

CAUSE & EFFECT[®] **TOOL FOR CHANGE** (SM)
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Strategic Planning Basics

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Presented by

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The Cause & Effect Strategic Planning Method

Here are the basics questions you'll answer:

- 1. WHAT IS THE CHANGE WE WANT TO MAKE IN THE WORLD?**
 - Long term
 - Over the lifetime of the plan

- 2. HOW DO WE BELIEVE THAT CHANGE COMES ABOUT?**
 - Tested practices + our beliefs about the world + our values = Our Theory of Change

- 3. WHAT IS THE BEST/MOST EFFECTIVE LEVERAGE WE CAN APPLY TO THE SYSTEMS IN WHICH WE OPERATE TO MOVE THE CHANGE WE SEEK?**
 - Leverage = your strategy
 - Define "best" or "effective" in keeping with your values

- 4. WHAT IS THE CAPACITY WE NEED TO BUILD TO ACHIEVE THIS CHANGE?**
 - Within our organization: people, facilities, technology, communications, governance, leadership, etc
 - In our community: engaging other organizations, shifting perspectives, building other capacity, etc

- 5. HOW MUCH WILL IT COST? HOW CAN WE AFFORD IT?**
 - Long term spending projections
 - Revenue strategies
 - Partnership and inkind strategies
 - Commitment building strategies

BACKGROUND

The goal of strategic planning is to create an **intentional turning** for your organization. At its heart is the creation of community outcomes or mission-based objectives that seek to answer the following questions:

- How is our community, our world, different from what it was five or ten years ago?
- What role did we play in shaping that world?
- What will our community, our world, be like in the future?
- What would that future look like without us?
- How would we like to shape the future?
- What change do we have the courage to achieve?
- What is the promise we'll make to ourselves, to our community?
- How will we get there?

The Cause & Effect strategic planning method has four phases:

1. Pre-planning preparation
2. Ends development (impact, community outcomes)
3. Means (operational) strategies
4. Implementation and evaluation plan

Although we have broken planning into phases, **strategic planning is not linear**. For example, your selection of *means* will influence your ability to achieve your *ends*. The world in which you work will be changing *even while you are planning*, and new information and ideas can surface at any time during the planning process. In two years, conditions may change so dramatically that your operational strategies may no longer apply.

Your goal is to create the broad strategic frameworks that will guide your organization over the next few years. These strategic frameworks should set out a direction that best responds to the changing need that you have anticipated. The frameworks should be flexible to allow your operations to adapt to changing circumstances, while still keeping focused on achieving the community outcomes you established and staying true to the core values and principles that guide the selection of those ends.

Strategic Planning Outline

PART ONE: Get Ready

a. Take your current temperature by completing a Pre-Planning Questionnaire

Board and staff will complete a brief survey sharing what they believe are the most important issues your organization faces. This questionnaire provides useful information to start planning.

b. Develop the Planning Process

During this time you will also select the Planning Committee, set up a schedule of meetings and agree on what you expect from each other.

- What internal strengths and challenges, what external opportunities and threats will most affect your organization over the next five years?

d. Confirm your Mission and name your Values

- Test your mission statement against what you've learned to determine if it's still relevant or needs strengthening. (What good are you trying to accomplish, for whom?)
- Make explicit the principles and values that guide all of your organization's actions.

e. Create your Strategic Ends Goals and Objectives

- What is the community change you want to bring about? - the Ends that will drive your Means (operations). Determine the most important Ends results that you can expect staff and board to accomplish in the strategic planning timeline.

PART TWO: Determine the ENDS

a. Conduct an Environment or Systems Scan: understand how changes in your community and the world will affect your organization

To do this, you'll look at:

- Demographic Trends (people and culture)
- Technology Trends
- Political Shifts
- Economic Shifts
- Cultural/Social Shifts
- Actions of Partners & Blockers

b. Complete an Internal Scan: Review what your organization has accomplished and how ready it is to respond to the changing world

- To do this, you will look at:
- Program history and its results
- People competencies, culture and commitment
- Financial Trends
- Visibility

c. Complete a SWOT Analysis: Identify the strategic issues facing your organization over the next five years

To do this, you'll determine:

- What are the critical messages from the environmental and internal scan?

