



Strategic Planning

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KH Know-How

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KH Consulting Group (KH) is a full-service management consulting firm. We offer services in strategic planning, organizational planning, human resources, management process improvements, and information technology. Our clients represent a spectrum of industries, with service to more than 200 public and private sector clients in the U.S. and abroad.

KH'S STRATEGIC PLANNING SERVICES

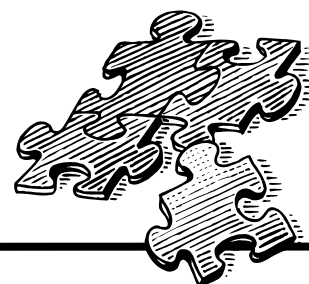
KH's Strategic Planning practice:

- Facilitates strategic planning and assists with preparation of strategic plans or master plans
- Analyzes customer satisfaction; evaluates different scenarios for service delivery
- Assesses an organization's resources (staffing, capital, facilities, etc.) and competencies to determine if they are sufficient for achieving the desired strategic directions
- Assesses environmental and competitive situations
- Conducts market research, including community needs assessments and opinion surveys
- Evaluates options (acquisitions, divestitures, mergers) available to enterprises and selects among them
- Structures strategic initiatives to achieve strategic goals and objectives

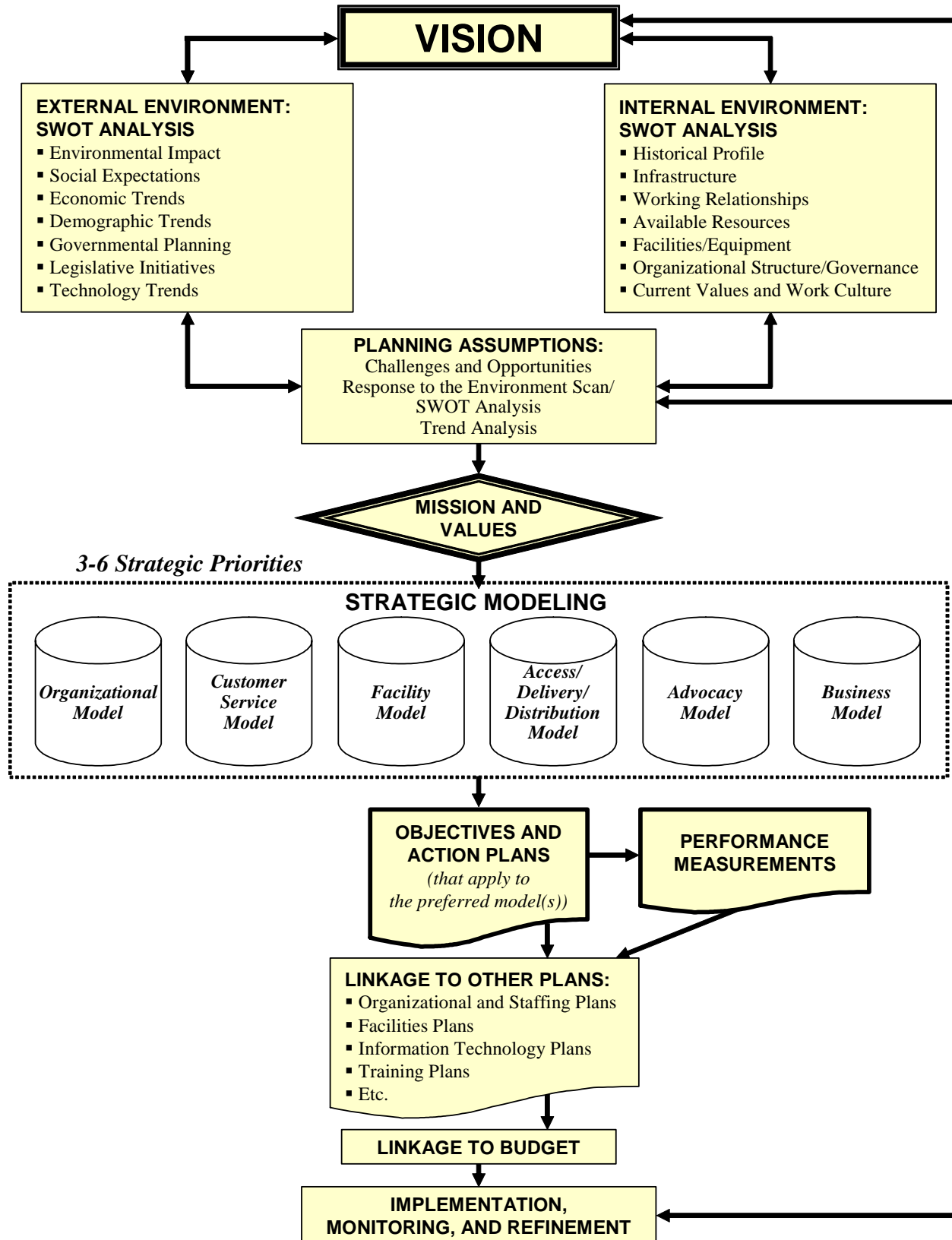
- Defines policies, objectives, and goals for building a long-term competitive advantage
- Delineates strengths, weaknesses, opportunities, and threats (SWOT analysis)
- Prepares Balanced Scorecards for accountability and achievement of Strategic Plans
- Analyzes an organization's external environment and competition
- Analyzes market position and opportunity; evaluates different scenarios for product, geographic, and service diversification
- Conducts Board and management planning retreats

“Progress is impossible without change, and those who cannot change their minds cannot change anything.”

