

Strategic Planning Made Simple

By Jack Shand, CMC, CAE

Many who have experienced strategic planning will relate to this scenario: The facilitator with an impressive PowerPoint featuring graphs, intersecting circles and colourful charts to suggest how the planning process flows and makes sense. There are even handouts explaining the planning methodology and terminology. However, ask anyone in the room the day after the consultant leaves to try and explain, let alone replicate, the planning “model” and the sheer complexity of it all leaves them speechless.

In years providing strategic planning facilitation, and participating in planning workshops, I have come to realize that strategy — much like governance — is not something most volunteers (or even staff) understand. It behooves not-for-profit leaders to help others be comfortable with planning.

To be fair, strategy is not something most people have much experience developing or practising. Leaders in the not-for-profit sector may develop strategy every few years. When that happens, they typically spend a day or two actually planning. Indeed, volunteers may be engaged in strategic planning for the very first time in their lives when they come to their not-for-profit responsibility. Therefore, it's new territory and not well understood.

So how to make strategic planning simple? Organizational leaders should start a planning workshop by sharing a real-life example to build the level of comfort of participants. I like to use the example of a New Year's resolution to lose weight. It is something most people have direct experience doing or can at least relate to.

The example of creating strategy and addressing the components of a strategic plan (i.e., goals, objective, action plan, etc.) in a New Year's resolution of losing weight can fit on one page (or one PowerPoint slide). It is both simple and understandable.

Mission of course is our purpose — the *raison d'être*, the ultimate outcome that will make the world (or lives) better. A good mission is lasting. Michael Wilkinson of Leadership Strategies has recommended that a mission statement answer three questions: What We Do, For Whom, and The Benefit. The mission of Disney is “We create happiness by providing the finest in entertainment for people of all ages, everywhere.” The Lexus mission is “To attract and retain customers with the highest value products and services and the most satisfying ownership experience.” Habitat for Humanity® Canada's mission statement is “To mobilize volunteers and community partners in building affordable housing and promoting homeownership as a means to breaking the cycle of poverty.”

In our weight loss example, consider this mission statement: “To achieve and maintain a healthy weight consistent with the range recommended in the Met Life insurance table.” Now, while in our own quest for a healthy weight or fitness level the actual mission may be different, this example points to a mission that has longevity.

Now that the participants understand the mission, they will turn their attention to goals. Goals tend not to change over time and are the high level activities to achieve the mission. Interestingly, most not-for-profits have universal goals in my experience. For example, advocacy and education are two goal examples that apply to most charities and associations.

What goals support achievement of weight loss? What high level activities would someone focus upon? Goals are likely to include such areas of activity as (1) physical fitness, (2) healthy diet/eating, and possibly (3) stress management. If doing this example with a group, ask them to suggest other goal areas that support accomplishment of the mission.

We next need measurable objectives for each goal area. Objectives have to be measurable so there is clarity for all concerned on whether or not the outcome or target has been accomplished. Objectives apply to the time horizon covered by the strategic plan (e.g., the next three years). In a not-for-profit organization, sample objectives may include increasing membership to 'X'. In the weight loss example, objectives under the goal of physical fitness could include (1) achieving a target heart rate zone while exercising that is 85% of my maximum heart rate (the American Heart Association suggests maximum heart rate is 220 minus the person's age but in all cases, check with a doctor), (2) achieving body fat percentage of 16%, and (3) successfully completing the Boston marathon in 2014 in less than 200 minutes.

The annual action plan needed to realize these objectives then follows. The annual plan provides the sequential steps necessary to achieve the stated objective. The action plan – typically an annual plan or business plan in a not-for-profit organization – will be supported by a budget. The action item also needs to be assigned (i.e., owned) by a person so there is accountability in carrying out the step. In a good plan, when the step is to occur (e.g., September, 3rd quarter, etc.) should be included.

In our weight loss objective, “to achieve a target heart rate zone of 85% of maximum”, think for a moment about the steps you would recommend to a friend or family member to accomplish this outcome. The first steps in the year-one plan might include:

- (1) Join a health club (January);
- (2) Hire a personal trainer and develop a cardio and weight training program (January);
- (3) Exercise at least 45 minutes every day;
- (4) Run an average of 25 kilometres each week.

There could be some other action items based on other personal preferences, say, in this example, the individual wants to resume playing tennis after several years away from the sport. A fifth action item could be “take tennis lessons at the intermediate level starting in May.”

An action plan will be developed for the stress management. The action plans for years two and three of the strategy will further build on the results and move closer to the objective and ultimate goal.

Visually, the example as presented helps people with limited experience in developing and executing a strategy understand the component parts. Below (and the following page) is how it could be presented:

Mission:

To achieve and maintain a healthy weight consistent with the range recommended in published insurance industry tables.

GOAL 1: PHYSICAL FITNESS	GOAL 2: HEALTHY DIET	GOAL 3: STRESS MANAGEMENT
<p>Objective 1:</p> <p>Achieve target heart rate zone of 85% of maximum</p> <p>Action Plan Year One:</p> <p>1.1. Join Apollo Fitness Centre (January)</p> <p>1.2. Hire personal trainer; develop and follow cardio and weight training</p>		

program (January)		
1.3. Exercise minimum 45 minutes daily (ongoing)		
1.4. Run average 25 km/ week (ongoing)		
1.5. Resume playing tennis; take lessons at intermediate level (May)		

Sharing this everyday example of goals, objectives and action steps to accomplish a mission that most people will have had some personal experience with will elevate understanding of strategic planning. To create confident and competent planners, and plans that will truly advance the organization, use a simple analogy to help participants become informed on how to build good strategy.

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