

ORGANIZATIONAL STRATEGY



FROM STRATEGY TO STRATEGIC PLANNING

A guide to issues, process and practice

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ABOUT THIS DOCUMENT

The purpose of this publication is to describe and present an overview of Maliasili Initiatives' approach to organizational strategy. This module may be useful for a wide range of organizations, both within Maliasili Initiatives' own field of African natural resources management, and more broadly. The ideas and suggestions expressed here may be of interest to organizations that are considering embarking upon a strategic planning process; organizational change facilitators; organizations supporting strategic planning as third-party partners, collaborators, or funders; or anyone else interested in strategy as a component of organizational performance in the African natural resources field.

This document presents a living representation of Maliasili Initiatives' current thinking and approaches to strategy and strategic planning. It is an overview and is not exhaustive, and like all of our work, **it represents a constantly evolving body of work. Future iterations of this document may be considerably different as we learn and adapt our approaches to a growing body of experience; our methods, like the strategy of any organization, represent a constant cycle of implementation, learning and adaptation.**

As such, we would greatly welcome any feedback or engagement related to the ideas or suggestions expressed herein, as a contribution to our ongoing learning and reflection.

This strategic planning module includes:

- 1 An overview of the role that strategy and strategic planning plays in all organizations in guiding their investments, thinking, performance, and growth.
- 2 A description of the basic purpose, functions, and contents of strategic plans.
- 3 An overview of the strategic planning process.
- 4 A range of tips and guidance related to the development and use of strategic plans, drawn from Maliasili Initiatives' experience, as well as other sources.
- 5 An illustration of links between strategic planning and other key elements of organizational management, such as work planning, budgeting, communications, fundraising and monitoring and evaluation.

KEY POINTS

FROM STRATEGY TO PLAN

Strategy describes how an organization deploys its resources in order to achieve its mission. The strategic planning process provides a structure for reflecting on what an organization has achieved and what its ambitions and priorities are; analyzing its external context and associated opportunities and challenges; and making collective decisions about its strategy. A strategic plan, as the main product of that planning and deliberative process, is a formal representation of an organization's strategy. The strategic plan provides the overarching basis for numerous subsidiary plans and strategies – such as communications and fundraising strategies, an annual work plan and organizational budget, human resource development strategies and plans, and so forth. These should all flow from the overarching organizational strategic plan.

AN ADAPTIVE TOOL

Strategic plans should clearly articulate what an organization aims to achieve and the critical priorities it has for attaining its goals and targets, both in terms of its work and in terms of its own organizational capacity. Strategic plans should not be exhaustive lists of activities and outputs over multiple years. Strategic plans should articulate a clear set of long-term goals and combine that with priorities for near-term implementation; specific activities more than a year into the future will inevitably change, or at least they should change if an organization is effectively adapting to its circumstances and the lessons from its own work. Strategic plans need to be part of a constant cycle of planning, implementation, learning, and adaptation if they are to provide a useful framework to guide and structure an organization's actions and investments. Strategic plans can be as short or as long as is useful to an organization in its particular point in its growth and evolution; often an organization may wish to communicate its strategy in a variety of forms, some very brief and summarized and others more expansive and detailed.

THE PROCESS

Strategic planning processes should be customized, analytic, and participatory. They should consider what an organization's major accomplishments are and its value proposition - what that organization does particularly well compared to other organizations and what makes it unique. The process should also provide time and space to critically analyze the major opportunities that lie in the future, and the major challenges that must be negotiated, for an organization to achieve its mission. It is essential that an organization be able to look both outwardly and inwardly in a critical and reflective manner, if it is to develop a strong strategy that can guide its choices and direction.

CHANGING NEEDS

Many organizations, particularly those early in their development, are based on a core set of strategic insights or vision – such as identifying a major gap in existing service or market options, or solving an existing problem in a novel way. As such, they may have a clear strategy even if this is not formally expressed or structured in a strategic plan. However, as organizations grow and change, strategic plans can be increasingly valuable for expressing, both internally and externally, what an organization wants to achieve and what resources, capacity, and structure it requires in order to reach its goals.

Strategic plans should not be exhaustive lists of activities and outputs over multiple years. Strategic plans should articulate a clear set of long-term goals and combine that with priorities for near-term implementation.

How Maliasili supports strategy development

At Maliasili Initiatives, we increasingly find that facilitating strategic planning or review processes is one of the main services we provide in our wider efforts to strengthen the organizations we work with. The reason for this is that strategy lies at the heart of everything that an organization does in its efforts to achieve impact and sustain and grow itself in terms of human and financial resources. As such, working with our partners on strategic planning processes, or reviewing an existing strategic plan, tends to be a logical starting point for our organizational strengthening work. Often the need for a new strategic plan, or to answer fundamental strategic questions about mission, focus, and growth, is the catalyst for organizations reaching out to us for support.

