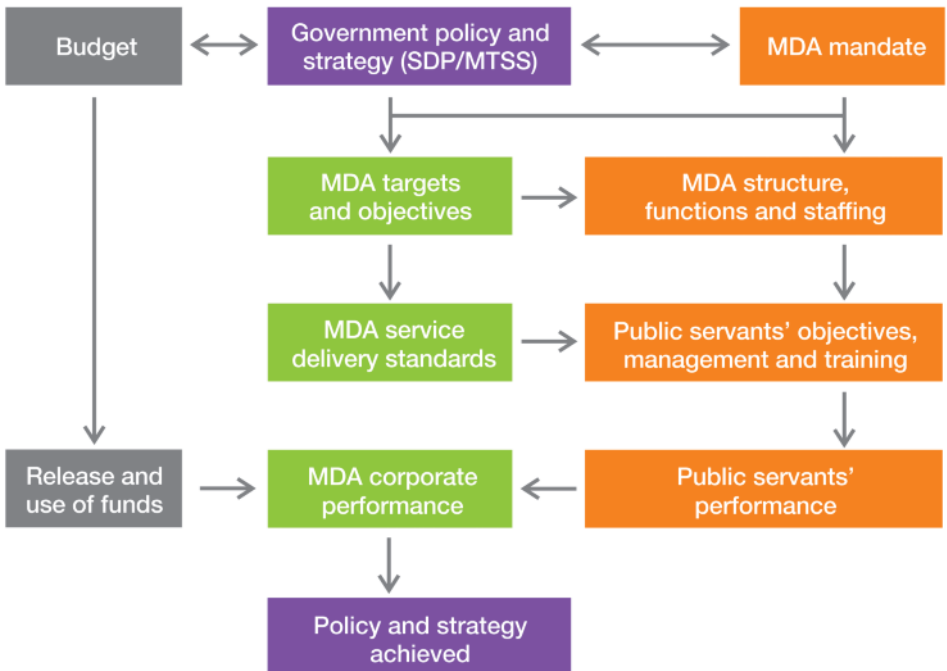
### Corporate Planning in Context

Figure 1 illustrates the relationship between corporate planning and other elements of public service reform. It takes as its basic building blocks the state government's defined policy and strategy, the mandates of the MDAs charged with achieving the strategic objectives, and the budget which makes financial resources available.

Figure 1 highlights areas of MDA target and standard setting, planning and organisation that can be supported using the corporate planning methodology. The rationale is that MDAs must be correctly configured for their responsibilities, and that public servants must: have defined objectives; be equipped with the necessary competencies to carry out their work; and be managed to deliver their objectives.

Assuming that budget releases take place as planned and civil servants are performing as required, the MDA is in a position to achieve its corporate performance objectives, which will lead to the achievement of government policy goals.

Figure 1: Corporate Planning in Context



The Corporate Planning Framework

Corporate planning can be best understood by breaking it down into a number of stages, as shown in Figure 2.

Figure 2: Summary of the Corporate Planning Framework



**The starting point** for corporate planning is the confirmed mandate of the MDA. The MDA mandate<sup>4</sup> is usually confirmed by the highest levels of government through the constitution, a law or other legal instrument. On the basis of its mandate, an MDA can then develop a vision statement and its mission. This leads to the next stage where the MDA identifies its long term strategic objectives, that is, the priority services and outputs to be delivered over five to ten years based on analyses of the developmental challenges confronting it. These strategic objectives set the scene for the formulation of more precise MTOs.

As Figure 1 shows, the MTOs must be derived from higher policy and strategic planning processes. They take account of political manifestos, short term priorities, and likely budget and other resource envelopes. They are usually set for three to five years and revised annually to take account of new issues and implementation performance. The medium term sector strategy (MTSS) is the most usual source of the MTOs. It might be argued that there is only limited scope to apply the corporate planning methodology where there is no MTSS or similar medium term plan in place. MTOs should normally be set with performance standards against which actual performance can be measured. This means they can also be used as the basis for service charters – contracts of service delivery commitments made by MDAs to the public.

