

Dusting Off Strategic Planning NAFC Summit 2009 – San Diego

When done well, a strategic plan is a dynamic process that adapts to an ever-changing environment. As such, it will not be a document that collects dust on a shelf!

At the conclusion of this presentation, participants will be able to:

1. identify the basic steps of a strategic plan and methods for keeping the plan relevant and impactful,
2. explain the importance of strategic planning to their staff and board members,
3. understand the benefits of and how to contract with an outside facilitator (volunteer or paid), and
4. leave with resources (including a plan to plan!) for implementing a strategic plan at their Clinic.

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THE STRATEGIC PLANNING PROCESS*

Strategic planning is the process of determining what an organization intends to be in the future and how to get there.

Step One: Create and Organize the planning process

- Develop a customized planning process and timeline
- Gain commitment from participants for the planning goals, process, and timeline
- Collect needed data from which strategic decisions can be made

Step Two: Clarify the current organizational mission

- Review the current vision and/or mission of the organization

Step Three: Identify organizational constituents

- Identify which groups, organizations, etc. effect or are affected by the organization

Step Four: Clarify organizational mandates

- Identify formal and informal constituent mandates
- Determine what is and is not expected of the organization based on these mandates

Step Five: Assess the internal organizational environment

- Identify and analyze internal organizational strengths and weaknesses

Step Six: Assess the external environment

- Identify and analyze external threats and opportunities

Step Seven: Create a vision of the future

- Visualize and document a proactive vision for the organization's future

Step Eight: Identify critical organizational issues

- Based on earlier steps, develop and prioritize critical issues needing to be addressed

Step Nine: Develop critical issue objectives

- Identified critical issues are turned into proactive issue objectives

Step Ten: Formulate strategies to address critical issues

- Develop strategy options, develop action steps and time-lines for each strategy

Step Eleven: Identify evaluation processes and timelines

- Identify how and when progress toward addressing critical issues is evaluated

Step Twelve: Create the strategic plan report

- Write draft plan and have planning team members review it
- Complete final plan and disseminate for implementation

* Developed by Gary Kelsey, Ed.D.

Dusting Off Strategic Planning

Ideas for Getting More Out of Your Plan

Strategic planning has a reputation for being an exercise in futility. Too often the process is long and drawn out or the steps are ambiguous and frustrating. Even when the process does go well and a plan is created, a year or so down the road the plan is often found collecting dust on a shelf. So why do it? A strategic plan has many benefits and uses that are not always considered. Here is a brief list of some obvious and not-so-obvious benefits to investing in the process.

Benefits of the Process

1. Planning sessions can serve to bring teams together. Participants who may not have regular interactions are brought together and can develop valuable relationships.
2. Participants gain a global view of the organization that may not be readily available in everyday situations.
3. The process offers participants the opportunity to put down their specific everyday work and think strategically about the organization as a whole.
4. Through surveys and focus groups, stakeholders can express their opinions and “be heard.”
5. Strategic planning teaches a structured approach to problem solving.
6. Planning develops ownership in the organization and the resulting plan. Inviting key donors and/or influential community leaders may be used as a cultivation tool.

Benefits of the Completed Plan

7. Strategic planning can be defined as *the process of determining what an organization intends to be in the future and how to get there*. As such, the plan serves as a map to lead the organization into the future. The board and staff can use this foundational document to make decisions and focus on what is truly important.
8. A plan not only is a great tool for leading the organization, it can also be a great tool for fund raising! Sharing a well designed plan can help bring donors on board in a big way.
9. Grantmakers also like to see strategic plans. It provides them an understanding of where the organization has been and where it is going.
10. The document itself creates an important historical record for the organization, detailing what decisions were made as well as the context of that decision (the why).
11. Strategic plans prevent mission drift. Thus current fads and donations incongruent with the mission do not sway the organization.
12. A completed strategic plan provides a basis to measure success. Yogi Berra famously said, “If you don't know where you are going, you might wind up someplace else.” Evaluation strategies within a strategic plan will help your organization hit the mark.

“Although strategic planning can provide all these benefits, there is no guarantee that it will” (Bryson, 2004). To achieve a strategic plan that will lead and inspire for years to come, provide a committed organization, a skilled facilitator, and ample time. Your results will be pleasing!

Inside or Out?

Selecting a Strategic Planning Facilitator

Every strategic planning process starts with a plan to plan. As the key stakeholders come together, they must decide who will lead the process. This critical decision has the power to put the plan and its implementation on a trajectory for success or failure. Many land mines can be avoided with the counsel and guidance of a skilled strategic planning facilitator. Here are some tips to help your group select the right leader for this process.

