Approved 6/15/10

# NORTHLAND PIONEER COLLEGE FOUNDATION, INC.

# Strategic Plan 2010 - 2011

*The future is coming…ready or not.*

## 1. *INTRODUCTION*

1.1. **Background:** This strategic plan is the result of a process (Appendix 1) intended to set the overall course and direction of the Northland Pioneer College Foundation, Inc. (herein referred to as *Foundation)* in pursuit of our mission. This plan builds on the principles and past experiences of the Foundation and covers the period 2009 to 2011. It is a "dynamic" document that has a one-year drop off and a new year added so that it always covers the next three years.

1.2. **Alignment**. We recognize that organizations are *aligned* to get the results they are getting. Aligning is nothing more than creating united action among the purposes, processes, programs, and people of the Foundation to produce our desired outcomes. If we believed all is well, we would have examined all the parts of the Foundation and simply extend them into the future with little or no change. However, we believe we can improve the results we are getting and to do that we must adjust the alignment our organization.

1.3. **Authorization.** The Foundation Board of Directors directed the development of this plan in order to *do the right things* and, subsequently, to produce specific action plans to *do the right things right*. Selected board members served on the planning committee that developed this strategic plan. The board member signatures at the end of this plan attest that they approve the contents and support implementation of the plan.

1.4. **Foundation Description**. The Northland Pioneer College Foundation is recognized as a partner with Northland Pioneer College in developing the communities of Northeastern Arizona through higher education. The Foundation supports quality teaching and learning, comprehensive educational programs and facilities, and student access. The Foundation focuses on: advocating the College mission; partnering with business and industry for economic development; developing committed membership; building endowments; and, conducting comprehensive, ethical fund raising programs with accountability to donors and prospects.

1.5. **Life Cycle**. An expert in the area of organizational growth has identified five stages of an organization's growth and development---much like the stages of a living organism.

1.5.1. Stage One: Imagine and Inspire (*Can the dream be realized?*)

1.5.2. Stage Two: Found and Frame (*How are we going to pull this off ?*)

1.5.3. Stage Three: Ground and Grow (*How can we build this to be viable?*)

1.5.4. Stage Four: Produce and Sustain (*How can the momentum be sustained?*)

1.5.5. Stage Five: Review and Renew (*What do we need to redesign?*)

1.5.6. <u>This plan assumes that the Foundation is in transition from Stage Four to Stage Five</u>.

2. ***WHERE ARE WE NOW?***

2.1. **Introduction**. This strategic plan was developed by starting from where we are. Before prescribing our goals and objectives for the next three years, we conducted a diagnose of our current situation.

2.2. **Beneficiaries.** The primary beneficiaries of the Foundation are the students of Northland Pioneer College (NPC), the College as an institution, the communities that host campuses and learning centers of NPC, and the individuals and organizations that have a "stake" in the success of the students and the College.

2.3. **Collaboration**. The Foundation seeks to protect and preserve its autonomy — to make its own decisions affecting its future. But in an interconnected region like Navajo and Apache counties, an organization's ability to determine its own affairs is influenced as much by the decisions of others as it is by the decisions it makes. Our "regional attitude" goes beyond municipal boundaries and allows the Foundation to partner successfully with other similar organizations. Outreach and cooperation engenders synergy and unforeseen opportunities can result.

2.4. **Current Products and Services**: Over the years, the success of previous Foundation efforts have produced a variety of products and services for the College and other Foundation stakeholders. We will continue to examine the following <u>current</u> outputs to insure they meet the needs of our beneficiaries:

2.4.1. Advocacy for a post-high school education among the citizens in our region

2.4.2. Supplemental funding for NPC scholarships and other student support activities

2.4.3. Complementary funding for selected NPC infrastructure and other operational needs

2.4.4. Increased awareness and appreciation of the educational and cultural roles performed by NPC

2.4.5. Contributions to the economic development of our region

2.4.6. Participation in the improvement of the quality of life for families within the two counties

2.4.7. Promotion of philanthropy that merits the respect and trust of the general public

2.4.8. Special fundraising and cultural activities

2.5. **Changes**: Fear of change can cause organizations to deteriorate. And yet, everything in the universe exists in a continual state of change. Future changes that may be necessary for the Foundation are usually driven by forces that are present inside and outside of the Foundation. Responding to these changes require the Foundation's leadership to commit to immediate action when necessary, be accountable for responsive actions, become better informed, develop a sense of urgency, reach out for support from others, and unify around our mission and vision.

