



**2018 STRATEGIC PLAN**

**VIENNA AS AN INFLUENTIAL**

**AND WELL-GOVERNED COMMUNITY**

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## Preface

The two focus areas for this theme are:

- Staff development and retention
- Exert more regional influence (attend/testify at regional meetings)

Although upon first pass, the two areas of focus appear to be discrete, we found that they are indeed symbiotic. Staff development advances skills, knowledge, and abilities—one key to encouraging retention of good to great employees. The higher the quality of all levels of our workforce, the better qualified the workforce is to successfully represent the Town of Vienna, passively and actively achieving increasing levels of influence. As we will see later in this paper, the focus areas are linked through relationship management, which is the 7<sup>th</sup> principle of ISO (International Organizations for Standardization) quality management systems.

## Background

- Regional partnerships and participation have long been established between the Town of Vienna and a number of boards, authorities, organizations, associations, and ad hoc forums, growing organically over time. All of these have been of increased benefit to the Town through exposure of our subject-matter experts, though the history is incomplete and not quantifiable.
- In the 2013-15 Strategic Plan, Council expressed its commitment to invest in staff through training and development programs in order to assure high quality public services.
- In the past five to six years, the Town Manager has made strides in implementing “The Vienna Way.” The Vienna Way incorporates specific organizational values and philosophies for conducting our business as we move to achieve a position as a high-performing organization (HPO).
- In the past three to four years, the Town has seen improved retention levels as a result of consistent compensation studies and plan implementation, as well as enhanced training and programs for performance awards and incentives.

## Staff development and retention

### Current Situation

- Using Rensis Likert's four organizational philosophies as reference, the Town Manager has gradually moved the Town organization from operating in a System 2 or "Benevolent Autocratic" environment, a remnant of civil service in the 60s and 70s. Depending on situational needs and the regular requirements of a particular work unit, such as police (which may often require autocratic decision-making), the Town currently operates between a System 3, "Consultative" and a System 4, "Participative" environment. (See Appendix A.) The theory behind Likert's System 4 is that smart people are everywhere in the organization, not just at the top, and should therefore be empowered to participate in the business of the organization, influencing decisions appropriately.
- Technical and cross-functional teams typically perform ad hoc and are part of the Town's decision-making process. Three employee teams are self-directing and convene year round or as needed; they are the Safety Committee, Wellness Team, and Social Committee.
- The Town's employee separations have dropped over the last three calendar years to a rate of 8.65% in 2017, with an annual retention of 169 out of 185 employees. As we drill down, we find that voluntary separations were 6.49% and included seven retirements and five resignations.
- A turnover rate of less than 10% is a good national benchmark, so long as we are keeping our good employees and not retaining poor employees. A rate of 8.65% is slightly lower than the national average for municipalities, according to the National Business Research Institute. The Town of Vienna strives to maintain an appropriate level of turnover that supports retention of only those employees who meet and exceed performance expectations.
- With nearly 4% of the employee population leaving to retire, we felt a loss of institutional knowledge in 2017 that will continue over the coming years. The good news with loss of institutional

knowledge is that it provides us with an opportunity to review current business practices and explore best practices with new receptive participants.

- Vienna staff continues to operate at a commendable level of staff to population ratio. Using the census of 2010, Vienna's workforce per capita ratio in 2017-18 is 86:1, which is better than half of eight surveyed jurisdictions and better than the mean of 81:1. (See Appendix B.)
- In 2017-18 we've seen a 4.4% utilization of the college Tuition Reimbursement Program. Since 2014, retention of these program participants has been 100%.
- Over the last three years, we have tracked 66 employees (36% of the workforce) participating in 382 online courses. Classes range from safety to communications, to employment laws, supervision, and leadership. Additionally, all supervisors and department heads have participated in comprehensive internal leadership and performance management training; all employees have participated in performance management, customer service, crisis intervention, and CPR/AED training. Drivers receive safe driver training.
- The Town implemented an administrative regulation in 2016 that encourages and establishes a curriculum for employees to prepare to be the best-qualified competitive candidate for a supervisory job in Vienna.
- A career path progression program allows employees in certain classifications to move up the ladder upon achieving specific criteria, without competition.
- Awards and Incentive programs recognize and reward Town employees throughout the year for individual and group contributions that are above and beyond job duties.
- A performance management program was initiated four years ago and revised to current organizational and employee needs in 2017, with input from an employee/management team. The revised format was kicked off in the second quarter of 2018.

- The Town Manager holds monthly staff meetings, rotating through every department or location, bringing current Town information to all employees.

