

Integrated Planning

The point of planning is to look at where you are, determine where you want to go, and figure out what it will take to get there. After gathering and analyzing data of various sorts, and involving people with a range of wisdom and perspectives, you can chart a course toward achieving your mission. Strategic planning is a necessary, but often not a sufficient, component of a nonprofit planning process.

We use the term integrated planning to describe a composite of planning activities that together provide the structure, direction and guidance needed by an organization. While the composite will vary in different situations, an understanding of the principles and framework for integrated planning will help to make each of the components easier to value, pursue and implement effectively.

At the core of integrated planning are strategic, program, and business planning, the *why?*, *what?* and *how?* of the organization.

Strategic Planning

The term "strategic planning" gets thrown around very loosely in the nonprofit world, to cover a wide variety of intentions and activities. The intentions are often poorly defined and/or ill-suited to the activities. The resulting lack of focus and eventual failure of the process leave participants with a negative impression of planning.

For many stakeholders, especially trustees who come from the world of business, strategic planning retains the rigid, top-down, market-driven, bottom-line-focused associations of its corporate roots. In the nonprofit sector, strategic planning requires a very different profile.

Here, it is fundamentally broad-based consensus-building around mission and goals. While strategic planning is one of the primary fiduciary responsibilities of the board, at its best it draws all stakeholders into a discussion that reinvigorates a sense of communal purpose, and develops strategic thinking, focus, and leadership at all levels, as well as defining goals and actions.



INTEGRATED PLANNING

Program and Business Planning

Despite differences of strategy, a nonprofit does have the same underlying existential needs as a for-profit enterprise. Services and programs (products) must be developed with professional expertise. Revenues from one source or another must exceed expenses if the organization is to survive. Since the inclusive, consensus-driven process of nonprofit strategic planning is not well suited to the expertise-driven nature of business and program planning, they need to be separate undertakings.

Program planning develops services, programs and delivery mechanisms, and identifies the resources needed to implement them. While these concerns intersect with strategy and business issues, they are at their core the responsibility of the CEO / executive director and the professional staff. A program plan may well be reviewed at the policy level by the board, but it should be developed by the professionals who report to the CEO (faculty, program directors, department heads, etc.).

A business plan details the means by which the organization is to be supported and sustained, determines operational feasibility, and provides the staffing, financial, market, and operational details required. Business planning typically is the responsibility of the Executive Director and CFO, and sometimes the board.

The Planning Cycle

The three core areas of planning approach the same essentials from different angles: strategic planning addresses the questions of *why?*, program planning addresses *what?*, and business planning addresses *how?*

Since there is clearly overlap among them, you can start with one, and strengthen it further when you develop the others.

Secondary tier

Around the core areas of strategic, program and business planning are other, related activities, with discrete needs and processes, which knit together to form the integrated planning composite.

Organizational Development: The effectiveness and sustainability of any nonprofit are dependent on the quality of its governance and management. A well-conceived and conducted strategic planning process serves as an excellent vehicle of professional development for both trustees and staff. For more on board development see CI #4: On Board. For free weekly webinars offering professional development opportunities for trustees and staff see <http://bit.ly/SyPwebinars>.

Identity Development and Branding: Attention to brand identity can sharpen strategic thinking, develop underperforming potential, and foster operating stability and increased visibility and revenue. (see CI#9: Brand Identity for Nonprofits) The strategic planning process and development and revisiting of the mission statement (see CI #7: On a Mission) generates the foundation of institutional identity, which in turn forms the basis for advancement planning.

Advancement Planning: Sound planning and strategy are critical assets for success with institutional advancement. Strategic planning often provides the basis for compelling grant proposals and the case for fundraising. Plans for marketing communications and fundraising are essential aspects of the business plan.

Human Resource Planning: The strength—and the budget—of a non-profit organization are substantially invested in its people. A broad range of issues from personnel policies to professional development should be articulated in a clear plan that will solidify management, minimize risks, and provide continuity. Human resource issues form critical elements of program, business, and strategic plans.

Technology Planning: A generation ago keeping pace with new technology was primarily a challenge to the budget for hardware and software. Now it is more of a challenge to strategy, understanding of a rapidly evolving environment, staff time, notions of control, and finding ways to connect these issues across the age gap between senior leaders and attuned junior staff. Technology planning needs to be developed across disparate functional areas, and to be imbedded in all three areas of the planning core. This requires a multi-pronged approach and a keen awareness of the importance of all of the planning efforts within the organization.

Facility Planning: Facility projects require focused attention long before an architect is hired—and long after. Integrated planning can assure that design and construction are preceded by clarity about goals, needs, budget, and controls required to reduce costs and risks and deliver the best possible results. Next to staff, facilities are usually the biggest investment an organization makes, and the least flexible. While all of the other areas are part of a cycle that can be entered and left at any time, all of the other planning areas need to be as up-to-date as possible before a facility project can be planned wisely.

For an organization with no experience in planning, a very quick strategic plan may be able to provide the context for more detailed program and business planning. After these are in place, the organization can cycle back to a more extensive strategic planning process, perhaps a year or two later.

Ideally you need all three plans, but trying to develop them in one undifferentiated process by a single group of people will generally be unwieldy and frustrating and will leave some or all of the planning compromised.

A regular, integrated cycle of strategic, program and business planning reinforced with the peripheral supporting areas shown in the diagram and described in the sidebar can foster a culture of planning, in which the efforts of the entire organization converge through strategic thinking on critical issues. While there are other areas of planning that could be factored into an integrated planning composite, the core and peripheral areas included here cover most of the usual ground.

Fitting the Pieces Together

Often strategic planning is used as the umbrella activity. This can be done in any number of ways. Goals, objectives and measurable actions from the program and business plans can be added as separate sections toward the end of the strategic planning process. Or there may be shared objectives that can be merged into a single document. Different functional areas (advancement, human resources, technology, specific programs and services) may develop annual plans that support and annually refresh a multi-year strategic plan. Each of these approaches to integration makes the strategic plan the shared connector between mission (CI#7) and metrics.(CI#).

The idea of an integrated plan is primarily a recognition of connectedness. It is not enough to be excellent at planning and implementing operations within an individual function. An all-too-common weakness in a nonprofit is the lack of coordination among finance and fundraising, membership and communications, issues and infrastructure.

Working together is not easy. But it is likely to be much more effective. An integrated planning process can lead the way to other synergies.

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