TORONTO – ICANN Strategic Plan Community Update
Thursday, October 18, 2012 – 10:30 to 11:30
ICANN - Toronto, Canada

KURT PRITZ: Good morning, everyone. Thanks for coming.

>>   And for the purposes of the transcript, this is Thursday, 10:30 a.m. in Metro East, and the name of this session is "ICANN Strategic Plan Update." Thank you.

KURT PRITZ: Thank you.

The purpose of this presentation is really bifurcated. We're at a -- we're at a point in our strategic planning process, our typical process, where we have taken community input, posted a draft of a revised strategic plan, a three-year strategic plan. It's now open for public comment, and our rootenized way of doing things is to close out that process, take this second round of comment on the plan, and publish a -- you know, a proposed final version for consideration by the board.

And so we're going to talk about that a bit.

But as you know, we have new leadership, too, and with that change comes the opportunity for reinventing our vision and reinventing how we think of strategy.

And a very brief review of where we are and a brief review of our strategic plan, when you read it, indicates it's become sort of operational. It's a little bit overly long. It talks about specific objectives. The metrics in it are very reminiscent of an operating plan.

And so these changes in ICANN give us an opportunity to change how we think about strategic planning, how we think about ICANN's strategy, and I think that's beneficial to all of us. Reformulation and a restatement of our vision and our mission helps the ICANN staff when we talk about new policies and how they're implemented, but also arms all of us when we go forward into the rest of the DNS community and the Internet community about what ICANN is and does and will provide for us a clarity, a clarity of purpose.

That will allow us to, you know, proselytize, to allow us to restate ICANN's mission and what our goals are and how we explain to others what we do.

And so this all starts with a -- with a strategy that's sound and easily understandable.

So I'm going to talk about both those things. I'm going to talk for a few minutes about our rootenized process and where we are and what we're going to do about it, and then I'm going to talk about the future going forward, and at the end, I hope some of you have comments on one or both of those things.

So where are we?

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Like I said, we have published a roadmap for the formulation of this version of the current strategic plan.

We approved the last plan in the first half of 2012, and since then, starting with the ICANN meeting last June, we started community consultations, taking input, how should the plan be modified.

You know, by definition, a strategic plan shouldn't change very much from year to year, so it's just an iteration.

We took that feedback and posted a revised version of the strategic plan, and we're right in the middle right now of getting community feedback.

And that comment period will close next month, and in our constant regular or regularized way, that would allow us to post a new plan for approval by the board at the end of this year.

The new plan doesn't really change things much but here are some of the changes that are indicated in the plan. And changes in the plan really are caused by changes in the environment. We get some stuff done, so it falls off, some new things present itself, some changes in the environment present themselves, and so we have to take those into account.

So in this updated version of the strategic plan, when you read the red-line version, you saw we're anticipating some change because we've renewed the IANA agreement. We've elevated contractual compliance in our organization and expanded it. We hear that there's increased demands for training and capability building. Globalization has become

a big word, and very important, so we have an African strategy. We'll also form a Latin America strategy and others. We want to evolve governmental organizations. We're responding to the AoC reviews.

Managing risks is very important to us. Certainly the number of potential TLDs that we manage and provide services for and that are interacting in the marketplace present changes for us.

There's a demand for new policymaking structures. New constituency groups are being formed and proposed.

And so we take -- and so the plan reflects these changes and updates, but these things, while a formidable list of things, really reflect an evolvement in ICANN's environment and the result is, not a big change in the current plan.

So given that, we want to reinvent how we do this and we want to take a higher-level look at our strategy to provide more clarity: What should we do? Because the community's put a lot of work into this so far, but we want to get on to the next thing.

So we could do really one of three things. We could follow our process and publish the final version of the strategic plan and ask the board to approve it, but I think we're more likely or more desirous of looking ahead and starting again.

So instead, we could publish sort of a memo, an explanatory memorandum or a statement about, you know, we're not publishing a new three-year plan because we're going to redo our strategic planning.

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So we could publish a memo that updates the current plan without extending it, or could just stop and start concentrating on the current plan.

You know, we think the right path is in between; that we should take this last round of public comment and the thought that's been put into this process and publish updates, show how the plan has been updated but not really extended, because we're going to get to work on a new approach to strategy.

And what is that? What's our strategic plan?

Well, we -- it starts with a vision, and a vision is enduring and aspirational. It's a sentence, maybe two. It should really never change. And that vision is supported by a mission statement.

A mission statement is a -- I can't speak French so I'll just say "our statement of purpose." I can speak French, but with a really terrible accent.

Sort of a queen's accent.

So that mission is really just a few sentences also. You know, it's tied to our bylaws and our priorities, and it would change very, very rarely. And that's essentially our strategy.

And then -- you know, then how do we get to it?