2.5.1. *Internal* changes that are currently affecting the Foundation include:

2.5.1.1. Major shifts in the mission, goals, and objectives of the Foundation

2.5.1.2. A clearer need for donor management programs

2.5.1.3. A revitalization of the purposes of the Board of Directors and the contributions of its members

2.5.1.4. A stronger focus on the potential contributions of Foundation members and other beneficiaries of the Foundation

2.5.2. *External* changes include:

2.5.2.1. Turbulent economic conditions throughout the country

2.5.2.2. Serious financial shortfalls in the Arizona budget that affect directly the health and strength of NPC

2.5.2.3. Significant increase in the growth of the NPC student population and major changes in the demographics of that population

2.6. **MISSION - VISION – VALUES.** Mission, vision and values are the glue that holds the Foundation together. They describe what we are trying to do and how we want to go about it. Knowing these things will help to keep our organization on track and to measure our performance and plans against our aspirations.

2.6.1. **Mission Statement.** Our mission statement will help motivate people inside and outside the organization to make the Foundation the best it can be in the years ahead.

*2.6.1.1. The mission of the Northland Pioneer College Foundation, Inc. is to support the success of Northland Pioneer College students and of the College which will improve the quality of life in our communities.*

2.6.2. **Our Vision**. Our vision is a description of what the Foundation will be like when our mission is fulfilled. We expect our vision to allow us to change without experiencing chaos because our overall direction and intent are clear.

2.6.2.1. *The vision for the Northland Pioneer College Foundation, Inc. is to serve as an endowed and effective partner in our communities and a proven advocate for post-high school education for the citizens of our region.*

2.6.3. **Values.** Our values are manifest in everything we do as a Foundation, not only our public programs, but also how we operate and how we behave as people. They provide everyone with guiding lights and ways of choosing among competing priorities and guidelines about how we will work together. We will not compromise these values. That means they can be observed in the regular course of the Foundation operations and not just talked about. This strategic plan will not require actions that will violate these values. We value highly:

2.6.3.1. NPC student success

2.6.3.2. A post-high school education

2.6.3.3. Quality of life for families and communities in our region

2.6.3.4. Collaboration with those who share our mission

2.6.3.5. Integrity and accountability

2.6.3.6. Service and giving

2.6.3.7. Personal development for Foundation stakeholders

2.7. **SWOT Analysis** (Strengths, Weaknesses, Opportunities, Threats)**.** Every organization needs to clearly understand what it's internal strengths and weaknesses are, and what opportunities and threats are in the environment. Understanding these four elements creates an effective basis for future planning.

2.7.1. **Governance**. The Foundation is governed according to standard principles and practices of a not-for-profit corporation.

2.7.1.1. Board of Directors. A board of directors is a group of non-compensated volunteers elected by the membership and legally charged with the responsibility to govern the Foundation. The board is staffed primarily with members who have the skills and knowledge to address current strategic priorities, for example, planning, programs, membership, finances and fundraising. This approach is useful because board members can help build the various management functions. Officers are elected by the board to ensure strong governance of the various management functions on an ongoing basis. The Foundation actively seeks to develop a diverse (with emphasis on geographic diversity) board.

2.7.1.2. Executive Director. The By-laws requires the Board to obtain the services of a professional director who shall serve as the Executive Officer of the Foundation. The Executive Director is the chief administrative officer of the Foundation and is an ex-officio member of all committees and sub-committees. The Executive Director is appointed by the President, Northland Pioneer College and is an employee of the college.

2.7.1.3. Governing Documents. Governing documents give the Foundation board the authority to govern by providing for the operation and regulation of the organization. They provide guidance and protect boards and spell out member rights and responsibilities. The Foundation's documents are supported by state statutes, and federal regulations. The Foundation documents include:

2.7.1.3.1. Articles of Incorporation. Articles of Incorporation initially create the corporation under state law and define the organization's basic purposes and powers. They may specify such things as the number of directors, terms of office, and other specifics about how the board functions.

2.7.1.3.2. Bylaws. Bylaws contain provisions concerning actual association operations, such as meetings, procedures for electing the board members and officers, and general duties of the board.

2.7.1.3.3. Policy Statements. The Foundation recognizes the ongoing need for policy statements and similar documents to satisfy the requirements of grants and audits as well as to increase effectiveness such as defining relationships with those providing service to or receiving service by the Foundation.

2.7.1.4. Governing documents will not conflict with federal or state statutes, or local ordinances. Periodic review by an attorney will ensure that they do not conflict.

2.7.2. **Strengths**. Part of our answer to the question, *Where are we now?* is the internal strengths of the Foundation; the things we have and that we do best. We want to sustain them. If we exploit these strengths, we believe we will get more benefits for the cost than if we try to correct all of our weaknesses. Our strengths include:

2.7.2.1. An accomplished professional executive director with the character and competency necessary to improve the Foundation and expand its influence.

2.7.2.2. A dedicated and diverse board of directors determined to bring more depth and breadth to its list of contributions and lead to greater Foundation success.

