



RESPONSIBLE GOVERNANCE & MANAGEMENT

CAPACITY BUILDING WORKSHOP FOR CIVIL SOCIETY ORGANIZATIONS

STRATEGIC PLANNING

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THE GAME PLAN

- Strategic thinking
- What is strategic planning?
- Why is it important?
- When to do and when not to do strategic planning
- Major steps of strategic planning

PLANNING

- **Planning is a process to develop a list of actions, arranged in a sequence, in order to achieve Goals (Argenti)**

STRATEGIC THINKING

- Being strategic means – being clear about the organization's goals, aware of its resources & incorporating both into a responsive & dynamic environment
- Strategic thinking focuses on changing the organization to be more effective & efficient
- Three key requirements: (i) a definite purpose, (ii) understanding of the environment, (iii) creativity in developing responses

WHAT IS STRATEGIC PLANNING?

- Strategic Planning is a system-wide process
- Strategic Planning is “a disciplined effort to produce fundamental decisions and actions that shape & guide what an organization is, what it does, and why it does it, with a focus on the future.” (Bryson)
- It is a management tool for changing an organization’s mode of operation from reactive to proactive/active

WHAT STRATEGIC PLANNING IS NOT?

- It is NOT long-range planning
- It does NOT attempt to make future decisions
- It is NOT a substitute for sound judgment by leadership
- It is NOT a linear process

WHY IS STRATEGIC PLANNING IMPORTANT?

- Stimulates ingenuity and new approaches
- Increases all players' involvement in the organization
- Develops a common vision
- Clarifies values and beliefs
- Anticipates opportunities and obstacles
- Provides a framework for ongoing decisions
- Creates a marketing strategy

WHEN NOT TO DO STRATEGIC PLANNING

- When the organization is in crisis
- Before or during re-organization
- When facing financial uncertainty
- When there are major leadership issues
- When there is not sufficient buy-in for the process

WHEN TO DO STRATEGIC PLANNING

- When a new organization 'stabilizes'
- To re-invigorate the organization after a dormant period
- In preparation for a new major venture
- When there is an overall decline in the 'industry'
- When there is an expected high growth in the 'industry' based on demands
- High levels of resource infusion by the government

STRATEGIC NONPROFIT MANAGEMENT

- Strategic Management is the application of strategic thinking & plan
-with a continuous focus on “are we doing the right thing?”
- It emphasizes on relevant change to reflect a dynamic environment in which the organization operates
- It is adaptive and keeps the organization relevant (March of Dimes, YMCA, MAAD)

MAJOR STEPS IN STRATEGIC PLANNING

1. Decide whether to develop a strategic plan

- Need to achieve consensus and agreement among key decision makers and stakeholders
- The right team & resources

2. Clarify mission and vision

- Identify stakeholders' criteria for satisfaction with the organization and its services
- Refine mission, vision and values in light of changing external factors

MAJOR STEPS IN STRATEGIC PLANNING – CONT'D

3. Assess the internal and external environments to identify strengths, weaknesses, opportunities, and threats

INTERNAL	
Strengths	Weaknesses
EXTERNAL	
Opportunities	Threats

INTERNAL

- Begins with the review of organization's history, original mission, scope & scale
- Assessment of internal structure, process and operation
- Areas examined: board, personnel, volunteer, fiscal, facilities, technology, inventory of programs & services
- Evaluation of current programs: quantitative & qualitative data to ascertain adequacy of inputs-throughputs-outcomes-impacts
- Cost-benefit analysis
- Competency analysis & McMillan Matrix

EXTERNAL ASSESSMENTS

- Identifies changes and trends in society that are likely to have significant impacts on the organization
- 5 – 10 yrs. time frame
- Assesses how changes in the environment will affect the organization's operation
- Highlights threats & opportunities
- Areas examined: social, political, economic, demographic & philanthropic trends

MARKET ASSESSMENTS

- Identifies needs and perceptions of the organization's markets & constituencies
- Assesses emerging market trends and demands
- Highlights market implications to the organization
- Areas examined include: clients, partner agencies, competitors, government agencies, etc.

SWOT ANALYSIS

- A methodology of examining potential strategies derived from the synthesis of internal strengths & weaknesses and external opportunities & threats (SWOT)
- The planning process first explores the environment inside the organization to ID strengths & weaknesses
- The process, then, explores the environment outside the organization to ID opportunities & threats
- S&W are internal and about the present, while O&T are external and about the future

SWOT ANALYSIS

S - what are the organization's internal strengths?
(skilled employees, strong board, etc.)

W - what are the organization's internal weaknesses?
(out dated IT, lack of grant writing skills, etc.)

O - what external opportunities might move the organization forward? (networking opportunity, new policy direction, etc.)

T- what external threats might hold the organization back? (declining economy, increasing competition, etc.)

MAJOR STEPS IN STRATEGIC PLANNING – CONT'D

4. Identify strategic issues facing the organization

- Fundamental policy and program concerns faced by the organization affect the organization now and in the future
- They reflect: long-standing problems in the organization (example: founder's syndrome), impediments that must be overcome to achieve financial and program success (example: accreditation), etc.

5. Formulate goals, objectives & strategies

- Goals: general results to be sought
- Objectives: specific results to be sought
- Strategies: the broad approaches to be taken

STRATEGIC PLANNING TIMELINES

- **VISION, MISSION & VALUES** ----->
"Forever"
- **GOALS** ----->
3-5 years (eg: increase the membership)
- **OBJECTIVES** ----->
1 year (eg: increase membership by 5% a year)
- **STRATEGIES** ----->
1-5 years (eg: recruitment mechanisms)

MAJOR STEPS IN STRATEGIC PLANNING – CONT'D

6. Review and adopt the strategic plan

- Secure approval from ALL stakeholders, both involved and not involved in the planning process
- Reach an official organizational decision to adopt and proceed with the strategic plan

7. Establish an ideal vision of the organization

- Vision of success is crucial for “selling” the plan
- Helps stakeholders understand where the organization is headed

MAJOR STEPS IN STRATEGIC PLANNING – CONT'D

8. Develop an effective action plan

- Describes major goals & objectives to be accomplished
- Allocates resources to achieve strategic goals
- Provides information on who is responsible for each objective and when will that objective be carried out
- Includes criteria for evaluation

9. Reassess the strategies and the strategic planning process

- Strategic planning is cyclical
- When a strategic planning cycle ends (3 – 5 years) next one begins
- Evaluation of the process and strategies from one cycle feeds into the next to make it better

EFFECTIVE STRATEGIC PLAN

1. The Process
2. The Product
3. The Plan
4. Action/Operations Plan(s)
5. Evaluation
6. Feed back to the next Strategic Plan cycle



**IN CLOSING...
THANKS FOR EVERYTHING YOU DO!
MAY THE FORCES BE WITH YOU!!**

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