

# Strategic Planning for Non- Profit Organizations: Overview and Principals

# Course Objectives

- Participants will define strategic planning
- Participants will understand the components of strategic planning
- Participants will discuss the different models of strategic planning

# What is Strategic Planning

# Strategic Planning

- Strategic planning is a disciplined effort to produce fundamental decision and actions that shape and guide what an organization is, what it does, and why it does it, with focus on the future.

# Principles of Strategic Planning

- The essence of strategic planning is a strategic mindset of an organization toward its desired future.
- The strategic plan is not a standard document but is integrated as a way that people think, feel, decide, and act to make their organizations successful.

# What does Strategic Planning do for an Organization?

Dynamic strategic planning helps an organization,

- Select major strategic initiatives
- Determine the most appropriate organizational structures and processes
- Improve short and long term performance and effectiveness

# Why is Strategic Planning Important?

- Strategic planning process makes good ideas possible by laying out what needs to happen in order to succeed. It does this by giving both structure and direction to the initiative.
- Strategic planning allows your organization to focus on your short-term goals while always keeping sight of your long-term vision and mission.

# When Should an Organization use Strategic Planning?

An organization should use strategic planning when the organization,

- Is a new organization
- Has a new initiative or large project
- Is in a new phase of ongoing effort
- Needs to breathe life into an older initiative

# Who Should be Involved in the Strategic Planning Process?

- Strategic planning is a group effort (taking care to involve both people affected by the problem and those with the abilities to change it), it allows your organization to build consensus around your focus and the necessary steps your organization should take.

# Components of the Strategic Planning Process

# Components of the Strategic Planning Process

- Vision (the dream)
- Mission (what and why)
- Objectives (how much of what by whom)
- Strategies (how)
- Action plans (who will do what by when)

**Vision**

# Vision

- A vision is what your organization believes are the ideal conditions for your community; that is, how things would look if the issue important to you were completely, perfectly addressed. A vision helps the organization to clarify and communicate its purpose.
- Vision statements are short phrases or sentences that convey the community's hopes for the future. By developing a vision statement or statements, the organization clarifies the beliefs and governing principles of the organization.

# Vision

There are certain characteristics that most vision statements have in common. In general, vision statements should be:

- Understood and shared by members of the community
- Broad enough to include a diverse variety of local perspectives
- Inspiring and uplifting to everyone involved in your effort
- Easy to communicate

# Vision

The vision of an organization can be to,

- Reduce Health Disparities
- Create Safe Streets, Safe Neighborhoods
- Have Peace on Earth

# Mission

# Mission

- An organization's mission statement describes *what* the group is going to do and *why* it's going to do it.
- Mission statements are similar to vision statements, in that they look at the big picture. However, mission statements are more concrete, and they are *definitely* more "action-oriented" than vision statements. The vision statement inspires dreams; the mission statement inspires action.

# Mission

- The mission statement might refer to a problem, such as an inadequate housing, or a goal, such as providing access to health care for everyone. And, while they don't go into a lot of detail, they start to hint - very broadly - at how your organization might fix these problems or reach these goals.

# Mission

Some general guiding principles about mission statements are that they are:

- *Concise.* While not as short as vision statements, mission statements generally still get their point across in one sentence.
- *Outcome-oriented.* Mission statements explain the fundamental outcomes the organization is working to achieve.
- *Inclusive.* The mission statements make explains the group's key goals, but it's very important that they do so very broadly.

# Mission

Examples of Mission Statements include:

- “To develop a safe and healthy neighborhood through collaborative planning, community action, and policy advocacy.”
- "Promoting child health and development through a comprehensive family and community initiative."

# How do you create vision and mission statements?

- Learn what is important to people in your community
  - *Listening sessions or public forums*
  - *Focus groups*
  - *Interviews*
- Decide on the general focus of your organization
  - *Topic*
  - *Scope*
- Develop your vision and mission statements
- Obtain consensus on your vision and mission statements

# Objectives

# Objectives

- *Objectives* are the specific measurable results of the initiative. An organization's objectives offer specifics of *how much* of *what* will be accomplished by *when*.
- For example, one of several objectives for a community initiative to promote care and caring for older adults might be: "By 2015 (*by when*), to increase by 20% (*how much*) those elders reporting that they are in daily contact with someone who cares about them (*of what*)."

# Objectives

There are three basic types of objectives.

- *Behavioral objectives.* These objectives look at changing the behaviors of people (what they are doing and saying) and the products (or results) of their behaviors.
- For example, a neighborhood improvement group might develop an objective for having an increased amount of home repair taking place (the behavior) and of improved housing (the result).

# Objectives

- *Community-level outcome objectives.* These are often the product or result of behavior change in many people. They are more focused on a community level instead of an individual level.
- For example, the same neighborhood group might have an objective of increasing the percentage of people living in the community with adequate housing as a community-level outcome objective.

