

Strategic Planning

Guiding your organization in the effective pursuit
of it's goals

Learning Objectives

Objectives for the day:

- Arriving at an effective, working definition of strategic planning within your organization
- Understanding the various phases of strategic planning and how they combine towards the production of a actionable, broadly accepted plan
- Understanding the role of effective facilitation in this process
- Learning about the types of thinking and planning tools you have at your disposal
- Practice some approaches to facilitation

Intro to Strategic Planning?

Strategic planning is simply organizational work planning within a defined context - that's what makes plans strategic. You may already have plans that constrain why, how, where and when you attempt work - adding clear and careful data and narrative about the external and internal realities within which your plan must operate adds the strategic elements. But why should we carry out planning in such a manner?

Why do Strategic Planning?

Know thyself – what are we really in business to do?

What can we really achieve?

What makes us distinct?

To know our context better - to understand the parameters that constrain and limit our efforts. To learn the best ways to leverage our strengths and open up new opportunities.

To give you a robust choice making framework, grounded in the mission, objectives, operational knowledge of your organization.

To articulate the **big** questions you want to address, the **big** ways in which you can address them and whether they are in line with your vision and mission.

To enable effective, agreeable and achievable operational planning - the so-called SMART goals - **Specific, Measurable, Attainable, Realistic, Timebound**

What is Strategic Planning?

Strategic planning enables us to determine what we want to achieve and how we can achieve it, given some known context. It helps us in identifying the following:

- The problems we need to address
- The critical issues we should respond to
- The high-level goals and related operational objectives we want to achieve
- The most effective ways to channel organizational energy
- The capacity of our organization to achieve goals
- The core organizational priorities, with consideration for the available assets and resources

Strategic planning is usually carried out once every three to five years, generally in response to the funding cycles we operate within, or when there are significant, core changes in the external environment or in the organization. This can be a shift in the funding landscape, the departure of a senior staff member, etc.

Depending on the current state of your organization, you should decide on whether you need a plan for initial, visionary spin-up, continued competitive growth, as a response to a crisis, or to manage an innovative phase. It's generally better to focus on one area of strategic development for a single plan.

The values, mission and vision of an organization should exist in harmony with the situational analysis, strategic priorities, strategic plan, action/operational plans and M&E plans. Together, these components comprise your organization's **Strategic Framework**.

What is Strategic Planning?

Strategic Planning enables us to ensure that all stakeholders are working towards a common set of goals, in a agreed upon manner. It allows us to speak with confidence about what we are doing and what impacts we are having. It is often a crucial deliverable for funders and donors in an evidence-driven and results-driven climate.

"Ownership" of a strategic plan is often the difference between a useful document guiding organizational development, or a document that will sit on a shelf, potentially frustrating stakeholders. Thus, while it is often best facilitated from the outside, all strategic planning content must come from the organization itself.

Strategic Planning is hard - it requires a significant amount of energy and participation, careful facilitation and input from many different stakeholders. If done right it can pay significant dividends.

Beware of devolving into analysis paralysis - if you find a topic is becoming contentious and distracting the group from the discussion, assign the ongoing work to a subgroup made up of those involved in the ongoing discussion, and have them report back to the group.

Often in practice:

Strategic thinking belongs with the staff.

Tactical thinking belongs with the leadership/board.

Charting a path to success

5 step plan for effective strategic planning

- **Preparation** - Understanding why you are setting out to do this work
- Creating a Vision of the Final Destination: **Your Desired State**
- Establishing a clear picture of your starting point: **Your Current State**
- Choose the appropriate mission-based priorities and **set SMART Goals**
- Implementation/action/operational planning, measurement and adaptation: **Your M&E Plan**



Charting a path to success

Preparation - The 3 Why Questions

As a warm-up to strategic planning, check in with your board members/key leaders and key staff to learn why they are a part of the organization. This exercise is completed in pairs. One person is the questioner, and the other answers, then the roles are switched.

The questioner asks, **"Why are you involved in this organization?"** and listens attentively and supportively to the answerer. When they are done, the questioner asks, **"And why is that important?"** Listen, and then **repeat this question one more time.**

This process allows each person to share more deeply their reasons for supporting your organization, and often starts to get at the ultimate outcomes your organization exists to address.