Our role is that of facilitator and advisor; we design a clear process for developing or revising an organizational strategy or strategic plan, ensuring full buy-in of the partner organization, which ultimately must drive and own the process. That process follows the contours as outlined on page 10. We collect and distill background information into a situational analysis as an initial step. We facilitate strategic planning workshops that provide the opportunity for collective discussion, deliberation, and decisions. We then help to organize this information into a written product, either a draft strategic plan or a summary document (e.g. a PowerPoint distillation). Additional steps of internal discussion of key points or consultation with key partners and with an organization's board are likely to follow production of the draft strategic plan.

An important distinction between Maliasili Initiatives' work and many other organization development facilitators is that, because of our long-term approach and outlook, we do not consider the production of a new strategic plan to be the conclusion of our input as facilitators (though as in all our work, this depends on the needs and desires of our partner organization). We generally follow up the facilitation of a new strategic plan in two basic ways. First, by then assisting with the development of subsidiary strategies and planning documents that flow from the strategic plan, such as annual work plans, or communications or fundraising strategies. Second, by facilitating regular reviews, at least on an annual basis, of the strategies and amending or updating these as will often be needed. Ultimately we expect our partners to internalize this cycle of strategic planning, reflection and learning, and adaptive management, and as such to see the need for our facilitating role decline over time.



PLANNING

STRATEGIC PLAN OR BUSINESS PLAN?

'Strategic plans' and 'business plans' are both ways of presenting information about what an organization wants to achieve and how it is going to do that. These two terms are often used interchangeably and there are no hard rules or strict definitions distinguishing a 'strategic plan' from a 'business plan', both of which are often inevitably customized, in their structure, presentation and details, to a particular organization.

Nevertheless some broad distinctions are useful. Strategic plans tend to be broader overarching explanations of the direction and priorities of an organization, based on a set of strategic options or choices. Business plans tend to focus more on the interconnections between what an organization produces- as services, marketable product, or outcomes- and what it earns financially in order to be able to operate, whether on a for-profit or non-profit basis. Business plans are often used to justify and make the case for, based on external or market opportunities and core competencies of an organization, new initiatives, organizations or ventures.

Business plans may also serve to provide more detailed explanations of how an organization is going to execute certain aspects of a wider strategic plan, particularly those dealing with revenue generation. One of Maliasili Initiatives' partners, Mpingo Conservation and Development Initiative (MCDI), took this approach. They developed a three-year strategy that provides key contextual analysis, presents the organization's track record, achievements, mission, and articulates major goals and benchmark targets. Achieving those targets involves developing or integrating a number of new revenue sources to fund their work, based on services that MCDI provides to different types of clients. A separate business plan describes in much greater detail how those services and products are going to be developed, what revenue streams are projected, and provides financial data to support those plans.