– George Bernard Shaw



KH's CONCEPTUAL MODEL FOR THE STRATEGIC PLANNING PROCESS



DESCRIPTION OF KH'S CONCEPTUAL MODEL FOR THE STRATEGIC PLANNING PROCESS

Vision. The vision is what an organization can be, and should be developed by the Chief Executive with review and input from the organization's constituents, including executives and managers, board members, customers, and the community. The Vision Statement considers an organization's future requirements. It describes what the organization could become in the next 5, 10, or more years.

External Environment. An objective analysis of the current external environment in which the organization operates needs to be undertaken. The external analysis should include: environmental, social, economic, demographic, governmental planning, legislative initiatives, technology trends, competition, and related considerations. For example, the Plan could examine how public policy has affected or could potentially impact the organization. In each of the external areas reviewed, the organization should consider its strengths, weaknesses, opportunities, and threats (SWOT analysis).

Internal Environment. Coupled with the examination of the external environment, the organization should conduct an internal environmental review, which describes its core operations and businesses, history, purposes, quality standards, desirable operating size, facilities, available resources, governance and organizational structure, performance, and current values, emphasizing expectations and outcomes. Similar to the external environmental review, a SWOT analysis of the various parts of its internal environment is needed.

Mission and Values. On the basis of the compiled information, the mission of the organization should be defined, asking such questions as: "Who are we?" "Why were we?" "How are we?" "Where are we?" The answers to these questions can serve as a starting point for honing its mission. As a part of the Mission Statement, the organization can also set forth its philosophy or desired values.

Planning Assumptions. Probably one of the most important next steps is the definition of planning assumptions, including the organization's response to the SWOT analysis of the external and internal environment, its opportunities, and abilities to address potential barriers to change. In developing the planning assumptions, the organization can

consider the "best case," "most likely case," and "worst case" scenarios. Such scenarios distinguish a strategic planning process from a master planning process, which merely extrapolates the "most likely case" scenario into the future. In the context of strategic planning, the organization has the opportunity to explore whether the "most likely case" scenario is desirable and, if not, develop strategies to make the "best case" scenario more likely.

Strategic Priorities. The organization should then establish priorities or goals. KH typically recommends that clients limit priorities to the top 3 to 6 priorities. The priorities should be set by the organization's board members with input from its executives. These priorities can then cascade down into Line and Support Objectives and Key Performance Indicators (KPIs) or Balanced Scorecards.

Strategic Modeling. Many organizations go straight from establishing priorities to writing goals and objectives. Over the years, KH has learned that the priorities are more apt to be implemented if the client engages in strategic modeling. During strategic modeling, KH works with the client teams to apply different strategic models to the priorities as intervention strategies. The strategic models vary – a new organizational structure, a remodeled facility layout, an improved approach to advocacy, a different business model, or new means for customers to access services. Once the models are applied, the client can best determine what intervention strategy is best. Everyone shares a common vision of what the strategy is. Therefore, during implementation if new situations occur that affect the timeline or objectives, the vision remains, increasing the likelihood of strategic change for the better.

Line and Support Objectives. The first part of the strategic planning process is an outgrowth of research, discussions, meetings, and internal reviews. What is critical to this planning process, however, is the development of the specific objectives that will forge the organization's future directions and become operational. Therefore, the organization's executives should set goals that support the organization's priorities. In turn, managers should prepare objectives that support these goals and reflect the requirements for day-to-day operations.

These goals and objectives can then be summarized into an Action Plan, which outlines how the organization will implement the newly defined strategic directions. The Action Plan should summarize the Strategic Plan goals and objectives and indicate at a minimum:

- Expected outcome or objective
- Action steps
- Timing
- Assigned accountability (who is responsible for implementation)

Business Plans. The Business Plans are those documents that support the organization's strategic directions and can include the Organization Plans, Staffing Plans, Facilities Plans, Business Development or Asset Management Plans, Marketing Plans, and Management Information System (MIS) Plans, among others.

Budget. Too often, Strategic Plans are developed in isolation from an organization's financial reality. When such isolation occurs, the Plans become "wish lists" and little is implemented.

Consequently, to ensure appropriate reality checks occur, the goals and objectives of the Strategic Plan must be incorporated into the budgeting process. In some cases, where certain investments may be needed, the target dates for completion may need to be adjusted because of financial constraints. In other cases, new high priority initiatives may receive needed funding over other historically valued activities.

Evaluation of Results. An integral part of the strategic planning process is the ongoing evaluation of progress and results. Evaluation is critical for furnishing feedback on the implementation process, changes in the external or internal environment, and impact on the community, government relations, customers, etc. Through such evaluation and feedback mechanisms, the Strategic Plan can be refined as warranted and become a useful road map for the future.

