Strategy
MAGAZINE

Integrating Accountability in Strategy to Drive Excellence in Municipalities

Mia George

Cite this article

Article Abstract

In today's rapidly evolving world, municipalities face the critical task of developing, implementing, and executing sound strategies so their communities thrive. This process, however, is inherently complex due to the many services governments are required to provide, the various key documents and policies to be considered, and the variety of partners involved in achieving positive community outcomes. Managing accountability is thus difficult yet essential for navigating these complexities and achieving the best possible results. The objective of this article is to identify the key stakeholders and strategic plan components involved in municipal strategy and describe how integrating strong accountability can drive excellence in municipal service delivery for communities. While this article focuses on municipal governance and strategy in Canada, the theme of accountability can be applied to any municipality.

DOWNLOAD OR PRINT THIS ARTICLE

INTEGRATING ACCOUNTABILITY
IN STRATEGY TO
DRIVE EXCELLENCE
IN MUNICIPALITIES

BY **MIA GEORGE**

In today's rapidly evolving world, municipalities face the critical task of developing, implementing, and executing sound strategies so they can thrive. This process however, is inherently complex due to the many services governments are required to provide, the various key documents and policies to be considered, and the variety of partners involved in achieving positive community outcomes. Managing accountability is thus difficult yet essential for navigating these complexities and achieving the best possible results. The objective of this article is to identify the key stakeholders and strategic components involved in municipal strategy as well as describe how integrating strong accountability can drive excellence in municipal service delivery for communities. While this article focuses on municipal governance and strategy in Canada, the theme of accountability can be applied to any municipality.

KEY AGENTS AND DOCUMENTS OF STRATEGY IN MUNICIPAL GOVERNMENT

Canadian municipalities, whether they are cities, towns, townships, or villages, are created by the provinces in which they reside and are responsible for providing a wide range of services to residents, from waste disposal to public transit. These municipalities are overseen by a council of locally elected officials, and the revenue to provide services primarily comes from property taxes and provincial grants. Understanding the structure and roles within municipal government is crucial for effective strategy formulation, implementation, and execution.

There are four key "agents" – individuals or groups with distinct roles and responsibilities – as they relate to municipal strategy formulation, implementation, and execution.

1. **The Council,** composed of elected officials, represents the interests and needs of their residents. It is responsible for developing and delivering a long-term vision that reflects their communities' aspirations.

RETURN TO CONTENTS
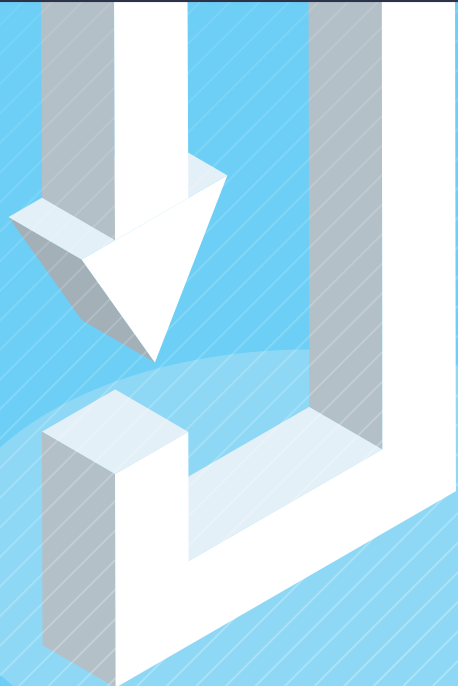
2. **The Chief Administrative Officer (CAO)**, who is the highest-ranking administrative official in a municipal organization, is hired directly by Council and is tasked with delivering the municipality's legislated services and executing Council directives through the development and execution of a strategic plan.
3. **Commissioners or Department Heads** provide overall leadership for the various departments within the municipal organization. They devise and implement departmental plans that align with the strategic plan.
4. **Staff members,** as employees of the municipal organization, are responsible for providing services to residents through the execution of their individual performance plans.

