Performance Management Framework

Operational Planning

Toolkit

The *Financial and Performance Management Standard 2009* (FPMS) (section 9) requires each accountable officer and statutory body to develop operational plans for relevant business areas, or an operational plan for the whole agency to cover a period of not more than one year. This collection of tools seeks to provide practical assistance to agencies when developing operational plans to ensure that mandatory requirements are met.

This document supports, and should be read in conjunction with the *Agency Planning Requirements* (APRs).

> **Suggested reference**
>
> 📖 ***Agency Planning Requirements***
> Department of the Premier and Cabinet
> https://www.forgov.qld.gov.au/sites/default/files/agency-planning-requirements.pdf

This toolkit includes:

- operational planning process
- frequently asked questions
- minimum requirements checklist.

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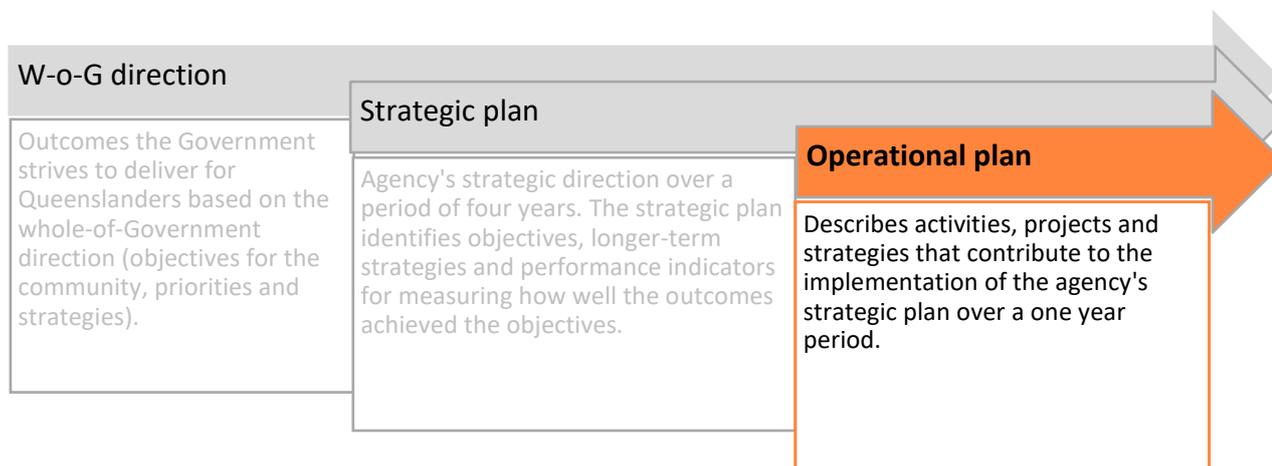Department of the Premier and Cabinet
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Operational planning process

W-o-G direction	Strategic plan	Operational plan
Outcomes the Government strives to deliver for Queenslanders based on the whole-of-Government direction (objectives for the community, priorities and strategies).	Agency's strategic direction over a period of four years. The strategic plan identifies objectives, longer-term strategies and performance indicators for measuring how well the outcomes achieved the objectives.	Describes activities, projects and strategies that contribute to the implementation of the agency's strategic plan over a one year period.

Agencies may choose to have an operational plan at the whole-of-agency level, or operational plans for a division, business unit or service area. The whole-of-agency operational plan looks collectively at the operability of the agency, while the division/business unit/service area operational plans focus on individual business areas. The following section describes the key consideration points for an operational planning process for either approach to operational planning (whole-of agency or division/business unit/service area).

What should we be delivering?

Whole-of-agency operational plan

➔ Consider the agency's current strategic direction (as per the agency's strategic plan).

➔ Consult with the Chief Executive and executive officers across the agency to determine priority areas the agency wants to focus on during the 12 month period of the operational plan.

➔ Identify the strategic objectives the agency is working towards during the operational planning period (a strategic plan is developed within a four year context and all strategic objectives may not be applicable for each 12 month period).

Division/business unit/service area operational plan(s)

➔ Consider the division/business unit/service area's priorities for the 12 month period (using previous internal performance reporting and the agency's strategic objectives from the strategic plan).

