

Why is the Process So Important?

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In part one of this series, we discussed the why, what and who of strategic planning. Why do we need strategic planning? What does the plan include? What kind of plan do we need? Who should be involved in the process? So what kind of process do we need and why is it so important?

Too many organizations have undergone a poor or ineffective strategic planning process – the 4 hour “retreat” -- that results in an annual tactical plan, or work plan, and is one without true direction or vision. Understanding and agreeing on why we are embarking upon the journey of a strategic planning process is critical. The reality is NPO’s that desire to be truly effective at creating social change must have a strategic vision for where they want to go and an in-depth, multi-dimensional plan for how to get there, including managing potential detours. It certainly requires more than a 4 hour retreat of sharing ideas!

In the story of Alice In Wonderland, after Alice fell down the rabbit hole, she met the Cheshire cat, sitting in a tree, whom she asked in which direction she should start walking.

The Cheshire cat, grinning, asked, “Well, Alice, where do you want to go?”

“I don’t know,” was Alice’s reply.

“Well, then it really doesn’t matter in which direction you walk.”

Avoiding the rabbit hole or at least knowing what we might do if we happen upon or stumble down one, will be one of those inherent benefits of a well-crafted, strategically driven plan.

What kind of process and how we go about it is as important a question as any and the answer depends on several factors including what type or level of planning is needed and readiness of the organization. As was referenced in Part 1 of this series, an organization needs to determine what outcome is being sought and what is the purpose of planning to determine the level and type of planning process to undertake. Is it to evaluate and refresh its current vision-based plan? Is it to address rapid environmental change that requires scenario or contingency planning? Or is it an opportunity to revisit mission and set a new course of strategic thinking and vision?

Organizational readiness is also critical to a successful planning process. It is important to keep in mind that planning is not the same as problem-solving when there are unresolved internal issues. Consider the following readiness checklist:

- There are no immediate pressing issues to be resolved? Staffing? Board or leadership conflicts?
- There is not a financial crisis looming? *Vision based planning won’t work here. Short term contingency planning is the first step.*

- There is commitment and support from leadership, particularly the CEO, board chair and senior management, who understand the purpose of embarking on the planning process.
- The politics are straight – there are no hidden agendas and there is a trusting relationship among key players.
- It is realistic to make the commitment of resources to this effort -- board and staff time, capacity to do necessary research and gathering of required information, funds to cover costs of meetings and outside facilitator, etc.
- There is consensus about the desired outcomes of the process.
- There is willingness to question the status quo, ask the hard questions and face difficult choices if necessary.

So we believe we are ready and want to embark on this journey with the ultimate goal of developing a bold and compelling plan that articulates our organization's value proposition with the promise of forward motion. The following are the essential phases of a process to develop a 3-5 year multi-dimensional strategic plan. It will take time, energy and the willingness to commit the resources needed to complete the process.

1. Assessment (organizational, programmatic, operational)
 - a) What are our core values? What do we stand for?
 - b) Who are our core customers and stakeholders? What value do we offer to them?
(One of my favorite questions is "If your organization did not exist, would someone create it?")
 - c) What is the current situation?
 - i. Internal Analysis – consider organizational strengths and deficits (staff, board, infrastructure, etc.) and identify core competencies and where capacity might be lacking.
 - ii. External Analysis - research and understand the external environment and trends (competitors, consumers, funders) and how core competencies relate to community needs and competing forces.
2. Analysis of Information – Identifying Primary Issues and Emerging Trends
 - a) What does the information say about who we are and our role in the community?
 - b) Are customers changing? Their needs changing?
 - c) What are our key strengths and opportunities? What are our challenges?
 - d) What is our overall competitive advantage? Is there a new way of thinking?
3. Revisit and Refine Vision, Mission and Guiding Principles

- a) Revisit core values and establish or refine guiding principles for how our organization will operate.
 - b) Define vision – what is our preferred future?
 - c) Refine mission – a statement of overall purpose which describes what we do.
4. Formulate goals and strategies
- a) Consider your overall competitive strategy? What is our focus? How do we compete?
 - b) Establish a framework of function based on competitive strategy (organizational structure -programs, resource development, governance, marketing, etc. and infrastructure – technology, staff)
 - c) Identify 3-5 broad, primary long term goals– these are high level, achievable initiatives.
 - d) Develop measurable objectives within each goal – what are the steps to get there? These should be prioritized based on impact and effort.
 - e) Aligning the goals and objectives with the framework of function, create a timeline with strategies.
5. Develop the Business Plan
- a) What resources are required to implement the plan?
 - i. Staffing including training and professional development
 - ii. Facility
 - iii. Technology and equipment
 - b) Establish financial objectives – budgets and projections of expense and revenue
This critical step drives fundraising and revenue generating strategies.
 - c) What are the key conditions that need to be created to achieve objectives?
6. Implementation – Operationalize the Plan
- a) Determine who is responsible for what – role clarification and level of responsibility.
 - b) Develop specific action plans with activities, deliverables and due dates. (These become annual work plans).
7. Monitoring Progress

Develop a process to monitor and report progress, preferably on a quarterly basis. This will help ensure the plan actually drives activity and provides focus for management, staff and board meetings. Staying aware of the status and level of achievement will allow for revisions and adjustments of the plan as needed.

And finally, keep in mind that the process alone is not strategy. Simply going through the motions is not enough. Continually thinking “strategically”, remaining aware of changes in the environment that could become potential barriers is critical. The “process” is really a continuous cycle of assessment, learning, adjusting, all while holding a strategic vision of where we want to go.