Real-Time Strategic Planning in a Constantly Changing World

Time to develop or update our strategic plan. Does your heart sink when you hear these words? Perhaps you visualize a plan that takes forever to reach and sits on the shelf gathering dust. And you wonder, how you are going to keep your board members engaged in a six- or nine-month process. If this reflects how you feel, you are not alone.

The Limitations of Traditional Strategic Planning:

Given our ever-changing world, it is increasingly difficult if not impossible to plan for three years ahead which is the timeline for most traditional strategic plans. Let me give you a recent example in Boston of a larger organization. The CEO of Partners Healthcare is retiring. The big question for the board is will this change their strategy of acquisition moving forward and what type of individual will be required in the role. Or for many people reading this article, the constantly changing funding dynamics with the decrease in government support and the rise in the importance of Donor Advised Funds (DAF). Today needs a different. more flexible approach.

The other disadvantages I see with traditional strategic planning is that the outcome is primarily around goals and usually our program related. Goals which are often set by board members with, depending on the organization in question, minimal input from staff. Goals are great and necessary but so is the strategic thinking behind the goals.

<table>
<thead>
<tr>
<th>Traditional Strategic Planning</th>
<th>vs.</th>
<th>Real-Time Strategic Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Focused on goal setting and</td>
<td>•</td>
<td>• A coordinating set of actions that</td>
</tr>
<tr>
<td>not strategy</td>
<td></td>
<td>dramatically increase the success of the</td>
</tr>
<tr>
<td>• Often more of a team building</td>
<td></td>
<td>organization</td>
</tr>
<tr>
<td>exercise</td>
<td></td>
<td>• Aimed at creating and sustaining</td>
</tr>
<tr>
<td>• Produces a large document</td>
<td></td>
<td>a competitive advantage</td>
</tr>
<tr>
<td>over a set time period</td>
<td></td>
<td>• Produces short working documents to</td>
</tr>
<tr>
<td>(typically 3 years) that</td>
<td></td>
<td>enhance decision making on an ongoing</td>
</tr>
<tr>
<td>often “sits on the shelf”</td>
<td></td>
<td>basis</td>
</tr>
</tbody>
</table>

Real-Time Strategic Planning is

“faster, continuous cycle of thinking and action that helps nonprofits identify, understand and act on challenges and opportunities as they arise.”
Real-Time Strategic Planning to Meet Today’s Needs:

These days I increasingly use and customize, by client, the work done by David La Piana in his book, “The Nonprofit Strategy Revolution: Real-Time Strategic Planning in a Rapid Response World.”

Why? Because it makes so much sense. In contrast to traditional strategic planning where the focus is more often on goals than on the strategic thinking that ties in with the mission and is critical to success. This work focuses on continuous thinking, strategy, and action, and incorporates principles from business planning. The outcomes from this work enable the organization to continuously update and change as circumstances dictate from this point forward. And, the documents at the end of the process have multiple uses and are easy to review and update regularly.

These outcomes are four very simple, and typically one-page documents: an identity profile, a strategy screen, the Simple Strategy Overview, and the Big Questions:

- **Identity Profile**

  The identity profile in one graphic page illustrates who you are, what you do and your market position, your unique value, who you serve and how you are funded. This document has multiple uses. If you want to explain to a funder or a potential new board member who you are, this is the document to use. It provides an easy graphic reflection of the organization.

  One of the things I really like about this is that it incorporates analysis that includes your current business plan, what you’d like your future business plan to be, and most importantly your competitive advantage. Of all the strategic plans that I’ve done with organizations, the process is 99% of the time focused on the organization I’m working with. Rarely do we address competitors honestly. And yet your funders and donors are receiving information from all these other programs just as often if not more than you. To truly comprehend what other programs are available and your differentiator is key. This might lead to a new strategy around program focus, partnerships, and collaborations. As government funding is decreasing even more rapidly than it did rapidly understanding your assets and executive advantage.
• **Strategy Screen**

In the fast-changing world that we live in, opportunities and challenges present themselves all the time. Rather than reacting to each opportunity, many of which you will want to do because there is a need, having a strategy screen allows you to evaluate every opportunity against a given set of 6 to 8 criteria. Every decision is made using the same criteria which allows you to react in real-time, in a more expeditious manner.

