BASIC STRATEGIC PLANNING FOR NONPROFITS

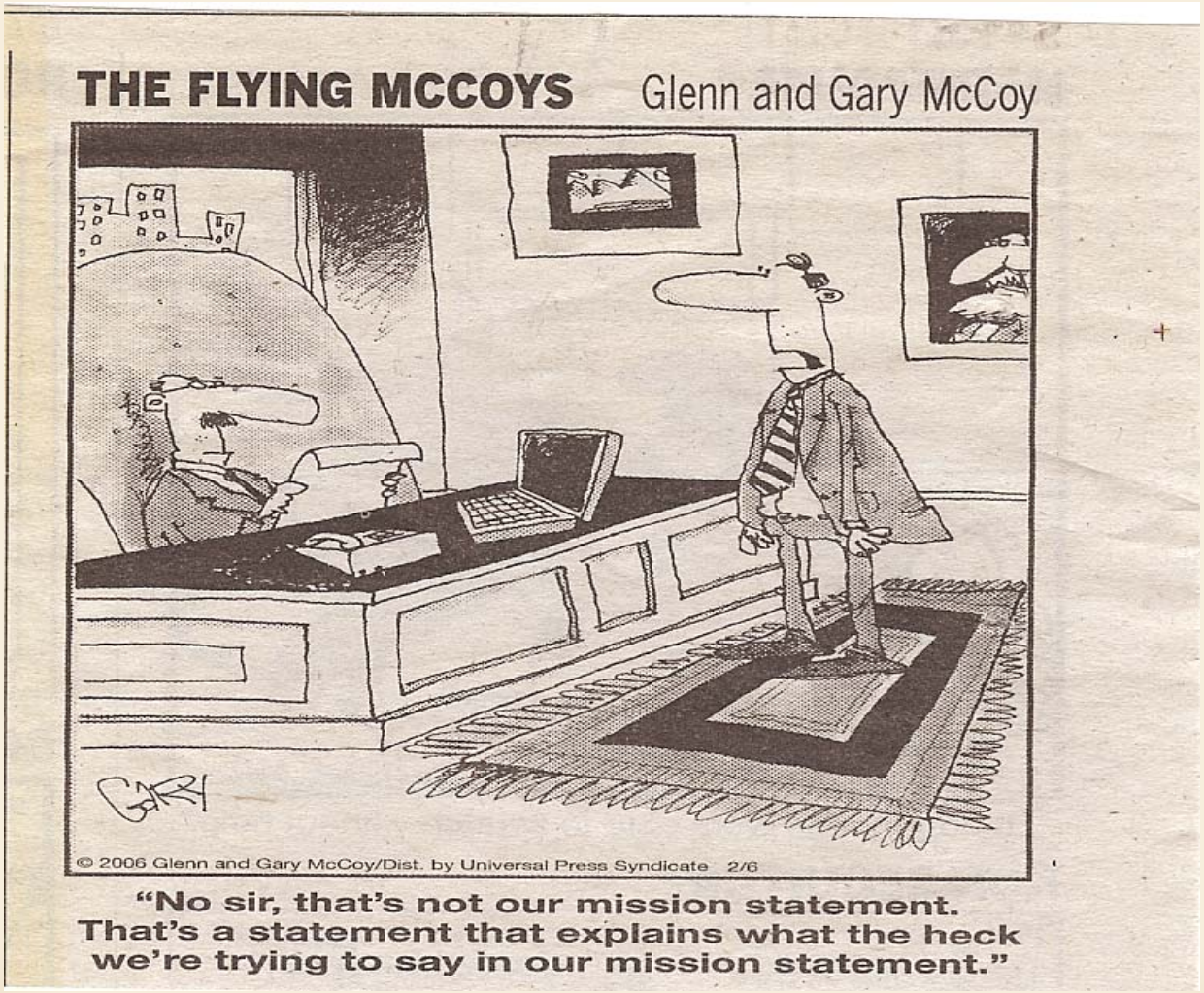
CAPACITY BUILDING SERIES

Center for Faith-Based & Neighborhood Partnerships

YOU MUST HAVE A PLAN TO BE SUCCESSFUL!

