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THE REALITIES OF STRATEGIC PLANNING ...

- Strategic direction-setting cannot be accomplished in a single day. It is a cumulative and iterative process of gathering information and perspectives, developing concepts and testing them with the board and CEO.

- While the board assumes leadership in determining strategic direction and participating in strategic planning, the CEO is a crucial partner, providing a connection between big-picture perspective and what is actually needed institutionally as well as what is doable.

- Top-level staff are helpful at the tactical level, helping to determine the actions required by specific objectives, setting timelines, allocating resources and accepting responsibility as assigned by the CEO.



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# Powerful Strategic Planning

Executives sitting on nonprofit boards often are less than enthusiastic about strategic planning retreats, but should embrace their transformative power

by Deborah Whitehurst

▶ Annually — or every three to five years — nonprofit board members gear up for strategic planning retreats, assessing the organization’s performance over the previous year or tackling long-term planning. Some view strategic planning as nothing more than a label: *Yes. We have a strategic plan. Check.* Others see such planning as a waste of time or money. Still others see its value but aren’t quite sure how to transform the resulting plan into daily action.

Indeed, strategic planning can create angst. But it doesn’t have to. In fact, when managed properly, breakthrough strategic planning can be the executive board member’s greatest tool and a rallying point for the institution’s continued success. But where to start?

**Know.** Know the mission. Without a firm grasp of the nonprofit’s mission, board members can flounder in their efforts to achieve a strategic direction. Frequently, executives sitting on the board get lost in the terminology — *goals, objectives, tactics* — instead of constantly calling the organization back to a simple mission-related question: *Why is the organization doing what it’s doing?*

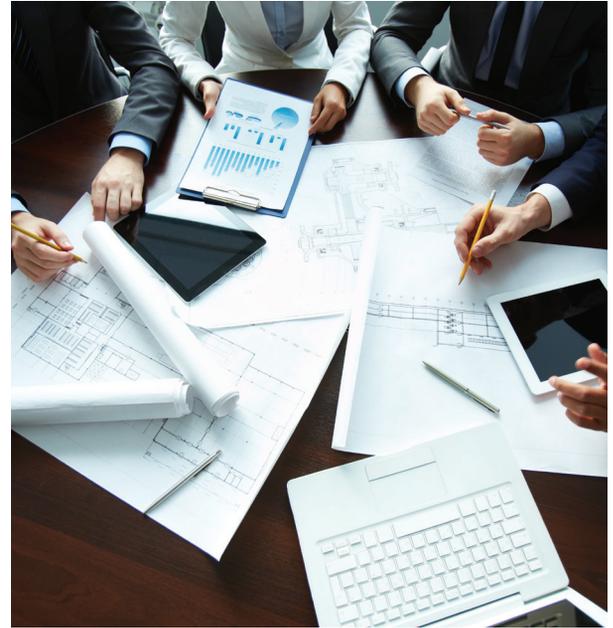
**Pre-plan.** In advance of strategic planning sessions, the CEO and board chair (or a task force) will frame questions to be addressed: *What is our vision five to 10 years from now? What opportunities or sets of issues are we addressing in our organization? Who do we serve and how? What steps do we need to take to serve the mission to which we’re dedicated?*

During this phase, the CEO and board chair — along with key donors, community leaders and recipients of the nonprofit’s services — also will be interviewed by an outside party to identify additional issues for discussion during planning.

“The interview process with our members, donors and colleagues in the sector was rigorous,” says Ruth Jones, CEO of Seattle-based Social Venture Partners International (SVPI), whose nonprofit recently employed a consulting firm to facilitate strategic planning. “But it really paid off; we had so much good material about how our organization was perceived, our strengths and weaknesses, people’s hopes for the future of our network. Coupled with a well-facilitated board retreat and follow-up discussions, we had all the material we needed to develop a really strong vision for the next three years.”

Locally ASU’s School of Art employed its own two-day strategic planning retreat among 45 faculty members, drawing on insight gleaned from interviews with ASU President Michael Crow, faculty, members of the Greater Phoenix art community and competing schools of art nationwide. Interview data was relayed to a task force that created sets of questions to be discussed during the retreat.

“Planning the retreat so that it is not rushed is important,” says Adriene Jenik, professor and director of ASU’s School of Art. “Buy-in from a range of representatives in the planning



process is also important. By the end of our retreat, we were moving toward shared goals and vision with renewed collegiality, seriousness of purpose and even grace.”

**Create.** Nonprofits, as they consider strategic direction, must simultaneously create tools that reinforce and work alongside the strategic plan: operational plans; business plans; and, in some instances, sub-plans focused on fundraising, programs and services, staffing, governance or financial management. Jones believes the strategic plan is the basis for an organization’s annual work plans. “For us, it guides the hiring of new staff, informs fund development efforts, allows us to measure progress against goals, and is the foundational document against which we report to the board.”

**Evaluate.** Organizations may benefit from consultations with experts who can help design appropriate, but not too complicated, indicators to measure the effectiveness of a strategic plan. Consider, for instance, a housing-first nonprofit wishing to measure its impact. Its performance indicators might be percentage of clients transitioning from homeless to housed and average length of time maintaining that status. If the number of housed individuals rises over time, then suddenly flattens or the length of residency plummets, the nonprofit can identify the “why” and reassess its strategic plan.

Jenik believes that maintaining momentum and measurement *after* strategic planning is crucial. She recommends creating a follow-up committee. She and Jones agree that strategic planning requires patience. “Of course, it adds to the workload in the short term,” says Jones, “but it more than pays off downstream.” ■

