

Board Leadership
March 4, 2017
8:45am – 12:00pm

First Strategic Thinking... *...then Strategic Planning*





Introductions

Agenda in a nutshell

- The “What” and “Why” of Strategic Planning
- Components of a Strategic Plan
- Defining “Strategic Thinking” and how it can be applied to the planning process
- The importance of environmental scanning
- Models / approaches for developing effective strategies
- Ways to measure and evaluate your plan effectively



Learning Outcomes

- Gain a greater understanding of strategic planning and its benefits
- Gain a new appreciation for what it means to be truly strategic in your planning
- Identify methods to build strategic thinking into your strategic planning processes
- Take away tips to keep your plan alive and useful



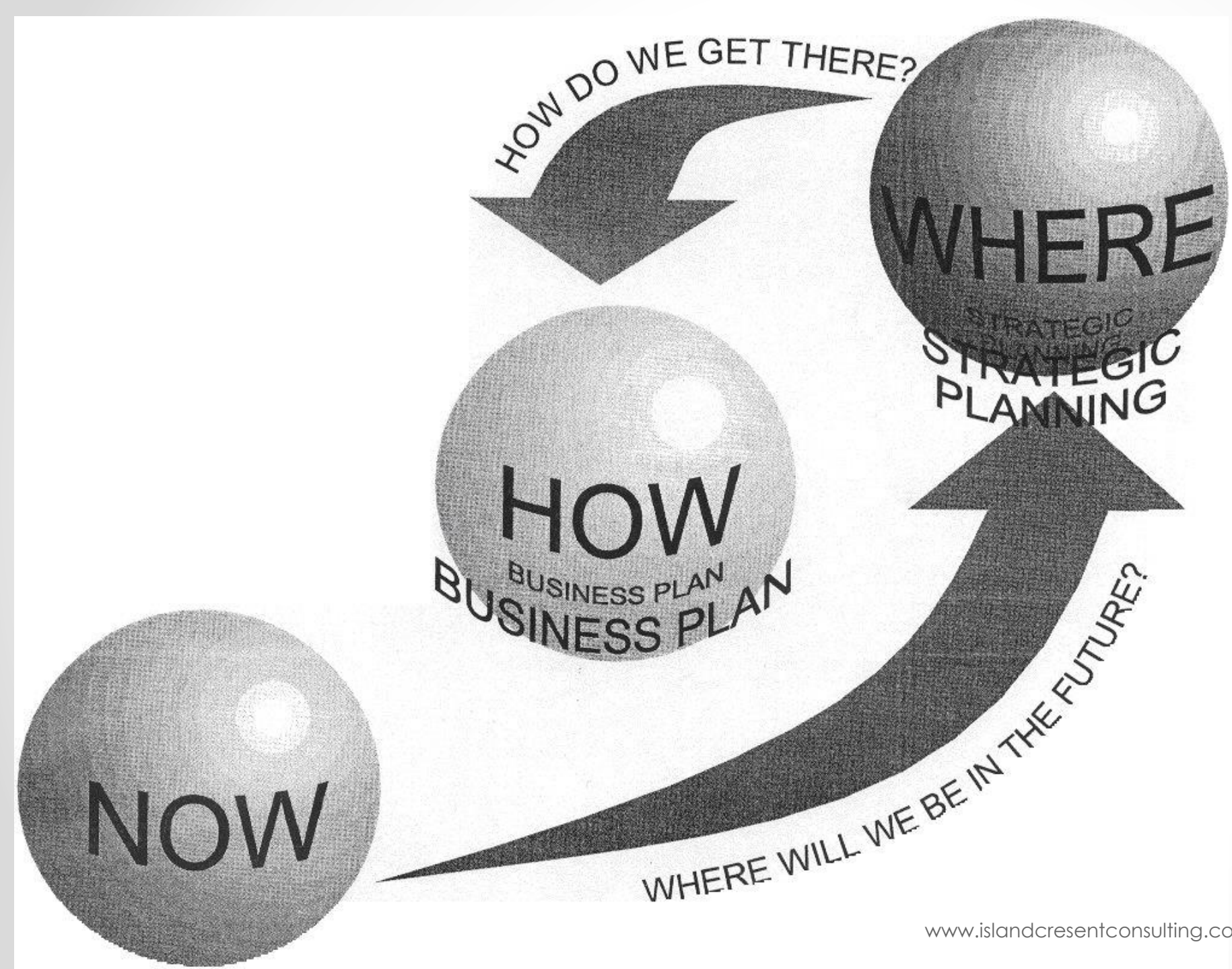
What is a Strategic Plan?



