

## STRATEGIC PLANNING 101

### Making the Case for Strategic Planning with the Essential Strategic Plan

Imagine an organization where every individual can ...

- Name the strategic opportunities and threats facing it
- Articulate the organization's mission, vision and values from memory
- State the organization's top five strategic goals in the coming three years
- List the success metrics by which they'll be judged
- Convey the organization's business model, which connects programmatic and financial objectives

Imagine how productive this highly aligned organization would be! What has to happen to bring this about?

The Essential Strategic Plan has all the essentials of a comprehensive plan, yet only the essentials. It distills much of what is found in a typical thirty-page plan into a single page.

Doing so:

- Enables us to distill a plan to its essence, which is great discipline
- Makes that essence widely available in a form that is easy to read, review and use
- Builds a bridge between the big picture and the immediate future

Every nonprofit *needs* an Essential Strategic Plan. Why?

Because...

1. Strategic planning is critical to the success of an organization
2. Most nonprofits only have time and money for the essentials, not the frills
3. Most nonprofits want to build alignment and engagement among their stakeholders
4. Most nonprofits want to clearly articulate and measure their goals and objectives
5. Most nonprofits desire a plan that they will actually use, day in and day out.

### The Essential Strategic Plan Components

The Essential Strategic Plan has four sections:

- 1) Guiding ideas
- 2) Current assessment and critical strategic issues
- 3) Strategic goals, objectives, and metrics
- 4) Business model

Let's visit each section in turn.

## Guiding Ideas

The Guiding Ideas section includes mission, vision, and values.

Have you ever asked someone the mission of their organization, and they replied, “We have a copy of that around here somewhere...”? Or asked them about their strategic plan, and heard, “Yes, we have one, but it’s so long we never look at it”? As strategic planning consultants, we have asked these questions, and heard these answers. They make us wonder, as about the proverbial tree falling in the forest, what impact do mission and strategic goals have if no one in the organization can name them?

Your Essential Strategic Plan identifies your organization’s key guiding ideas, which typically include its mission, vision, and values. These are the critical few ideas that help people say yes to some things and no to others. The mission classically answers two (and only two) key questions:

1. Why do you exist (your ultimate aim or result)?
2. Whom do you serve (your primary beneficiary or customer)?

For example, the Massachusetts Audubon Society says it simply: “to protect the nature of Massachusetts for people and wildlife.” Noted management theorist Peter Drucker likes a mission that fits on a tee-shirt, and he would be pleased.

The plan also defines your vision - what you aspire to be or do some distance (five to thirty years) down the road. Read Jim Collins’ inspiring work on the BHAGs (Big Hairy Audacious Goals) set by great organizations. For example, Big Brother Big Sister of Central Mass. has a vision to “Never say “no” to a child in need of our services in our Metrowest communities, contributing to better schools, brighter futures, and stronger communities for all.” This is a wonderful statement of their visionary aspirations.

Lastly, your plan articulates your values – what you care about that you never compromise, no matter what else changes. For example, The Children’s Room, a support center for grieving children, spells out the four essential principles guiding its work with grief and healing. The Fuller Museum of Craft shares its definition of craft, and how it is different from art.

## Current Assessment and Critical Strategic Issues

The Current Assessment section includes current organizational strengths, organizational weaknesses, opportunities in the environment and threats in the environment, all of which together contribute to the identification of your critical strategic issues.

Your Essential Strategic Plan lists the top five strengths of the organization, as well as the top five weaknesses, or areas of needed improvement. To give further focus, you are asked to define the Top One of Five in each category throughout the Essential Strategic Plan.

For example, the Concord Museum identifies an internal strength that it is the only accredited museum in the historic town of Concord, meeting a standard set by only 5% of American museums. Many organizations identify as a weakness the need for more diversified funding streams with greater unrestricted operating support.

Your Essential Strategic Plan lists the top five opportunities that everyone should know because any of them could dramatically improve the organization's performance over plan. Similarly, the Essential Strategic Plan lists the top five threats that could dramatically undermine the organization's performance.

For example, Golden Tones, a senior chorus, has "Aging Baby Boomers" on its short list of opportunities, and "Long time members passing on" on its short list of threats.

Once the current situation, both internally and externally, is clear, it is often relatively simple to identify critical strategic issues. For example, one college struggles with a \$50 million dollar deferred maintenance problem, while aspiring to provide leadership in the area of sustainability. For them, a critical strategic issue is – How can we provide necessary upgrades to our physical plant and even go beyond, demonstrating leadership in environmental sustainability?

### **Strategic Goals**

The Strategic Goals section includes your five top strategic goals for the next three years, your top three objectives for each goal, and your top metrics you use to measure your impact and success.

The Essential Strategic Plan defines your top five goals over three years. For example, Bunker Hill Community College recently defined five key goals for student success, workforce development, community partnership, environmental sustainability, and visibility. The Boston Latin School, America's oldest public school, recently defined five goals for student engagement, curriculum development, stronger community, state-of-the-art facilities, and community partnership.

Your Essential Strategic Plan enumerates key targets for success in three years, including both activity and outcome measures. Activity measures indicate your level of effort, e.g. how many people you serve. Outcome measures indicate your level of impact, e.g. how those people are helped. Together these targets answer the question: When you are successful, how will you know?

For example, A Suitable Image, a resource for women's wardrobes and appearance coaching, aims to serve 425 women a year in five years, and aims to have over 65% of the women it serves still be employed after six months.

### **Business Model**

The Business Model section features a business model statement. A business model statement articulates how an organization's program strategies link with its financial strategies in a way that leads to overall financial sustainability. For example, a children's theatre's business model statement reads: "We produce theatre for children and families, by children, supported by ticket sales and foundation grants, and supplemented by net income from youth workshops, special events, and an annual fund."

This statement conveys what the organization does, how its primary work is funded, and what additional, supplemental revenue streams are required to support the primary work of the theatre.

## Learn to Love Strategic Planning

There may be better, more comprehensive ways to produce a strategic plan. But the Essential Strategic Plan is, for many, as engaging and effective as processes that cost tens of thousands of dollars, and require many months of your time. It leverages the power of technology to make strategic planning affordable and accessible to your organization.

Here's how one team leader described her experience as she went through the process of helping her team create their own Essential Strategic Plan:

Before Session 1:

"This is something that is doable. This is a challenge but it's not over the top. For so many agencies, they get overwhelmed, feeling: 'We haven't even started, and we've already failed!'"

After Session 1; Before Session 2:

"Yes, our first session couldn't have gone better. It was beneficial and productive. It got everyone gelling well, and getting to know one another. Within 15 minutes we were a team."

After Session 2; Before Session 3:

"I'm so impressed with our group and how much we can accomplish, with this guidance, in just three hours! We are looking forward to our next few sessions - our team has really gelled and everyone seems to actually enjoy our meetings...who knew that was possible?! :) "

After Session 3; Before Session 4:

"So far everything has gone really well. The work sessions have always exceeded my expectations. We don't want to interfere with the process. We just go along and follow the path."

After Session 4:

"We were all very inexperienced when we started. We didn't know what we were getting into. We've accomplished so much, and that was all due to the program."

The Essential Strategic Plan distills the essence of the typical thirty-page strategic plan into a one-page document. Everyone in the organization can easily read and review it. Its brevity and ease of use ensures that it gets used regularly. Once people know what they are trying to accomplish, they seek regular feedback on their progress. The Essential Strategic Plan will never, ever "sit on a shelf," or be called, "the consultant's report." It is a plan that you and your team will use, that will lead your organization into your preferred future.

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