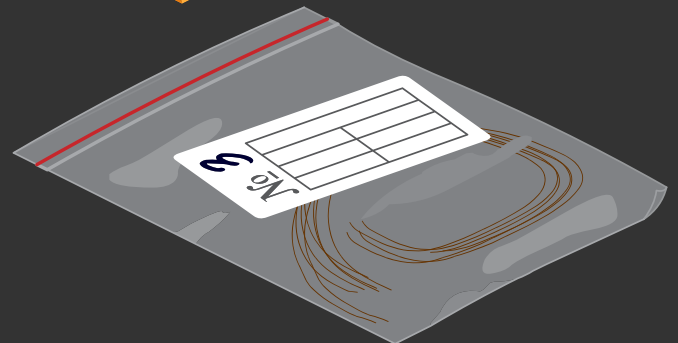


HARD EVIDENCE IS HERE:

The Case for Strategic Planning and Management



By Randall Rollinson and
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Have you ever heard an association board member ask, “Do we really get tangible ROI from strategic planning?” For executives who want to clarify their association’s direction, strategy and annual operating plan, few things undermine the potential value of a well-defined strategic planning and management process faster than board members who are disengaged or reluctant. Launching a strategic planning process is a significant undertaking. Success depends in large part on the willingness and commitment of board leaders to be actively involved and thoughtfully engaged throughout the process.

In a worst-case scenario, board reluctance or disengagement leads to a plan with little or no board buy-in. This leads to the board discounting the value of the plan and the importance of ongoing plan management. Further, without the board’s commitment to using the plan as a map for focus, its attention can go in multiple directions, taking the organization off course and leading to little progress — or worse, failure. Thus begins the vicious cycle of bad planning/poor implementation/organizational failure. No wonder strategic planning gets a bad rap.

Fortunately, overcoming board resistance to strategic planning has just become a bit easier thanks to a national survey conducted in March 2012 by the Association for Strategic Planning with support from the University of Arkansas. The survey asked more than 1,000 nonprofit 501(c)(3) organizations about their use of and practices in strategic planning, and the results they achieved. Among the initial findings were three items of significant interest:

- The driver for strategic planning in self-identified “high-success” organizations is “a routine periodic process,” whereas in low-success organizations strategic planning is “driven by significant risks/challenges.”
- High-success organizations report having successful plan implementation practices, whereas low-success organizations report lacking successful implementation practices.
- High-success organizations report that strategic

planning has high impact on overall organizational success, whereas low-success organizations do not report strategic planning as key to overall organizational success.

The Association for Strategic Planning’s preliminary findings may seem obvious to someone who has experienced a successful strategic planning and implementation process. However, these assumptions have never been statistically validated in the nonprofit sector and can now be highlighted with board members who are skeptical of the value of strategic planning and management.

A Routine Periodic Process

If associations move away from an intermittent, project- or crisis-driven approach to strategic planning, and evolve to a routine, process-oriented approach, successful outcomes are more likely. When the planning process becomes routine and part of the culture of an organization, it can lead the association to significant organizational alignment and focus on agreed-upon priorities. This lesson is clearly validated by survey responses to the following question:

Q. What is the primary driver for engaging your organization in strategic planning?

	Low Organization Success	Moderate Organization Success	High Organization Success	Total Responses
Routine periodic process in our organization	36%	60%	74%	67.5%
Driven by opportunity	14%	8%	10%	9.5%
Driven by significant risks/challenges	46%	24%	9%	15.9%
Mandated by a stakeholder/funder	0	3%	3%	3.0%

Further analysis of the data collected in this survey is underway, which will include specific practices in plan development and management that lead to greater organizational success.

Successful implementation Practices

While strategic planning is vital, it does not on its own cause success. Rather, a practical planning process serves to prioritize and identify specific work that must be accomplished to achieve the association’s objectives. To ultimately realize tangible results, alignment behind the association’s strategic plan is necessary, along with an effective plan implementation, or “strategy management” process. Just as an association’s budgeting process aims to drive thoughtful spending decisions, so too must the strategic planning process drive effective implementation and, in turn, drive organization-wide performance management. Again, this conclusion is validated by survey responses to the following question:

Q. How successful do you feel your current implementation practice is for plan oversight and tracking?

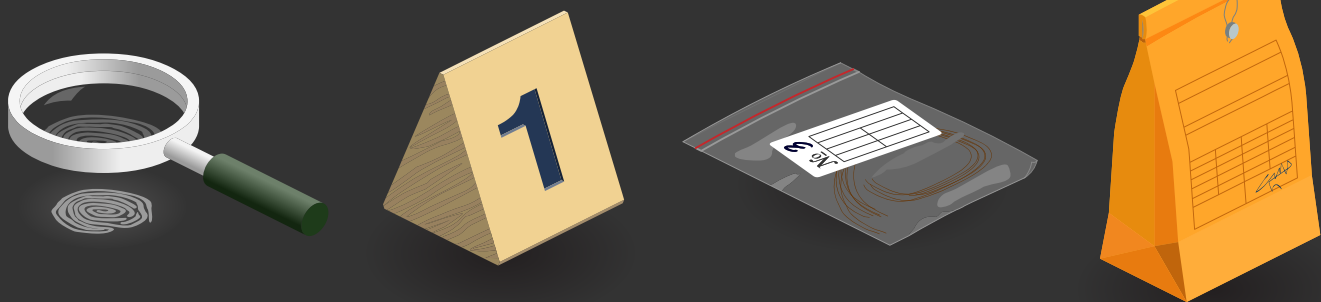
In high-functioning associations, this base requirement for cascading and monitoring execution of the plan is driven by

top management as well as the board. And, when the plan development and implementation process becomes part of the overall culture and fabric of the organization, with all staff also engaged, success is more likely to be achieved. However, in the worst-case scenario described earlier, without clear board support for the strategy, successful implementation of the plan at the staff level can be much more difficult and less likely to achieve great performance outcomes.

	Low Organization Success	Moderate Organization Success	High Organization Success	Total Responses
Unsuccessful Implementation - does not work	22%	10%	2%	5.2%
Somewhat unsuccessful Implementation	26%	23%	6%	12.5%
Somewhat successful Implementation	41%	55%	52%	52.5%
Very successful Implementation	4%	6%	32%	22.5%
Exemplary – Implementation takes success to next level	0	4.5%	4%	3.2%

Impact on Overall Organizational Success


The results of the survey make good intuitive sense. They indicate that nonprofit organizational success, to a measurable degree, comes from having a functional process in place for determining strategy and the management discipline to follow through and execute. When these two practices are linked together, the likelihood of achieving success increases. The survey results lend support to this conclusion.



Q. Extent to which strategic planning has impacted organizational success:

	Low Organization Success	Moderate Organization Success	High Organization Success	Total Responses
No impact on success	7%	1%	0.6%	1.2%
Minimal impact on success	37%	13%	4%	8.7%
Some impact on success	37%	57%	28%	37.7%
Large impact on success	11%	18%	42%	32.5%
Critical to success	0	5%	23%	15.9%

In Summary

Although this landmark survey focused only on 501(c)(3) organizations, the lessons learned may be applied across the association world. This survey provides clear evidence that good strategic planning and strategic management has significant influence on organizational success. Sharing this evidence with strategic planning skeptics may help them see that high-functioning organizational practice requires a routine strategic planning effort. 

When the plan development and implementation process becomes part of the overall culture and fabric of the organization, with all staff also engaged, success is more likely to be achieved.

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