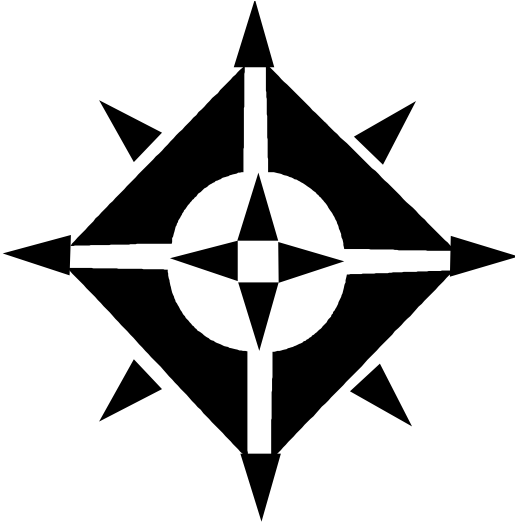


# Nonprofit Strategic Planning Essentials



CLARITY TRANSITIONS  
Keeping your mission on track

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## What is strategy?

According to Merriam-Webster’s simple definition, strategy is “a careful plan or method for achieving a particular goal usually over a long period of time.”<sup>1</sup> Strategy is more though. Strategy defines who your organization is and what it does. It’s a mix of identity, direction and priorities. Strategy answers big questions such as the why, what, how, when & where of your organization.

In addition, strategy should be a balance between control of and learning from your operations, as well as a balance of providing direction that’s enduring, but also flexible enough to change if needed.

## Strategic Planning or Strategic Thinking?

First, let’s compare them. There are pros and cons to each approach. *N.B. “Strategic thinking” is used here as a general term to broadly include other flexible concepts such as Adaptive Planning and Emergent Strategy.*

Strategic planning focuses on setting goals	Strategic thinking focuses on defining criteria to adapt work to accomplish priorities
<ul style="list-style-type: none"> <li>• Static: make a plan and stick to it... for 3-5 years</li> <li>• Often assumes the future will be much like the past or is knowable</li> <li>• Perspective is whole organization with a single set of success measures</li> <li>• Driven from the top</li> <li>• May discourage risk taking and change</li> <li>• Simple to communicate</li> </ul>	<ul style="list-style-type: none"> <li>• <b>McKinsey</b>: Preparing minds to make more flexible, innovative strategic decisions</li> <li>• <b>LaPiana Consulting</b>: Develop “explicit criteria for how to make decisions” and “tool[s] to challenge the organization’s thinking”</li> <li>• <b>Monitor Institute</b>: Using experiments instead of predictions, recognizing patterns rather than prior data, and execution by everyone, not top down.</li> <li>• Multiple decision cycles – as needed</li> <li>• Inclusive rather than hierarchical – reflects expertise of those who do the work every day</li> </ul>
<p style="text-align: center;">Process-based Analysis Logic Procedures Actionable content Periodic formal process</p>	<p style="text-align: center;">Idea-based Synthesis Innovation Policies Criteria to evaluate action Do it all the time</p>

<sup>1</sup> Merriam-Webster definition of strategy, [http://www.merriam-webster.com/dictionary/strategy?utm\\_campaign=sd&utm\\_medium=serp&utm\\_source=jsonld](http://www.merriam-webster.com/dictionary/strategy?utm_campaign=sd&utm_medium=serp&utm_source=jsonld)

So is strategy best thought of as a plan or something that you shape as you go? Strategy should be a bit of both planning and thinking. You can shift the emphasis within your organization to focus more on planning or more on strategic thinking as best fits your style.

## What is a strategic plan (that combines strategic thinking)?

A strategic plan<sup>2</sup> provides direction, priorities and guidelines for decision making. A strategic plan defines what your organization does, who you serve, how you provide services, how you fund your services, and what you need to provide those services. Your plan should be a mix of direction that's enduring and flexible, and provides you ways to control & learn from your work.

Strategic plans are generally not very detailed. They are meant to be flexible. They have a specific end-date. They provide thoughtful and directional guidance, not a step-by-step how-to guide to running your organization.

## What's in a strategic plan?

Strategic plans should have the following elements. Each of which will be covered in detail later.