1. **Look outside.** A common temptation is to select a facilitator from within the key stakeholder group (i.e. executive director, board member, or key volunteer). Whether paid or pro bono, there are a number of advantages to bringing in a skilled outside facilitator.

First, the facilitator has a disinterested or unbiased perspective on the direction of the organization. Thus the facilitator can avoid steering the group toward a particular direction or decision, as well as the perception that he or she has a hidden agenda. Inside agendas can taint the integrity of the process and thus your plan.

Second, an outside facilitator is better positioned to challenge the group's assumptions. Part of the role of a facilitator is to push the group to think in new ways about the organization and its future. In addition, the facilitator should work to balance the power of the group members so that all voices are heard. The outside facilitator is less restricted by the social and power dynamics of the group and can thus keep the best interest of the organization a priority. An inside facilitator may be unwittingly influenced by a personal relationship with a major donor or powerful board member.

2. **Check the fit.** Your group is placing a tremendous trust in the facilitator. The quality of the process and resulting plan will reflect on the organization. In addition, the organization is investing significant time and financial resources in the process. The facilitator must be a good fit for your group's culture and needs. When selecting a planning facilitator, take time to understand their qualifications, philosophy, and work style, just as you would if hiring an employee.
 - a. Have they led this process before? How many times?
 - b. Where did they learn to lead strategic planning?
 - c. Why are they a strategic planning facilitator?
 - d. Do they understand the unique needs and culture of nonprofit organizations?
 - e. Have they worked with volunteers? How do they approach working with volunteers?
 - f. Do they have references?
 - g. Can you see an example(s) of a plan(s) they led?

Inside or Out?

Selecting a Strategic Planning Facilitator
(Continued)

- h. What is their preferred planning process? Are they flexible with the process?
 - i. Do you like the facilitator? Is he or she dynamic and engaging? Do you feel the facilitator projects credibility? Remember, you and your group will spend a significant amount of intense time with this person. The process will suffer with a facilitator who understands the process but lacks the skills and personality to keep the team motivated and engaged.

- 3. **Set Expectations.** It is important from the beginning of the process to understand who is responsible for what. Having an initial open conversation with your facilitator will help to avoid misunderstandings that can derail the process. In many cases, a written memorandum of understanding or contract is appropriate and helpful (even for volunteer facilitators!). Here are some areas to consider:
 - a. What is the process? Key stakeholders responsible for selecting the facilitator should have a basic understanding of each step of the process, how long each will take, and what is needed prior to the first planning meeting.
 - b. What will the process cost? Does the facilitator charge a fee? What about expenses? Which ones? Is there a limit or estimate on expenses? If the process is unsuccessful, who is responsible and how? Note: even with volunteers there is often a cost; there may be an expectation for a reference, meals, mileage, or other things. It is best to get these expectations on the table from the start.
 - c. What is the schedule for the planning meetings? Will the process be conducted as a one-time retreat or over a series of meetings?
 - d. Who will participate in the planning process? Only the board? Board and staff? A designated planning team? Anyone who wants to come? Is the group expected to have a certain minimum or maximum level of attendance?
 - e. Who selects and secures the site? Who is responsible for bringing needed supplies such as flip chart paper, markers, and sticky-notes? What other resources does the facilitator/group need to be successful in the process?
 - f. Who is responsible for recording the data collected in the group sessions? How will the data then be distributed to the group members and other stakeholders?
 - g. Who is responsible for writing the final report? Who will edit it?
 - h. What happens when more time is needed? Will the facilitator be available? Will there be an extra cost?
 - i. Is the facilitator willing to provide follow-up services on the plan such as consulting on implementation? Can the facilitator return to lead an evaluation session or progress session periodically through the plan duration (e.g. year one, two, and three)?

Favorite Resources

Organization Development & Strategic Planning

- Allison, M. & Kaye, J. (2003). *Strategic Planning for Nonprofit Organizations: A Practical Workbook and Guide* (2nd Ed.). San Francisco: John Wiley. This is a great book for capturing the concepts of strategic planning and as a tool for leading a simplified strategic planning process.
- Bolman, L. G. & Deal, T. E. (2003). *Reframing Organizations: Artistry, Choice, and Leadership* (4th ed.). San Francisco: Jossey-Bass.
- Bryson, J. (2004). *Strategic Planning for Public and Nonprofit Organizations* (3rd Ed.). San Francisco: Jossey-Bass. An authoritative and very thorough text on strategic planning.
- Collins, J. (2001). *Good to Great: Why Some Companies Leap and Others Don't*. New York: Harper.
- Collins, J. (2005). *Good to Great and Social Sectors: Why Business Thinking is Not the Answer*. Monograph.
- Horan, J. (2007). *The One Page Business Plan for Nonprofit Organizations*. Berkeley, CA: The One Page Business Plan Company. This resource is not a replacement for a full strategic planning process, but is helpful in planning smaller efforts.
- Kouzes, J. M. & Posner, B. Z. (2002). *The Leadership Challenge* (3rd ed.). San Francisco: Jossey-Bass.
- Lencioni, P. (2002). *The Five Dysfunctions of a Team: a Leadership Fable*. San Francisco: Jossey-Bass.
- Schein, E. H. (2004). *Organizational Culture and Leadership* (3rd Ed.). San Francisco: John Wiley.
- Senge, P. M. (1990). *The Fifth Discipline: the Art and Practice of a Learning Organization*. New York: Doubleday.

