

# Ready, Set, Plan...

## Designing a Strategic Planning Process that Fits

A VISION Management Services Perspective by Ruth Armstrong and Sandi Trillo

*“Strategy is about stretching limited resources to fit ambitious aspirations” C.K. Prahalad*

Non-profit organizations, whether they love or dread the process, are finding strategic planning more relevant than ever in today’s fast-paced and uncertain times. Planning provides a unique opportunity for an organization’s leadership to ‘press pause’, reflect on successes, think strategically about the issues facing the organization, and consider the impact of trends and forces within their environments. Developing a strategic plan is a collaborative journey for board and staff that helps an organization’s leadership collectively define a desired future. Achieving agreement and alignment around future directions is critical to leveraging the human and other resources required to move forward productively toward the desired future.

**In facilitating strategic planning processes over the last 20 years, we have designed a variety of approaches ranging from brief, one-day planning sessions to exploratory year-long journeys.** The strategic planning journey is a learning experience in itself... and it should be a stimulating one, regardless of how long the journey is. While the resulting strategic priorities and directions may be similar across organizations, the process itself should, reflect and complement an organization’s culture and life cycle stage... whether that’s birth, development, maturation, or transformation.

As the pace of change has increased, planning timeframes have shifted from the ten-year strategic plans of the past, to three or five-year plans with annual updates. Today, some organizations are blending these timeframes

by identifying 10-20 year ‘horizon’ visions supported by 3-5 year strategic plans.

**Determining what kind of planning process an organization needs and whether it’s time to switch things up can be a challenge.** We share stories here of three very different planning processes we developed in collaboration with three very different organizations. We hope it will give non-profit leaders embarking on a strategic planning journey some idea of the possibilities, potential and process considerations (see Planning Process Design Considerations chart on page 6). Keep in mind that in strategic planning, one size doesn’t fit all: designing a process that suits an organization’s current situation is a creative act that involves mixing and matching elements to create the right hybrid.

### A New Chapter

[Participation House London Support Services – London and Area](#) (PH) has been supporting individuals with developmental disabilities and/or complex physical needs to live in their own homes, participate in community, and enjoy life with family and friends since 1988. Their long-time Executive Director (ED) and Director of Support Services have worked with PH’s Board and its stakeholders to intentionally and strategically expand and evolve the organization over the years. Strategic thinking and execution in alignment with their values have been the hallmarks of PH’s success.

Although the agency has always addressed its challenges and opportunities in a strategic way, PH first engaged in a formal strategic planning process in 2008 in part to fulfill their Accreditation requirements. PH’s planning process was incremental and extended over a period of several months. Prior to this date the

agency had undertaken two other initiatives: a Participatory Action Research (PAR) project and preparation for Accreditation.

PH has quite a flat organizational structure with approximately 330 staff. The staff team is complemented by a dedicated board of directors from the local community. Family members and consumers have served on PH's Board from the beginning. The planning process was designed to engage a variety of internal and external stakeholders and align family, individuals, board, management and staff around a common set of directions.

Since PH was new to strategic planning, we aimed to design a planning process that was educational, aligned with their values *and* would leverage the PAR project work. PH uses PAR as a way to engage the individuals they support (many of whom have limited verbal communication skills) and their families in evaluating how well PH is fulfilling its mission and principles. The agency uses these findings to refine the nature and quality of support the agency provides; insights from PAR informed PH's strategic directions.

PH's strategic planning process was structured around two sessions. The first was an evening Board-Management visioning session. The retreat agenda included an opportunity for participants to identify and celebrate successes, a valuable activity that non-profits don't often make time for. After that, the group reviewed and updated PH's mission and principles and developed a new vision for the organization. These statements are the foundation of any strategic plan.

Prior to the next session, we consulted with board, senior management members, staff, individuals supported and their families via surveys and interviews. The information gathered was summarized in an Environmental Scan Report. Themes were categorized according to a 'SWOT' Analysis: *internal*

## CRITICAL SUCCESS FACTORS

Regardless of the kind of process you design, attending to the following factors will help keep the resulting plan alive and 'off the shelf'.

