The Structure of Planning

There are many reasons to plan and many effective ways to go about the planning process. There are also some common ways that planning goes wrong, but a well-conceived structure can tilt the odds toward success.

In our work we divide a planning process into five activities: *preparation*, *assessment*, *engagement*, *plan development*, and *implementation*. They are sequential, with some overlap (e.g. once it starts, engagement keeps going for the rest of the process). We have found this framework to be an effective starting point for thinking about the requirements of any planning process. It is a deceptively simple organizing principle. Thought of in the negative, when planning goes wrong, it is through failure to address adequately one or more of these activities.

This framework is described in terms of a strategic planning process, but in broad brush it can apply to other planning efforts as well, such as program, business and facility planning. For thoughts about the distinctions and relationships among these types of planning, see our website (http://bit.ly/SyPwebs1) or blog (http://bit.ly/SyPbip) on Integrated Planning.

Preparation
Preparation begins with the design of a process that is attuned to the nature, needs, situation, culture, and experience of an organization. A well-designed process will engage issues and stakeholders in a way that will lead to a relevant, meaningful and strategic plan for *this* organization. A formulaic process that may have worked beautifully for one organization may well fail miserably to meet the needs of another.

It is important to start with a clear work plan and timeline. If the organization is using a consultant these issues will likely have been included in an initial agreement, but conditions evolve, and they should be discussed and adjusted throughout the planning process. If the process is being run internally, an explicit work plan and timeline are, if anything, more essential, to avoid the dangerous tendency to drift.

If the impetus for planning did not come from the governing board, it is critical at this point to get full board commitment to the planning process. If they don't feel they own the process and the plan, they probably will not follow through to monitor implementation, and the plan will fall flat.

Also part of preparation is selection of a planning committee chair with leadership and management skills, and a capable committee. The job descriptions of the chair and the committee will vary greatly from one organization and its process to another, as may the timing of their appointment, but for the process to result in success, the right fit can be critical.

The Committee Chair
There is not one job description for a planning committee chair, just as there is not one planning process that fits all situations. However, some desirable characteristics are worth noting. The chair needs to have some understanding of planning and governance, or be eager to learn. She or he should be a leader and a manager, since both sets of skills are critical to completing the process successfully. She or he needs to be willing and able to commit the time required to make the process a success. And it is an extra bonus if the chair is a future board leader. Because there is no better way to develop a thorough understanding of an organization, chairing a planning process is the best possible leadership development.

Assessment
The next step is to gather information and frame the critical issues, starting with a preliminary articulation of prospective major issues. At this early point, they are best stated in broad and conditional terms, but they give a starting point for the exploration. They will be tested, probably reshaped, possibly changed, and certainly refined as the process evolves.

One source for the initial major issues list is a round of interviews with staff and board leaders. Whether the process is being led by an outside consultant or an internal committee chair, it is important to review assumptions, expectations, and perceptions of needs with the organization's primary leaders. This may provide an initial consensus to test, as well as a sense of where differences may have to be navigated.

Another source is a review of relevant documents, such as any past plans, minutes of board meetings; committee and staff reports; the narratives in grant proposals; and for organizations that are accredited, the self study prepared for an accreditation review. This is also the time to think in terms of an integrated plan (http://bit.ly/sypwebs1), drawing in an understanding of related planning of a different scale or nature (program, development, business, technology and facility plans, for example).

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The next, broader action is the gathering of any available relevant data that might inform the process. Externally, this could be demographic or economic trends, and benchmark data from comparable organizations. Internally there are, ideally, some performance measures that the organizations tracks, along with other, historical, data.

As the final piece of assessment, transitioning into the engagement phase, we typically conduct a board self assessment. Self assessment puts the board in a reflective frame of mind conducive to thoughtful inquiry. It offers an opportunity to consider organizational strengths and weaknesses in the context of inclusive mutual responsibility. This helps to get trustees thinking first in terms of their fiduciary role and personal commitment rather starting with an externalized sense of what others (the chief executive or staff) need to do.

Meaningful board self-assessment requires a tool appropriate to the board's situation and needs. BoardSource offers an excellent online service that we have used effectively with two types of clients—mature organizations with a need to fine tune, and independent schools, for which there are enlightening comparative data from comparable institutions. For other clients we have often found it better to develop our own tool to explore a more customized set of issues.

Engagement
If strategic planning in nonprofits is to a great extent the development of consensus around mission (our definition), then engagement is the heart of the process.

A board meeting, or preferably a retreat, usually should be the first step of the engagement process. The retreat agenda typically offers discussion of the work done to date and solicits thoughts about such things as mission, vision, values, critical issues, opportunities, threats, strengths and weaknesses. Depending on the specifics of the situation, the session might go only as far as open-ended brainstorming, or it could go a way toward defining the outlines of the plan.

A retreat often requires an outside facilitator, especially when there are any contentious issues or tensions among any of the parties. Organizations that conduct planning on their own often bring in an experienced, neutral party for the retreat.

Once the board has had the opportunity to set a direction, other constituencies can be consulted, through open meetings, small discussion groups, and/or surveys (http://bit.ly/SyPci02).