PART THREE: Create the Means

a. Determine the capacity you need to build

- What operations and governance capacity is needed to achieve your Strategic Ends Objectives; e.g. human resources, facilities and technology, funding, communications and governance.
- Think about what capacity is needed outside of your organization. How will this be built?

b. Determine how much this will cost and how you will afford it.

- Develop a multi-year budget forecast
- Determine your revenue strategies

c. Reconcile Ends and Means

PART FOUR: Implement and Evaluate

a. Create the Timeline, Workplan and Evaluation Plan for implementation

GET READY

1. **Conduct a brief survey of your board and staff.**

Before you begin, it is helpful to conduct a short survey of your board and staff. Although you will gather data later from other key informants and from your clients, this short survey will help you learn what questions are most of concern to your planning group. This short survey can raise any pressing issues, open potential new avenues of exploration, and serve as a checklist throughout your planning process to assure that you have addressed the concerns of your planning audiences.

2. **Create a job description and work plan**

You should also create a short job description for your planning team, including a time line, expectations of team members, an understanding of how decisions will be made both within your planning group and in relation to any larger body which may need to approve your plan.

3. **Choose your planning team members.**

You don't have to have the same team throughout the process. One group of individuals might begin work on the ENDS plan. This group should include representatives of your governing body, a few key staff, and other individuals such as clients or collaborating agencies. When you have finished your ENDS plan, new committees may form around specific aspects of the Means (Operations) Plan. With the exception of Board governance, many of these Means committees can be headed by staff. Throughout the process, you'll need to share the results of your discussions and coordinate your planning with the other committees so that the pieces of the plan work together to create a dynamic, synergistic whole.

THINKING ABOUT END AND MEANS

This approach to strategic planning is broken into three parts. In the first part, you'll determine what impact you want to have on your community or constituencies. This is called **Determining the Ends**.

Once you have decided the most important impact that you would like to have, then you will design the effort and activities that will make those outcomes possible. This is called **Creating the Means** or the Operations Plan.

In the third phase, you'll develop an **Implementation and Evaluation Plan**. This will outline who will be responsible for carrying out the parts of the plan, set a timeline for implementation and include an evaluation process to assess your progress and make adjustments as you implement your plan.

CREATING THE ENDS PLAN – DEFINING COMMUNITY OUTCOMES

ASSESS THE NEED

Begin by gaining a shared understanding of the need to which you are responding:

- Define your constituency - Who are you serving? What do you know about them?
- What is the extent of the need or problem facing the individuals you serve?
- Do you have real data and research to support your understanding? What do you need to collect? Who do you need to talk to?
- Who else is serving the needs of your constituents? What needs and which constituencies are they serving?
- What national and international forces will have an impact on our community? Our work?
- What changes do you anticipate among your constituents or their needs over the next five years? What will be driving those changes? Can you describe different scenarios that might occur?
- What are you currently doing to address these needs? How effective has that been? What are you particularly good at? What are you weak at? How does that relate to your constituents' needs?
- What internal assets can help you meet these needs?
- What external assets can help you meet these needs?

DETERMINE YOUR GUIDING VALUES

Create (or update) a value statement to serve as a framework to guide your work

- What beliefs or values guide your approach?
- What do you value most about your current organizational culture?
- What assumptions do you have about how to make change?
- What actions would be unacceptable to you?

DETERMINE THE COMMUNITY OUTCOMES (ENDS)

Determine the best outcomes that you would like to achieve for your constituency over the next three to five years.

- What good do you want to accomplish?
- What will have changed for your constituency as a result of your work?
- Are you able to serve your entire constituency? Do you have priorities? How have you determined those priorities?
- How doable are these results?
- Have you made explicit all of the assumptions that have guided your selection of ENDS?
- State your results in the form of objectives: that is, they should be measurable, time bound, geographically specific, and specify target audiences

CREATING THE MEANS (Operations Plan)

In the first part of the planning process, you determined the results (ENDS) that you want to accomplish over the next five years. These results were all about the impact that you want to have, the changes you want to create for your constituencies.

You also developed core values to guide your work with your clients, the public and your own staff, board and volunteers. In the process of determining these ends, you also named and agreed upon the assumptions which guided your selection of objectives.

Your job now is to answer the question, what capacity do we need to build to achieve these desired results?

The capacities necessary to achieve the desired results drive the OPERATIONS PLAN.