Definition of Strategic Planning

- The process of building a plan (product) that includes good strategy (awareness and action)
- Turns goals and strategies into formal, documented steps that can be implemented





Why Plan?

The Benefits of
Strategic Planning



DISCUSSION:

Why Plan?

- Why do you feel it is important that an organization formally “plans” and/or has a “plan” in place?
- What are the implications of not having a plan?
- Discuss both questions
- Be ready to share your discussion highlights in **5 minutes**

John F. Kennedy Quote

It's still about

“the comfort of opinion versus the
discomfort of thought”





Benefits of Strategic Planning

- Sets future direction
 - Provides roadmap to achieve vision and purpose of organization
 - Provides a forum to discuss the big picture and share perspectives
- Identifies what success looks like for an organization
- Builds and sustains a competitive advantage
- Enhanced perceptions of legitimacy
- Provides continuity in direction in times of rapid member turnover and improves change management efforts
- Organizations that plan outperform those that do not!

Benefits of Strategic Planning

- Improved team dynamics
 - Helps new members get up to speed on the work of the organization and helps the current members stay focused on organizational goals
 - Reduced conflict and insecurity
- Builds ownership, commitment, and purpose
- Helps members become familiar with all parts of the organization
- Provides common language and a common bond
- Improved planning effectiveness

(Brews & Hunt, 1999; Elbanna, 2009; Porth, 2003; Mezger & Violani, 2011; Wolf & Floyd, 2013)



Motivating Your Board Members to Plan

- Public trust
- Secure the future
- Influence the direction – leave your legacy
- Continuity
- Team building
- Reduce time spent at monthly meetings





A Basic Strategic Plan

Components of a Basic Strategic Plan

- **Foundational Statements**
 - Mission
 - Vision
 - Values / Beliefs / Guiding Principles
- **Goals**
 - Objectives
- **Strategies**
- **Action Plan**
- **Evaluation**
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Foundational Statements

Vision (Snapshot of Future)

- Describes the ideal (and realistic) state that might exist if the organization were to achieve total success in all it does
- Is generally articulated by one or more phrases or “vision statements”

Vision Statements should:

- Be easy to communicate
- Are they short enough to fit on a T-shirt?

Mission (The Business You're In)

What you do (Your organization's purpose)

Who you do it for (Who your organization serves)

How you do it (How your organization adds value to the community)

Mission Statements should be:

- Concise (one sentence)
- Outcome oriented
- Inclusive of the goals and people who may become involved in the organization



Foundational Statements

Values Statements

- Fundamental beliefs that guide actions, judgments, and decision-making
- What you personally and organizationally stand for



Goals

Identify **WHAT results** an organization wants to achieve

Help organizations define their purpose and structure their activities

Are outcome-based “statements of being” for a strategic plan

Aligns the strategic and operational activities of the organization





Strategies

- Explain **HOW** an organization plans to achieve its goals and objectives
- Broad approaches that encompass a set of actions or activities
 - Rational / Scientific: “Best or promising practices”
 - Educated / Intuitive: “Best guesses”

Action Plans

- Specific, detailed steps or activities to DO in order to accomplish the broader strategy
- Who is responsible
- Time frame (start and finish dates)
- Resources required



Evaluation

- How will we measure our plan?
- How will we determine success?
- How will we monitor our progress?





Evaluation

Objectives

- Specific, quantifiable, realistic targets that measure the accomplishment of a goal over a specified period of time.