2.7.2.3. A strong history of expertise in the areas of scholarship financing and support for the College and a legacy of trustworthiness.

2.7.2.4. A corporate structure fully compliant with legal standards for nonprofit organizations in our state that maximizes our ability to attract support from private and government organizations

2.7.2.5. A strong partnership with the College leaders and staff resulting in a variety of in-kind and other contributions.

2.7.2.6. A variety of special events sponsored by the Foundation to provide operating revenue and promote social experiences for the participants.

2.7.2.7. Quality outputs of money and support that contribute to a successful educational experience for the College students.

2.7.2.8. Fiscally, the Foundation is managed prudently and is improving.

2.7.3. **Weaknesses**. We looked for weak points in the Foundation's organization and operation that need improving. Our focus here is only on the *most critical* weaknesses. We believe focusing on *all* weaknesses is generally a waste of time and resources. Once identified, we plan to turn those weaknesses into strengths by identifying the ones we are handling in a defensive way or ignoring, and then developing goals and objectives to overcome them. We have identified several areas that, if improved during the next three years, could significantly enhance the efficiency and the effectiveness of Foundation operations. We acknowledge that improvements are already underway in some of these areas.

2.7.3.1. No true endowment.

2.7.3.2. Insufficient operating revenues from diverse yet stable sources and departure of College from Foundation-owned office building

2.7.3.3. Poor donor participation

2.7.3.4. Stagnant membership growth

2.7.3.5. Insufficient awareness of and coordination with the Foundation and its activities by communities

2.7.3.6. Insufficient numbers of Board Members and volunteers to support Foundation programs and activities

2.7.3.7. Poor coordination of fundraising activities between the College and the Foundation and absence of service agreement with the College

2.7.4. **Opportunities.** Opportunities are positive elements or trends outside the Foundation that could improve our chances for accomplishing our mission. We believe there are significant post-high school education needs in the two counties region and the Foundation is the nonprofit organization that is most capable of helping to meet those needs. Opportunities like the following are available:

2.7.4.1. A large and diverse population exists in the two counties area from which to attract both post-high school students and Foundation stakeholders.

2.7.4.2. The staff and faculty of the College and its alumni are constituencies that have yet to be recruited as Foundation stakeholders.

2.7.4.3. Outreach opportunities exist for broadening the understanding and appreciation of the Foundation, especially among post-high school students and their parents.

2.7.4.4. Active development planning and robust database tools could yield dramatic results in the areas of planned giving, grants, donor management, alumni participation, and other major fundraising programs.

2.7.4.5. Grant Researching and Writing Training for Executive Director to better benefit from grant opportunities to raise funds and endowment.

2.7.4.6. A public relations function within the Foundation has excellent potential for improving the Foundation’s image as well as attracting broader and deeper sources of financial support.

2.7.4.7. We have a collection of faith-based organizations that are potential supporters as well as rich sources for volunteers.

2.7.5. **Threats.** A critical part of knowing where the Foundation is now involves the identification of potential “life-threatening” contingencies---nasty surprises. These are unexpected events or circumstances, usually outside of the Foundation, that may interrupt our progress during the implementation of this strategic plan. Foundation leaders should consider precautions that could be taken when warning signs begin to appear and then closely monitor the situation or take immediate action. Potential threats include:

2.7.5.1. A prolonged period of national economic crisis

2.7.5.2. A significant loss of NPC funding

2.7.5.3. The loss of financial and in-kind support from donors

2.7.5.4. An adverse change in the "political climate" that could threaten the existence of community colleges

2.7.5.5. Membership apathy

2.7.5.6. Competition for philanthropic dollars

2.7.5.7. Changes in federal and state tax policies that discourage giving

2.7.5.8. Inadequate success at obtaining new lessees and/ or consumption of too much time by Executive Director as property manager and landlord.

## *3. WHERE DO WE WANT TO BE?*

3.1. **Goals**. When done right, goal-setting provides direction and purpose to our organization, like a compass. Goals help us see where we are going and become the basis for how we can get there.

3.1.1. *Goal setting* will break down the broad mission statement into individual elements that can then be pursued within the time frame of this plan.

3.1.2. *Goal-getting* is like a balanced three-legged stool of goals, objectives, and actions.