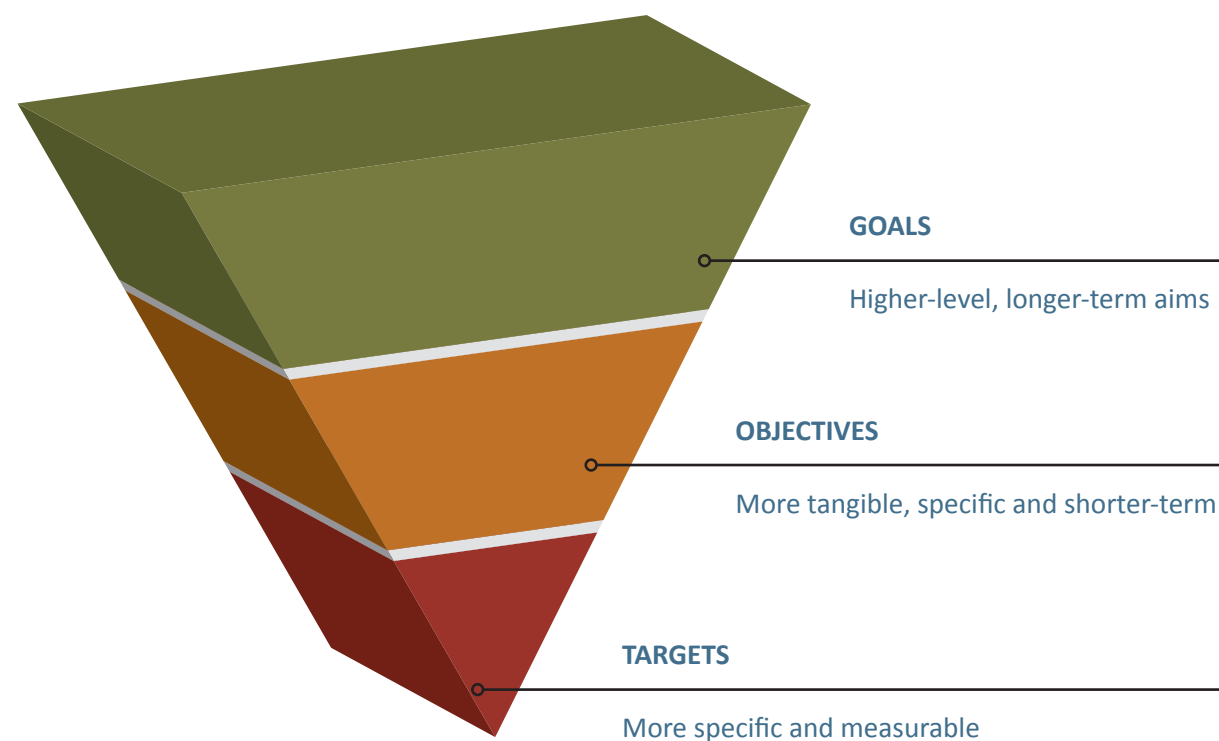
Some important definitions

STRATEGY:

A suite of actions, choices or investments designed to achieve an organization's core mission, goals, and purpose.

GOALS, OBJECTIVES, AND TARGETS:

These share very similar meanings, but they are differentiated based on their level of specificity. Goals are higher-level, longer-term aims, whereas objectives are more tangible, specific and shorter-term, and targets are even more specific and measurable.



Vision and Mission statements are a standard component of any organization's strategic plan. The Mission is particularly important as a statement of why an organization exists and what it is trying to achieve- its rationale for its work and existence. Vision and Mission are interrelated but are distinctly different in important ways. Often they are conflated, which results in confused vision and mission statements.

The Vision is an expression of a future set of conditions or reality that the organization hopes to see come into being. An example of a vision could be:

- 'Kenya's forests managed sustainably and equitably'
- 'Full gender equality in pastoralist communities of northern Tanzania'

The Mission is an active statement about what an organization actually does to bring that future into being. So mission statements corresponding to the above Visions would be:

- 'To empower rural communities to sustainably manage forest resources for their own social, economic and environmental interests.'
- 'To promote gender equity in Tanzanian pastoralist communities by mobilizing, educating, and empowering women.'

ORGANIZATIONAL STRATEGY

AN OVERVIEW

Chombo hakiendi ikiwa kila mtu anapiga makasia yake. (A boat doesn't go forward if each one is rowing their own way.)

-Swahili proverb

Strategic plans in practice are, and should be, as diverse as the organizations that use them.

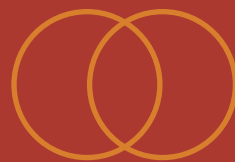
Strategy provides a rationale for the allocation of limited human and financial resources to achieve an organization's desired end mission or goals. When we say something is strategic, we mean that a plan, investment, or set of actions reflects an underlying consideration of options, and a reasoned choice amongst those options, in choosing to pursue the path taken. When we say something is not strategic, we mean that there is no clear basis for the actions or investments proposed or planned or being undertaken, in terms of considering available organizational resources, skills, and time, and the way to best deploy those assets to achieve a given set of goals or outcomes.

A good strategy, above all else, is clear about what an organization is trying to achieve and how it is going to realize its mission and goals.



REASONED

Based on an analysis of options and a clear understanding of context and the trends that shape the environment an organization works within.



REALISTIC

Based on an understanding of what an organization does well and what it can actually achieve.




REFLECTIVE

Derived from a careful study of an organization's track record and its strengths and weaknesses.

A clear and sound strategy is fundamental to any organization's direction and performance. A strategy should guide a how an organization:

- Develops its operational programs or projects
- Designs its structure and governance
- Communicates about itself and its work
- Seeks and develops human and financial resources
- Allocates its resources through annual work plans and budgets

A strategic plan is a way for an organization to articulate, structure, and interrogate its underlying strategy- why it does what it does as an organization- and develop it into a set of basic goals, targets, and priorities that enable it to take concrete actions towards executing that strategy (the 'plan'). Although there are many methodologies or frameworks for strategic planning, strategic plans in practice are, and should be, as diverse as the organizations that develop and use them. *(In fact the general conformity of so many strategic plans is probably reflective of poorly designed and facilitated planning processes; strategic plans should not look the same for very different organizations!)* A strategic plan may be as long or as short as an organization deems useful and appropriate. Nevertheless, we believe there are some fundamental questions a strategic plan should address for it to be useful, even if the level of detail and specific contents should vary and be customized according to individual needs and preferences. This document focuses on those most essential questions, elements, and components of an effective strategic plan and planning process.



FUNDAMENTAL STRATEGIC QUESTIONS FOR ANY ORGANIZATION

- What do you want to achieve?
- What are your organization's relative strengths- i.e. what are you great at doing?
- What value does your organization deliver to society, communities, customers or other constituents? i.e. what is your product?
- What are the most important things you need to execute on in order to achieve your goals?
- How will you know if you are successful?

CASE STUDY: STRATEGY AT THE HEART

Strategy is central to everything that an organization does; it provides direction for the design of programs, projects and collaborative initiatives, as well orienting needs and goals around fundraising, human resource development and communications. Often challenges relating to basic strategy underlie more visible, proximate problems, such as resource shortfalls or staff exhaustion and overstretch. In order to improve resourcing or deliver better performance and results in the field, strategy is often the first thing that needs to be examined and improved.