### **Key Measurements**

- Key measurements in staff development are easily reported in outputs. We currently have the ability to track and report some training and other workforce data.
- Outcomes are less able to be qualified or quantified, unless we establish a baseline, not of busyness but, rather, of business process improvements aligned with employee performance. (Can we do our work easier, faster, better, and more economically?)

### **Suggested Strategies**

- Continue to hire “right” – the best-qualified candidate for each job in the organization – and act swiftly during the probationary period, as necessary.
- Equip employees properly as job conditions and requirements change.
- Continue to enhance opportunities for employee skill and knowledge development.
- Continue driving HPO philosophy down through the organization: “Smart People Are Everywhere.”
- Enhance regular Town Manager meetings with Town staff; redirect focus to more intentional conversations in peer-group sessions.
- Continue to review administrative regulations that recognize and reward employees to evaluate return on investment (ROI) of current programs.
- Formalize cross training and cross functioning enterprise-wide, where it will result in total productive operations, breaking down organizational silos.
- Develop the bench teams in each department or unit (succession planning).
- Begin to centrally maintain records of individual training and personal development; build data as part of performance indicator reporting.

- Finally, no amount of training, development, incentive, or recognition can improve the efficiency, effectiveness, or morale of employees until business processes are managed and improved in every function and business unit. The team finds, so far, that there may be a gap in the organization in this area; i.e., that many business processes need to be managed and improved for maximum performance. (See last section entitled, “BUSINESS PROCESSES,” below.)

## **Regional Influence**

### **Current Situation**

- At this time, the Town of Vienna is represented at more than 75 local, regional, and national organizations. This representation occurs individually by department or unit, as determined by the department, but certainly yields value Town-wide. The value to the Town and influence that the Town brings to each organization cannot be quantified but may be qualified by the high levels of esteem and recognition that staff members experience through their interactions.
- Within the time constraint of this portion of the strategic plan process, our team could not evaluate the degree of participation or influence into each organization; i.e., whether the participation is active (vocal and participative) or passive (research or professional status). (The list of current participation is attached as Appendix C.)
- In Vienna, partnerships in service occur regularly in the course of daily work and in special situations. Most prominent are the services we obtain from Fairfax County at many levels of the organization. (A sample of services is provided in Appendix D. The list is a work in progress.)
- It should be noted here that at 4.4 square miles to Fairfax County’s 407, Vienna comprises 1% of the county’s land area. With a population of 15,687 (2010 census), the Town represents 1.4% of the county’s population. Vienna contributed \$60 million (1.5%) in real estate (RE) taxes to the county’s general fund disbursement requirements in FY18. The county’s 2019 budgeted RE tax revenue is stated at \$2,802,541,647; therefore, Vienna’s \$60 million is equal to 2.1% of its RE tax

revenue and represents an average of approximately \$10,000 per Town parcel. The county's RE taxes comprise 65% of its budget and Vienna's is 45% of its budget. (See Fairfax County FY 2018 Adopted General Fund Disbursements, Appendix E.)

- The Town has formal agreements with other local governments as well. The list is currently under revision but, as of 2016, there were more than 40. These range from VDOT to the Northern Virginia Task Force, the National Capital Region Law Enforcement Information Exchange, the Northern VA Park Authority, and others.
- Other partnerships occur in our network with regional towns and cities with formal and informal exchanges of information and intellectual knowledge, mutual participation in candidate interview forums, and by providing opportunities for training for one another's employees. As an example, last month Vienna staff hosted Fairfax City, Fairfax County, Herndon, and Alexandria employees for sanitation equipment training at our facilities that would otherwise have cost each jurisdiction, including Vienna, several thousand dollars each to send employees out of state. Several months ago, the Town of Herndon hosted an OSHA (Occupational Safety and Health Administration) training event in which our employees participated free of charge. This month, the Town is hosting a regional Virginia Retirement System (VRS) roundtable meeting at the community center.
- Vienna has become a steady resource for other jurisdictions as they develop or revise policies and practices. This is because of our strides at innovation, attempts to keep up with best practices, our transparency, and the goodwill that Vienna staff members demonstrate. The Town's intangible value grows exponentially through our credibility and character.
- As a community, Vienna's reputation spreads far and wide through recognition in several "best of" lists. Among these are MONEY Magazine's and CNN's third best small town in the USA designation in 2013; first place in best small town in America recognition by the Real Estate blog

in 2014; recognition as being among the top 50 places in the USA to start a small business by LendEDU; designation as one of the best places to retire by SmartAsset; recognition as a Tree City USA for more than 15 years; and others.

- As a political subdivision, our small Town exerts influence in the General Assembly through our State Senator John “Chap” Petersen, and Delegate Mark Keam, positioning ourselves in matters of importance to the Town.

