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## Strategic planning in voluntary sector organizations

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### What is strategic planning?

Strategic planning is the process by which an organization creates a clear, compelling picture of its future and then puts in place the necessary procedures and actions to achieve this future.

Strategic planning examines an organization's external and internal environment. It incorporates these findings into a process that affirms the current and future directions of the organization. A strategic plan sets multi-year goals, most often with a three-year horizon. In a voluntary sector organization, the board, meeting together with organizational management staff, often develops the strategic plan.

The origins of strategic planning date back to the 1930s when it was first developed and used by the American military. Since then, strategic planning, in a variety of forms, has been used by hundreds of thousands of private, public, and voluntary sector organizations worldwide to develop planned approaches and responses to their work.

### Why do strategic planning?

There are a number of reasons for an organization to undertake a strategic planning process that results in the development of a strategic plan. These include:

- **Focuses the work and resources of the entire organization.** Strategic planning can create a clear, compelling vision that staff, board, and service volunteers understand and wish to work toward achieving.
- **Identifies the real needs of clients.** A sound strategic planning process always involves getting input from clients to ensure that their actual needs are known and acted upon.
- **Enables the development and /or enhancement of programs and services.** With the real needs of clients being determined, staff is in a better position to expand or enhance programs and services that better meet client needs.
- **Reveals what should no longer be delivered.** Strategic planning should also lead to recognition of what the organization needs to "stop doing."
- **Legitimizes the work of the organization.** A well-articulated strategic plan demonstrates to the public, funders, and key stakeholders that the organization is making the best possible use of its resources to the benefit of the clients whom it services.
- **Provides a 'roadmap' for the organization members to chart its progress.** The strategic plan should be utilized by an organization's board and staff on an on-going basis to make decisions and measure progress toward achieving the plan's results or outcomes.

## **What are the critical elements of an organizational strategic plan?**

While the specific elements of a strategic plan vary, the critical “strategic” elements of a strategic plan are:

- the mission (the “business” the organization is in)
- the vision (the organization’s desired future)
- the organization’s strengths and constraints
- the critical internal/external challenges and opportunities facing the organization
- the goals to achieve the organization’s mission

Important elements focusing on greater details of a strategic plan are sometimes referred to as the “operational portion” of the strategic plan.

## **Who is involved in strategic planning?**

It is the responsibility of the board and executive staff of a non-profit organization to develop the strategic plan. In cases where there is no permanent staff, the board has this responsibility.

Ideally, a broad group consisting of board, staff, volunteers, and community stakeholders can be involved in developing these elements of the strategic plan. However, only the board of the organization can approve the strategic plan. This is done through a formal motion and approval by a majority of the board, following the development and refinement of these elements.

## **What is the operational portion of the strategic plan?**

The operational portion of the strategic plan is the detailed planning that sets out the objectives, key activities, measurable outcomes, timelines, and budget to achieve the organization’s strategic planning goals.

In non-profit organizations with permanent staff, the executive director and staff members typically undertake the operational portion of the strategic plan. It is then shared with the board for feedback. When a board functions as an operational board, an ad hoc working committee of the board is often created to develop the operational portion of the strategic plan. Regardless of who develops the operational portion of the plan, the board reviews the operational portion of the plan. Once it provides its feedback, the executive director and staff members implement the operational portion of the plan. The board is then responsible for monitoring progress toward achieving the plan’s goals.

## **How much time is required to do strategic planning?**

The length of time required to undertake and complete a strategic plan varies depending on the organization, the time available for participants to undertake and complete the process, and the resources available to support the plan’s development. A voluntary sector organization should usually be able to conduct a comprehensive strategic planning process and develop their strategic plan in four to six months.

## When should strategic planning not be done?

While the time is often right for a voluntary sector organization to do strategic planning, there are situations when it should not be undertaken. These include:

- **Times of crisis.** Organizations facing serious organizational challenges should be focused on the current difficulties, not starting a strategic planning process.
- **During the absence or transition of the organization's leadership.** It is unwise to develop a strategic plan during the absence of an executive director or board chairperson in the hopes that they will "buy in" upon their return. Leaders seldom support a strategic plan they had no part in creating.
- **As a means to settle major disputes.** No strategic planning process can be expected to solve serious divisive issues among board members or board and staff. Mediation or a facilitated problem solving process should be undertaken and differences resolved before any thought is given to doing strategic planning.

While originally a process adopted by the military and utilized by the private sector, strategic planning has evolved to meet the unique needs and characteristics of the voluntary sector. Voluntary sector organizations seeking more information regarding strategic planning tools and resources to conduct strategic planning may contact the Resource Centre for Voluntary Organizations.

## **Acknowledgement**

This article was written by Jim Klinge; 2006

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