If you don't know where you are going, you will never get there!

Rocky Mountain News, February 6, 2006



WHAT IS STRATEGIC PLANNING?

- An organized, documented method of setting agency objectives and defining how they will be accomplished.
- It describes how an organization will get to where it wants to go

AND

- It describes how it will know if it got here.

EVALUATE YOUR NEED FOR A STRATEGIC PLANNING PROCESS?

	Name:(optional)	5 Very Good	4 Good	3 Fair	2 Poor	1 Very Poor
1	Board members clearly understand the roles and responsibilities of a Board					
2	Board members understand the organization's mission and its products and/or programs					

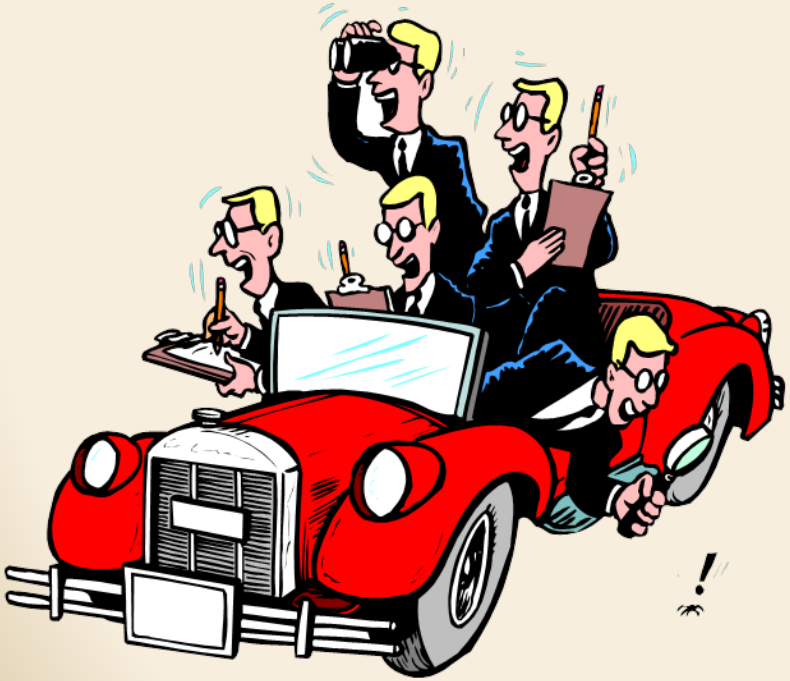
Ideally an outside entity tallies the survey and reports to the board. Or a member can evaluate the responses and report to the board.

WHY DO WE PLAN?

- “Will you tell me please which way I ought to go from here?” said Alice.
- “That depends a good deal on where you want to get to,” said the cat.
- “I don’t much care where,” said Alice.
- “Then it doesn't matter which way you go,” said the cat.

From “Alice’s Adventures in Wonderland” by Lewis Carroll

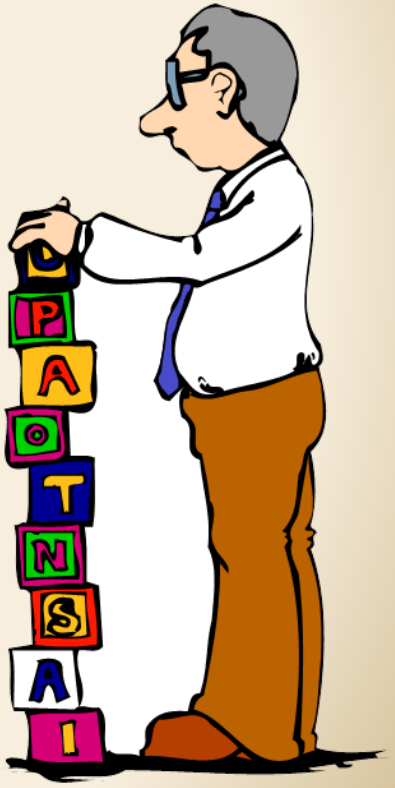
WHAT ARE THE BENEFITS OF STRATEGIC PLANNING?



