

Strategic Planning for NPOs

What is Strategic Planning

The process of charting the overall long-term course of an Organization

Steps to Strategic Planning

- ▣ Define the vision and mission of the Organization
- ▣ Formulate the goals
- ▣ Assess the resources available
- ▣ Survey the social environment
- ▣ Identify and select appropriate strategies
- ▣ Implement and maintain the selected strategies
- ▣ Create indicators to Measure impact

Vision Statement

- ▣ Defines the desired or intended future state of an organization or enterprise in terms of its fundamental objective and/or strategic direction.
- ▣ It is a long term view, sometimes describing a view of how the organization would like the world in which it operates to be.
- ▣ It gives the direction for where your Organisation is moving to.
 - For example an NGO working with the poor might have a vision statement -"A world without poverty"

Features of an effective vision statement

- ▣ Clarity and lack of ambiguity
- ▣ Vivid and clear picture
- ▣ Description of a bright future
- ▣ Memorable and engaging wording
- ▣ Realistic aspirations
- ▣ Alignment with organizational values and culture

Mission Statement

- ▣ Defines the fundamental purpose of an organization or an enterprise, basically describing why it exists and what it does to achieve its Vision.
- ▣ A Mission can last for many years, or for the life of the organization. It is not an objective with a timeline, but rather the overall goal that is accomplished over the years

Mission Statement Cont.

- ▣ A mission statement could serve a dual purpose:
 - It could be used to motivate current employees and volunteers.
 - It could be used as a marketing tool.
 - As a social entrepreneur, you should attempt to combine these.

Answer this...

- | | |
|---|---|
| ▣ What aspirations does the organization have for the world in which it operates and has some influence over? | ▣ What can (and /or does) the organization do or contribute to fulfill those aspirations? |
| ▣ Your Vision statement is ready | ▣ Your Mission statement is ready |

Values

Beliefs that are shared among the stakeholders of an organization.
 Values drive an organization's culture and priorities.
 Should reflect in all the activities of the organisation
 A set of 5 – 7 values to be written

Formulating Goals

- ▣ Webster's dictionary defines a goal as "the end towards which effort is directed."
- ▣ Goals can be classified as hard or soft.
 - A hard goal is measurable while a soft goal is subjective.

Characteristics of Goals

Make **SMART** Goals

- ▣ **S**pecific
- ▣ **M**easurable
- ▣ **A**ction oriented
- ▣ **R**ealistic
- ▣ **T**ime- and Resource-constrained

Objectives

- ▣ Objectives are also goals, but they are down the hierarchy.
 - ▣ They are sub goals set with the only purpose to **serve** your goals.
 - ▣ Objectives are more than just activities
 - ▣ Be persistent with your goals, but flexible with objectives and activities.
- To achieve your goals..
- ▣ which conditions should you provide,
 - ▣ which resources should you collect,
 - ▣ which skills should you develop,
 - ▣ what knowledge should you acquire?
 - ▣ Is there anything significant you should achieve before you can reach your goals?.
- Answers to these are Objectives

Assessing Resources

- ▣ An assessment of resources allows a manager to create realistic strategies to achieve the goals of the Organisation
- ▣ Also known as internal scanning.
- ▣ Three major types of resources:
 - Human resources
 - Physical resources
 - Financial resources

Surveying the Social Environment

- ▣ A critical analysis of the Social environment will includes a survey of:
 - Issues
 - Needs
 - Trends
- ▣ Also known as external scanning.

Strategy

- ▣ A set of actions or complete plan that lead to an objective or goal.
 - Depending on how complex the goal or objective is will define how complex the strategy is.

Identifying and Selecting Strategies

- ▣ Strategies should be solicited by all the people associated with the Organization
- ▣ Strategies should be selected based on their ability to succeed.
- ▣ Strategies should be chosen to achieve the goals of the Organization

Action Plan

- ▣ Action steps must be formulated and taken.
- ▣ Timetables must be established and if possible followed.
- ▣ It should be executed promptly.
- ▣ Outcomes should be assessed.

Indicators

- ▣ a parameter which gives needed information about an activity
- ▣ Used as performance tabs or checks.
- ▣ Measures of inputs, processes, outputs, outcomes, and impacts for development projects, programs, or strategies
- ▣ Used to measure performance which provides useful insight about the desirable changes and process implementation.
 - Eg. employment rate, literacy rate, poverty ratio, population growth rate, safe drinking water, population density, infant mortality rate, fertility rate,

Monitoring

- ▣ Systematic collection and analysis of information as a project progresses.
- ▣ It is aimed at improving the efficiency and effectiveness of a project or organisation.
- ▣ Helps to keep the work on track, and can let management know when things are going wrong.
- ▣ Enables you to determine whether the resources you have available are sufficient and are being well used, whether the capacity you have is sufficient and appropriate, and whether you are doing what you planned to do.

Evaluation

- ▣ Comparison of actual project impacts against the agreed strategic plans.
- ▣ It looks at what you set out to do, at what you have accomplished, and how you accomplished it.
- ▣ It can be formative (taking place during the life of a project or organisation, with the intention of improving the strategy or way of functioning of the project or organisation).
- ▣ It can also be summative (drawing learnings from a completed project or an organisation that is no longer functioning)

M & E focusses on

- ▣ Efficiency
- ▣ Effectiveness
- ▣ Impact

Why M & E

- ▣ Monitoring and evaluation enables you to check the bottom line of development work: Not “are we making a profit?” but “are we making a difference?”
- ▣ Through monitoring and evaluation, you can:
 - Review progress
 - Identify problems in planning and/or implementation;
 - Make adjustments so that you are more likely to make a difference.

Budget

A Budget describes an amount of money that an organisation plans to raise and spend for a set of purposes over a given period of time.

Identify the cost associated with each activity and prepare the budget

Social Return on Investment (SROI)

- ▣ Inputs - Resources invested (Quantitative)
- ▣ Outputs - the direct and tangible products from the activities, Eg No. of people trained, trees planted, products sold (Quantitative)
- ▣ Outcomes - changes to people resulting from the activity, i.e., a new job, increased income, better environment (Quantitative & Qualitative)
- ▣ Impact = Outcomes less an estimate of what would have happened anyway (Quantitative & Qualitative)