

Maximizing Governance in For Public Benefit Organizations

**Strategic Planning Workshop
July 29, 2019**

Agenda

- Session Objectives
- Introductions
- Introduction to Strategic Planning
- Strategic Planning Approaches and Models
- Creating a Strategic Plan
- Implementing a Strategic Plan
- Wrap Up

Learning Objectives

Participants will learn about:

- What strategic planning is and is not
- The benefits and limitations of strategic planning
- Strategic planning approaches and models
- How to develop clear strategic priorities and goals
- Critical success factors for executing the strategic plan, including communications, operational planning and strategic performance management

Introductions

- Sonja Nerad, BA., MSW
- Founder of SN Management; 10+ years consulting experience. 15+ years senior management experience in community health and social services. Expertise: strategic and business planning, organization design, stakeholder engagement, collaborative service and system planning and change management. Focus on health equity

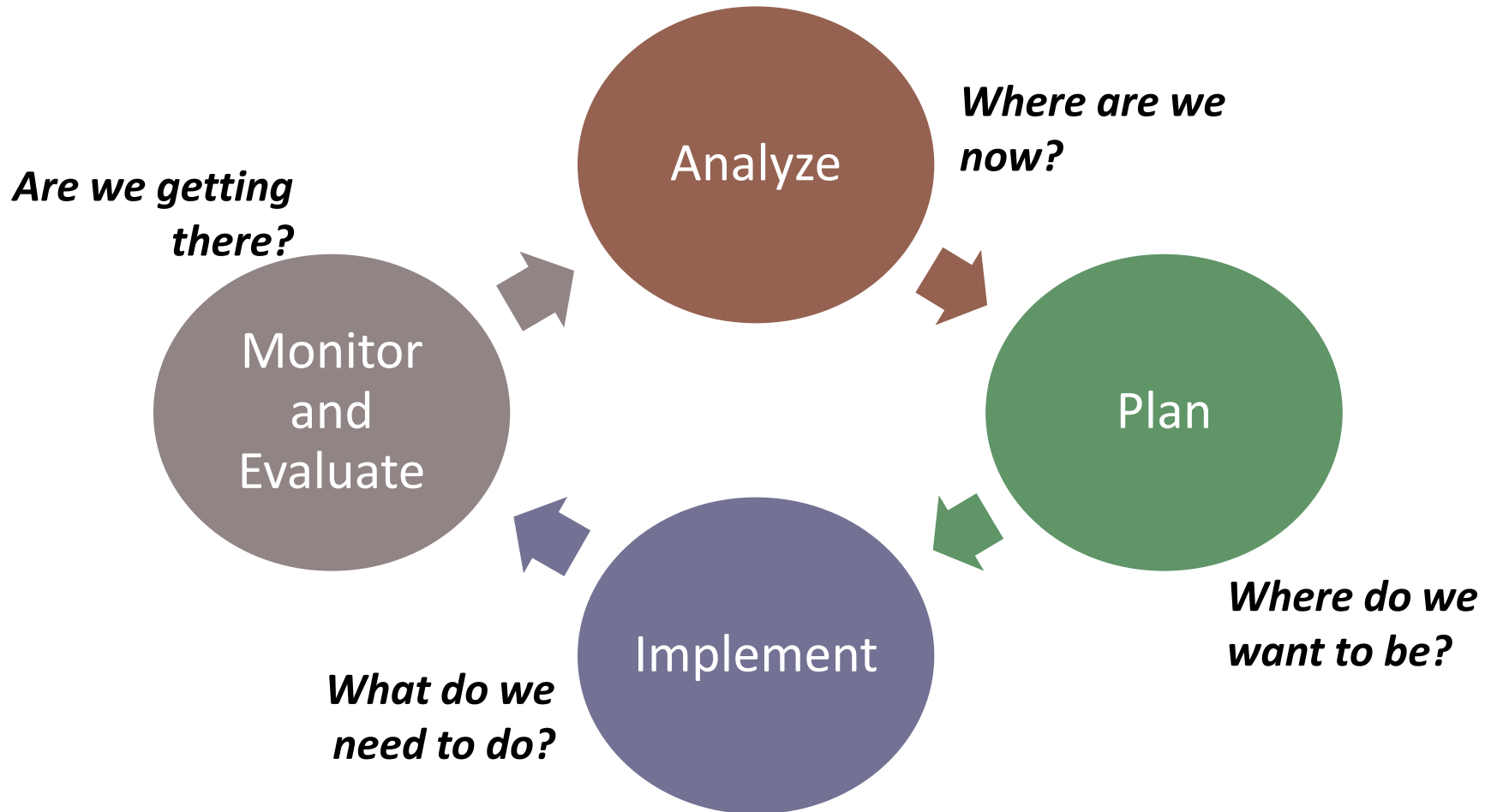
Introductions

- What is your name?
- What organization are you representing here today and in what capacity?
- What is your BURNING QUESTION?