Well, we don't want to make it an operating plan. We want to keep it at a very high level. But we think the strategic plan should contain some macro objectives.

What are the big things we're doing? We think over the next five years, it should be a five-year plan, so when should a strategic plan change? Very rarely.

So we're thinking it should be a five-year plan or if there's a big change of environment.

You know, when do you change your strategy?

You know, if you're a for-profit company and you have a monopoly, you don't change your strategy until all of a sudden there's competition. Then you create a new strategy.

So we think the plan is five years, unless there's the change of environment.

And what are some examples of what macro objectives might be? You know, this is the sort of stuff that's fun about strategic planning, because you put your feet up on the table, drink coffee, and think about what are your aspirational goals, what are the most important things to the company.

You know, lately we've been talking about governance, the IG fora. We've been developing regional strategies. And there's been a lot of activity at this meeting here.

We talk about increasing competition and choice. You know, what are our macro objectives with regard to increasing competition and choice. You know, it can't be just the introduction -- mere introduction of new gTLDs, but it has to be the realization of some objectives through the implementation of new gTLDs.

Whether it's broader geographic participation in the DNS or lower prices or different sorts of choices.

You know, what's ICANN's security role?

We're clearly not the security police of the Internet, but we have a platform from which we have considerable influence.

So the strategic plan, we think, is a couple or few pages that outlines -- that describes a mission that never changes, a brief statement of mission, and then a description of our macro objectives.

So how does that fit into the whole, then? How do we get from a strategy to execution?

How do we use the strategy to get our jobs done?

If we have a strategy, how do we measure ourselves against it?

We talk about metrics a lot. Now, I've -- I have a little bit of trouble thinking about a high-level strategy and then metrics, because that seems operational, but there should be indicators of success. We should look back periodically -- much more often than five years -- and look at our macro objectives and say, "Are we achieving them? How are we determining how we're achieving those objectives?" I would call those indicators.

And how is that done?

Well, first, we need to have a management plan, and our new form of management plan was outlined by Fadi in the introductory comments

he made on Monday where he described the strategic objectives and the goals by which we'd manage ourselves.

So this room's a lot less crowded than that room was, so I'm going to make an assumption that you sat through that, or most of the people here did.

But this is a map, a mapping, a matrix of our strategic objectives, our four strategic objectives, then broken down into 16 goals.

So the strategic -- the objectives don't change. They can only be changed by the CEO, and even these 16 -- 16 goals rarely change.

We would revisit them from year to year as a senior executive staff.

But then those goals are then broken down by initiatives, programs, ICANN's functions, projects, further into projects, and so that all of ICANN's work is captured by this sort of mapping.

And that management plan is fairly continuous from year to year, too, and we use that to build our budget and operating plan.

So we build that framework at the start of each year and have a lot of iteration with the community, understand what activities the community wants us to undertake, feed that into the operating plan, and then have a feedback loop there, right?

Because as we're asked to do more and more, we need to provide more and more resources or de-prioritize something else.

So there needs to be a current feedback. "Current feedback"? That's from the old days. There needs to be an active feedback loop between our budgeting and operating process and our management plan.

So when we have our management plan, if some new activity comes in, we look at our plan which puts us at full capacity and we think, "Well, what should we displace?"

And then from our budget and our operating plan comes execution. And we execute every year on the operating plan, and using this cascade, executing the operating plan means we're fulfilling our management plan, which should then achieve our macro objectives in the strategic plan.

It should be very clear -- there should be a very clear trail, everything that's in the operating plan springs out of one of the macro objectives in the strategic plan and one of the strategic initiatives in the management plan.

You know, I see a day when the management plan and the operating plan really meld into one, so I think that's in our short-term future.

And then, you know, of course a very important part of this is how we measure ourselves.

So publishing the metrics by which we measure ourselves, and then having some sort of dashboard against those metrics in the operating plan is a very important part of this.

So while we can create our strategy, we can give it to our community members who can take it forth as a statement of our mission and a

justification for what we do and a description of why we do it, and at ICANN, we kind of put that on the shelf and execute our management plan and our operating plan and those should naturally, then, fulfill our operating objectives.

And then periodically, we'll take the strategic plan down, check to see that we're meeting those indicators, check to see if we should update it in some way, and go on.

So that's kind of my speech.

I hope that we can have some discussion around three questions.

One is the current plan effort. So remember when I started this talk -- it seems like a really long time ago, but it wasn't -- we have this current plan we're marching down. We want to close the comment period when it's over. We encourage continual participation in that, and many of you have participated in that.

But then we want to close that out, publish a memo, say "Here's the changes to -- that would be made to the strategic plan," and start the next efforts.

Then we need to transition to a new plan. We think that should be done in the near term.

We think that, you know, with a concentrated effort by our board of directors and by the community that we can put this new plan in front of you by the Beijing meeting.