**Reality check:** be realistic about the kind of process that your organization needs at this point in time: assess available resources, other initiatives and level of commitment.

**Leadership support:** ensure the ED and board chair demonstrate ongoing support for the planning process and priorities to help everyone stay focused on the plan.

**Visibility:** create a 1-2 page visual highlighting key elements of the plan (i.e. vision, mission, values and strategic priorities/directions). Post the visual on site and online, and consider using it as a 'place mat' at staff and board meetings to ensure everyone keeps the plan and its priorities top of mind. This may also be a useful format for sharing the plan with external stakeholders.

**Communication:** keep internal and external stakeholders apprised of the planning process and its outcomes to promote buy-in and demonstrate transparency and accountability. If you consult with external stakeholders, share the summary of trends and issues they helped identify as a way of thanking them.

**Execution:** convert strategic plans to action by identifying champions and developing annual workplans. These plans are generally developed by the management team and staff and are updated annually in response to a changing environment throughout the timeframe of the plan.

*"Plans are only good intentions unless they immediately degenerate into hard work."*  
Peter Drucker

**Monitoring:** ensure the board and ED agree on how to monitor progress: this often involves the ED, and others, reporting to the board on progress related to priorities.

See also "Planning Process Design Considerations" chart on page 6.

Strengths and Weaknesses, and *external Opportunities and Threats*; and stakeholder perspectives were also summarized.

Board and management came together again in a full-day planning session two months later. During that session they confirmed PH's new and updated vision, mission and principles and discussed the implications of the information gathered. For the remainder of the session participants developed a strategic framework: this included four strategic directions; related goals and outcomes.

Participants described the planning session as challenging and thought-provoking. In the course of discussion the group clarified a number of issues and developed a better understanding of, and appreciation for, each other and the context in which PH works. The planning process was in many ways a celebration of what had been achieved in 20 years.

### **Tried and True**

[ACCES Employment Services](#) (AE) assists job seekers from diverse backgrounds to find employment and integrate newcomers into the Canadian job market. We have worked with AE over the years to develop several three-year strategic plans. This organization plans *and* executes extraordinarily well as demonstrated by their continued success and growth in the areas of internal capacity, programs and partnerships.

AE's board and management teams participate in the planning process; this is common planning practice today as the two teams bring different insights and perspectives to the table. Mutual trust has been established over the years, at AE so both groups are comfortable questioning and encouraging each other. AE's board is highly committed, has a good understanding of the organization and is not afraid to take risks – key ingredients for an effective planning partnership.

**Like PH, AE also generates its plan mainly during a one-day session, however it prepares itself in advance.** For their 2009 planning process the Executive Director prepared a SWOT Analysis which was distributed to participants in advance of the session to help stimulate thinking. A board committee reviewed the organization's values prior to the session and presented recommendations for revision; these recommendations were reviewed and refined by the full group at the session. AE's senior managers prepared a progress update on the three interconnected strategic priorities from the last strategic plan; these updates were presented and discussed early in the session. In our experience, these kinds of up-front investments tend to enrich the quality of a group's dialogue during a planning session. In reviewing their three existing priorities, participants agreed that the priorities were still relevant. To respond to changes in the environment the strategic plan was updated by identifying one new strategic priority and corresponding direction as well as several new goals within the existing priorities.

AE's day-long planning sessions are facilitated in plenary as the group of approximately fifteen is skilled at engaging in productive conversations together. The planning process builds on a framework that the organization is now familiar with. The senior management team uses the framework as the basis for the development of their workplans. These workplans detail how the framework will be operationalized and form the basis for reports to the board.

While it is somewhat unusual (in our experience) for an organization to retain the same strategic priorities for 9 years (with an additional priority added in 2009), this approach has served AE well. Their priorities are broad, address internal *and* external areas, and collectively contribute to the development of a strong internal foundation. It helps that the organization has fostered a culture of

continuous improvement, so in updating directions periodically, they continue to raise the bar for their services.