An example of this is Maliasili Initiatives' work over the past year with Integrated Rural Development and Nature Conservation (IRDNC) in Namibia. IRDNC is one of Africa's leading natural resource organizations, well established and widely recognized for playing a central role in Namibia's field-leading community natural resource management approaches.

In 2014, IRDNC approached us about providing organizational support. The conversation was largely prompted by their concerns about impending resource shortfalls, as long-standing sources of funding to a range of community conservation programs in Namibia, which had long been a key source of support for IRDNC and other Namibian organizations, were being phased out. Namibia had been reclassified as a middle-income country, meaning that external development aid was now more scarce or restricted. So our conversation with IRDNC began around resourcing challenges, and soon also identified communications as a major related issue, and one that is highly relevant to funding strategy, in terms of how an organization's work is known and marketed.

Within one or two conversations, though, it became clear that what was really needed was a core update and revision of the organization's strategic plan in a way that could guide resourcing efforts, communications, as well as where IRDNC wanted to invest their increasingly-scarce resources in order to achieve maximum impact. With this agreement, Maliasili worked with IRDNC to design and facilitate a strategic planning process that served to recalibrate their goals and priorities across their work, address both new emerging opportunities and escalating challenges, as well as incorporating major organizational concerns such as financial sustainability and communications. This new ten-year strategy then provides the basis not only for guiding program and project design going forward, but also for developing communications and funding strategies to address the organizational challenges that initiated the conversation in the first place.

Key Points: Strategic plans are...

- A tool to help guide an organization in achieving its mission.
- Only effective if they are tailored to an organization's needs and context.
There is no one-size-fits-all strategic plan.
- Most effective when an organization makes tough decisions and answers difficult questions.



"You can only jump over a ditch if you have seen it from afar."

-African proverb

STRADDLING THE PATH FROM PAST TO FUTURE

A good strategy is about finding the best amalgamation, and bridging the divide, between an organization's past – what an organization has achieved and where its core value proposition or competitive niche lies – and the future – which emerging opportunities or threats must shape its course of action and investment. An organization that falls too far either backwards or forwards – by never changing what it does, what it produces, or how it conceives of its work, or by changing its core goals and activities too quickly or in ways that it is not really able to deliver on – creates fundamental risks for its effectiveness and performance.

CASE STUDY: THE CHALLENGE OF SCALING UP

Many organizations undergo strategic planning processes at points of inflection in their evolution and development. Often such inflection points occur after an organization has developed a basic track record and set of impacts through an initial project. Many organizations working on natural resources and rural development issues in Africa emerge from a particular site-specific context – they are created by local activists or social entrepreneurs to solve a problem affecting a particular community or ecosystem. When an organization emerges in this way, and develops a particularly successful or promising set of methods to address a more widespread problem, it then faces a major opportunity and challenge: how to shift from a site-focused local project into a larger organization with the ability to spread and scale its approaches and impacts.

This type of transition process has defined Maliasili Initiatives' work with two of our partners in recent years: Lion Guardians and Mpingo Conservation and Development Initiative (MCDI). Both are field-leading, grassroots organizations that have spent a number of years developing and refining their methods and techniques and achieving important outcomes through their innovations. Lion Guardians has developed a unique and remarkably successful approach to reducing conflict between people and lions. In the areas where they operate in the Amboseli ecosystem in Kenya they have observed a reduction in lion mortality by upwards of 95%. MCDI is a leader not only in Tanzania but all of Africa in assisting rural communities to manage and reap economic benefits from sustainable forest management, focusing on high-value timber harvest and sales. Both have faced the fundamental challenge of how to grow and scale from site-based interventions and pilot initiatives in single locales to much broader impacts across multiple locations where there is demand for application of their models.

For both, strategic planning processes provided an opportunity to develop and test approaches to scaling up their impact. Lion Guardians has shifted to a greater focus on transferring their knowledge and methods to third-parties, learning from initial partnerships at new sites in Tanzania. They have codified their methods into a formal training program which they offer to other organizations and developed a system to certify partnered projects according to their standards.

MCDI is undergoing a transition to a social enterprise model that focuses on delivering their core services facilitating sustainable community forestry to third-party clients or customers, which includes communities who want to benefit from their forests; timber buyers that want to source sustainable timber; and other conservation or development NGOs, or government agencies, that want to apply MCDI's work to new sites. This creates a model for scaled up delivery of their basic outcomes of improved forest management and local resource revenues, while building in greater financial sustainability to their work through fee-for-service systems.