- Improve organizational performance
- Provide focused and realistic direction for Board and Staff
- Build team agreement about where the agency is going and how it will get there
- Improve resource development efforts

INITIAL STRATEGIC PLANNING STEPS

- Get Ready to Plan
- Get commitment from stakeholders to participate
- Prepare an analysis of your organization to establish a baseline of past accomplishments and current commitments, programs and projects



STRATEGIC PLANNING PROCESS

- Review or update agency vision, mission, and values
- Assess internal strengths and weaknesses, external opportunities and threats
- Define agency goals and objectives
  - Identify program goals and objectives
- Establish SMART Action Plans to meet identified goals and objectives
- Implement Plan
- Evaluate progress

SMART = Specific, Measurable, Agreed-upon, Realistic, Time-bound)

STRATEGIC PLANNING PROCESS

Review / update the organization's mission

MISSION STATEMENT

- **Clear, concise, easy to remember**
- **Describes purpose of organization**
- **Answers questions about organization: who, what, why, for whom, and where?**
- **Focuses on purpose/outcomes, not methods**

MISSION STATEMENT

Example:

<u>FamilyWorks</u>, a food bank and family center, nourishes and strengthens individuals and families by connecting people with support, resources and community.

Strategic Planning Process

Review or update the organization's vision

VISION

A statement of what the world will be like after you have achieved your mission

Example:

Our vision is a vibrant and healthy community with strong, well-nourished families as the foundation. (FamilyWorks)

Strategic Planning Process

Review the organizations values

VALUES

- **Values are the primary beliefs or guiding principles of the organization**
- **Guide employees through daily tasks**
- **May not be formally stated**

Examples: Excellence, accountability, dignity, respect, innovation, collaboration, empowerment

S.W.O.T Analysis

A SWOT analysis is a tool used for understanding and organization's strengths, weaknesses, opportunities and threats.

It helps identify an organization's

Strengths

Weaknesses

Opportunities, and

Threats

ASSESS FIELD OF PLAY

List agency's

- **Strengths – Internal characteristics that help take advantage of Opportunities or that reduce Threats.**

  Ex: Experienced, productive staff
  Diverse income, strong balance sheet

- **Weaknesses – Internal characteristics that reduce ability to take advantage of Opportunities or that make organization vulnerable to Threats.**

  Ex: Lack of policies and procedures
  Ineffective Board of Directors

ASSESS FIELD OF PLAY

List agency's:

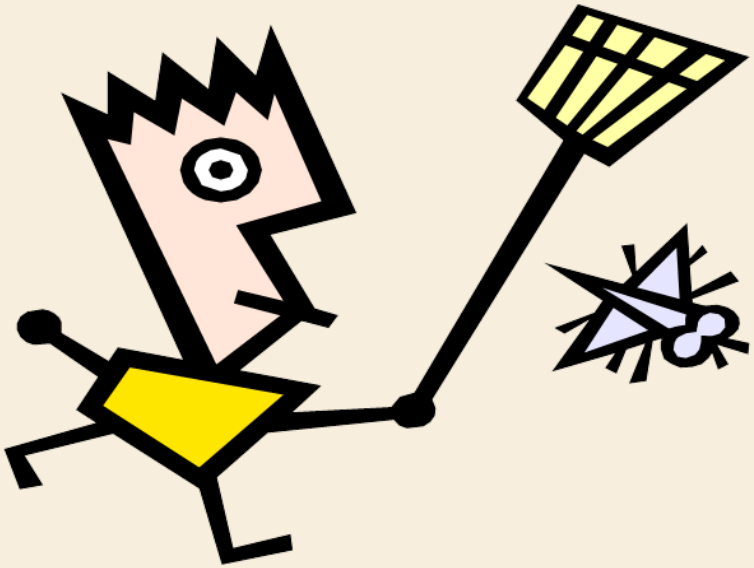
- **Opportunities – External factors that help organization be successful.**