3.2. **Objectives.** Objectives are subsets of goals. They are the specific results necessary to accomplish a goal. Objectives determine the *right things to do* to produce the desired results. They are concrete, measurable and have deadlines for their accomplishment. We formulated a series of specific objectives for each goal and prioritized them A (highest), B, and C (lowest).

| Goal | A Objectives | B Objectives | C Objectives |
|---|---|---|---|
| Communities served by NPC are aware of and involved in the Foundation and its mission because the Foundation is involved with the communities. | Publicity materials for Foundation and Alumni are produced and distributed within communities, including through public outreach events<br>The website is improved and can accept online donations | Board members make in-person contacts with key leaders and VIPs<br>Meetings with community leaders in major communities of both counties are conducted | More regular contact with donors and alumni through newsletters, press releases, and social networking |

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|---|---|---|---|
| | Participation of scholarship recipients in Annual Meeting | | |
| The Foundation benefits from a stronger financial position by actively seeking and obtaining private and government grants. | The Foundation develops and follows a grant researching and writing program<br><br>The Executive Director participates in training for grants | | |
| The Foundation exercises appropriate influence within NPC and has an excellent working relationship with the NPC staff. | The Foundation's Executive Director is a voting member of key leadership committees.<br><br>The fund-raising roles of the College and the Foundation are clear and mutually supportive.<br><br>An increased number of College District Governing Board Members, staff and faculty are members of the Foundation.<br><br>The College provides the Foundation an accounting of scholarship dispositions and recipients. | Foundation activities are aligned with provisions of the NPC strategic plan where appropriate.<br><br>Collaboration is improved between the boards of the Foundation and the College District | |
| The Foundation Board of Directors is more robust and making good progress towards achieving these goals. | The Board committee structure is revitalized and has responsibilities aligned with this strategic plan.<br><br>The Board is adequately trained in its corporate responsibilities and its development duties. | The Board has been expanded in numbers and with appropriate skill representation. | Criteria for Board membership complements the duties and responsibilities expected of Board members. |
| The NPC Foundation Building provides a stable and dependable financial base for the | The Foundation obtains reliable tenants to pay rent equal or exceeding to amount due from | The Foundation operates or causes to be operated a fitness center in Holbrook to benefit | |

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|---|---|---|---|
| Foundation. | NPC.<br>The building is remodelled to improve energy efficiency in manner seeking to maximize ROI and minimize Foundation's net cash outlay.<br>The building is updated and improved to increase marketability and lease rates with minimal net cash outlay by Foundation. | the community and to increase net revenue for the Foundation. | |

4. ***HOW ARE WE GOING TO GET THERE?***

4.1. **Resources**. We acknowledge that to accomplish an objective depends on what we already have in the way of resources (financial, personnel, organization capabilities). We then determined what additional resources may need to be acquired.

4.1.1. **Budget.** Nearly every objective in this plan has a dollar value associated with it. The Foundation budget contains the financial resources available to accomplish each objective. Planning and budgeting combine to determine what *realistic level* of money can be expected. Subsequently hard choices will be made about what we do with those funds given that we can't do everything.

4.1.1.1.1. The annual budget is prepared separately from this strategic plan but will determine what goals and objectives and strategies are supportable financially.

4.1.1.1.2. Appendix 2 contains a summary of the Foundation's budget.

4.1.2. **People.** Several groups of people are currently available to the Foundation to draw upon for skills and support:

4.1.2.1. A modest number of direct donors and sponsors for special fundraising events

4.1.2.2. Several volunteers---particularly from the students of the College

4.1.2.3. A dedicated board of directors

4.1.2.4. Supporters from the College managers and staff

4.1.2.5. Additional people-talent will be needed to achieve our objectives. They include:

4.1.2.6. Individuals with marketing and public relations experience which may also be fulfilled by Major Giving and/or Research personnel

4.1.2.7. Volunteer and paid clerical and administrative personnel

4.1.2.8. College alumni who have benefitted from Foundation services and scholarships

4.1.2.9. Special representatives of the local school districts, the legal and accounting professions, and business and commercial entities that employ number of people from the region's communities.

4.1.3. **Existing Capabilities.** The Foundation has in place or in development several needed capabilities including:

4.1.3.1. A legally constituted not-for-profit and tax-exempt corporation including a governing body and appropriate governance documents

4.1.3.2. A committee structure to perform operational functions

4.1.3.3. A limited number of professional advisors

4.1.3.4. An asset management program using professional money managers

4.1.4. **Additional Capabilities**. Based on our goals and objectives, additional organization capabilities may be required to include:

4.1.4.1. Greater numbers of members and a program for membership recruiting and retention

4.1.4.2. A research and management database

4.1.4.3. Annual fundraising campaigns

4.1.4.4. Additional professional advisors

4.2. **Strategies**. Strategies (Action Planning) determine *how* the organization is going to accomplish each objective. Strategies are the action plans that link our *purposes* with our *actions*.

4.2.1. Strategies establish the necessary tasks and marshal the resources necessary to achieve the objectives. Clearly defined strategies help communicate with the public about exactly what actions the Foundation is taking to accomplish its mission. This will help greatly in getting the public involved or attracting contributions -- not to mention its value in managing our operations.