What is a Strategy?

- A strategy is:
 - A long-term view
 - A living thing
- A strategy is not:
 - An activity that takes place once every few years and in between is forgotten

Strategic Planning Cycle



What Is Strategic Planning?

- **Systematic** planning process
- Takes into account internal and external environment
- Defines the purpose (vision, mission) and values of your organization
- Determines and defines where your organization is going over the long term (strategies, priorities) and how it is going to get there (goals, objectives)

“If you don’t know where you’re going, it doesn't matter which way you go”

Cheshire Cat; Lewis Carroll

Who is Responsible for Strategic Planning?

- The strategic planning process is typically owned by the Board
- The Board may delegate responsibility for planning activities, or example to a Sub-Committee or the ED

“The objective of board governance is to ensure the organization fulfills its mission, operates in a manner consistent with its values, moves towards its vision and discharges its accountabilities” OHA

Why Do Strategic Planning?

- To build consensus about where your organization is going
- To ensure the most effective use is made of your organizations resources by focusing resources on your key priorities
- To communicate your priorities, goals and objectives to your organization's key stakeholders
- To develop a shared sense of ownership of the plan
- To provide a base from which progress can be measured and a mechanism for informed change when needed

What are Some Challenges/Risks?

- No time
- No resources
- No commitment from leadership
- Not being able to make choices
- Disillusioned stakeholders
- Poor use of resources
 - Fiscal
 - Physical
 - Human

At its basic, strategic planning is about making choices – about what you will – and will not do – and about making trade-offs along the way

Discussion

- What have been the benefits or positive aspects of strategic planning?
- What have been your challenges or frustrations?

STRATEGIC PLAN APPROACH

Models, Frameworks and Elements

Strategic Planning Approach

- There is no one perfect strategic planning process to use the same way all the time with every organization
- Each organization should customize the best approach to suit the culture of its members, the current situation in and around the organization, and the purpose of its planning

What is a Strategic Planning Model?