The general discussion that can emerge here should broadly be reflected in the organization's mission and vision. That is, the WHY of a staff member's engagement should align itself with the WHY of the organization. The WHY helps to define the sense of purpose that should underlie strategic thinking, and precede the WHAT and the HOW.

Charting a path to success

Desired State - Visioning Headlines from the Future

This exercise can serve as the launching point for developing the organization's vision. It's also fun and lets people be creative and think out of the box. Working in small groups, create the front page news headlines for 3-5 articles that will appear about your organization 5 years in the future. These should be success stories about your sense of strategic priorities.

- In your group, agree on the title/headline
- Write up 5 or so points the article is making about the new state of play within your organization that have supported this headline
- Feel free to provide charts, graphs or pictures that highlight the main points of your article
- Include a sub-article on the "facts and data" - come up with some fun but possible facts about the organization's new size, revenue, clients served, etc.
- Discuss the history that led up to this headline and what you did to make these changes possible.
- Present your articles and stories to the group.

Working in small groups, this exercise should take approx. 25-40 minutes. At the conclusion, post "cover stories" on the wall and have each group present their work for discussion within the larger group. During discussion, the facilitator's job is to help distill this thinking down to a set of broadly agreeable strategic goals.

Charting a path to success

Desired State - Visioning If Money Wasn't an Issue

In nonprofits, we can often develop a sort of chronic sadness stemming from scarce resources. We no longer allow ourselves to dream big about what we might achieve. We shut people down, saying "we can't afford it!" or "that's not realistic to consider", "that's too radical". While grounding is crucial for effectively working within the sector, an open and energized mind is the key to defining innovative ways of moving forward.

If this sounds familiar, consider this discussion starter to help you imagine a more abundant future.

Divide into small groups of 3-5 if you have more than 8 people participating.

Each group should discuss the following question:

"If our organization received an unrestricted grant equal to half of our annual budget tomorrow, how would we invest the money? What might be possible that is not possible now?"

After about 20 minutes in small groups, have each group share their ideas in a large group discussion. Spend some time reflecting on the different patterns of thinking that become possible when using this open approach. During discussion, the facilitator's job is to distill this thinking down to a set of broadly agreeable strategic ideas, but it's important here to be creative, open and visionary, so don't rush to produce outputs - allow them to emerge organically.

Charting a path to success

Developing a clear idea of your Desired State

The primary goal with both of these previous exercises is to eventually be able to arrive at **3-5 Strategic Goals** which will form your eventual **Desired State** in your new strategic plan (you may of course already have a solid sense of these prior to beginning). Through discussion with your core planning group, examine each idea using the criteria below, using it as a filter to screen out potentially problematic ideas, or tweak them to increase their potential for success.

You can also facilitate a discussion around each of your emerging strategic priorities using key elements from the "filter" criteria below, along with a participatory exercise such as a Dotmocracy, to fine tune them and select your final set of **3-5 Strategic Goals**, your **Desired State**.

Our "Filter" Criteria:

- Does it help to advance the mission? Can you easily explain how?
- Does it build upon strengths or reinforce them?
- Can we pay for it? How does it alter our funding profile?
- Is there a sense that you can we assess it - measure it and it's potential impact? Will we be able to prove any of its potential impacts?
- Do we have the capacity and expertise to do this? Are we sure – have we consulted all relevant stakeholders (i.e. staff) appropriately?
- Can it allow us to form the best relationships with our volunteers, and ensure they have meaningful opportunities to contribute their time?
- Can we position ourselves as the best choice to get this type of work done?
- Can it enable us to better create appropriate alliances within the sector?
- How will our stakeholders respond? Our funders?

Charting a path to success

Current State - SWOT Analysis

Situational Analysis the standard way - SWOT

Understanding your starting point is a crucial step in understanding how you can reach your desired state. If strategic planning is about mapping a path from where we are to where we would like to be at some point in the future, then understanding where we are now is a crucial first step.

