ASP NONPROFIT CENTER FOR EXCELLENCE

FIRST MONDAYS DISCUSSION

TOPIC: A Systems Approach to Nonprofit Strategic Planning

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First Mondays April 4, 2016
Topic: A Systems Approach to Nonprofit Strategic Planning

Please click here to access the recorded discussion.

Notes
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Discussion Background:
The most effective strategic planning processes begin with the end in mind. That requires discipline and a commitment to Thinking, then Planning, then Acting—a systems approach to strategy development, implementation and evaluation. The ASP Body of Knowledge Attribute 1 defines a systems approach to planning in this way:

A systems approach begins with defining terms; establishes consensus on desired outcomes; creates strategies, tactics, processes to achieve those ends and explicitly addresses the human and financial capital that will be required to achieve them; and determines how progress will be measured, results evaluated, and adjustments made to strategy and tactics based on what is learned through implementation and assessment. The systems approach incorporates strategic thinking, leading and leadership development, people, technology, processes, change management, rewards and recognition to incentivize desired behaviors, clear communication, inclusion and transparency, customer and stakeholder value creation, and organization culture.

Discussion Questions:
• What kind of “discipline to get things done” do you think is feasible for a nonprofit to integrate into plan development, oversight, and organizational governance? What role should the board play? What role should leadership and staff play?

How much you weave into the planning process will depend on what’s going on, operationally and culturally, with the organization.

Denise: Our process builds in time/discussion about an explicit process for how they will conduct ongoing assessment and reporting on plan progress. We have a draft policy/procedure to guide these efforts and work with clients to tailor these to fit their needs. ASP research on successful practices in nonprofit strategic planning clearly demonstrate the most successful NP’s have a defined process/calendar for regular assessment/reporting.

How do you get all the people involved in the planning process?
Bill: Work to engage staff, board, stakeholders, clients, by getting their input into the process early. At an initial meeting identify questions (5-20) for stakeholders then conduct interviews so they have input into the planning process. Can be focus groups, interviews, surveys.

Lynne: Engagement of front line staff should include responding to those who provided input by sharing how plan content is developing/evolving. If feasible, gathering feedback from staff at several points during the planning process can help refine plan content and builds their commitment to the final result.

Bill: Board engagement ranges from no involvement (which typically reflects the relationship between the
board and staff leadership), to phone interviews, to full board engagement in planning.

Board involvement in plan execution/oversight: depends on dynamics of board—some expect routine (quarterly, semi-annually) reporting; for others little to no engagement. Boards that are more deeply involved in the organization tend to be more successful in driving implementation—greater ownership;

Denise: Board engagement is critical. It builds alignment within the organization and drives commitment to implementation. The most successful organizations encourage/welcome participation in the planning process and plan implementation throughout the organization.

What do you do in your organization (practitioners) or recommend (consultants) to create this type of discipline?

Jen: Engaged in the HR function of the organization. They create a plan but tend to deal with the urgent, not the planned. Our job in guiding strategic planning for the organization is to hold up the mirror constantly to drive accountability to the plan—this is what you said you would do, where are you? Reports can be verbal reports, sometimes we ask for data to support progress reports. Biggest challenge: defining outcomes—this is hard for our org. We have determined Annual HR surveys of employees is not the way to go so we are re-designing the approach to give us more meaningful information.

Bob: Having well defined KPIs and managing to them is fundamental. Formal communications is an important piece of this—communicating what plan is, where things are—stoplights, referring to plan in meetings, regularly reporting process-talk about the plan all year, not just during annual SP review

Denise: A tip shared with clients” For every agenda item for every meeting, each one has the number/reference to where this effort is connected to the plan.

Lynne: Connecting staff to the plan: Communication: share the plan; connect the dots between the plan and the work front line staff does. Connect to the plan and plan performance indicators to individual performance expectations.

Denise: Here too individuals can note strategic plan element that aligns with their individual performance expectations. Helps keep aligned with execution. This assumes a comprehensive approach to planning that includes both strategy and tactics.

What kinds of feedback loops do you use/recommend? How do you incorporate them into your approach to strategic management?

Jen: Scorecards. The school she is involved with is school is posting scorecard results every semester. The indicators were defined jointly by board and staff defined.

Lynne: Growing demand for outcome reporting. BoardSource recently introduced a Platinum Participant level for those organizations that upload scorecards, progress reports to their organization profiles. We are seeing an appetite for context in outcomes by boards. Not just monthly/quarterly numbers but trend lines.

How do you track/report plan progress?

Bill –word docs, excel
Denise/Lynne: online system. (WePlanWell

Do you use a systematic approach to planning?

Denise: Yes, we approach the majority of our planning engagements in this systematic way. We have found it results in plans that clients have consistently implemented effectively.
Bill: Starts as systematic approach/intentions, sometimes get detoured—personalities, stuff that’s invisible that creates constraints that impact planning process.

Jen: With the NPs I work with, yes. With corporate, sometimes. Approaching planning in this way with a larger, older organization characterized by siloed thinking is challenging.

Bob: This approach is especially applicable and important where there is a public/private partnership between an NP and a corporate or government organization. Public visibility of these efforts adds an additional commitment to getting it right and building accountability into the plan.

Timothy: Low degree of systems approach to planning in our organization. Geneva creates strategy, we are charged with implementation. We do not approach this as systematically as they might.