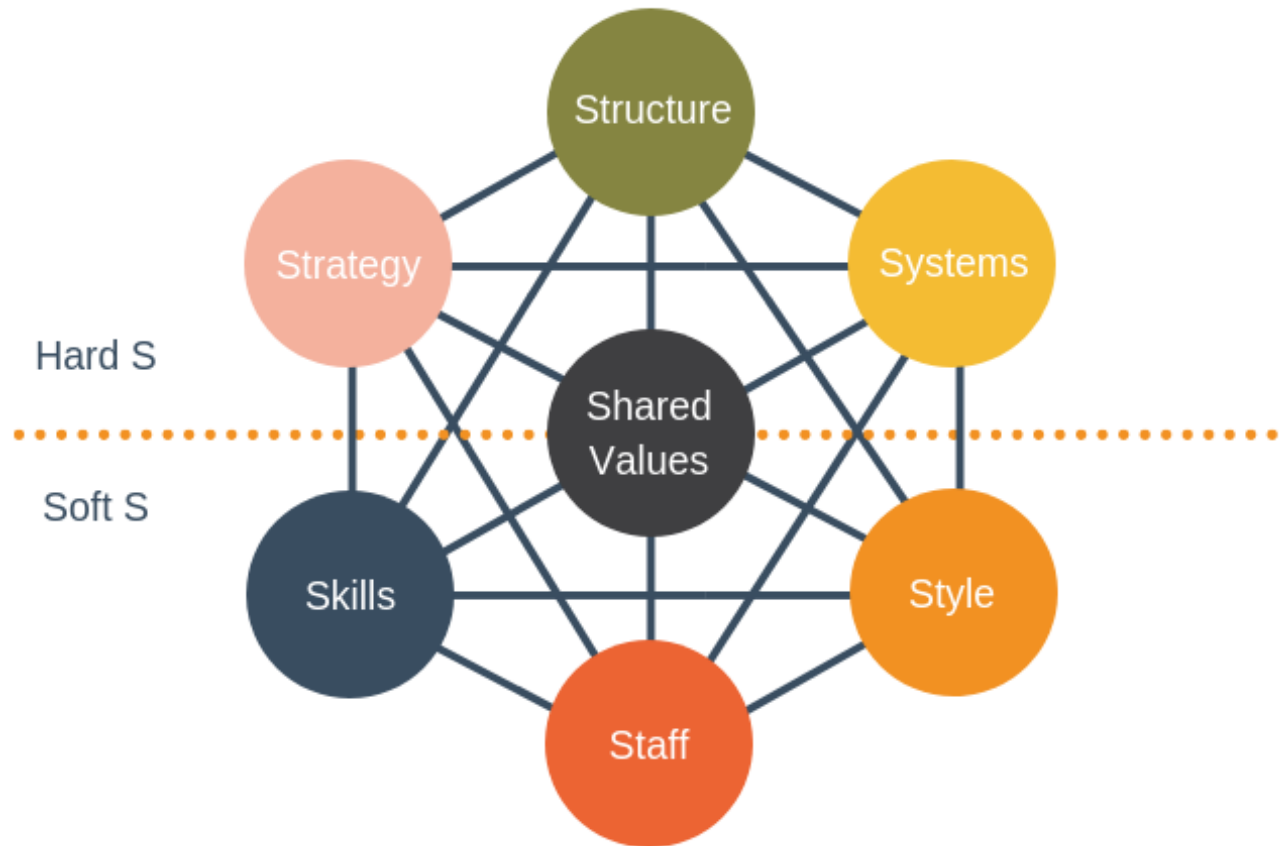
- Helps an organization through the strategic planning process
- Applies a specific lens or focus to the planning process (linear, organic, values based, etc.)
- May cover the basics of strategic planning (mission, vision, goals).
- May also cover how you will achieve your goals and how you will monitor and report on your plan (objectives, KPIs actions)
- Many examples:
 - Conventional Model, Issue Based Planning, Inspirational Planning, Scenario Planning, 7S Framework, Balanced Scorecard, Dashboard, Theory of Change, etc.

