

# FY 22-24 Strategic Plan



**Connect | Analyze | Mobilize | Perform!**

*Asset Management Department  
Illinois Housing Development Authority*



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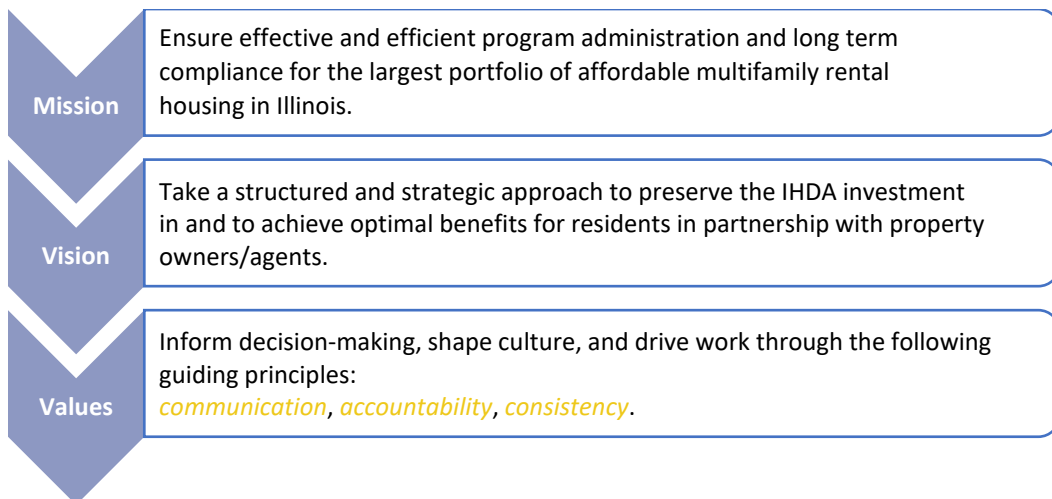
# Assessment and Strategy

## Departmental Overview

The Asset Management department is responsible for ensuring effective and efficient program administration and long-term compliance for the largest portfolio of affordable multifamily rental housing in the state of Illinois. This work encompasses physical, financial, and operational compliance oversight for 1,925 properties containing 101,906 units - and growing - that utilize a variety of financial instruments including debt, equity, and operating subsidy. The Asset Management department works in partnership with property developers, owners, and managers as well as other funders, interagency groups, and stakeholders. The following teams comprise the Asset Management department:

- Executive: Establishes and implements departmental strategic direction - guiding structure, operations, preservation initiatives, and department culture - in partnership with internal and external stakeholders.
  - Strategic Solutions: Serves as an implementation driver for departmental strategic direction through consultative work in policy, processes, data, and training.
- Portfolio Analysis: Ensures financial viability of properties through financial analysis, insurance and reserves administration, and loan servicing. Proactively identifies and responds to portfolio risks through an array of intervening measures including restructuring of ownership, management, and/or financing.
- Program Administration: Develops and implements programming including contractual and subsidy administration. Oversees physical conditions compliance based on applicable Federal and State standards through capital improvement request handling and conduct of inspections.
- Rental Compliance: Oversees operational compliance of properties assisted with IHDA bonds, grants, loans, or tax credits based on applicable Federal and State standards through management, occupancy, and tenant file reviews.

Asset Management departmental operations are guided by:



### Internal Structure and Functionality Analysis

Early in the planning process, a detailed review of the departmental structure and functionality was undertaken by Asset Management senior staff leadership. This included an in-depth summary and analysis of workload by each unique staff role including tasks and volume/frequency as well as availability or lack of backup support for business continuity. This analysis helped to identify duplication or gaps in effort. It directly informed budgetary requests for FY 22 which include several new staffing positions and consultant support line items. Additionally, it precipitated organizational changes taking effect for FY 22 to rebalance teams in size, structure, and workload.

### Internal/External Feedback

The actionable feedback solicited and received through an array of methods is shown below in blue:

Desired Focus Areas (Sustain or Pursue)	Department Staff	Other IHDA Staff	Owners, Agents, Other Partners
Communications – Responsive, Cascading, Timely, Modern, Storytelling, Interesting, Useful			
Culture – Transparent, Empowering, Change-Oriented, Collaborative, Strategic, Positive, Productive, High Morale			
Information – Accessible, Verified, Timely, Codified, Self-Service, Systems Security, Data Integrity, QA/QC, Modern, Automated, Integrated, Reporting			
Structure – Integrated, Function Backups, Career Paths, Staff Retention/Attraction. Onboarding, Balanced Workload, Revenues, Partnerships			
Expertise – SMEs Engagement, Succession Planning, Internal/External Training			
Work Approach: Flexible, Smart, Proactive, Preservation-Oriented, Simplified, Modern, Automated, Eliminate Redundancies			

### FY 22-24 Departmental Objectives and Team Key Results

Through the combined top-down and bottom-up approach planning approach described earlier, the following OKRs have been developed:

**1.0 FY 22-24 Departmental Objective: Structural Alignment** Refine structure to attract and retain high caliber staff, engage a large, diverse workforce with varied subject matter expertise, connect the dots between respective functions and personnel, promote a positive and productive work culture, and enable continual professional growth opportunities for improved internal/external outcomes.