To do this, we can use a process call a SWOT Analysis, allowing us to gauge where our most competitive advantages are located within the organization, what are the organizational deficits we must prepare for, and what our external context looks like.

A SWOT analysis is designed to facilitate a realistic, fact-based, data-driven look at the strengths and weaknesses of an organization, its initiatives, and the sector. It is crucial that the organization keeps this type of analysis accurate and avoids pre-conceived beliefs or grey areas and instead focuses on real-life contexts. Organizations should use it as a guide and not necessarily as a prescription.

Charting a path to success

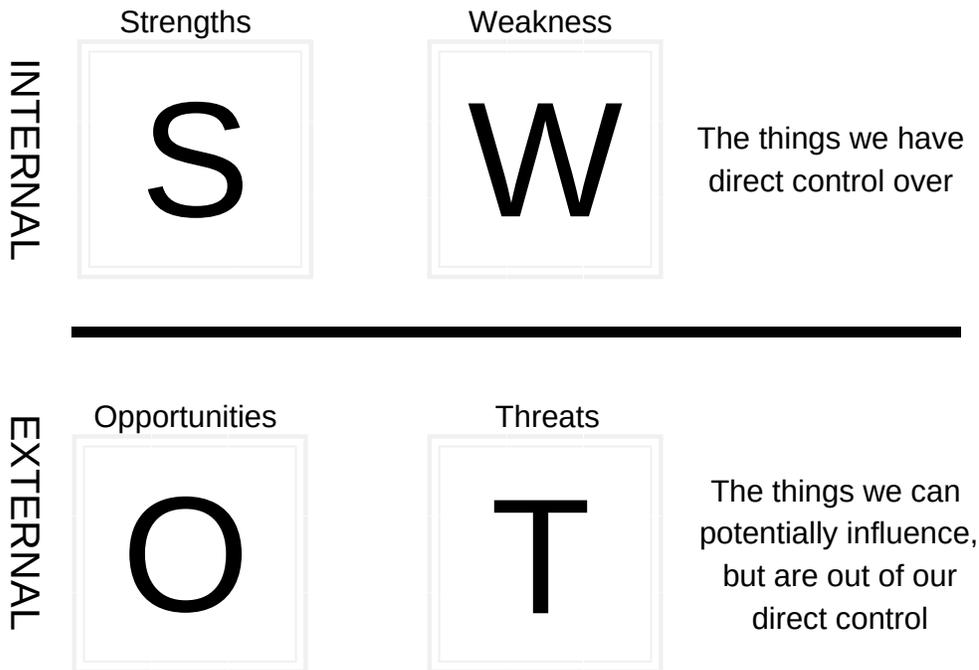
Current State - SOAR Analysis

Situational Analysis the new way - SOAR

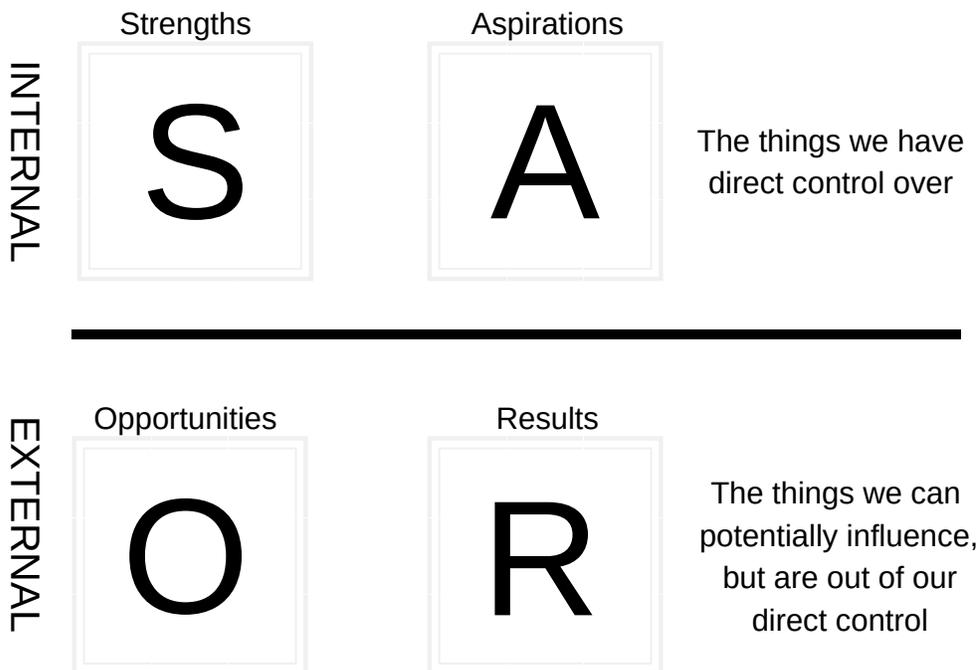
Over the past few years, an interesting reality has emerged from the nonprofit sector in relation to situational analysis. The traditional SWOT analysis is effective at helping us to define our starting point, however the process has been shown to deplete the energy an organization can leverage during strategic planning.