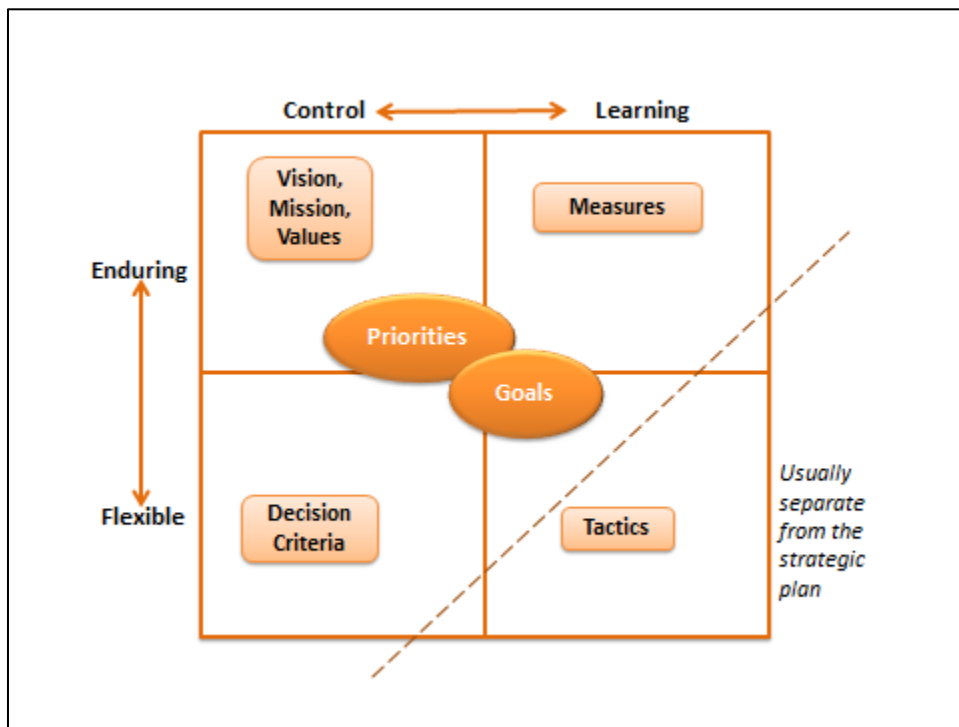
<b>Vision</b> “We want to...”	The outcomes that your organization delivers
<b>Mission</b> “...by...”	What your organization does
<b>Values</b>	The “gold standard” of how you work together and treat your clients and partners
<b>Strategic Decision Criteria</b>	A pre-defined set of conditions to help make decisions that are consistent with strategy
<b>Directional Definitions</b>	Short definitions of what, who, how ( <i>optional</i> )
<b>Priorities and Goals</b>	The ~4-5 things you will focus on in the next 3-5 years to deliver your mission and attain your vision
<b>High Level Plan</b>	This includes a timeline and an optional basic budget for the planning period
<b>Measures</b>	How you'll know if you're successful

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<sup>2</sup> For ease of reference, strategic “plan” from here on will refer to a plan that contains elements of strategic thinking.

Some parts of your plan should be fixed while other parts should be more flexible.

- **Vision, Mission, & Values** provide control and should be enduring. They are the foundation of your organization's identity. Changing these should be done only with deliberation and caution.
- **Priorities and goals** are somewhere right in the middle. Priorities tend to have a higher level focus and are more lasting, while the goals associated with priorities may change with more frequency.
- **Measures** should last to allow you to consider your work over time, and you should learn from your measures as you work. Measures may be adjusted, however, especially as you learn how new programs work.
- **Decision criteria** provide control, but are used only intermittently as needed to provide flexibility to your strategy.
- **Tactics** are finally the most flexible and short-lived part, subject to change as needed. As part of implementation, they are usually not included in a strategic plan.



## Plan the Plan

### When should you create a strategic plan?

All organizations *that will use one* should have a current plan that gives them direction for 3-5 years.

You should be working on your strategic plan if:

- You don't have one and you will use one to focus your work
- Your prior plan is old
- Your organization faces some significant change that invalidates your prior plan such as a merger, a big change in need, a big change in funding / economy, etc. (You need to decide what represents a "significant" change to your organization.)
- Your mission is invalidated

You may consider taking a fresh look at your strategic plan during a leadership transition especially if the outgoing ED was a strong leader. This is a good chance to evaluate if your programs have stayed on mission and a good chance to evaluate the skills and characteristics you want in the new ED.

You should not re-start strategic planning when new board members join the organization. As board members, they may come to raise questions about the strategic plan, but they should be recruited to the board to support existing mission and strategy.

### Who should be involved?

Strategic planning benefits from group involvement. A temporary taskforce can be formed with 6-8 people. Members of this group should definitely include board members and staff. Not all board members need to be involved in the planning process, but there does need to be a loop back to the board for approval (or possible rework) of the strategic plan. Build these feedback loops in as a part of your planning schedule.

Other stakeholders to consider including on the planning taskforce are:

- People you serve or their families
- Key volunteers
- Partners (other nonprofits, affiliated agencies, etc.)

It can be very useful to have a facilitator help you with this process: someone who's not involved, who can help with group dynamics in sometimes heated discussions, etc.