PREPARATION

1. Review the internal and external assets that you identified in the first phase of the plan.

These assets are many of the tools that you have to work with in the Operations Plan.

2. Develop the critical strategies that will achieve your ends.

- What are the most important program strategies to accomplish your ENDS objectives? Did your current programming evolve from these strategies? Why or why not?
- What outside forces affect your ability to achieve your objectives? How strong or vulnerable are you? How can you harness these forces to achieve your objectives?
- What is the best internal organizational structure that will help you achieve your objectives? How is this different from your current structure? What changes will you need to make?
- How can your Board/governing body add value to organization?
- How will you monitor your progress? How will you know when and whether to make mid-course corrections?

3. Determine how much this will cost and how you can afford it.

- What resources (money, communications, staff, time, etc.) will it take to accomplish these objectives?
- What are your costs over the life of the plan?
- What other resources exist in your community that could be deployed toward your ends? E.g. are there parts of your strategy that other organizations could implement?
- What do you have to build in your organization and what could you achieve through strategic partnerships?
- What are your strategies for acquiring the resources you need? What is your revenue plan?

IMPLEMENT, EVALUTE AND ADJUST

1. Create a timeline and general work plan to reflect Strategic Plan benchmarks

- When will major strategies be implemented?
- Who is responsible for what?

2. Create an evaluation plan to monitor your implementation

- What are the critical benchmarks for your success?
- Who will monitor the plan?
- How will you know that you are meeting your objectives?
- How will you make changes?
- How will you apply your learning throughout the organization?

3. Implement the Plan

- Each department should create a 12-18 month business plan
- Department plans are then consolidated into an organization business plan

4. Evaluate and adjust to respond to changing condition

- WHAT: Did you do what you said you would do?
- WHY: Why or why not? What you can learn from this?
- SO WHAT: What impact did your work have? Did it achieve the desired results?
- NOW WHAT: What should you do differently to achieve your desired results?
- THEN WHAT: What did you learn from this that you can apply to future activities?

SAMPLE DOCUMENTS AND TOOLS

- Sample Table of Contents
- Sample Group Agreement
- Sample Pre-Planning Survey
- Steps in Key Informant Interviewing
- Environment & Systems Scan Questions
- Force Field Analysis
- Outcomes approach to program planning
- Evaluation framework
- Sample Strategic Plan – Short Form

STRATEGIC PLAN
SAMPLE TABLE OF CONTENTS

- I.** Compelling Executive Summary
- II.** Mission/Vision and Values Statements
- III.** Organization Profile
- IV.** Community Change or Ends
 - Critical Community Issues
 - Goals and Objectives
 - Theory of Change
 - Key Strategies
 - Program Framework
- V.** Capacity
 - Critical Operations Issues
 - Operations Goals & Objectives
 - Governance Goals & Objectives
 - Budget Forecasts
- VI.** Workplan
 - First year priorities
 - Anticipated roll out
- VII.** Appendices

SAMPLE AGREEMENT FOR THE PLANNING COMMITTEE

As the strategic planning committee, our goal is to recommend a strategic plan for consideration by the full board. In order to make our work together effective & meaningful, we agree to:

1. Focus first on a vision of transformational change in our community. Consider anything to be possible.
2. Act in good faith and assume good faith on the part of others.
3. Use a decision-making rule that generates the level of commitment we need. We will make decisions by _____ (e.g. consensus, majority vote).
4. Share responsibility for creating a plan that matters and will make a difference for our community – including attending meetings prepared and on time.
5. Use evidence and data to guide the decisions we make.
6. Regularly consult our key stakeholders (other board members, staff, clients and community) and keep them informed of our deliberations.
7. Share all information that we may possess that is important and relevant to our discussions, even if that information may sometimes be difficult to hear.
8. Make decisions in the best interest of our organization and our community, not based on our own personal interests.
9. Discuss un-discussable issues while remaining respectful of each other.
10. Focus on interests, not positions. Explain the reasoning behind any statements or questions when they are not obvious to others.
11. Keep focused on the topics for discussion.
12. _____
13. _____

PRE-PLANNING SURVEY

To prepare for our planning, we'd like your input on issues that our organization should address in its strategic planning. Please take a few moments to complete this survey and return to _____ by _____.