4.3. **Action Plans**. A written action plan provides the specific tasks, schedule, and resources that will align with our strategic goals and objectives. *Action plans insure we do the right things right.*

4.3.1. A brief but focused action plan will be prepared for each objective according to the objective's priority.

4.3.2. An action team will produce each action plan.

4.3.3. The action plan team will determine the tasks and the schedule and identify the resources necessary to achieve the objective.

4.3.4. A sample action plan and a typical preparation schedule are at Appendix 2.

## 5. *HOW DO WE KNOW THE PLAN IS WORKING?*

5.1. **Implementation of the Plan**. This strategic plan will work if properly implemented. Plan implementation has a single purpose: *People in our Foundation can readily recognize if their actions are contributing to our mission and vision.*

5.1.1. Without communication of the plan and the education that comes with the communication , Foundation members can neither perform their roles nor effectively interact with each other. A simple communication plan will be developed as Appendix 4 to spread the word about our goals and objectives throughout the organization.

5.1.2. Every board member and member of management should get a copy of the plan.

5.1.3. Certain groups of stakeholders might need complete copies of the plan, including appendices, while other groups (usually outside of the organization) might receive only the body of the plan or a summary without its appendices.

5.1.4. The Board will determine if a summary of the plan should be provided to everyone in the Foundation, including members.

5.1.5. The Board will also determine if copies of the plan should be delivered to major stakeholders, i.e. funders/investors, trade associations, potential collaborators, vendors/suppliers, etc.

5.1.6. Our mission and values statements will be found on our formal documents.

5.1.7. Portions of this plan will be included in newsletters and advertising and marketing materials (brochures, ads, etc.).

5.1.8. Board members and staff will be trained periodically on portions of the plan during orientations.

5.1.9. Procedures will be established for making this plan a part of management's agenda, policy recommendations, budgeting, etc.

5.2. **Plan Reviews**.

5.2.1. Foundation officers will conduct a brief meeting each calendar quarter to review progress on the action plans. They will determine if the tasks in the action plans are being completed on schedule and what unexpected difficulties were encountered.

5.2.2. Foundation officers will tune up the plan semi-annually. Corrective actions will be considered when “gaps" have been discovered between quarterly performance and the desired outcome of the "A" objectives. Perhaps some objectives will be reduced in size or scope if reduction doesn’t compromise the mission or the time frame for achieving the objective will be lengthened. Existing and/or expected resources will be reallocated if necessary or new resources obtained if possible.

5.2.3. The plan will be updated annually. The board will establish an ad hoc committee to review and update the strategic plan and adjust to changes being experienced by the Foundation. Changes are then recommended to the board.

5.3. **Measures of Success**. The successful accomplishment of the objectives and, subsequently the goals, require some measurement tools to determine if the plan is working and progress is being made. Some of the Foundation’s measurements of success are *quantitative* (the amount of money contributed to endowments) some are *qualitative* (the Board declares that a “successful” outcome was achieved), and some are a combination of both.

5.3.1. Quantitative Measures

5.3.1.1. Growth in the number and types of donors and the amount of money donated

5.3.1.2. Student (aid) financial need data provided by the College

5.3.1.3. Numbers of College graduates affected by Foundation contributions

5.3.1.4. Retention of College graduates in the region’s labor force

5.3.1.5. College curriculum expansion

5.3.1.6. Growth in the number of participants and the amount of proceeds from fundraising special events

5.3.1.7. Economic indicators; household income.

5.3.2. Qualitative Measures

5.3.2.1. Board decisions

5.3.2.2. Judgments of Foundation experts

5.3.2.3. Anecdotal experiences

5.3.2.4. Extent of community awareness and support of the Foundation

5.3.3. Combined Measures

5.3.3.1. Feedback from surveys and other assessments

5.3.3.2. Annual internal assessments of the Foundation

5.3.3.3. Unsolicited support provided to the Foundation

5.3.3.4. Post-event analyses

5.3.4. Future Measures. The more focused we are about measuring our success the more effective and efficient we can be in the design and implementation of additional evaluation methods, and the more useful our evaluations will be. That kind of focus comes from using a formal approach to evaluation by designing better measurement tools. As we continue to adjust to our strategic plan, additional tools will be considered and designed internally or acquired from outside sources.

***APPENDICES***

1. **Description of Strategic Planning Process Used** -- Describes the process used to develop this plan, who was involved and the meetings involved.
2. **Budget & Financial Reports** -- Includes summaries of last year's budget (with estimated expenses and the actual amounts spent), this year's current budget (again with estimated amounts and actual amounts spent), a balance sheet (or in the case of nonprofits, a statement of financial position), income statement (or in the case of nonprofit, a statement of financial activities), etc.
3. **Action Plans** – Documents the process for developing written action plans that contain the sequence of tasks, timing, and the resources necessary to achieve the particular objective.
4. **Communication of Plan** -- Describes the actions that will be taken to communicate this plan and/or portions of it, and to whom the Board determines should be recipients.

