
Organizational Development

Strategic Plan

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Marta Ricci

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Course Aim & Objectives

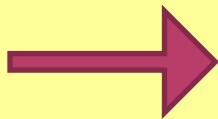
The **aim** of this course is to demonstrate:

□ **Why it is useful and beneficial for NGOs to build business know-how.**

This course hopes to provide you a structured learning environment in which you can achieve the following **objectives**:

- ✓ Define and understand often complex management concepts using methodical approaches;
- ✓ Learn to plan ahead and professionalize your structures and processes;
- ✓ Integrate the tools of business management into your own skill set;

**Ultimate
Goal**



Create effective and long term
sustainable organizations



What is Strategy?

Strategy, a word of military origin, refers to a plan of action designed to achieve a particular goal. (Wikipedia)

An Organization Strategy is a set of tactics or actions an organization chooses to adopt to accomplish its goals.

It is a process that helps you to find your UNIQUE FIT in the market and distinguish yourself from COMPETITION.

Strategy is the creation of a unique and valuable position, involving a different set of activities.

Michael E. Porter,

About the Strategic Planning process

Before you begin

- Allocate time and budget to the strategic planning;
- Gather all the relevant data about the environment and your organization;
- Involve staff of all levels to participate;

Golden Rules

- ❖ Listen to others!
- ❖ All ideas are valid!
- ❖ Observe time frame AND proceed step by step!
- ❖ Seek common ground and actions not conflicts and problems!
- ❖ Create an ENABLING environment!

.....and ENJOY!



Foundations of Strategy

VISION



VALUES



MISSION



GOALS



Vision

Your Vision is how you DREAM about your organization. But it is more than a dream or a hope.

It should describe your ideal world and how your organization will be successful in it.

Qualities of a Vision:

- Inspiring, motivating, exciting;
- it stretches capabilities and imagination of the team;
- it fosters a feeling of being part of something bigger;
- it is clear, concrete and easy to communicate;
- it gives shape and direction to the future of the organization;
- it should be achievable and realistic even if based on the future;



Creating a Vision

Process:

- work in small groups to develop 5-7 priority ideas for the future of the organization;
- to be feasible the vision should not contain more than 15 elements;
- elements need to be put in order of priority;
- focus on WHAT the team wants to create and HOW it will do it;

All ideas are valid



Vision Questions

- ☐ In 5 years what would we be?
- ☐ How would we know we achieved it?
- ☐ What kind of organization do we want to be?
- ☐ What do we really want to do or create?
- ☐ Whom do we really need or want to serve?
- ☐ What image, reputation or influence do we want?
- ☐ What shall we commit to over the next 5-10 years?
- ☐ How do we differentiate ourselves from competition?
- ☐ What are the right things to do?

Think about: Services or products – Markets/Niche – Clients/Customers – Key relationships – Organizational Capabilities – Competencies – Reputation/Image – Organizational Culture – Processes – Structure – Innovations – Mission



Values

Values define the character of the organization. They define how the organization wants to behave with its customers, its suppliers, its team and in the community in general.

Values create the foundation of the organizational culture.

How to apply values in an organization:

- Values should be clear and aligned;
- The entire organization should share the values and implement them;
- Organizational Goals are based on established org. values;
- Reward and recognition for work done according to values;
- Staff performance feedback based also on values;
- Evaluate if organizational values create the organization that you desire;



The **power of shared values** is a highly motivating factor not only among your team and clients but also for your donors!

Mission

The Mission of an organization is based on its VISION and VALUES. It describes the purpose and essence of your organization.

It clearly defines **WHAT** the organization is committed to, **WHAT** it does, **WHAT** does it believe in.

The Mission statement should be **SHORT, SIMPLE** and **CONVINCING**.

Each member of the organization should know the mission statement!



Mission Statement

Mission statement exercise:

- Who are we?
- What are the social needs we exist to fulfill?
Or what are the basic social problems we exist to address?
- In general, what do we want to do to recognize, or anticipate and to respond to these needs or problems?
- Who are our key clients or supporters?
- What should our responses be to our key clients or supporters?
- What makes us distinctive or unique?



