

The Sheridan Group – Education Series

Success through Strategic Planning

Time and time again, when asked to assess an organization's capacity to raise funds, we discover impediments that have little to do with the existing fund raising program but everything to do with fund raising success.

These impediments are usually caused by one or a combination of the following:

1. The organization has given insufficient thought to its future. Long-range planning is either outdated, incomplete or non-existent, few goals have been set, few priorities are established. The organization literally does not know where it is going or why it matters.

It may know that it "needs more money." However, it may not understand that this need is not by itself a rationale for support, or even that the needs of specific programs may not mesh with the interests of constituents.

Small wonder in such a situation that prospective donors find little to interest, challenge or motivate their giving.

2. Each unit of the organization - board, administration, departments, external relations and volunteers - considers itself a separate entity with independent, inherently superior status. This creates an organization that operates at such cross-purposes that overall effectiveness, impact and cost efficiency are minimized.

So, too, is the capacity to raise funds, as mixed messages and turf battles confuse and frustrate prospective major donors and friends.

3. No effort has been made to reach out and communicate with audiences, telling them what the organization is doing, why it is important and what role they can play.

This results in a whole or partial absence of the bonds of family, friendship and understanding among supporters and even among administration, staff, faculty and board. All are wholly or partially "disengaged."

The more one examines these organizational problems and their causes, the more one is drawn to the realization that the application of strategic planning brings marked improvement and assists overall management and fund raising.

The bottom line: Strategic planning helps assure an organization's effectiveness and impact while maximizing cost efficiency and constituency interest.

The outline that follows describes the strategic planning process.

The Strategic Plan

What does strategic planning accomplish? Why is it so important? Strategic planning helps:

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- Define the organization's mission and overall goals in concert with constituent needs.
- Engage all primary constituents (internal and external) in the defining process.
- Get the board, administration, faculty, staff and volunteers to communicate and cooperate.
- Examine and respond to constituents' needs.
- Present a compelling vision for the future.
- Determine programmatic issues that must be addressed.
- Assure realistic goals and objectives.
- Outline a blueprint for board and administrative action.
- Define financial and human resources needs.

The strategic planning process and the subsequent written plan also:

- Increase the likelihood of organizational continuity by providing a frame of reference as both board and staff come and go.
- Define key processes and relationships and instill confidence and an orderly, results-oriented thought process for both board and staff.
- Signal potential funders that the organization has thoughtfully assessed its mission, needs and capabilities and is managing its resources well.
- Assemble a strategic planning committee containing representation from every administrative and programmatic area whose input and perspective are essential and who will be responsible for carrying out the plan (senior administrators should play key roles since they have direct access to relevant information and staff).
- Determine what the formal written strategic plan will include within the fundamental areas of assessment, objectives, action plans, methods of monitoring and evaluation.
- Develop a timetable and deadline to ensure that the process and the plan are completed in a timely manner.
- Through a candid and thorough exchange of ideas, reach consensus on the major components of the plan and draft the strategic plan document.
- Have top management and the board approve and adopt the strategic plan, providing the "go-ahead" for implementation.

The Strategic Process and Components

The Process

Strategic planning is not a one-time event; it is an ongoing, year-round process. The process is as important as the product, because it fosters a sense of ownership in the plan.

There are many different approaches to strategic planning, but the following steps through the process are basic:

- Have board and senior staff carry out the objectives of the plan, including evaluation and revision of the plan as necessary.

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The Components

The strategic planning process and the index of the strategic planning document generally include the components described below. Every component may not be required depending upon your institutional personality, needs, planning history and status.

A three-year strategic plan takes between six and twelve months to develop; the timetable for implementation roughly follows the order of the components as listed below.

Make sure the final presentation of the strategic plan looks professional and reliable -- in other words, that the typing, reproduction and assembly are of high quality.

Analysis of the Marketplace

Market analysis is vital for effective strategic planning.

We recommend undertaking a formal survey that measures the strengths and weaknesses of your institutional case and leadership, defines threats and opportunities in the global and institutional environment, and tests the validity of programs.

Mission Statement

The mission statement is a short, broad definition of the underlying focus and reason for your organization's existence. If your organization has not reviewed its mission statement in several years, it is probably time to determine if an updating is required.

Case Statement and Summary Case Statement

The case statement is an internal document seen only by board and staff. It articulates, by priority, all the constituency needs that the organization will address, as well as programs and projects to address those needs. It is not a static document but one that changes regularly to reflect environmental shifts and evolving institutional priorities. (The market analysis may provide a rationale for reconfiguration of the case statement.)

A 3-5 page summary case statement should be developed for inclusion in the strategic planning document. This text can be used for external audiences and is often used as the rationale for support in fund raising brochures.

Programmatic Goals and Objectives

Strategic planning provides senior administration and program staff with the opportunity to share opinions and ideas and to streamline and coordinate implementation and support activities. In the strategic planning document, include brief overall program descriptions, a summary of program goals and objectives, and a timeline. If applicable, include charts for easy reading.

Budgets and Fund Raising Goals

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Determine what financial resources will be needed to undertake the institutional and programmatic objectives and where the money will come from. Set budgets for each program area and establish possible sources of revenue. Include program income.

Budgets should be done in standard nonprofit format (line items against functions on a spreadsheet). This format is particularly helpful to funders and to regulatory agencies.

Financial Resources Development Plan

Delineate responsibilities and write job descriptions for any new positions or reallocation of responsibilities. Describe the rationale for and substance of any structural or governance changes. Fit volunteers into specific functions as appropriate. Include an organizational chart.

Communications and Promotion Plan

The communications and promotion plan outlines effective steps to articulate your institution's mission, priorities and programs to defined audiences. The plan should include such elements as long-term and short-term goals and objectives, a delineation of target audiences, message points, media and public promotion strategies, constituent relations strategies, and the standards and usage of corporate graphics.

Implementation (Action) Plan

An implementation or action plan turns strategic objectives into specific activities. It is a road map that clearly charges specific individuals with carrying out the various objectives of the strategic plan. It includes a calendar of activities (including when reports and evaluations are due), governance element and timelines.

The Role of Counsel

Counsel can help the strategic planning process and the plan itself in several ways:

- By providing an objective, candid team leader to organize and supervise the plan.
- Through offering multi-institutional experience that assures the proper emphasis and staging, that lends perspective to divisive issues, and that avoids tangents.
- By compiling data and writing and producing the plan for review by internal and external constituencies, and allowing a more objective critique by participants.

In summary, we believe that strategic planning is at the heart of all fund raising and management functions. Organizations that invest in the strategic planning process are more likely to succeed programmatically and financially.

We hope that you find this Education Series useful and would be pleased to hear from you about how The Sheridan Group might assist strategic planning at your institution.