

SECTION 211—PREPARING A STRATEGIC PLAN: FORMAT AND OTHER FEATURES

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211.1 Format and other content.*(a) Format of strategic plans.*

No specific format is prescribed for your strategic plan. An updated strategic plan is a complete plan, containing all required plan elements.

A plan that brings related elements together often aids plan review. For example, such a plan would tie the relevant means and strategies, external factors, etc., to the appropriate general goal(s) or objective(s). This contrasts to a format where each plan element has its own separate section, thus compelling readers to jump back and forth between the sections.

You should consider the prospective readership of your strategic plan when determining length, style, and understandability. Brevity and conciseness will likely characterize plans that are useful and widely read. The plan's design should provide for easy and quick access through the WorldWideWeb. (See [section 212.3\(d\)](#) on public availability of strategic plans.)

Your plan should outline the process for communicating goals and strategies throughout the agency, and for assigning accountability to managers and staff for goal achievement.

(b) Vision statement.

Vision statements, which often enunciate agency values or principles, may be included in a strategic plan. A vision statement should be placed with the agency mission statement.

(c) Strategic objective.

An agency may define a set of strategic objectives in its strategic plan. Strategic objectives typically represent an organizing layer between the mission statement and the general goals, with related goals being grouped under a strategic objective. As written, strategic objectives are declarations of purpose, with text similar to or developed from the agency mission statement. OMB may use strategic objectives to help organize the informational displays that align performance and resources in future year budgets.

(d) Integration with management and other reforms.

The nature and dimension of your management-related initiatives and reforms may merit your including a management section in your strategic plan. This section should highlight your agency's efforts to improve the management of its programs. This section may be separate from the required means and strategy element of a strategic plan.

In a management section, you should include a brief description of any steps being taken to resolve mission-critical management problems. A mission-critical problem poses a realistic and prospective impediment to carrying out the agency's mission or achieving the general goals during the strategic plan timeframe (see also [subsection 220.3\(f\)](#)).

These initiatives should include those that are part of the President's Management Agenda. Other endeavors including customer service standards, activities introducing a more precise cumulation and allocation of cost, performance-based contracting, analyses of tax expenditures, regulatory reform, agency restructuring and re-engineering, and personnel appraisals tied to program or organizational performance should, as appropriate, be described in a strategic plan.

Because of their scope and importance, strategic plans can be used in developing a comprehensive and integrated approach to performance management. When preparing an updated strategic plan, you should incorporate and apply the products and processes resulting from other ongoing performance-related efforts.

(e) Risk management.

An agency may describe significant risks that threaten achievement of the general goals. These risks are associated with internal agency operations and functions, and are separate and distinct from external factors. When describing a risk, the plan should also describe actions that the agency is taking or proposes to take to reduce the risk.

(f) Cross-cutting programs.

Cross-cutting programs and activities are undertaken by several agencies to achieve a common purpose or objective. This is often a mutual effort by the agencies. In preparing an updated strategic plan, agencies should review the strategic plans of other agencies that participate with the agency in a cross-cutting program. This will complement the inter-agency coordination that should occur during plan preparation (see also [section 212.2](#)).

An agency formally assigned lead responsibility for a cross-cutting program should include any agreed-on goals for the program in its plan. Other agencies having principal responsibility for particular goals should be identified.

Agencies participating in a cross-cutting program should each describe in their strategic plan, the interface between their related programs, and outline how individual agency efforts synergistically support common endeavors.

(g) Perspective and outlook.

Updated plans should include a perspective, or scan, of current economic, social, demographic, environmental, international, or other conditions that are relevant to the major functions and operations of the agency. The plan should also include a forward-looking description of prospective changes in the conditions over the timeperiod covered by the plan. Agencies are encouraged to cover a longer timeperiod if data are available.

The description may reflect observed trends, anticipated shifts, and the effect of agency actions. This perspective and outlook should provide programmatic context to the reader. Agencies wishing to develop scenarios when preparing future updated strategic plans should coordinate this in advance with the appropriate OMB representative.

While the perspective and outlook and external factors section may cover similar conditions, the scope and nature of the descriptions often differ. The following hypothetical example illustrates these differences: In government health care services for an aging veteran population, the Department of Veterans Affairs could provide data on its current patient population (the current perspective), and how that population is expected to change over the next 5–10 years, as many of the World War II veterans die (the outlook). None of this information should nominally appear as such in the external factors section. What the Department might identify and include as an external factor would be (unanticipated) breakthroughs in treatment modalities that significantly prolonged life, and increased both the number of living veterans and the cost of medical care.

(h) Mitigating actions.

Mitigating actions are contingent steps or alternative courses of action (including adjusting a goal) that an agency would take in the event that an external factor began affecting achievement of a general goal. As mitigating actions are a response to external factors, they differ from steps taken to reduce risks associated with internal operations.