➔ Review the success of the previous operational planning period and identify any outstanding activities or missed opportunities.

How will we deliver?

Whole-of-agency operational plan

➔ Consider the agency's annual report and internal performance reports to determine what was delivered in the previous year and how well.

➔ Consider what activities and strategies are required to deliver on priority areas identified – more specific planning may be required for each division/business unit/service area to contribute to the whole-of-agency operational plan.

➔ Consult staff to determine service delivery opportunities/possibilities (including what works and what doesn't work). For some agencies, it may also be appropriate to consult customers, stakeholders and the community.

- Conduct an assessment of available resources (staff, budget, systems) including the agency's Service Delivery Statement for allocated budget.
- Identify and consider operational risks and opportunities that could impact on achieving the activities within the operational plan, including the level of risk and how these risks will be managed or mitigated.

Division/business unit/service area operational plan(s)

- Consider internal performance reports from previous reporting periods to identify delivery options that worked well or not so well.
- Conduct an assessment of available resources for the division/business unit/service area (staff, budget, time, systems etc).
- Identify short-term activities relevant to the division/business unit/service area's core business that contribute to the agency's strategic direction (as per the strategic plan).
- Consult staff, management and stakeholders to develop new and innovative service delivery opportunities.
- Identify and consider operational risks and opportunities that could impact on achieving the activities within the operational plan, including the level of risk and how these risks will be managed or mitigated.

Who is going to do what and when?

Whole-of-agency operational plan

- Consult senior level officers to allocate individual agency officers with appropriate authority for each operational objective or priority.
- Identify and include timeframes and dates for delivery of actions within the operational plan (noting these should not exceed the 12 month duration of the plan).
- Assign responsibility for reporting progress to the Chief Executive Officer throughout the 12 month period of the operational plan.
- Seek approval from the Chief Executive Officer for the operational plan.
- Once the operational plan is approved, communicate the plan to staff. It may also be appropriate for some agencies to communicate the plan to customers, stakeholders, and the community.

Division/business unit/service area operational plan(s)

- Consult staff within the division/business unit/service area to allocate actions to individual officers for delivery.
- Identify and include timeframes and dates for delivery of actions within the operational plan (noting these should not exceed the 12 month duration of the plan).
- Assign an officer with appropriate authority to report progress of the operational plan to the appropriate level of management, within agreed timeframes.
- Seek approval from the relevant delegated authority for the operational plan.
- Once the operational plan is approved, communicate the plan internally to staff within the division/business unit/service area, as well as the corporate planning unit within the agency. It may also be appropriate for some agencies to communicate the plan to customers, stakeholders, and the community.

How will we know we have delivered it (and how well)?

Whole-of-agency operational plan

- Consider the agency's annual report and Service Delivery Statement (SDS) to determine the level of service delivery performance against budget.
- Consider the agency's SDS to determine and set realistic targets and goals that drive the agency to improve operational efficiency and effectiveness.
- Establish appropriate performance measures (including data dictionaries) to measure the activities that are being carried out and determine if the desired quality of work is being achieved.
- Align performance information from the operational plan to performance indicators in the strategic plan.
- Incorporate actions and performance information into relevant individual officer Performance Development

Agreements to encourage accountability and ownership of actions within the operational plan.

➔ Review progress against realistic, clearly identifiable milestones (with performance measures) regularly. This helps to maintain energy for change.

Division/business unit/service area operational plan(s)

➔ Establish appropriate performance measures to certify the activities are being carried out and that the desired quality of work is being achieved.

➔ Set realistic and clearly identifiable targets, goals and milestones based on previous performance and desired outcomes to improve operational efficiency and effectiveness within the division/business unit/service area.

➔ Incorporate actions and performance information into relevant individual officer Performance Development Agreements to encourage accountability and ownership of actions within the operational plan.

➔ Review progress against performance information regularly throughout the 12 month period to maintain energy for change and to detect slippage or delivery issues prematurely.

Frequently asked questions

Answers to frequently asked questions about operational planning.

