

efficiently and that the organization is fulfilling its mission? What can we do to ensure that our board is able to fulfill its governance role now and for the future?

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STEP 1.2: SET UP YOUR PLANNING PROCESS FOR SUCCESS

As with any major effort, a strategic planning process has its proper time and place in the life of an organization. Certain conditions must exist if strategic planning is to be a creative, collaborative successful endeavor, so it is important to be honest when analyzing an organization's readiness to plan. It is not uncommon for a planning process to be initiated before an organization is truly ready to meet the challenges and demands of the job. When an organization initiates a planning process before being ready and able to do so, that organization may either go through an inadequate process (with unsatisfactory results) or have the planning process stall abruptly or stop completely.

In thinking through the conditions that encourage an effective planning process, the two most important components are committed leadership and sufficient information. However, several other important criteria should be considered in determining readiness. The following conditions for success are highlighted in Worksheet 2 (see process notes in Exhibit 2.2) and form the readiness assessment.¹

Conditions for Success

Before embarking on a strategic planning process, leadership needs to assess whether it is the appropriate time for the organization to initiate a planning process and, if so, whether the conditions are present for a successful process. If the conditions for success are not present, then what steps need to be put in place to ensure a successful planning process? Or, should the organization consider doing something other than a formal strategic planning process?

An organization should make sure the following conditions are present before deciding to initiate a strategic planning endeavor:

- Commitment, support, and involvement from top leadership, especially the executive director and board president, throughout the entire process

EXHIBIT 2.2 WORKSHEET 2: SET UP YOUR PLANNING PROCESS FOR SUCCESS
Process Notes

How to do this activity	<p>Before embarking on a strategic planning process, make sure the conditions for successful planning are in place. Check yes or no in the conditions checklist. Explain any negative responses.</p> <p>Decide whether to proceed with planning: Go or no go. If significant barriers exist that might impede the process, deal with those barriers before continuing.</p>
Why do this activity	Helps you decide whether you are ready to embark on a planning process or whether strategic planning is the appropriate management tool to use
Who to involve in the process	Executive director and board president (plus other key board and staff members if their input would be helpful)

See ASO/USA's example of this worksheet at the end of this chapter. Blank worksheets are provided in Appendix A and on the CD that accompanies this book.

- Commitment to clarifying roles and expectations for all participants in the planning process, including clarity as to who will have input into the plan and who will be decision makers
- Willingness to gather information regarding the organization's strengths, weaknesses, opportunities, and threats; the effectiveness of current programs; both current and future needs in the community; and information regarding competitors and (potential) collaborators
- The right mix of individuals on the planning committee—strategic thinkers and *actionaries* (individuals who are in a position to see things through to completion), as well as big-picture visionaries (conceptual) thinkers and detail-oriented (perceptual) thinkers
- Willingness to be inclusive and encourage broad participation, so that people feel ownership of and are energized by the process
- An adequate commitment of organizational resources to complete the planning process as designed (e.g., staff time, board time, dollars spent on the process for market research, consultants, etc.)

- A board and staff that understand the purpose of planning, recognize what it is and is not able to accomplish, and have clarity about the desired outcomes of the process and issues to be addressed
- A willingness to question the status quo, to look at new ways of doing things; a willingness to ask the hard questions, face difficult choices, and make decisions that are best for the organization's current and future constituencies, as well as a willingness to support organizational change as a result of the planning effort
- The organization has the financial capacity to sustain itself for the immediate future without a financial crisis appearing to detract from strategic planning
- Top management's commitment to carefully considering recommendations made during the planning process rather than disregarding decisions in favor of intuitive decisions
- No serious conflict between key players within the organization (although a healthy dosage of disagreement and perhaps some heated discussions can be expected during a strategic planning process)
- No high-impact decision to be made in the next six months by an external source
- No merger or other major strategic partnership effort is under way
- A board and top management that are willing to articulate constraints and non-negotiables upfront
- A commitment to tie the strategic planning process to the organization's annual planning and budgeting process—to create a detailed annual operating plan for the upcoming year and monitor/revise the strategic plan as needed
- A commitment to allocating sufficient resources to support the implementation of core strategies

These conditions should be in place before an organization commits to a strategic planning process.

What If Some of the Conditions for Success Are Missing?

If some of the conditions for success are missing, then an in-depth strategic planning process may not be appropriate at this time. Even if an organization is halfway through the planning process before realizing that it isn't

really ready to plan, it should stop and reassess how to proceed. Consider the following situations:

- “Fall is our busiest time of the year; we should wait until spring.” This is easy: Wait.
- “We won’t know what is going to happen to our most important funder (competitor, constituency, customer base, etc.) until X happens next year.” In this case, program planning for the coming year is appropriate, but a longer-range plan will be difficult to create without serious work on contingency planning.
- “As a result of some initial planning discussions, we have initiated merger discussions with another organization.” The initial strategic planning process has already defined a core future strategy—merge. The organization should wait until the merger discussions are completed, and then the new entity’s board and staff should engage in a joint effort.

If the lack of readiness has to do with a lack of commitment to planning, lack of commitment to inclusiveness, or lack of willingness to consider new possibilities, then the situation is more difficult. Sometimes it is possible to influence the individuals in question regarding their orientation to strategic planning. However, sometimes it just doesn’t make sense to conduct strategic planning until the players change. An executive director might wait until after the next board election, or a board might have to assess whether lack of leadership by an executive director in this area is enough of a problem to find a new executive director. In these situations, the readiness assessment is a judgment call, as is the decision about how to respond to a suspected lack of readiness.

If current problems exist that might interfere with the ability of top leadership to focus on the future, then either delay the strategic planning process or choose an abbreviated planning process that allows some overall strategic thinking to take place but doesn’t require in-depth data gathering or discussions at the current time. Alternately, two parallel planning processes could take place: one that addresses the immediate issues and one that focuses on the larger strategic issues; the top leadership must be involved with the strategic issues.

In most cases, though, the assessment serves as a guide to potential problems in the process. The value in discussing the readiness criteria lies in focusing a prospective planning group’s discussion around the commitment

and concerns of its members, developing a planning process that addresses those concerns, and setting up the planning process to be successful.

SIDEBAR

An Alternative to a Formal Strategic Planning Process—The Strategic Learning Agenda

Because of limited time, limited commitment, and past dissatisfaction with previous strategic planning processes, Evergreen Services' board and staff were reluctant to engage in a formal strategic planning process. However, the organization was facing some important issues—issues that have both long-term and short-term implications. To address these issues, the board initiated a six-month strategic learning agenda. Three strategic learning topics were identified:

1. How can we have a greater impact in the region?
2. Under what circumstances should we collaborate?
3. Should we take our informal research efforts and grow those efforts into a major research program?

Interested Board and staff members volunteered to participate in one of the three strategic learning agenda committees, and after no more than six months, present their findings to the board of directors. By the end of six months, each committee had finished its work and presented its recommendations, including detailed action steps, to the board of directors. The board approved those recommendations, and the staff took on the responsibility of implementing the decisions.

STEP 1.3: DEVELOP A PLAN FOR GATHERING INFORMATION FROM INTERNAL AND EXTERNAL STAKEHOLDERS

Considerations for Participation in the Planning Process

Strategic planning should be an inclusive effort that engages a broad array of stakeholders at the appropriate phases in the strategic planning process. Who are stakeholders? A *stakeholder* is simply defined as anyone who cares,