

Puzzling Over Strategic Planning

February, 1999

The telephone rings, “Are you free to lead a strategic planning weekend workshop for us?” And, most of the time, I answer, “Sure!” But now, I am puzzling over where this approach is taking all of us, how consultants like myself can be more helpful, and whether there are times when I should just say, “No thanks!”

I have seen enough strategic planning processes, read enough strategic planning literature, and taught enough strategic planning courses to know that there are no magical answers. Some strategic planning processes work wonderfully well: ideas come forth, learning happens, consensus emerges, and new directions are born. There is organizational renewal.

Other strategic planning weekends do not work so well. But, why? In hindsight, one can usually find some answers. Beforehand, it is not so easy!

Strategic planning is not a requirement for organizational sustainability and vitality

I am wary of prescriptive statements such as: “All non profit organizations should have a mission statement, a vision statement, a strategic plan, a long term business plan, an explicit values statement, ...” I have seen too many non profits who work wonderfully well, are full of spirit and passion, and have none of these.

A recent telephone call forced me to remember a lesson that I have learned over and over again. Non profit organizations plan, and have strategic plans, despite what many volunteers and staff perceive about themselves. They plan informally, through internal meetings, and networking out in the community. They plan more formally through budgets, contract negotiations, grant proposals, annual program evaluations, and the like. And, if a strategic plan is a coherent pattern of behaviours, programs, structures, and policies, then most non profits have strategies, even if they are largely implicit, and unnamed.

Most non profit organizations already have a strategic plan. They first need to make it explicit

The telephone call was a request to facilitate a Board visioning workshop. But, as we talked, it became clear that the Executive Director had articulated a vision and an accompanying set of strategies; had communicated these well to the Board and staff; and was well on the way to implementing these, with everybody on-side. The vision and strategies had just not been labeled: “a five year, strategic vision”.

Look at doing an audit of your current planning processes. Do they serve you well?

There are two lessons, here. First, before a non profit organization jumps into a strategic planning process, an audit of the current planning processes might well point to some simpler and less costly approaches to organizational renewal.

- ❑ How are we planning now?
- ❑ Are our planning processes linked together?
- ❑ Do these processes take into account the changing world?
- ❑ Are the right people involved?
- ❑ Do we use the results?
- ❑ Can our current planning processes be improved?

Second, change cannot flourish without making explicit the hidden and implicit organizational strategies, values, and beliefs. In my experience, this is very tough work, and our inability to carry it out well is a fundamental reason why many strategic planning processes fail.

- ❑ Do our current revenue sources suggest particular strategies?

- ❑ Are most of our programs and services focused on certain issues and/or client groups? Are there implied strategies?
- ❑ Do the profiles of our staff and volunteers suggest certain patterns? Are there implied strategies here?
- ❑ What messages are given out in our annual reports and audited financial statements? Do these suggest particular strategies?

<p><i>Strategic planning weekends can work.</i></p>

For many non profits, strategic planning means a weekend workshop with the Board, management, and maybe the staff. Time is in short supply.

As a consultant, I am constantly looking for ways to add richness to these weekends. Here are some examples.

- ❑ Preparation, including a history of the organization, a picture of the current realities, and an initial outline of the external challenges
- ❑ Pre-discussions among Board members and staff, at regular meetings, of some of the background materials, and, perhaps, one or two slightly “off the wall” articles
- ❑ An evening workshop with diverse community interests, engaging them in a discussion of what is changing in the world, and what they expect of the organization
- ❑ An agenda custom-designed for the organization, based on listening to the issues as seen by a few key people, and tied to an open-ness to change stream in the middle of the weekend if necessary
- ❑ Board questionnaires, designed to provoke thinking beforehand about the role and composition of the Board in the light of the future
- ❑ A commitment to ending the workshop with a few action priorities that are realistic, and should make a difference.

And, now, I am bringing in “narrative story telling” as a more dramatic way of creating and testing out new imaginations of the future. Out of a review of the external changes

and challenges facing the organization, we create several stories that portray vividly what some of the future scenarios for the organization might look like. These are used to engage people in deeper conversations about the future.

But, many strategic planning weekends do not work well enough

Weekends are very short time periods for holding a rich and meaningful discussion about an organization's past, present, and future.

I am not arguing for a return to larger strategic planning processes, taking place over many months, and using up considerable resources. Sometimes, these are helpful, especially if an organization is larger, more established, and new to strategic planning.

Strategic planning weekends can work, particularly if the organization is committed to doing them annually. Over the years strategic planning becomes more of an on-going process. People in the organization build competency in thinking strategically. And, if a strategic planning retreat is held each year, you do not have to worry about "getting it right" each time.

Strategic planning is integrally related to organizational change

We know from our own experiences, the literature, and other people's stories, the factors that tend to block organizational change, that create "stuckness".

