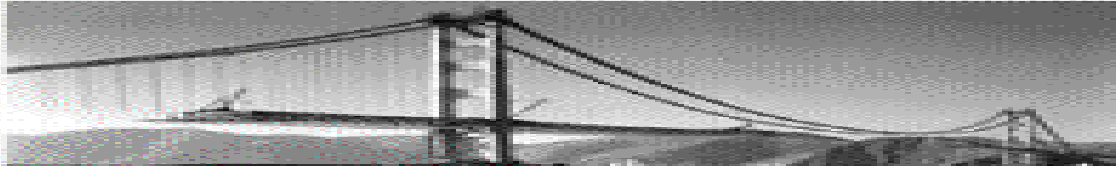


# Building Bridges



Volume 1, No. 4

December 2000

## Strategic thinking & Planning

### THIS ISSUE

This is the fourth of a series of bulletins addressing Transitions In Leadership's approach to the Long-Range Visioning and Strategic Planning process. (You can find the last three issues on our web page: [info@tilnonprof.com](mailto:info@tilnonprof.com).)

This fourth issue addresses the remaining steps of the Strategic Thinking & Planning Phase: participation in the SPOT Analysis, identifying Critical Issues, and the development of the Strategic Goals for the next three to five years.

This process must involve members of the board of directors and key members of the management team.

### Strategic thinking

There are a number of opinions as to whether there is a need to do strategic planning. One may argue that the environment is changing so dramatically and so frequently that any kind of planning is often not relevant in a short time. Both board and staff's commitment to the process should be based on the understanding that the changing environment is the very reason why Strategic Thinking and Planning is necessary.

Strategic Thinking forces both board and staff to identify environmental changes and review how they may impact the organization. The process creates the opportunity to isolate the facilitators and the inhibitors to accomplishing the organization's vision, mission, values and goals.

The agency's leaders discuss various options available for responding to predictable and/or possible scenarios. Options are analyzed and prioritized as critical issues facing the organization. The review and prioritization of critical issues is an important part to the Strategic Thinking process, as they become the major drivers when creating the strategic goals.

Strategic Thinking can be a process used throughout the organization. Present and long-term implications of various options being considered must be an important factor in the deliberation process. Without Strategic Planning, the organization misses the opportunity to define the organization's position in the predictable and unpredictable future environment.

# HAPPY HOLIDAYS

BEST WISHES FOR

A HAPPY HANNUKAH



A MERRY CHRISTMAS



&

A HAPPY, HEALTHY &  
PROSPEROUS NEW YEAR



Next Issue Will Focus On The Operational Thinking & Planning Phase: Which Includes The Development Of Actions Steps.

**TRANSITIONS IN LEADERSHIP**

*Services For Planning And Implementing  
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**Facilitating Long-Term Visioning & Strategic Planning**

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**BUILDING BRIDGES**  
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### THE Planning Committee

The Planning Committee is usually made up of members of the board and staff. It also may include other key stakeholders. Having a past president of the board on the committee should be carefully considered. Past board members may not be able to consider making changes to the organization that they created. The committee must be ready to be a "Change Leader." Peter Drucker (1999) advises that the challenges for change leaders, is that they "must put every product, services, process, and market on trial for its life."

The Planning Committee should be a cohesive team, with a strong sense of trust, respect, and a sense of shared purpose. These are essential qualities if the planning process is to be successful.

Having a skilled independent facilitator increases the chances that cohesion will be present and consensus building will be successful. The facilitator should not be a board or staff member for a number of reasons. An important reason is that the facilitator should not add his/her opinions to the discussion. Therefore, having a board or staff member as the facilitator inherently causes a key stakeholder to be excluded from the decision making process.

The selection of the team and facilitator are important decisions

### BRAINSTORMING

One of the best methods for ensuring that every member of the committee has an opportunity to express their opinion is to structure the discussion as a brainstorming session. Brainstorming rules ensures that all possible ideas are heard and considered, without any preconceived limitations. A good facilitator will encourage everyone to contribute to the list of options.

The brainstorming process provides a systematic method for listing as many ideas and opinions as possible, without inhibitions to stifle the groups creative suggestions. Brainstorming requires that everyone understands and accepts the basic rule: "There are no wrong suggestions." I remind the participants that "CAN'T" is a four-letter word and it's not nice to use four letter words.