Indicators:

- Milestones that indicate whether you are making progress towards your goals & objectives

Performance Measures:

- Data you collect in order to measure achievement of goals and objectives

So WHO does what in Strategic Planning?



DISCUSSION:

Who does what in Strategic Planning?

What is the Board's role?

What is the staff's role?

What is the committee's role?

What is the role of your members or clients?

You have 5 minutes! Be prepared to share some highlights

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Our Roles in Strategic Planning

From a Board Perspective

- Anticipates and Leads (not reacts)
- Makes many individual decisions more easily, in keeping with its broader goals
- Has a framework to work better together
- Brings common purpose and effective-wide coordination
- Spends more time on more important things



Our Roles in Strategic Planning

From a Staff Perspective

- Align budgets, workplans and manpower to accomplish the Board's priorities
- Co-ordinate – pull in the same direction
- Have a basis of trust because they know what the Board supports
- Make more progress and invest time more productively because they know what the Board wants to achieve.



Our Roles in Strategic Planning



Linking Our Roles in Planning

How does Management and Staff work with the Board in Strategic Planning?

Together they map out how the organization will implement and achieve particular goals necessary for accomplishing the organization's purpose.

BOARD: Identify Goals and Strategies for Organization

STAFF: Implement Goals and Strategies set out by the Board



Linking Our Roles in Planning



BOARD	STAFF
What / Where	How
Results	Method
Strategy	Operations
Future	Current
Delegate Management Authority	Is Management Authority (Exec Dir)

How and when do we engage others?

Vision / Mission

Board, staff, community

- Lays the foundation for your existence
- The ideal future
- The purpose of your organization

Enviro Scan

Board, staff, clients, community

- Looks at the internal and external factors impacting the organization
- Strengths, challenges, opportunities, external pressures

Goals / Objectives

Board (goals)
Staff (objectives)

- Outlines the things you want to accomplish
- "What" do you hope to achieve?

Strategies / Action

Board (strategies)
Staff (action)

- Identifies "how" you will achieve your goals
- What are the specific actions, or activities that need to take place?

Evaluation

Board (results)
Staff (method)

- Desirability
- Feasible
- Acceptable



Break



“First Strategic
Thinking...

then Strategic
Planning”



DISCUSSION:

What is the difference between Strategic Thinking and Strategic Planning?

- Discuss this question
- Be ready to report on highlights from your discussion
- You have 5 minutes!

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Definition: Strategic Thinking

- The cognitive process of considering something with awareness and intention
- The way in which people in an organization think about, assess, view, and create the future... it is creating tomorrow.

(Kaufman et al., 2003)

Strategic Thinking vs. Strategic Planning

- The cognitive process of considering something with awareness and intention
- Explores future possibilities and analyzes the environment to develop an organization's strategy: grand, business, and functional
- Synthetic
- Inductive
- Experimental

- The process of building a plan (product) that includes good strategy (awareness and action)
- Turns goals and strategies into formal, documented steps that can be implemented
- Analytical
- Monitored
- Reported



Maree Conway's "Future Thinking Model"



An Example of an
Organization...

“Strategic Thinking, Then
Strategic Planning”

VIKING FCSS





Putting “Strategic” Back into your Strategic Plan

A truly strategic planning
approach

A Truly Strategic Plan



DISCUSSION:

E-Scanning Exercise and Analysis

PART ONE: Five-Minute Sample STEEEP Analysis

At your tables, identify trends that are:

- ***Social***
- ***Technological***
- ***Environmental***
- ***Economic***
- ***Educational***
- ***Political***

You have FIVE minutes!! Go!

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DISCUSSION:

E-Scanning Exercise and Analysis

PART TWO: STEEEP Prioritizing Assessment

Based on the ideas shared in your STEEEP...

- What priority areas do we want to focus on that will help us be more strategic in our planning?

You have FIVE minutes again!! Go!