Mission Statement example

Organization

Nonprofit Finance Fund (NFF), 70 West 36th Street Eleventh Floor New York,

Description

The Nonprofit Finance Fund is a community development financial institution that offers financing, loans, as well as technical and planning assistance to nonprofit subsectors. Working together with other financial institutions, the Nonprofit Finance Fund services nonprofits in Washington, the San Francisco Bay Area, New York City, New Jersey, New England, etc.

Mission Statement

NFF's mission is to serve as a development finance institution for nonprofit organizations, working to fill their overall need for capital through financing and advisory services. NFF supports its nonprofit clients' multi-faceted contributions to communities, advances community and economic development goals, and works to fill the overall need for capitalization of organizations in this sector.

Environment SWOT & PEST analysis

SWOT

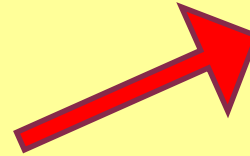
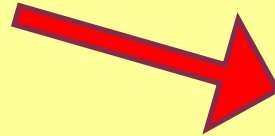
Strengths, Weaknesses
Opportunities and Threats

Assess internal resources,
processes, performance

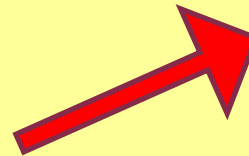
PEST

Political, Economic, Social
and Technological factors

Assess the market
you want to enter



Internal assessment
that can influence the
success of your
organization



External factors that
can influence the
success of your
organization

SWOT analysis

	Positive	Negative
	Strengths	Weaknesses
Internal	<ul style="list-style-type: none">• Production quality• Management• Know-How• Customer loyalty	<ul style="list-style-type: none">• Absence of important skills• Unreliable quality• Low customer retention• Management
External	Opportunities	Threats
	<ul style="list-style-type: none">• Changing customer tastes• Technological advances• Change in population age• Lower taxes	<ul style="list-style-type: none">• Changing customer tastes• Technological advances• Tax increase• New distribution channels

PEST analysis

Political/Legal

- Employment law
- Government stability
- Taxation policy
- Environmental protection laws

Economic

- Inflation
- Unemployment
- Interest Rates
- Business Cycles

Social/Cultural

- Population demographics
- Income distribution
- Levels of education
- Lifestyle changes