#### 1.1 FY 22-24 Strategic Solutions Team Key Result: Incubating Ideas

Conceptualize and implement a process that solicits ideas for improvement to culture, structure, and/or operations and makes at least one actionable recommendation to the appropriate departmental decisionmakers on a quarterly basis.

**1.2 FY 22-24 Strategic Solutions Team Key Result: Expanding Learning Lab**

Create a structured, strengths-based assessment and education program that engages internal/external subject matter expertise to deliver at least two events per quarter with at least a twenty-five percent attendance level and fifty percent of attendees reporting improved understanding.

**1.3 FY 22-24 Portfolio Analysis Team Key Result: Growing Cross-Cutting Knowledgebase**

Strongly encourage and support professional growth opportunities through dedicated time for education leading one hundred percent of participants to apply an acquired skill on a special project aligned with team objectives and individual professional goals.

**1.4 FY 22-24 Rental Compliance Team Key Result: Catalyzing Compliance Through Education**

During gaps in the monitoring cycle each fiscal year, develop and deliver hands-on, Federal, State, and/or IHDA required compliance requirements training addressing the top three topics pertinent to each role for internal staff to ensure comprehensive and consistent onboarding of new personnel and maintenance of standard knowledge for existing personnel.

**2.0 FY 22-24 Departmental Objective: Continuous Improvement** Facilitate regulatory, process, document, and systems improvements to set or align with best practices, eliminate gaps or redundancies, enhance efficiency and effectiveness for benefit of external partners, maximize revenues and fee for service opportunities, leverage business and partnership opportunities and position as an agency and industry leader.

**2.1 FY 22-24 All Teams Key Result: Aligning Infrastructure**

Develop and update process and document infrastructure to align with structure and continually refined operations to ensure compliance and reduce risk including a fifty percent reduction in repeat audit findings and a twenty-five percent reduction in overall audit findings.

**2.2 FY 22-24 Executive and Strategic Solutions Teams Key Result: Digital Transformation**

Proactively plan for digital transformation of operations and information through identification of three key needs based on pain points with multi-team and/or multi-department interface.

**2.3 FY 22-24 Rental Compliance Team Key Result: Deduplicating Efforts**

Assess and identify duplicate processes, documents and develop recommendations for consideration for discontinuation, consolidation, or integration of at least twenty-five percent of the related universe to inform interim enhancements and future procurement of replacement systems.

**3.0 FY 22-24 Departmental Objective: Targeted Communications** Create and implement a standardized communications approach to format, content, process, and scheduling that delivers timely, engaging, transparent and relevant information to internal/external stakeholders.

**3.1 FY 22-24 Program Administration Team Key Result: Demystifying Duties**

Develop and disseminate procedural guidance and educational material to internal and external audiences via a variety of instructional methods to ensure understanding and improve compliance leading to a twenty-five percent overall portfolio reduction in property findings.

**3.2 FY 22-24 Rental Compliance Team Key Result: Cascading Communications**

Collaboratively develop and implement an internal communications protocol governing cascading of messaging up and down within the team as well as across to other AM functional units and IHDA departments producing a twenty-five percent improvement in self-reported awareness and understanding.