  Ex: New City Council that supports cause
  Increased tax reduction for charitable gifts

- **Threats – External factors that could reduce organizational success.**

  Ex: Funding source priority change
  Closure of service partner's operation

Exercise



ADDITIONAL ELEMENTS OF A STRATEGIC PLAN

Targeted Neighborhood Service Area

- Outline geographical area of service

Collaborative Partnerships

- Who do you partner with and why?
- Identify stakeholders

ELEMENTS OF A STRATEGIC PLAN
(continued)

- Programmatic Approaches
  - The context in which you deliver your services
    - Population your program serves
    - Services provided

- Evaluation
  - What you will use to show that your project/program is successful
  - Identify Program Indicators

ELEMENTS OF A STRATEGIC PLAN (continued)

Action or Work Plans:

- Identify specific actions to be taken for goal accomplishments
- Identify roles and responsibilities
- Identify deadlines.
- Keeps the organization on track.
- Produce valuable information to help tell the organization's story in facts and not just anecdotes.

DRAFTING THE PLAN

- Board, staff and stakeholders list Preliminary Objectives for potential inclusion in final Plan

- Staff drafts Action Plans to implement each Preliminary Objective

REVIEW DRAFT ACTION PLANS

Executive Director and staff review Action Plans for:

- **Completeness**
- **Appropriate staff assignments**
- **Deadlines**
- **Resources needed for implementation.**

SAMPLE ACTION PLAN

Objective: Establish $100,000 Operating Reserve

Steps/Milestones to Complete 1st year Objective	Lead Person	Completion Date
1. ID potential sources	Exec. Dir	9/1/07
2. Make initial contact, discuss mission match	Exec. Dir. Asst Ex. Dir.	10/1/07
3. Submit funding applications	Grant Writer	11/1/07

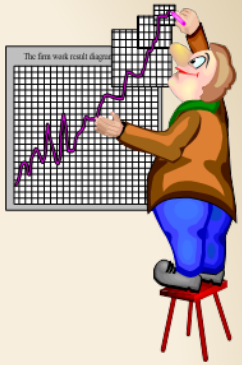
CONDUCT OVERALL FEASIBILITY ANALYSIS

- Does agency have capacity to pursue all objectives?
- What resources are needed? Adequate staff, physical plant, funds, …?
- How do internal and external conditions affect timing?

BOARD / STAFF DISCUSSION

Action plans are presented to the Board with recommendation to adopt, reject, or modify Program Objectives based upon analysis of the action plans, and how they meet the goals of the overall strategic plan.

EVALUATE the IMPLEMENTATION and PROGRESS of the PLAN



- ✓ Identify Plan "pulse-points" to assess progress
- ✓ Review Plan-completion progress on a regular basis during Board and Staff meetings
- ✓ Revisit and revise Plan as needed to stay on target
- ✓ Make sure one person has responsibility for tracking implementation of action steps and reports on progress to Board on a scheduled basis
- ✓ Use evaluations to adjust actions to ensure success

EXERCISE

TABLE TASK FOR YOUR ORGANIZATION

Determine the "best answer" to each of these questions.

1. Does your organization have a Strategic Plan?
2. Are you using SMART (Specific, Measurable, Agreed-upon, Realistic, Time-bound) goals / Action Plans?
3. Was the Plan created by both board and staff?
4. Is Plan progress regularly reviewed and updated?

CAPACITY BUILDING SERIES

Center for Faith-Based & Community Initiatives

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