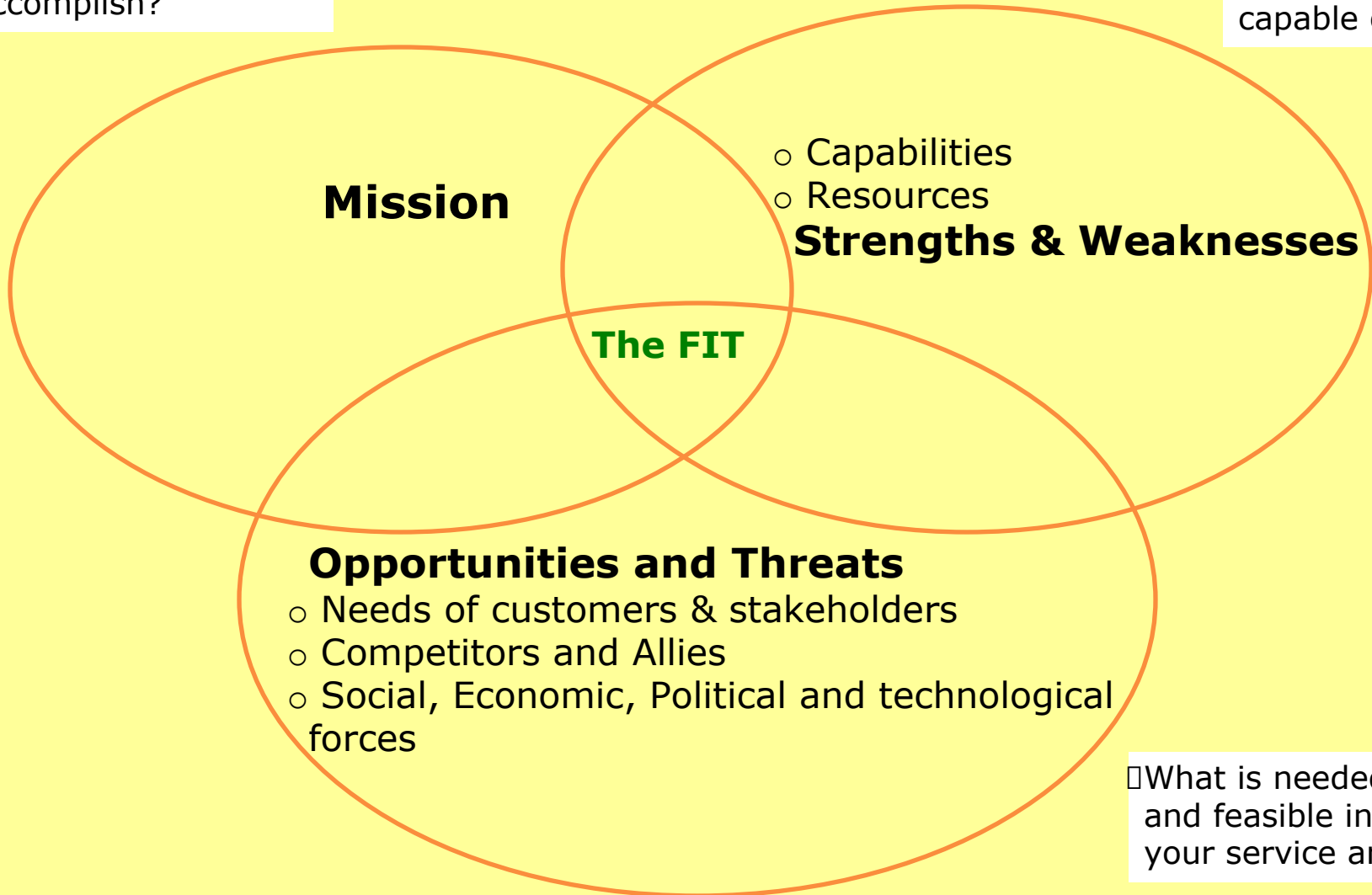
Technological

- Gov. spending on Research
- New discoveries/developments
- Speed of Technology transfer
- Industry focus on technology

Strategic Positioning

□ What do you want to accomplish?

□ What are you capable of doing?



□ What is needed and feasible in your service area?

Goals & Strategic Objectives

Goals define the benefits that will result from your organization's activities.

Goals should be **REALISTIC** and **ACHIEVABLE** and linked to a time frame.



Programmatic Goals

They define the impact your program hopes to have on a specific issue, target group or problem by the end of the planned period.

Organizational Goals

Define the internal changes, restructuring and improvements your organization should make to achieve its goals effectively.

SMART Goals

Specific – to avoid differing interpretation

Measurable – to allow monitoring and evaluation

Achievable – realistic, challenging and meaningful

Relevant – to the problems, goals and strategic objectives and intended results

Time bound – with specific time frames for completion

Goals and Objectives

- ❖ To stay competitive you need to **shift direction** based on customer requirements!
- ❖ Goals should stay **flexible** and be reviewed regularly!
- ❖ Once you defined your Goals you need to define a **Plan of Action** to reach your goals.

Program Strategy

Strategic Goals and objectives are reached or delivered through the implementation of Programs (strategies, services).