Each of these agents plays a vital role in strategy formulation, implementation, and execution ensuring the municipality functions effectively and efficiently. The execution of each agents' strategic responsibilities is guided and aligned by several key documents. The Council's **vision** for the community's well-being is a high-level document outlining areas of focus. It is evergreen, adaptable and fluid yet anchored in resident feedback on key concerns. It sets the direction for the municipality and serves as a foundation for all subsequent planning.

The **strategic plan** duration aligns with the current term of Council, which are typically three to four years in length depending on the municipality.

It outlines objectives and priorities focusing on legislated core services, giving the municipality flexibility and adaptability in times of crisis. The CAO keeps the plan focused on legislated services, rather than discretionary services or directives. This ensures that the municipality remains compliant with its legal responsibilities, which must be fulfilled regardless of regular or emergent operating environments. In this way, the plan guides the organization's efforts, while aligning with the Council's vision.

Departmental plans, a subset of the larger strategic plan, outline the objectives, priorities and actions of each department. These plans align with the term of Council yet are revisited annually. Departmental plans include both core legislated services and additional projects as directed by Council. This ensures that all departmental activities align with the strategic plan and contribute to the overall vision of the municipality.

Finally, **individual performance plans** detail the specific activities of individual employees to deliver services to residents. These plans include performance objectives, individual actions, and competencies. By aligning individual performance with departmental plans, the cascade from vision to each individual staff member continues, ensuring municipalities work towards Council's commitments to its communities.

An example of this in action can be found in The Regional Municipality of York (York Region), winner of the

International Association for Strategy Professionals 2023 Goodman Award for Excellence in Strategy for its Accountability Framework. York Region is a regional government in Ontario, Canada, with nine local municipalities. York Regional Council's vision statement of "Strong, Caring, Safe Communities" is divided into four areas of focus: economic vitality, healthy communities, sustainable environment, and good government. The Council's vision guides the current four-year corporate strategic plan, which aligns with the Council's term. The plan includes four priorities, and 10 objectives aligned around the four areas of focus. Each of York Region's six departments develops a departmental plan in alignment with the strategic plan and Council's term, with annual reviews and updates conducted with the CAO. Additionally, all staff members undergo an annual performance process where their performance objectives and associated activities are aligned with their respective departmental plans, ensuring a cohesive and integrated approach from the overarching vision to individual actions.

Table 1 summarizes the key documents guiding municipal strategy, including their key components and responsible agents.

By understanding the roles and responsibilities of municipal key agents and the documents that guide their actions, municipalities can ensure effective execution of their strategies. This alignment leads to improved

KEY DOCUMENT	AGENT RESPONSIBLE	DESCRIPTION/OBJECTIVE	KEY COMPONENTS	YORK REGION EXAMPLE
Vision	Council	High-level document anchored in resident feedback that sets the direction for the municipality	Areas of focus, which are anchored in resident feedback yet adaptable	Council's vision: "Strong, Caring, Safe Communities" with four areas of focus
Strategic Plan	CAO	Plan developed in alignment with Council's term and focused on legislated core services	Objectives and priorities	Current four-year corporate strategic plan includes four priorities and 10 objectives
Departmental Plans	Commissioners/ Department Heads	Plans outlining each department's efforts in alignment with the strategic plan and Council term, including both core legislated services and additional projects as directed by Council	Departmental objectives, priorities, and activities	Aligned with the municipal strategic plan and reviewed annually
Individual Performance Plans	Employees	Performance plans that detail each employee's individual responsibility to deliver services to residents	Performance objectives, actions and competencies	Annual performance process aligned with departmental plans

TABLE 1: KEY DOCUMENTS GUIDING MUNICIPAL STRATEGY

service delivery and better community outcomes, driving excellence in municipal governance.

While developing and executing these plans is essential for municipal success, it is not an easy task. The sheer scope of services that municipalities provide requires careful coordination and resource allocation, while the alignment of multiple plans demands meticulous planning and constant communication among all agents. The dynamic nature of community needs and external factors, such as economic shifts or emergencies, adds further complexity, requiring flexibility and adaptability in planning. At the same time, everyone, from elected officials to each individual staff member of the municipal organization, must be both committed to and understanding of their role in strategy formulation, implementation, and execution to be successful. Failing to establish clear responsibilities, set measurable objectives, and regularly review progress can lead to ineffective strategy execution, poor service delivery, and negative community outcomes.

