

Strategic Planning in Nonprofits (SPiN)

Your step-by-step guide to achieve your mission



Satterberg *foundation*



Strategic Planning in Nonprofits (SPiN) is a project of Washington Nonprofits, our state association that makes sure nonprofits have what they need to succeed. SPiN was funded by the Satterberg Foundation. Together we seek to expand the capacity of nonprofits to achieve their mission. SPiN was designed to give you the knowledge and tools your organization needs to plan so that you can better achieve your mission.

These materials accompany videos and are supported by key tools and documents. Visit the Strategic Planning in Nonprofits webpage for more:

[www.wanonprofitinstitute.org /spin](http://www.wanonprofitinstitute.org/spin)

Strategic Planning in Nonprofits is the third in a series of nonprofit learning resources. Some of the topics covered here connect with topics covered in these other resources:



Boards in Gear

Unlocking the Why, What, Who, and How of Nonprofit Boards



Finance Unlocked for Nonprofits

Unlocking financial literacy for nonprofit board members to deliver mission and protect assets



Let's Go Legal

The right road to compliance and protection

All of these include videos, kits, games, documents, and tools.

Available from The Washington Nonprofit Institute: www.wanonprofitinstitute.org
The Washington Nonprofit Institute is a project of Washington Nonprofits.

Laura Pierce of Laura Pierce Consulting led the content development of SPiN, and we greatly appreciate the contributions of by our team of advisors:

- Angela Powell, Principal, Imago
- Sarah Tran, Executive Director, Nonprofit Assistance Center
- Catharine Gately, Founder, The Narrative Company

For more information:

Washington Nonprofits
learning@washingtonnonprofits.org
www.washingtonnonprofits.org
855-299-2922



Welcome to SPiN!

Strategic Planning can seem intimidating. You may imagine months of meetings to produce a report that sits on the shelf. But when done well, planning serves as a powerful and effective blueprint for the future of your organization. In reality, you are probably already planning — many small nonprofits operate strategically every single day. You just may not be disciplined in putting your plans on paper.

Before we get started, let's define Strategic Planning. **A “strategy” is a plan, method, or series of actions for obtaining a specific goal or result. In nonprofits, the right strategic alignment of people, funds, resources, and partnerships leads to success.**

According to the National Council of Nonprofits, **“A Strategic Planning Process identifies strategies so that a nonprofit will achieve its mission. Ideally as staff and board engage in the process, they become committed to measurable goals, approve priorities for implementation, and also commit to revisiting the organization’s strategies on an ongoing basis as the organization’s internal and external environments change.”**

A Strategic Plan has the power to:

- **Focus and align** board and staff members, creating better results and increased momentum. It opens a conversation that may not be otherwise happening.
- **Connect and unify** your stakeholders — those individuals or groups that have an interest in the organization, including those people who benefit from your mission.
- **Give you the words to use with your key audiences** (like funders and partners) to bring them more powerfully into your work.

Having a Strategic Plan is critical to driving your mission. You will discover that taking the time to reflect and have meaningful conversations about your strategic direction is powerful and inspirational, and may have other benefits such as inspiring others, engaging new leaders, improving your work, raising more funds, and deepening your relationships with community partners and those you serve. We look forward to working with you on the journey!

SPiN Format

The following guide is our core SPiN curriculum and covers each stage of the Strategic Planning process. In each section, we explain what your Strategic Planning Team needs to know and do, including:



Why is this stage of planning important?



What does your Strategic Planning Team need to know?



*How does your Strategic Planning Team show what they know?
What actions should you expect at this stage?*



*What will your Strategic Planning Team produce at this stage?
What are the tools your Strategic Planning Team can access and leverage to complete this stage?*



What are some ideas that work?

The SPiN Cycle

Strategic Planning is cyclical. You reflect, chart a course (plan), implement your goals, learn from the experience, *and then start all over again* — *each time making progress toward your vision and mission*. We recommend completing the cycle every three years. The graphic below illustrates the main stages of the Strategic Planning Cycle, and of our SPiN Toolkit.



Strategic Plan Components

The basic components of a strategic plan are mission, vision, strategic priorities and objectives. The mission, vision and strategic priorities form your organization’s strategic framework. This is a high-level “compass” to provide direction. The strategic framework is short and memorable (usually one page) and can be shared with the public. The framework is supported by a more detailed implementation plan that outlines how you expect to achieve the results outlined in the strategic framework, and includes specific and measurable objectives. SPiN will guide you through the development of each element.