Minimum information requirements	
Do we have to use the minimum information requirement terms in our operational plan?	Agencies are encouraged to use the terms presented in the minimum information requirements for operational plans to establish a common language across agencies. However, agencies may use a different term to refer to a minimum information requirement. Example: 'Measures' or 'performance indicators' in place of 'performance information'.
Do we need to align our operational plan with the Government's objectives for the community?	It is not a requirement to directly align an operational plan with the Government's objectives for the community. The operational plan will indirectly align to the Government's objectives for the community as the operational plan should align with the agency's strategic plan.
Do we need to include a risk register with our operational plan?	No, however the agency must identify and analyse the potential impacts of key operational risks and opportunities. This could be an assessment of the agency or division/business unit/service area's strengths, weaknesses, opportunities and threats.
General	
Is one operational plan for the agency suitable?	One operational plan for the agency may be adequate, however larger agencies may wish to consider having a whole-of-agency operational plan and individual operational plans for each division, business unit or service area. This can drive service delivery and help to encourage ownership and accountability of activities within the agency. Ultimately the individual operational plans should contribute to delivery of the whole-of-agency operational plan and strategic plan.
Can an operational plan be called a business plan or a corporate plan?	Yes.
Relationship with other activities	
What is the relationship between the operational plan and the strategic plan?	The activities in the operational(s) plan should link directly to delivering on the objectives outlined in the agency's strategic plan. This could be a direct link to a strategic objective or in the form of a strategy from the strategic plan being 'operationalised' in the operational plan.
What is the relationship between operational planning and budgeting?	An agency's internal budget process commits resources for strategies, activities and projects detailed in its operational plan(s) to support the delivery of the agency's strategic plan.
What is the relationship between operational planning and the annual report?	An agency's annual report must disclose performance information about the agency's services. Information may be sourced from operational plan(s) for this reporting.

Consultation and approval

Who do we need to consult with during the operational planning process?	It is recommended that staff and stakeholders of the services to which the plan relates are consulted. If for a division/business unit/service area – the other areas within the agency or in other agencies that the group regularly works with. It is not necessary to consult with central agencies (DPC or QT) on operational plans.
Who should approve the operational plan?	Operational plan(s) must be endorsed by the relevant delegated officer within an agency.

Design and layout

Is there an operational plan template or specific layout requirement?	There is no set template for operational plans. It is recommended that the document be clear, succinct and visually appealing to assist with readability and encourage engagement with the plan(s).

Publication and distribution

Does the operational plan need to be published?	Operational plan(s) should be communicated and made available to staff within the agency. It is recommended that agencies publish operational plan(s) internally on the agency's intranet. Generally, operational plans are not published externally. To determine if an operational plan should be published, an agency should refer to their publication scheme and to the *Right to Information Act 2009* (in particular Schedule 3 which sets out the exemptions under the Act) and/or consult with the agency's Right to Information area.
Who should the operational plan be distributed to?	As a matter of process, operational plans should be made available to stakeholders who are particularly interested in an agency's service delivery (such as non-government organisations, construction industry, outsourced providers etc), where appropriate.

Reporting and reviewing

Do we need to report on our operational plan?	Agencies are required to report to the accountable officer every three months (Section 13, FPMS) outlining its progress in the delivery of both its strategic and operational plan(s). Regular, robust and meaningful reporting of performance against operational plan(s) is vital for an agency. This assists senior management to make critical decisions based on a targeted and balanced account of how the agency is tracking against its strategic objectives.
How often do operational plan(s) need to be reviewed?	Operational plans should be evaluated and/or reviewed at least every six months, however quarterly is recommended. This captures operational shifts and enables early intervention if things are not progressing as anticipated.

How do we maximise the review process?	• Review achievements and contributions to agency objectives and identify any changed conditions, needs or priorities that result in a need to adjust the plan. • Compare the agency's planned performance (i.e. target/estimate) with actual performance achieved. Differences between planned (target) and actual performance should be analysed to determine where improvements could be made in future planning (e.g. resource allocation, projected timeframes for the completion of projects). • Identify any new or emerging operational risks and opportunities that may impact on performance and future planning. • Re-assess whether the plan(s) still have meaning and provide the appropriate level of direction to the agency and/or business areas and individual staff.

