

# Strategic Planning 101

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The Board's Role in Strategic Planning



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# Strategic Planning

› Why have a plan?



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## Strategic Planning

- › Strategic planning is a continual process that is used to set priorities, focus resources, and establish agreement on intended results. It shapes what an organization does with a focus on the future.
- › *Note: Strategy is different from strategic planning. Strategy describes HOW goals will be met using available resources.*



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## Board's Role in Strategic Planning

<b>BOARD AS STAFF</b>	<b>BOARD AS MANAGERS</b>	<b>BOARD AS DIRECTORS</b>	<b>BOARD AS GOVERNORS</b>	<b>BOARD AS ADVISORS</b>
Legal responsibility resides with the board	Legal responsibility resides with the board	Legal responsibility resides with the board	Legal responsibility resides with the board	Legal responsibility resides with the board
Reasons for organization to exist are determined by the board	Reasons for organization to exist are determined by the board	Reasons for organization to exist are determined by the board	Reasons for organization to exist are determined by the board	Reasons for organization to exist are determined by the Executive Director
Organization long-term goals are set by the board	Organization long-term goals are set by the board	Organization long-term goals are set by the board	Organization long-term goals are set by the Executive Director	Organization long-term goals are set by the Executive Director
Strategies to achieve organizational long-term goals are developed by the board	Strategies to achieve organizational long-term goals are developed by the board	Strategies to achieve organizational long-term goals are developed by the Executive Director	Strategies to achieve organizational long-term goals are developed by the Executive Director	Strategies to achieve organizational long-term goals are developed by the Executive Director
Day-to-day operational authority rests with the board	Day-to-day operational authority rests with the Executive Director	Day-to-day operational authority rests with the Executive Director	Day-to-day operational authority rests with the Executive Director	Day-to-day operational authority rests with the Executive Director
The board spends most of its time <b>DOING</b> the work of the organization	The board spends most of its time <b>SUPERVISING</b> the work of the organization	The board spends most of its time <b>DIRECTING</b> the work of the organization	The board spends most of its time <b>GOVERNING</b> the work of the organization	The board spends most of its time <b>AFFIRMING</b> the work of the organization
Primary board output is <b>LABOR</b>	Primary board output is <b>COORDINATION</b>	Primary board output is <b>DIRECTION</b>	Primary board output is <b>COUNSEL</b>	Primary board output is <b>ENDORSEMENT</b>

Teal indicates Board responsibilities; Salmon indicates Executive Director responsibilities. These vary based upon which type of board you have. Adapted from R. Terrence Jackson © 2004

## Board's Role in Strategic Planning

- › Where you sit on the previous chart helps describe your role in the strategic planning process
- › Examples:
  - › Aligns with Characteristics of High Performing Boards—  
Future Direction (Long View in Mind)



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## Why Plans Fail, Falter, Succeed, Never Get Started

- › Fail: No loyalty, no updates, no accountability
- › Falter: Loss of focus due to the tyranny of the urgent, board neglect, rigidity
- › Succeed: Loyalty, accountability, agility, enculturation
- › Never get started/finished: desire for the perfect plan, low priority, the illusion of time commitment
- › Falter: Strategy is confused with operations
- › Falter: Poor framing of strategic issues

*"I have always found that plans are useless, but planning is indispensable."*  
-Dwight D. Eisenhower



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## Outcomes of a Good Strategic Plan

- › Works well for most boards and executive directors
- › Functions well in simple/complex situations
- › Collaborative
- › Drives strategic thinking into the culture
- › Focused and communicates well



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# Elements of the Work

- › **Strategy Formation**
  - › Strategic thinking
- › **Plan Development**
  - › Rolling three-year strategic plan



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# Strategic Planning 101

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Strategy Formation



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## What Strategy Looks Like

- › Guides resources allocation and shapes organizational practices
- › Chooses a point of focus
- › Aligns organization around that point of focus
- › Great strategy uses today's resources to achieve greater success tomorrow through the organization's position, programs, practices, and resources



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## What Strategy Is Not

- › Strategy is not planning, but they are dependent upon one another.
  - › *"Planning is the act of laying out projects (steps) with timelines, deliverables, budgets and responsibilities..." - Roger Martin*
- › Strategy is not tactics. Strategy is large-scope, long-term and stable. Tactics are fluid and shorter-term.
  - › You adjust tactics in pursuit of your strategy.



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## Context for Strategy

- › An organization is itself “a thing”
- › The organization operates within an environment
- › That environment is dynamic



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## 4 Parts of Strategy Formation

- › Affirmation of Purpose
- › Narrative describing environment and its changing nature
- › Statement of organization's position
- › A real description of the organization at the end of the planning time horizon



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## Results of Strategy Formation

- › Answers the big questions
- › Guides resource allocation
- › Provides direction that can be implemented organization-wide
- › Develops outcomes for which management is responsible



# Strategy Formation Exercise

As you see the world today:

- › What is **most** possible?
- › What is **less** possible?
- › What is **impossible** (but needs to happen)?