Strategic Framework

| Element | Definition |
|----------------------|--|
| Mission | A statement of the organization’s purpose |
| Vision | A statement of what the world will be like when you have achieved your mission |
| Strategic Priorities | Major goals for the coming three years — the most important areas of focus for your organization during this planning period |
| Objectives | Specific steps to take to make progress toward each strategic priority. |



Some additional elements you might consider include values, an identity statement, and outcomes.

Building a Strategic Planning Team

Your board of directors has ultimate responsibility for strategic planning. In practice, planning is a shared responsibility of board and staff and can be enhanced by participation of clients and other community stakeholders. We recommend identifying a small team of leaders to guide the process and keep it moving. This group does not make all the decisions, but they can gather information and tee up board and staff discussions that form the basis for the plan. They can develop and edit the draft plan for board review. Your board should formally approve the final strategic plan. This core planning team typically includes several board and staff members and may include one or two other key stakeholders whom you feel can add value.

Depending on the culture of the organization, your planning process may be more staff-driven or board-driven, but the ideal is to engage both groups throughout the planning activities.

Ready to begin?

You'll need some tools along the way. They're available on our website, www.wanonprofitinstitute.org.





PREPARE



A key to successful Strategic Planning is “planning to plan.” To achieve a thoughtful plan that is truly strategic, you’ll need an effective process that is inclusive, transparent, and well-informed.



Strategic Planners know at the PREPARE stage that:

1. **They understand the energy and time required to complete a quality plan and set aside the appropriate time and resources.** You may need to advocate for the value of Strategic Planning in order to gain buy-in and commitment from other organizational leaders. Be honest about what is required. If the organization is facing a crisis, work to resolve it before launching strategic planning.
2. **They build on any existing plan elements.** Do you like your current mission statement, or does it need revision? If you have a prior strategic plan, clarify your progress and accomplishments and decide what to carry forward.
3. **They know that there are different approaches to strategic planning.** These include: Classic Planning, Scenario Planning, Real-time Strategic Planning (La Piana Method), and more. Check our bibliography to learn more. Bottom line: there are lots of tried and true methods, but no one way to plan. This kit focuses on a classic approach that works well for most organizations.
4. **They scale their efforts to the organization’s scope and stage of development.** Evaluate your goals and desired pace, determine the amount of outreach you want to conduct during the process, and consider hiring a professional consultant to serve as a guide to reduce organizational workload and keep the process moving.
5. **They know their organizational history.** Write a short 1-2 page narrative that can be included in your final plan as background for all individuals involved in your organization.
6. **They identify key questions facing the organization.** Hold early discussions with board and staff to identify important issues to address.





Strategic Planners demonstrate what they know in these ways:

- The Board of Directors and Executive Director are active participants in the planning effort;
- Consideration has been given regarding the amount of time required to devote to Strategic Planning in light of the organization's current and projected calendar;
- A diverse Planning Team has been formed to lead the process; and
- Consideration has been given to whether an outside professional is needed to help guide the process.



Strategic Planners produce these documents at the PREPARE stage of planning:

- Agenda for first Strategic Planning Team meeting
- Roster and contact information for Strategic Planning Committee
- Timeline/Schedule
- Brief Organization History
- List of key questions identified by board and staff

There are a few key **tools** that might help you produce these documents:

- Questions to Ask Before Starting Strategic Planning
- Sample Agenda for First Strategic Planning Committee Meeting
- Strategic Planning FAQ
- Sample Timeline



These ideas have worked for other Strategic Planners:

- Look online or ask partner organizations to see their strategic plans. Reviewing some samples can help you decide how you want your strategic plan to look and give you a model to work toward.
- Hold a strategic planning launch where you explain the process you have planned and the roles that board and staff will play. Alternately, create a Joint Sponsorship Letter from the Executive Director and the Board Chair outlining the process and timeline as well opportunities for input. Circle the letter to board, staff and key stakeholders.
- Write down your organization's origin story, if it isn't documented already. How and why did the organization start?
- Learn about organizational life cycles and tailor your planning process to the stage of development that your organization is currently in. Check our bibliography for books that will help you understand common challenges and opportunities associated with each development stage, and factor that information into your planning.

