

# Sustainability

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## 8.1 Overview

Whether your organization is newly founded or a well-established one with an office full of experienced workers, planning for the future is essential if you intend to be around for the long term. While you may be certain of your current funding stream and projects, these tend to have a short time horizon—one to three years—after which things are likely to be less certain. Even if you have a good idea about what might happen in the future, such as potential awards and partnership opportunities, there is always the possibility that things will change—funding opportunities may or may not be there, staff may move on, or the needs of the communities you serve may shift.

This chapter briefly defines strategic planning and outlines some benefits that can be gained from the process and its product: the strategic plan. It goes on to provide an overview of the steps involved in strategic planning (8.3) and concludes with links to in-depth resources and tools. Once you have created your strategic plan, it is a good idea to make sure it is a good fit with your annual workplan (chapter 3) and budget.

### Objectives

- Determine whether your organization is ready to undertake strategic planning.
- Use what you learned from your organizational capacity assessment (chapter 7) to inform the strategic planning process.
- Walk through the strategic planning process.
- Unite your organization behind a strategic plan that will sustain it in the future.

### Key Terms and Acronyms

- **Action Plan**—A specific series of steps describing what needs to be done, how, when, and by whom to accomplish one or more objectives. Written action plans can be used at the organization, project, or activity level.

- **Horizon**—The amount of time an organization will look into the future when preparing a strategic plan.
- **Strategic Planning**—An organization's process of determining its direction or strategy and making decisions related to pursuing it. According to an adaptation from the *Field Guide to Nonprofit Strategic Planning and Facilitation*, "Simply put, strategic planning determines where an organization is going over the next year or more, how it's going to get there and how it will know if it got there or not."
- **SWOT**—Strengths, Weaknesses, Opportunities, and Threats analysis, strategic planning tool that helps an organization examine itself and the external and future environment in which the organization operates.

## 8.2 Getting Started

*How does strategic planning help my program?*

The strategic planning process helps prepare your organization for the future by creating a bridge that links your current awards and activities to your long-term vision and the necessary resources, systems, and procedures to achieve that vision. It lets you see how your organization fits into the larger world in which it works. In addition, the resulting plan can serve as a signal to donors that your organization has its house in order—that your organization knows where it is going and how it will get there.

### Why Develop a Strategic Plan?

- ▶ It can serve as a framework for decisionmaking.
- ▶ It can provide a basis for more detailed planning at the project level.
- ▶ It can serve as a road map for the future and as a catalyst for change, as well as a benchmark for future strategic plans.

## 8.2.1 Annual versus Strategic Planning

An annual plan has very clear inputs (for example, the amount of funding you have received and the start and end dates for your award). A strategic plan often has numerous variables. In fact, part of the purpose of a strategic plan is to identify and try to quantify some of these variables.

Annual planning focuses on operations and thus drives the organization forward by setting concrete goals and giving staff specific direction on what needs to be done to achieve intended outcomes. Strategic planning examines the external environment and the fit between the organization and its environment. Although strategic planning also involves goal setting, it is broader in scope—covering all aspects of an organization’s work—and considers longer-term issues than are addressed in annual plans. Typically, strategic plans look three to five years ahead.

## 8.2.2 Preparing for Strategic Planning

As with an organizational capacity assessment ([chapter 7](#)), the strategic planning process should involve a core team made up of representatives from the organization’s management, administration, finance, and technical departments as well as Board members. The amount of time it takes to complete the process depends on the organization’s size, the nature of its leadership, experience with strategic planning, availability of information, and commitment to the process. It is best to set aside time to focus on strategic planning. It may mean a few hours a week or one day a month. The entire process may take as little as a month or as long a year.

Before getting started, consider doing the following:

- *Talk with Other Organizations.*

Consult with other organizations to find out how they went about their strategic planning. Ask who helped with their plans, what worked well, and what they would do differently next time.

- *Read Online Resources.*

Online resources alone, some of which are listed at the end of this chapter, may not be sufficient to guide your process, but they should give you a good sense of what to expect. You may find tools you like, and you can search online for a consultant with specific experience using these tools.

- *Involve your Board.*

Strategic planning is a process the management team should undertake with the approval of and oversight from the Board of Directors. The Board may want to be directly involved in some or all of the strategic planning activities.