By being needs-driven as opposed to strengths or asset-driven, the SWOT analysis can spin downward into a negative analysis. To address this, the **SOAR** analysis was adopted from the Appreciative Inquiry movement. It is centred around strengths and opportunities and encourages an organization to build upon its successes and leverage the things it already does well as a jump-off point for engaging new work.

Situational Analysis - SWOT



Situational Analysis - SOAR



Charting a path to success

Setting Your SMART Goals

Who will do **What**, and **When** will it be done?

Now that you have established the start and end points of your Strategic Plan, it's now time to turn your attention to the tactics or intermediate objectives that will actually see the work being completed. These objectives exist for two major reasons:

- Allow you to perform accurate and grounded short and medium term operational planning and project management
- Allow you to establish accurate Progress Indicators or KPIs that will drive your monitoring plans.

This process is aided by exploring the sets of **assumptions** and **intermediate objectives** that will constrain your work. For example:

The Strategic Goal: Establish 2-3 strategic partnerships, allowing the organization to co-apply for a national tier of larger funds.

Assumptions:

- Others in the region/sector want to apply for these funds
- Others have the desire to form strategic partnerships
- Other have the capacity to work on such partnerships

Intermediate Objectives:

- Establish a working group with some key aligned organizations
- Facilitate a common visioning exercise to establish shared objectives
- Establish a set of TORs for potential partners and have 2-3 organizations accept these TORs

Charting a path to success

Setting Your SMART Goals

These objectives are your tactical objectives i.e., the individual things that will be worked at to move you along the path towards strategic success. This stage is very close to operational planning and will provide you with the indicators that can help you decide if you are working effectively, have assigned the correct types of resources and assets, etc.

You can apply the SMART lens to these action-oriented, tactical objectives to ensure they are being formed in the correct manner.

Specific – pertaining to a certain task or program

Measurable – quantifiable by date, outcomes, responsibility, KPIs

Attainable – doable within the time prescribed and with existing constraints, resources, assets, HR, etc.

Realistic – focused on short-term activities to gain longer term goals

Time-bound – a time frame for completion is established

Examples of SMART goals:

"The Education department will develop a new half-hour outreach presentation on drunk driving, including a written teacher's guide, by August 2017."

"The Board Fundraising Committee will develop a system of tiered giving circles for major donors, and create a written brochure describing the giving circles by December 2017."

Analysis, Monitoring and Evaluation

How do you know that this particular plan is the best way to achieve your long-term goals?

Pre-implementation Analysis of the SMART Goals

Well-defined and Comprehensible: Would a member of the public understand the plan? Is it clear?

Do-able: Are the services and activities likely to contribute to the desired outcomes and impact?

Plausible: Is it realistic? Do you have the capacity to achieve what you have planned?

Credible: Are people outside your organization likely to believe it? Is the evidence you include credible with your stakeholders?

Testable: Can you test the theory through observable indicators and measures?

Post-implementation Analysis of SMART Goals - M&E Plan

You examine your SMART goals and extract the progress indicators or KPIs from them. Plotted over the duration of the plan, these then become your M&E plan.