



Strategic and Long-Range Planning

◆ *Reasons for long-range planning*

A well-articulated long-range plan meets the following needs of a nonprofit organization:

- Funders are increasingly demanding accountability from organizations they support or from organizations seeking their support. Funders, whether public agencies, foundations, contributors, or members, want to know what a nonprofit seeks to change and how to measure progress in attaining those changes. They need such information to help them make responsible funding choices from among an array of applicants. A long-range plan should provide that information.

- Nonprofit organizations exist for certain purposes and to advance certain goals. Unlike for profit corporations, they do not exist principally to stay in business. Maintaining organizational status quo is not a purpose. A continually updated long-range plan lays out a direction and measurable goals for a nonprofit's board (or advisory committee) and staff. The plan should energize the boards and staff alike.

- Reflecting the increased accountability demanded by funders, nonprofit boards and senior staff share the responsibility to continually evaluate the organization's purpose and progress. Staff persons need to know how management will evaluate their performances. A long-range plan should provide measures for such evaluations, and should ensure that governing bodies/advisory groups understand the organization's purposes and goals.

- Nonprofit organizations need to continually reassess the milieus in which they work and their sources of support. As conditions change, a failure to do so can result in a loss of purpose, diminished effectiveness, missed opportunities, and/or a loss of funding. An effective ongoing long-range planning process forces reassessments of programs, activities, resource development strategies, and an organization's reason(s) for existing.

◆Definitions

Purpose - the organization's focus problem (the condition it seeks to change) and its values.

Vision - within the organization's purpose, a broad description of the desired "state of affairs" at the end of an extended period of time (five or ten years). The vision should be somewhat more idealistic than practical, possible but not entirely probable. The vision should be broad enough to depend on factors beyond the organization's control or sphere of influence. The Board, assisted by staff, develops, updates, and approves the vision.

Mission - what the organization will do for whom; the business of the organization, that is, how the organization seeks to advance its vision. The mission statement and changes in the statement are developed and approved by the Board.

Organizational goals - what the organization wants to be and wants to have accomplished in broad terms by the end of a given period, (three or five years) to help attain the vision. The goals should be measurable. The goals are developed, updated, and approved by the Board, assisted by staff. The Board and senior staff track progress on attaining goals.

Programmatic objectives - what the organization specifically seeks to accomplish by the end of a set period of time (three years) in the process of attaining its goals. Objectives are developed by the Board, assisted by staff, and approved by the Board. Senior staff and the Board are responsible for tracking progress on attaining objectives.

Operational tasks - the activities the organization will carry out annually over the next three years to reach its programmatic objectives. Staff develops and presents tasks in conjunction with the organization's annual plan of work. The Board approves plans of work when it approves annual operating budgets. The list of tasks is updated annually.

Resource needs - the projected costs of attaining goals, objectives, and annual tasks, determined by adding up the projected costs of the annual tasks projected over the next three years. Staff develops resource needs.

Resource development goals - how much the organization plans to raise from what sources to meet its resource needs. Staff drafts goals. Board approves goals.

Resource development plan - a coordinated set of activities designed to attain resource development goals. The plan is drawn up by staff and approved by the Board. The plan covers all sources of revenues (sales, fees, dues, gifts, grants, etc.).

Patrons - the individuals, agencies, and organizations to which the organization looks for financial and political support. The Board leads in the care and feeding of patrons.

Clients - individuals, agencies, organizations that use the organization's services. (Satisfied clients can be effective advocates for the organization.)

Audience(s) - the broader community the organization seeks to educate. (An educated audience can be an effective advocate for the organization.)

◆ ***Why planning fails***

- Lack of leadership commitment
- Lack of coordination
- Over emphasis on the short term
- Equating planning with budgeting
- Inflexibility
- Too complex
- Not specific about expected outcomes
- Failure to prioritize
- Poor implementation