FROM STRATEGY TO PLAN

"Plans are worthless but planning is everything"

-Dwight Eisenhower (Former US President and WWII General)

It needs to be emphasized at the outset that an organization does not need to have a written strategy or strategic plan to have a good strategy – i.e. 'good' does not simply equate to 'written' or formalized. Many early-phase organizations, including Maliasili Initiatives in our first few years, are built on the basis of a core motivating insight or ambition, or attempting to solve a problem or produce something in a new or better way. Early in their development, this basic founding mission or insight may comprise the organization's strategy; the plan is simply to experiment and learn by doing in order to see what works and whether the founding idea was really a good one.

So regardless of whether or not their strategy is written down and formalized, most organizations have some sort of basic underlying strategy that guides their objectives, the way they allocate resources, the things they value, and the product or services they deliver.

Other organizations, of course, may be established on the basis of a formal written strategy or business plan; businesses such as social enterprises may need a formal business plan in order to raise start-up capital at their outset. There is no formulaic, one-size-fits-all rule about when or what kind of strategy an organization needs.

When it's time for a formalized strategic plan:

Often the need to transition from an informal or internalized strategy to a formal, written strategy is a result of growth and change within an organization. These changes may include:

- Shifts in external conditions- such as new opportunities or threats- that require a rethinking of what an organization is doing in a more deliberate manner.
- Growth in the size of an organization and the addition of new staff, board members, or constituencies, which may need a formal representation of an organization's strategy in order to understand how the organization functions and engage in decision-making.
- Need for additional resources, including money, from new sources.
- Proliferation of programs and operational investments and increased structure in monitoring performance and allocating resources across different areas of operation.

Strategic planning provides a framework for organizing and interrogating an organization's strategy- its ideas about what it wants to do and how to achieve its goals- and for representing those ideas to others. The 'plan' describes the key priorities and steps for an organization to take in order to achieve the goals and targets it has set for itself in order to fulfill its mission.

A Strategic Plan therefore serves a range of internal and external functions:

- Creating a framework whereby choices can be made and rationalized about organizational priorities and allocation of resources.
- Putting a basic operational framework to an organization's strategy.
- Codifying the emergent or intrinsic learning and direction of an organization and identifying what needs to happen in terms of actions and implementation.
- To communicate an organization's achievements, goals, and intentions to the world.

The emphasis in 'strategic planning' should be on *strategic* rather than *planning*- the value of a strategic planning process is to provide a careful, thoughtful, honest and inclusive review of key organizational questions, not strictly in the plan which is produced, which inevitably will continue to evolve and be adapted.

Does your organization need to undertake a strategic planning process?

- Do you know your core priorities and targets in terms of what you are trying to achieve in order to fulfill your mission? Are you able to easily articulate and represent those to outsiders?
- Do you know how to best allocate your resources in order to pursue your priority goals and outcomes?
- Do you know what your organizational needs and priorities are in terms of human resources, fundraising, communications, and governance in order to position your organization to achieve its goals? Are you able to clearly articulate your resourcing needs?
- Are your near-term activities and plans connected to a longer-term sense of direction and purpose?

Key points:

- Not all organizations need a written strategy to be strategic.
- However, there may come a time when an organization is ready and in need of a plan to help it implement its strategy.
- The outcome of a plan in the strategic planning process will inevitably evolve and change – much more so than the strategy behind it.

STRATEGIC PLANNING CYCLE: AN OVERVIEW

Safari ni hatua (A journey starts with a step)
-Swahili Proverb



A strategic plan's quality and value should be judged in terms of how useful it is in providing operational guidance to an organization's daily life and the choices it must make on a regular basis in carrying out its work

- Strategic planning is a critical component of an organization's lifecycle.
- To be useful and relevant a strategic plan must inform work plans, budgets, and performance monitoring; and should be regularly revisited, reappraised, and revised as experiences and learning accrue. Strategic plans, which are done in a workshop and then not revisited or reappraised for years, have little use or purpose. A strategic plan's quality and value should be judged in terms of how useful it is in providing operational guidance to an organization's daily life and the choices it must make on a regular basis in carrying out its work.
- The strategic planning process itself- the discrete period whereby a new strategic plan is actually produced- provides a unique opportunity for learning, reflection, and course correction. The process of collectively thinking through fundamental questions around direction, priorities, goals and targets, and resource allocation is in many respects as valuable as the end product- the plan- that results from the strategic planning process.



GENERAL PROCESS

WHO SHOULD BE INVOLVED AND WHO DRIVES THE PROCESS?

Because the strategic planning process provides an opportunity to engage internally and externally in a collective process of reflection on an organization's direction, strengths and weaknesses, and priorities for impact and growth, it is essential to have a participatory process with many people involved.

- It is important to enlist the staff, board, key partners, collaborators, funders and peers in the process, and that the leadership of the organization is driving the planning process.
 - » Effective strategic planning processes cannot be externally imposed or driven; there must be internal leadership and ownership. If your organization is developing a strategic plan because an external partner or funder is requiring you to do so and you really don't believe it is useful or needed, then you are probably wasting your time (and theirs).
- Skilled external facilitation can however be a critical aid in the strategic planning process, by helping an organization to order and structure its thoughts and ideas and developing a framework for making collective decisions and hard choices.
- Appropriate participation is key to giving the strategic plan life within the organization and aligning staff and leadership behind the strategy.