## Appendix 1
## The Strategic Planning Process

The governing board of the Foundation wanted to engage in strategic planning---to determine the right things to do and, subsequently, to produce action plans to do things right. An ad hoc committee of board members was tasked to develop a strategic plan. Two strategic planning workshops were conducted on February 21 and March 5, 2009 in the Student Center, Silver Creek Campus, Northland Pioneer College. Gordon Kearl of Rim Consulting was asked to facilitate the workshop.

To manage pending challenges and achieve the desired goals of those in the Foundation and those affected by the Foundation's services, Foundation leaders engaged in systematic strategic *thinking* and *planning.* It is hard to argue against the value of strategic thinking because too many board meetings focus on business as usual. Strategic thinking is the antidote to simply maintaining the status quo.

The strategic planning process and the resultant plan assure us that the Foundation's course and direction is well thought out, sound and appropriate; that the limited resources (human, time, and capital) are sharply focused in support of that course and direction. There are two tests of good strategic planning: 1) the Foundation achieves its goals and subordinate objectives, and 2) all of the people in the Foundation understand and execute the strategy routinely.

Too often, the first step in planning would be to gather data, as quickly as possible, in order to get to the real meat of the problem or task. That would be a grievous error and was avoided by Foundation planners. Instead, they agreed that strategic planning should start at the beginning and create a context for later steps in the planning process.

The first major phase was developing a draft plan.

- **Preparations were undertaken.** Planning begins with the proposition that we are biased in our beliefs concerning what is and what should be. Leaders can be the greatest impediments to objectivity because they are too close to decisions and to their own vested interests. Planning demands disciplined inquiry and an unbiased tough- minded critic (in our case, a third-party facilitator) who is willing to ask the hard questions.
- **The Foundation's current status was determined.** We looked at such things as the present state of the Foundation addressing any critical issues, and identifying the organization's strengths, weaknesses, opportunities, and threats.
- **The mission statement was evaluated.** The statement is the state to which the organization aspires. It emphasizes the dream of where the organization will be at a specific time in the future. It is the reason the Foundation exists. The mission statement in our strategic plan set the stage for all that followed.

- **Operating values were determined.** Also called guiding principles, these values state the organization's intentions and expectations. They are used to judge the organization's policies and actions, as well as individual conduct.
- **Key result areas were determined.** We defined five goals and 25 subordinate objectives in which the Foundation must be successful during the next three years in order to accomplish our mission.

  Goals: Identifying specific goals helps break down the broad mission into individual elements that can then be pursued with even more specific planning. Goals are a series of desired results which, if accomplished, will achieve the vision, mission and purpose of the organization. "If you don't know where you are going, any road will get you there." "Strategic planning" is often called "goal setting and goal getting."

  Objectives determine the right things to do to produce the desired results (goals). Getting even more specific, you can identify specific objectives with deadlines (objectives are closely related and similar to goals but more concrete and measurable).

  Actions insure you do things right. Some organizations wisely go a step further and outline planned activities and programs separately from objectives. You determine the steps and marshal the resources (means) necessary to achieve the objectives. Having activities or programs clearly defined will help your organization communicate with the public about exactly what you do, which can help greatly in getting the public involved or attracting contributions -- not to mention its value in managing your operations. When you are outlining specific activities or programs, remember that they should flow from your list of objectives and help advance your mission.
- **Resources were inventoried and assessed.** Resources included money, people, expertise, skills, and other intangibles that are currently available to the Foundation. Based on the assessment, we determined additional resource needs of the Foundation.

Plan execution was the second phase of the strategic planning process and provisions for this were included in the written plan. In this step, the plan calls for individual action plans to be prepared for each high priority objective. The action plans call for tasks, schedules, and costs for converting objectives into realities. of tasks required to complete the programs.

- Plan execution included actions to communicate the plan so Foundation personnel can effectively interact with each other and ensure that every player has the necessary strategic knowledge to perform effectively.

- A plan monitoring process was established to assess the progress made on both short-term action plans, objectives and long-range goals.

The final phase of our planning process was the development of a program for reviewing the adequacy of the strategic plan. Plan review is required constantly to improve the plan and ensure its execution. Part of the plan review occurs naturally when there's board turnover or other changes. In addition, plan reviews are scheduled quarterly and annually to ensure the plan is meeting the Foundation's goals.

## Appendix 2
## Budget & Financial Reports

Planning and budgeting are about assessing what realistic level of resources can be expected and making the hard choices about what to do with those resources: given that we can't do everything, what is most important to us? What activities, realistically, will we be able to support?