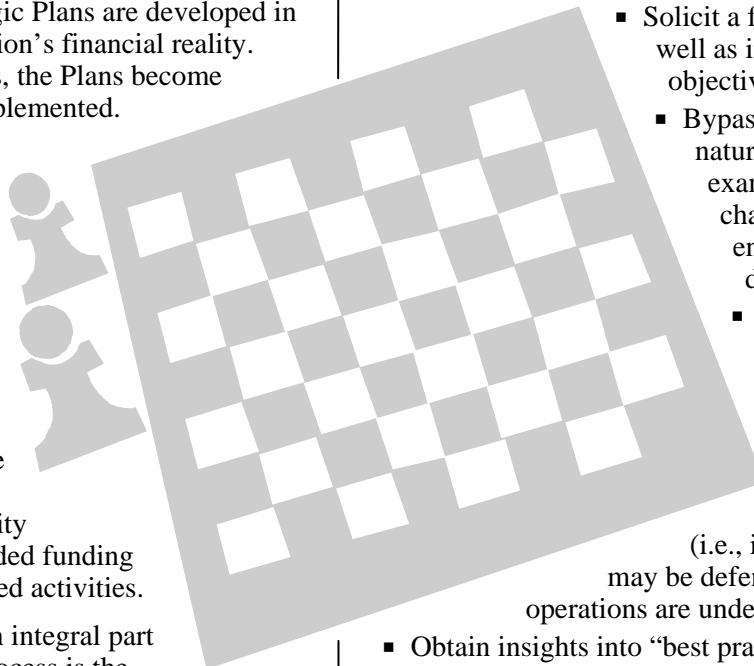
Annual Refinement of the Strategic Plan.

Accomplishments from the prior year can be documented and used for redefining the subsequent year's goals and objectives. A strategic planning calendar should also be part of the evaluation process. In this way, the specific time frames for reviewing accomplishments, reviewing progress toward priorities, and redefining goals and objectives are formally defined and can become part of routine operations. Through such scheduling, strategic planning becomes an ongoing process.

WHY HIRE KH?

In these dynamic times, boards, corporate executives, educational leaders, elected officials, and public sector administrators retain KH because of their need to:

- Bring about change from within
- Accomplish specific initiatives despite internal time pressures and staff constraints
- Remain or become a regional, state, national, or international leader in their industry or market (and potentially to counter competitive actions that might erode their current market position)
- Solicit a fresh perspective, as well as independence, objectivity, and discretion
- Bypass both "politics" and natural resistance to examination and change, particularly in environments with diverse agendas
- Acquire special expertise and tools
- Solicit external, professional opinions without the risk of prejudice (i.e., internal managers may be defensive when their operations are under review)
- Obtain insights into "best practices" and "lessons learned" at other comparable companies and organizations
- Have nothing taken for granted, including data that might otherwise be overlooked or unused (e.g., consultants can ask "naïve questions" such as "why are you doing that task that way?")
- Leverage respected external authorities before their boards or executive team



Representative KH Strategic Planning Projects

KH has served more than 200 clients and performed consulting studies in 25 states and 6 foreign countries.

We have a track record of providing our clients with thorough and well-documented options for their consideration. The detailed processes that lead to the conclusions ensure that the options are all feasible and applicable.



We share developing ideas throughout the study to increase “buy-in” and commitment to the final recommendations. This buy-in facilitates their implementation.

“We are what we repeatedly do. Excellence, then, is not an act, but a habit.”

– Aristotle



COUNTY OF LOS ANGELES

Since the 1990s, KH has assisted more than 10 county departments to develop their Strategic Plans, mandated by the Board of Supervisors.

Los Angeles County Office of Small Business (OSB)

Initial 2002-2005 Strategic Plan

Los Angeles County has more than 10,000 community-based enterprises (CBEs) and 2.5 million small businesses. KH was retained to assist in preparing a Strategic Plan that addressed OSB’s future directions. In preparation, OSB surveyed County departments to determine:

- What is their small business outreach if any?
- How much activity do they have with small businesses?
- What is their budget for small business initiatives?
- How much staff do they allocate?

In addition to working with OSB staff and involved managers, KH facilitated meetings with the OSB Commission to ensure needed review and buy-in. KH interviewed 12 key leaders and developed meeting agendas, summaries, and action plans as required.

Some of the issues explored were:

- What are OSB’s major strengths, weaknesses, opportunities, or threats (SWOT)?
- What OSB programs, services, or efforts proved to be most effective?
- What are the implications of the already defined vision, values, organizational goals, and strategies set for the County?
- What are the key strategic challenges for OSB in the next three years?

KH recommended OSB form a Strategic Planning Work Group to guide the strategic planning process. This Work Group served as the focal point for the strategic planning effort and included a cross-section of OSB, OSB's Executive Committee, and other County representatives or key users or beneficiaries of OSB's programs and services.

To plan the future OSB strategy, some of the key questions asked were:

- What should be the OSB mission and program activities?
- How should the OSB be structured – organizationally, financially, and physically?

KH conducted three planning retreats with the Strategic Planning Work Group. The core participants in the retreat included: OSB Commissioners and staff; County representatives and partners (CIO, ISD, CAO, and Affirmative Action); and others deemed appropriate. The outcome was a three-year Strategic Plan for OSB.

County of Los Angeles, Department of Public Health (LAC-PH)

KH facilitated a year-long process to create the 2005-2007 Strategic Plan for LAC-PH. The process involved many leaders and managers within the department. All the Strategic Plans support Los Angeles County's eight Strategic Initiatives – Service Excellence, Workforce Excellence, Organizational Effectiveness, Fiscal Responsibility, Children and Families' Well-being, Community Services, Health and Mental Health, and Public Safety – as the framework within which to structure planning. KH developed draft Action Plans that translated LAC-PH's Strategic Initiatives into suggested action steps, time lines, and processes to improve performance iteratively into the near future. KH also provided a variety of guidelines and tools to assist Work Groups and Sub-Groups to achieve success.