Balanced Scorecard



7 S Model

McKinsey 7S Framework

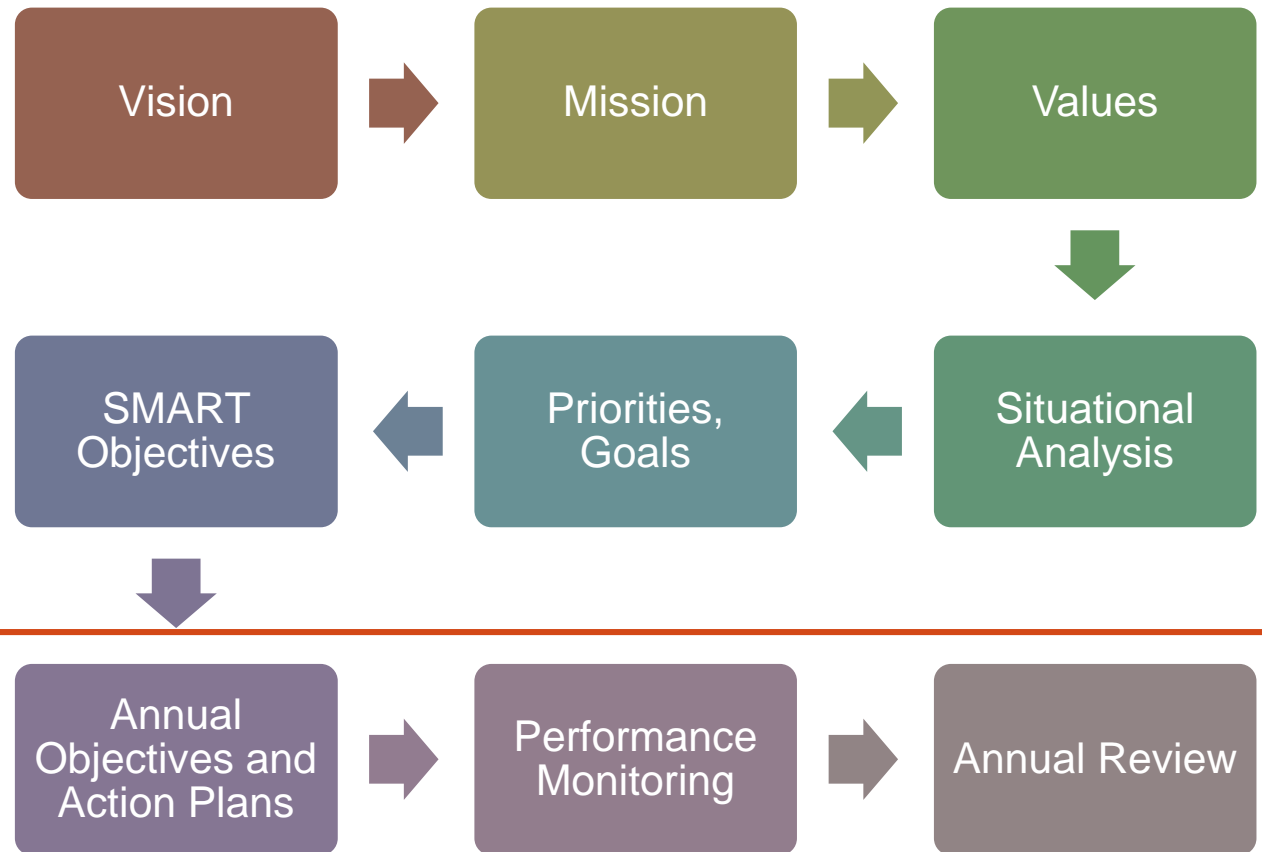


Strategic Planning Models

- What are strategic planning models that you have used?
- Why would we use one model over another?

Key Elements

Key elements -
regardless of the
approach, model
or framework
you choose



IMPLEMENTING A STRATEGIC PLANNING PROCESS

Key Steps

Simplified Approach

- A series of Board conversations (i.e., at Board meetings or a weekend retreat) to:
 - Review mission, vision, values
 - Conduct an environmental scan
 - Determine long-term strategic goals
 - Identify short-term objectives
 - Map out indicators/ targets
- Communicate the plan

Comprehensive Approach

- Strike a strategic planning committee
- Develop and implement a stakeholder engagement plan
- Conduct an environmental scan
- Hold planning workshop(s) to establish VVM, priorities, goals, objectives, KPIs
- Write up the plan
- Continuous communications
- Develop your performance monitoring plan
- Develop your operational plan
- Implementation
- Continuous monitoring, evaluation and modification

Strategic Planning Project Set-Up

- Scope of the plan - New plan? Refresh of the previous plan?
- Planning horizon - 3 years? 5 years?
- Work Plan - Start and end date, budget
- Who will be involved and what will be their work effort - Internal resources and/or external experts?
- Consultation - Stakeholder engagement goals and targets

Situational Analysis

Purpose

- To describe the strategic environment
- To generate creative and divergent ideas
- To begin to develop a shared understanding about the environment