How fast do you think it can be done or how fast should it be done?

And when would you like to get involved? At what stage?

And what we'd really like to see is some methodology, if you can -- if you have some ideas on cross-constituency or cross-community participation. What's typical is for ICANN staff members to go from, say, the SOP of the ccNSO or ALAC and take input, but what would be more interesting for us, really, is a cross-community discussion.

So with that, I'll open it up to the floor, if anybody has any comments or questions.

Yeah.

BRUCE TONKIN: Hi, Kurt. It's Bruce Tonkin speaking.

One thing that I think would help us perhaps test whether we've got a good vision or a good mission statement would be almost separately to write on a piece of paper what we're not. Because often I think, you know, one of the challenges in the world now is that there are all sorts of, let's call it, Internet problems or even Internet governance problems, and, you know, one of the things I think that's important for us is to actually make sure our scope remains limited and we can articulate just not what we are doing, but also what we are not doing.

So just something to think about in your process, but it would be great to have like a really succinct one-pager at the end of the process that says, "Here's our vision and strategy and, oh, by the way, we're not doing any of this stuff."

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KURT PRITZ: Okay. Thanks, Bruce.

CHRIS CHAPLOW: Hi there. Chris Chaplow. I'm just trying to get my head around this. Maybe it was the gala last night, but...

                              [Laughter]

                              You may know that during the summer, there were some ad hoc groups set up under Xavier to look at the planning cycle.

KURT PRITZ: Yeah.

CHRIS CHAPLOW: And I wasn't on the cycle group. I was more on the structural group. But the dilemma they faced was to try and get all this -- all this work, with the comments periods, fitting into the 12-month cycle, which was, frankly, impossible, and they managed to come up with some good ideas to do this, and the -- and in essence, it was to make the framework plan probably more than a framework, you know, for a skeleton of a building but let's get some walls and more in there than one would normally do as a way of getting some information, early community information, so there's community support of that, so it's not a surprise when it's published.

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So I'm not looking at this other slide. Now I see we've got strategy and then a management plan squeezed into that cycle as well.

I was just wondering how we're going to do this.

KURT PRITZ: Yeah. Thanks, Chris.

I think this melds -- and of course we all talk about -- we all coordinate on this at ICANN, and I think this is supposed to take -- the strat -- the formulation of a strategy or strategic planning out of that critical path by making it a five-year plan and creating sort of a static management plan that captures all our work that -- in sort of a map that can be tweaked with each year's operating plan.

So it's intended to take those things out of the critical path.

And then -- and I'd be interested in anyone's feedback, but sitting around talking about it, a strategy is something you should be able to hit on fairly quickly. In other words, you shouldn't -- no, it shouldn't be very exhaustive like an operating plan.

What we do need at ICANN is time for community feedback and consideration and the like, but -- so the idea of the five-year plan has really been to take it out of that critical path.

PIERRE DANDJINOU: Hi. Good morning. Pierre Dandjinou. I'm interested in the impact assessment, you know, as it relates to the strategy and especially when it comes to evaluation, how do you think that will be done? And are you

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thinking about, you know, kind of about internal evaluation? Are you also thinking about any standard one and the role the community should play in that?

KURT PRITZ: So Pierre, let me ask you a clarifying question. So when you say "the impact assessment," you're referring to –

PIERRE DANDJINOU: Meaning when we do have our action plans and then we translate into key activities. Once we've conducted those, how do we actually know that we are actually succeeding in, you know, making any impact. Of course we do have the measures, but there again, I'm interested in how -- how we actually do all of this.

KURT PRITZ: I think that one, you -- I'm going to try and answer your question. Tell me if I'm answering the wrong one.

When you propose activities that are to be funded, you're looking at the five-year plan and the macro objectives, and part of your justification for an activity is that, you know, this is going to help us -- help us achieve this macro objective.

And so it should be a tool to help you create activities that are in line with the strategy and get approval and budget for that.

And what you're talking about will occur in the operating plan cycle, I think.

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Does that make sense?

PIERRE DANDJINOU: Yeah.

KURT PRITZ: Okay. Thanks, Pierre.

CHRIS DISSPAIN: Chris Disspain. Good morning, Kurt.

I'm just -- I just thought it would be useful for those in the room who are not part of the ccNSO to say that we received -- the board received a fairly strong consensus position from the ccNSO in our meeting with them on Tuesday that we should actually not proceed with making changes to the strategic plan until we have the new cycle worked out and so on.

So one of the things they said was that if we make minor changes to the plan, well, all you're going to get is exactly the same feedback from the ccNSO that you got on this one.

KURT PRITZ: Right.

CHRIS DISSPAIN: So it's probably not -- given that we're all incredibly busy, it's probably not a sensible thing to do. So I just wanted to let the room know that.

