**Nonprofit Capacity: Strategic Planning**

Strategic planning is closely related to setting goals, which are determined by the mission and values of the organization and consistently reviewed by organizational leaders. When creating a strategic plan it is essential to consider change both within the organization and in the landscape in which it operates.

Strategic planning includes:

* Clarification of mission and values.
* Deliberative conversation to set goals.
* Incorporation of strategic plan into organizational activities.
* Review and adaptation of the strategic plan itself.

**Additional resources for improving strategic planning:**

* See **The Conservation Company’s** explanation of 10 keys to successful strategic planning [here](http://www.tccgrp.com/pdfs/per_brief_tenkeys.pdf).
* An index of templates and timelines for putting strategic planning into practice from **Bridgespan** is found [here](http://www.bridgespan.org/Publications-and-Tools/Strategy-Development/Living-Into-Your-Strategic-Plan/Living-Into-Your-Strategic-Plan-Tools-and-Template.aspx#.VkPgs66rTUo).
* **NCVO (National Council for Voluntary Organizations)** provides helpful tips and a downloadable strategic planning framework [here](http://knowhownonprofit.org/organisation/strategy/options/plan).
* Tips for critiquing a strategic plan from the business management for nonprofits publication **The NonProfit Times** can be found [here](http://www.thenonprofittimes.com/news-articles/beyond-strategic-planning/).
* Legal encyclopedia **Nolo** walks nonprofit leaders through the basics of creating a strategic plan [here](http://www.nolo.com/legal-encyclopedia/create-strategic-plan-nonprofit-29521.html).
* A comprehensive guide and workbook on strategic planning from **Compasspoint Nonprofit Services** is accessible [here](https://books.google.com/books?hl=en&lr=&id=ZUQcTr-cQMoC&oi=fnd&pg=PT12&dq=info:hv9_dNSiqboJ:scholar.google.com&ots=uSJiDU2_Au&sig=IhGnX_gipyR8KkYZA04kEUY1Q18#v=onepage&q&f=false) *(Note: Some pages are not visible on the Google book version-requires purchase).*
* Focus on these four questions outlined by **Stanford Social Innovation Review** [here](https://www.councilofnonprofits.org/tools-resources/strategic-planning-nonprofits) *(Note: Users have to pay if not a subscriber).*
* **Harvard Business Review** exposes three comfort traps of strategic planning and three rules to escape them [here](https://hbr.org/2014/01/the-big-lie-of-strategic-planning) *(Note: This refers to for-profit organizations).*

**Nonprofit Capacity: Staff Management**

Staff management capacity focuses on the ability of an organization to meet employee needs for:

* Information.
* Training.
* Mentoring.

These needs can be met when the necessary managerial skills, funding and organizational culture are in place.

**Additional resources for improving staff management:**

* **Nonprofitready.org**, an initiative of **Cornerstone OnDemand Foundation**, offers online training modules for nonprofits on a wide range of topics including management & leadership and professional effectiveness [here](http://www.nonprofitready.org/?gclid=CNmWwbLRlckCFUyAaQod120Cog).
* A list of opportunities for improving staff management from **The Bridgespan Group** [here](http://www.bridgespan.org/Publications-and-Tools/Career-Professional-Development/Develop-My-Staff/52-Free-Development-Opportunities.aspx#.VkorQK6rTUo).
* See six tips for improving staff training from nonprofit software provider and educator **Salsa** [here](https://www.salsalabs.com/get-know-us/blog/6-best-practices-is-your-nonprofit-staff-training-effective).
* A comprehensive guide from the **Academy for Educational Development** covering the benefit and best practices of mentoring in nonprofit organizations [here](http://volunteeralberta.ab.ca/varc/wp-content/documents/Mentoring,_The_Next_Generation_of_Nonprofit_Leaders:_A_Practical_Guide_for_Managers_04-23-2013_01.35.57.pdf)*.*
* Influential nonprofit blogger **Joan Garry** offers simple tips to nonprofit executives about staff management [here](http://www.joangarry.com/secret-managing-nonprofit-staff/).

**Nonprofit Capacity: External Communication**

External communication refers to a nonprofit’s communication with the public and stakeholders. Communications may include public relations and marketing tools that spread awareness and advocacy for the organization.

External communications may consist of:

* Achieving education and advocacy goals.
* Spreading public awareness of services.
* Informing potential donors.