STEP 1

Environmental Scanning

Three definitional points:

- The practice of **systematically** exploring and interpreting the internal and external environment...
- in order to better **understand** the trends and drivers of change...
- and their **impact** on your organization

STEP 1

Environmental Scanning

SCANNING:

- Conduct research BEFORE your strategy sessions and on an ongoing basis

THINKING:

- Use multiple scanning “tools” or “lenses”
- Reflect on the key factors impacting your organization and/or its stakeholders

DECIDING:

- Decide and focus on a few critical factors for strategy formulation



STEP 2:

Foundational Statements

SCANNING

- Identify “sweet spot” in comparison to your capabilities, member needs and similar organizations’ offerings

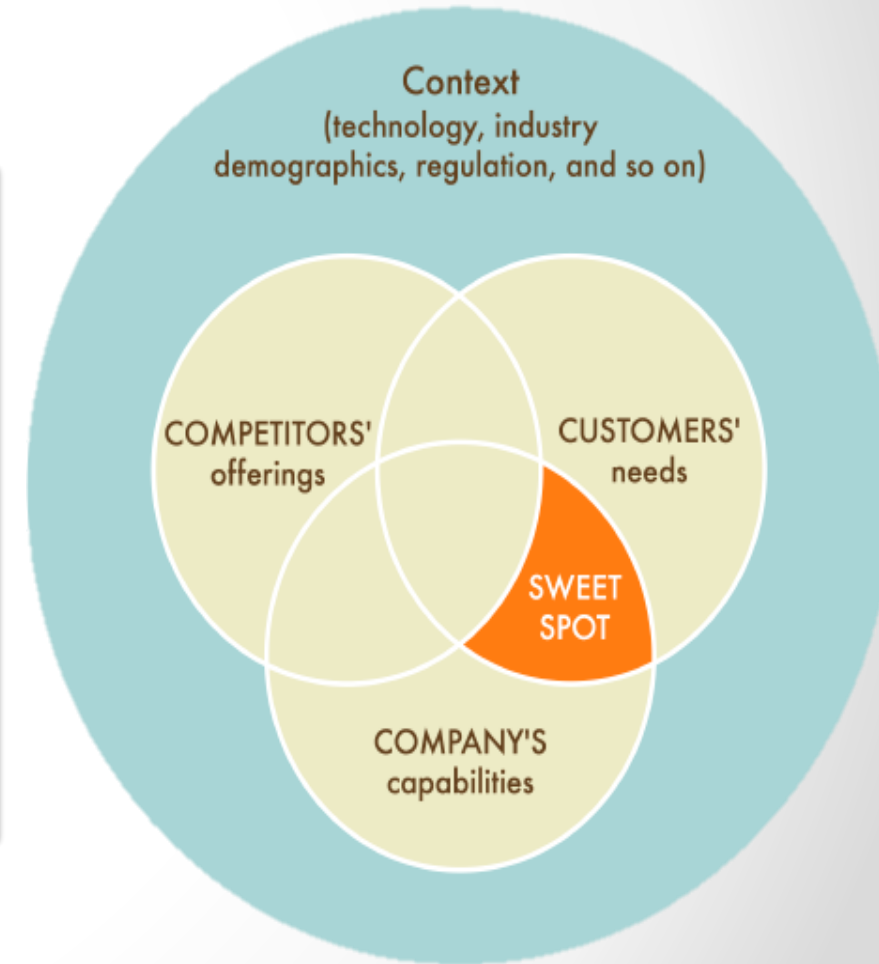
THINKING

- How do we make a DIFFERENCE for those we serve?
- How do we want to POSITION ourselves?
- Where is our greatest VALUE?

DECIDING

- What do we need to do DIFFERENTLY?
- What do we need to LET GO of?