## 8.2.3 Twelve Key Questions before Starting Strategic Planning

While there is no “right” time to do strategic planning, answering the questions in the following checklist can help you decide whether your organization is ready to go forward.

## 12 Questions to Determine Whether Your Organization Is Ready to Engage in Strategic Planning

Source: Beryl Levinger\*

Your organization is ready to engage in strategic planning if you answer “yes” to each of the following:

### 1. Is there a willingness to work toward developing the best fit between the organization and its external environment by examining the following questions:

- What outside our organization might affect us positively or negatively (external factors)?
- Where are we now (internal assessment)?
- Where are we going (strategic goals and objectives)?
- How will we get there (activities)?
- How will we know whether we are on track (results)?
- What is our blueprint for action (budget)?  
 Yes  No

### 2. Is there a high likelihood that consensus can be reached on the following issues:

- What do we hope to achieve?
- What do we believe?
- What is our purpose?
- What makes us distinctive or unique?  
 Yes  No

### 3. Is there an absence of impending doom and crisis? Yes No

### 4. Is there a deeply held commitment on the part of top leadership to engage in strategic planning? Yes No

### 5. Is there a shared understanding about the nature of strategic planning among organizational stakeholders? Yes No

### 6. Is there a competent group of people willing and able to serve on the strategic planning team? Yes No

### 7. Is there access to data that reflect the trends—political, economic, social, and technological—that affect the organization’s beneficiaries, donors, partners, and competitors? Yes No

### 8. Is there access to data that reflect the organization’s current resources and performance level? Yes No

### 9. Is there the ability within the organization to respond to problems with new solutions? Yes No

### 10. Is there consensus regarding the organizational mandate given to the planning team? Yes No

### 11. Are there adequate resources (including facilitators from within or outside the organization), so that the planning team can do each of the following tasks:

- Clarify organizational mission and values.
- Identify clients/stakeholders.
- Assess the external environment
- Assess the internal environment.
- Identify the strategic issues it faces
- Formulate strategies to manage these issues.
- Establish an effective organizational vision for the future
- Convert the vision into activity plans, budgets, and key result areas that can be monitored.
- Monitor performance “actuals” versus “expectations.”
- Make adjustments to the plan.  
 Yes  No

### 12. Is there agreement on the planning process/model to be used? Yes No

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## 8.3 Strategic Planning

A strategic planning process and its results are only as good as they are honest and useful—honest means looking at internal and external factors objectively, and useful means putting into words the specific goals and action steps to help guide the organization forward.

### Step 1. Prepare to Plan: Clarify the Mandate and Scope of Work

- *Create a strategic planning team.*

To get buy-in and improve the chances that the plan will not sit on the shelf, involve the people who will be responsible for implementing the plan. Make a list of the needed skills and experience of those who might be involved in the process. Invite a cross-functional team (representatives from programs and services, management and operations, finances and fundraising, and governance) to ensure that the plan is developed collaboratively and realistic.

- *Assign an internal point person and/or engage a consultant.*

Although you may have someone on staff with the right expertise to guide a team through an in-depth examination, it is often preferable to have a consultant who has no vested interest in the organization. An outsider can bring an objective, fresh view of your organization and the perspective of what has worked for other organizations facing similar issues. If you decide to have someone in your organization conduct the strategic planning rather than a consultant, you should ask the following questions:

- Is that person able to be unbiased in looking at both the strengths and weaknesses of the organization?
- Can that person diplomatically and effectively guide the group to consensus?
- Can that person manage conflict that might arise during an examination of the organization?

If you hire a consultant to guide your strategic planning process, you might also want to assign an internal point person or team to work with the consultant and to manage implementation of the strategic plan in moving the organization forward. That way, when the consultant finishes, the strategic plan can be left with the point person(s), who will understand the plan and what is expected after the planning process ends.

Each consultant or facilitator will have his or her own approach. However, be sure the consultant and internal point person(s) clearly understand what the desired outcomes are and what is expected of each of them in order to avoid confusion and other problems during the process.

- *Develop a workplan and timetable and assign specific tasks to individuals.*

Develop a workplan and allot time to the process. Be clear about the roles each participant will play. Among the most important tasks are coordinating and recording the process. Designate one or two people who will provide administrative support and capture discussions in writing.

