

# Plan Strategically, Plan Effectively

Thursday, June 8, 2017  
San Juan Rural Philanthropy Days – Montrose, CO

Presented by  
Illene Roggensack, Third Sector Innovations, Inc.  
Grand Junction, CO 970-241-1139 800-406-7274  
www.thirdsectoronline.com thirdsec@earthlink.net

## The ‘Why’ of Strategic Planning

The Purpose is to:

- Commit to a vision for the organization and its future, in the context of ever-changing external factors
- Clarify direction and set goals (that lead to more detailed objectives and intentional activities) to further the mission of the organization
- Build something more than a “wish list” or a “to-do list”; rather, engage a process that garners the buy-in necessary to effective implementation of purposeful work
- Provide a platform for making quality decisions, creating accountability and conducting evaluation

The By-products include:

- A tool for saying “no” to distracting opportunities
- A highly-effective way to demonstrate to external audiences that the organization has thought about issues of sustainability, and is cognizant of the need to consider its future

Other reasons for strategic planning???

**Strategic Planning addresses the organization’s concerns regarding its:**

**Future**  
**Vision and Direction**  
**Responsiveness to Environment**  
**High-Level Goals**  
**Sustainability**

# The 12 'How' Steps of Strategic Planning

1. Determine a small committee to lead and guide the planning process
2. Set goals for engaging the strategic planning process
3. Identify and gather all external and internal information/data needed to inform the planning and decision-making processes; e.g.
  - Stakeholder observations, opinions and ideas
  - Industry best practices, models and innovations
  - Community, industry and internal trends
  - SWOT (internal strengths and weaknesses, external opportunities and threats) analysis of the organization's current situation
4. Find and take the time to get people together to sit down and discuss the organization's future
  - Utilize a skilled and informed but neutral facilitator
  - Consider getting offsite to conduct conversations in a creativity-inspiring location
5. Affirm the organization's mission and values, and their relevance in the context of current/emerging external realities
6. Set a vision for the future
7. Discuss and commit to pursuit of broad goals that directly manifest the organizational mission and values
  - Plan to a specified length of time (e.g. three years)
  - Ask the hard questions
  - Be realistic

8. Follow up by developing a short-term (e.g. one year) action plan that outlines SMART (specific, measurable, action-oriented, reasonable, time-bound) objectives, benchmarks and timelines, assigned personnel, and accountability/evaluative metrics and methods
  
9. Don't ignore the numbers! Draft budgets that reflect the financial realities of the strategic and action plans to be implemented
  
10. Commit the strategic and action plans to writing, knowing that the document's content is "fluid" and will change over time
  - Consider including space in the document that allows for tracking progress on objectives and benchmarks
  
  - Create a "condensed" version of the plan document; distribute widely and reference frequently
  
11. Ensure alignment of strategic plan with operational documents and practices – e.g. job descriptions, performance evaluations, financial budgets etc.
  
12. Determine a schedule for periodic Board of Directors' check-ins with the plan document (e.g. quarterly), making necessary modifications as needed

### **'Who' Is Involved in The Strategic Planning Process?**

- Board Members, Other Volunteers
  
- Staff Members
  
- Other Stakeholders – e.g. Clients, Partner/Collaborating Organizations, Funders, etc.

# **‘When’ Are We Ready for Strategic Planning?**

**Acadia Centre for Social and Business Entrepreneurship**

***An organization wants to be in a position of affirming the majority of the following statements as an indicator of strategic planning readiness.***

Our organization has a relatively stable team of employees or volunteers.

Our team has indicated a preference for having a clear roadmap of where we’re going, as opposed to enjoying the process of ‘winging it.’

Our organization is not currently facing any urgent crises that could derail the benefits of long-term planning.

Our organization is in a good position to meet its short-term financial commitments.

Each team member has personally committed the time required to complete a strategic planning process.

We believe we possess – or have access to – the skills necessary for effective strategic planning (tools, facilitators, etc.).

We’re going through strategic planning because we really want to, not because a funder told us we have to.

There is a clear and present need to undergo strategic planning right now.

Our team has unanimous agreement about what we hope to accomplish during a strategic planning process (the terms are well defined).

Our organization has lots of opportunities, but we’re having trouble deciding which ones make sense to pursue.

Our organization’s goals and strategies aren’t especially well defined right now.

On our planning team, we have a good mixture of big picture thinkers and detail oriented people.

Roles and responsibilities are not clearly defined in our organization right now.

It has been a fair amount of time since we have asked our stakeholders (clients, partners, funders, etc.) what they would like to see from our organization.

Our organization currently lacks the necessary systems to measure progress and results.

We seem to be working hard, but sometimes find ourselves – and our organization – spinning around in circles.

Undergoing an in-depth planning process right now will not put our organization at risk of missing important opportunities, alienating clients, or falling short on projects.

We are not considering strategic planning simply as a ‘stall tactic’ or as a means of deferring action.

We want to control our organization, not have our organization control us.