*Strategic Thinking will consider how to make the impossible come to be a reality.*



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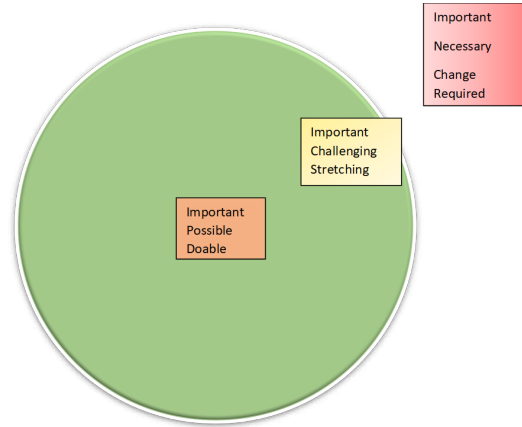
# Circle of Possibility

**Things to Consider:** Think about the next 3 years coming up.

**Center:** Things that are possible and within your reach

**Inside Edge:** Things that are important but will require stretching and effort to reach

**Outside the Circle:** Things that need to happen but won't without change taking place



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## Components of the Planning Process

- › Mission, vision, and values
- › Our customers and what they value
- › Environmental scan
- › SWOT analysis
- › Trends (internal & external)
- › Assumptions
- › Visionary priorities
- › Top three to five goals for year one
- › Narrative building
- › Board and senior team goals and dashboards
- › Rolling three-year strategic plan document
- › Updating process



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## Strategic Planning Assessment

- › Take assessment individually
- › Discuss the three lowest scores
- › Identify next steps for improvement/work with coaches



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## ASSESSMENT

1. We have a plan:

Yes \_\_\_\_\_ No \_\_\_\_\_ Not Sure \_\_\_\_\_

2. Our plan is up to date and relevant:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

3. Our plan is being executed well:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

4. Our plan guides all we do:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

5. Our plan is regularly assessed and annually updated:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

6. Everyone in our organization knows the plan:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

7. Everyone in the organization knows where they fit and their role in accomplishing the plan:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

8. The leadership team and key staff feel a sense of loyalty to the plan:

*Absolutely No*

1      2      3      4      5      6      7      8      9      10

*Absolutely Yes*

### Plan

Choose your three lowest scores and discuss with your coach the next steps in improving them.

*Strategic planning is a continual process that is used to set priorities, focus resources, and establish agreement on intended results. It shapes what an organization does with a focus on the future.*

## UNDERTAKING A STRATEGIC PLANNING PROCESS

### Board's Role and Staff's Role

Mission, Vision, Values	BOARD	STAFF	JOINT
Our Customers & What They Value	BOARD	STAFF	JOINT
Environmental Scan	BOARD	STAFF	JOINT
S.W.O.T. Analysis	BOARD	STAFF	JOINT
Trends	BOARD	STAFF	JOINT
Agreed Upon Assumptions	BOARD	STAFF	JOINT
Spiritual Discernment Process	BOARD	STAFF	JOINT
Three-Year Visionary Priorities	BOARD	STAFF	JOINT
Top Five Goals	BOARD	STAFF	JOINT
Board & Senior Team Dashboard	BOARD	STAFF	JOINT
Updating Process	BOARD	STAFF	JOINT
Executive Summary	BOARD	STAFF	JOINT
The Rolling Three-Year Strategic Plan Placemat	BOARD	STAFF	JOINT

### Sample Meeting Schedule

#### Meeting #1

1. Affirm Mission, Core Values
2. Conduct SWOTs Assessment
3. Environmental Scan
4. Trends and Assumptions

#### Meeting #2

5. Review and affirm work from Meeting #1
6. Three Year Visionary Priorities
7. Top 5 Goals
8. Assign Board and Senior Team Dashboard Work

#### Meeting #3

9. Review and affirm work from Meeting #2
10. Assign all remaining work
11. Create a communication plan



## OUTLINE OF THE FINAL PLAN

The Rolling Three-Year Strategic Planning Template: Fill it out—it becomes the basis for planning, case statements and communication.

*Please see BLFB landing page for a completed example.*

## NEXT STEPS AND WORK WITH YOUR COACH

As a team, answer these questions:

1. Do we have a current strategic plan that is relevant, up-to-date, and guiding our work daily?
2. If NO, are we committed to create a plan in the next six months?
3. Do we have a clear idea of the delegation of responsibilities between the board and staff?
4. Can we see how the meeting schedule outlined above can be shaped to serve our process?
5. What role will our coach play?