Situational Analysis

SWOT Analysis

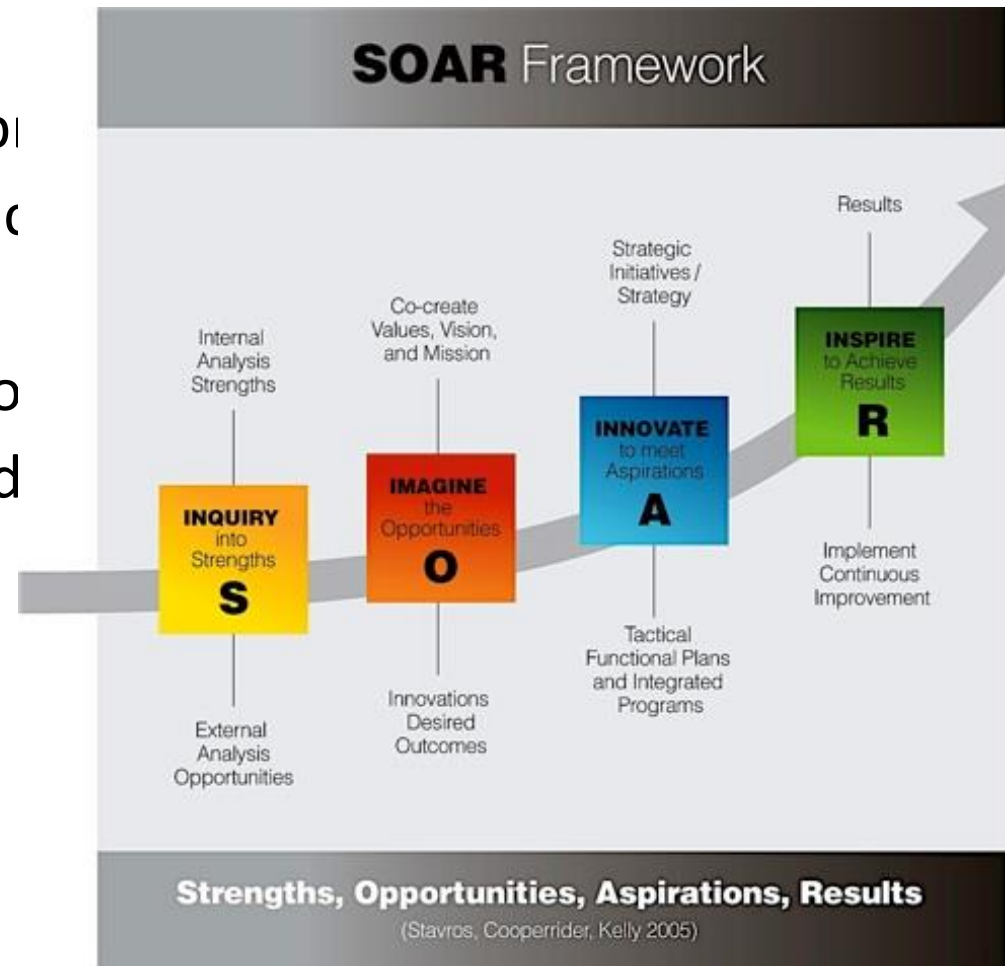
- Internal
 - Strengths
 - Weaknesses
- External
 - Opportunities
 - Threats



Situational Analysis

SOAR Analysis

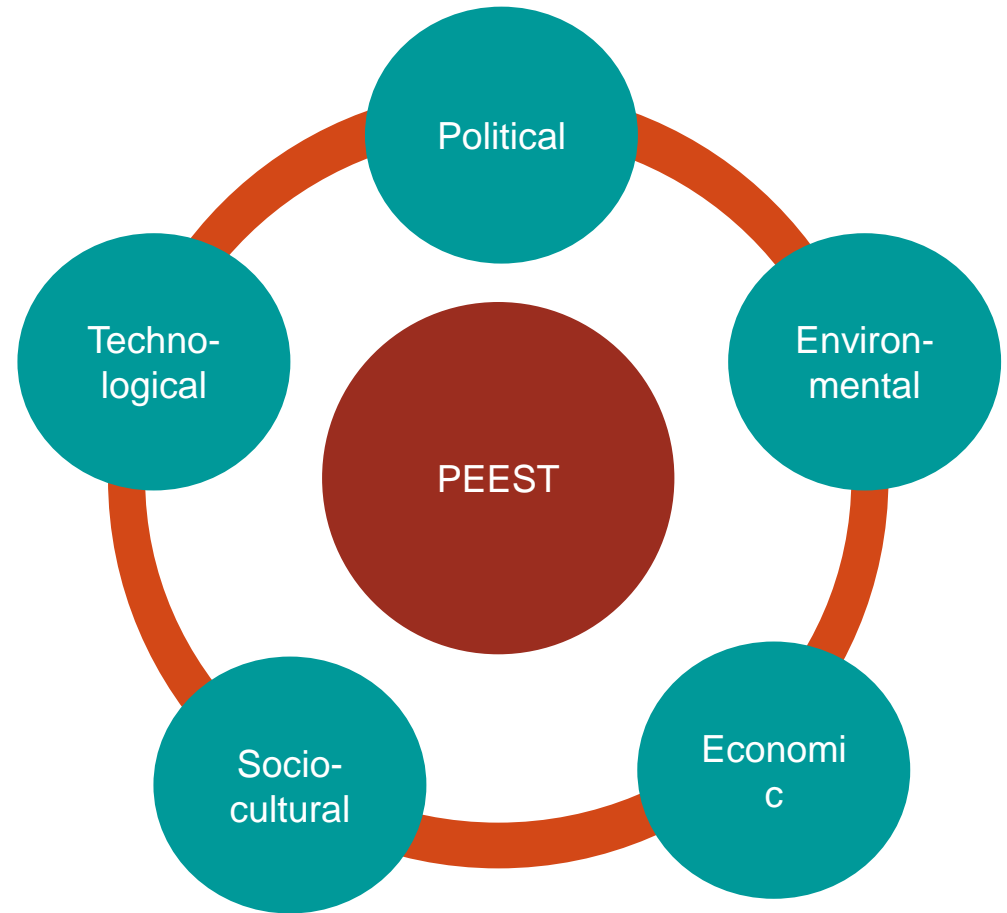
- An appreciate inquiry approach
 - Current strengths and capabilities
 - A vision for the future
 - Enhancing what it is doing
 - Planning for action and change