In its strategic plan, an agency should not detail these mitigating actions. To do so will likely complicate the plan with speculative scenarios, arrays of what-to-do-ifs, or demonstrations of how little real effect any agency attempt at intervention might have. For example, the appearance of global climate phenomena, such as El Nino, can affect environmental quality, agricultural production, the location, severity, and cost of natural disasters, and economic growth. As agencies are incapable of ameliorating such phenomena, a strategic plan that included mitigating actions might consequentially be replete with goals for strong El Nino years, 'normal' years, and strong La Nina years.

Rather than including lists of potential mitigating actions in a strategic plan, an agency should modify the plan through an interim adjustment (see [section 213](#)) if an external factor begins affecting goal achievement. The agency may need to prepare an updated plan if dictated by the magnitude of the factor's effect.

(i) Classified appendix.

A classified appendix covers any material specifically authorized under criteria established by an Executive order, to be kept secret in the interest of national defense or foreign policy. An agency may include a classified appendix in a strategic plan where appropriate.

211.2 Program coverage in a strategic plan.

Summary of requirements: A strategic plan must cover the major functions and operations of the agency.

(a) Major agency functions and operations.

A strategic plan must cover the major functions and operations of your agency. You have discretion to omit support-type activities and operations. Strategic plans prepared primarily for your agency's internal use (such as those prepared at a program or component-unique level) may cover a greater range of functions and operations. You should note that annual plans are required to cover every program activity in the Program and Financing Schedules in the Budget Appendix for your agency. Thus, annual plans often have greater programmatic and organizational scope than strategic plans (see also [subsection 221.1\(b\)](#)).

(b) The single strategic plan.

You should submit a single agency-wide plan. By 2003, the strategic planning process should be sufficiently mature in all agencies to support preparation of a single agency-wide plan. However, GPRA does allow an agency with widely disparate functions to prepare several strategic plans for its major components or programs. Please consult with the appropriate OMB office and secure its approval if your agency will be unable to prepare a single agency-wide plan.

If your agency is unable to prepare a single plan, the number of separate plans for major components or programs shall be kept to a minimum. Separate plans should center on the major functions for an agency and group related programs or components within any plan. The several plans should collectively cover all major functions and operations of the agency.

An agency-wide strategic overview is prepared when more than one plan is submitted by an agency. The overview links separate strategic plans by giving an overall statement of the agency's mission and goals. The overview should accompany the submission of the separate strategic plans. When submission dates for an agency's separate strategic plans vary significantly, the overview is modified to reflect the content of the plan being submitted at a particular time. An overview is subject to consultation requirements, if appropriate consultation did not occur during development of the several strategic plans.

If an agency prepares numerous site- or organization-specific strategic plans for component units or sub-programs, these should not be merely packaged together and submitted as a single strategic plan. The ensuing size and detail of such a compilation will reduce the plan's usefulness. Instead, the information from individual strategic plans should be distilled into a single agency-wide strategic plan, or into the several, separate strategic plans that the agency chooses to submit for its major programs or components.

211.3 Time period covered by strategic plans.

Summary of Requirement: A strategic plan must cover a minimum of six years.

A strategic plan spans a minimum six-year period: the fiscal year it is submitted and at least five years forward of that fiscal year. (For example, a plan submitted in FY 2002 would cover FY 2002 through FY 2007.) A plan may be for a period longer than six years; for example, containing a project completion goal ten years in the future. A strategic plan, while covering a minimum six year period, is only current for three years (see [section 211.4](#)).

The extent of strategic plan coverage for the current fiscal year depends on the transmittal date. A strategic plan submitted at the end of a fiscal year need only briefly cover that fiscal year; a paragraph or two should suffice.

211.4 Relationship to submission of annual performance plans.

Summary of requirements: An annual performance plan, when submitted, must be covered by a current strategic plan.

You should note the specific linkage between strategic plans and annual plans. Your strategic plan's goals set the framework for developing your annual plans. Consequently, GPRA states that an annual plan may not be submitted for a fiscal year not covered by a current strategic plan. (See also [section 210.5](#) on the relationship between general goals in a strategic plan and performance goals in an annual plan.)

Although an annual plan must be covered by a current strategic plan, the strategic plan need not be current during the actual fiscal year for which the annual plan was prepared. A subsequent strategic plan (updated and revised) could be current during the actual fiscal year. The submission of an updated plan supersedes the fiscal year coverage of the previous strategic plan.

Strategic plans submitted in September 2000 are current for the fiscal year 2001 through 2004 performance plans, prospectively including the transmittal of the 2004 performance plan to Congress. However, an updated strategic plan submitted in September 2003 would supersede coverage for the fiscal year 2004 performance plan. This updated 2003 strategic plan would also be current for annual performance plans for fiscal years 2005 through 2007. Interim adjustments to a strategic plan do not extend the period when a strategic plan is considered to be current (see [section 213](#)).