



Kentucky Chamber

Uniting Business. Advancing Kentucky.

**2008-2011
Strategic Plan
Kentucky Chamber of Commerce**

Strategic Plan Kentucky Chamber of Commerce 2008 - 2011

Branding Statement

Uniting Business. Advancing Kentucky.

Vision Statement

The Kentucky Chamber of Commerce is the major catalyst, consensus builder and advocate for a thriving economic climate in the Commonwealth of Kentucky.

Mission Statement

The Kentucky Chamber of Commerce supports a prosperous business climate in the Commonwealth of Kentucky through advocacy, information and customer service in order to promote business retention and recruitment.

Values Statement

The Kentucky Chamber of Commerce is providing visionary leadership that is:

- Ethical
- Consensus-building
- Results-oriented
- Entrepreneurial
- Flexible
- Deliberate
- Non-partisan

Introduction

The scope of this strategic plan is 2008-2011 and follows on the successes of the 2005-2008 Strategic Plan. While **the previous three-year plan was necessarily focused on many internal and operational challenges** facing the Kentucky Chamber in 2005 (rebuilding the staff, rebuilding the internal public affairs division, revitalizing the Chamber's profile as a respected advocate for the business community and expanding the Chamber's membership base to finance the revitalization plans), **this strategic plan is more externally focused....on the Chamber's members and on the Commonwealth.**

The Chamber is **now on solid financial footing** with more than 75% growth in revenue during the '05-'08 period, a much higher public profile in the state and a more effective advocacy effort on issues facing the business community and Kentucky.

This planning process started with the results of the New Agenda for Kentucky project, specifically the five "transformational goals" produced from hundreds of ideas submitted by Kentuckians from all over the state. This strategic plan attempts to answer the question: **What is the Kentucky Chamber going to do about the "Five Goals to Transform Kentucky"?** While the New Agenda Task Force delivered copies of the New Agenda report to the governor, state policy makers and the general public, with this strategic plan the Kentucky Chamber accepts significant responsibility for pursuing the five goals.

The Chamber's board of directors met in a planning retreat in Somerset in April and began strategizing and prioritizing the five goals. After lengthy discussion of the five goals and offering ideas on how to develop strategies (most of which are incorporated below)and tactics for the goals, **board members prioritized the five goals** in the following order:

- 1) Improve the **educational attainment** level of Kentuckians
- 2) **Modernize government** at all levels
- 3) Promote **wellness** and healthy Kentuckians
- 4) Prepare Kentucky to successfully compete in the **global marketplace**
- 5) Expand Kentucky's role as an **energy leader**

With the encouragement of our planning consultant, Doug Bruce, **this strategic plan calls for the Chamber to focus most of its energy and resources on the pro-active pursuit of the first three goals.** Goals number four and five will continue to be of great interest to the Chamber and the Chamber commits to monitoring public and private activities in those areas, watching for opportunities to provide support for worthwhile initiatives in those respective areas.

Finally, a three-year operations plan to support the goals of this strategic plan are attached, beginning on page 12. **A separate 2009 Business Plan that incorporates tactics and metrics and assigns responsibility for achieving the Chamber's goals and strategies will be submitted for board consideration in September, 2008.**

The Five Goals of the New Agenda for Kentucky

Goal #1: Improve the Educational Attainment Level of Kentuckians at All Levels

Strategies:

1) (Ongoing Strategy) Maintain a **prominent Chamber presence** in education policy development and an **aggressive advocacy effort**.

- a) Continue efforts to implement the recommendations of the 2005 Business Forum Report (i.e., the Harper Plan).

Tactics: Prepare updated list of specific implementation steps for consideration by the Education Policy Committee in preparation for each legislative session.

- b) Promote sufficient funding for education that reflects Kentucky's economic growth.

Tactics: Conduct economic research to highlight trends in education spending in Kentucky, relative to economic output. Work to put education funding debate in broader economic context (vs. percentage of state spending or year-over-year spending growth).

- c) Advocate efficiencies in the public school systems at the local and state levels.

Tactics: Consider the feasibility of creating a public/private mechanism for the ongoing evaluation of school efficiencies.