Situational Analysis

PEEST Analysis

- External factors
 - Political
 - Economic
 - Environmental
 - Socio-cultural
 - Technological



Situational Analysis

Presenting Your Findings

- Be clear, concise
- Present different stakeholder perspectives
- Identify areas of convergence and divergence
- Highlight key issues and questions
- Value add - critical analysis and “wicked questions”

Values, Vision and Mission

- Some non-profits struggle to differentiate between a mission and a vision statement.
- Both mission and vision statements capture the essence of your organization's beliefs and values
- Start with values, then vision, followed by mission and then proceed with strategic planning.

Values, Vision and Mission

Values

- Guiding principles which apply across the organisation and underpin how its work is carried out.
- Enduring and basic beliefs about what really matters, which guide how things should be done.
- Consider what values are most important to:
 - How your organisation operates?
 - How your organisation is perceived externally
 - How staff and volunteers carry out your services and activities?

Values, Vision and Mission

Vision Statement

- Explains the overall goal of your organization looking into the future.
- A view of how the world should be as a result of your work.
- Should be short, inspiring, memorable, and able to remain unchanged for many years.

Example

“A world where everyone has a decent place to live” Habitat for Humanity

Values, Vision and Mission

Mission Statement

- Outlines the present plan to realize the vision. Describes your fundamental, unique purpose. Communicates your value>
- Succinctly describes:
 - Why your non-profit exists
 - Whom it serves
 - How it serves them

Example:

“Water.org empowers families with access to safe water and sanitation through affordable financing”

Establishing Priorities

Drawing on a Theory of Change model:

- A = Starting point
 - Where the organization is at today
- B = Destination
 - What changes will be achieved by then end of the strategic plan:
 - For your clients/community
 - For your organization
 - For the broader system which you seek to influence



Developing Goals and Objectives

For your strategic priorities

- Goals
 - What will be achieved by the end of the strategic planning cycle and why?
- SMART Objectives
 - What specific actions do you need to complete to achieve the goal?
 - What is the timing for the action?

Goals and Objectives

GOALS

- 1-3 per strategic area
- Measurable achievement at the end of 3 - 5 years
- Goals typically begin with words like:
 - Explored/Examined
 - Established/Developed/ Created
 - Increased/Enhanced/ Improved
 - Decreased/Reduced

OBJECTIVES

- 1-3 per strategic goal
- Specific actions – How will you achieve the goal by a certain date
- SMART
 - Specific
 - Measurable
 - Attainable
 - Relevant
 - Time bound

Developing KPIs

For your strategic priorities

- Outcomes and Key Performance Indicators
 - How will you know you have achieved the goal? What will have changed or resulted from your efforts?
 - What are the indicators you will use to measure the outcomes for each year of your plan?

Putting It All Together

Strategic Priority	Goal Statements
Integrated Mental Health and Addictions	We will improve access to and strengthen the delivery of coordinated, evidence informed and community based mental health and addictions programming
Community and Health System Connections	We will improve service systems, care connections and health outcomes for populations with high/complex needs
Organizational Health and Wellbeing	We will provide a workplace that fosters exceptional performance