1. What has your organization accomplished that you are the most proud of?

2. What are the three most important program issues that your organization should address over the next 3-5 years? Why?

- a. _____
- b. _____
- c. _____

2. What are the three most important operational issues (e.g. facilities, staffing, governance, revenues, etc.) your organization must address over the next 3- 5 years? Why?

- a. _____
- b. _____
- c. _____

3. What are your two greatest concerns for your organization?

- a. _____

- b. _____

4. What are your two greatest hopes for your organizations?

- a. _____

- b. _____

5. Anything else you'd like to discuss in strategic planning?

STEPS IN THE KEY INFORMANT INTERVIEW PROCESS

1. Confirm list of key informants
2. Confirm interviewer for each key informant
3. Send cover letter requesting interview
4. Within three days, call key informant to schedule a phone interview (or face to face if desired). Be sure to get the best number to call.
5. Confirm interview via email or in writing.
6. Call at scheduled time.
7. Use the interview template
 - a. Make sure that all of the questions are answered.
 - b. Probe for more depth on answers.
 - c. Follow interesting and strategic tangents.
 - d. TAKE NOTES!!
8. Send a written thank you note the day the interview is completed.
9. Type up your notes
 - a. Do it right away, while the memory of the interview is still fresh.
 - b. Forward notes to whomever is compiling a summary for discussion.*

*** CONFIDENTIALITY**

- We are starting from the perspective that interviews are not confidential because as a group, you need to assess what a particular stakeholder thinks
- However, if the informant requests confidentiality, then you must respect it.
- If confidentiality is requested by any individual or on any particular point, please note that clearly on your debrief notes.

GUIDELINES FOR SELECTING KEY INFORMANTS

- Represents a key stakeholder group or has particular expertise in the issue
- Has information or a perspective that is unique and/or relevant to the strategic questions under consideration
- Is someone who understands and thinks about the issues related to their stakeholder group
- Is someone who can articulate his/her thoughts
- Has trustworthy information
- As best as possible, the total of all informants should reflect the mix of community perspectives

ENVIRONMENT & SYSTEM SCAN QUESTIONS

Looking into the future:

- What are our predictions about the economic climate?
- What demographic changes can we anticipate?
- What cultural shifts are occurring?
- Will laws or regulations that affect us change?
- What changes to political leadership or political ideas will affect us?
- Are there technological changes that we must anticipate?
- What don't we know but wish we did?
- What do we anticipate will happen to our colleagues or other people or institutions we rely on?
- How risky are our predictions?

How would we answer these questions if we only apply them to our local community? Our region?



How would we answer these questions if we also applied them to our national landscape?

How do upcoming global changes affect us?

FORCE FIELD ANALYSIS

You can use a Force Field Analysis which was developed by organization development pioneer and psychologist Kurt Lewin to develop critical strategies. Here are the steps:

1. Determine your desired goal.
2. Identify what forces exist (or may come to exist) which are driving you toward your desired objectives.
3. Identify what forces exist (or may come to exist) which are blocking you from achieving your desired objectives.

WHAT IS OUR DESIRED GOAL?	
DRIVING FORCES What existing forces will help us reach our desired objective?	OPPOSING FORCES What resistance are we experiencing? What is blocking us from reaching our goal?
	

4. Which driving and which opposing forces are the most powerful?
5. Which forces can you control? What forces can you influence, but not completely control? What forces are out of your control?
6. What driving forces can you strengthen? What new driving forces could you apply?
7. What opposing forces can you weaken or eliminate?
8. Of all of your choices, what would be the effective and lasting ways to reach your goal?