Strategic planning process: basic steps

1. DEFINE THE PROCESS

- Customize to organizational circumstances, needs, and priorities Organizations going through strategic planning for the first time may need a simpler process; organizations that have more experience with formal planning, strategy, and project management can generally handle more process and information flow.
- Establish a realistic timeline with sufficient space for background information collection, analysis and consultations. Rushed workshops are counterproductive.
- Identify the core strategic planning team – who are the key actors and what is their responsibility? This should combine the core leadership of the organization and the outside facilitator, and potentially a board member or key strategic partner if appropriate. Agree on who will carry out consultations, organize information, communicate with the organization's staff and board, etc.

2. COLLECT INFORMATION

- Carry out interviews with key staff, board members, partners and allies.
- Review organizational evaluations, major products, past plans, and management documents, etc.
- Identify Key Issues by answering some important questions:
 - What are major challenges, risks, and priorities?
 - What are the key questions that the Strategic Plan must answer?
 - What key decisions and choices need to be made?

3. DEVELOP A SITUATIONAL ANALYSIS (SWOT) TO INFORM PLANNING PROCESS

- Use background information and interviews to develop a synthetic analysis of the organization's major strengths and weaknesses and external opportunities and threats (see Box on Situational Analysis).

4. STRATEGIC PLANNING WORKSHOP

The strategic planning workshop may take many forms and may not just consist of one singular workshop. Instead, there may be multiple components and events to involve both larger groups and a smaller planning team.

- Work through the key questions and content areas (identified in step 2).
- Develop a shared understanding of major priorities, goals and targets, and organizational development needs.
- Write up the draft strategic plan as the major output.

5. VALIDATE AND REVISE THE DRAFT STRATEGIC PLAN- SHARE FOR INPUT, IDEAS, REVISION

- Discuss and review internally with staff and board.
- Get outside perspectives by sharing with key external partners and collaborators for their input and buy-in.

6. REGULAR ANNUAL REVIEWS

- Review and update strategic plans on an annual basis as a part of annual planning cycles, team retreats, or monitoring and evaluation processes.

WHAT IS “SITUATIONAL ANALYSIS”?

It is the need to understand an organization’s past performance and track record – what it is good at and what it is not good at – and its future opportunities and challenges- that frames the basic situational analysis (or SWOT- Strengths, Weaknesses, Opportunities, Threats) which is a ubiquitous component of strategic planning. The essential characteristic of the situational analysis (or SWOT) is that it combines an assessment of an organization’s external environmental or context with an appraisal and understanding of its internal strengths and weaknesses. The situational analysis should capture the following:

- An organization’s own relative internal strengths and weaknesses- what an organization is particularly good at and what it is not good at. It does not do much good for an organization to develop a plan that does not take into account, in a realistic way, its major strengths and assets- or which focuses it on work that it has no track record or comparative advantage in undertaking.
- The opportunities, threats and risks that exist in its external environment or context.
 - » An important part of this external context lies in understanding the demand that exists for an organization’s services and work; this is central to evaluating options for resourcing (paying for) an organization’s work.

USEFUL QUESTIONS

To inform the situational analysis, to be carried out via initial interviews or through questionnaires:

- What are the organization’s major achievements?
- Where has the organization’s work not achieved the intended impact?
- What are the most important things the organization does?
- What does the organization do better than other similar organizations?
- What are the key external trends creating opportunities for the organization’s work and products?
- What are the key external trends creating new or enhanced challenges or risks for the organization’s mission and goals?



THE PLAN

WHAT SHOULD BE IN IT

The strategic plan is the living, guiding document for an organization. Its main functions are to:

- Articulate what an organization wants to do and achieve;
- Express an organization’s basic mission and values;
 - Values represent the culture of an organization in terms of what principles and beliefs guide its work and ways of working.
- Describe the main things it needs to do to realize its goals in light of the constraints and opportunities it faces internally and externally;
- Identify priorities for developing and strengthening the organization itself in order to enable it to achieve its goals, including the development of subsidiary strategies for key areas such as fundraising, communications, human resources etc.
- Create an overarching framework for operational/work planning, budgeting, performance monitoring, and the implementation of the organization’s work;
- Communicate the organization’s direction, priorities, values, track record, goals, and targets clearly to the outside world, including key partners, existing or prospective funders, and other key audiences.



INTERNAL FUNCTION:

Establish priorities as basis for work planning, budgeting, fundraising, project and program design and development, and organizational staffing and resourcing plans.



EXTERNAL FUNCTION:

Communicate an organization’s core purpose, key achievements, justification of choices about its priorities and targets, to constituents and supporters.

THREE ESSENTIAL BUILDING BLOCKS OF A STRATEGIC PLAN

One helpful way to think about the strategic planning process is to see it as working backwards through three logical and interdependent elements.