**The next stages** of the process review the functions and organisation of the MDA. There are three parts:

- A functional review, clarifying the necessary core functions (derived from the mandates and MTOs)
- A structural review, to ensure that the MDA has the correct configuration of departments and units to achieve its objectives efficiently
- A process review, to ensure that procedures and workflows are appropriate to the tasks of the MDA, and operate efficiently.

The end point of these reviews will be an appropriate organisational structure, with clear terms of reference for each department, section or unit. At the end of this stage, organisations are often faced with tough decisions: to introduce new functions and remove old functions, and to reorganise their structure.

**The final stages** of the process are concerned with aligning the staff structure and workforce with the needs of the organisation. Once the most critical structural changes have been made, the next stage is to look in more detail at the internal make-up of each department, section or unit. An establishment plan identifies the key posts required for the new structure, drawing up job descriptions and linking the jobs to the salary grades.

<sup>4</sup> Note that mandate refers to the fixed long term purpose and role of the organisation. It is distinct from the organisation's functions, which are the expression of the long term objectives.

The final challenge is to match the existing workforce with the establishment plan. This will highlight areas that require repositioning of staff, workforce training, and recruitment and right sizing, and culminate in the preparation of a workforce plan.

Ultimately each employee will have a clear job description from which annual targets can be derived, thereby providing the basis for individual performance assessment. The workforce plan will also enable the MDA to provide individual career development and training plans for its employees.

MDAs exist to provide services to the public, to other public service bodies, or to both. They may produce and publish service charters as a direct follow-on from corporate planning. Service charters set out what the service user can expect from the MDA, what is expected of the users, and how to complain should something go wrong.

## How this Guidance Pack is Organised

This Corporate Planning Guidance Pack is organised in two parts: the Overview and Guidance (Part 1) and the Toolkit (Part 2). Both parts are available on the CD at the back of this booklet.

Part 1, the Overview and Guidance, provides definitive guidance on the corporate planning concept, context and framework, and provides some practical hints on using the corporate planning approach.

Part 2, the Toolkit, provides a variety of step-by-step guides, checklists, templates and examples to help with each stage.

### Other Resources

To supplement the information in the Overview and Guidance document and Toolkit, the following resources are provided on the CD:

- Glossary of Terms
- List of Abbreviations
- PowerPoint Presentation on Corporate Planning (an Introduction)
- Human Resources Management Guide to Personnel Record Keeping (to be read in conjunction with file 4d in the Toolkit)
- Human Resources Management Database (to be read in conjunction with file 4d in the Toolkit)
- Human Resources Management Database Instructions (to be read in conjunction with file 4d in the Toolkit).




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Stage 1	1a	Briefing Note on Corporate Planning
	1b	Readiness for Change Checklist
	1c	PowerPoint Presentation: Introduction to Corporate Planning
	1d	Sensitisation Exercise: Walk-through Corporate Planning End-to-end
	1e	Model Corporate Planning Timetable
Stage 2	2a	Checklists and Examples for Setting Mission, Vision and Values
	2b	Guidance and Template for Development of Medium Term Objectives
	2c	Guide to Producing Service Charters
Stage 3	3a	Step-by-step Guidance to Functional, Structural and Process Reviews
	3b	Guidance and Templates to Assist with Process Review
	3c	Examples of Simple and Complex Process Flowcharts
Stage 4	4a	Step-by-step Guidance on Establishment and Workforce Planning
	4b	Guide to Job Evaluation
	4c	Model Template for Job Description
	4d	Records for Workforce Planning: The HR Database
	4e	Guidance on Capacity Building and Training
	4f	Ideas to Address Immediate Workforce Gaps and Shortages
Stage 5	5a	Example of Corporate Planning Implementation Plan

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Guidance Pack

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