**Additional resources for improving external communications:**

* Develop a communications [strategy plan](https://ec.europa.eu/research/conferences/2005/cer2005/presentations/14/h1_communications_strategy_cer2005.pdf) from this in-depth presentation created by global public relations firm **Weber Shandwick**.
* Use [**Google Analytics**](https://www.google.com/analytics/) to track website and social media traffic.
* Use a [communications toolkit](http://www.coloradononprofits.org/wp-content/uploads/Communications-Toolkit_Pt.-1.pdf), such as this one developed by the **Colorado Nonprofit Association**. It includes both broad overviews and specific suggestions for effective communications strategies.
* Learn how to build [relationships](http://theges.org/workshop-block-5-power-of-the-press/) with the press in this brief recap of a presentation from a writer from **Chicago Tribune’s Blue Sky Innovations** section.
* Cultivate your project’s [social media presence](http://theges.org/workshop-block-1-cultivating-social-media/) with this brief recap of a workshop led by **Chicago Ideas Week** officials.

**Nonprofit Capacity: Board leadership**

Board leadership refers to the board of directors’ commitment and involvement with the organization. This capacity can be measured by:

* The board’s accessibility to employees.
* The level to which the board is knowledgeable about the goings-on of the organization.

**Additional resources for improving board leadership:**

* Develop the [relationship](http://www.firstnonprofit.org/wp-content/uploads/2014/04/Strong-Partners_Building-An-Excellent-Working-Relationship.pdf) between the CEO and the Board of Directors using this detailed report from the **First Nonprofit Foundation.**
* Look into strategies for how to [improve](http://www.blueavocado.org/content/should-staff-contact-board-be-restricted) staff and board contact, such as those proposed by the nonprofit magazine **Blue Avocado**.
* Develop [board efficiency](https://www.therightbank.com/sites/www.therightbank.com/files/files/Business%20Resources/White%20Papers/Nonprofit/white-paper-creating-effective-board-of-directors.pdf) with this in-depth white paper from the **Pacific Continental Bank’s Nonprofit Series**.
* Look at a brief overview of how a nonprofit board should be [structured](http://www.bridgespan.org/getattachment/ba2d2792-5984-4eaa-9b8c-cecda94797e2/Nonprofit-Board-Structure.aspx) from this report from **Bridgespan**.
* Read this brief article from **Forbes** about how to [build](http://www.forbes.com/sites/elmirabayrasli/2011/06/06/building-successful-non-profit-boards/) successful nonprofit boards.

**Nonprofit Capacity: Financial Management**

Financial management refers to a nonprofit’s competence in managing their accounts. Effective accounting allows for organizational leaders to accurately account for costs, surpluses, and trends in revenues over time to optimize the impact of their movements.

Nonprofits can improve financial management by:

* Examining and re-evaluating past expenditures, revenue gains, and the level of impact derived from such actions.

**Additional resources for improving financial management:**

* **The George Washington Society of CPAs** also has a network of videos, articles, and newsletters that explain the basics of nonprofit financial management [here](http://www.nonprofitaccountingbasics.org/topic/financial-management).
* **The Wallace Foundation** has curated and published an extensive online resources bank for nonprofits to improve their financial management through four key areas: planning, monitoring, operations, and governance [here](http://www.wallacefoundation.org/knowledge-center/Resources-for-Financial-Management/Pages/default.aspx).
* For a shorter, more direct resource, Neela Pal’s Forbes article on the **“Five Tips To Better Manage Nonprofit Finances”** can be accessed [here](http://www.forbes.com/sites/skollworldforum/2015/03/17/five-tips-to-better-manage-nonprofit-finances/).
* For a more personalized resource, the **Nonprofit Finance Fund (NFF)** provides financial advice, tools, and consulting to nonprofits at any stage of development alongside their published resources [here](http://www.nonprofitfinancefund.org/nff-consulting-1-1-advice-and-guidance).
* See Lynne A Weikart, Greg G. Chen and Ed Sermier’s book entitled **“Budgeting and Financial Management for Nonprofit Organization”;** digital copies can be purchased [here](https://books.google.com/books?id=EUZ1AwAAQBAJ&dq=financial+management+nonprofit).
* **The Bridgespan Group’s** article on financial management, beneficiaries, and their own “Ten Funding Models” is [here](http://www.bridgespan.org/Publications-and-Tools/Funding-Strategy/Ten-Nonprofit-Funding-Models.aspx" \l ".VkQ5E7erTIU).

**Nonprofit Capacity: Mission Orientation**

Mission orientation describes stakeholders’ common orientation towards the vision of a nonprofit organization and includes the awareness and alignment towards a nonprofit’s mission.

Mission orientation and attachment involves:

* Communication of the nonprofit’s mission to stakeholders.
* Donor and stakeholder commitment to the mission.