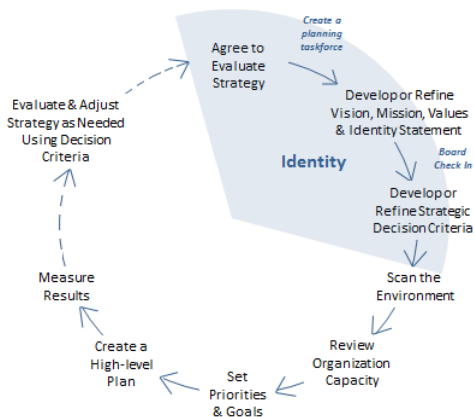
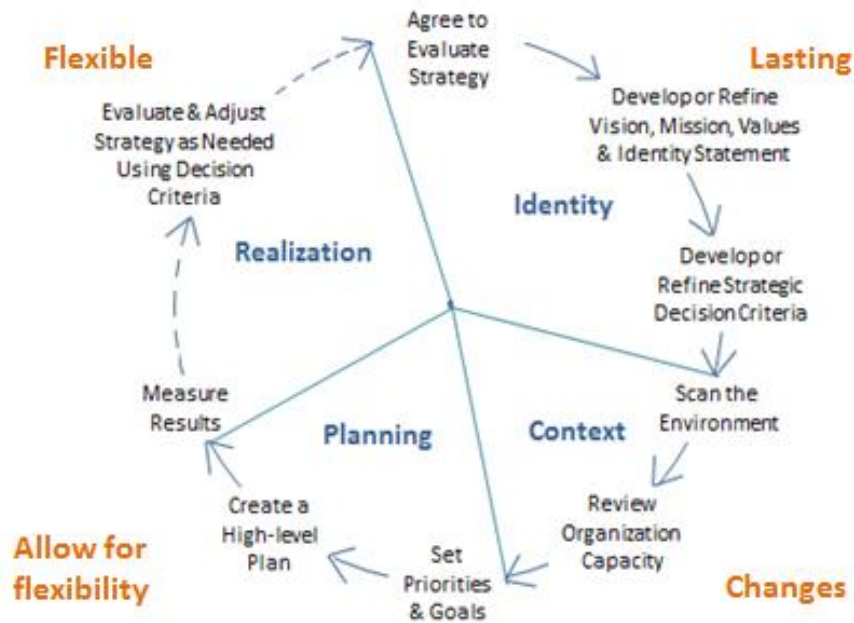
### **How long will it take to create a strategic plan?**

Group interaction should take place over a few meetings. (Define "few" as best fits your organization's and taskforce's needs.) 1-2 people can do much of the writing work in the background and bring it back to the group for discussion, amendment, and finally approval. Those doing work in the background must be careful to stay true to the group's ideas rather than their own.

Often groups start out by holding a single long meeting over a weekend (a retreat). This long session can be quite useful and helps the group build better working relationships. There is, however, also use in letting the group come up with ideas, let them mull them over these ideas for a week, and then to meet again with feedback on the early thoughts. Successive or iterative meetings, often with a little research or homework in between, can help groups feel more comfortable with the evolution of ideas and not feel rushed in their work.

## Planning is an iterative process

The planning process is a circular one in which you should go back and test your earlier work based on what you've learned along the way. As you investigate the market and your strengths, you may find that your mission is not quite on target, for example. You also need to go back to your board on a regular basis to keep them in touch with the work of the planning taskforce.



## Identity

Start by taking a look at your organization's identity. Identity work is lasting. You will either spend a lot of time or very little time here.



## Rough out Your Identity

LaPiana Consulting developed an Identity Statement<sup>3</sup> to help organizations concisely answer the big questions such as the why, what, how, when & where of your organization. This definition is often a good place to start with your strategy. Collaborative efforts can also use this format to compare and plan for alignment across organizations.

Vision	<b>We seek to...</b> ( <i>impact</i> )	
Mission	<b>...by...</b> ( <i>our work</i> )	
	<b>...by providing...</b> ( <i>types of programs or services</i> )	
	<b>...to...</b> ( <i>customers</i> )	
	<b>...in...</b> ( <i>geographic area</i> )	
Values	<b>... in the spirit of...</b> ( <i>values</i> )	
	<b>We emphasizing our competitive advantage(s) of</b>	
	<b>We are sustainable by</b> ( <i>funding sources</i> )	

<sup>3</sup> Adapted from LaPiana Consulting, <http://lapiana.org/insights-for-the-sector/insights/strategic-planning/identity-statement>

## Define, Refine, or Re-affirm your Vision, Mission, Values

A nonprofit **vision statement** describes the outcomes of your work and why your organization benefits the community. Some examples:

ABC is widely recognized in our community as the place where threatened women get help, regain confidence, and begin the journey to self-sufficiency.

XYZ fosters responsible pet ownership and respect for animals in our community.

**Mission statements** describe the organization's purpose. They are more specific in describing what your organization does to achieve its vision. Some examples:

ABC provides counseling, transitional housing, legal support and education for women who are victims of domestic violence.