WHAT IS ACCOUNTABILITY?

Accountability is a fundamental organizational concept that explores how individuals and organizations are held responsible for their actions and outcomes. One of the most recognized theories in the literature of accountability is the **Agency Theory**, developed by Michael C. Jensen and William H. Meckling in 1976 (Jensen and Meckling, 1976). This theory explores the relationship between principals, such as shareholders, and agents, such as company executives, emphasizing the expectation that agents act in the best interest of principals. In the context of municipal governance, this theory explains the dynamics amongst the key agents. Elected officials, for example, act as agents to the communities (the principals) that elected them to office, while also serving as principals for the CAO, whom they hire. Ultimately, agents and principals in municipal governance play a crucial role in realizing the best interests of the community.

Alternatively, the *IASPBOK3.0* defines strategic accountability as "individual and/or shared responsibility for results in alignment with identified goals and objectives" (Hadaya *et al.*, 2023, p. 96). This definition highlights the importance

of aligning individual and collective efforts with the overarching vision for the organization. In municipal governance, accountability ensures that all agents, from Council members to staff, are working towards a common purpose and are responsible for their contributions to the community's well-being.

To effectively implement accountability, several factors must be considered. First, it is essential to identify who is being held to account (the agent) and what that person is being held accountable for. This requires determining both roles (the positions individuals hold) and their responsibilities (the tasks they must perform) as well as setting clear expectations of what must be delivered. Second, it is crucial to determine who is holding that person to account (the principal). This clear understanding of the roles and responsibilities of each agent and principal within the municipal organization is critical to establishing accountability. Third and last, it is necessary to establish how accountability is measured. This involves identifying clear performance metrics and developing robust evaluation and reporting mechanisms to track progress to ensure agents are meeting their responsibilities. For example, in York Region, Regional Council is held accountable by residents for progress towards their vision of "Strong, Caring, Safe Communities" with performance measured through community indicators.

TYING THIS ALL TOGETHER WITH AN ACCOUNTABILITY FRAMEWORK

An Accountability Framework is essential to tie all these elements presented above together and ensure every level of the municipal organization is aligned and working towards the same vision (Table 2). The framework begins with Council, which is accountable to the public for achieving or working towards the promised vision. To hold it accountable, its progress is measured through community indicators, which quantify the achievement of the vision's areas of focus, and performance measures, which quantify the organization's achievement at the corporate and departmental levels.

To be most effective, the community indicators of the vision should be aligned with broader national or global initiatives, such as environmental, social, and governance principles, and the United Nations Sustainable Development Goals. York Region uses 20 community indicators to track progress in its four areas of focus. It is important to note that, while collaboratively developed by Council and the various municipalities, community indicators are ultimately determined by Council and are applied at the Regional level.

At the organizational level, the CAO is accountable to the Council for delivering legislated services and supporting Council through the development and implementation

> **BY UNDERSTANDING AND IMPLEMENTING EACH ONE OF THESE CONSIDERATIONS OF ACCOUNTABILITY AT EVERY LEVEL OF THE MUNICIPAL ORGANIZATION, MUNICIPALITIES CAN CREATE A CULTURE OF RESPONSIBILITY AND TRANSPARENCY.**

By understanding and implementing each one of these considerations of accountability at every level of the municipal organization, municipalities can create a culture of responsibility and transparency. This not only enhances the effectiveness of their strategies but builds trust with residents, ensuring the community's needs and expectations are met. Accountability is therefore critical to driving strategy excellence in municipal governance.

of the organization's strategic plan. Strategic plan progress is captured by performance measures that assess how well municipal services and programs are functioning. Measurement at this level is focused entirely on services and outcomes that are within the organization's scope of control. For example, York Region tracks 48 performance measures tied to its core service delivery to monitor the progress of its strategic plan.