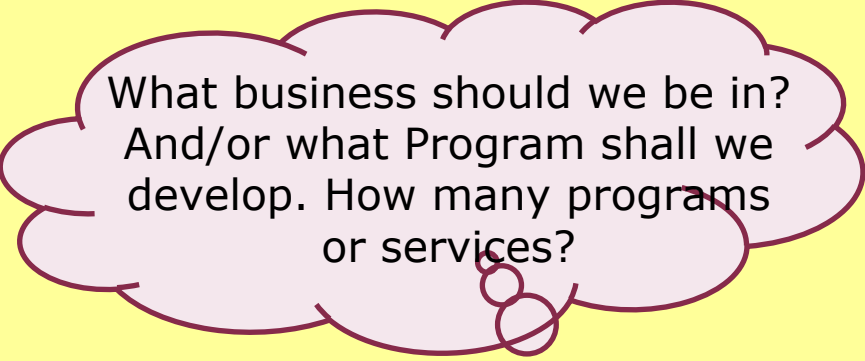
Define your Program Strategy

- **What** will be done?
- **Why** will it be done?
- **How** will it be done?
- **Where** will it be done?
- **Who** will do it?

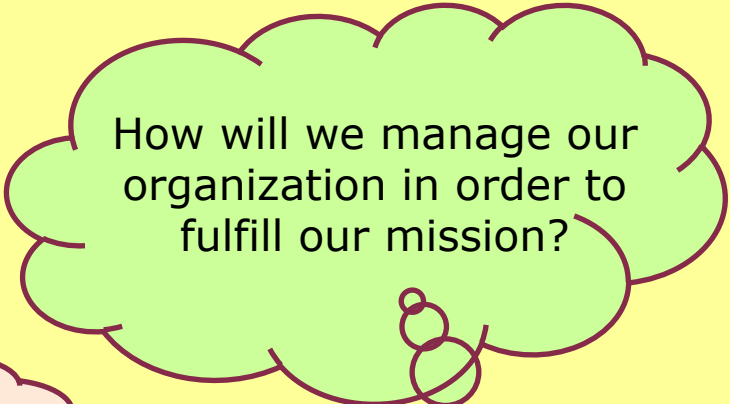


Program Strategy

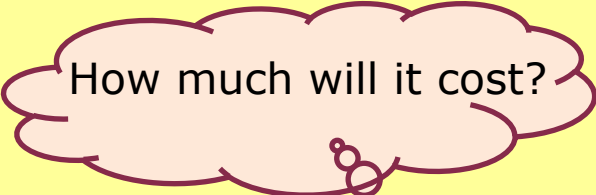
Brainstorm Strategic Issues




What business should we be in?
And/or what Program shall we
develop. How many programs
or services?




How will we manage our
organization in order to
fulfill our mission?



How much will it cost?



How do we secure adequate
finances to implement our
programs/strategies and fulfill
our mission?



How will we ensure
quality?

Program Strategy

Prioritize strategic issues



- Describe the issue accurately;
- Discuss each issue in relation to other factors (mission, values, goals, PEST, SWOT ..);
- Discuss the consequences of failure to address the issue;
- Find a balance between addressing problems and using opportunities;
- What is the financial investment and risk?

Program Development

Once you have selected your strategic issues and decided on programs and services to offer, you need to develop **Action plans** and **Financial plan** for each program.

PROGRAM	Activities	Resources	Costs	Priority	Outputs/Results
Environmental Education	1. 2.	HR, IT, equipment, infrastructure			
Environmental construction	1. 2.				

- List activities in sequential order
- Identify persons/positions responsible for each activity
- Time frame for completing each activity (if start up phase)

Organizational Development

In order to implement your program strategy, you need to develop **Action plans** and **Financial plans** for the organization.

	Activities	Resources	Costs	Priority	Outputs/Results
HR	1. 2.	HR, IT, equipment, infrastructure			
Financial management	1. 2.				

THINK ABOUT: What infrastructure, technology, HR structure, financial management system, legal structure do you need in order to meet the program plan?

Financial Planning

Budgeting:

- Start up budget, Program budget, Operational Budget;

Financial Plan:

- Organizational budget (programs and operations)
- Resource mobilization strategy (fund-raising);
- Allocation of funds;



It is important to develop a Long-Term Financial Plan (at least 5 years).