XYZ provides a no-kill shelter and adoption and spay/neuter services for cats and dogs.

Both vision and mission statements are important directional statements for **internal** use in your organization. They are both also important **external** statements that help the general public, donors, supporters, and board members understand what you do. As external statements, take a look at them with a marketing perspective: do they offer an attractive and compelling view of your organization?

### What makes you unique?

Here's the big "so what" question: What would happen if you went out of business? If you can't answer this question in a compelling way, you shouldn't be business. And that answer has to be compelling enough to motivate volunteers, funders, and donors.

### The 8 Word Mission Statement?

Kevin Starr of the Mulago Foundation requires just that of applicants.

"...We want to know exactly what you're trying to accomplish. We want to cut to the chase, and the tool that works for us is the eight-word mission statement. All we want is this:

A verb, a target population, and an outcome that implies something to measure—and we want it in eight words or less."

*Stanford Social Innovation Review blog, Sep 2012*

**Values** inform how you do your work. Values provide guidance for decisions. They help you, as an organization, define what's important. Values should not be fluffy – no “motherhood & apple pie” here! Values should be linked to what you do. Some examples:

**Dignity** We offer our services with hope, integrity, and respect for the individual.

**Careful Placement** We are proactive in finding the right fit for all animals in our care, and ensuring that new pet owners receive education on the proper long-term care of their new family member.

**Stewardship** We ensure that we have a balanced mix of funding sources which includes fees, that our financial operations are transparent to all, and that we offer fair market value pay to our employees.

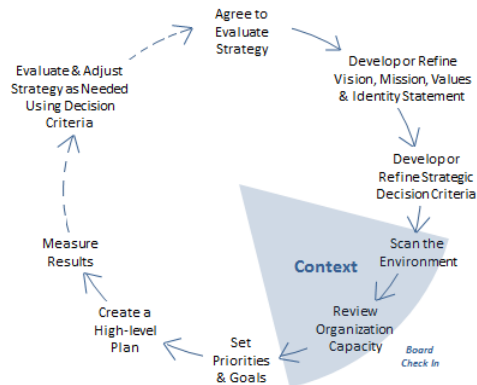
## Develop Strategic Decision Criteria

When you're in the middle of an established strategic plan and an opportunity comes up, even though it may not be within your plan, you may want to evaluate it for adoption anyway. If you can define in advance the criteria that you will use to evaluate strategic opportunities, that evaluation will be more aligned to your strategic direction and it will be a less emotion-driven process. Criteria such as these are a key part of the framework that keeps adaptive strategic thinking actions aligned with your overall strategic direction and identity.

Decision criteria can be a simple set of questions that provide board and staff with a structured way to discuss change. Samples of strategic decision criteria are listed below. While some core questions might apply to all nonprofits (such as alignment with vision, mission and values), think about the unique attributes of your organization and strategic direction. Instead of asking if the opportunity furthers your strategic plan, be more explicit about how the change affects the organization, e.g. serving more of an underserved audience. You will likely need to revisit your first effort after you develop your strategic priorities and goals.

- Alignment with vision, mission & values?
- Requires a multi-agency approach?
- No other agency / org can fill our role (uniquely positioned)?
- Does this diversify or concentrate funding sources?
- Contributes to [X Program Criteria]?
- No conflict with [partner] policies?
- Add to perception of us as a community leader?
- Puts us in a stronger advocacy role?
- Strengthens our fund raising role?
- Broadens the community discussion?
- Supportable by our interfaith roots?
- Contributes to balance of work in our portfolio?

## Context



Organizational Context is important to planning. Consider both what's going on within your organization as well as in the environment in which you work.

## Look around!

Strategic planning involves looking outward as well as inward. You need to make sure that you can answer some key questions:

1. Is there a need for our organization? What data can we find to support this?
2. Do other organizations fill that need already?
  - a. If yes, can we partner with them instead of becoming a competitor?
  - b. Are our goals similar enough to consider joining forces?
  - c. What competition is out there for funding, volunteers, etc.?
3. How is our organization unique? What would happen if our organization closed (or didn't start)?
4. Who will our organization serve?
  - a. Basic demographic information
  - b. Location
  - c. How will clients and staff get to my organization?
5. How is our organization best funded?
  - a. Types of grants available for similar organizations?
  - b. Fees?
  - c. Social enterprise?
  - d. Donations

**Your external look may cause you to re-evaluate your vision and mission statements.**

Here are some sources (many of them free) to help you answer these questions.

