

Strategic Planning Overview

In a participatory process, wide input is sought through a process in which staff and board take several months to determine resource requirements and to conduct a performance analysis and needs assessment, before coming together as a complete or representative group in a retreat or other setting. For board members to feel ownership in the plan, they must be highly involved in the planning process.

The overall plan and budget is developed from this basic information, usually by a smaller task force. When completed in draft form, the material is presented at board and staff meetings for review and revision.

Types and Scopes of Plans

Strategic, long-range plans span three to five years, with measurable objectives for the first one to two years. Some objectives may continue beyond the first two years. A strategic long-range plan should have a “rolling-base,” meaning that the plan should be updated annually, the year just completed evaluated and retired from the plan, and a new fifth year added.

Annual plans are developed in order to keep strategic, long-range plans current. For annual plans, long-term goals provide a framework for a tightly focused set of objectives encompassing the strategy of the organization. Annual strategic plans can be part of the strategic, long-term plan or they can stand alone.

Operational/Departmental plans are a further subset of the long-range plan. They provide a detailed plan for a specific departmental activity. Departmental plans also are accompanied by budget limited to the scope of that particular plan.

Financial plans serve as a companion piece to strategic, institutional plans. Financial plans outline financial goals such as retiring the deficit, increasing net worth or managing endowment investments. The financial plan includes the organization’s budget. Although it is difficult to project precise budget figures beyond one year, estimates for subsequent years provide essential baseline information and benchmarks for goal setting.

Elements of Strategic Plans

There are four basic components, which make up all comprehensive strategic plans.

Vision
Core Values
Mission
Goals

The Essentials Steps of Strategic Planning:

1. Pre-planning analysis of organizational performance and the current strategic plan (if one exists)
2. Assessment of community needs to which the organization responds, and documentation of these needs for planning purposes.
3. Creation or affirmation of the institutional vision, mission and core value statements which will guide and test all goal-setting and reflect the needs that the organization seeks to meet.
4. Assessment of the constraints, opportunities, resources and environment that will affect the organization and influence planning.
5. Establishment of preliminary goals and objectives, based on the information gathered and assessed in steps one through four.
6. Review and prioritization of those goals and objectives.
7. Development of a financial plan and budget to support the prioritized goals and objectives for the initial one or two years of the plan.
8. Preparation of a comprehensive plan and budget for review.
9. Development of action plans for objectives and a process for evaluating the strategic plan.
10. Final approval of the plan including actions plans, budget and evaluation strategies.
11. Development of departmental plans and evaluation strategies based on the final approved plan and budget.

About Beth Applegate, Principal Consultant

Beth Applegate is the principal of Applegate Consulting Group (ACG), an organization development (OD) practice that assists national and international nonprofit organizations, government agencies and socially responsible for-profit corporations with developing human and organizational capacity and building a more just and equitable society. Our work is inextricably linked to advancing democratic processes and humanistic values. Beth Applegate can be reached at Beth@applegateonline.com.