# Sample Strategic Plan Document Outline

## 1. Executive Summary

## 2. Organizational Background

- Mission Statement
- Vision Statement
- Statement of Values and Culture
- Governance and Leadership
- Programmatic Objectives

## 3. External Analysis – Opportunities for and Threats to the Organization; Current and Projected

- Community Trends
- Industry Trends
- Client Trends and Analysis – duplication of services, demand for services
- Donor Trends and Analysis – competition, emerging opportunities

### Internal Analysis – Strengths and Weaknesses of Organization; Current and Projected

- Management Practices (Administration and, as applicable: Purchasing, Operations, Facilities, Equipment, Maintenance)
- Financial Management
- Human Resources Management – staff, volunteer
- Programming Design and Development
- Client Services Marketing Analysis – management, services/product, referrals and recruitment, eligibility, pricing
- Donor Marketing Analysis – management, services/product, pricing, promotions
- Quality Assurance; Evaluation
- Technology
- Information Management
- Risk Management

## 4. Strategies and Recommendations (moving from current position to the position outlined in the vision statement)

- Management Practices (Administration and, as applicable: Purchasing, Operations, Facilities, Equipment, Maintenance)
- Financial Management
- Human Resources Management – staff, volunteer
- Programming Design and Development
- Client Services Marketing Analysis – management, services/product, referrals and recruitment, eligibility, pricing
- Donor Marketing Analysis – management, services/product, pricing, promotions
- Quality Assurance; Evaluation
- Technology
- Information Management
- Risk Management

## 5. Action Plan

## 6. Financial Budgets

## 7. Notes and Assumptions

# "Survivor" Nonprofit Style: Responding to an Uncertain Environment

By Illene Roggensack

Environments generally change much faster than the organization.

WHAT?!?! I recently read this statement and have since spent hours contemplating its significance. How can it be that an environment - far larger than a single organization - changes more quickly? It just can't be!

But it is true. Organizations change very little and very slowly. And, in paying closer attention, I realize that I am privy to a significant number of organizations whose very existence currently is being threatened by a changed environment. As I've been busy building the internal functions of organizations - leadership, financial resources, evaluation measures, "capacity" - external factors have snuck in like thieves in the night, seemingly intent to kill the organization.

What sorts of external factors am I talking about?

1. The political environment. Examples: Organizations are feeling forced to make decisions not in their own best interest but in the best (or self-serving) interest of outsiders. The "players" in the industry are changing and the organization is not as "in" as it once was. The organization is becoming obsolete as it is shunned by community leadership.

2. The funding environment: Decision makers change (e.g. the comings and goings of elected officials), funders' priorities change and the number of those competing for funds is increasing.

3. The competition (and not always friendly competition, either): There are more players, savvier players, those who "don't fight fair" to capture "your" board members, "your" funders, "your" media attention - all things that no longer are yours.

4. Industry trends: Entire systems are being scrutinized and called to change (delivery of healthcare services). Client populations are shifting and thus presenting different needs (e.g. longer life expectancies for developmentally disabled individuals). The workforce is aging and its long-time professionals are retiring without obvious replacements.

The scariest threat? The fact that most organizations don't even realize there is a problem until it is too late. The typically slow system for recognizing and responding to external change almost assuredly guarantees that organizations will be unable to recover once the downhill slide has begun.

What are the ways in which organizations can combat fatal external factors, and capitalize on those opportunities sometimes presented by the environment?

Organizational Development and Leadership Guru Dr. W. Warren Burke contends that the external environment must be monitored, with organizations gathering as much data as possible about current and future trends. His article, "Leading Organizational Change," Burke says, "It is the change leader's responsibility to see that this data gathering occurs. The need for this is based on open-system theory; that is, the reality that an organization's survival is dependent on its external environment. How well an organization assesses and analyzes its environment has a direct bearing on its degree of success and ultimately its survival."

Burke suggests that analysis of the external be coupled with internal self examination to determine the organization's appropriate response (e.g. a need for change) and to clarify its vision and direction. This analysis and planning must occur prior to taking any action if the organization is to be sustained into the future.

Further warning is provided by Burke to those seeking to meet environmental challenges via organizational change: "A paradox of organization change is that we plan in a linear fashion - step one, two, three or stage A, B, followed by C, etc. But in the implementation of the change, we discover that the process is anything but linear. Organization change, in reality, is a nonlinear process. The change never occurs quite the way it was planned. As interventions are made, organizational members react in ways that are not entirely predictable. In other words, unanticipated consequences arise from the planned initiatives and interventions that then have to be addressed and managed. Resistance to the change is what we usually call these consequences, but organization change is not resisted by everyone. And resistance that does occur rarely takes the same form in different people. In any case, most of the leading and managing organization change is a process of dealing with unanticipated, unpredictable consequences.

"But we do need to plan. We also need to be clear, however, that things will not go precisely accordingly to the plan. So, how do we proceed? Imperative is having a vision for the future that generates clear goals. With goal clarity and a broad phased way of planning the change process, we can deal with and manage unanticipated consequences."