- Google [www.google.com](http://www.google.com)
  - Basic press – what’s been written about your service area/need?
  - Benchmark similar services in other cities: read about them, call them and ask questions, visit
- Census data [www.census.gov](http://www.census.gov)
- The Link from the Nonprofit Center [www.thenonprofitlink.org](http://www.thenonprofitlink.org) Gives you searchable access (by type, by location) to other nonprofits in Northeast Florida
- JCCI Quality of Life Indicator and study reports [www.icci.org](http://www.icci.org)
- Health Planning Council of Northeast Florida [www.hpcnef.org](http://www.hpcnef.org)
- Jacksonville Sheriff’s Office Online Crime Mapping <http://www.coj.net/departments/sheriffs-office/crime-statistics.aspx>
- Federal Reserve Bank of Atlanta [www.frbatlanta.org/rein](http://www.frbatlanta.org/rein) Check the Data & Analysis tab (Data Digest for Florida) for current and trended economic information (employment rates, inflation, housing sales, industrial availability, etc.)
- Guidestar [www.guidestar.org](http://www.guidestar.org) Provides tax reports for all nonprofits. Usually a 2 year lag in available data.
- Public reports from COJ, JCC, DCPS, JPEF, Health Department, etc.
- Do some primary research of your own
  - Community interviews & focus groups
  - Surveys [www.SurveyMonkey.com](http://www.SurveyMonkey.com)
- Work with organizations that support nonprofits
  - Small Business Development Center [www.sbdc.unf.edu](http://www.sbdc.unf.edu)
  - Nonprofit Center of Northeast Florida [www.nonprofitctr.org](http://www.nonprofitctr.org)
  - Hands On Jacksonville [www.handsonjacksonville.org](http://www.handsonjacksonville.org) (volunteer training and matching)

## Look at your own organization

### SWOT

Strategic planning requires an honest evaluation of your own organization. Often the easiest way to do this is to conduct a group SWOT exercise.

**S**trength (internal)

**W**eakness (internal)

**O**pportunity (external)

**T**hreat (external)

You can do this in many ways, but the key elements include:

- Honesty
- Group involvement including multiple perspectives (staff, board, clients, volunteers, partners, etc.)
- Some way to prioritize your findings
- Better to do this after you have done your external look

## Define your Programs

This is especially useful if your organization is starting out or offering new programs. Simply saying that you offer an after-school program may not be specific enough. You may want to give some brief directional definition to help with future decisions.

Our afterschool program:

- Serves middle-school children in the ABC area
- Provides programs aimed at obesity prevention (healthy foods, exercise)
- Provides academic assistance
- Charges each participant at least a nominal fee, but anticipates providing scholarships for 90% of the cost

This level of definition is not strategic for the organization, but it may help with overall strategic direction to have this common understanding or definition in place to set overall strategic priorities. If the taskforce isn't familiar or does not have a common understanding of the basic work, this will help get them on the same page.

On the flip side, this level of definition isn't enough to run the program. We know we provide academic assistance, but we're not into the details of whether this is individual tutoring, simple homework assistance, or specific testing support.

## Define Your Organization “By the Numbers”

Take some time to analyze what you do “by the numbers.” In some cases, it’s useful to put this information into graphs to get a real feel for the comparison. The following list is a generic list of operational information that can be used to inform strategic planning. Not all categories may apply to your organization and neither is this list exhaustive.

- What do your outcome measures show for your programs? (Leading or lagging indicators, outcomes impact, etc.)
- How many clients do you serve?
  - By program?
  - Duplicated v. nonduplicated? Is there any pattern (deliberate or otherwise) of program cross-over?
  - By contact hours? Service frequency?
- What is your client’s demographic profile?
  - By program?
  - By contact hours? Service frequency?
  - Where do your clients live? (Work? Go to school?)
- What does it cost to run your organization?
  - What are your trends on overall revenue, expense and reserves?
  - By program?
- Where does your funding come from?
  - What’s the percentage of each type of funding? Are any of these at risk?
  - Who are your biggest funders?
  - Funding sources by expiration date?
  - Proportion of one time v. on-going funding?
- How is your staff balanced?
  - By program?
  - What’s the volunteer to staff ratio? Does it vary by program?
- What is your board’s profile?
  - Tenure of service?
  - Proportion giving? Total giving?
  - Participation? (Attends board meetings, attends events, fund raises, advocates, etc.)
  - Demographics? (Network connections, geographic, gender, race, profession, socio-economic)
  - Does the board include any alumni?
- What partnerships does the organization have?
  - Types of partners & length of relationship?

### How do you count how many people you serve?

If you serve the same child for summer camp and in an after-school program, does she count as 1 or 2? You need to be aware of both. She’s a single person you reach, but she fills two of your “seats.” The count which includes her twice is known as a duplicate count.

Do you count the boy you see every day after school for 3 hours the same as you count the boy who comes in for a single afternoon program? Consider hours of contact as well.



