

Strategic Planning

What to expect, how to make it work, and how to fix it when it slips off the tracks



What You Should Expect

INSPIRATION

In preparing for battle, I have always found that plans are useless, but planning is indispensable. – GENERAL DWIGHT D. EISENHOWER

While we may not completely agree with Gen. Eisenhower's sentiment as it applies to strategic plans for nonprofits—the plan itself can be invaluable—the essence of the message rings true. The work you and your team do to think strategically and create a plan has a magical effect. It unifies and focuses the organization on the mission and goals essential to success.

At many nonprofits, staff and board members may not understand the organization's mission, vision, and core values. When they don't understand, they're unable to articulate what the organization stands for, whom they serve, what strategies they use to make a difference, and the outcomes of their work. Without this understanding, the day-to-day work may become routine and no longer energizing or fun. A good strategic plan helps your team understand the goals and fruits of their daily efforts.

ALIGNMENT AND FOCUS

You cannot be everything to everyone. If you have decided to go north, you cannot go south at the same time. – JEROEN DE FLANDER

A strategic plan is powerful. It helps you decide what to do AND what not to do. A good strategy helps you say “no” with both confidence and kindness while it focuses the efforts of the entire organization.

With a strong strategic plan, the team speaks about who you are with a common language.

It can be hard to answer the question “What is your organization’s strategy?” A well written plan will enable your people to give a concise, thoughtful, and meaningful answer to that question.

Your communications (fundraising and marketing) are saying the same thing. Every time you talk about your organization you have an opportunity to reinforce your mission and your message. If everyone on your team uses the same language, the power of that message is amplified. A nonprofit talks about its mission and objectives on its website, in direct mail pieces, at special events, in member renewal notices, in conversations with major gift prospects, in grant proposals, at staff and board meetings. The list is endless. A thoughtful and well understood strategic plan helps ensure that a consistent message is being shared at all those touch points.

You are able to motivate and improve staff performance. The difference between being busy and being effective comes down to how efforts are directed. When staff members are not effective, we believe it’s less about the proclivities of a person’s work ethic and more about a lack of understanding and direction about “what” he or she is supposed to do. A good strategic plan informs jobs descriptions and performance metrics that make it clear what staff should be doing and adjusts when you learn that the tactics may not be working.

Instead of thinking “Where are we going?” your team focuses on “How do we get to our destination?” How often are you derailed when you question if you are spending your time in the right place? It happens to everyone. It’s the end of the day, you were very busy, yet you’re not sure if you got anything meaningful done. Being able to plan your time based on predetermined, measurable strategic objectives will greatly reduce that feeling.

EXECUTION AND ACHIEVEMENT

However beautiful the strategy, you should occasionally look at the results.

– SIR WINSTON CHURCHILL

55%

of organizations have an
agreed-upon strategy

14%

of employees understand the
organization's strategy*

No nonprofit can fully achieve its mission with only 14% of its people rowing in the same direction. Planning with your team—both board and staff—creates buy-in and accountability. People understand what is expected of them and each other. No one wants to say “I dropped the ball.”

If you know what a meaningful result is before you begin, your odds of achieving it are magnified. A good strategy helps you make the smart choices and trade-offs that are necessary. As we said before, you can confidently (and nicely) say “no.” Saying “no” leads to accomplishment, as counterintuitive as that may sound. The inability to say “no” is the reason so many of us spend 50 or 60 hours a week at work, while realizing only 20 or 30 good ones.

Hard work + the right direction = achievement. Remove one and you're lost. Organizations with well-implemented strategic plans will achieve more. It's as simple as that.

**Performance Management: Putting Research into Action (2009)*

A CULTURE OF PHILANTHROPY

Effective philanthropy requires a lot of time and creativity—the same kind of focus and skill that building a business requires. – BILL GATES

A nonprofit strategic plan should inform engagement and revenue generation. Through purposeful strategies and activities to develop a culture of gratitude and philanthropy, you will engage staff and leaders to encourage each other and your constituents to contribute time, talent, and resources. Imagine a board member having a meaningful and thoughtful conversation with a peer about where your organization is heading and how she is helping to get there or a receptionist that talks to his neighbor clearly and concisely about how your organization is making the community a better place. That is making the ground fertile for philanthropy.

How to Make it Work



You've likely seen other articles that offer suggestions about developing a strategic plan. Things like performing a market analysis, doing a SWOT analysis, getting leadership buy-in, facilitating a retreat, managing change, etc. They are all good practices and ways that Benefactor Group helps our clients plan strategically. However, we would lump those under a general heading of "methodology" or "best practices." They are focused on how to get the plan done, but (at risk of being unconventional) that's the easy part. Deciding that you want six-pack abs and buying the gym membership and the Fitbit is easy. Getting to the gym on a snowy February morning is another matter entirely.

The keys to success are more fundamental and not always easy or intuitive. The following suggestions will help make sure the plan is consistently and appropriately implemented over time, your organization stays on course, and, equally as important, knows when to make adjustments and changes.

ASSIGN AN OWNER/PROJECT MANAGER/CZAR

Divide responsibility and nobody is responsible. - W. EDWARDS DEMING

When the retreat is over, the plan is done, and the early implementation efforts are afoot, it is all too easy to proclaim success as the planning team slowly slips back into their "real jobs." Before the plan is done, assign a single person as the plan's project manager. Avoid adding "implement the strategic plan" to someone's existing job description. If you have to add it to someone's job, then remove something else. Otherwise, you risk diminishing its importance and deprioritizing it or other aspects of the person's job.