## Appendix

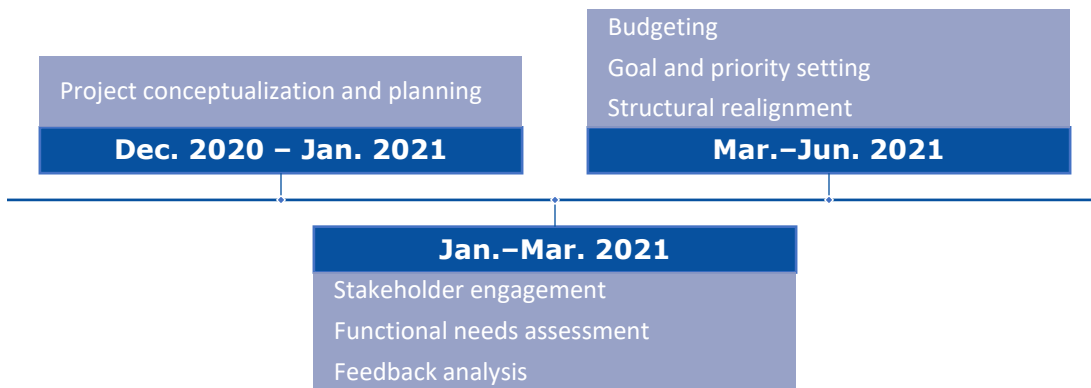
### Strategic Planning Overview

The Asset Management department decided to undertake a strategic planning initiative in light of new agency and departmental leadership, evolving operational needs based on an annually growing portfolio, and the changes precipitated by the Covid-19 pandemic in the work environment. Building on and growing from other strategic efforts over the past five years, including a significant staffing reorganization, this planning process has resulted in a strategic vision that will guide structure, operations, and policy. A three-year term was chosen to allow for short-term and intermediate goals while also establishing a base for future long-term objectives. The following guiding principles have informed the strategic planning process:

- Soliciting and incorporating meaningful input internally and externally
- Developing goals with discrete accountability
- Mitigating potential and actual risks
- Engaging in data-driven decision-making
- Aligning staffing, financial, and technical resources with functional needs and opportunities
- Enhancing capacity to better support and serve stakeholders
- Sustaining, leveraging, and growing revenue sources
- Transitioning from a reactive to proactive approach
- Modernizing infrastructure (processes, documents, systems)
- Promoting efficiency and effectiveness to enhance impact

### Project Plan

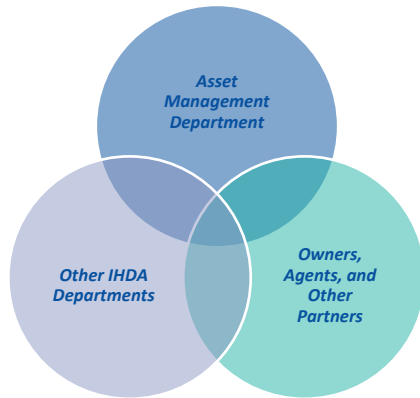
The strategic planning process spanned approximately six months and included three major sets of activities as noted in the chart below. A formal project plan detailing tasks, timeframes, and responsible parties was developed and routinely updated/recirculated internally via email and project-dedicated Microsoft Teams channels.



### Stakeholder Engagement

The project plan encompassed a multifaceted stakeholder engagement strategy inclusive of the groups depicted in the chart further below. Preliminary information about the strategic planning process was delivered to internal stakeholders via a formal department-wide virtual staff meeting and subsequent briefings with management of other IHDA departments. Asset Management staff selected core values and a slogan via distinct survey opportunities. Regular interdepartmental meetings offered an additional opportunity for information sharing and feedback provision helping to ensure appropriate alignment

between respective strategic initiatives. External stakeholders received a formal notice via electronic distribution of a related survey. Feedback was solicited and provided verbally via regularly scheduled and one-off remote meetings and virtual calls as well as in writing via electronic survey responses, email, and Microsoft Teams chat messages. Any input received that was shared internally was done so without attribution to ensure candid feedback.



Multiple sessions of Strengths Weaknesses Opportunities Threats (SWOT) exercises were conducted within the Asset Management department as well as with representatives from other IHDA departments. These convenings helped to identify 1) What does the department do well? 2) What or how could it do better? 3) Where is the untapped potential? 4) What are the limitations?

	Helpful	Harmful
Internal Origin	Strengths	Weaknesses
External Origin	Opportunities	Threats

Further, three interactive management virtual retreats were held in the Asset Management department across three months covering the following topics:

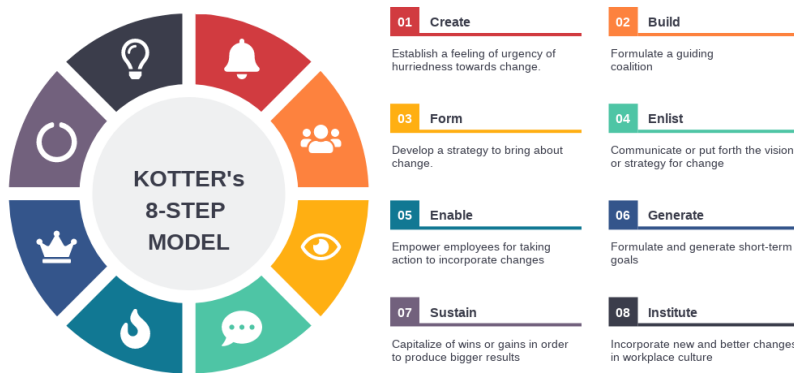
Retreat One	Retreat Two	Retreat Three
<ul style="list-style-type: none"> <li>• Overview of Project</li> <li>• Internal and External Feedback Review</li> <li>• Change Readiness Exercise</li> </ul>	<ul style="list-style-type: none"> <li>• Orientation to Frameworks</li> <li>• Initial Drafting of Departmental Objectives</li> <li>• Direction on Team Engagement to Refine Departmental Objectives and Draft Team Key Results</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-Work on Team Engagement to Refine Team Key Results and Draft Team Priority Initiatives</li> <li>• Overview of Structural Realignment</li> <li>• Further Refinement of Draft OKRs</li> </ul>

More recently, a detailed updated on the strategic planning process (actions completed, underway or pending) and the draft OKRs was provided to the Asset Management department via a formal staff meeting. This draft plan was also circulated internally for further review and input. Related feedback has been reflected in this version.

### Frameworks

The strategic planning process proceeded in accordance with three complementary frameworks: 1) Kotter’s model of change 2) Objectives Key Results (OKR) performance methodology and 3) Specific Measurable Actionable Relevant Time-Bound (SMART) goal setting lens.

First, John P. Kotter is a renowned and award-winning leader, entrepreneur, educator, and author who has developed a replicable model for organizational change as embedded below. The strategic planning process drew from this approach in developing and implementing the related project plan and stakeholder engagement strategy.



Source: [www.medium.com](http://www.medium.com)

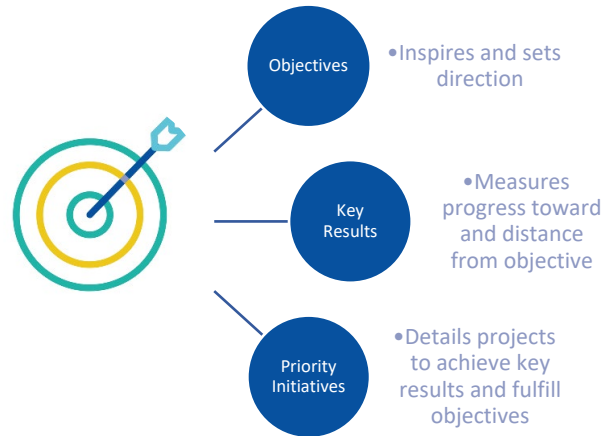
Secondly, it is important to ground the goal setting process in a particular methodology to ensure a defined approach given the size of the Asset Management department and complexity of its work. Several frameworks were thoughtfully considered through a detailed literature review. This review sought to identify one or more options that were:

- Conducive to input at multiple levels
- Deployable with existing resources
- Informative to strategy and operations in both the short- and long-term
- Considerate of inputs and outputs, both quantitative and qualitative
- Inclusive of internal and external stakeholder perspectives
- Encouraging of incremental change along with broader transformation
- Capable of driving decisions through actionable information
- Mindful of culture as a strategic lever
- Adaptable to risk and uncertainty
- Allowance for continuous improvement

The Objectives Key Results (OKR) model was ultimately selected as it met the above criteria. Originated in the 1950s with Peter Drucker, management guru and popularized since the 1970s beginning in Silicon Valley, this approach bridges the gap between strategy and execution by organizing work and resources around shared objectives. It prioritizes, aligns, and measures the outcomes of efforts. Moreover, it is



nimble and can evolve as circumstances change, which the past year and a half in light of the Covid-19 pandemic has illustrated as a critical need.



OKRs follow some core parameters. They should be:

- Aspirational
- Possible
- Tangible
- Objective
- Measurable

Lastly, the strategic planning process overlaid a Specific Measurable Actionable Relevant Time-Bound (SMART) goal setting lens based on historical use at IHDA as part of the annual performance review process.

### **Implementing Actions**

In order to ensure successful implementation of this plan, the following actions will be undertaken:

- Communicate the final adopted plan internally and externally via email distribution and intranet/website publication
- Codify structural changes to equitably distribute, align, and integrate functions
- Craft individual level goals that correspond
- Develop and implement a reporting protocol to measure and report progress (as well as spotlight areas for improvement, refinement)

### **Acknowledgements**

The time and insights provided by myriad stakeholders including Asset Management department staff, other IHDA departments, owners and managers affiliated with IHDA-assisted properties, and other partners throughout this planning process are deeply appreciated and directly informed this plan.