### **How should you fund your organization?**

The “by the numbers” analysis will show you how you currently fund your organization, but you should also ask how should we fund our organization? Is the current mix viable? Is it sufficiently diversified? Which of these sources are at risk? Which are sustainable? Will this mix support growth?

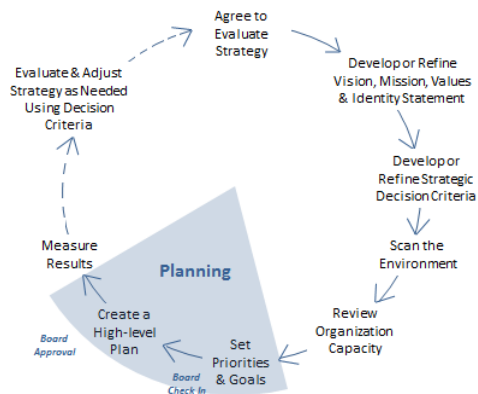
You should look at:

- Fee for service
- Social enterprise
- Fund-raising events
- Grants
- Corporate sponsorships
- Discretionary donors
- Endowments
- Bequests

### **Do you need to reconsider your vision and mission?**

Sometimes when you take a more formal look at the environment and at your own organization, you may find that you need to reconsider your vision and mission. The need you focus on may already be well served in the market; or a well-funded and well-established organization may have just started a similar program; or you find there is a greater need in a somewhat different niche. If you find your mission has been invalidated – for whatever reason – ask the hard question: should we be in business?

# Planning



## Set Priorities and Goals

Now that you've got the background and are armed with good information, set some priorities. Often the things you need to do just pop right out in a rush of ideas. Make sure that you capture well-rounded input for next steps, don't leave out critical areas, and, through consensus, narrow down your focus to 4-5 important actions.

### How do you develop the priorities?

#### What have you already learned in the process?

Often, the work you've already done will have identified focus areas. If your SWOT session was done after your internal and external looks, this is a great place to start. The ideas generated in a SWOT session can be either too broad or too focused, but with some focus, refinement and further thought they're a great input into strategic priorities.

#### Brainstorming

This is always a great way to get a big list of ideas together. Remember that in your first round of brainstorming, no idea is bad. Put even the most outrageous ideas up – these are the thoughts that will trigger other ideas and push your boundaries. Later on, as you work through the ideas, you'll start to eliminate some, build support behind others, make sure you're mission compliant, and set priorities.

#### Create scenarios

Sometimes, when the ideas aren't flowing, create a couple scenarios that lay out a picture of what the organization might look like in the future. Scenarios can be particularly useful when:

- the planning taskforce does not come from diverse backgrounds or bring a range of experiences
- the ideas that are generated are missing big areas (such as no enablers)
- the task force is having a hard time understanding the holistic implications (e.g. growing numbers served means growing capacity to serve them)
- there are too many ideas and you want to understand them more fully to narrow down the choices

### **Programs v. enablers - what the plan should address**

Programs are the services your organization provides. Examples of programs include: after school programs, pet adoption, temporary housing, free meals for the elderly.

Enablers, on the other hand, are the business side of your nonprofit. They are the non-glamorous services that every organization needs: payroll, hiring/firing, financial reporting, A/P, facility maintenance, etc. Nonprofits also have some additional enablers that for-profit organizations don't have: board governance, fund development, volunteer coordination, grant reporting, etc.

All nonprofits have some sort of back-office enablers: they may be outsourced, they may be donated, they may be shared with a partner organization. For start-up and younger nonprofits, building your capacity may be more challenging than building your programs. Many nonprofits struggle with funding their enabler functions – while a grant may cover program staff, it may not cover a portion of your accountant. Make sure you consider how to fund your enablers.

No one joins your board or gives you money because you have financial statements; but no one will support you if you don't have financial statements or other enablers. Your strategic plan cannot ignore these must-have functions.

### **What do the priorities look like?**

Like many parts of the strategic plan, they provide direction and not much detail. Some examples:

- We will find most of our clients by partnering with other organizations (such as nonprofits or parent groups) that also serve our clients.
- We will diversify our funding with no more than 30% coming from a single source.
- We will develop an educational program around responsible pet ownership.
- We will adapt our kennels so that they are heated and air-conditioned, and can accommodate growth.
- We will serve 20% more non-duplicated clients. – or— We plan to maintain our current service level.
- We will replace inactive board members with those who fit our desired board profile and who will be active supporters of the organization.

## Set Goals

After you agree on priorities, define the goals that go with it. These more specific thoughts will give further guidance on how to implement the priority. Many of the goals will come out during the process of developing priorities – as you bring out a broad range of ideas, some of them will naturally go together or may be a subset of what becomes a priority. For those priorities without underlying support, you will need to further develop the goals independently.