As you run your Big Questions (see next paragraph) through the strategy screen, you will see whether the strategy screen is correct for you or needs changing. To be an effective tool, it is important to develop the strategy screen before you identify your Big Questions, so the questions do not influence what should be on the strategy screen.

Both the Identity Profile and Strategy Screen can be easily updated and reviewed every few months as circumstances dictate.

• **The Big Question(s)**

One of the most important documents is the Big Questions. A big question is an opportunity or threat to which the organization must respond and that is usually beyond the scope of the organization’s current plans. Or a business model challenge. Exhibit 1: the cutback in government funding. This affects not just you but all your competitors.

Depending on the client, and how I customize the work, this can be one question. Or a few questions. It requires a team of strategic thinkers, preferably a combinational board and staff, who come up with all the key questions facing the organization, from an organizational, programmatic or operational level. The next step is to prioritize those questions and elicit the most important question to be addressed. This might be a combination of the challenges and questions you face.

For example, how can we respond to the loss of government funding? Can we replace it with other sources or will we need to cut expenses? How will the loss of funding impact organizations like ours across the state and how will funders respond? Is this a temporary setback or the beginning of a trend?

If I were the leader of an organization this is how I would want to address a Big Question(s) as it gives me a more comprehensive view of the impact of the challenge. Again one of the benefits of this approach is that it addresses the organization holistically. A challenge for example with staff training is an operational issue, but it has an impact across program strategy and organizational strategy. Think competitive advantage. Taking a more strategic view rather than simply problem-solving allows for possibility: opportunities and ideas that might otherwise have not come up, allow for the possibility of true transformation.
A problem or an opportunity cannot be addressed without it first being acknowledged.

Sometimes when I work with clients, we find there are two or three questions that need addressing. We prioritize the questions that the organization will continue to work on their own at future board and staff meetings. Progress can be measured for those questions and strategies put in place throughout the organization by using an accountability dashboard, and course ensuring corrective action is taken. For example, question one for which you have a strategy might be reviewed every quarter: question two might be addressed by a small team of board and staff members after the initial real-time strategic planning process kickoff.

Keeping the Big Questions process alive, also makes it easier to update your Strategy Screen or even your Identity Profile as changes happen.

- **Simple Strategy Overview**

Because goals are important, the final document that I incorporate into this work is a grid that incorporates mission, goals, strategies, and actions. All of these relate to organizational, programmatic and operational strategies and actions.

Don’t get me wrong, goals are important, especially SMART (specific, measurable, attainable, realistic and time-based) goals, but they come after the strategy has been formed. This is often the revolution in real-time planning work.

**Keep Strategic Thinking Alive:**

You don’t want the outcomes from this process to gather dust on the shelf. Distilling the work into these four documents plus an Accountability Dashboard ensures you can – if you are committed – have this work drive your organization as it moves forward. You have documents to review and you can schedule time periodically to make this happen. For example, every six months at the board meeting you might review the Strategy Screen. And beforehand you would gather feedback from staff or include key staff in the time you allocate each month at your board meeting for strategy discussions, part of your board meeting. Annually you might choose to review Identity Profile. The process is flexible. Organizations can choose different schedules that work for them to keep this work front and foremost in the minds of board and staff members.

Adding an Accountability Dashboard for your key strategies and implementation actions that enable course corrective action to happen if necessary, that starts at the strategy level. I encourage board and staff members to use this at every monthly or quarterly meeting.

**Some Simple Steps to Get Started:**
1) Decide the best possible leadership team to start the process. This should be a combination of staff and board members who are good strategic thinkers.

2) Agree on whether you will use a facilitator

3) Identify who will produce the data to complete your current business plan and financial model.

4) Hold a kick-off meeting with the board and senior staff to complete the Identity Statement, Strategy Screen

5) At this kick-off meeting you will also brainstorm the opportunities and challenges facing your organization.

If you’d like to know more next steps and learn more about real-time strategic planning and schedule a complimentary call, please email nadia@emergingexecutive.com