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The Importance of Strategic Planning

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Agenda

- Overview of strategic planning and why its important
- Best practices in fostering a strategic culture
- Overview of the planning process
  1. Assess Your Readiness
  2. Design the process
  3. Build your foundation- mission, values, vision
  4. Conduct an environmental assessment (SWOT)
  5. Identify strategic issues
  6. Identify strategic directions
  7. Develop a plan for implementation and evaluation

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“The purpose of forecasting is not to predict the future – nobody can do that – but to make better decisions in the present.”

Bob Johansen, Author of Leaders Make the Future

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What is Strategy?

An intentional approach
that guides and aligns
actions, resources, and capabilities
in order to achieve a stated goal.

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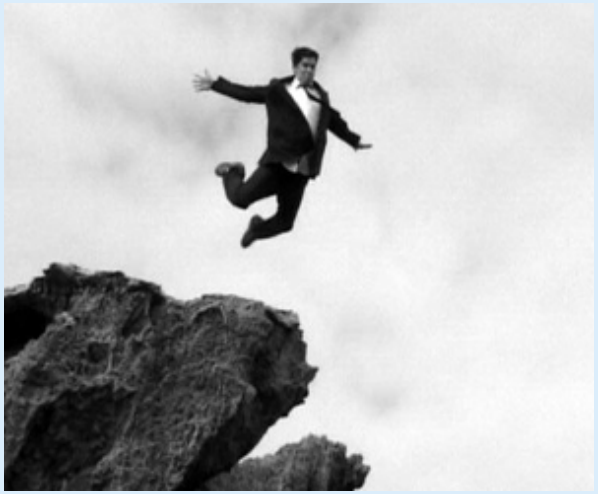
Some Strategies to Avoid



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Why Plan?

Strategic Planning is:

1. ***An internal tool*** to build unity, stability & inspire & organize board, committee, staff & volunteers.
2. ***A creative tool*** to think & strategize out of the box and manage change more proactively.
3. ***A monitoring tool*** that allows the board and staff to align priorities and hold the organization accountable for agreed-upon directions, goals, actions & outcomes.
4. ***An external tool*** that can be used to attract funders, board members, staff, volunteers, consumers & other resources.

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Managing Crisis

Does the board of directors and management staff find itself…

- Doing damage control after the fact?
- Meeting on an emergency basis frequently or planning special meetings because there are critical issues that need resolution between, or in addition to, regular meetings?
- Moving from one crisis to another?
- Putting off governance tasks, such as policy review, meaningful fiscal oversight or planning, because there are more pressing issues at meeting after meeting?
- Surprised by changing external circumstances that have a potentially serious impact on the organization?
- Unable to influence the impact that these external circumstances have on the organization?

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...or Managing Change?

Or, does the board of directors and executive management staff…

- Prepare for possible negative outcomes when an action is considered or taken?
- Take regular steps to keep policies and procedures up to date?
- Regularly discuss environmental trends or challenges that may affect the organization?
- Maximize their influence over the impact that these trends or challenges have on the organization?
- Consider and plan for the implications of your actions on next year and beyond?

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What is Strategic Planning?

The development & implementation
of *informed strategies*
that *connect* present circumstances
with a vision for the future.

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What is Strategic Planning?

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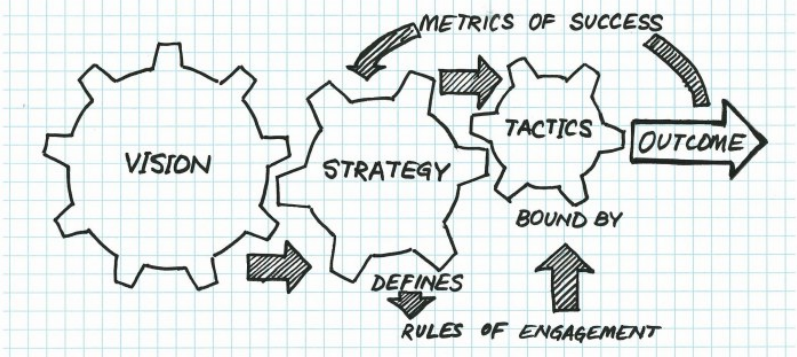
Characteristics of Strategic Organizations

1. Shared mission, values and vision
2. Effective Communication: systems thinking and feedback loops
3. Respected and pro-active leadership
4. Commitment to learning (organizational and individual)



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10 Nonprofit Planning Best Practices

1. Creation of strategic thinking & culture throughout the organization
2. Plan “is living & breathing” (not shelf) document that serves as context & driver for annual work plans & budgets
3. Shorter process & term plan
4. Active board involvement & “ownership”
5. Emphasis on self-sufficiency & maintaining maneuverability

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10 Planning Best Practices...