Congratulations! You're ready for the next stage...LISTEN.



LISTEN



When an organization's leadership knows about the people you serve and other relevant data about your program and organization, your strategy improves, and you gain respect among your key audiences. You will be able to tell your story better, and your relationships and community impact will grow.



Strategic Planners know at the LISTEN stage that:

1. **Input from key stakeholders (all the different people or groups that have a stake in your success) is a vital part of Strategic Planning.** Asking for input yields information and insights that lead to a better plan and engages clients, donors, and others in the nonprofit's sphere in powerful ways. Focus groups, community meetings, interviews, and online surveys are ways to listen to stakeholders.
2. **Your organization's overall health matters.** Completing an analysis of your financial health and/or an organizational assessment will inform planning.
3. **There are other organizations working in the same space as you**, whether in a competitive way or as partners. Your organization's position within the larger landscape is a key consideration.
4. **You will never have perfect or complete information.** While research and stakeholder listening is worthwhile and important, you will never have the time, energy, and resources to consult all possible stakeholders or know all there is to know about your field or community. Do a realistic amount of listening and learning before moving into the development of your plan.



Strategic Planners demonstrate what they know in these ways:

- A. The Planning Team has developed a list of stakeholders—key constituency groups—and taken steps to solicit input from them. The input is summarized in a way that the board and staff can learn from it.
- B. The Board and Staff has honest and clear sense of the organization's current strengths and weaknesses, reputation and position in the community.



Strategic Planners produce some or all the following documents at this stage:

- Summary of stakeholder input
- Summary of organizational strengths and weaknesses and financial position
- Inventory of program goals and outcomes
- SWOT Analysis

There are a few key **tools** that might help you produce these documents:

- Stakeholder Engagement Primer
- Sample Stakeholder Outreach Plan
- Nonprofit Health Check-up
- SWOT Analysis Worksheet



These ideas have worked for other Strategic Planners:

- Hold a large community meeting to solicit input from all your stakeholders at one time. Get different constituents talking to each other to encourage out-of-the-box thinking about where your organization could go in the future.
- Recognize that you are part of a larger movement for change. Spend some time talking about (or with!) collaborators and competitors. Explore what you admire about each of them and how your organization could help them do that better. Learn about best practices in your field.

Congratulations! You're ready for the next stage...ENVISION.





ENVISION



When your organization invests time to develop or renew a powerful mission and vision, you will:

- Be able to answer the questions “Who are we?” and “Why do we exist?”
- Have a strong connection to your organization’s core purpose
- Set the stage for a strong, well-grounded strategy



Strategic Planners know at the ENVISION stage that:

- **You are expressing your core purpose and philosophy through your mission and vision, and that this will guide and inspire your work.** Some think of these elements as their “North Star.”
- **Your Mission Statement communicates why your organization exists and what you do.** It should be compelling, concise and memorable. Resist the temptation to spend months on your mission, wordsmithing it to the point where people lose their passion to plan. A board or committee conversation is great at the start, but the final product may need to be written by fewer people.
- **Everything in the Strategic Plan ultimately ties to achieving your Mission.** Throughout the planning process, you know to ask yourself, “Are we using our people and resources in the best possible way to deliver on our mission?”
- **Vision and Values can help guide everything you do.** The vision statement is a statement of what the world will be like when you have achieved your mission. Values affirm what the people in the organization believe and can guide decision-making. (Caution: developing a written values statement can be time-consuming, so you may want to omit this step from your first planning effort).





Strategic Planners demonstrate what they know in these ways:

- A. They have reflected on what they learned in the LISTEN stage of planning and have developed greater clarity around who they are and why they exist.
- B. This reflection gets integrated into the development of a clear and succinct mission and vision.
- C. The full board approves the mission and vision once it has been developed. This is a key step before the committee moves on to the PLAN stage.



Strategic Planners produce these documents at the ENVISION stage of planning:

- Mission statement
- Vision statement

There are a few key **tools** that might help you produce these documents:

- Mission Statement Worksheet
- Mission and Vision Statements – Definitions & Examples
- Mission Statement Assessment Tool
- Group Exercises to Liven Up Planning



These ideas have worked for other Strategic Planners:

- In addition to mission, vision and values, some organizations add an identity statement to their strategic framework. See our resources for information on creating an identity statement.
- There are many exercises that help people generate creative ideas that can be incorporated into your plan. See Group Exercises to Enliven Planning in our resource section.

