

Introduction

Being faced with a decision that will ultimately place the future of someone else's lifeline in your hands can be a very dramatic and frightening task. A chief executive plays a similar role with his or her organization that a teacher plays with a student — it is difficult to feel confident that you are directing your “student” down the right path and properly attending to his or her needs. The initial concern remains throughout the entire process: What is the best plan of action for determining a successful future for the person or entity that is under your influence?

This book is directed to the nonprofit chief executive who believes that his or her organization needs to review its present strategic plan. It is designed to help the chief executive find success in obtaining board support in conducting timely planning, engaging all stakeholders in the process, determining whether to hire a consultant as a facilitator, and identifying and managing the various stages in the process. This book also wishes to stress that strategic planning cannot be conducted as an isolated activity separated from the rest of the planning processes within the organization. Financial framework is unable to be separated and sets the tone and parameters for planning, with more detailed operational plans feeding from that initial endorsement.

The material presented here will not tell you *what* goes into your plan — it is not a do-it-yourself guide to content (for further information on directional strategic planning material, see *Strategic planning for Noprofit Organizations: A Practical Guide and Workbook*, in Suggested Resources, page 44). What it *will* do is provide a roadmap to the process itself, with particular emphasis on the steps to take in order to optimize contributions from your board and staff. The specific content of any strategic plan is different for each organization, with as many different approaches and requisite steps needed to produce a plan that is successful.

CASE STUDY

John Harris is the chief executive of a large community health nonprofit in the Midwest. On one particular summer morning, John found himself unable to face his incessantly growing “to do” list (and the unwieldy demands of his staff), which was becoming more and more unmanageable. His daily schedule was crammed with meetings, conference calls, e-mails, program development, and personnel issues. Changing economic conditions were forcing him to tighten his budget at the same time as client demand was continuing to grow. The way the organization had always handled issues in the past did not seem to be working anymore. This undeniable wake-up call told him that he and his colleagues needed to fundamentally rethink how they were operating. But because of his ever-expanding work load, he no longer could find time to even catch his breath, let alone think about different ways to accomplish the nonprofit’s mission.

John was caught in the middle of a chicken-and-egg scenario: He and his colleagues were far too busy to block out the time to formulate a plan for the future, but without such a plan confusion would only worsen.

While everyone in the organization was working hard individually, John Harris had come to realize that the organization as a whole was not working “smart” anymore. That was the morning when John Harris entered a new item in his “to do” list: strategic planning.

The dilemma John Harris faced typifies that of many nonprofit chief executives. In the midst of nonstop multitasking, the last thing he was envisioning was the undertaking of a demanding project like the formulation of a strategic plan. And yet, it was precisely *because* the work pace was so frantic that the organization needed to reappraise its strategy.

A nonprofit is most effective when the different pieces of the organization are aligned by shared vision, strategies, and goals. Over time, as external conditions change, the different parts of the organization can lose this coordination. Simply working *harder* will not restore balance. In such situations, the organization needs to fundamentally rethink its essential existence — what it is and how it works.

Such fundamental conversations do not occur in hastily convoked ad hoc meetings to solve the crisis of the day. To do this requires formalized, dedicated commitment of time and energy. This book will provide the nonprofit chief executive with guidance on how to structure and manage these conversations in order to lead to the creation of a new strategic framework for the organization. It will also discuss how to extend the process to include continuous evaluation of how well the organization is staying focused on *planning* and *executing* for effectively accomplishing its mission.

Few things a chief executive does can seem more overwhelming than leading the organization to articulate formal statements of what it wants to be and how it will turn that ideal into a reality — but even fewer things are more important.

DEFINING STRATEGY

A cause for concern when conducting the preliminary stages of formulating a strategic plan is one's definition or perception of the term *strategy*. Because this is the essence of the planning process, it is imperative for the entire planning task force to possess the same understanding of strategy.

In determining your mission — how to implement it and under what infrastructure — your organization must establish the best way to accomplish this task. It is the resolution of a method of strategy that will allow all stakeholders to participate on the same level. Because a chosen *strategy* can have many different implications, it is important to understand the difference between reactive — solving the problem today — and proactive — eliminating the problem in the future — approaches. For example, in an attempt to resolve the rising rate of hunger and poverty in the United States, is it more effective to continue to create food banks, soup kitchens, and canned food drives? Or can we solve this problem by implementing classes and resources that will educate parents and individuals about nutrition, “smart” ways of finding meals and limiting food cost, and other methods of avoiding starvation before it becomes a vicious cycle?

Both of these approaches are valid ones — but it is up to those who are participating in the healing process to determine which technique will promise more success. In the same way, it is the responsibility of the chief executive and his or her support structure of staff and board to agree upon one or multiple strategies to bring about the greatest impact the organization can have in the community.

WHY SHOULD YOU UNDERTAKE STRATEGIC PLANNING?

As the chief executive, your goal is to create a strategic plan that *works*. Simultaneously, as you lead the planning process, your organization will reap numerous other benefits from the course of action alone.

- **Focused Efforts:** Strategic planning brings clarity, unity, and direction to your organization's efforts.
- **Agreement on Strategy and Clarification of Direction:** Strategic planning can be initiated and completed with support from the appropriate stakeholders in your organization. It is important to determine a common understanding in order to move forward.
- **Evaluation of Environment:** Strategic planning can help your organization define and address the most important issues it faces, and the relevance of what is going on in the community surrounding it.
- **Preparation for the Future:** Strategic planning can help your organization build on its strengths and take advantage of major opportunities as they arise.