6. Distinguish core from secondary mission activities
7. Reliance on evaluation tools & measurable results/outcomes
8. Not “end all, be all”, serves as “umbrella” for “mini” or “sub” planning
9. Recognition of competitors
10. Openness to substantive collaboration & restructuring opportunities

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Step 1: Assess Your Readiness to Plan

- Board and Executive Director support?
  - Address resistance/skepticism early on
- Leadership for the planning process?
- Resources (financial, talents & time)?
- Timing: Budget cycle?
- Available data?
- History of successful committee or collaborative work
- Consider whether you have major crises or transitions that need to be addressed first

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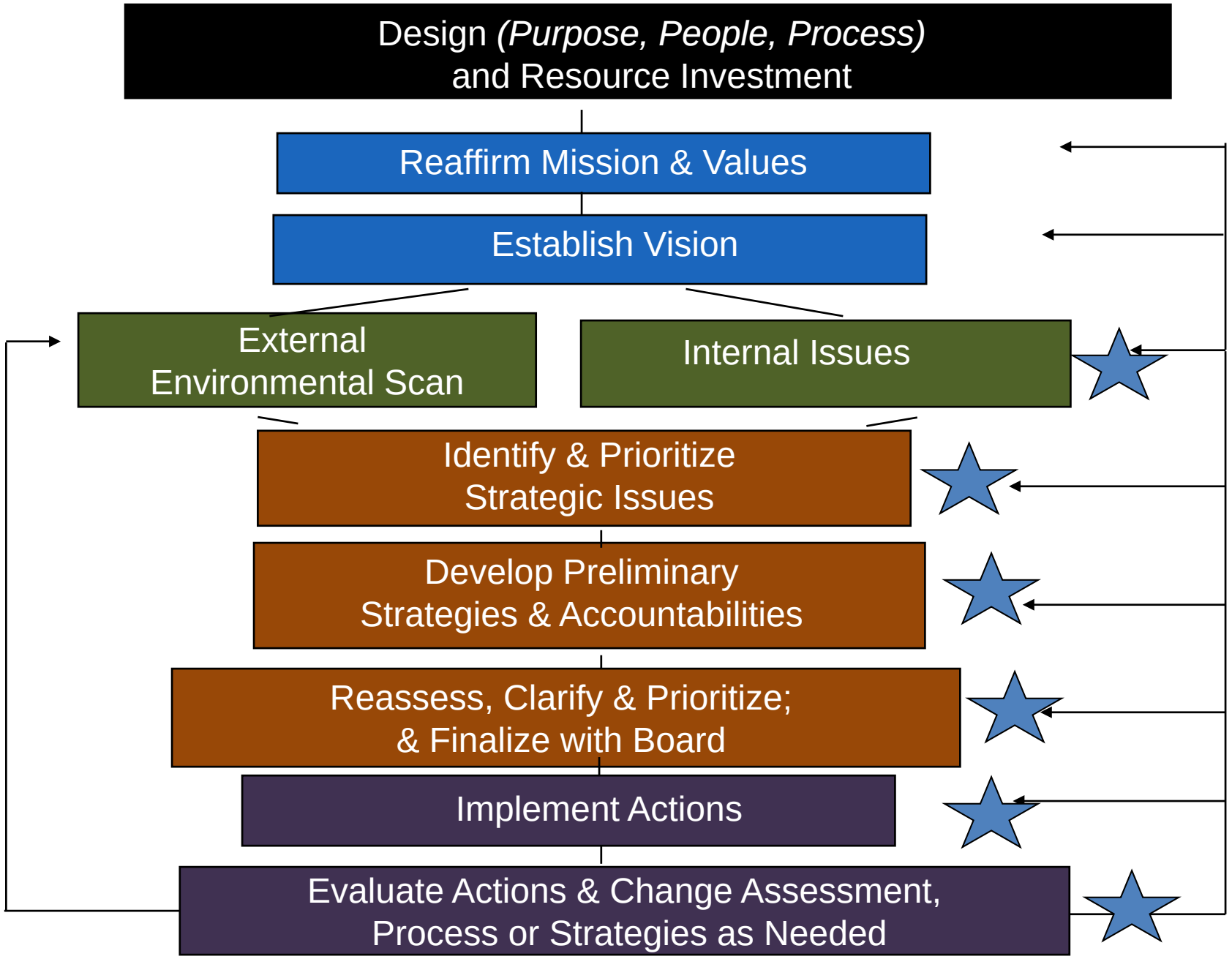
Step 2: Design the Process