- d) Encourage business involvement in education policy development.

Tactics:

- 1) Recruit qualified business leaders to serve in key areas of education policy development (CPE, Kentucky Board of Education, university and community college boards, ad hoc education task forces, etc.).
- 2) Encourage local chambers to recruit qualified business leaders to serve on local school boards.

- e) Work to implement the 2007 Postsecondary Task Force recommendations.

Tactics:

- 1) Aggressively pursue the recommendations on strategic governance/funding, P-20 alignment and affordable college education.
- 2) Establish an entity charged with monitoring progress of reform;
- 3) Issue a public report annually regarding the progress of implementation;
- 4) Sponsor an annual summit to engage the state's policy leaders on the status of reform and progress on the 2020 goals.

2) (Immediate Strategy) Create a high-level **P-20 task force on alignment**, as called for in the Chamber's Postsecondary Report.

- a) Organize a task force with key policy leaders involved.

Tactics: Convene a task force with the Governor and legislative leaders to address the P-20 recommendations.

3) (Short-term Strategies)

- a) Develop a **comprehensive private-public campaign to address** the interconnectedness of the different elements of the full education continuum (i.e. **the education pipeline**) and to increase education attainment levels of Kentuckians by sealing the leaks in that pipeline.

Tactics:

- 1) Convene top education policy makers to develop goals for a statewide awareness campaign,
- 2) Develop a companion campaign to assist employers in helping their employees continue their educations.

- b) Work to integrate the education system and the needs of the Kentucky economy.

Tactics: Encourage local chambers and economic development groups to assume leadership roles in their regions and create strategic regional plans for economic and human capital development.

4) (Long-Term Strategy) Evaluate the relevance of "**Tough Choices or Tough Times**" to Kentucky and develop a practical implementation strategy.

Tactics: Convene top education policy makers and gain consensus around a realistic plan for implementing Tough Choices principles in Kentucky's unique educational climate.

Goal #2: Modernize Government at All Levels

Strategies:

1) Advocate **efficiencies in state government.**

- a) Advocate a sustainable public employee pension and health benefits system.

Tactics:

- 1) Continue the Coalition for Sustainable Benefits with the Kentucky League of Cities and the Prichard Committee and use this partnership to sustain focus on remaining pension sustainability challenges.
- 2) Participate actively in interim pension task force activities to insure the business community's voice in part of the pension dialogue.
- 3) Advocate policies that lead to public employee health benefit practices that more closely reflect the marketplace realities of the private sector.

- b) Promote a comprehensive analysis of state government efficiency.

Tactics:

- 1) Work with the Governor other state policy makers to evaluate state government efficiency.
- 2) Advocate permanent structures within state government that monitor government efficiency and encourage a culture of continuous improvement.

- c) Offer business expertise in analysis of government operations.

Tactics: Recruit qualified business leaders to provide input on state boards, task forces and commissions dedicated to efficient government operations.

- d) Encourage benchmarking with other state governments.

Tactics: Advocate multi-state benchmarking by ad hoc study groups and permanent state government agencies which are dedicated to government efficiency.

- e) Promote experimentation with privatization.

Tactics:

- 1) Study other states to identify specific opportunities for pilot projects for privatization.
- 2) Advocate specific pilot projects in Kentucky.

- f) Evaluate the state's tax system.

Tactics:

- 1) Survey the membership annually to determine incongruities in the state's tax structure.
- 2) Monitor the work of various national tax associations to determine weaknesses for Kentucky's businesses in the state's tax structure.
- 3) Consider updating the 2003 U.K. Martin School study of business taxation in Kentucky in light of the 2005 Tax Modernization Act.

2) Advocate **efficiencies in local government**.

- a) Promote regional solutions for achieving cost efficiency.

Tactics:

- 1) Consider conducting a study of successful regional programs and initiatives in order to promote best practices and entrepreneurial solutions statewide.
- 2) Consider establishing a partnership with local government associations to encourage regional solutions.

- b) Consider consolidation of government functions when cost-effective.

Tactics: Work with the State Auditor to identify opportunities for cost-effective consolidation of specific local government functions.

