

NONPROFIT STRATEGIC PLANNING



***Planning Your Way to
Mission Advancement***

STRATEGIC PLANNING PRIMER

“Successful organizations emerge and grow because they systematically define and exploit opportunities. They cause desired things to happen!”

Introduction:

The purpose of planning for a nonprofit organization is to determine what it wants “To Be” in the future and then to create a plan to close the gap between its current status and its ideal, “To Be” state. Planning makes the future of the organization something that is tangible and concrete... “if you can’t measure it, you can’t manage it!”

Ideally, planning helps a nonprofit organization to describe in words and actions, a clear picture of what the organization wants to “look like” in the future.



“The best way to plan the future... is to create it!” - Peter Drucker

It is important to note that with a small or startup nonprofit, planning may simply involve conducting a brainstorming session with the Board, staff and volunteers. Or, with a large, well-established and sophisticated nonprofit, it may need to carefully plan and facilitate a large-group “visioning” session where the organization creates a consensus-built picture of what they want to be.

The many possible roles of a nonprofit raise hard questions...

1. What business are we truly in?
2. Who are our primary stakeholders?
3. Do we lead or respond to the marketplace?
4. Are we successful now? How do we know?
5. What will success look like in the future?
6. How can we ensure our ongoing relevancy?
7. How do we balance scope with capacity?

...Planning can provide the answers!

In addition, as shown in the graph below, the process of Planning helps the organization to proactively grow its **Scope** of services while systematically broadening its **Capacity** to fulfill its mission without burning out staff, discouraging volunteers and frustrating the Board.

In addition, planning helps move an organization from being “personality-driven” to be “planning-driven!” The planning process decreases the vulnerability the organization has when its entire operation is dependent upon a single person... typically the founder. The process may also serve as the foundation for succession planning when an organization is fortunate enough to be able to prepare for a change in leadership before it is has to, due to the death of a leader or their abrupt departure due to poor health, blatant incompetency or other, unforeseen, circumstances.



Planning is a transformational process for a nonprofit organization and everyone associated with it, should play a part in the process. This is essential to create buy-in when it comes to managing the change that will result from decision made during the planning process.

Planning may be needed for many reasons. Be sure that the process used matches the needs of the organization. Too often, all planning is lumped together and called *strategic planning*. However, not all planning is alike, so be sure to use the one that is a proper fit.

Types of Planning:

1. **Tactical Planning:** *short-term, “ad hoc,” typically has a single focus and closure like planning to build a new facility.*
 2. **Long-range Planning:** *1-3 year horizon, incrementally builds on past accomplishments, not strategic but does help ensure continuity when the environment is stable and predictable.*
 3. **Strategic Planning:** *3-10 year horizon, sets a future vision unencumbered by past or current realities and truly stretches an organization to transform itself over time.*
 4. **Scenario Planning:** *uses plausibility of alternative “realities” to identify a relevant course of action and is often most relevant when the organization is about the face predictable roadblocks to its continued success that are expected such as loss of government funding.*
 5. **Hybrid Planning:** *this may be a combination of any or all of the above and is typically best used when the organization has a diverse set of decision makers who need to come together and develop an approach to planning that everyone can support.*
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Planning Model:



Organizational Assessment: A comprehensive, objective determination of internal & external factors that could or do impact the organization.

Vision: Defines a future, ideal state!