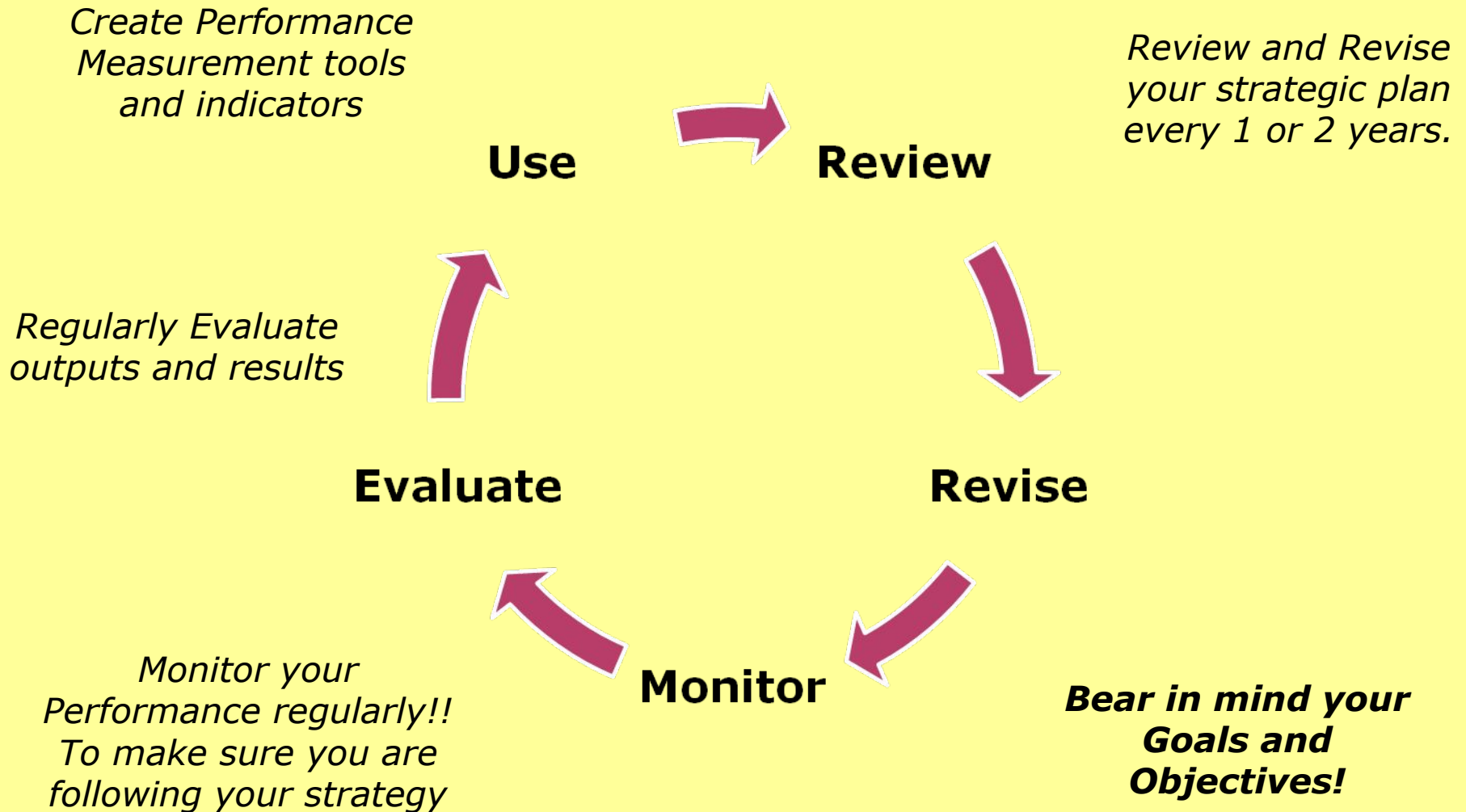
Implement your Strategy

Strategic Plans should be INSTITUTIONALIZED to become the basis of the organization's:

- ☐ Performance standards
- ☐ Decision-making processes
- ☐ Planning
- ☐ Resource mobilization and allocation

1. Disseminate your Strategic plan to your stakeholders.
2. Use it for your PR activities!
3. Engage staff in reviewing and revising the plan, make it a team building tool!

Monitor and Evaluation



THE END

Thank you for your
attention!