The Future of Strategic Planning in the Public Sector: Linking Strategic Management and Performance

While it has become ubiquitous in the public sector over the past 25 years, strategic planning will need to play a more critical role in 2020 than it does at present if public managers are to anticipate and manage change adroitly and effectively address new issues that are likely to emerge with increasing rapidity. This article argues that making strategy more meaningful in the future will require transitioning from strategic planning to the broader process of strategic management, which involves managing an agency’s overall strategic agenda on an ongoing rather than an episodic basis, as well as ensuring that strategies are implemented effectively. Complementing this move to more holistic strategic management, we need to shift the emphasis of the performance movement from a principal concern with measurement to the more encompassing process of performance management over the coming decade in order to focus more proactively on achieving strategic goals and objectives. Finally, agencies will need to link their strategic management and ongoing performance management processes more closely in a reciprocating relationship in which strategizing is aimed largely at defining and strengthening overall performance while performance monitoring helps to inform strategy along the way.

In compelling fashion, many of Vieg’s observations regarding the nascent field of planning more than 60 years ago still ring true today. For example, the purpose of planning is to “protect and promote the public interest,” and planners will endeavor to “weigh all the relevant facts” but will also “use their disciplined imagination” (Vieg 1942, 65). In addition, Vieg asserted that planning should be a continuing process, that planning is synthesis more than analysis, and, above all, that “planning should be pointed toward action” (67–68). These characterizations are particularly relevant to strategic planning, as is Vieg’s emphasis on the importance, and the difficulty, of developing consensus around the values on which planning is predicated.

This article looks at the mid-term future of strategic planning in the public sector from a managerial perspective over the next decade to the year 2020. It focuses on three related movements that will be essential in order for strategic planning to assume a more meaningful role in the United States over the next 10 years.