WHO IS HELD TO ACCOUNT? (AGENTS)	WHAT ARE THEY ACCOUNTABLE FOR?	WHO ARE THEY ACCOUNTABLE TO? (PRINCIPALS)	HOW ARE THEY HELD ACCOUNTABLE?	YORK REGION EXAMPLE
Council	Achieving/Working towards vision (commitment/promise to its community)	Public (Residents)	Community indicators: Community-level measures that help quantify the achievement of an area of focus. These are outside of the municipal organization's scope of control. Multiple partners are involved in influencing the results of community indicators.	York Region has five community indicators per each area of focus (20 community indicators in total). Many of these indicators also serve as measures related to broader national or global initiatives such as environmental, social and governance principles and the United Nations Sustainable Development Goals.
CAO	Delivering legislated services and supporting Council through the development and implementation of the organization's strategic plan	Council	Performance measures: Measures of how well a municipal service and/or program is working. Results of performance measures are entirely within the municipal organization's scope of control.	York Region has 48 performance measures tied to its legislated core service delivery to track the progress of its current strategic plan
Commissioners/ Department Heads	Delivering legislated and discretionary services through the development and implementation of departmental plans	CAO	Performance measures: Measures of how well a municipal service and/or program is working. Results of performance measures are entirely within the municipal organization's scope of control.	York Region has 99 performance measures in total to track the progress of its six departments using departmental plans. These 99 measures include the 48 measures mentioned in the strategic plan above as departmental plans encompass both the Region's legislated services delivery and additional projects as identified by Council.
Employees	Delivering services of the municipal organization to the community and fulfilling individual development plan	Commissioners/ Direct Supervisors	Performance process (tied to compensation) relating to how well an employee achieved their identified performance objectives and competencies	Each staff member has performance objectives they must deliver upon each year. Staff members are also assessed in their display of four core competencies all staff are expected to demonstrate.

TABLE 2: MUNICIPAL ACCOUNTABILITY FRAMEWORK

Commissioners and Department Heads are responsible for delivering both legislated and discretionary services through the development and execution of departmental plans. They are accountable to the CAO and their performance is also measured by performance measures. York Region uses 99 performance measures to track the progress of its six departments, which include the 48 measures from the strategic plan and additional measures for departmental projects.

Finally, employees are accountable to their Commissioners or direct supervisors for delivering municipal services to the community. They are held accountable through a performance process tied to compensation, which assesses how well they achieve their performance objectives. Each staff member in York Region has performance objectives and is assessed on four core competencies relating to customer focus, communication, accountability and collaboration.

By implementing this Accountability Framework, municipalities can create a culture of responsibility and transparency, enhancing the effectiveness of their strategies and building trust with residents. This ensures that the community's needs and expectations are met, driving excellence in municipal governance.

CONCLUSION

Understanding how accountability operates in municipal organizations is critical for effective municipal strategy formulation, implementation, and execution. An Accountability Framework can drive excellence in municipal service delivery through the identification of key stakeholders and plans, and an understanding of roles, measurable objectives, and evaluation mechanisms. These efforts are necessary to align individual and collective efforts with an overarching community vision. With rapid digitization and advances in technology, future research could explore the impact of emerging technologies on accountability practices in municipal governance. By implementing and continuously improving upon an Accountability Framework within municipal organizations, municipalities can better meet the evolving needs of their communities and ensure sustainable, high-quality service delivery.

REFERENCES

Hadaya, P., Stockmal, J., *et. al.* (2023) IASPBOK 3.0: *Guide to Strategy Management Body of Knowledge.* International Association for Strategy Professionals.

Jensen, M. and Meckling, W. (1976) Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *Journal of Financial Economics.* 3(4).

The Regional Municipality of York. (2022) York Region. *www.york.ca*

ABOUT THE AUTHOR
Mia George is a strategist with over a decade of public sector experience in project management, communications, and strategic planning. Mia has a master's degree in strategic foresight and innovation from OCAD University, where she researched bridging personal and community flourishing to improve community outcomes.
E: *mia.george@york.ca*