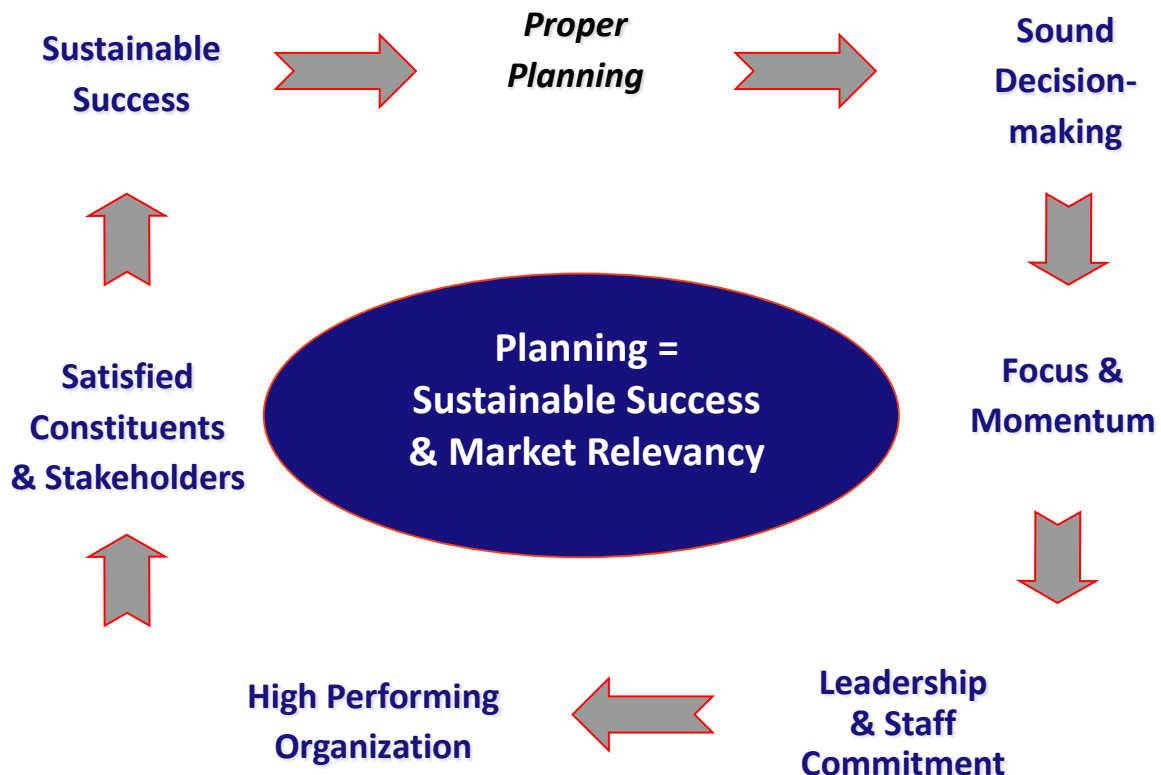
Mission: Answers the questions, “Why do we exist?” “What is our purpose?”

Goal Areas: Broad areas of activity such as 1) services, 2) facilities, 3) public relations, 4) staff development, 5) board development, 6) fundraising.

Objectives: A series of time-limited, measurable activities that roll up to the goal areas.

Action Steps: Day-to-day activities necessary to achieve specific objectives.

The role of proper planning in the sustainable success and market relevancy of a nonprofit organization cannot be overstated as shown in following model:



When proper planning occurs, it can make the difference between a nonprofit being marginally effective and in a continuous struggle for survival or a nonprofit that flourishes. The following list provides the key guidelines to ensure your planning process is successful.

Keys to Successful Planning:

1. Be Inclusive
2. Build Consensus
3. Treat Nothing as Sacred
4. Take a “No Excuses” Approach
5. Make Data-Driven Decisions
6. Ensure Measurability and Accountability
7. Be Future Focused
8. Be Sure to Use the Plan
9. Build in Follow-Up

It is equally important that the planning process for a nonprofit not fall prey to any of the most common reasons that planning fails.

Common Pitfalls to Successful Planning:

1. **Stuck in the Present** - leadership is so engrossed in current problems that it spends little time on planning, and the process becomes discredited among other managers and staff
2. **Trying to Delegate Planning** - leadership's assumption that it can delegate the planning function to a planner
3. **Irrelevant Goals** - failure to develop organizational goals that are appropriate as a basis for formulating plans
4. **Lack of the Right Culture** - failure to create a climate in the organization which is passionate about instead of resistant to planning
5. **Exclusiveness** - failure to assure the necessary involvement in the planning process of those impacted by the plan
6. **Segregation** - assuming that planning is something separate from operations
7. **Plans as standards** - failure to use plans as standards for measuring managerial performance instead of allowing workarounds
8. **Improper Status** - failing to place planning at the top of the organizational hierarchy
9. **Lack of Ownership** - failure to ensure that planning is part of everyone's job description and is part of their performance appraisal and compensation criteria
10. **Wrong Solution** - when something else needs to be done to improve an organization but planning is done instead.
11. **Fear of Loss of Control** - the opposite is true... the less you plan the less you can control
12. **Failure to Drive Change** - underestimating the challenges of change



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John Curtis, Ph.D. is a senior nonprofit consultant, researcher, organizational development specialist, and business trainer. His experience spans 35 years and involves providing a wide array of consulting services to nonprofits nationwide. He began working in the nonprofit sector in 1973 and has developed a proven track record in bringing sound organizational principles and leadership practices to hundreds of nonprofit boards, executive directors, management teams and frontline staff. He has lead 125+ strategic planning initiatives, conducted 75+ organizational inventories, has completed 18+ community assessments and provided hundreds of hours of nonprofit human relations training. John has a strong research background incorporating proven research methodology based on an academic foundation. As a result of his experience, his organizational research initiatives reveal practical and relevant information that organizations use to make data-driven decisions that result in measurable improvement in outcomes. He specializes in creating and implementing comprehensive organizational development interventions that achieve greater client satisfaction, enhanced employee commitment and increased organizational performance. In addition to being a member of the NDI faculty, he also teaches for the Rollins College Philanthropy & Nonprofit Leadership Center in Florida and the Duke Nonprofit Management Program in N. Carolina and Virginia.

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