**Additional resources for improving mission orientation:**

* seToolbelt is an open content resource hub with a published book on **“The Four Lenses Strategic Framework,”** which contains a segment on mission orientation for social enterprises [here](http://www.4lenses.org/book/export/html/93).
* **Opportunity Knocks** and the **Georgia Center for Nonprofits** have published a detailed and well-designed report on **“Engaging Non-profit Workforce: Mission, Management and Emotion”** [here](http://www.gcn.org/sites/default/files/ctools/OK_Engaging_the_Nonprofit_Workforce_Report.pdf).
* Information on mission orientation can be found in the third edition of David O. Renz’s “**The Jossey-Bass Handbook of Nonprofit Leadership and Management**,” which can be purchased [here](https://play.google.com/store/books/details?id=q7S9ky7LFyoC&rdid=book-q7S9ky7LFyoC&rdot=1&source=gbs_vpt_read&pcampaignid=books_booksearch_viewport).
* See “**Why Defining Your Nonprofit’s Culture Will Be The Most Important Thing You Do This Year**” by Elizabeth Chung of Classy [here](http://www.classy.org/blog/why-defining-your-nonprofits-culture-will-be-the-most-important-thing-you-do-this-year/).

**Nonprofit Capacity: Operational Capacity**

Operational capacity addresses the existence and use of documented procedures, as well as the organization’s ability to set goals for programs and activities, and assess their outcomes.

These policies, procedures or programs may include:

* Monitoring and evaluation.
* Goal-setting for programs.
* Staff and volunteer training.

**Additional resources for improving operational capacity:**

* The  **Montana Nonprofit Association** has compiled and developed a useful toolkit for nonprofit operations management for reference [here](http://www.mtnonprofit.org/uploadedfiles/tertiary_information/starting_a_nonprofit/nonprofitoperationstoolkit3rdedpub.pdf).
* **The Bridgespan GROUP’s**  article on the role of a Chief Operating Officer (COO) suggests why having such a formalized chief managing a nonprofit’s internal operations is so important [here](http://www.bridgespan.org/Publications-and-Tools/Chief-Operating-Officer/Nonprofit-COOs-101/Nonprofit-Chief-Operating-Officer.aspx#.VmE-23arTIU).
* **NCVO and the KnowHowNonprofit** website have provided a series of guides and resources for nonprofits to manage their operations [here](https://knowhownonprofit.org/organisation/operations/managing-systems).
* **NCVO and the KnowHowNonprofit** website have also provided resources and guides regarding performance monitoring and evaluation [here](https://knowhownonprofit.org/organisation/quality/mande).
* **The George Washington Society of CPAs**’ article on the systems and procedures regarding internal operations and financial management necessary for the fulfillment of responsibilities and achievement of missions and goals can be accessed [here](http://www.nonprofitaccountingbasics.org/reporting-operations/systems-procedures).

**Nonprofit Capacity: Adaptive Capacity**

Adaptive capacity refers to the way organizations adapt to from changes in their environment. As such, this feature describes the ability of a nonprofit to learn from its environment, albeit with the presence of cultural elements that make an organization willing to improve.

This capacity consists of:

* Organizational learning.
* Responsiveness.
* Innovativeness.
* Motivation.

**Additional resources for improving adaptive capacity:**

* The **TTC Group**, a consulting corporation, suggests examples, tips, anecdotes, and explanations on improving adaptive capacity and adaptive leadership [here](http://www.tccgrp.com/pdfs/index.php?pub=per_news_winter05.pdf).
* **Carl Sussman (Sussman Associates)** has published an article on **Nonprofit Quarterly**, titled “Making Change: How to Build Adaptive Capacity.” Sussman focuses here on not only responding to changes in the environment, but also instigating change, with a comprehensive model that commands changes in an organization’s internal and external settings. It can be accessed [here](https://nonprofitquarterly.org/2003/12/21/making-change-how-to-build-adaptive-capacity/).
* In2012, the **Grant Space, a Foundation Center Service**, released two videos of the Foundation Center’s four-part series regarding Nonprofit Sustainability. See the discussion of adaptability and sustainability [here](http://grantspace.org/Multimedia/Video/Adaptability-The-Key-to-Long-Term-Nonprofit-Sustainability-2012-08-17).
* See an article from Marc Schultz of the **Georgia Center for Nonprofits** based on the Nonprofit Finance Fund’s surveys, including tips on how to become a more adaptable organization, [here](http://www.gcn.org/articles/Let%E2%80%99s-Get-Adaptable-Findings-from-NFF%E2%80%99s-national-sector-survey).
* Ronald Heifetz, the founder and manager of Harvard’s Center for Public Leadership, has published several revered articles on adaptive leadership alongside his book, titled “**The Practice of Adaptive Leadership: Tools and Tactics for Changing Your Organization and the World”** and can be purchased [here](https://play.google.com/store/books/details?id=DxnqsuXlKbEC&rdid=book-DxnqsuXlKbEC&rdot=1&source=gbs_atb&pcampaignid=books_booksearch_atb).