- c) Advocate state incentives for local government regional efficiencies.

Tactics: Identify and advocate specific opportunities for legislating state incentives to promote regional efficiencies.

Goal #3: Promote Wellness and Healthy Kentuckians

Strategies:

1) Promote wellness for all Kentuckians.

- a) Advocate public policies that encourage healthy lifestyles.

Tactics: Identify and advocate specific public policy measures during each legislative session (e.g. tax incentives) that support healthy lifestyles.

- b) Expand the Chamber's wellness programs to include stronger outreach and more tools for employers to use in their wellness programs.

Tactics: Consider establishing aggressive partnerships with wellness advocates and wellness consultants/vendors.

- c) Utilize networks of employers to promote wellness.

Tactics:

- 1) Encourage wellness programs by providing promotion and technical assistance to Chamber members.
- 2) Work to recruit other business associations to implement employer-based wellness programs.

2) Advocate the efficient, affordable delivery of health care to Kentucky.

- a) Work to lessen health care cost increases to Kentucky employers.

Tactics:

- 1) Actively monitor all proposed legislation in order to prevent costly healthcare mandates.
- 2) Promote policies that help ensure access to high- quality, cost-effective health care services.
- 3) Actively advocate e-health initiatives to utilize technology to achieve cost savings.

- b) Promote a cost-effective investment of public funds that balances the promotion of wellness with the expenditure of public funds to treat sickness and injury.

Tactics:

- 1) Identify successful initiatives in other states that promote public investments of healthcare dollars in illness and injury prevention programs.
- 2) Advocate specific proposals for similar investments in Kentucky.

- c) Promote consumerism and individual accountability in the development of healthcare policy.

(Secondary Goals)

Goal #4: Prepare Kentucky to Successfully Compete in the Global Marketplace

Strategies:

1) Promote the expansion of world trade opportunities for Kentucky businesses.

- a) Strengthen the Chamber's strategic partnership with the Kentucky World Trade Center.

Tactics:

- 1) Work to make the management contract for World Trade Day successful.
- 2) Work with KWTC to make export/import programs more available to Chamber members.

- b) Sponsor periodic trade missions for Chamber members.

Tactics: Explore the feasibility of co-sponsoring an annual business leadership trip to country of interest to Kentucky businesses.

2) Advocate the proper infrastructure to support world trade.

- a) Advocate the recommendations of the 2007 STEM Task Force.

Tactics:

- 1) Participate actively in the state's STEM task force, representing the community in developing STEM strategies.
- 2) Provide lobbying support for STEM initiatives.

- b) Advocate an aggressive state government infrastructure to promote world trade.

Tactics: Provide lobbying support for the Kentucky Cabinet for Economic Development and the proper funding of its foreign offices.

- c) Incorporate the economic realities and potential of world trade into education policy-making.

Tactics:

- 1) Advocate mandatory second language instruction.
- 2) Advocate the use of international standards for education and training programs.

3) Advocate the improvement of small business development and entrepreneurship.

- a) Work to develop a small business support system for Chamber members.
- b) Work with the Kentucky Economic Development Cabinet to develop a statewide entrepreneur network.

Goal #5: Expand Kentucky's Role as an Energy Leader

Strategies:

1) Advocate for a comprehensive energy strategy.

- a) Analyze previous efforts to develop a comprehensive energy strategy.

Tactics:

- 1) Assist the Governor's strategic energy planning process and represent the business community in that process.
- 2) Consider convening energy leadership summit to determine private sector's role in a comprehensive energy strategy.

- b) Participate in on-going efforts to identify potential areas for Kentucky to emerge as an energy leader

2) Advocate alternative energy production and conservation.

- a) Advocate tax incentives for alternative energy production.

Tactics: Monitor the effectiveness of 2007 energy legislation and provide business community input for additional initiatives.

- b) Advocate tax incentives for energy conservation.

Tactics: Survey Chamber members to determine effectiveness of existing incentives and provide input to state government policy makers.

- c) Explore Kentucky's potential in nuclear generation and recycling.

Tactics: Explore with Kentucky's utility leaders the feasibility of nuclear initiatives in the state and provide input to policy makers.

