

Population: 246,869
City Workforce: 2,500

Synopsis

Plano studied leadership development programs in the private and public sector and then customized its own version. Combining classroom instruction, coaching, and a team project, the 12-month Management Preparation Program of Plano (MP3) targets experienced managers with both the interest and potential to become senior leaders. Drawing participants from many areas of municipal government, the program helps them step outside their own department and function to learn about other areas and to grapple with city-wide issues.

Challenges

Like many jurisdictions, Plano, Texas knew it had to do something to address major challenges in its leadership pipeline:

- **Approaching retirement of top managers.** In 2001, the City recognized that nearly half (46 percent) of its management team would be eligible for retirement within five years.
- **Demographic changes within the city.** Plano's Hispanic and Asian populations are rapidly increasing. While Caucasians make up 70 percent of city inhabitants, that percentage has been steadily dropping. The population is also aging. These changes affect city government's customers, services, and workforce.
- **New competencies required to manage city departments.** It can be a delicate issue to raise with current managers, but the skill-set that has served them well in their own careers may not perfectly match the skills managers will need in the future. It's become increasingly important that supervisors are adroit at managing conflict. They also need to think strategically and avoid getting bogged down in day-to-day issues. And they need to be comfortable and skilled dealing with a variety of diversity issues and demographic changes.
- **Changing revenue base and transition from a growth city to a mature city.** Following 30 years of growth, Plano is looking ahead to a changing fiscal picture. Building and development-related revenues have begun to shrink as the city becomes more "built-out." The taxable value of both new and old property has begun to level off, along with sales tax revenue. At the same time, the city anticipates a rising demand for certain services and growing maintenance needs for its aging infrastructure. According to a 2003 analysis, if current spending were to continue, the General Fund would run a deficit by FY 2005-6. While revenue challenges may continue into the future, Plano will experience lower debt ratios as it maintains and improves its well-planned infrastructure. By anticipating and preparing for these developments, Plano has maintained a reputation for excellence and high performance.

Faced with such challenges — some of which Plano is encountering for the first time — the city decided to make identifying talent and developing leaders a priority.

Approach

To develop current managers and prepare the next generation of leaders, the city launched an intensive new training effort called the Management Preparation Program of Plano (MP3). Adapted from private and public-sector programs, the program was customized to fit Plano's priorities and to complement existing programs. "Leadership for the 21st Century," for example, is a nine-month course for employees who are interested in becoming supervisors and managers and for people already in those roles who want to hone their skills.

Recruitment

The twelve-month MP3 program targets experienced managers who have the potential to move into a senior leadership position. Applicants may self-nominate or be nominated by an executive director or a city manager. "It's important that the selection process be completely transparent to prevent any perception of secrecy or favoritism," says Human Resources Director LaShon Ross. Candidates must have a minimum of three years supervisory or management experience. They must also have a bachelor's degree or demonstrate comparable experience gleaned from work and education. In a written application, candidates indicate the level of position (city manager, executive director, or department head) they're interested in. It need not be a promotion, although in most cases it is.

Selection

The Management Preparation Assessment Team (MPAT) is made up of the city manager, an executive director, two department directors and one MP3 graduate. The Team winnows applications — about 20 per cycle — to a short list of six to ten candidates who will participate in the assessment process.

The assessment consists of three, day-long exercises, one for each level of management. While some basic competencies may be assessed on all three days, the exercises vary based on the management level. For example, the in-box exercise for aspiring city managers might include a citizen request to intervene in a dispute with a city department, public speaking invitations, and requests for financial support. For department heads, the same exercise might include the kinds of issues that are more typical at that level: a salary increase request that exceeds personnel guidelines; a travel reimbursement form that includes extraneous hotel charges such as movie rentals; and a budget request. In both cases, the assessors are interested in how astutely the candidate weighs the issues, makes decisions, and prioritizes tasks, but their performance expectations are calibrated differently based on the position level.

Most external assessors work in other city governments, although Plano has added some private-sector managers to the mix, drawn from companies that are well known and respected in the area. External assessors are volunteers. They bring a neutral-party perspective, since they do not know the candidates.

The assessment team receives advance information about the assessment process and their roles, which they review for an hour when they first convene. When the three-day assessment is finished, they pass along their recommendations to MPAT, which selects the next MP3 class. Candidates receive the assessors' written feedback and developmental suggestions. Those who are not selected for the next MP3 class are encouraged to reapply.