With strategic planning, it is important to separate the work you can do from that which you must do. Set goals that focus on what must be done and make sure these goals are achievable. If getting started becomes a challenge, take on a few simple tasks first. The momentum from a small amount of progress can help energize the organization to take on bigger challenges.

### Step 2. Review your Vision, Mission, and Values Statements

Strategic planning starts with a focus on the organization's mission, vision, and values. Although these terms are often used interchangeably, they are not identical. They represent a framework to define and communicate the purpose of your organization starting from the highest, long-term level (vision), down to the very specific, short-term level (objectives).

### Vision

An organization's vision is often an inspiring statement of what it is striving to achieve. NGOs often focus on the problem they hope to solve by painting a picture of a vision they have for the future after the problem has been solved or mitigated.

Example: "XYZ NGO envisions our community free of poverty and hunger, where everyone has access to basic education, health care, and economic opportunities."

### Mission Statement

Your mission statement takes your vision a step further, by summarizing the actions your organization is going to take to make the vision a reality. It is a statement that clarifies the purpose of the organization and its daily business.

Example: "Our mission is to fight poverty and hunger in our community by building education, health care, and economic development programs that meet the needs of the community."

### Values

An organization's values are its deeply held beliefs that shape the organization's actions. Your organization may have several core values.

Examples: "Our organization believes in providing equal opportunities for everyone in the community, regardless of gender, religious beliefs, or ethnicity."

"Our organization believes that all children have the right to basic education."

"Our organization believes that our priorities must be driven by and be in harmony with the desires of the community."

While an organization's purpose is not likely to change, it may change its way of thinking and approach to a problem as time goes on and it implements activities. While one does not want to change a strategy continually, organizations should periodically review their mission and vision statements. This is an opportunity to bring staff together and align the mission of the employees with the overall mission and vision of the organization.

To begin, answer the following basic questions:

- What do we hope to achieve (vision)?
- What is our purpose (mission)?

- What do we believe (values)?
- What outside our organization might affect us positively or negatively? (external factors)?
- Where are we now (internal assessment)?
- Where are we going (strategic goals and objectives)?
- How will we get there (activities)?
- How will we know whether we have arrived (results)?

Figure 48—Goals and Objectives Examples

Goals	Objectives
Broad, long-term	Narrow, short-term
Where we want to be	The steps needed to get there
Abstract, general	Precise, measurable
Expand community participation in youth development program.	<ul style="list-style-type: none"> <li>• Recruit 10 new volunteers from local churches/mosques.</li> <li>• Pair volunteers with staff mentors.</li> <li>• Meet monthly at youth center with all volunteers.</li> <li>• Develop an annual program/event to recognize the top three individuals who were invaluable to the program.</li> </ul>
Remove the barriers to education and expand educational opportunities to attend secondary school.	<ul style="list-style-type: none"> <li>• Expand access, ensure that at least 15 children from community complete their education.</li> <li>• Raise funds from businesses in the region to pay school fees and other expenses for at least 15 children from the community.</li> <li>• Organize volunteers from the community to work one day a month on projects to renovate and expand the existing school.</li> </ul>

### Step 3. Identify the Strategic Goals

Strategic goals are broad statements of intent that link directly to the mission statement. While your vision, mission, and values may never change, your strategic goals will likely evolve over time.

**Example: Strategic Goal**—Increase the income of female-headed households in X province through better animal husbandry and marketing.

## Step 4. Define the Strategic Objectives

Your organization should determine how to accomplish its strategic goals in the next three to five years by developing objectives that are Specific, Measurable, Achievable, Realistic, and Time-based (S.M.A.R.T.):

- **Specific**—Is there a description of a precise or specific behavior/outcome that is linked to a rate, number, percentage, or frequency?
- **Measurable**—Is there a reliable way to measure progress toward achieving the objective?
- **Achievable**—Are we attempting too much? With a reasonable amount of effort, can we do what we set out to do?
- **Realistic**—Do we have the resources—staff, money, materials, etc.—to make a real impact?
- **Time-based**—Is there a finish and/or a start date clearly stated or defined?

### Sample SMART objective:

- By [year], our NGO will support initiatives aimed at increasing the income of [Y number of] female-headed households in X province

through improved livestock breeding and raising practices and better marketing.