Many nonprofits resist consulting with stakeholders about mission, core values, or even program content because they think they might be opening fundamental and nonnegotiable issues to debate. When done well, however, there are only positives in this communication. Talking about mission and values need not suggest that they might be changed by majority vote; it does however, acknowledge the importance of understanding and discussing differences of perspective. Respectful listening and inclusiveness offer learning opportunities of one sort or another for all parties.

Respectful listening, of course, includes the requirement to respond. We recommend frequent communication throughout a planning process about what has been heard, what has been learned, and what might be done differently. If stakeholders feel that their comments and concerns are being heard and considered, they tend to be very flexible about how close any resulting action needs to be to their initial positions. Ongoing communication inspires confidence and trust, and strengthens the organization.

For more on the importance and benefits of involving all stakeholders, see the e-letters *Why Plan?* (http://bit.ly/SyPci01) and *The Secret Life of Surveys* (http://bit.ly/SyPci02).

Plan Development
Once the critical issues have been identified, explored and analyzed, a plan can be built. Depending on the situation, the plan might be developed entirely by a planning committee, or by subcommittees, or by an even broader group.

We typically structure the plan with mission-based goals (broad statements of how a specific functional area is responsible for support of the mission) and supporting objectives (focused areas of action that will support the goal). Once the goals and objectives have been drafted, the governing board confirms that they describe the efforts needed to address the critical issues, and approves the plan.

In this approach, neither goals nor objectives are measurable. With the goals and objectives providing a structure, the planning committee oversees the development of measurable action items. Each action item needs to have not only measurable results, but also a timeframe, a responsible party, and notation of resources required.

One very effective way of gathering the action items is to assign every functional area (or in a volunteer-based membership organization, such as a congregation, every committee) the task of coming up with action items not only for the objectives that are clearly theirs, but for all of the objectives they think they can contribute to. This

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approach strengthens both the plan and the organization directly with a sense of common purpose.

Of course, the planning committee and/or senior staff, and perhaps the board, need to review and edit the action items for relevance and effectiveness. They will also likely have to add in some action items; confirm the timing, assigned responsibility and projected resource requirements; and prioritize them to reflect affordability and achievability.

Cross Check

It is often valuable to assemble a plan in two versions, one with the action items, for internal use; the other with just descriptions of the goals and objectives for public consumption. An extra benefit of this approach is that each version can be refined with reference to the other. Are the action items necessary and sufficient to accomplish the objective as described? Does the description of the objective correspond to the action items identified?

At this point the plan is complete—but the planning is not.

Implementation
The distinction is often made between the planning process and its product, the plan. A better approach is to think of the completion of the planning document as the point of transition between one process (planning) and another (implementation).

A plan that is not implemented is far worse than no plan at all. The goodwill generated by engaging stakeholders in a transparent, inclusive process turns sour when no action results.

If the plan has been developed properly, implementation should flow rather easily. The assigned action items become job responsibilities and are reviewed in the normal course of supervision.

The progress of implementation should also be tracked as a whole and reported to the board regularly. An effective combination of tracking tools is a one-page matrix of action items, showing where progress is ahead of schedule, on track, or behind, and a dashboard of critical metrics to show results achieved.

Over time the action items may need to be adjusted to reflect changing conditions, so a framework should be established to do this. Otherwise, if the plan has a five-year horizon it may well be that after three years, 80% will have been completed and the other 20% no longer relevant. An ongoing process for updating the plan can extend its useful life, increase its effectiveness, and help to create a culture of strategic thinking, which in the end may be more valuable than the plan itself.

Dashboards

It can be said that truly important goals are qualitative, and not measurable. But goals are achieved through actions that can be measured. The trick is to measure the right things. That is why our strategic planning framework starts with mission as the ultimate goal, and necks down through mission-based goals and their supporting objectives to measurable actions. The right actions—not always easy to identify—will reverberate up the chain to mission. A dashboard is a device that distills this connection between actions and goals into a few key indicators of progress. By identifying, quantifying and monitoring these indicators senior staff and board can track whether their strategy is working. This can help them maintain focus, dismiss distractions, and adjust as necessary until they are confident they are on the right course.

At some point the plan will need wholesale refreshment, or a new planning process will need to be started. The good news is that if the first plan has been done well and documented, the next one will be a lot easier.

Planning for yourself?

We're happy to offer as much (or as little) advice or guidance as you need. Use our experience to assure your success.
Contact Sam Frank to discuss the possibilities.
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Resources

CI 1: Why Plan? (http://bit.ly/SyPci01)
CI 2: The Secret Life of Surveys (http://bit.ly/SyPci02)
CI 4: On Boards (http://bit.ly/SyPci04)
CI 6: Financial Modeling (http://bit.ly/SyPci06)
CI 7: On Mission (http://bit.ly/SyPci07)
CI 8: The Measure of Success (http://bit.ly/SyPci08)
CI 9: Brand Identity (http://bit.ly/SyPci09)
CI 10: Mind Your RFPs & Qs (http://bit.ly/SyPci10)
CI 11: Integrated Planning (http://bit.ly/SyPci11)
CI 12: Business Planning (http://bit.ly/SyPci12)
CI 13: Facility Planning (http://bit.ly/SyPci13)
CI 14: Managing Change (http://bit.ly/SyPci14)
CI 15: Strategic Action (http://bit.ly/SyPci15)