Profile of Participants

Of the 16 people who have completed the program or are currently enrolled, nine (56 percent) occupied positions below the middle-manager level. (Plano designates anyone at or above the middle-management level as a member of its "management team.") Participants have come from a cross-section of city departments, including sworn and civilian members of the police department, and have ranged in age from 31- to 54-years-old.

Program Design

- **Class size is kept small (4-6 people per year)**
- **Broadening participants' understanding of city government and the interdependencies among departments.** "We're not preparing people for a certain position, we're preparing them for broad leadership," says HR director LaShon Ross. To gain this broader understanding, the MP3 class visits selected city departments and meets with the mayor and city council.
- **The year-long program.** Fourteen class sessions focus on conflict resolution and mediation (5 sessions), leadership, systems, presentation skills, public relations, pluralism, legal issues, ethics, stress and burnout, budget/ finance, teams, and decision making.
- **One-on-one coaching.** Each MP3 participant is matched with a coach who is a senior manager from a different department. For example, a police lieutenant who graduated from the first MP3 class was matched with the head of the Parks and Recreation Department. Coaches must complete four hours of training to be certified. They receive a summary of the assessor's feedback and, with their coaches, plan activities for the coming year tailored to his or her developmental needs. MP3ers spend a minimum of eight hours per month with their coach, including time spent shadowing him or her on the job.
- **A final project assigned by city managers to address an important strategic challenge.** For example, the 2004 MP3 class was asked to address organizational structure within city government, opportunities to partner with other jurisdictions and community organizations, and the impact on technology. The team's analysis needed to incorporate previous projections about Plano's changing revenue base, demographics, demand for services, and staffing. Over the course of the twelve-month program, members of the MP3 worked individually and as a team to tackle these issues. They investigated innovative solutions that other jurisdictions had implemented. Then they delivered their recommendations both as a written report and as a presentation to senior leaders including the City Manager, Executive Directors, MP3 alumni, and the MP3 teams' supervisors and coaches. Since such meetings are subject to sunshine laws, members of the media may also attend.

Important Considerations

- **Time demands.** MP3 participants are expected to devote a minimum of 300 hours to the program while fulfilling their normal work responsibilities and maintaining service excellence. It's a heavy commitment. Although Ross tries to set realistic expectations by inviting alumni to share their experiences, new MP3ers are still surprised by the workload once the program gets underway.
- **Defining the team project.** Clearly framing the project assignment is critical. The first class felt its assignment was "overwhelming." The second year, the assignment was more focused and the expectations more clearly defined. In addition, teams have asked to receive their project assignment at their first meeting to maximize the length of time they can work on it.
- **Curriculum.** The MP3 curriculum emphasizes professional skills and cross-department exposure. It does not offer rigorous training in public management theory and practices, although participants may explore such topics independently as part of the final project. However, it's important to note that MP3 offers a different sort of developmental experience than, say, a master's-degree program in Public Administration or a CPM certificate program (both of which Plano employees may seek through other programs).

Cost

In its first two years, program costs were absorbed within the city's Human Resources Center budget. In FY 2005, MP3 received its own budget allocation of \$15,000. The funds will be used to pay for project supplies, refreshments, and additional speakers.

Evaluation

There is no formal program evaluation. One consequence of the program, says Ross, is that senior management often turn to MP3 alumni for leadership. While it's difficult to prove a cause-and-effect relationship, several MP3 participants have been promoted. (Another retired to take a private-sector job.) Although the program's primary purpose is to prepare leaders to assume greater responsibility in the future, it has also brought immediate benefits. "The good thing about the program is that it makes participants much better at their current position," says Ross.

There's other anecdotal evidence of the program's success. One department director was so impressed with the program's impact on her subordinate that she applied to the program herself and was accepted.

"People come away from MP3 with a renewed sense that they have a career track within city government," says Dr. Tony Picchioni, the Southern Methodist University professor who serves as MP3 program director. "It opens up new avenues and gives them new ideas about where they might like to see themselves in the future."

Next Steps

Half of Plano's current Management Team (the 74 top-level employees) will be eligible to retire by the end of 2008. A whopping 70 percent will be eligible by the end of the decade. That means the challenges of building and maintaining the City's leadership pipeline will be high priorities for years to come. By the end of 2005, the MP3 program will have produced 16 graduates.

Plano is considering adding a mentoring component to its workforce development efforts. MP3 alumni, among others, might serve as "facilitative guides" to small groups of employees interested in meeting regularly to discuss management and career issues in a supportive environment. Discussion topics would be determined by group members.

Plano is also implementing PeopleSoft's succession and competency-based modules. Once these are operational, Ross expects to be able to generate more sophisticated analysis of the city's succession and other workforce needs.