Volunteer Management

- Corporation for National & Community Service. Available online: <http://nationalserviceresources.org/> This site hosts a large collection of both free and paid resources for volunteer and project management.
- Herman, R. & Associates. (2005). *The Jossey-Bass Handbook of Nonprofit Leadership & Management*. (2nd ed.). San Francisco: John Wiley & Sons. – This is a must have for every nonprofit manager's library. It has resources on a range of nonprofit topics including volunteer management.
- International Journal of Volunteer Administration. Available online: <http://www.ijova.org/>
- [ServiceLeader.org](http://www.servicelider.org) – An extensive online library of free volunteer resources.

Governance

- Andringa, R. C., & Engstrom, T. W. (2007). *Nonprofit Board Answer Book: Practical Guidelines for Board Members and Chief Executives* (2nd ed.). Washington, D.C.: BoardSource.
- Chait, R. P., Holland, T. P., & Taylor, B. E. (1996). *Improving the Performance of Governing Boards*. Phoenix: Oryx Press.
- Chait, R. P., Ryan, W.P., & Taylor, B.E. (2005). *Governance as Leadership*. Washington, D.C.: BoardSource.
- Hafele, B.A. (2008). *New Board Member Integration: Orientation for Success*. Unpublished master's capstone, Saint Mary's University of Minnesota. Available by request from the author.
- Houle, C. O. (1989). *Governing Boards: Their Nature and Nurture*. San Francisco: Jossey-Bass. – This is a must-have book for anyone who wants to learn the essentials of governance.
- Taylor, B., Chait, R., & Holland, T. (1996, September). The New Work of the Nonprofit Board. *Harvard Business Review*, 74(5), 36-46.

The Right Start

Integrating New Members

It is easy to forget that board members are volunteers too. Just like any other volunteers, board members need to get off to the right start. Here are a few thoughts on how.

Significant numbers of board members are struggling with their roles as governors of their nonprofit organization and for good reason. Taylor, Chait, and Holland (1996) say it best: “Effective governance by a board of a nonprofit organization is a rare and unnatural act” (p. 44).

With the explosive growth of the nonprofit sector coupled with increased scrutiny of nonprofits, effective board governance is becoming increasingly more important. Yet so many boards do it poorly to the disservice of the organization and its clients. Helping new members practice and embrace their role is critical to sustaining a good board. Best practices go beyond a simple one-hour orientation and instead focus on new board member integration as a process. Here are some steps you can try to help your new board members get the best start:

1. **Recruit the right members first.** Using a board member agreement, inform the candidate of expectations before voting in the member. Ensure the member is passionate about the organization and not simply selected for his or her money/influence/etc.
2. **Conduct an orientation.** A good orientation should include A) an overview of the nonprofit sector and how it differs from business and government, B) an organizational overview including history, bylaws, finances, programs and services, strategic plan, key organizational relationships, and fund raising practices, C) specific details of the board including composition and structure, operations, consultants, a recommended reading list, and a board calendar, D) an overview of board roles and responsibilities. Orientations are often conducted in two parts so members can absorb the material better.
3. **Use a board manual.** Whether using a three-ring binder or the Internet, a board manual provides new members with pertinent organizational information at their fingertips. Manuals may include financials, bylaws, meeting minutes, board roster, training articles, biographies of key staff, the strategic plan, and the organizational chart.
4. **Develop mentorships.** A mentorship between a new member and a veteran member can expedite the integration process. The mentor is encouraged to sit next to the mentee during meetings, answer questions, and help translate the culture. Mentors must be carefully matched to ensure that the mentees feel welcome and receive quality leadership.
5. **Encourage special projects.** Engaging the new member in a special project provides an opportunity to build upon the orientation, enhance the new member’s personal commitment, and develop leadership skills. First projects should set the new member up for success, have “pleasant aspects,” and be “carried on in association with other board members” (Houle, 1989).

Notes