### Doing it Innovatively

[Delisle Youth Services](#) (DYS) delivers a range of children's mental health services and coordinates the residential intake of developmental service clients. The 35-year old organization used its most recent strategic planning process to think strategically about the environment it works in and to connect with and get input from a variety of stakeholders via traditional and non-traditional vehicles. The extensive information gathered generated new insights and resulted in the development of four scenarios which were explored by board and staff.

In "The Art of the Long View", Peter Schwartz describes scenarios as "...a tool for helping us to take a long view of the future in a world of great uncertainty. ... [they are] stories about the way the world might turn out tomorrow, stories that can help us recognize and adapt to changing aspects of our present environment." **Like DYS, scenarios have a long history; however their use in strategic planning in the non-profit sector is a relatively recent application.** Like strategic planning, scenarios were first used by the military in an attempt to anticipate how different situations might play out. The approach was later adapted to business settings as a way of exploring the impact of changes to key variables within a business model. Scenarios can be a particularly helpful way to explore, in a low-cost/low-risk setting, how unknown variables might impact an organization.

When we began working with DYS, the organization was successfully emerging from a transition period which involved significant internal change. The organization's previous strategic plan had reflected this internal focus and members of DYS' Strategic Planning

Steering Committee (SPSC), comprised of representatives from the board and senior management, agreed it was time for the organization to turn its attention outward. We worked closely with DYS' SPSC to design an innovative planning process that involved experimentation on a variety of levels over a year-long period. Since DYS' successful transformation and evolving role were not well-known within the sector, engaging external stakeholders (i.e. funders, partners and other agencies in the sector) provided an opportunity to communicate the organization's current situation and to explore how DYS was seen by others.

The SPSC designed a planning process to benefit not only itself and its clients, but also other agencies in the sector. **One innovative element of DYS' process included inviting key stakeholders to attend a forum where 'experts' from other loosely connected areas (education, urban planning, research and a multicultural youth-led organization) presented their 'horizon' ideas** – i.e. "What horizon ideas in Education, Technology and Multiculturalism could have a major public policy impact on how all of us deliver services to youth over the next decade?" The forum was structured to engage participants in *Generative Conversations*. The presentations and conversations helped attendees reflect on their own ideas and perspectives through different lenses.

This forum was one element of DYS' environmental scanning process that included online surveys, focus groups and 'key informant' interviews. The information gathered from internal and external sources led to the development of four 'scenarios' of possible futures for DYS. These scenarios were loosely defined by the SPSC for further exploration at a board-management session. Senior managers subsequently developed three of the scenarios in more detail for presentation to a second panel of experts and an audience consisting primarily of internal stakeholders

and some funders and key informants. This second forum was called, *Testing the Waters*. The audience and experts were invited to provide feedback on the desirability and viability of each of the scenarios presented. DYS' ED noted that this feedback influenced the final form of DYS' plan.

A hybrid of two of the scenarios emerged as the most desirable and likely path forward – and moving toward this hybrid became DYS' strategic focus for the next five years. Four strategic priorities were defined to support this focus. Management and board 'champions' were identified for each of the priorities as a way of allocating ownership to those who were most passionate about each priority. This promoted ongoing board-staff communication and engagement.

The planning process effectively engaged both board and staff; provided an opportunity for the organization and individuals to showcase their talents to stakeholders; and expanded everyone's view of the organization's work. The scenario planning approach was credited with providing an opportunity for everyone to 'dream' realistically.

## Planning Process Design Considerations

The design of any planning process is critical to the development of strategies that key stakeholders, and those charged with the implementation of strategy can support.

Important process considerations include identifying which stakeholders to engage and how. Once that has been determined, stakeholder consultation processes and tools for engagement and communication can be designed.

