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# DRIVING STRATEGIC PLANNING

A NONPROFIT EXECUTIVE'S GUIDE

SECOND EDITION

BoardSource®

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# CONTENTS

<b>INTRODUCTION</b> .....	<b>1</b>
<b>CHAPTER 1: STRATEGIC PLANNING: DEFINITIONS AND BENEFITS</b> .....	<b>5</b>
What Strategic Planning Is .....	5
What Strategic Planning Is Not .....	6
Why Organizations Should Plan .....	6
Ways to Address Common Concerns and Complaints .....	9
<b>CHAPTER 2: THE PHASES OF STRATEGIC PLANNING</b> .....	<b>11</b>
Phase 1 – Planning to Plan .....	11
Phase 2 – Understanding the Context .....	16
Phase 3 – Agreeing on Purpose and Direction .....	19
Phase 4 – Moving from Vision to Action .....	21
Phase 5 – Monitoring Progress .....	24
<b>CHAPTER 3: PARTICIPANTS' ROLES AND RELATIONSHIPS</b> .....	<b>31</b>
Key Stakeholders and Their Roles .....	31
Achieving Balance in the Process .....	37
Common Obstacles in Planning .....	38
<b>CHAPTER 4: COMPONENTS OF A STRATEGIC PLAN</b> .....	<b>41</b>
Who Gets What Version of the Strategic Plan? .....	41
<b>CONCLUSION</b> .....	<b>45</b>
<b>APPENDIX I: RECRUITING THE STRATEGIC PLANNING TASK FORCE</b> .....	<b>47</b>
<b>APPENDIX II: CHARTERING THE STRATEGIC PLANNING TASK FORCE</b> .....	<b>49</b>
<b>APPENDIX III: METHODS OF GATHERING INPUT</b> .....	<b>52</b>
<b>APPENDIX IV: SAMPLE TREND ANALYSIS</b> .....	<b>54</b>
<b>APPENDIX V: SAMPLE VISION PRIORITIES, GOALS, AND ACTIONS</b> .....	<b>57</b>

**APPENDIX VI: WORKSHEET FOR INVOLVING PARTICIPANTS . . . . . 59**  
**APPENDIX VII: HOW TO CHOOSE A STRATEGIC PLANNING CONSULTANT . . . . . 61**  
**APPENDIX VIII: SAMPLE CLIENT-CONSULTANT AGREEMENT . . . . . 65**  
**APPENDIX IX: ABOUT THE CD-ROM . . . . . 67**  
**SUGGESTED RESOURCES . . . . . 69**  
**ABOUT THE AUTHOR . . . . . 71**

# INTRODUCTION

Strategic planning. The process can be hard to visualize, unless you have been through it. Even if you're familiar with strategic planning, the effort probably conjures up thoughts of hard work, conflicting agendas, and endless meetings.

Strategic planning is all of those things, but the results are worth the effort. Leading the organization through the process of determining what it wants to be and how it will turn that ideal into a reality is one of the most important things a chief executive can do. Strategic planning allows the key stakeholders to get on the same page with respect to the organization's priorities and long- and short-term work. An organization's vision cannot be achieved until that happens.

An analogy may apply here: A ladder is a tool for reaching a destination that is not within reach without it. Climbing a ladder requires placing one foot after another on the rungs. Likewise, an organization might be productive and efficient — methodically climbing the ladder — without taking time to agree on a strategy for the future. There is little point, however, to such productivity and efficiency if, upon reaching the top of the ladder, you find yourself in the wrong place.

Strategic planning requires that before you buy the ladder and set foot on it, you have thought about where you are going and have had thoughtful conversations with others. Organizations that spend time thinking and debating *on a continuous basis* about where to place the ladder are more likely to be effective in planning and achieving their goals.

As the pivotal person in the organization, the chief executive initiates and guides the planning process with the board, staff, and community. This book was written for the nonprofit chief executive to help revise an existing strategic plan or begin the strategic planning process for the first time. The book will help

*Before engaging in the strategic planning process, I had never understood its value. Without question, it is the reason for our program's expansion, income diversification, sustainability, and increased community awareness.*

Suzanne Greenberg, Chief Executive, Child Abuse & Neglect Council of Saginaw, Michigan

- successfully obtain board support and participation in planning
- engage the right stakeholders at the right times in the planning process
- identify and manage the various phases in the process of strategic planning

The material presented here will *not* tell you what goes into your plan — it is not a do-it-yourself guide to content (for further information on strategic planning material, see the Suggested Resources section at the end of the book). The book *will* provide

- a roadmap to the comprehensive planning process with particular emphasis on the steps to take in order to optimize contributions from your board and staff
- advice about who to invite to the process and why
- guidance on how to structure and manage conversations with key stakeholders in order to create a new strategic framework for the organization
- ideas for how to extend the process to include continuous evaluation of how well the organization is staying focused on *planning* and *executing* the plan

Of course, strategic planning takes time. Strategic planning is most successful when the leaders driving the process recognize this and allow time for gathering data, discussing context, sharing ideas, and agreeing on what needs to be done. When staff and volunteers can see their own reflection in the plan that they helped create, they are more likely to commit time and energy to implement it. Throughout the book, the challenges of both chief executives and boards are illustrated with the story of Coats and Ties, a fictional nonprofit going through the strategic planning process.

Just as strategic planning follows a logical sequence to the creation of a written plan, the chapters of the book will lead you to a vision of what your plan could be.

**Chapter 1 — Strategic Planning: Definitions and Benefits.** The book begins by clarifying what strategic planning is and what it is not. This chapter provides a solid rationale for strategic planning that will help you make the case to others.

**Chapter 2 — The Phases of Strategic Planning.** Many people are confused about what steps to take to complete a strategic plan. This chapter takes you through the process and breaks it down into five phases.

**Chapter 3 — Participants' Roles and Relationships.** People are the most important element in strategic planning, and they need to be clear about their roles and their contributions. This chapter helps the chief executive find the right balance of managing people and process to foster agreement about the strategic plan.

**Chapter 4 — Components of a Strategic Plan.** So what does your strategic plan look like when you are finished? This chapter provides an outline to help you visualize the outcome of the planning process. The chapter not only prompts decisions about what will go in the plan but also helps you determine who should be involved.

In addition, the appendices provide a wealth of information to help you create a planning task force and choose a consultant. The appendices (listed below) also contain some useful samples and worksheets

Appendix I — Recruiting the Strategic Planning Task Force

Appendix II — Chartering the Strategic Planning Task Force

Appendix III — Methods of Gathering Input

Appendix IV — Sample Trend Analysis

Appendix V — Sample Vision Priorities, Goals, and Actions

Appendix VI — Worksheet for Involving Participants

Appendix VII — How to Choose a Strategic Planning Consultant

Appendix VIII — Sample Client–Consultant Agreement

Appendix IX — About the CD-ROM

In the back of the book, you will find a CD-ROM called *Presenting: Strategic Planning — Choosing the Right Method for Your Nonprofit Organization*. This tool will help you and your board understand different approaches to strategic planning and choose the one that is most appropriate for your organization.

After reading this book, you should have:

- clarity about what strategic planning is and is not
- an understanding of why it is important to have a strategic plan
- enthusiasm to begin planning successfully
- commitment to plan and make planning a way of life in your organization

Ladders enable us to reach new heights. Similarly, the process of strategic planning can help your organization achieve its lofty goals. This book will help you get started.