- Identify overall goals for the planning process
- Choose committee members, leadership, staffing
- Appoint one or more facilitators (if DIY)
- Identify major activities & products
- Develop an action plan and consensus on planning activities, expectations, and timeframes
- Clarify the roles of committee chair, Executive Director, consultant, and staff- preferably in writing
- Clarify what you would like included in the plan document
- Determine timeline for plan implementation (3 or 5 years)

THE STRATEGIC PLANNING PROCESS



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NYCON's Typical Planning Process

1. Meet with a strategic planning committee that is likely to meet 3-5 times (more if self-facilitated)
   - Meeting 1: Develop the plan to plan; agree on data needed.
   - Meeting 2: Review data, identify priorities and retreat agenda.
   - Meetings 3-5: Meet post retreat to review results and draft and finalize the strategic plan.
2. Collect data and share results with participants
   - Conduct a survey of board and staff: Input on mission, values, vision, SWOT analysis, goals, and optional board assessment
   - Optional Stakeholder/Member input- survey, interviews, meetings
   - Other data may be financial, program, trend, etc.

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NYCON's Typical Planning Process

3. Hold a planning retreat
   - Can be full or part day; can be several shorter meetings
   - Can be all board, board and some or all staff
   - May have separate session for staff
   - NYCON typically prepares a PPT summary of the data to focus the meeting.
4. Summarize the retreat notes and draft a strategic plan framework- work with committee to finalize.
5. Obtain board approval

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Step 3: Build the Foundation- Mission

- A mission states your fundamental reason for existence and who you serve – why not how. The ends, not the means.
- Expresses your organization's purpose in a way that inspires support and ongoing commitment. Trend is shorter statements
- Should be easy for anyone in the organization to repeat and articulated in a way that is convincing and easy to grasp- no jargon
- Helps motivate those who are connected to the organization.
- Can follow-up mission statement with what types of broadly stated services you intend to provide to achieve the mission.
- Ensure that any changes are aligned with the purposes in your Articles of Inc. or Charter- or amend those through DOS or NYSED

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Step 3: Build the Foundation

- **Vision or Strategic Intent**
  - Where are you heading as an organization? How will you be different in 3-5 years?
  - Often starts with… "We will strive to be…" "We will be widely known as …"
  - May include elements of the impact on the people/community you serve.
- **Values**
  - What you believe about what you do. Describes the beliefs that shape your actions, culture, and policy
  - Can be 3-5 words with or without definitions, or sentences, or a paragraph.

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Step 4: Conduct an Assessment

Internal Assessment

- Strengths and Weaknesses/Challenges
  - Always include an assessment of board of directors and organizational capacity

External Assessment

- Opportunities and Threats/Obstacles
  - Funding and regulatory environment
  - Partners and competitors
  - New program opportunities
  - Evolving community needs/issues
  - Market and stakeholder perceptions and awareness

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Sample SWOT Analysis

Strengths
- Active & Engaged Board
- Quality Programs
- Solid Donor Base
- Sound Financial Management

Opportunities
- Regional interest for expanding services
- New government funding streams
- Better use of social media
- Possible Strategic Alliances or partnerships

Weaknesses
- Aging facilities
- Tenured ED will be retiring within next 3 years
- Limited bi-lingual staff capacity
- Lack of adequate storage for collections.