KH also prepared six White Papers on the key factors for successful implementation, including organizational options to achieve the Strategic Plan

Since the 1990s, KH has assisted more than 10 county departments with developing their Strategic Plans.

2008-2013 Strategic Plan Update

In 2008, the Los Angeles County Small Business Commission retained KH to update its Strategic Plan and prepare the Commission's 2007-08 Annual Report. KH worked with the Executive Committee of the Commission to identify its accomplishments and remaining goals. KH coordinated a survey of the full Commission, as well as a meeting of the members. Within three months, the plan was updated, and the Commission submitted it and its Annual Report to the County Board of Supervisors.

County of Los Angeles, Treasurer and Tax Collector (TTC)

KH launched an effort to identify key strategic issues facing TTC, and develop Action Plans to address those issues. The strategic planning process included a series of meetings in which each of the program areas completed an environmental scan, discussed strategic themes, identified several key issues to be addressed through the planning process, and developed strategies to address the key issues. The effort identified both consistencies and differences in issues across program areas. On the basis of these meetings, KH developed the TTC Strategic Plan.

as LAC-PH became a stand-alone department.

Homeless Healthcare

The County of Los Angeles is home to the largest population of homeless people in the United States. On any given night, more than 88,000 individuals are homeless and on the streets of the County. Every year, more than 250,000 people will experience homelessness in the region. The Departments of Health Services and Public Health are addressing the healthcare needs of the County's homeless through the strategic planning process, working with a coalition of service providers, public agencies, related organizations, and foundations.

KH assisted with:

- Convening the diverse organizations concerned with this issue and directing the development of a strategic plan that will close the gaps between the need and available services
- Testing various models of governance, service delivery, and policy development
- Identifying best practices in this area and adapting them to fit the region
- Establishing a formal network of organizations called United Homeless Healthcare Partners

(UHHP) that is now a project of Community Partners, an incubator of non-profit organizations

- Securing grant funding to continue UHHP
- Producing a regional planning conference for all involved communities within Los Angeles County

County of Los Angeles, Office of Unincorporated Area Services (OUAS) in the Office of the Chief Administrative Officer (CAO)

KH was retained to assist the OUAS to work with approximately 17 County departments and other stakeholders in developing a strategic plan for delivering municipal services to approximately one million residents in unincorporated areas of the County of Los Angeles. KH reviewed various documents on municipal services provided, departmental surveys, related budget information, and the County's overall plan. In addition, KH interviewed various departmental heads to solicit their input on strategic issues. KH designed and conducted a series of strategic planning retreats with more than 60 stakeholders and held follow-up planning meetings. The outcome was a Strategic Plan with an Action Plan, which the County's Board of Supervisors approved. The Strategic Plan outlined 7 major and new initiatives, involving:

- **Action Plan – Model A: A County Civic Center Complex**, built in East Los Angeles and potentially the expansion of the complex concept to other unincorporated communities
- **Action Plan – Model B: Make-Buy-Sell-Annex Analysis** of unincorporated “islands” surrounded by incorporated areas
- **Action Plan – Model C: Access Model**, which involves the development of web sites, community guides, kiosks, toll-free help lines, and other applications of technology to assist the public in accessing County services and information
- **Action Plan – Model D: Strategic Service Area and Lead Department**, which entails formal collaboration of County departments to meet specific Countywide needs or to coordinate services within a given community
- **Action Plan – Model E: Economic Development and Revitalization**, which has led to the identification of 5 unincorporated areas where concerted investments and efforts will be made over a sustained time period to revitalize them economically

- **Action Plan – Model F: Emergency Management Planning**, involving the development of a plan for the community of Topanga, coordinated with the County's Office of Emergency Management, Fire Department, Sheriff's Department, and 8 other County and State Agencies
- **Action Plan – Model G: Improvement of Management Processes**, including performance measurements and cost accounting of municipal services

Now in its eighth year of implementation, KH has assisted with specific Action Plans and Strategic Models, particularly in identifying unincorporated communities for piloting strategic models, conducting focus groups with community groups to assess their needs and priorities further, facilitating emergency management planning initiatives, and developing performance measurements for municipal services.

Topanga Canyon: Emergency Preparedness

Over a four-year period, KH designed and facilitated an emergency management planning process with Topanga Canyon stakeholders – community members and organizations, as well as county and state public agencies – which produced a collaborative emergency response strategy, consisting of:

- A [Topanga Disaster Survival Guide](http://www.topangasurvival.org) (<http://www.topangasurvival.org>)
- A [Planning Guide](#) for sharing lessons learned in Topanga with other communities

The following guiding principles formed the approach to this project:

- Engage the community with the appropriate public agencies in the planning and communication processes
- Build on the assets already in place in the community
- Solicit a strong commitment from all involved stakeholders
- Provide the unincorporated area with the same level of hazard and community-specific planning that the law mandates that cities provide for their residents

Florence-Firestone: Pilot Project Assessment

(KH PRIME, EPSTEIN & FASS ASSOCIATES SUBCONTRACT)

Florence-Firestone is an older, urban neighborhood in southeast Los Angeles County which is home to



over 60,000 residents facing challenges of disinvestment, poor property maintenance, gang-related crime, illiteracy, and unemployment.