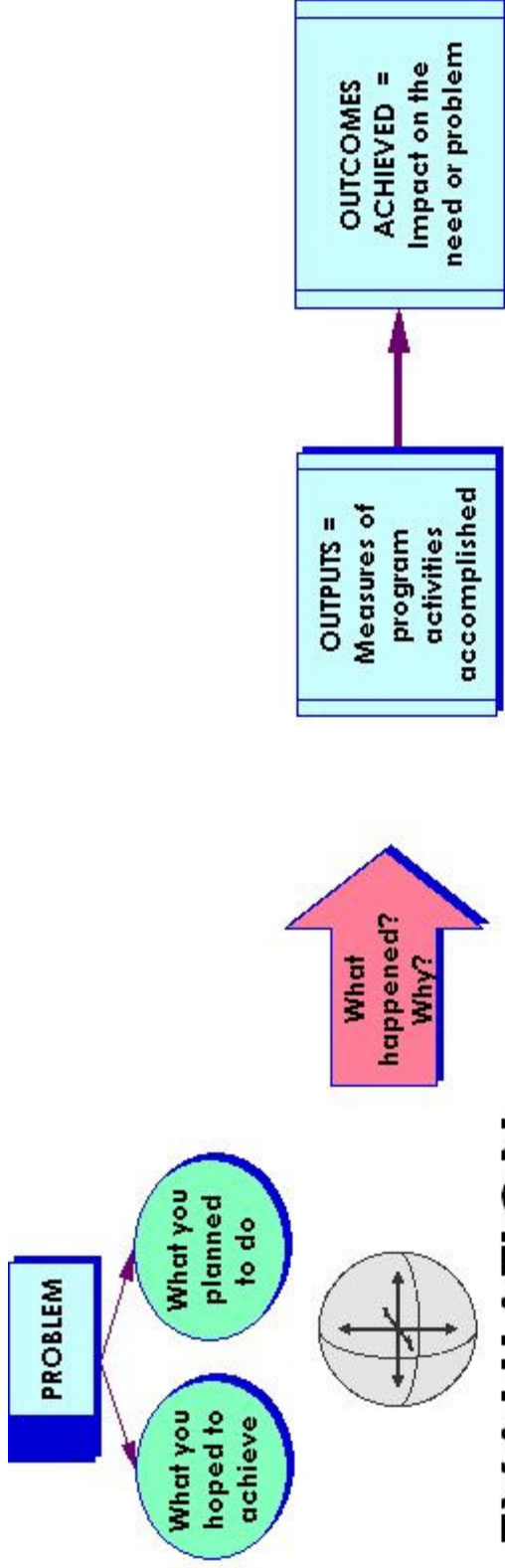
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EXAMPLE OF AN OUTCOMES APPROACH TO PROGRAM PLANNING



Problem	Root Causes	Strategies	Inputs	Outputs	Outcomes	Impact/ Goals	Indicators/ Measures
Describes the need or condition the program addresses	Describes the reason the condition exists	Best practices known to have an impact on the root causes; new interventions designed to address the root causes	Resources invested to make the program happen, e.g. staff, money, equipment, time, facilities	Short-term measure of process, strategy, interventions: e.g. # of workshops, number of units	The change in behaviors, environment, knowledge or attitude that results from an activity or program	Cumulative or long-term effect of a sustained program, service or intervention	The ways that you will verify the outcomes and impact that you anticipate
EXAMPLE							
13 million deaths per year in Africa from infectious diseases	12 million cases of measles, 450,000 deaths each year from measles	Grassroots mobilization and mass immunization	\$285 million, approximately \$1 per child (includes all costs including vaccine, syringes, health worker per diem, logistics and community mobilization)	200 million children vaccinated in 36 African countries by 2005	Measles deaths reduced to 0	___% reduction in deaths from infectious diseases in Africa	National listings of child mortality rates, WHO reports





EVALUATION

MEASUREMENT QUESTIONS

What will you measure?

How will you measure it?

FIVE QUESTIONS TO ANSWER:

1. WHAT?
Did you do what you said you were going to do?
2. WHY?
Why or why not?
3. SO WHAT?
What difference did it make that you did this? What impact did it have?
4. NOW WHAT?
What could you do differently to improve?
5. THEN WHAT?
How does this affect other projects or future planning?