Congratulations! You're ready for the next stage...PLAN.





PLAN



It is important to clarify what specific areas of focus and strategies you will use to achieve your mission. Planning helps you to:

- **Chart** a course to turn your vision into reality;
- **Determine** what actions best support your Mission and Vision;
- **Ensure** that your plan is right-sized and achievable by analyzing resource and capacity issues;
- **Inspire** others to take action to help your organization to succeed.



Strategic Planners know at the PLAN stage that:

1. **It is important to prioritize.** Your organization needs to focus your work on areas that will make the most impact and the ambitiousness of the plan must match your capacity. Creating a “wish list” of all the things you would like to do is not as useful as a focused plan that prioritizes a few areas for action. You can’t do everything—at least not all at once!
2. **A balanced plan attends to both programs and organizational health.** For example, you might consider having 1-2 program-related goals, one goal related to organizational health and capacity, and one related to fundraising and fiscal health.
 - It can be helpful to develop a high-level strategic framework to share publicly, and a more detailed implementation plan to guide management internally. Some groups create a multi-year strategic framework, but the supporting implementation plan is an annual plan that is updated each year.
3. **Objectives and timelines crafted by or in consultation with the people responsible for implementing them will lead to greater success.** Consulting the people who do the work will result in more realistic objectives and greater investment by those people in making them happen. Identify key people or committees to lead development of objectives for each strategic priority.



4. **Your plans should be aspirational but achievable.** It is important to find the sweet spot between an unambitious, uninspiring plan and a “pie in the sky” plan. How ambitious your plan is may depend on your organization’s leadership, culture and past experience, whether you are in a field where there is rapid change, availability of funding to support growth, and other factors in your operating environment. Have an explicit conversation about these issues to determine where your organization should land.



Strategic Planners can show that they know these elements in the following ways:

- A. Your plan has a small number of strategic priorities — no more than 3-5.
- B. Your priorities relate to your Mission and Vision.
- C. Your priorities include both program-related goals and organizational capacity-building goals.
- D. Your objectives are a set of actions you will take to achieve progress toward each strategic priority. Your objectives are "SMART" — Specific, Measurable, Achievable, Relevant, and Time-Determined.



Strategic Planners produce these documents at this stage:

- Strategic priorities (3-5 key goals)
- Implementation plan (internal document detailing supporting objectives for each strategic priority)

There are a few key **tools** that might help you produce these documents:

- Implementation Plan Template/Action-planning Worksheet
- Sample Plans (see our website for links)
- SMART Objectives



These ideas have worked for other Strategic Planners:

- Generate a list of outcomes that you are working toward for each strategic priority, and then work backwards to determine the steps you need to take to get there.
- Use a prioritization exercise to narrow down ideas. Dot polling is one engaging way to do this (see resources).
- Assign each strategic priority to an appropriate group of staff or a board committee that will be involved in doing the work and let them create that section of the Implementation Plan.
- Find ways to welcome contrary thinking or questioning. It is a healthy part of the planning process to surface and examine assumptions underpinning your work.
- Check out La Piana’s strategy pyramid and reflect on whether you have organizational, programmatic and operational strategies.

Congratulations! You’re ready for the next stage...EXECUTE.



EXECUTE



We have all heard stories about plans that sit on the shelf and are never referred to again. You have just done a lot of work to set the strategic direction of your organization and get everyone on the same page. Be sure to continue to utilize the plan framework and hold yourselves accountable to reach your goals.

When an organization uses their Strategic Plan as a guide:

- People and resources are focused, aligned, and results-oriented. Everything moves faster.
- Goals are fulfilled, people are motivated, momentum and energy grow, and morale increases in your organization.
- Faith in your ability to be an outstanding steward and to make an impact increases among your key stakeholders.
- You will still have the power to adjust and change your strategy along the way, and what you learn can be incorporated into your next plan.