KH assessed the Lead Department Model pilot project, the Florence-Firestone Community Enhancement Team (FFCET). The assessment compared the project to a best-practice model of Community Governance, described in the newly published book "Results that Matter" by Paul Epstein. The KH Evaluation Team was also asked to identify issues to be considered before duplicating the model and project in other unincorporated areas.

The Evaluation Team started its assessment using a self-evaluation completed by FFCET team members, augmenting information in that assessment with interviews, reviews of written material and reports, a tour of the community, and interactions with County and community groups.

FFCET has been widely recognized as a successful project by the County, National Association of Counties (NACo), and the American Public Works Association. Even more importantly, community leaders working with the project believe that the County is more responsive and effective at solving many problems. This success is directly attributable to the project's focus on:

- Three core skills described in the Effective Community Governance model – Engaging the Community, Measuring Results, and Getting Things Done
- The project's attention to advanced practices of Community Problem Solving and Organizations Managing for Results.

The Evaluation Team also found areas where those skills and related practices could be improved. FFCET leaders deserve credit for wanting to evaluate FFCET against best practices that had not been documented at the start of the project, and viewing the recommendations as opportunities for FFCET to become more effective.

The project received the Best Interagency Cooperation Award from Los Angeles County's Quality and Productivity Commission in 2005 because of the collaboration among the Department of Public Works, Department of Animal Care and Control, Department of Parks and Recreation, County of Los Angeles Public Library, Department of Regional Planning, and Sheriff's Department for managing the project and performance.

County of Los Angeles, Community Development Commission (CDC)

KH initially reviewed documents and conducted 20 management interviews, 15 focus groups, and in-depth analysis of the strengths, weaknesses, opportunities, and threats (SWOT) at the CDC. Next, KH conducted three strategic planning retreats with more than 80 internal participants that focused on CDC's SWOT analysis, mission, values, customers and stakeholders, and strategic priorities. The outcome was a list of strategic priorities which 4 work groups further analyzed in the areas of fiscal responsibility and diversity, expansion of services, community assessment, strategic cost management, transitional strategies to break the cycle of poverty, streamlining of internal processes, and internal and external communications. These areas were further refined in preparing the Strategic Plan.

County of Los Angeles Public Library

KH assisted with the development of the Strategic Plan for the Public Library system. In addition to document reviews, fact-finding, management interviews, and focus group discussions, KH conducted 33 Q² focus group sessions (an in-depth, disciplined interview strategy to obtain both Quantitative and Qualitative perspectives), involving almost 500 stakeholders, throughout the County. This information was used as input to the SWOT analysis for the strategic planning retreats.

KH facilitated a second management development program for the leaders of the Integrated Library System (ILS) implementation teams; supported the "refresh" of the Strategic Plan; and was engaged for a third year to support the management and organizational development of the Collections Development unit.

As a result of Strategic Planning, the Public Library received a 2006 Top Ten Award from the County of Los Angeles Quality and Productivity Commission for positioning the library as a contemporary information/community center to meet the changing needs of the 21st century customer.

County of Los Angeles Sheriff's Department

KH facilitated a process addressing the needs of current and formerly incarcerated people and communities for successful re-entry. The project's goal was to reduce recidivism through implementation of evidence-based practices in treatment, services,

and policy. Participants included local, county, and state public agencies and non-profits service providers and advocates. This process resulted in a strategic plan encompassing Los Angeles County.

County of Los Angeles, Department of Public Works (DPW)

KH was retained to prepare a Strategic Plan for the DPW. For this complex project, KH reviewed dozens of documents, including a survey of staff perceptions of the Department undertaken by DPW during the course of the strategic planning effort. KH staff conducted approximately 50 individual interviews, as well as a series of 6 focus group discussions of strategic issues facing the department. These were used to identify key strategic issues confronting the Department. KH then designed and facilitated two strategic planning retreats, each involving 40 to 80 individuals. These helped the Department articulate its goals and values as an institution, briefly assess its current condition, and identify key strategic initiatives. To stimulate creative thinking and innovative approaches, KH offered a variety of business models for participants to adapt and modify to DPW's needs. The outcomes of these retreats were a series of strategic initiatives that were passed on to working groups for development into action plans. Eight working groups developed 13 action plans that will guide the Department's major initiatives over the next three to five years.

DPW was the first public sector entity to ever receive an Association of Strategic Planning (ASP) award.

In addition, KH designed and delivered briefing sessions for middle managers, aimed at keeping them informed of developments in the strategic plan, and building support for its implementation. The quality and accuracy of the report were ensured by a group of senior managers who functioned as an oversight committee. This group regularly reviewed progress on the strategic plan, screened report drafts, and provided guidance to the effort. The draft Strategic Plan was submitted to DPW for final review. KH was retained to assist with the implementation process.

County of Los Angeles, Department of Regional Planning (DRP)

KH was retained to prepare a Strategic Plan, a succession plan (called a Strategic Workforce Plan), and performance measurements for DRP. As part of this effort, KH conducted two strategic planning

retreats, 12 strategic work groups, and a series of executive management meetings. The performance measurement system integrated the anticipated outcomes from the Strategic Plan, Management Appraisal and Performance Plan (MAPP), and key performance indicators into a Scorecard format.

