Craft a Strategic Plan for Your Small Nonprofit

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What are we talking about today?

**The People**
Who should be involved in the strategic planning process?

**The Data**
What data should be collected and how?

**The Deliberation**
What are the group discussions and how should they be discussed?

**The Decision**
Every strategic plan needs to make a core decision (and many smaller ones)...what’s yours?

**The Deliverable**
What should your strategic plan look like?

**The Determination**
How will the plan be embedded in the organization's DNA?
What's a strategic plan?
And do I really need one?
Most strategic plans have little to do with strategy. They are simply three-year or five-year rolling resource budgets and some sort of projection. Calling this strategic planning creates false expectations that the exercise will somehow produce a coherent strategy.
The word priority came into the English language in the 1400s. It was singular. It meant the very first or prior thing. It stayed singular for the next five hundred years. Only in the 1900s did we pluralize the term and start talking about priorities.
Strategic Planning Process

Data
How will we measure the process and outcomes?

Decide
Determine what the organization will do and not do

Determination
How will you refer back to the map to get where you need to go?

People
Who will be involved?

Deliberate
Discuss the organization’s problems and solutions

Deliverable
Design the plan and the strategy map
The People
The Typical Approach

Executive Director

Programs Director

Board
The Better Approach

Who should be excluded & why?
We often thoughtlessly exclude precisely the wrong people such as receptionists, volunteers, etc.

Who else can we include?
Who is donor facing, who is beneficiary facing, who are other stakeholders in the community? Who are naysayers or people at the margins?
The Data
Quantitative vs Qualitative Data

Quantitative
Performance metrics, revenue, other measurable data

Qualitative
Interviews and discussions with stakeholders
7 Deadly Data Sins:

#1: I must have the data!
#2: I must have ALL the data. Bring it ALL to me.
#3: The data will make us rich! We will have all the money if we have the data!
#4: The data’s enough. We’ve got what we need.
#5: The data never lies
#6: My neighbour’s data is really cool!
#7: Data usually drives our decisions but...

@Cherian_Koshy
@MsMandyJ
SWOT

**Strengths**
Internal capacities such as people and process that can be leveraged to overcome threats or advance opportunities.

**Weaknesses**
Internal limitations or deficiencies that might impair activities.

**Opportunities**
External opportunities for your organization.

**Threats**
External threats to your organization’s strategy.
Sample Questions

- Why does the organization exist?
- What does the organization do really well?
- What are some things the organization does better than others?
- What do beneficiaries say we do well?
- In which areas do we struggle?
- What do we not do as well as someone else?
- What factors will impact our success or failure in the next 1-2 years?
- What’s one thing that could endanger our organization?

- Is there something that no else is is doing that we should be doing?
- What does the organization look like five years from now?
- Why aren’t we there yet?
- Should we stop doing something that we are currently doing?
- What are you worried about for the organization?
- What are you excited about for the organization?
The Deliberation
Rumelt Strategy Concepts

Good strategies will diagnose problems, set a guiding principle, and then specify coherent actions.

The Kernel
- Fundamental core of the strategy: coherent action backed by argument

Diagnosis
- What's really happening here?

Guiding Policy
- An overall approach for overcoming obstacles

Set of coherent actions
- Actions should coordinate and build on one another
# Good Strategy vs Bad Strategy

<table>
<thead>
<tr>
<th>Diagnosis</th>
<th>Good Strategy</th>
<th>Bad Strategy</th>
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<tbody>
<tr>
<td>eCommerce is more convenient leading people to purchase more online</td>
<td>Main Street foot traffic is decreasing</td>
<td></td>
</tr>
<tr>
<td>Guiding Policy</td>
<td>Turn Main Street into a community hub</td>
<td>Reinvigorate Main Street</td>
</tr>
<tr>
<td>Coherent Actions</td>
<td>● Rent unused retail space to community groups</td>
<td>● Rent unused space to community groups</td>
</tr>
<tr>
<td></td>
<td>● Provide discounted bus passes to these groups</td>
<td>● Open pop-up high fashion shops</td>
</tr>
<tr>
<td>Good Strategy</td>
<td>Bad Strategy</td>
<td></td>
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<td>---------------------------------------------------</td>
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<tr>
<td>Begins with the admission that there is always a</td>
<td>Begins with an implicit denial that there is a</td>
<td></td>
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<tr>
<td>specific problem</td>
<td>specific problem</td>
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</table>
The Decision
Good strategy is characterized by finding the one critical problem and then focuses and concentrates action and resources to address it.
Rumelt Strategy Assessment

**Consistency**
Are internal objectives aligned with external goals?

**Competitive Advantage**
How can we perform our core mission better than or instead of others in our space?

**Adaptability**
How will the organization adapt to the internal and external forces?

**Feasibility**
What skills, talents, and financial resources do we have available?
**Do’s vs Don’ts**

**Do’s**

Strategy tells us what set of coherent actions we should do to address the problem we’re facing

**Don’ts**

Just as importantly, strategy tells us what NOT to do, what actions to avoid
05

The Deliverable
Bad Strategy

Misdiagnosis — Goals

Metrics — Desire

Uncoordinated
Coherent Strategic Action Plan

Step 01

Step 02

Step 04

Step 03
The One Page Strategic Plan

2016-2018 Strategic Plan

Member Engagement
- Engage members more quickly and deeply
  - Increase meeting attendance
  - Expand member engagement in OVCT activities
  - Reduce non-renewals

Branding
- Establish OVCT as a recognized, respected, & "go-to" resource for health & human services
  - Increase OVCT visibility
  - Increase awareness of members' impact
  - Promote reframing language

Infrastructure
- Build a solid foundation
  - Create actively used mission, vision, & values statements
  - Retain members in 401(k)s, ancillary services, and health plans
  - Increase products & services for members
  - Ensure financial viability

Standards
- Act on key strategic internal and external opportunities
  - Increase cultural proficiency
  - Support the development of strong leaders
  - Employ best practices

Advocacy
- Establish OVCT as the recognized leader in advocacy for HHS in Central Texas
  - Develop process for determining advocacy positions
  - Deepen relationship with public officials
  - Increase HHS investment
  - Mobilize members
  - Train on advocacy
The Determination
Strategic Leadership Framework

Proactive
- Anticipate
- Challenge
- Interpret

Reactive
- Decide
- Align
- Learn
Leadership Assessment

Anticipate
- Gather information from internal and external sources, predict moves and reactions
- Reframe problems from various angles to understand root causes and seek out alternate viewpoints
- Demonstrate curiosity and an open mind, test with others before coming to a conclusion

LEAD

Challenge

Decide
- Balance long-term investment and short-term results, assess risks and unintended consequences
- Assess change motives and limitations as well as conflicting interests; remove barriers to alignment
- Course correct based on disconfirming evidence and communicate stories to aid learning

Learn

Interpret

https://hbr.org/2013/01/strategic-leadership-the-essential-skills
Thanks!

Please stay in touch

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