QUANTIFY AND MEASURE

When you can measure what you are speaking about, and express it in numbers, you know something about it; when you cannot express it in numbers, your knowledge is of a meager and unsatisfactory kind... - WILLIAM THOMSON, BARON KELVIN

Benefactor Group's strategic planning method, by design, includes defining a few clear strategic objectives that are measurable and have targets. Attaching a number to an objective has powerful effects.

- It requires you to **think in a different way**. It's easy to say "be more efficient" or "deliver high quality," but to express that in numbers requires your team to get to a deep level of understanding.
- It requires you to **decide what success looks like**. It's one thing to measure, it's another to decide what the measure needs to be.
- It can **change how you look at the past**. A good measure has a target, but also a baseline, which means you must know what your performance has been over the last few years. Can you tell? If not, why not? You'll find many interesting conversations resulting from this investigation.
- As you begin to look back and plan how you will measure progress moving forward, you will have to **assess your systems**. Are you tracking what you want to measure? If not, there's work to be done to make sure the processes and systems are prepared. Do you have the right reporting tools? There are several options here, from an automated report/dashboard that pulls from multiple systems, to simply updating a spreadsheet on a regular basis. It doesn't have to be fancy; it has to be right-sized and consistent.

BE TRANSPARENT

Honesty and transparency make you vulnerable. Be honest and transparent anyway.
- MOTHER TERESA

People may be cynical about strategic planning. They hear the blue-sky ideas, participate in the retreat, and are presented with the inspiring plan to kick off the year. Then, they remember the last time this was done and don't recall that the lofty goals were accomplished. According to a 2014 American Psychological Association survey of 1,562 U.S. workers, a full quarter of employees do not trust their employers. A strategic plan can help you overcome that (perhaps well-earned) cynicism.

Be accountable to all. A strategic planning process will set you up with all the information you need to communicate with your organization and your constituents: you know what you care about, you know what objectives you want to achieve, you have defined your initiatives, and you know how to measure your progress. Now, assemble that information, keep it up to date, and share it. Make a dashboard that is available to everyone, use the measures to guide staff and board meetings and conversations you have with key stakeholders.

PRACTICE AGILITY

Look at the horizon and at your feet. – BENEFACOR GROUP CONSULTANT

A strategic plan is not a to-do list. The ultimate destination should be a fixed point on the horizon, your north star. However, how you get to that point will most likely not take the path you first mapped out. So, without losing site of the destination, don't be afraid to alter your course. You will hear the advice "Fail fast and often." In this case, look at it like "Learn fast and often."

ENCOURAGE AND CELEBRATE WINS, BIG AND LITTLE

Success is the sum of small efforts, repeated day in and day out. – ROBERT COLLIER

- Appoint someone to identify people and teams who have made progress and recognize them.
- Gather stories from the people you serve. How has your plan helped? How will it help more in the future?
- Gather and share stories from your team. Share a public acknowledgement of the team for a job well-done.
- Create a "winning" award that is passed around.
- Create a friendly competition between teams.
- Have a gathering to share progress (and buy lunch).

How to Get a Plan Back on Track



Staff turns over; there's an emergency and the plan stops being a focus; it's not working as planned; it's easier not to talk about it...who has the time?! It's a sad picture: your strategic plan sitting on a shelf. How do we get it back on track?

REMIND YOURSELF OF THE BASICS

Let's get back to the basics. – CHINO XL, TAKE IT BACK

Consider a “mini-retreat” that refreshes the work you did to get here. Ask the Big Three.

- 1. Why does your nonprofit exist?** Reaffirm your mission, vision, and core values.
- 2. What do you want to accomplish in the next year or so?** These are your objectives with targets. Are they still relevant? Do you need to focus on a particular item?
- 3. How are you going to get there?** These are the projects and initiatives that move the needle on your objectives. These have tasks, due dates, owners, and budgets. Assess these initiatives. Are they moving the needle on the strategic measures?

RE-EVALUATE AND REPRIORITIZE

One of the great mistakes is to judge policies and programs by their intentions rather than their results. – MILTON FRIEDMAN

Gather the team and ask them these questions.

- What is going well?
- What needs to get better?
- What puzzles do you have?

Have everyone write their answers on post-it notes. Collect them, discuss them, and see what themes emerge.

Then, do a “Moscow” exercise to assess your next steps.

- What **Must** we do?
- What **Should** we do?
- What **Could** we do?
- What **Won't** we do?

BRING IN AN EXPERT

An expert is someone who has succeeded in making decisions and judgements simpler through knowing what to pay attention to and what to ignore.

– EDWARD DE BONO

An expert can bring you the following.

Objectivity and fresh perspective. Sometimes, if you look at the same challenge over and over, you can become blind to the nuances. It's the same reason you ask someone to proofread your documents. An expert has the ability to sort the trees from the forest and is able to help you think about an issue in new and different ways.

Time and focus. “We were too busy to give it the time it deserved.” Bringing in an expert can help lend focus and dedication to a task that your staff simply may not be able to do.

Added value. An expert brings knowledge, skills, and attitudes. While your team will be experts in the organization’s mission and activities, your staff may not have experience in the art and discipline of strategic planning. Experts have read the books, white papers, and reports that you have not seen or had time to read. They often belong to networks and institutes and associations that give them access to connections and resources you don’t have.