



## **Strategic Planning in Nonprofit Organizations – a Brief Overview**

Strategic planning involves choosing the highest priority achievements that an organization is prepared to commit to over a period of three to five years. The process of planning emphasizes conscious, thoughtful choices. If an organization is in crisis or if the Board and/or management are spending most of their time reacting to tense or uncertain present circumstances then the organization is not in a good place to begin the planning process.

How do you begin? Strategic planning builds commitment so it is very important for all levels of the organization to be involved. A good first step is to form a Strategic Planning Committee (SPC). This committee should involve creative energetic thinkers from management and non-management staff and the board. Many organizations choose to bring in an outside consultant (can be paid or volunteer) to facilitate conversations and capture external interviews. He or she will move the process along, and may draft the final plan, however, in the end the plan must be owned by the staff and the board in order to move it successfully and strategically into the future.

The first task for the SPC is to assess the current situation and review the relevance of the mission and programs. The committee is also responsible for developing a “plan for the plan” that articulates the outcome(s) of the planning process, strategic issues to address, planning activities (such as retreats) and time frame. The importance of the SPC’s composition and full board and staff involvement is crucially important. Strategic planning is iterative – the thinking, the collective experience of staff and board and the external and internal research may change the course of the planning and challenge earlier assumptions or conclusions.

The second activity is to summarize the organizational history, detailing what has or has not been accomplished since the last planning process. Empirical data, such as budget, fundraising and program trends, should be collected so that the SPC can better understand the

choices to be made during the strategic planning process. The best strategic plans have both a soft and a hard composition. The softer side includes mission, visions and values and beliefs. The harder side includes outcome goals and strategic objectives that include milestones, metrics and benchmarks.

The cornerstone to any strategic plan are “the big five” They are:

- Mission: Why does the organization exist? What is the reason for being?
- Vision: How will your community be changed, and made better by what you have done?
- Values/Beliefs: What core principles should guide your organization in the present and into the future?
- Goals: These are outcome statements that define what an organization is trying to accomplish, both programmatically and organizationally. Goals need to be SMART – Specific, Measurable, Achievable, Realistic and Timely.
- Strategies: How are you going to meet the goals? Remember: if the strategies get too detailed, you are moving away from strategic planning and into annual operational planning.

The strategic planning process should include an opportunity for all board and staff to come together and analyze the strengths, weaknesses, opportunities and threats (SWOT) facing the organization. The SWOT analysis helps everyone focus on key priorities. The strengths and weaknesses are internal – how is the organization positioned, what are the internal challenges and what are the areas where the organization shines? Board and staff may be considered a strength as well as the organization’s reputation and history, and weaknesses could be capacity, infrastructure etc. Opportunities and threats are external. Opportunities may be new program areas; new funding; and community collaborations. Threats could be government regulations; the economy; or competition.

The SWOT, or any similar exercise that identifies the current environment will inform your plan. It should be frank, candid and detailed. The notes from the analysis should be

referred to throughout the planning cycle, however it does not need to be discussed in detail in your plan.

After the retreat, and once the documents have been gathered and analyzed it is time to write the plan! Decide on the key areas that should be addressed in the plan. For example,

- Facilities
- External Relations
- Internal Operations
- Revenue
- Programs
- Governance

Strategic plans do not predict the future. The strategic plan proposes future action steps but cannot predict exact implementation activities out into the future. The plan will, however, take into account the business elements of operating a nimble nonprofit and help guide future resource development and deployment. You may find yourself in two years realizing that what was thought to be very important is less so and that something else has come in from left field, which was totally unexpected. You need to be flexible and designing a process whereby you check in every six months will allow for nimbleness. Make the plan operational by attaching time lines, assigning responsibilities to people and creating a budget.

In the end you should ask yourself if the organization is thinking strategically. Are you creating strategies from a shared vision? Do you learn from the past and gather information from and about the external environment? Do you have immediate measurable goals in place? Are individuals or teams accountable to the plan? Is the organization creative and flexible? Does it recognize, reward and institutionalize positive change?

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