- ❑ Fear of change and what it may bring, such as losses in power and identity, or challenges beyond our skill and comfort levels
- ❑ Too much external uncertainty, so that people find it easier to put their heads "under the pillow"
- ❑ An internal organizational culture of poverty, whether this is felt in terms of limited operational dollars, low salary levels, lack of professional esteem, no community respect, or lack of resources to invest in the future

- ❑ Unexamined values and beliefs, that reinforce current patterns of behaviours, communications, and allocation of resources
- ❑ No unused capacity, whether dollars, time, energy, or spirit, to create and implement new ideas and directions
- ❑ Traditional organizational architectures and power arrangements, that limit innovation and lateral networking within the organization
- ❑ Lack of leadership, old leadership, or entrenched leadership - no critical mass of people with a different vision of what the organization could be, and who will be passionate change champions.

Resistance to change from staff, volunteers, and Board members can be powerful. People like things the way they are: the work they do, the friends they have, and their sense of home. Caught up in their everyday activities and meetings, many people in organizations often have few opportunities to glimpse the changes going on outside. Too often, they are told that they have to change by managers who they frequently distrust.

Over the past year, and many different strategic planning processes, with diverse organizations in diverse fields, I have seen all of these factors at play. Sometimes, one can find ways through them. At other times, they block the processes cold. But, how can we identify these factors beforehand, and take appropriate action? Can we?

*Strategic planning is integrally linked to the
stage of an
organization's journey*

Organizations go through stages as they develop and grow. Unlike the private sector, where there has been considerable writing about organizational lifecycles (for example: Laurence Miller's From Barbarians To Bureaucrats, or David Hurst's Crisis And Renewal), I know of no conceptual work of this kind for non profits. Nevertheless, we can all call to mind non profit organizations that are still in their infancy, are storming like early adolescents, are trying to clarify their identities and futures like young adults, or are facing mid-life crises. Strategic planning can help at all of these stages, but only if it fits with the realities of this point in the organization's journey.

All of this is about recognizing that the rationality and creativity of strategic planning thinking needs to take into account the feelings, passions, angers, and spirits at play in the organization. We will likely fail if we to try to use strategic planning processes to

help organizations leap frog over the naturally occurring steps in their life cycles, even if that is what the external challenges demand. On the other hand, a strategic planning process may well successfully bring these issues into the light of day.

*Strategic planning is
integrally linked to
the life and work
of Boards*

It is easy to say that a fundamental role of Boards ought to be to think long term, engage in strategic planning, provide leadership to organizational renewal, and take sound risks. I have met non profit organizations where the Boards are actively committed to this, usually in synch with the Executive Director, but sometimes not. More often, I find that Boards are gatekeepers of the past and the present, wary of thinking forward, and afraid of taking risks. Or, they are “kept frozen” by feelings of powerlessness, caught up in the widening external constraints and influences. Strategic planning in these non profit organizations can be very difficult.

So, what works?

To return to the beginnings of these reflections, what do we know that helps strategic planning processes unfold well? And, when should we argue that the time is not ripe for a strategic planning venture? Here are some basic lessons from my experience as a manager and consultant over the past 15 years.

Participation helps

Participation of many, diverse people helps, if we can create an atmosphere where differences are respected and seen as valuable in the search for the future. Participation can also build ownership, and commitment to action.

But, participation is also a dual-edged sword. It can easily lead to increased defensiveness, quiet resistance, and angry “yelling”, particularly if the organizational culture is more one of distrust.

On the other hand, the “yelling” may turn out to be the best thing that could have happened, raising significant internal issues that need to see the light of day before any kind of strategic planning process can be worthwhile.

Crises help

Connecting strategic planning closely to an internal or external crisis helps. When Executive Directors leave, funding is slashed, or clients move elsewhere, there is a “fertile moment” for change to happen.

But, these crises can also easily stymie non profit organizations, leaving them worse off than before.

Seeing strategic planning as an on-going process helps

Those non profit organizations that have leaders, both staff and volunteer, who care passionately, are there for the longer term, and are committed to constant learning, improvement, and change, will always do well. Here, strategic planning is just one tool they use to nurture an organizational environment that is open to change.

Clarifying spheres of influence helps

Many non profit organizations are blocked, or believe that they are, by the increasing constraints put on them by funders, contractors, regulators, and labour management bargainers. They look at their organization, and their community, and say: “We have no power!”

Strategic planning processes need to focus on those areas where people do have power and influence, and on how that can be used creatively and effectively.

*Being fully present to
what is happening
helps*

So now, when the telephone rings, and someone asks: “Are you free to lead a strategic planning weekend workshop?”, I am more reflective. I try to listen harder, and ask tougher questions about the organizational dynamics context, the issues confronting the organization, the stage of the organization’s journey, and previous experience with planning.

I ask:

- ❑ What are you trying to accomplish through the planning process?
- ❑ Why now?
- ❑ What is going on in the organization?
- ❑ What are the pressing issues, internally and externally?
- ❑ What is going to get in the way of success?

I still say: “Yes!”, but am more cautious about what can be accomplished in a weekend together.