

STRATEGIC PLANNING 101: The Essential Strategic Plan

By Jay W Vogt

The Essential Strategic Plan

Imagine an organization where every individual can name the strategic opportunities and threats facing it. And can articulate the organization's mission, vision and values from memory. And state the organization's top five strategic goals in the coming three years, and the success metrics by which they'll be judged. Imagine how productive this highly aligned organization would be. What has to happen to bring this about?

The Essential Strategic Plan distills much of the work found in the typical thirty-page strategic plan into a single page (okay, we'll cheat and use both sides).

Doing so:

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

Every nonprofit needs the Essential Strategic Plan. Why?

- 1) Because strategic planning is essential;
- 2) Grassroots nonprofits only have time for the essentials.

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

The Guiding Ideas section includes:

- 1) Mission
- 2) Vision
- 3) Values

The Current Assessment section includes:

- 1) Current organizational strengths
- 2) Current organizational weaknesses
- 3) Current opportunities in the environment
- 4) Current threats in the environment
- 5) Critical strategic issues

The Strategic Goals section includes:

- 1) Your five top strategic goals for the next three years
- 2) Your top three objectives for each goal
- 3) Your top metrics you use to measure your impact, and success

The Business Model section includes:

- 1) Business model statement

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2) Linkage to other planning such as operational planning, operational budgeting, board development, development planning, and capital planning

Obtain your copy of the Essential Strategic Plan template at www.essentialworth.com.

Guiding Ideas

Let's visit each section in turn.

Have you ever asked someone the mission of their organization, and had them say, "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 a strategic planning consultant, I have asked these questions, and heard these answers. They make me 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. Who 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." They're not close yet, but they're on their way.

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.

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Current Assessment

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 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.

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Business Model

A business model statement links the methods by which an organization accomplishes its mission with their funding sources, in the context of an overall strategy for 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.

Here, the plan may also detail how its broad strategic goals will be integrated into the implementation work of the organization: for example, its operational plans, operational budgets, board development plans, development plans, and capital plans.

Conclusion

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 it and review it.

The brevity and ease of use of the Essential Strategic Plan means that its goals and targets can provide the focus for annual, quarterly, monthly, weekly, and yes, even brief daily meetings. Once people know what they are trying to accomplish, they welcome regular feedback on their progress. The Essential Strategic Plan makes the organization's guiding ideas, success metrics, and key initiatives transparent, and therefore accessible, and finally, highly useful.

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