# Objectives

- *Process objectives.* These are the objectives that provide the groundwork or implementation necessary to achieve your other objectives.
- For example, the group might adopt a comprehensive plan for improving neighborhood housing. In this case, adoption of the plan itself is the objective.

# Objectives

The best objectives have several characteristics in common. They are all **S.M.A.R.T. + C.:**

- They are ***specific***. That is, they tell *how much* (e.g., 40 %) *of what* is to be achieved (e.g., what behavior of whom or what outcome) by *when* (e.g., by 2010)?
- They are ***measurable***. Information concerning the objective can be collected, detected, or obtained from records (at least potentially).
- They are ***achievable***. Not only are the objectives themselves possible, it is likely that your organization will be able to pull them off.

# Objectives

- They are *relevant* to the mission. Your organization has a clear understanding of how these objectives fit in with the overall vision and mission of the group.
- They are *timed*. Your organization has developed a timeline (a portion of which is made clear in the objectives) by which they will be achieved.
- They are *challenging*. They stretch the group to set its aims on significant improvements that are important to members of the community.

# How to Create Objectives

- Reaffirm your vision and mission statements
- Determine the necessary changes
- Collect baseline data
- Decide what is realistic
- Set objectives
- Review your objectives
- Use the objectives to guide your strategies

# Objectives

- By the year 2012, the reported level of sexual abstinence and postponement of initial sexual intercourse among 12-17 year olds will be increased by 20%.
- By the year 2015, the estimated pregnancy rate among 12-17 year olds will be reduced by 25%.

# Strategy

# Strategy

- A strategy is a way of describing *how* you are going to get things done.
- A good strategy will take into account existing barriers and resources. It will also be in line with the overall vision, mission, and objectives of the initiative.

# What are the Criteria for Developing a Good Strategy?

Strategies for achieving the strategic plan should meet several criteria.

- *Give overall direction?* A strategy, such as enhancing experience and skill or increasing resources and opportunities, should point out the overall path without dictating a particular narrow approach
- *Fit resources and opportunities?* A good strategy takes advantage of current resources and assets, such as people's willingness to act or a tradition of self-help and community pride.

# What are the Criteria for Developing a Good Strategy?

- *Minimize resistance and barriers?* Strategies do not provide a reason for opponents to attack the strategic plan. Good strategies attract allies and deter opponents.
- *Reach those affected?* To address the issue or problem, strategies must connect the intervention with those who should benefit. For example, if the mission of the initiative is to get people into decent jobs, then the strategies should provide education and skills training, and creating job opportunities.

# What are the Criteria for Developing a Good Strategy?

- *Advance the mission?* Taken together, the strategies should make a difference on the mission and objectives?

# Strategy

## Example #2: Preventing youth violence

- Establish reward programs for tips leading to arrests for illegal weapons sales
- Establish a "silent witness hotline" for reporting incidents of violence
- Establish neighborhood watch programs
- Remove "crack" houses in affected neighborhoods

# How to Develop Strategies?

- Organize a brainstorming meeting
- Review the targets and agents of change
- Review your vision, mission, and objectives
- Work together to brainstorm the best strategies for your initiative

# Action Plan

# Action Plan

An action plan is a way to make sure your organization's vision is made concrete. It describes the way your group will use its strategies to meet its objectives. An action plan consists of a number of action steps or changes to be brought about in your community.

# Action Plan

Each action step or change to should include the following information:

- *What* actions or changes will occur
- *Who*-will carry out these changes
- *By when*-they will take place, and for how long
- *What resources*- are needed to carry out these changes
- *Communication* -who should know what?

# Action Plan

- **Example**
- **Community Initiative:** Parent-to-Parent Initiative Date: 2/14/99
- **Action step or change to be accomplished:** Recognizing and honoring parents and guardians who contribute to the initiative.
- **What actions or changes will occur:** Parents and guardians who contribute (e.g., by helping lead parenting workshops) will be presented with some small token of appreciation (e.g., a gift certificate). Those who contribute significantly over a longer period will be publicly recognized at a community party with a certificate of appreciation and another, larger token of appreciation.

# Action Plan

- **Who will carry it out:** The finance or business committee will solicit donations to give to the parents. The sub-committee that works on presenting the workshops should appoint someone to be in charge of making appreciation certificates and coming up with a way to present them at the end of the workshop. If a community celebration is called for, a sub-committee will likely be needed.

# Action Plan

- **By when (for how long):** Recognition should be a part of honoring contributors for the entire length of the initiative.
- **What resources are needed:** Donations will have to be solicited from area businesses so that you'll have items to give to parents and guardians who contribute. The cost of the certificates should be minimal.
- **Communication (who should know what):** We should contact the finances committee about who we should (and should not) approach for donations.

# What are the Criteria for a Good Action Plan?

The action plan for your initiative should meet several criteria.