Budgets that project 100% growth in one year, with no indication of where those increases will come from is an extreme (but not unrealistic) example of budgets that reflect an organization's inability or -- more frequently, unwillingness -- to deal with reality as it is currently constituted. If you are consistently creating annual budgets that bear little or no resemblance to the organization's actual activity for the year, chances are your organization suffers from the "budget-as- a-symptom-of-denial-syndrome."

Our plans for the future must also be expressed in the language of numbers. Every activity in our action plans has a dollar value associated with it, be that value in materials, someone's time and expertise, or paying the overhead for the office. A budget takes our planned activities and translates them into dollars.

This strategic plan identifies our priorities. Where we spend our resources is where our priorities are, regardless of any rhetoric we may have to the contrary. A budget and the financial reports help us identify where our ideals and our actual activities may be out of alignment.

The financial reports also are a guide to measure progress over time. The budget is a measuring stick to gauge how well we projected the future against what actually happened as depicted in the financial reports. By comparing the budget to our actual financial activity we will know if we are on track or losing sight of what we intended to accomplish during the year.

We understand that deviating from our projections is not a bad thing in and of itself. In fact, a variance can have a positive effect if it helps us take advantage of previously unknown or /unavailable opportunities. However, it is helpful to know we are deviating from our plans so that changes can happen in a deliberate and thoughtful way.

A summary of our current budget follows. We did not merely add 5% to all the costs we incurred the previous year and then guessed at the additional revenues necessary to plug the gap between income and expense. That does not make for a very useful tool. Instead, we have based our budget on estimates that have some basis in reality. It is reality-based because we did research. While this was initially more time consuming than adding a percentage to every expense, it pays off. At some point we were going to have to figure out all the necessary information anyway for our strategic planning. Doing some of the work during the budget development process saves time and avoids unnecessary duplication.

## APPENDIX 3
## ACTION PLANS

- **Background**. *Action plans insure you do the right things right.* Action plans determine the specific tasks necessary to achieve each objective, the timing of the tasks and the resources and means necessary to achieve the objective. Having actions clearly defined in a written action plan will help your organization communicate internally and externally about exactly what you do and why you do it. That can help greatly in getting the public involved or for attracting contributions -- not to mention improving the management your operations.
  - A brief but focused action plan should be prepared for each objective.
  - The action plan should be stated clearly and in a fashion that leaves room for the input and creativity of the implementers. The more choice allowed to the implementers the greater their buy-in to the process.
  - Planning teams should keep their plans brief and organize their ideas in a way that allows them to be easily adjusted and modified as the organization monitors results and learns from implementation.
- **Schedule**. A suggested schedule for creating an action plan includes:
  - Prepare a first draft of an action plan using a simple form (see sample attached).
  - Let the draft sit for a few days. Then review and revise as a second draft.
  - Distribute the second draft to a second party for review and comment.
  - Write a third draft.
  - Confirm that the plan is doable, affordable, and can be accomplished within the time period.
  - Obtain approval of each action plan.
- **Format**. There is no optimum format for an action plan. Each team should develop a simple action planning form that fits the team's needs.
  - A typical planning form might include:
    - A restatement of the goal
    - A restatement of the objective
    - A list of the team leader and team members and their phone numbers/e-mail addresses
    - A column listing sequentially each action step (task) necessary to achieve the objective.
    - A column identifying the implementer responsible for each task.
    - A column indicating the estimated time to accomplish each task
    - A column indicating the estimated cost of each task

- A column indicating the start date of the task
- A column indicating the expected completion date of the task.
- A column indicating the status code for each task. For example: C = Complete; U = Underway; A = Approved; T = Tentative (contingent on something else); etc.

➢ The form might also include sections: for identifying potential "roadblocks" that might arise enroute to the objective; some possible "detours" the team would recommend to get around each roadblock; and, past efforts in this area that have not worked.

❖ **Preliminary Discussion**.

➢ The team should develop a shared understanding of the strategic goal and the objective. If the team is to be successful, members must have a mutual understanding of the intent and import of the strategic objective and its goal. To ensure this understanding, the group needs to discuss and reach consensus on their interpretations.

➢ Explore the current reality and provoke thinking by collecting data relative to the goal. Further data, stakeholder input, or views of outsiders can help develop a deeper understanding of the issues and stimulate thinking about the possibilities.

➢ It is often helpful to start by brainstorming a list of questions we have about issues related to the goal and the objective.