### Not Very SMART objective:

- Change animal husbandry practices (not specific, measurable, or time-bound).

## Steps 5 and 6. Look at Strengths, Weaknesses, Opportunities, and Threats (SWOT)

“SWOT” (pronounced swat) stands for Strengths, Weaknesses, Opportunities, and Threats. This is a key tool for strategic planning because it examines the organization itself and the external and future environments in which the organization operates.

Strengths and weaknesses refer to the internal workings of the organization; they are akin to current assets and liabilities. Opportunities and threats exist outside the organization, and they refer to the future.

A SWOT analysis may be part of the planning process or applied to a specific problem or situation. A quick and easy way to approach the analysis is by doing the [exercise](#) on the next page.

Figure 49—Example of the Types of Information to Include in a SWOT Analysis Matrix

Internal Factors	
<p><b>Strengths (Assets)</b> ASK: What do we do well? How do we know? <b>For example:</b></p> <ul style="list-style-type: none"> <li>• Capacity</li> <li>• Resources (funding, supplies, etc.)</li> <li>• Location and geography</li> <li>• Innovation</li> <li>• Management</li> <li>• Reach, awareness</li> <li>• Volunteers</li> <li>• Competitive advantages</li> </ul>	<p><b>Weaknesses (Liabilities)</b> ASK: What could we do better? How would we measure that we are doing better? <b>For example:</b></p> <ul style="list-style-type: none"> <li>• Financial management</li> <li>• Human resources</li> <li>• Monitoring</li> <li>• Resources</li> <li>• Raising funds</li> <li>• Recruiting volunteers</li> </ul>
External Factors	
<p><b>Opportunities</b> ASK: What factors outside the NGO could help us do better? <b>For example:</b></p> <ul style="list-style-type: none"> <li>• Trends in our sector</li> <li>• What are government agencies doing?</li> <li>• Partnerships, agencies, networks?</li> </ul>	<p><b>Threats (Challenges)</b> ASK: What factors outside the NGO might hinder our doing better? Classify them by their “seriousness” and “probability of occurrence.” <b>For example:</b></p> <ul style="list-style-type: none"> <li>• Change in government</li> <li>• Natural disaster</li> </ul>

### Exercise

To conduct a SWOT analysis, use the data and findings from your self-assessment ([chapter 7](#)) and communication planning ([chapter 3](#)) to pinpoint key themes; then take the following steps:

- Specify an objective of the organization.
- Ask each person on the team to identify the organization's strengths related to this objective, and provide each one with three cards to write the three strengths, one on each card. Then collect and cluster the cards to identify the main themes the team has identified.
- Repeat the exercise for internal weaknesses, external opportunities, and external challenges or threats. Collect and cluster the cards to identify the main themes the team has identified for each of the SWOT elements.
- Develop a matrix (see Figure 49).

The following are some points to think about when going through the different parts of the analysis:

- **Strengths Section**—Factors that will help your organization achieve its programmatic objectives, such as the ability to satisfy your beneficiaries' needs, highly efficient methods of delivering your service, outstanding personnel, or a key location.
- **Weaknesses Section**—Factors that will make it hard to achieve your programmatic objectives, such as a lack of skilled human resources, which, with correction, you can convert into strengths.
- **Opportunities Section**—External factors that can assist your program, such as the government deciding to increase access to health services in your project area.
- **Threats Section**—External factors over which you have no control and which can adversely affect your program, such as security issues that make it hard for you to work in an area or changes in government legislation that affect your services and compel you to adjust your program.

In documenting your SWOT analysis, highlight how you plan to build on strengths, address weaknesses so they do not constrain your organization, and ensure that opportunities and threats do not adversely affect your ability to perform the tasks that you outline in your action plan.

### Step 7. Define How You will Realize Each Strategic Goal; Create an Action Plan

Define the steps you will take to achieve your strategic goals—these will be the backbone of your action plan. Remember, strategies are the paths that the organization will take toward achieving the identified strategic goals. It is advisable to select a combination of strategies for each strategic goal to maximize impact. In your annual workplan ([chapter 3](#)) the steps are spelled out in great detail. But in strategic planning, you look at the big picture across a broader time horizon. Consider creating a spreadsheet, or project plan, to capture each task, what and who are needed to accomplish it, and by when it should be accomplished (see section [7.4](#)).