County of Los Angeles, Internal Services Department (ISD)

(KH PRIME, IBM SUBCONTRACT)

KH built on a previously developed ISD Strategic Plan and worked with ISD's major services and lines of businesses to develop their own Strategic Plans. KH conducted two large forum presentations with workshops for approximately 350 of ISD's executives and managers.

KH also conducted a total of 12 Workshops with smaller forums in four strategic planning cycles to develop five Strategic Plans for Facilities Operations, Purchasing and Central Service, Administration and Finance Service, Customer Service, and Information Technology Service (using IBM as a partner).

KH then applied a Balanced Scorecard model to help ISD focus on the high-priority measurements for monitoring and measuring success. The Balanced Scorecard required an iterative process to develop high priority metrics for ISD's four Services; the Department as a whole; and for accountability reporting to the Board of Supervisors, CAO, and ISD customers. In general, the ISD Executives had taken a bold move with KH by pioneering Balanced Scorecards in the County.

County of Los Angeles, Department of Human Resources (DHR)

Under KH's master agreement with the County of Los Angeles, KH has performed a number of studies and services for DHR.

KH was retained to assist DHR with identifying key strategic issues and developing Action Plans to address those issues. The strategic planning process included several meetings and a retreat with DHR senior staff members to complete an environmental scan and identify strategic priority areas. Interdivisional work groups developed objectives and Action Plans to address the key strategies, and develop measures to assess their success.



CITY OF LOS ANGELES

City of Los Angeles, Office of the City Controller

General Services Department (GSD)

The City Controller first retained KH to audit the performance of the Asset Management Division (AMD) in GSD. KH used a comprehensive asset management model to identify potential areas for improvement in the management of the City's real property assets. The over-arching recommendation is that AMD move toward a strategically coherent approach to property management, and simplify the transactions and the processes for their review. AMD's mission should reflect strategy/policy development and ongoing reporting on key asset management issues.

City Asset Strategy

As a result of the audit, the City Controller had KH focus on issues that the City of Los Angeles should address in developing a strategy for managing its real estate assets city-wide.

Community Redevelopment Agency of the City of Los Angeles (CRA/LA)

The CRA/LA retained KH to audit its Information Technology (IT) function. This IT Audit focused on documenting the current IT situation, reviewing progress made against the IT Strategic Plan, and analyzing the effective use of the IT budget during the past three fiscal years. KH's approach included extensive reviews of CRA/LA documents; interviews with management, IT employees and IT contractors; and a customer-user IT survey. As an outcome of this audit, KH was retained to develop an updated IT Strategic Plan.

OTHER GOVERNMENT

Federal Housing Finance Board (FHFB) and the 12 Federal Home Loan Banks

WASHINGTON, D.C.

(SUBCONTRACT WITH FIRST BOSTON CORPORATION)

FHFB embarked on a major strategic planning effort to redefine its role in U.S. housing for the balance of the decade.

Phase I – Critique of Strategic Planning Papers

KH critiqued 12 papers that FHFB had prepared on the topics of governance, customer base, capital, regional structures, and other relevant topics.

Phase II – Governance and Structure of the Federal Home Loan Bank System

KH then performed its own independent analysis of how FHFB should govern the Federal Home Loan Bank System, including its governance structure, regional structure, and accountabilities. As part of the fact-finding, KH conducted site visits at the Federal Home Banks in San Francisco, New York, Atlanta, and Des Moines. The recommendations involved a new configuration to FHFB and a regional structure more reflective of those found in Freddie Mac and Fannie Mae.

U.S. Department of Labor (USDOL), Employment and Training Administration, Unemployment Insurance Service

USDOL retained KH to assist the 53 State Employment Security Agencies (SESAs) in developing contingency and disaster recovery plans for Unemployment Insurance operations. Phase I involved documenting what the SESAs were doing regarding contingency and disaster recovery planning. KH conducted site visits at six SESAs and surveyed nine other SESAs.

During Phase II, we prepared a Technical Assistance Guide (TAG), outlining how SESAs could:

- Develop their recovery strategies
- Prepare their own Disaster Recovery Plans (DRPs)
- Test and train their SESAs on the DRPs
- Update and disseminate DRP information

Phase III entailed conducting two two-day workshops – one on the East Coast and one on the West Coast – on the TAG for more than 100 SESA and USDOL attendees.

NON-PROFIT

Pasadena Senior Center

As part of a larger strategic study for the Pasadena Senior Center, KH surveyed 10,000 Pasadena households (with individuals aged 50 or older) to determine the needs of senior citizens. In addition, KH conducted a series of goal-setting workshops with the Board of Directors.

National Mental Health Association of Greater Los Angeles (NMHA)

SUBCONTRACT WITH TOWERS PERRIN

After inheriting a \$25-million Trust, NMHA retained KH to conduct interviews to determine the best use of the new funds. KH interviewed 50 mental health opinion leaders, including psychiatrists, psychologists, social workers, service providers, family members of mental health patients, legislators, and other association professionals. KH also interviewed major foundations in the Los Angeles area to solicit their input.

Public Health Foundation Enterprises, Inc. (PHFE)

CITY OF INDUSTRY, CALIFORNIA

KH worked with the Board of Trustees and the Executives of PHFE to develop its first strategic plan. This process involved four all-day, off-site retreats with board members and PHFE executives and managers.