You first want to define your ultimate goal, and then once you've defined that, you identify what you need to do to get there. Start with:

- 1) the mission, i.e. the problem the organization exists to solve and the reason it exists;
- 2) to establishing concrete goals, objectives and targets that advance the mission;
- 3) to designing and building the organization that will enable execution.



EXECUTION

The organization needed to do the work.



GOALS & TARGETS

What you want to achieve.



MISSION & IMPACT

The problems you want to solve.

These elements can provide the basis for work-shopping a strategic plan's contents, by working through these sequentially or 'backcasting'.

STRATEGIC PLAN

BASIC CONTENTS

Because every strategic plan should be different, there is no one right format or template. However, there is basic content that should be included in all strategic plans, and below is a suggested outline or menu for how this content can be structured and presented.

BACKGROUND: THE ORGANIZATION

- Organizational History
- Rationale: why the organization exists
- Key Achievements
- Track Record
- Basic Geography

VISION AND MISSION

- Mission and Vision
- Organizational Values and Principles
- Theory of Change
- Articulated Value Proposition, which includes your comparative strengths and niche

THE CONTEXT

- Organizational Strengths & Weaknesses
- External Threats and Opportunities

We strongly discourage presenting contextual or situational analysis in a simple SWOT quadrant as is commonly done; a basic contextual analysis is critical input to a strategic plan and providing the basis for an organization's key choices and this should be fleshed out in a succinct narrative format.

VALUE PROPOSITION:

This is a statement of an organization's basic offer to the world and to society - it's a statement of the value that it generates to different actors, stakeholders, customers or clients.

As an example, Maliasili Initiatives' own value proposition is expressed as follows:

We provide long-term and holistic organizational development support to leading African civil society organizations in the natural resource field through integrating our organizational development service offerings with our established technical expertise in natural resource issues.

THEORY OF CHANGE

This is an organization's underlying set of assumptions and explanatory logic for how it brings about change in order to achieve its goals and fulfill its mission. The Theory of Change articulates the key steps whereby the changes that it is trying to bring about in society, in communities, or in the environment occur.

As an example, the core of Mpingo Conservation and Development Initiative's Theory of Change is expressed as follows:

In order to bring forest destruction and degradation to a lasting halt, MCDI believes that it is not only necessary to allow communities to own their forests, but also to provide a sustained flow of benefits from their management efforts. These incentives need to be large enough in value and managed such that they benefit everyone in the community. In the case of the forests of south-eastern Tanzania, the most valuable resources are hardwood timber.

By generating sustainable revenue flows from forest products, strong incentives are created for conservation and sustainable use. Locally and sustainably managed forests that generate substantial and equitable revenue will improve the welfare and future prospects of rural communities. Better off communities who clearly understand how improvements in their lives are derived from sustainable management of their local forests will proactively ensure that these are conserved and utilised for the benefit of both current and future generations.

MAJOR GOALS OR OBJECTIVES

- What you want to achieve
- Where you want to be in three or five (or even ten) years
- Key Strategies- the way you are going to achieve those headline goals
- Objectives & Targets- more detailed and potentially nearer-term outcomes you want to achieve in order to reach your goals

IMPLEMENTATION

- What are your shorter-term operational milestones and targets that will lead to progress against major goals/objectives.
- What do you need to achieve in the next year in order to progress towards your major goals and objectives?
- This provides the basis for annual work planning. A limited amount of detail is needed within the strategic plan, but it is useful to demonstrate the near-term priorities for implementing the strategy.

ANNEXES

- Overview of senior management team- the people with core responsibility for implementing the strategic plan
- Organogram- the human resource structure of the organization

FROM PLANNING TO IMPLEMENTATION

Mpango si matumizi (A plan [alone] is no use.)

-Swahili Proverb

A key step that should flow out of a strategic planning process is developing an organization's annual work plan in line with its strategy and the goals and implementation priorities articulated.

- ✓ Annual work plan or action plan lays out actions required to put the strategic plan into implementation
- ✓ Identifies key actions and targets to achieve the strategic plan's goals
- ✓ Provides the basis for annual budgets across projects, programs and the entire organization
- ✓ Provides the basis for developing organizational strengthening components such as communications, HR, fundraising strategies etc.
- ✓ Creates a framework for monitoring and evaluation

Organizational Strategic Plan

OPERATIONAL OR PRAGMMATIC GOALS

ORGANIZATIONAL DEVELOPMENT GOALS

COMMUNICATIONS
STRATEGY & PLAN

FUNDING
STRATEGY & PLAN

HUMAN RESOURCES
DEVELOPMENT
STRATEGY & PLAN

SUPPORTING
STRATEGIES & PLAN
BASED ON NEED

ANNUAL ORGANIZATIONAL WORKPLAN

SOME GUIDING PRINCIPLES

KEEP IT SIMPLE.