Strategic Planners at the EXECUTE stage know that:

1. **It's critical to align your resources to accomplish your plan.** You are thoughtful about your capacity, appropriate staffing levels, fundraising, tools and training needs.
2. **Mid-course corrections are allowed and expected.** Your plan is your best guess about how things might unfold and how to reach your goals, but conditions can change and new opportunities and challenges can arise. Don't abandon your plan outright, but do adapt to changing conditions and course-correct as needed during the implementation phase.
3. **It is important to celebrate accomplishments.** Too often, we are so busy that we move on to the next project without taking the time to appreciate all the work that went into achieving a goal. Work to create a positive culture in your organization. Congratulate contributors and share your success with supporters as well.





Strategic Planners demonstrate what they know in these ways:

- A. Champions within the organization proactively connect the work to the mission and plan goals, acknowledging both successes and failures and helping others learn from experience.
- B. Staff and volunteers report back that they have the necessary tools, resources and time to get critical work done.



Strategic Planners produce these documents at the EXECUTE stage of planning:

- An announcement to your community celebrating completion of your plan and sharing your strategic priorities
- Thank you notes for all the stakeholders who contributed input during your planning process

There are a few key **tools** that might help you produce these documents:

- Alignment and Accountability Handout
- Tools for Aligning Your Board and Strategic Plan



These ideas have worked for other Strategic Planners:

- Create a short public version of your plan with some photos and a message from your board president and executive director and mail it to your funders and key partners and/or post on your website.
- Organize the Executive Director's monthly report to the board so that it corresponds to the strategic priorities and shares progress in each area.
- Create a culture that celebrates success by acknowledging progress at board and staff meetings. Some groups even have a standing agenda item called "Appreciation, thanks and good news."
- Review the Board's committee structure and committee goals, and revise to align more closely with your strategic priorities.
- Return to your collaborators and competitors. How can you use your strengths to strengthen the overall network to ensure that more people are better served? What types of collaboration will help you achieve your objectives?

Congratulations! You're ready for the next stage...EVALUATE.





EVALUATE



Evaluation will help you:

- **Learn** whether your activities are producing the desired results or change you are seeking to accomplish;
- **Gain** new insights into how you can improve your programs and increase your impact;
- **Demonstrate** to funders and donors that your work is making a difference;
- **Give** you data that can serve as a foundation for your next strategic plan.

(There is a great deal to learn about Evaluation, and many nonprofits find it daunting. Until another Toolkit focused on this topic is developed, this section touches on a few key points – particularly how evaluation relates to your Strategic Plan.)



Strategic Planners know at the EVALUATE stage that:

1. **Evaluation is really just a plan to track your progress.** It can be complicated and expensive, but every nonprofit can engage in simple evaluation activities. Seeking feedback from clients periodically and tracking a few key data points related to outputs and outcomes are common first steps.
2. **As community stewards, the Board has responsibility to ensure that the organization is making a difference.** Evaluation is the pathway to determine what results you are achieving. It can help you reflect on your successes and avoid repeating your failures. As board members, you want to hold the organization accountable to achieve results on behalf of the community.
3. **Your Strategic Plan can be your first evaluation project.** The board can monitor progress toward plan outcomes. A simple monitoring plan can be outlined in the plan itself. Some boards set up a dashboard to track key data points.
4. **Measuring your work and finding indicators to track progress will help you tell your story to current and potential supporters.** In today's competitive funding environment, it is valuable to have data that supports your program strategy. You may also want to articulate your "theory of change" or develop a logic model to help you explain your approach to others inside and outside the organization.





Strategic Planners can show that they know these elements in the following ways:

- A. They put a plan in place to periodically monitor progress against the plan.
- B. They set measurable objectives and periodically review whether they have been met.
- C. They attach success indicators to each strategic priority of their plan. They create a dashboard report to track performance.
- D. They use formal data collection and analysis methods to assess program impact.



Strategic Planners produce these documents at the EVALUATE stage of planning:

- Evaluation Plan with key indicators and milestones aligned with the plan
- Dashboard for reporting to the Board of Directors

There are a few key **tools** that might help you produce these documents:

- Dashboard Sample
- Sample Monitoring Plan



These ideas have worked for other Strategic Planners:

- Develop a logic model or theory of change
- Try to find ways to represent your data visually using charts, graphs or infographics
- Engage an outside evaluation expert to help you create a meaningful evaluation plan and data collection tools.

Congratulations!

**You've completed The Strategic Planning Cycle,
and you're ready to embark on a new phase
of your organization's journey.**

**You are on your way.
But don't forget – as always – to SPiN AGAIN....**