External Threats
- Competition has updated facilities
- Government cutbacks & competition for donor resources
- Increased accountability requirements challenge infrastructure capacity

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From Analysis, Identify Strategic Issues that:

- Cut across program and administrative lines
- Are complex
- Are “high stakes”
- Transcends routine budget, day-to-day management & work plan development & problem solving process
- An area in which action or change is needed to achieve vision
- Emerge from internal/external analysis
- Organize impact of SWOT by areas
- Recognize cross-cutting impact in multiple areas

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Step 5: Identify Strategic Issues (usually 4-5)

- **Governance** (Bylaws, Composition, & Policies)
- **Collections and Care Management**
- Mission, Vision, & Values
- Executive Leadership & Management
- Personnel
- Programs, Services & Activities
- Customer, Member, & Funder Constituencies
- Information Systems & Technology
- Subsidiary/Related Organizations
- Communications & Marketing
- Financial Resource Development
- Facilities or Building/Grounds
- Partnerships and Collaborations

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Step 6: Identify Strategic Directions

Strategic Directions describe how you are going to accomplish your vision. Some examples include:

Strategic Issues	Sample Goals/Directions
Mission Impact and Service Delivery	Enhance the organization's ability to maximize audience engagement and facilities usage by effectively and succinctly communicating the uniqueness, value, and quality of our programming.
Governance	The Board of Directors will provide the leadership, support, and skills needed to serve as effective stewards of the organization.
Resource Development and Communications	Engage effectively and pro-actively with stakeholders to raise funds and build the partnerships needed for expanded impact.
Organizational Capacity and Infrastructure	Enhance internal capacity to support program growth and expansion.

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Step 7: Implement, Monitor, & Evaluate

- Develop and monitor an action plan
- Establish responsible parties & board committee oversight
- Establish measurable and/or verifiable objectives
- Create accountability mechanisms
- Schedule updates as part of board meeting calendar
- Refer to goals & objectives when reporting or achieved
- Maintain a tracking system
- Discuss new information, changed circumstances that affect plan analysis, assumptions, trends, etc.
- Incorporate into evaluations, particularly ED/CEO
- Revise plan as warranted

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A Workplan Format Might be Useful

Strategic Direction: The Board of Directors will provide the leadership, support, and skills needed to serve as effective stewards of the organization.

Goals/Strategies	Objectives/Actions/Tactics	Responsibility	Timeframe
1. Foster a culture of stewardship and enhance the Board's ability to be effective fundraisers and ambassadors for the organization.	Redefine board expectations in fund development to support established goals, including whether and how to raise give/get expectations.	Fund Development Committee	Q1 2017
	Provide training and support to board members for all aspects of fundraising and marketing goals.	Fund Development Committee Consultant	Quarterly, Q2-Q4 2017 and as needed
	Prepare board members to be effective ambassadors by developing tools and resources that build knowledge, familiarity, and comfort.	Fund Development Committee	Q2 2017

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Typical Implementation Challenges

- Lack of Commitment and Ownership
- No Implementation Plan
- No Monitoring Tools
- Unclear Responsibilities
- Fear of Accountability
- Discomfort in Holding Others Accountable
- How do We Start?
- Return to Business as Usual
- No Formal or Effective Committee Structure

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Strategic Alignment

- Significant activities of the organization emerge from the strategic plan and serve as a reference point post.
- Strategic plans becomes a tool for strategic thinking:
  - Board Agendas
  - Committee Agendas
  - Establishing Priorities
  - Allocation of Resources/Budgeting
  - Executive Director Evaluation
  - Staff Evaluations