Many strategic plans are much too long, with too many sections and too much granular detail when it comes to long-range work planning activities. Keep the strategic plan to basics and essentials, focusing on goals, major targets, and other fundamental elements of the 'big picture,' and the near-term priorities for advancing those.

CONTEXT IS KEY.

Strategic plans are as good as the contextual analysis upon which they are built. Situational/SWOT analysis is a simple and valuable tool to identify key external risks and opportunities, and hone in on internal strengths and weaknesses. Those are fundamental for making strategic decisions. Ensure that contextual or situational analysis is actually analytic and not merely descriptive; do not simply produce a long list of threats and opportunities or strengths and weaknesses or the typical SWOT quadrant table. Ensure that a strategy is built on an understanding of which of those situational realities or trends is really important and influential.

ESTABLISH CLEAR GOALS AND TARGETS THAT ARE BOTH AMBITIOUS AND ACHIEVABLE.

Ultimately high-performing organizations are defined on their ability to achieve results and impacts. A strategic plan is the opportunity to focus on the key results and impacts an organization wants to bring about. If a strategic plan is not clear about overall organizational priorities, it will fail to serve its purpose.

MAKE DIFFICULT CHOICES.

Positioning an organization to achieve meaningful goals means not trying to do everything. This requires aligning what one wants to do with what one realistically can achieve, and what one is good at doing, even with a healthy dose of ambition. A key part of the strategic planning process is making tough decisions about what an organization really wants to achieve, what it is going to hold itself accountable for achieving, and what it may have to give up on doing directly.

BUILD THE ORGANIZATION.

Strategic plans often tend to focus primarily on operational goals and issues. In order to achieve a plan's goals, though, it is essential to think about what kind of organization needs to be built and how to develop that organization. Do not treat organizational capacity and development in a superficial way; take the time to think through and articulate the implications of organizational strategy and goals for resourcing, structure, governance, staffing, etc.

Invest in the process. Strategic plans are often rushed through truncated consultative and workshop planning periods, often due to externally-imposed timelines and requirements. Take the time to invest in a more deliberate and reflective process that ensures adequate participation of staff, board, and key stakeholders and supporters.

COMMUNICATE GOALS, AMBITIONS, AND OPPORTUNITIES.

A strategic plan is not only an internal document but a key communications document for the outside world. It is the foundation for a wider suite of communications.

5 PITFALLS OF STRATEGIC PLANNING

A thoughtful appraisal of strategic planning in practice, in relation to some of the points made in this document, may lead to the conclusion that most strategic plans are not very good. Many plans are not very strategic, some do not seem to inform implementation or organizational choices, and some do not seem to capture an organization's core skills, value proposition, and priorities in a compelling way. Here are five common reasons why strategic plans frequently do not serve the purpose they should:

1. THEY ARE NOT STRATEGIC

in that they do not involve the careful and deliberate process of making choices about what an organization's core functions, skills, and goals are, giving an organization focus around those goals and targets. Frequently, organizations want to do too much, or they already are doing too much. It can be challenging, particularly for small organizations with limited resources, facing a broad suite of needs among their constituency, to make those hard choices about what they want to be, what they are best suited at doing, what they can truly excel at, rather than trying to do everything, and in so trying, doing many things poorly. Many organizations simply see no real need to make hard choices; often they want to simply 'keep options open' and include everything under the sun in their strategies so that they aren't limited in what they can do, or so they can be 'holistic'. But such approaches do not lead to high performance; they lead to lack of focus, chronic overstretch, and a watered down organizational identity.

2. THEY DON'T PRIORITIZE.

Relatedly, organizations need to be able to articulate the most critical and important things that they need to achieve, both operationally and organizationally. This can be difficult, but it is central to being able to achieve goals with limited resources and make tangible progress.

3. AREN'T ADAPTED AND 'LIVING'.

If a strategic plan doesn't change every year or two, the odds are it is not of much use to an organization. Strategic plans must be used as living documents, reviewed and changed in a constant cycle of learning. If they aren't they will not be useful.

4. TOO MUCH DETAIL- LOSING THE FOREST FOR THE TREES.

The function of a strategic plan is to examine and clearly express an organization's core value proposition and objectives; they should have headline goals and targets but do not need to provide detailed programming or work plans; too much detail on things that will change over time is unnecessary and often detracts from the broader key strategic questions and issues. For example, activity plans that extend beyond the first year of a plan are generally a waste of time and will contribute to making a plan too long and in its being relegated to a shelf somewhere. For small or young start-up organizations with limited planning and management capacity at the outset, strategic plans should above all be short, simple, and clear.

5. PROCESS FAILURES.

There are stories of strategic plans being done over the weekend by an Executive Director on their own; it is all too common for strategic plans to be done through single workshops carried out by external consultants with no prior experience with an organization. In our experience, truncated processes, without sufficient organization-wide participation and investment, tend to result in strategic plans that do not address an organization's needs.

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Contact us:  info@maliasili.org

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