3) Provide educational resources to Chamber members regarding energy efficiency and conservation.

Strategic Operations Plan 2008-2011

General Goal: To continue progress on the four goals of the 2005-2008 Strategic Plan.

- 1) Be Kentucky's most effective public affairs organization.
- 2) Enhance the profile of the Chamber.
- 3) Be the industry leader (among state chambers) in member services.
- 4) Make the Chamber a model organization.

Strategies by Operating Division:

I. Administration

Strategies:

- 1) Support the organization with effective and efficient management tools and resources to fulfill the annual external and internal goals.
- 2) Complete the Chamber's building project (design, construction, and financing) in a way that enhances the Chamber's financial position and operating effectiveness.
- 3) Develop annual communications plans that increase the Chamber's profile and enhance its brand in measurable ways.
- 4) Build on the Chamber's recent successes in building close and positive relationships with KCCE and local chambers across the state. Extend our management contract with KCCE for another three-year period.
- 5) Develop greater programmatic capacity within the division by streamlining administrative functions to free up program management time and talent and by possibly adding project managers to the staff.
- 6) Expand the Chamber's wellness program.
- 7) Strive to keep the organization current in adopting new technologies that support its mission.

II. Business Education

Strategies:

- 1) Conduct a national survey of state chambers to identify best practices in membership services, including but not limited to membership events, seminars, publications, teleconferences, advisory services for members, advocacy services, web-based offerings, new media offerings, etc.
- 2) Develop annual operating plans for emulating the best practices of the most successful state chamber programs and work to expand the Chamber's educational offerings in measurable ways.
- 3) Expand participation in the Chamber's Economic Summit and Annual Meeting by recruiting appropriate statewide organizations to partner with our event schedule.
- 4) Continue to increase non-dues revenue through effective marketing and pricing of member services.
- 5) Preserve and improve our contract relationships with the Kentucky Society of Human Resource Management (SHRM) and the Kentucky World Trade Center.
- 6) Expand Chamber's educational programming to include regular offerings through teleconferencing and/or web-conferencing.

III. Membership and Marketing

Strategies:

- 1) Continue to expand the Chamber's membership base to increase the advocacy network and the financial resources in support the organization's goals. The Chamber should strive for year-over-year real growth (i.e. beyond inflation).
- 2) Work to aggressively expand the Chamber's strategic affinity partnerships to offer increasingly meaningful services to Chamber members and non-dues revenue to the organization.
- 3) Work to develop regional clusters of active support for the Chamber (e.g. as currently exist in Paducah, Lexington and Louisville).

IV. Public Affairs

Strategies:

- 1) Work to offer a more assertive, proactive Chamber policy agenda to state policymakers while maintaining the Chamber's watchdog role for the business community.
- 2) Expand the public affairs staff and develop subject-area expertise among the staff.
- 3) Work to implement the Public Affairs Research Council concept, striving for financial self-sufficiency through paid subscriptions.
- 4) Increase the Chamber's legislative profile across the state through legislative events in local communities and one-on-one legislative contacts in legislators' home districts.
- 5) Continue to diversify the Chamber's advocacy efforts through aggressive involvement in the administrative (regulatory) and judicial branches of state government.
- 6) Define realistic roles for the Chamber's PAC and possible "527" entities to support the Chamber's advocacy and political goals.
- 7) Provide leadership for sustaining solid partnerships on strategic issues, including but not limited to the Partnership for Commonsense Justice and the Coalition for Sustainable Benefits.
- 8) Develop stronger relationships with our congressional delegation around federal issues of direct interest to Kentucky Chamber members.
- 9) Work to convene business-oriented lobbyists at least once per year for information sharing and developing stronger relationships.

General

Strategies:

- 1) Develop specific, measurable annual goals for systematically increasing the outreach by senior staff to the Chamber's key constituencies including major policy-makers, key investors, board members, committee chairs, local chambers, media representatives and member prospects.
- 2) Develop specific, measurable goals for public appearances before key constituent groups (local Chambers, state associations, advocacy groups, etc.) by senior external staff (CEO, VP of Public Affairs and Exec. Director of KCCE).