The Strategic Sweet Spot





STEP 3:

Goals

- Outcome based statements that describe what the organization hopes to achieve in order to move the organization closer to its vision
- Key areas that your organization will focus on over a set period of time (focus your resources, energies, efforts, time, etc..)
 - Short or long term

STEP 3:

Goals

SCANNING

- Do scanning regularly and check your goals for relevancy against changes to your environment

THINKING

- Based on your scan, create options / alternatives.
- Challenge default

DECIDING

- Evaluate options
- Narrow goals to those that have significant influence on scope of organization and degree of commitment

(Conway, 2014; Shivakumar, 2014)





STEP 4:

Strategies

- Should create or sustain an advantage
- Effective strategies promote a superior alignment between the organization and its environment and the achievement of goals

EMERGENT STRATEGY

- Strategy that comes about as a result of an environmental factor that has “emerged”
- Can be an opportunity or challenge

Example:

- New grant is launched for downtown beautification projects (opportunity)
- Advocacy plan for minimum wage increase (challenge)



STEP 4:

Strategy Formulation

- Application of a strength against a weakness
 - Neutralize or eliminate threats
- A strength applied to the most promising opportunities
 - Exploit opportunities
- Creation of strength through coherent set of actions

(Rumelt, 2011)

Strategy Formulation

STEP 4:

SCANNING

- Use the information gathered in the environmental scan to inform possible scenarios, options, and strategies
- Incorporate stakeholder input

THINKING

- Focus on one level of strategy at a time
- Strategize for obstacles or opportunities
- Generate crazy ideas / incorporate space and time for “wild guesses”
- Strive for divergent thinking, before convergent
- Brainstorm ideas, do not evaluate

DECIDING

- Develop criteria and screen your strategies
- Consider relationships with other organizations

(Hamalian, 2012; La Piana, 2008; Rumelt, 2011)





STEP 5:

Action Plan

Evaluative Process in Action Planning:

- How can we ensure our action plan is realistic and achievable?

Consider...

DESIRABILITY:

- Is it member focused and will it improve our Chamber's effectiveness?

FEASIBLE:

- Can it be implemented (or how hard is it to implement)?

ACCEPTABLE:

- Is it acceptable to our board, staff and members...and what is its impact?

STEP 5:

Action Plan

SCANNING

- Frequent scanning in order to assess ongoing viability of action plan

THINKING

- Generating options for more effective action plans

DECIDING

- Determining which options to pursue



Keeping your Plan Alive



DISCUSSION:



How can we keep our plan alive?

- What are some ways that you could keep your strategic planning process alive?
- What could the Board do?
- What could Staff do?

Why Do Some Plans Collect Dust?

For strategic planning to be effective, it is critical that all seven steps are completed:

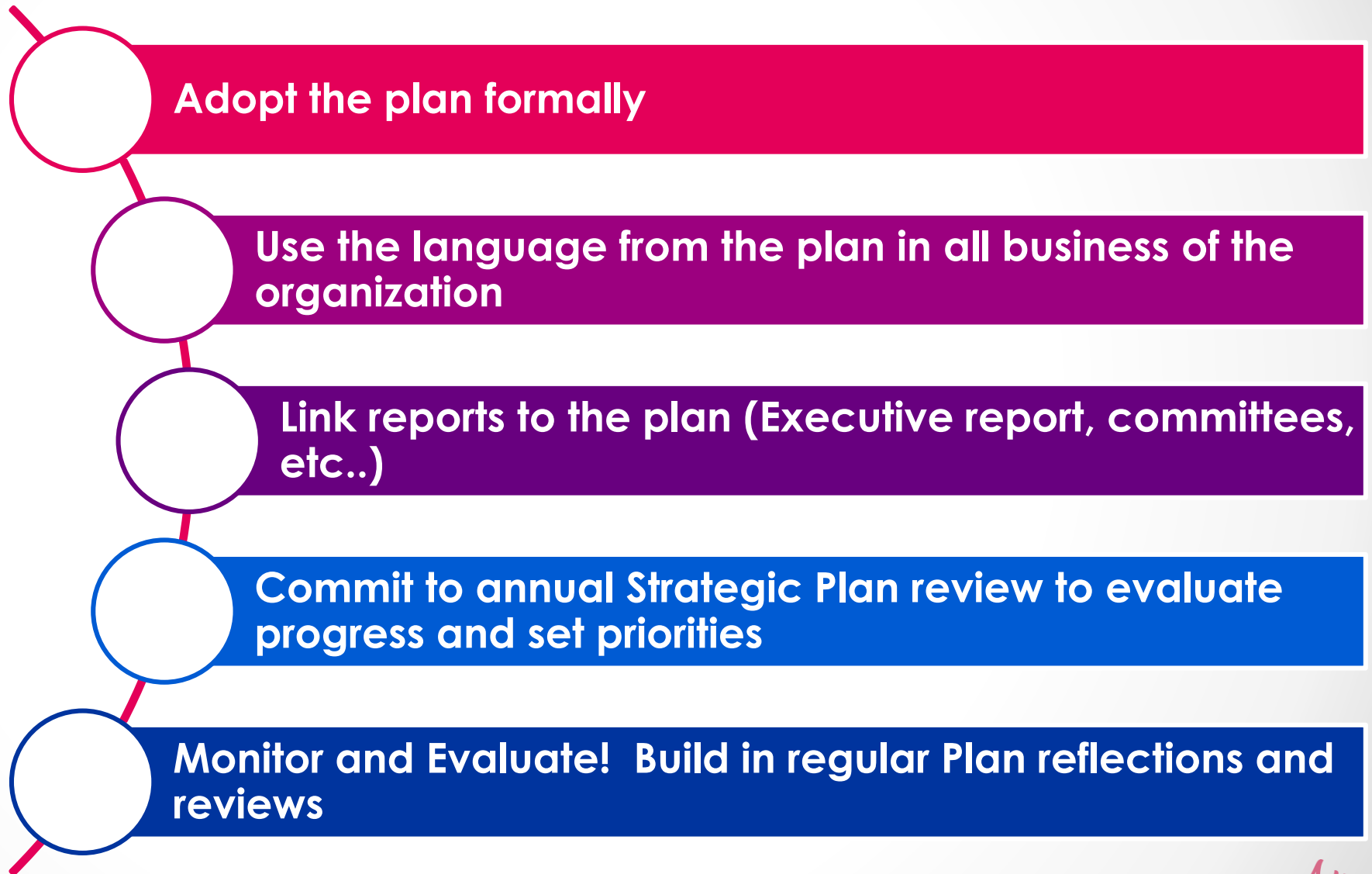
1. Preparation for planning ← Often times the planning process stops here!
2. Developing content for the strategic plan ← Or here!
3. Writing and approval of the actual strategic plan
4. Communication and distribution of the plan
5. Implementation of the plan
6. Monitoring and evaluation of the plan
7. Acknowledgement and celebration of results



Other Limitations

- Truly strategic processes can involve heavy financial, human, and time resources
- Planning does not provide a precise picture of the future
- Cannot overcome traditional policies, procedures, and operations without commitment from planning team
- Does not replace intuitive and responsive decision making (emergent strategy)
- Not intended to help planners overcome critical, threatening situations

Keeping your Plan Alive



Keeping your Plan Alive

At meetings, ask often: “How does this action/motion we are discussing align with the goals in our Plan?”

Have the plan Goals as “Standing Items” at regular meetings with an assigned member to speak to the “developments” in that Goal since the last time you met

Designate time at quarterly meetings to discuss a priority goal area (where are we at, what changes have happened or need to happen, etc..)



Key Insights

- What were some of the key insights or learnings you had from today?
- What was one take-away that you think you could use or explore further when you get back to your organization?



Presentation Tips

- Importance of Environmental Scanning
- Include scanning, thinking, and decision making in each element of your plan
- Ensure your goals are strategic, meaning they have a significant influence on the scope and commitment of your organization
- Measure progress and evaluate your plan
- Embrace emergent strategies



Other Resources

Futures Thinking Model (Strategic Thinking) www.thinkingfutures.net

Strategic Planning vs. Business Planning

<https://www.councilofnonprofits.org/tools-resources/business-planning-nonprofits>

Management Online Library (Strategic Planning)

<http://managementhelp.org/strategicplanning/>

Strategic Planning and Governance

http://culture.alberta.ca/bdp/bulletins/StrategicPlanning-print_09.pdf

Strategic Planning Checklist

<http://muskie.usm.maine.edu/helpkids/rcpdfs/strat.plan77.pdf>





Questions?

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