### THE SPOT ANALYSIS

The first step of the Strategic Thinking & Planning process requires the Planning Committee to participate in an analysis of the organization's Strengths, Problems, Opportunities, and Threats. The SPOT Analysis utilizes data obtained from the Information Gathering process; along with the participant's own knowledge of the agency.

If the SPOT analysis is done honestly and without inhibitions, the results will glean an effective organizational and environmental evaluation, one that enhances the planning committee's ability to project long-range strategies that are designed to positively position the organization.

The SPOT Analysis is applied to a variety of management and organizational categories such as: ●Fiscal Management, ●Resource Development, ●Governance, and ●Succession Planning. Prioritizing opinions for each category will help clarify items that are Strategic versus Operational.

### Critical issues?

When the SPOT Analysis is conducted, the Planning Committee should easily be able to identify those Critical Issues which will have a significant importance to the organization over the next three to five years. The committee must continue to be cognizant of the differences between Strategic and Operational Critical Issues. The Planning Committee should address the Strategic Critical Issues and refer the Operational critical issues to management.

The prioritized Strategic issues become the bases for the development of the Strategic Goals and related Objectives.

### Strategic Goals & Objectives

When I work with a Planning Committee the first thing I remind them is that the Goals and Objectives must meet the SMART criteria. Each Goal and Objective must be:

1. SPECIFIC
2. MEASURABLE
3. ACHIEVABLE
4. RELEVANT
5. TRACKABLE

***Specific:*** The goals should be written in such a way that it is clear as to what is to be accomplished.

***Measurable:*** The goals need to include a clear basis on which it can be measured and thereby determined if the goal was accomplished.

***Achievable:*** The goals should be challenging, along with being realistic as to being successful.

***Relevant:*** The goals are to be consistent with the organization's vision, mission and values.

***Trackable:*** The goals need to have a specific date for accomplishment, thereby allowing the development of a schedule of performance status reports.

Each Strategic Goal should have three or four Objectives. These Objectives must also meet the SMART criteria. The Objectives clearly describe a series of milestones that will need to be accomplished in order to fulfill the related Strategic Goal.

### **THE BOARD OF DIRECTORS**

It is important that throughout the process the members of the full board are to be kept informed of the activities and dialogue of the Planning Committee. Once the Planning Committee has compiled the Strategic Goals and Objectives, the full board should meet to review, revise, if necessary, and "in principle" approve the Strategic Goals and Objectives .

The board is asked to approve, "in principle," the Strategic Goals and Objectives, because the Operational phase has yet to be completed. The Operational phase will define what it will entail to accomplish the Goals, action steps, budget impact, manpower needs, equipment/capital needs, performance milestones, and persons involved and responsible.

### **Thought For The Month**

***For A Change Process To Begin, There Must Be Creative Tension Between the Current Reality And Future Alternatives***

Sage & Burrello, 1994

## Faqs

*“How can I get my Board to spend the time needed for a comprehensive Long-Range Visioning & Strategic Planning process? They have told me that the staff should write the plan because they know the agency better than the board.” Submitted by a frustrated CEO*

**TIL’s Answer:** There are specifically six basic responsibilities of a Board of Directors of a nonprofit agency.

1. **Oversee the appropriate management of its resources**
2. **Ensure that the organization has qualified and competent staff leadership**
3. **Decide the future direction of the organization**
4. **Represent the organization in the community**
5. **Help obtain adequate funding to support the work of the agency**
6. **Develop clearly defined policies and procedures as they relate to the first five responsibilities**

I believe it is imperative that the agency’s board be involved in the visioning and planning process. The board must have a strong commitment and take responsibility for the overall Strategic position of the agency. Defining that Strategic position is their responsibility. Staff’s role is to develop and implement an Operational plan for getting the organization to that Strategic position.

You need to start with the board’s leadership. Helping them agree to the importance of the full board’s participation through a Planning Committee.

Board and staff will find that the process itself is just as important as the product of the plan itself. The Visioning and Planning process facilitates the following activities that enhance the board and staff to work together on behalf of the agency.

1. Provides an opportunity to enhance the cohesiveness of the board and staff working together.
2. Provides information about how the agency is perceived by its stakeholders
3. Provides for a method of ensuring financial stability

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