<b><i>Sample Priority</i></b>	<b><i>Sample Goals</i></b>
We will find most of our clients by partnering with other organizations (such as nonprofits or parent groups) that also serve our clients.	<ol style="list-style-type: none"> <li>1. Develop relationships with parent groups</li> <li>2. Adapt program delivery to meet partner needs</li> </ol>
We will diversify our funding with no more than 30% coming from a single source.	<ol style="list-style-type: none"> <li>1. Increase fund raising efforts to gain more unrestricted funding</li> <li>2. Develop concept of selling t-shirts and hats for national pet rescue month</li> </ol>
We will adapt our kennels so that they are heated and air-conditioned, and can accommodate growth.	<ol style="list-style-type: none"> <li>1. Develop full cost and timing model to accommodate 20% growth</li> <li>2. Run fundraising effort to raise necessary monies</li> <li>3. Ensure new kennel design is environmentally friendly and easy to maintain</li> </ol>
We will replace inactive board members with those who fit our desired board profile and who will be active supporters of the organization.	<ol style="list-style-type: none"> <li>1. Define board roles &amp; responsibilities</li> <li>2. Define ideal board composition</li> <li>3. Start a nominating committee with a year-long identification and cultivation process to find new board members</li> </ol>

## **Do your homework**

It's time to do some homework once you've defined a first set of priorities and goals. Can you really deliver what you've outlined? A good way to get homework done is to send it out with individuals to answer the types of questions outlined below. The group should then get back together to discuss priorities and goals with the additional insight of the completed analysis.

### **What are the financial implications?**

One of the easiest ways to consider the financial implications is to develop incremental income statements that look forward over the 3-5 year planning period. Take your current year as a base and then ask "what will change if we do this?" Consider changes in expenses and in revenue. Do you need more staff or staff with different skills? Another van? More facilities? Will a new program change your insurance risk and cost? Do you add new fee revenue?

What level of funds will you need to raise in order to support these priorities and goals?

### **How will you deliver?**

Often related to expense but not always, what operationally do you need to change? Does your staff require different levels of certification? Will you need to up your volunteer participation? Can you serve expanded numbers within existing operational hours or will you need to expand your hours? Can you accommodate your plans within your physical capacity?

### **What are the critical drivers?**

What does your plan depend on to be successful? Are these critical drivers realistic? Increasing volunteer participation by 10% is different than driving it up 300%. Raising an additional \$1m every year is a very tough challenge.

## Measure your progress

The last part of your plan is creating measures so that the board and staff know whether or not your organization is making progress on the priorities. Meaningful measures can be hard to create, but take a shot at it anyway. Increasingly donors, funders and other supporters want to see measures of your work so it's good to be used to measures as a regular part of your nonprofit.

The best measures are those that measure impact – what happened because of your actions – and they're the hardest, and sometimes impossible, to measure. The table below<sup>4</sup> shows a variety of levels at which you can measure what you do. While you absolutely should have measures, don't go overboard. A long and complex set of measures are demotivating to staff, aren't useful to change your work, and just get in the way.

	<b>Vision, Mission &amp; Values</b> ↓
	<b>Theory of Change</b> ↓
	<b>Logic Model</b> ↓
<b>Inputs</b> The resources– money, time, staff, expertise, methods and facilities – that an organization commits to a program to produce the intended outputs, outcomes, and impact.	<b>Inputs</b> ↓
<b>Outputs &amp; Process</b> The volume of a program's activities, such as products created or delivered, number of people served, and activities and services carried out, or the process fulfillment towards a developing program	<b>Outputs</b> ↓
<b>Outcomes</b> Socially meaningful change for those served by a program, generally defined in terms of expected changes in knowledge, skills, attitudes, behavior, condition, or status. These changes should be monitored as part of an organization's work, link directly to the efforts of the program, and serve as the basis for accountability	<b>Outcomes</b> ↓ ↓
<b>Indicators</b> Specific, observable, and measurable characteristics, actions, or conditions that demonstrate whether a desired change has happened toward the intended outcome.	<b>Indicators</b> ↓
<b>Impact</b> To slightly oversimplify, the results that can be directly attributed to the outcomes of a given program or collective of programs, as determined by evaluations that are capable of factoring out (at a high level of statistical probability) other explanations for how these results came to be.	<b>Impact</b>

<sup>4</sup> This table is adapted from Mario Morino's book, *Leap of Reason*, 2011 Venture Philanthropy Partners.

For a strategic plan, you want to be able to both measure the results of organization and the progress of the plan. Measures can be captured at the level of goals or for the whole organization.

**Whole organization measures** are good for high-level focus and can show results that are achieved over multiple programs. Samples of whole organization measures include:

- % of unduplicated clients participating in wraparound services. Goal: 5% annual growth
- % unduplicated young people who attend programs & services more than once. Goal: 10% annual growth
- Number of months operating expenses in reserves. Goal: 6 months by 20XX

**Measures tied to strategic priorities and goals** help show the plan’s progress. These are often more tactical measures and may be more appropriate as working measures for staff than for strategic evaluation.