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SAMPLE STRATEGIC PLAN: WOODEN BOAT SCHOOL 2001-2007			
GOAL	Well-qualified students graduate from WBS: - employable in yacht restoration & related fields - in sufficient numbers to ensure preservation & restoration of significant wooden boats.	Large and significant yachts are restored and put to use.	A broad public audience participates in the WBS mission through short-term programs.
By 2007	<ul style="list-style-type: none"> 100% increase in enrollment (to 50-60 students) in certificate and graduate programs Student body includes 20% increase in foreign students 	<ul style="list-style-type: none"> HMS Junk's hull restored Other significant yachts restored in graduate fellowship program 	<ul style="list-style-type: none"> Increased programming for part-time students including marine trades skills enhancement and summer programs
Critical Strategies for 2002 - 2005	<ul style="list-style-type: none"> Accreditation by ACCSCT Raise \$5 million and restore Historic Building on current property for workspace & student housing Recruit Campaign Chair to join campaign in progress 	<ul style="list-style-type: none"> Raise \$5 million for Phase One of HMS Junk Campaign by 2005 Leadership in fundraising effort determined 	<ul style="list-style-type: none"> Partner with existing educational and marine institutions Fuller utilization of existing facilities & staff
Governance	<ul style="list-style-type: none"> WBS prepares for leadership transition through Board Development & Nominating Committee 		
Critical Operating Assumptions	<ul style="list-style-type: none"> Marine industry jobs growing Expansion based on restored Historic Building Expansion tuition covers increased operating costs in two-year program Accreditation provides access to federal loans Loans acceptable for Historic Building up to 50% of project Student population exists 	<ul style="list-style-type: none"> Funding stream needs to be established for fellowship program 	<ul style="list-style-type: none"> Short term programs expanded with existing facilities & staff, start now Programs increase awareness to provide for expanded constituencies and donor base
Values:	<ul style="list-style-type: none"> Excellence in workmanship Historical accuracy & working vessels Vocational & career focused 	<ul style="list-style-type: none"> Excellence in workmanship Historical accuracy 	<ul style="list-style-type: none"> Participatory Local community of value
			<ul style="list-style-type: none"> Scholarship expands awareness throughout institutional funding community Embedded in restoration work, part of student performance expectations
			<ul style="list-style-type: none"> Curator/historian on staff Research & document WBS fleet Maintain relationships with sister programs nationally & internationally
			<ul style="list-style-type: none"> High quality scholarship Relevant to other preservation efforts

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SAMPLE STRATEGIC PLAN: WOODEN BOAT SCHOOL 2001-2007						
SCHOOL	2002	2003	2004	2005	2006	2007
Operations expenses	.900 million	1.09 million Historic Building restoration	1.14 million	1.2 million	1.2 million Historic building restored, enrollment doubles	1.2 million
Capital Fundraising	\$4 million .25 million (windows)		\$1 million			
HMS JUNK						
Operations					HMS Junk "sails" 1.2 million	.150 million or as funds available
Restoration		\$1 million	.910 million			
Capital fundraising	\$2.5 million		\$2.8 million		\$5 million (endowment)	

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About Gayle L. Gifford, ACFRE:

A respected consultant, provocative writer, and creative strategist, **Gayle L. Gifford, ACFRE**, President of Cause & Effect Inc. (www.ceffect.com) believes in the power of charitable nonprofits. For over 25 years, Gayle has been helping nonprofits make a difference in the world by creating the internal change that strengthens their governance, improves their programming, builds stronger relationships with their constituents, or boosts their revenues. A columnist for *Contributions Magazine*, Gayle is also the author of *How are we Doing? A 1-hour guide to evaluating your performance as a nonprofit board*, *Meaningful Participation, an activist's guide to collaborative policy making*, and co-author of *Bringing a Development Director on Board*, #3 in the AFP Ready Reference Series. She is a past President of the RI AFP Chapter and one of 80+ individuals worldwide holding the advanced fundraising certification of ACFRE. Gayle has an M.S. in organization and management from Antioch University New England. She is an instructor at Brown University in the Masters in Public Humanities and at Simmons College in the Masters in Communications Management. She can be reached at gayle@ceffect.com.

About Cause & Effect Inc.:

Cause & Effect Inc. helps you make a difference in the world by creating the internal change that will strengthen your governance, improve your programming, build stronger relationships with your constituencies, or boost your revenues. We can help you with Board development and training, organizational development and management consulting, strategic planning, group facilitation, program development, organizational communications or fundraising.

Our clients are secular and progressive public benefit organizations working to create change that improves their community. They include organizations working on conservation and the environment, public education, community and neighborhood development, housing, civil rights, international development, women and children, the arts and human services. They range from grassroots groups working in a single neighborhood to international organizations working across dozens of countries.

We approach each new project as a partnership to which we both bring essential information and skills. We'll help you discover your possibilities and create a path to reach your goals; the vision, knowledge of your community and the commitment to bring your projects to life are within you. We'd like to work with you.

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