- ***Complete***- Does it list all the action steps or changes based on the goals and objectives.
- ***Clear***-Is it apparent who will do what by when?
- ***Current***-Does the action plan reflect the current work? Does it anticipate newly emerging opportunities and barriers?

# Strategic Planning Models

# Model One “Basic” Strategic Planning

- This very basic process is typically followed by organizations that are extremely small, busy, and have not done much strategic planning before.
- The process might be implemented in year one of the nonprofit to get a sense of how planning is conducted, and then embellished in later years with more planning phases and activities to ensure well-rounded direction for the nonprofit.
- Planning is usually carried out by top-level management.

# Model One “Basic” Strategic Planning

The basic strategic planning process includes:

- Identify your purpose (mission statement)
- Select the goals your organization must reach if it is to accomplish your mission
- Identify specific approaches or strategies that must be implemented to reach each goal

# Model One “Basic” Strategic Planning

- Identify specific action plans to implement each strategy
- Monitor and update the plan

# Model Two - Issue-Based (or Goal-Based) Planning

Organizations that begin with the “basic” planning approach described above, often evolve to using this more comprehensive and more effective type of planning. The following depicts a rather straightforward view of this type of planning process.

- External/internal assessment to identify “SWOT” (Strengths and Weaknesses and Opportunities and Threats)
- Strategic analysis to identify and prioritize major issues/goals

# Model Two - Issue-Based (or Goal-Based) Planning

- Design major strategies (or programs) to address issues/goals
- Design/update vision, mission and values (some organizations may do this first in planning)
- Establish action plans (objectives, resource needs, roles and responsibilities for implementation)

# Model Two - Issue-Based (or Goal-Based) Planning

- Record issues, goals, strategies/programs, updated mission and vision, and action plans in a Strategic Plan document, and attach SWOT, etc.
- Develop the yearly Operating Plan document (from year one of the multi-year strategic plan)
- Develop and authorize Budget for year one (allocation of funds needed to fund year one)

# Model Two - Issue-Based (or Goal-Based) Planning

- Conduct the organization's year-one operations
- Monitor/review/evaluate/update Strategic Plan document

# Model Three - Alignment Model

- The overall purpose of the model is to ensure strong alignment among the organization's mission and its resources to effectively operate the organization.
- This model is useful for organizations that need to fine-tune strategies or find out why they are not working.
- An organization might also choose this model if it is experiencing a large number of issues around internal efficiencies.

# Model Three - Alignment Model

Overall steps include:

- The planning group outlines the organization's mission, programs, resources, and needed support.
- Identify what's working well and what needs adjustment.
- Identify how these adjustments should be made.
- Include the adjustments as strategies in the strategic plan.

# Model Four - Scenario Planning

This approach might be used in conjunction with other models to ensure planners truly undertake strategic thinking. The model may be useful, particularly in identifying strategic issues and goals.

- Select several external forces and imagine related changes which might influence the organization, e.g., change in regulations, demographic changes, etc. Scanning the newspaper for key headlines often suggests potential changes that might effect the organization.

# Model Four - Scenario Planning

- For each change in a force, discuss three different future organizational scenarios (including best case, worst case, and OK/reasonable case) which might arise with the organization as a result of each change.
- Suggest what the organization might do, or potential strategies, in each of the three scenarios to respond to each change.

# Model Four - Scenario Planning

- Planners soon detect common considerations or strategies that must be addressed to respond to possible external changes.
- Select the most likely external changes to effect the organization, e.g., over the next three to five years, and identify the most reasonable strategies the organization can undertake to respond to the change.

# Model Five - “Organic” (or Self-Organizing) Planning

- Traditional strategic planning processes are sometimes considered “mechanistic” or “linear,” i.e., they’re rather general-to-specific or cause-and-effect in nature.
- Another view of planning is similar to the development of an organism, i.e., an “organic,” self-organizing process. Self-organizing requires continual reference to common values, dialoguing around these values, and continued shared reflection around the systems current processes.

# Model Five - “Organic” (or Self-Organizing) Planning

General steps include:

- Clarify and articulate the organization’s cultural values. Use dialogue and story-boarding techniques.
- Articulate the group’s vision for the organization. Use dialogue and story-boarding techniques.
- On an ongoing basis, e.g., once every quarter, dialogue about what processes are needed to arrive at the vision and what the group is going to do now about those processes.

# Model Five - “Organic” (or Self-Organizing) Planning

- Continually remind yourself and others that this type of naturalistic planning is never really “over with,” and that, rather, the group needs to learn to conduct its own values clarification, dialogue/reflection, and process updates.
- Be very, very patient.
- Focus on learning and less on method.
- Ask the group to reflect on how the organization will portray its strategic plans to stakeholders, etc., who often expect the “mechanistic, linear” plan formats.

# Strategic Planning

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