KH was then retained to assist with implementation of the new plan.

*“If opportunity doesn’t knock,
build a door.”*

– Milton Berle

HIGHER EDUCATION

Long Beach Community College District (LBCCD), Small Business Development Center (SBDC) Network

LONG BEACH, CALIFORNIA

LBCCD and eight constituent SBDC Service Centers – each associated with a sponsoring college – collectively form the Los Angeles Region SBDC Network. As the Lead Center for the Network, LBCCD determined that developing a joint Strategic Plan with Service Center Directors and key stakeholders would advance the rate of accomplishment for small businesses in the region. The strategic plan frames and builds on the collective vision and values of the Network and LBCCD.

KH assisted the SBDC at LBCCD in its regional strategic planning endeavors, including working with the Lead Center to name a SBDC Steering Committee to provide oversight and guidance, soliciting stakeholder input during the various tasks, and working with the Steering Committee to determine retreat participants.

Southwestern College (SWC)

CHULA VISTA, CALIFORNIA

For this college with deep Mexican-American historical roots, KH developed a Strategic Plan and a Balanced Scorecard to more effectively meet the needs of SWC students and the community, provide feedback on current efforts and programs, increase collaboration among programs and across services, and reflect the multiple constituencies or stakeholders involved with SWC.

SWC’s Board of Trustees also retained KH to assist with the design of a new organizational structure to support the new strategic directions.

Marymount Weekend College (MWEC)

PALOS VERDES, CALIFORNIA

KH performed a marketing study for MWEC and developed alternative strategies for marketing its unique program. KH worked with faculty and administrative leaders to implement those with the most immediate possible payoff. KH also designed, administered, and analyzed a survey to determine MWEC student views of the school’s strengths and opportunities.

Los Angeles Community College District (LACCD)

LACCD is the largest community college district in the world. KH interviewed more than 20 administrators, surveyed 1,700 faculty members regarding their computing requirements, and held 9 college town hall sessions. The outcome was a five-year strategic information systems plan.



Eastern New Mexico University (Eastern), Portales, New Mexico



KH initially assisted Eastern in preparing its initial Strategic Plan and in implementing an ongoing strategic planning process. KH also worked with Eastern to implement a new organizational structure to support the new strategic directions and designed a new pay-for-performance plan for administrators and potentially for faculty and support staff members.

“Research is to see what everybody else has seen, and to think what nobody else has thought.”

– Albert Szent-Gyorgi

PRIVATE SECTOR

Dean Witter Reynolds

KH surveyed 60 high-performing brokers at Dean Witter’s competitors to gather marketing intelligence information. KH used this information to develop recruitment and retention strategies.

Strategic Planning for a Confidential Client

KH developed a 10-year Strategic Plan, which was approved by the Board of Directors. KH also analyzed current staffing configurations to determine needed changes to implement the plan.

Travelers Insurance

SAN FRANCISCO AND LOS ANGELES, CALIFORNIA

KH assisted this Fortune 500 East Coast company to determine how best to position itself in the Los Angeles market. KH conducted a marketing intelligence study and surveyed health benefits leaders and consultants regarding trends in the health insurance field, including HMOs, PPOs, etc. As part of the survey, KH defined 18 factors that enter into the competitive bid or “buy” decision. KH then used a factor comparison process to identify the key factors and what insurance carriers are the trendsetters for each factor. As a result, KH developed marketing and sales strategies unique to southern California for Travelers.

KH MARKETING

Northwestern University/ Evanston Research Park

KH conducted a marketing intelligence study of selected Fortune 100 companies about their reactions to university-related research parks in general and one affiliated with Northwestern University specifically.

KH SURVEYS

KH performs many types of surveys, often as part of larger strategic planning, productivity, organizational, or human resources studies. Following are highlights of a sample of surveys performed by KH.

Edison International

Energy Conservation Program

KH conducted a telephone survey of 800 English-speaking, low-income customer households drawn from a customer base of 3,000 residents serviced by Edison. Selected households participated in a fluorescent relamping program; the interviews evaluated usage of the bulbs and assessed attitudes regarding energy conservation, bill paying practices, and Edison's image.

experiences and compensation policies. Survey data were entered into KH's proprietary Compensation Management System (CMS) database. The KH team mailed survey instruments to 1,204 potential organizations to participate, and systematically followed up every contact by telephone, letter, or fax to encourage participation, answer questions, and request completed surveys. Ultimately, 208 organizations agreed to participate. Of the 208 organizations, 160 (77 percent) completed and returned surveys. We believe that this high participation rate was a direct result of the intense and personal contact with potential participants.

In identifying potential survey participants, KH ensured adequate representation from the private and public sectors, as well as firms of different sizes, different industries, and different California market areas in which County of Orange competes. We also contacted organizations, that would be able to match

KH performs many types of surveys, often as part of larger strategic planning, productivity, organizational, or human resources studies.

Health Department

Also for Edison, KH surveyed 220 staff members regarding their job responsibilities and requirements. KH then developed position descriptions for a new organizational structure for the Health Department.

Department of Human Resources, County of Orange (CA)

Initial Compensation Survey

During the County's bankruptcy, KH conducted a Confidential Compensation Survey to compile compensation market comparisons for 57 specific benchmark positions for the County of Orange. The objective of the KH report was to provide an objective and comprehensive comparison of compensation among a wide variety of employers. Therefore, data reflected both public and private sector employers in three market areas: local Orange County, Greater Southern California, and All Other California.

