

Strategic Planning Challenges and Opportunities

In the new millennium, for-profit and not-for-profit organizations alike are being forced to confront a wave of change, unprecedented in its sweep. Organizations that wish to survive and thrive must come to grips with challenges large and small. Organizations need to define what they want to be, whom they will serve and how.

Some pragmatic advice:

- **Challenge every assumption.** No assumption governing an organization should go untested.
- **Turn threats into opportunities.** Changing needs may threaten the effectiveness or very existence of an organization's programs. Successful organizations look beyond the threats to identify new needs and to create new programs.
- **Plan for every contingency.** Organizations need to plan for success under a variety of scenarios and assumptions.

Strategic planning - anticipating the future and figuring out how to get there - is a continuous process that includes activities, analyses, discussions, meetings, presentations, decisions, actions, and evaluations. It involves Board, staff, volunteers and objective outsiders. At its best, it fosters creativity essential to sustained success.

Frequently Asked Questions About Strategic Planning

What is strategic planning?

It is nothing more complicated than anticipating the future and figuring out how to get there. More formally: strategic planning is the collective set of actions that afford an organization a good shot at a competitive advantage that is sustainable for a period of time.

Who should be included in the strategic planning process?

The ideal process includes the participation of all who contribute to the organization: the Board, management, departmental staff, key volunteers, program and service recipients, even donors. That is not to say that all participate at the same time or with the same intensity.

Effective planning requires the participation of the organization's decision makers. A separate planning committee can assume much of the responsibility for shaping the strategy, but top management provides the leadership to inspire and motivate the organization to change.

What does it take to get the process started?

The Board and CEO ultimately need to make the decision to initiate strategic planning. Without top-level leadership, the process will not sustain the involvement of others in the organization. Implementation will falter if there is not overall commitment.

Building support may start with any of the organization's leadership, for example, a Board member or the Director of Development. These individuals can be very effective in selling the idea to others on the Board and staff.

Why doesn't every not-for-profit organization engage in strategic planning?

Organizations usually do not actively choose to avoid strategic planning. However, perceptions often get in the way:

- Perceived threats to the status quo. Challenging basic assumptions can be very unsettling, even threatening, to many individuals, especially if they are uncomfortable with uncertainty or alternative ways of thinking.
- Perceived cost. It takes Board and staff time to develop, implement and continually monitor and adjust a strategic plan. Managing all this activity also takes considerable time.
- Lack of awareness of benefits. Successful planning can benefit an organization in many ways: quality programs, greater efficiency, increased fund-raising potential, overall growth, new opportunities for individuals to learn and develop. These benefits may be difficult to recognize or quantify up front.

If you are still uncertain whether your organization would benefit from strategic planning, we have a quiz you can take to help you decide. Just e-mail our office at info@raybinassociates.com and we'll provide it.

"My Organization Cannot Afford Strategic Planning"

Actually, no matter what your organization is, it cannot afford not to do strategic planning.

Consider the following:

- Your investment is already significant. When you add up all the time that each person - Board, staff, volunteers - spends on planning, you can easily arrive at one or more full-time jobs. CEOs alone spend much of their time on planning. Larger organizations may have staff and budget already allocated to planning.

- You could be getting more from the planning you already do. When planning is not a centralized activity or an organizational priority, it can lack the structure that leads to successful strategy and implementation. False starts lead to waste. Lack of coordination can lead to duplicated - and even competing - activities within the organization.

Because staff is focused on day-to-day operations, objectivity and creativity - essential ingredients of the planning process - may suffer.

Having a full-time planning staff helps, but most not-for-profit organizations cannot afford this. Outside consultants can provide an independent perspective and problem-solving structure on a part-time basis.

Strategic planning has a payoff-- the ability of the organization to attract more resources to support its expanded vision and programs.

Consider the benefits:

- Strategic planning clarifies an organization's needs. Participants in the planning process articulate an organization's issues and set priorities. By structuring and tackling these issues, you gain clarity and consensus on the critical needs of the organization.
- Strategic planning makes fundraising easier. Participants become energized by and committed to a renewed - and possibly different - vision of the organization's future. Roles and responsibilities are clearly defined. Your team knows where it is going, and has confidence that it will get there.

Potential donors become more confident because you can explain how fundraising will enable the organization to get where it wants to go.

Those resources may not be budgeted. Here are a few suggestions for getting past this barrier:

- Create the case for strategic planning. Articulate clearly the need for and benefits of strategic planning. Focus as much on opportunities as on threats to current programs. Define how much the planning effort will cost, both in start-up as well as on-going activity.
- Be creative in securing funding. Board members - particularly those who have benefitted from planning in their own businesses have been known to support the start-up planning effort. Identify major donors and foundations who might fund your organization's planning activities.
- Engage consultants wisely. Your organization should engage counsel at the outset. Consultants can gather valuable objective information and can help put your organization's issues in perspective. Consultants are essential to facilitating a strategy retreat. Beyond that, a day or two each month of consultant time may be enough to provide the objectivity and experience that keep the process alive and on course.