### **Key Measurements**

- It is difficult to measure an abstract value such as “influence,” particularly for local government, in that local government has little to market in a competitive environment but its reputation (great service and ambiance), locale, safety, and identity. These intangible qualities may balance the tangible factors of cost of living and cost of doing business in Vienna.
- The key indicator in this area is that the Town of Vienna remains in the “best in” categories.
- The attraction of new or changing businesses and residents to the Town as well as patrons to Town businesses may be measured in increased revenues from meal taxes and other fees.

### **Suggested strategies**

Enhance influence by following ISO’s 7<sup>th</sup> Principle of Relationship Management or similar influencing strategies, in which the goal is intentionally collaborative, i.e. “How can we help you?” rather than, “How can you help me?” The idea is: “How can we partner for good mutual outcomes?” Thus, pooling and sharing information, expertise, and resources with important relevant partners.

- Strive to achieve regular, not serendipitous, top rating in “best in,” in a concerted effort, through cutting-edge practices and intentional wide-area marketing.
- Celebrate Vienna’s successes more publicly and to a broader audience.
- Submit Vienna achievements for professional organization recognition (in regional and national publications, for example).



- Consider a larger presence at the General Assembly, which would enhance Vienna's visibility and insert grassroots political influence on matters that count to Vienna. As examples, there are study and work groups regularly organized over the summer designed to create legislation in which Vienna could be represented. Last year, a work group was convened and is still active, to look at electronic public notices in Virginia, a topic in which Vienna has much interest. The FOIA Council has 13 bills in front of it and three sub-committees will study those. Also of interest to Vienna is a proposed requirement for public comment at every public body meeting.
- In terms of membership at associations or organizations, each participation could be rated in the future on a 1-10 scale; 1 being "professional status and research only," and 10 being "a regular, active, and contributing membership." Another assessment could be the relative importance of the external organization to the strategic plan and mission of the Town. This would require identifying those organizations that are of greater importance to the core business of the Town, being intentional with a defined centralized focus on our purpose and path as participants.
- Monitor and insure optimization of services from Fairfax County and the state and associate a value to Vienna residents.
- Continue and enhance periodic meetings with partner governments; invite them to meet in a Town facility.

### **Business Process Management**

- Theoretically, there will be a point at which skills development will cross the threshold of return on investment if the organization fails to intervene by improving business processes. In other words, at some point in the future, skills and abilities, no matter how finely honed, will be insufficient to improve outcomes, if business processes are ignored.

- Change the paradigm. Beginning today as a baseline, focus the organization on going forward, not on revisiting the past or stagnating in the present.
- It is not enough to call ourselves a high-performing organization. To further gain efficiency and take full advantage of enhanced employee skills, the next step is to look at the organization's business processes.
- Using principles similar to the ISO, begin the process of reviewing each of the Town's business functions or activities and improve as needed.
- ISO 9000/18091 standards for local governments say that customers expect a reliable, responsive, and transparent local government. "It is therefore important that the quality management system of a reliable and successful local government cover all activities and processes that can affect its ability to satisfy the needs and expectations of its customers, the statutory and regulatory requirements applicable, and the local government's own requirements, as well as those of other interested parties, such as regional or national governments."<sup>1</sup>
- The seven quality management principles of ISO (or similarly, Lean Six Sigma principles or Baldrige criteria for performance excellence) have been proven repeatedly to help organizations increase efficiency and become leaner. For ISO, these are: (1) customer focus, (2) leadership, (3) engagement of people, (4) process approach, (5) [process] improvement, (6) evidence-based decision-making, and (7) relationship management. (See enclosed Appendix F.)
- For the purposes of employee retention and organizational health, our team believes that the next strategic step should focus on Principles No. 4 and 5. For the purpose of influence, it should focus on Principle No. 7. The swing to focus on business process management and improvement shifts the responsibility for performance from the employee to a shared one; i.e., the organization and the employee, together. The organization insures that processes are in good working order, with continuous business process improvement; the employee contributes to successful outcomes.

- The process of establishing cross-functional staff teams to develop policy briefs for the strategic plan is an example of how business processes can be examined. For instance, the team that developed this paper was able to learn a lot about employee retention and the depth and breadth of Town staff members' interactions on a local and regional level. Our team feels that it was a successful learning opportunity, and ideas from all members contributed to a more comprehensive end product. Similar groups would help share knowledge and perspectives across departments. The end goal would be to examine business processes and implement improvements where needed on a more holistic basis, instead of solely from within a department or division silos.
  - A more efficient and effective organization will create a more amenable workplace, with efficient use of resources and reduced cross-functional barriers, enabling the Town to increase confidence to its customers as to its reliability, responsiveness, and transparency.
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<sup>1</sup>Quality management systems—Guidelines for the application of ISO 9001-2008 in local government.