The 24-page survey instrument requested general information about the participating employer and salary information for the benchmark positions, presented as capsule position descriptions. It further requested a wide variety of information about the other components of compensation in terms of their cost to the employer, and about recruitment

some of the less common benchmark positions. The report categorized the potential and actual participants by market area, sector, and size.

In the final analysis, survey participants provided base salary data for the 57 benchmark positions, for a total of 1,604 matches representing more than 45,938 incumbents. Simple and weighted averages were provided for the base salary for each position.

More than 35 percent of all matches were from the Public Sector. Of the 103 private sector matches, 51.5 percent were from "large" firms (more than 500 employees), 32.0 percent from "medium" firms (between 100 and 500 employees), and 16.5 percent were from "small" firms (fewer than 100 employees). Specifically, 43.7 percent of all private sector matches were from Orange County businesses.

This project was widely published in the *Los Angeles Times* and the *Orange County Register* and discussed on National Public Radio (KFWB) and other venues. Taxpayers, community groups, and investors were concerned about whether the County was overpaying its employees. Moreover, the data was useful for the County of Orange to approach Wall Street in documenting prudent fiscal controls to come out of bankruptcy.

Each survey participant received a complimentary copy of the 150-page Confidential Compensation Benchmark Survey: Participant Report, supplemented with a customized report showing their pay levels relative to survey findings. Several hundred additional copies were sold to the public.

Follow-up Compensation Survey

Nine years later, the County of Orange Human Resources Department retained KH to conduct a three-phase workforce-focused project.

Phase 1: KH designed, created, facilitated, and analyzed an online Confidential Compensation Survey of Public and Private sector organizations throughout the State of California. Compensation data and benefits information was collected on 54 benchmark positions representing 67,312 incumbents.

Phase 2: KH designed, organized, and facilitated a

Recruitment and Retention Workshop. The purpose of the workshop was to discuss strategies to strengthen the County's ability to address these challenges. The workshop consisted of expert presentations on the workforce issues, recruitment, and retention; an expert panel discussion; and a brainstorming session.

Phase 3: KH worked with County of Orange Human Resources personnel to develop an ongoing compensation analysis program as part of the County's strategic goal of "attracting the best and the brightest" to the County of Orange workforce.

Los Angeles Department of Water and Power (DWP)

As part of a larger efficiency review, KH randomly selected approximately 100 major customers to survey by telephone to solicit their perceptions of the

KH has collected, processed, and analyzed
more than 121,000 respondent
surveys in the area of activity analysis.

An Orange County Perspective:

DEBUNKING THE MYTH OF OVERPAID COUNTY WORKERS: Study Should Reduce Skepticism for Civil Employees

"...The Board of Supervisors was right to order the study Even without a bankruptcy, government needs to spend taxpayers' money wisely. Monitoring private sector salaries can help ensure that county staff are not overpaid...."

"Supervisor William G. Steiner said the salary study, done by KH Consulting Group, was probably the most comprehensive examination of pay comparisons done in the county."

Los Angeles Times
Orange County Edition
June 2, 1996

*Additional coverage was reported in other issues of the **Los Angeles Times** as well as the **Orange County Register**.*

major accounts program at DWP.

W.M. Keck Foundation

KH surveyed the grant applicants concerning the W.M. Keck Foundation's image, procedures, selection criteria, etc.

Orange County Transportation Authority (OCTA)

KH surveyed approximately 340 individuals who were recently recruited for either new positions or vacant positions. This input was used to improve the recruitment process.

Pak-Poy & Kneebone, Ltd., of Australia

KH conducted a custom compensation survey of senior executive positions of large U.S. real estate development projects for an Australian client

Activity Analysis Surveys

KH has collected, processed, and analyzed more than 121,000 respondent surveys in the area of Activity Analysis. Activity Analysis techniques involve extensive surveying of employees to collect information systematically regarding what work functions they perform and how they physically perform those functions. Some of KH's Activity Analysis clients are:

- Telstra Enterprise & Government (TE&G), Australia – 2,500 employees
- Port Authority of New York-New Jersey – 1,200 engineers
- Sepulveda Veterans Administration (VA) Medical Center, Sepulveda, CA – 250 respondents
- BHP – 80 respondents
- Illinois Power Company, Decatur, IL – 800 respondents in engineering functions
- University of Southern California, Los Angeles, CA – 200 respondents
- DaimlerChrysler Canada Inc., Toronto, Ontario, Canada – 250 respondents in administrative functions
- South Australia Department for Transport, Energy and Infrastructure, Adelaide, South Australia – 450 respondents in administrative functions
- Port of Los Angeles, CA – 750 respondents
- Port of Long Beach, CA – 290 respondents (benchmark comparisons)
- St. Joseph's Hospital and Medical Center, Phoenix, AZ – 200 respondents

KH has also provided Activity Analysis survey support services to projects conducted by:

- Booz Allen Hamilton
- Accenture
- Arthur D. Little
- Bernard Krieff (France)

“Great discoveries and improvements invariably involve the co-operation of many minds.”

– Alexander Graham Bell

Additional descriptions of KH firm capabilities, including a general KH firm brochure, are available upon request.

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