As we've seen in the three processes described, the opportunities strategic planning provides to connect with stakeholders can be leveraged to strengthen relationships, and to orient board, staff and external parties to your organization. These interactive processes can be designed to invite key stakeholders into your story and encourage them to share their expertise and insights to help the organization make sense of its environment. Coming together in different venues increases shared understanding and enhances alignment around and buy-in to the strategic priorities and directions you identify.

The importance of communicating with stakeholders throughout the process should not be underestimated. A constant flow of updates, particularly to internal stakeholders, highlights the value placed on planning. Once priorities have been identified, aligning all levels of the organization around the plan becomes the next challenge.

As you prepare for your planning process, consider the Planning Process Design chart on the next page.

**Authors:** Ruth Armstrong and Sandi Trillo of VISION Management Services co-authored this article in May 2010. VISION Management Services ([www.vision-management.ca](http://www.vision-management.ca)) is a Toronto-based consulting firm specializing in non-profit governance, strategic planning, leadership development and collaboration. Ruth and Sandi can be reached at: 416-691-7302 or by email: [rutharmstrong@vision-management.ca](mailto:rutharmstrong@vision-management.ca); [sanditrillo@vision-management.ca](mailto:sanditrillo@vision-management.ca).



**CATALYST FOR CHANGE**  
helping non-profit leaders craft and execute strategy

## Planning Process Design Considerations

APPROACHES Considerations	MINIMALIST	IN-DEPTH	INNOVATIVE
<b>Organization's Planning Experience</b>	Limited experience... possibly the first strategic planning process. You may be experienced but have too many other initiatives underway	Some experience... consider: what worked in the past, what didn't? Is the planning likely to be more internally or externally focused?	Experienced... with a desire to refresh the planning process to achieve transformative strategies/change
<b>Life Cycle Stage of the Organization</b>	Birth, development	Development, growth or maturation	Growth, maturation... with a sense that it's time for transformation
<b>Purpose of Planning</b>	<ul style="list-style-type: none"> <li>• Create or refine foundational statements (i.e. Vision, Mission and Values)</li> <li>• Build internal infrastructure</li> <li>• Introduce practice of environmental scanning</li> </ul>	<ul style="list-style-type: none"> <li>• Refine foundational statements</li> <li>• Build on strengths</li> <li>• Make strategic choices related to growth and other challenges</li> <li>• Increase external profile</li> </ul>	<ul style="list-style-type: none"> <li>• Identify a horizon vision</li> <li>• Reposition... for growth or new directions</li> <li>• Increase external profile</li> </ul>
<b>Planning Timeframe</b>	2-3 months	3-9 months	6-12 months
<b>Committee</b> <i>Note: typically comprised of representative board and staff members</i>	Not required	Recommended if there is interest and the organization wants to promote shared learning and communities of practice.	Important. The quality of thinking is important as the group must identify innovative design options that reflect the organization's realities and culture.
<b>Stakeholder Consultation and Information Gathering</b> <i>Note: larger organizations generally need to consult more broadly to engender buy-in</i>	<ul style="list-style-type: none"> <li>• Limited – consider an online survey for staff or clients if the planning is likely to be internally focused.</li> <li>• Review available research related to your sector or geographic area (if possible)</li> </ul>	<ul style="list-style-type: none"> <li>• May be extensive – consider engaging a variety of internal and external stakeholders through a combination of online surveys, key informant interviews, and focus group discussion.</li> <li>• Beware of 'drowning in data'</li> <li>• Keep stakeholders informed throughout the process</li> </ul>	<ul style="list-style-type: none"> <li>• Extensive – consider using a combination of: online surveys, key informant interviews, focus groups and creative/ stimulating public events that would surprise/engage your audience (see description of DYS' two forums)</li> <li>• Keep stakeholders informed throughout the process</li> </ul>
<b>Retreats</b>	1 day with the board and ED or the board and staff team.	1-1.5 days with board and ED or board, ED, management/staff.	Depends on the nature of the innovation.
<b>Budget</b>	Low \$-\$\$ Medium	Medium \$\$-\$\$\$ High	Medium \$\$-\$\$\$\$ High