Better Practice

Is there anything else we could include in the operational plan?	Other information that may be included in an operational plan: • the outputs sought from the division/business unit/service area • the resources necessary to deliver the division/business unit/service area • the parts of the agency/officers that are accountable for delivery of the strategy / project / activity • the budget for the delivery of the strategy / project / activity, or division/business unit/service area • the projects and programs planned to improve the division/business unit/service area • what the plan is required to comply with (i.e. legislation, regulation, standards set by the government, agency or industry) • how the agency and/or division/business unit/service area will maintain and improve its capability to deliver services • how the division/business unit/service area relates to, or works with, other areas of the agency, or other agencies • other specific information and/or requirements of the area (such as identification of customers and/or key stakeholders).
How can we maximise the effectiveness of our operational plan?	A 'continuous improvement' philosophy should guide the operational planning process design. There is no set operational planning process that agencies must follow. **Communication** • Genuine and broad consultation (internally and with relevant stakeholders). Feedback incorporated where appropriate to do so. • Build awareness around the operational plan(s) for all staff to promote unity and a common direction for the agency. **Transparency and accountability** • Determine ownership of deliverables at an appropriate senior level, division or business unit. • Regular reporting of performance measures to senior management. **Alignment** • Strategic planning o establish a clear and strong alignment to the strategic plan

	- o make links to objectives or strategies from strategic plan clear - o unpack the higher level strategies outlined in the strategic plan to develop more short-term 'operational' activities or strategies - Service Delivery Statement - o ensure targets are consistent with the operational plan(s). - Government commitments - o consider how the activities within the operational plan(s) are contributing to the Government's commitments (i.e. election and charter letters). - Performance Development Agreements and position descriptions - o incorporate relevant operational activities for agency employees to encourage ownership of activities. - o make a clear link between key accountabilities and operational strategies. - Specific purpose plans - o Ensure references to specific purpose are incorporated in the operational plan(s) (where relevant), including alignment of objectives, strategies and performance information.

Minimum requirements checklist

The *Agency Planning Requirements* specify the minimum information requirements of an operational plan. Once you have prepared your operational plan you can identify whether the minimum information requirements have been addressed by using this checklist.

Minimum information requirement	
Relationship with agency strategic plan The agency's operational plan(s) must be developed to deliver on the agency's objectives in its strategic plan. Agencies should be able to demonstrate how all plans prepared by the agency relate to each other. Does the operational plan(s) outline how the agency will contribute to delivering its services over the year to support the delivery of the agency's objectives within the allocated budget? There is no prescribed format for representing this relationship.	☐
Operational risks and opportunities Does the operational plan(s) consider the potential impact operational risks and opportunities may have on the agency's service delivery, including how these risks will be managed or mitigated and opportunities realised?	☐
Service Areas and Services Does the operational plan(s) identify service areas and services - sets of activities that deliver outputs and result in outcomes for customers, stakeholders and the community?	☐
Performance information Does the performance information in the operational plan reflect and compliment / contribute to the agency's performance indicators in its strategic plan? There should be a clear line of sight between the performance information in the strategic plan and the operational plan(s). Does the performance information in the operational plan(s) measure the success of the operational strategies, projects or activities outlined and is it regularly monitored throughout the year to determine how the agency is performing?	☐
Operational strategies / projects or activities Strategies are the way in which an agency intends to pursue its objectives, deliver its services and assist in achieving the whole-of-Government direction (objectives for the community, priorities and strategies). Are the strategies included in the operational plan(s) generally shorter term 'operational' strategies that are pursued over a one year or less timeframe and cascade down from the strategies outlined in the agency's strategic plan?	☐
Alignment with specific purpose plans Does the operational plan(s) align with specific purpose plans of the agency, e.g. the ICT resources strategic plan, should be detailed in the operational plan(s) where relevant?	☐
Queensland Disaster Management Arrangements (QDMA) *Departments* – does the operational plan(s) outline the commitment to the QDMA, including response and/or recovery preparations during and following a disaster?	☐
Timeframe Does the operational plan(s) cover a period of one year and is this clearly stated in the plan?	☐