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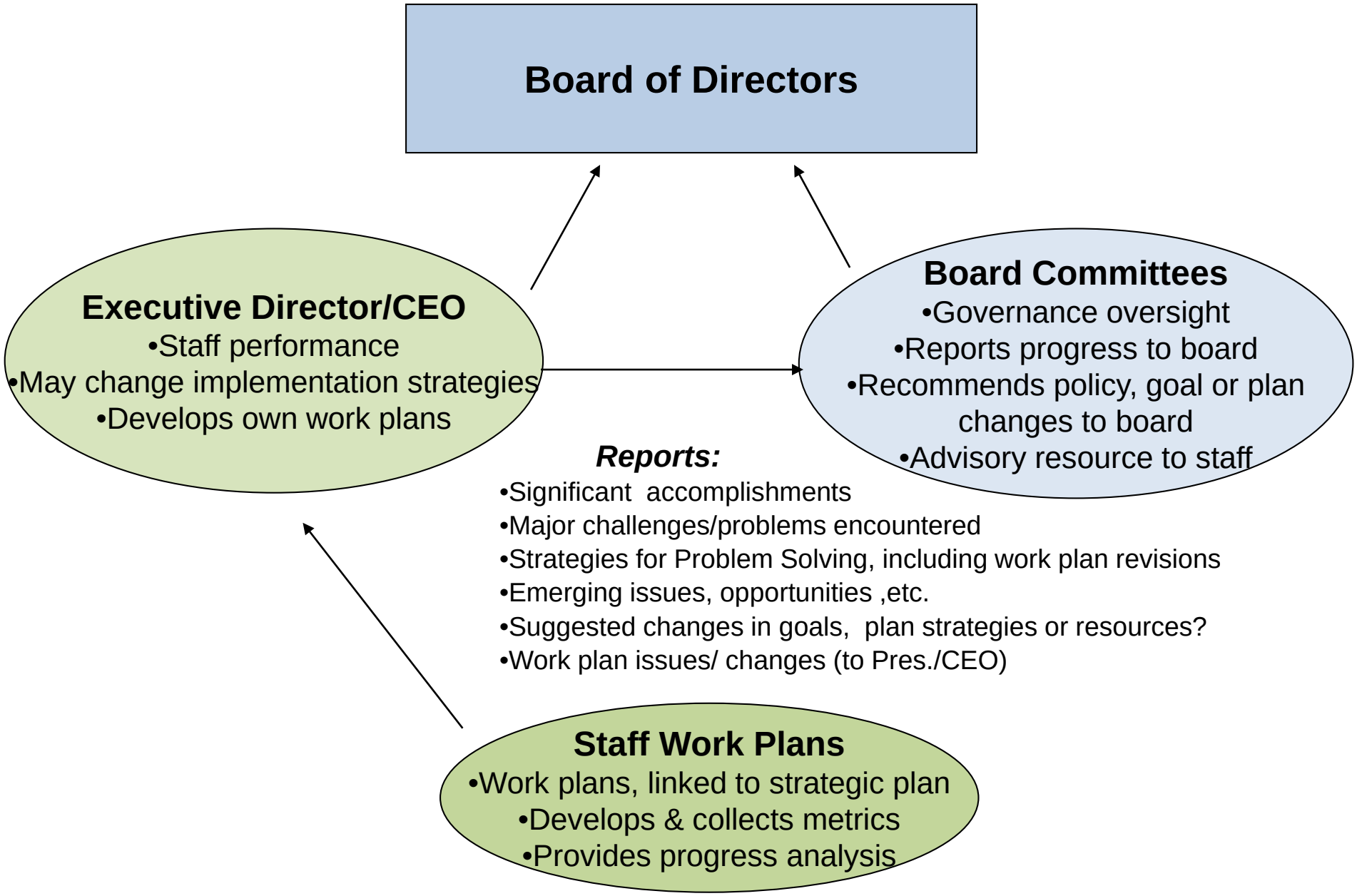
Strategic Plan Reporting Flow Chart



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Planning Tips to Remember…

- There is no one model of strategic planning
- The process and the plan can be simple or sophisticated
- Be aware of the distinction between “fix-it” issues, survival issues, and advancement issues
- A strategic plan is not a business plan
- Think more of the forest than the trees
- Make it “doable” with measurable “stretch” advancement results for the overall organization
- Do not “sugarcoat”; be prepared to deal with the “elephant in the room”, “sacred cows”, etc.

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In Summary

- Developing a plan document is only the starting point for strategic planning.
- Monitoring implementation provides the opportunity to align your organization & keep the board & staff moving forward collaboratively.
- Deviating from your original plan may be a natural part of strategic planning, but should be built into the communication process & strategic alignment of you organization.

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Questions and Discussion