Putting It All Together

<p>3 Year Outcomes</p>	<ul style="list-style-type: none"> • Improved access to mental health and addiction services • Improved mental health and well-being among clients • Brand recognition and value 	
<p>Strategic Priority #1</p>	<p>Goal Statement</p>	
<p>Integrated Mental Health and Addictions Services</p>	<p>We will improve access to and strengthen the delivery of coordinated, evidence informed and community based mental health and addictions programming</p>	
<p>Strategic Objectives</p>		
<p>Expand the scope of mental health and addictions programming</p>	<p>Enhance our capacity to address the mental health and addictions needs of the diverse populations and communities we serve</p>	<p>Strengthen our role in the mental health and addictions service system by addressing key system gaps and priorities</p>
<p>Key Performance Indicators</p>		
<ul style="list-style-type: none"> • % of staff educated on mental health and addictions support • % of clients satisfied with mental health and addictions support (client engagement survey-baseline year) 	<p>XX</p>	<p>XX</p>

Writing Up a Good Strategic Plan....

- Focus on the why and the what....not the how
- Include a story of how the plan came together
- References relevant data
- Renews commitment to mission, vision, values
- Describes key goals and the impact/outcomes on key stakeholders
- Identifies 3-5 objectives and desired outcomes
- Provides performance targets

IMPLEMENTATION

Critical Success Factors

Critical Success Factors

Manage the Change

- Often organizations go through the planning process with excitement and vigor and lose energy as soon as the plan is developed.
- Leaders must recognize the need for change management discipline and implement it:
 - Constant Communication – Keep the plan top of mind
 - Operational Planning – Delegate responsibility
 - Monitoring and reporting – Foster accountability and shared ownership
 - Celebration – Maintains excitement and commitment

Operational Plan

Priority: Student Access and Success

Goal:

Significantly reduce the achievement gap across specified student subgroups.

Objective	Activities	Key Tasks	Timeline	Lead	Resources
Implement a mentorship program within 2 year serving at least 20 at risk youth					



Performance Monitoring Tool

Priority: Student Access and Success

Goal:
Significantly reduce the achievement gap across specified student subgroups.

OBJECTIVE	KPI	Annual Target (process/ outcome)	Q1 Result	Q2 Result	Q3 Result	Q4 Result
Implement a mentorship program within 2 year serving at least 20 at risk youth	# of youth from specified sub-groups with improved academic results after 5 years					

RESOURCES

Priority Setting and Planning

Conventional Model

Summary: Ideal for organizations that have resources, have external environments that are relatively stable, and do not have a large number of current issues to address.

Steps:

1. Develop or update the mission and optionally, vision and/or values statements.
2. Conduct situational analysis.
3. Select goals to achieve the vision.
4. Develop action plans specifying who will do what and by when to achieve each goal and associated plans, for example, staffing, facilities, marketing and financial plans.
5. Organize items 1-3 into a Strategic Plan and items 4-5 into a separate Operational Plan.

Priority Setting and Planning

Issue Based Model

Summary: The aim is to identify solutions to the major challenges your organization faces in the current state. Often short-term, internally-focused process. Ideal for resource-restricted organizations or those facing major issues.

Steps:

1. Identify major issues based on your situational analysis.
2. Develop goals that will address the issues.
3. Create SMART objectives and action plans to achieve the goals.
4. Execute and track progress.

Priority Setting and Planning

Scenario Model

Summary: Looks at what is happening outside of an organization, including regulatory, demographic, or political forces. Works well when planning for several potential situations. Works best when used in combination with other models.

Steps:

1. Identify 3 changes in the environment and discuss the following impacts for each: a) best-case scenario; b) worst-case scenario and c) reasonable-case scenario.
2. Figure out how to best respond to each impact.
3. Pick the most likely scenario and develop strategies.

Priority Setting and Planning

McKinsey 7S Framework

Summary: Looks at 7 internal organizational elements that must be in alignment for success. Organizations identify which elements need to change to reach/maintain alignment or achieve a different level of performance. Helpful during times of transition

- Hard elements: strategy, structure, systems
- Soft elements: shared values (which sits at the center of the model), skills (actual skills and competencies), style (specifically, leadership style), staff (employees and general capabilities)

Priority Setting and Planning

Balanced Scorecard

- Summary: Connects a company's strategic plan to operations. Monitors progress and measures success. Works well for medium - large organizations that don't change very quickly or don't need to make radical changes.
- Steps: Develop and monitor performance indicators for goals across four organizational dimensions:
 - Financial
 - Stakeholders and clients
 - Internal processes
 - Learning and growth