<i><b>Sample Priority</b></i>	<i><b>Sample Goals</b></i>	<i><b>Sample Measures</b></i>
We will find most of our clients by partnering with other organizations (such as nonprofits or parent groups) that also serve our clients.	<ol style="list-style-type: none"> <li>1. Develop relationship with parent groups</li> <li>2. Adapt program delivery to meet partner needs</li> </ol>	<ul style="list-style-type: none"> <li>• % of clients coming from partners (outputs)</li> <li>• Bring 3 new parent groups in that send their children to us for services by [date] (progress)</li> </ul>



## Define a High-level Plan

A high-level plan provides timing guidance and contributes to measures. It may also include a pro forma income statement that provides an idea of what this plan means financially to the organization.

## Three-year Quarterly Calendar

A basic one page table gives enough detail to keep you moving forward together. These dates are only targets – they’re not set in stone. As you get into more detailed planning and work, you may find you need to adjust dates. Use some of the progress measures you’ve defined to help build this calendar.

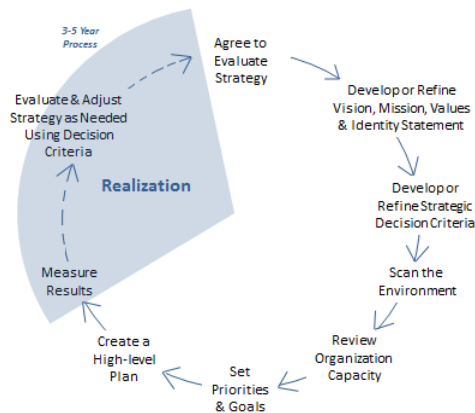
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
2017	<ul style="list-style-type: none"> <li>Develop detailed funding plan</li> </ul>	<ul style="list-style-type: none"> <li>Define process to extend wraparound services</li> </ul>	<ul style="list-style-type: none"> <li>Test wraparound services at Location A</li> </ul>	<ul style="list-style-type: none"> <li>Deliver programs to at least 1 new parent group</li> </ul>
2018	<ul style="list-style-type: none"> <li>Expand wraparound services to Location B</li> <li>Begin instructor certification</li> </ul>	<ul style="list-style-type: none"> <li>Complete &amp; approve thrift store plan</li> </ul>	<ul style="list-style-type: none"> <li>Implement thrift store so it’s open for holidays</li> <li>Certify 3 new instructors</li> </ul>	<ul style="list-style-type: none"> <li>Deliver programs to 2 more new parent groups</li> </ul>
2019	<ul style="list-style-type: none"> <li>Implement new fee structure (per plans)</li> </ul>	<ul style="list-style-type: none"> <li>Begin outreach campaign</li> </ul>	<ul style="list-style-type: none"> <li>Certify 3 add’l instructors</li> </ul>	<ul style="list-style-type: none"> <li>Deliver programs to 2 more new parent groups</li> </ul>

## Projected Income Statement

Not all strategic plans include a projected income statement, but they can be very helpful. It’s most helpful to create draft income statements as part of the iterative process around setting priorities and goals. (See “Do Your Homework” above.) Once all your priorities and goals are agreed upon, you can add the financial implications together to create a complete income statement.

When you put all the parts together, consider what they look like as a whole. How much money will you need to raise? Is this viable? You may need to revise if the end total is surprisingly large. (Hint: Don’t wait until the end to combine it all for the first time.)

## Realization - So now you've got your plan...



Your draft plan must be approved by your board. Getting the full board involved shouldn't wait until the very end – the final draft you bring them shouldn't include any surprises. You should bring updates and opportunities for the board to provide input during your planning process.

Once the plan is approved, how do you use it?

- Make sure everyone in the organization, staff and board, has a copy. Refer back to it regularly as you discuss the organization, both in a day-to-day

context as well as longer term ideas.

- Use the plan as part of your new board member orientation. It's a good way to frame the discussion of your organization.
- The measures are a good source of keeping the plan vibrant and alive. If you're successful with the outcomes that you're measuring (and the measures are working), then you should be achieving your plan. Report measures regularly to staff and board both.
- Vision, mission, values and strategic decision criteria are very useful to consult when your organization is making decisions. Are your choices consistent with these? If your choice is not consistent, it's probably not a good choice.
- Develop tactical plans based on the strategic plan. The strategic plan gives direction, but not specifics. Create specific work plans with assigned responsibilities, dates, and budgets.
- Align CEO and staff performance measures with your strategic plan, values, and consequent tactical plans.
- Take it off the shelf and read it every so often. It's helpful to take an hour (or more!) to sit back and reflect on the work of the organization.
- Turn it into an infographic and use it everywhere