### Step 8. Identify the Resources Needed to Carry Out Your Action Plan

Answer basic questions, including:

- What funding sources do we have? Where else might we find funding?
- What human resources do we need? Who among our staff has the necessary knowledge, skills, and experience?

Add the answers to your action plan.

### Step 9. Create a Budget for Implementing the Plan

Once you have developed the action plan and identified the necessary resources, estimate how much it will cost to carry it out over the next three years.

### Step 10. Monitor and Evaluate Progress; Adjust the Plan as Required

The strategic planning committee should continue to meet regularly to look at internal progress and external realities. Furthermore, it should be flexible and make changes to the plan as needed.

## 8.4 Strategic Planning Online Resources

There are many excellent resources available online to help guide your strategic planning process. Figure 50 lists a few to get you started.

**Figure 50—Selected Online Resources on Strategic Planning**

Tools and Resources	Description
Civicus Strategic Planning Toolkit <a href="http://www.civicus.org/new/media/Strategic%20Planning.pdf">http://www.civicus.org/new/media/Strategic%20Planning.pdf</a>	This toolkit offers you a method for detailed strategic planning. You can replicate the method in any organization or project that needs to do strategic planning.
Developing Strategic Plans (pdf) <a href="http://www.coreinitiative.org/Resources/Publications/AllianceStrategicPlanningTool.pdf">http://www.coreinitiative.org/Resources/Publications/AllianceStrategicPlanningTool.pdf</a>	A tool for community- and faith-based organizations from the Core Initiative and the International HIV/AIDS Alliance, 2007
NGO Self-Assessment through a SWOT Exercise <a href="http://www.networklearning.org">http://www.networklearning.org</a>	A simple four-step process that guides an organization through the process of identifying its internal Strengths and Weaknesses as well as the external Opportunities and Threats it faces. One of many resources
Problem Solving: SWOTs & Strategic Plans <a href="http://www.networklearning.org/index.php?searchword=SWOT&amp;ordering=&amp;searchphrase=all&amp;Itemid=1&amp;option=com_search">http://www.networklearning.org/index.php?searchword=SWOT&amp;ordering=&amp;searchphrase=all&amp;Itemid=1&amp;option=com_search</a>	One of many resources and tools available for free to NGOs working in the development or humanitarian fields. Networklearning.org makes or finds manuals that can help NGOs build skills and suggests other Web sites with good resources.

Strategic Planning Chapter (pdf) <a href="http://www.ciiir.org/Templates/System/Basket.asp?NodeID=91675">www.ciiir.org/Templates/System/Basket.asp?NodeID=91675</a>	<i>Capacity Building for Local NGOs: A Guidance Manual for Good Practice</i> , published by the Catholic Institute for International Relations, 2005
Strategic Planning Checklist (NGO Café) <a href="http://www.gdrc.org/ngo/bl-stratpla.htm">http://www.gdrc.org/ngo/bl-stratpla.htm</a>	This checklist can be used to assess the readiness of an organization to engage in strategic planning. Its primary utility is to plan for training and technical assistance that can help overcome the obstacles noted.
Strategic Planning (in nonprofit or not-for-profit organizations) <a href="http://www.wmich.edu/nonprofit/Guide/guide7.htm">http://www.wmich.edu/nonprofit/Guide/guide7.htm</a>	Adapted from <i>The Field Guide to Nonprofit Strategic Planning and Facilitation</i> by Carter McNamara, Authenticity Consulting, 2008
Strategic Planning in Smaller Nonprofit Organizations: A Practical Guide for the Process <a href="http://www.wmich.edu/nonprofit/Guide/guide7.htm">http://www.wmich.edu/nonprofit/Guide/guide7.htm</a>	This short guide is designed to help Board members and the staff of smaller nonprofit organizations develop strategic plans to strengthen and sustain their organization.

## 8.5 Summary

Organizations that undertake sound strategic planning are better situated to secure future funding as well as gain perspective on experience and their potential to strengthen their impact in the future. Ultimately, organizations that take the time necessary for strategic planning are more likely to become self-sustaining and make a difference over the long term.