KURT PRITZ: Thank you, Chris.

FRANKLIN NETTO: Thank you. Franklin Netto from the Brazilian government.

First of all, I would like to commend ICANN for this strategic planning, and also for the openness which -- which the whole process is being taken. This is an example of the openness of ICANN and I could not leave the room without commending you for that.

I have two specific questions.

First of all, I'm sorry but I missed the deadline that you have for the comments on the strategic plan, and I would like to know how these comments could be conveyed to ICANN. This is the first question.

And the second one: As a government representative and as a representative from a government of a developing country, we are very much interested in -- among those bullets that you have outlined as the strategy, the internationalization bullet, and then I would appreciate if you could elaborate a little bit more on what ICANN hopes to achieve with that objective within the goals for the -- for this strategic plan. Thank you.

KURT PRITZ: Thank you very much, Franklin.

So the good news is, the comment period is not closed, and so I'll or Carol can point you to exactly where that is on the Web site after this meeting, so you can comment.

FRANKLIN NETTO: (Speaker is off microphone.)

KURT PRITZ: Yeah, that's good.

And I think the goals for globalization and internationalization, I don't think that's for me to say what those are here, but there's been several sessions. You know, a strategy for Africa, a strategy for other regions. You know, we touch on it in all -- in many ICANN meetings that are occurring during this meeting. You know, even -- even, you know, IDN variant meetings are intended to bring domain names, you know, to those around the world that don't have English as a common language.

So I -- rather than have me do an inarticulate and incomplete job of describing our goals for internationalization, I can talk to you later or have someone talk to you and we'll go through the meeting schedule and you can kind of look at the different -- there's many different areas that are all supposed to contribute to that to that goal. Anyone else?

CHRIS CHAPLOW: Hi there. Chris Chaplow. You know, I tend to agree with Chris' point on the ccNSO, but this document that's published is more or less just an update, isn't it –

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KURT PRITZ: Right.

CHRIS CHAPLOW: -- from the small changes in the environment, so it's, you know, essentially last year's. And I know you mentioned publishing memos or something, but maybe it's just easier to publish this July 2013 to June 2015 and then leave it as a document that isn't some other memo that our successors will then have to find.

                        And then just a second point. The question there of community involvement. When? That's an easy answer. As soon as possible.

KURT PRITZ: Okay. But -- now that you're up here, so I agree with you and it doesn't make any sense to take another document, change the "15" to a "16" and go ahead.   And anybody else, ideas about cross-community involvement?

                        In other words, formation of some group and how do we solicit -- you know, in a small group setting rather than a big room, but not just with one constituency group, what is a way of -- what's a way of working with a broad set of community members?

                        Marilyn?

MARILYN CADE: Thank you. I got your –

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BILL GIBSON: Look right, too. There's other people at other mics.

MARILYN CADE: Sorry. I was going to finish the question from the BC but why don't you do that first and then I will comment.

BILL GIBSON: My name is Bill Gibson with CIRA. I'd just like to make an observation.

I don't think a strategic plan should have a time frame. There is one strategic plan for an organization which outlines the broad course of action it's going to take to realize its vision and achieve its mission.

I think the time frames come in with the management plans, where there are certain things that have to be accomplished within a certain time frame.

So my recommendation would be: Start to develop the overall strategic plan. Meanwhile, you're working with what you have in place for the management plan right now, continue to operate that, and put the broad strategy in place for the Beijing meeting. Thank you.

KURT PRITZ: Okay. Thanks, Bill.

MARILYN CADE: Thank you, Kurt. My name is Marilyn Cade.

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I'm going to continue the BC comment that my vice chair who takes the lead on a number of these issues was starting on the -- just on this particular point.

We had a very productive working -- two working sessions in Prague that -- and I was actually expecting us to get to the idea that we would have a chair or designee-plus-one group that would continue to provide the -- some core input and would be a stable place to go, but then there would be broader community consultation on a regularized basis that would be both written consultation opportunities, but also a -- you know, a broad feedback at a particular point.

I think we're challenged this next year. Because of our schedule, we don't meet again for six months. And then we are in kind of a compressed meeting. But the chair or designee plus 1 -- and, you know, two people from each of the groups I think can provide both a work horse approach, if I can call it that, but also a responsible approach as long as it's understood that those people have to own some responsibility for consulting backward in their own community and bringing forward and staying at the high level, the details have got to be consulted very broadly at appropriate stages. That was sort of what I thought you had come out of the discussions in Prague as a concept with.

KURT PRITZ: Right, so –

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MARILYN CADE: And so the BC supports that approach.

KURT PRITZ: Okay.   Right.   Thanks.   Are there any other comments?   Great.   Well, thanks very much, everyone.

                            [Applause]

>> END OF SESSION