- For instance, if the strategic goal is "To improve community understanding in order to prevent XYZ health problem" and one of the subordinate objectives is "To develop five educational programs for the community," the questions might be: "What are the occurrences of this health issue?" "Among what populations is it most prevalent?" "How do we reach them?" "What are their needs?" "Who else should we hear from?"
- After consolidating the list of questions and eliminating redundancies, the team needs to reach consensus on which data needs are of highest priority for developing effective action plans to achieve the objective.
- After the data needs are identified, the group should brainstorm data sources and methods for data collection if the data is not readily at hand. Important data sources often include existing files and reports, periodicals and related literature, subject matter experts, the World Wide Web, professional associations, and other affiliated organizations. The methods of data collection often include hard data searches, interviews, focus groups, or stakeholder surveys.
- Finally, the group assigns members to collect and share the data with the team. In sharing the data, it is important that the whole team not be required to wade through all of the data. This often wastes time and even confuses other members of the team. People collecting data

should compile, analyze, and summarize the data into a few important points or lessons learned.

- **Action Plan Preparation**
  - Write down in positive terms the specific objective from Step 5 you want to accomplish in the performance plan. State it as a specific expected result.
  - Identify the team leader that will be given the responsibility and the authority to accomplish the action plan.
- **Tasks**.
  - What are the major tasks we need to pursue to achieve this objective? Referring back to the mission, the vision, and the conclusions of the data collection effort, the next step for the action team is to identify and write down the specific tasks necessary to ensure that each objective is fulfilled.
    - The more measurable these tasks are the better it is for monitoring progress toward the overall goal.
    - For instance, if the objective were "To increase market share in financial software sales to hospitals," the tasks might include:
      - Determine customer needs by conducting a valid sample of surveys and focus groups.
      - Develop a team to design new software features to meet those needs.
      - Develop the skills, methods, and systems necessary to support the team in developing those features.
      - Develop the marketing strategy based on identified needs, target population, and product features.
    - Examples of tasks for the objective of "To engage twenty senior citizens and retirees as tutors, administrative aides, teaching aides, and chaperones of school activities" might include:
      - Develop a list of interested volunteers by interviewing residents of the senior citizen home, asking students and PTA about interested grandparents, and soliciting interest at school events.
      - Identify list of potential areas for senior citizens to help within the school by interviewing teachers, aides, and support staff.
      - Match interested seniors to potential areas of support.
      - Conduct necessary training.
  - **Task Development**
    - List the tasks that need to be taken to achieve this objective.

- Assign an implementer for each task. For any change effort to be effective, we must make people accountable for the recommended tasks. In developing the specific tasks, we also assign a person to be responsible for implementing each task.
- State the time period or date when a particular action should start and when it should finish.
- Estimate the cost of each task. Many organizations develop programs based on their budgets; however, an organization should be strategy-driven, not budget-driven.
- Identify additional resources (people or skills) that may be required.
- Identify significant roadblocks that might arise enroute to the objective and the detours you could make to get around them.

➢ After the tasks have been developed, it is important to ask the team whether the tasks are sufficient to realize the stated objective. Asking this question allows the team to reflect on gaps or issues the group might have missed and to ensure that tasks meet the intent of the strategic objective and its goal.

- It is important for the group to keep the number of tasks for each action plan to a manageable number. Otherwise focus and resources may become too diffuse for achieving the momentum necessary for moving toward the objective.
- The tasks need to be written as a result or outcome, not as a process. At this point, we do not want more plans to plan; rather, we want tasks to do.

❖ **Conclusion**.

➢ As the action team concludes, it should review its work to make sure it is clear, comprehensive, and sufficient for implementing the objective. The action steps should be clearly written, measurable, necessary, presented as a result and not a process, and sufficient for accomplishing the objective.

➢ Each of the action plans should be reviewed and acted upon by the organizations board. Each of the plans is presented, assessed, and prioritized for action. The board should resolve conflicting recommendations, and ask the action teams to make any necessary modifications.

❖ **Tracking**. One of the first indicators that an organization is struggling is that open action items are not tracked and reviewed. Whether open action items are critical to address now or not, they should not entirely be forgotten. Therefore, share and regularly review the action plans still “in work” with the appropriate board, management and staff members in the organization.

Approved 6/15/10

**SAMPLE ACTION PLAN**

| | |
|---|---|
| **Goal:** | *Awareness about the Chamber's programs and services is raised* |
| **Objective:** | *Establish a web site by December 2008 that includes online dues payment *** |
| **Priority:** | |
| **Team Leaders:** | |

| **Action No.** | **Status** | **Action** | **People Involved** | **Time (days)** | **$** | **Start Date** | **Action No.** |
|---|---|---|---|---|---|---|---|
| 1 | U | Evaluate current Web site to determine items to be kept and items to be changed. | Alpha | 10 | N/A | 8/15/2008 | 8/25/2008 |
| 2 | T | Prepare and distribute a request for a proposal to Web site designers | Alpha Beta | 7 | $3,000 | 8/25/2008 | 9/1/2008 |
| 3 | T | Interview designers | Alpha Beta Gamma | 14 | N/A | 9/5/2008 | 9/21/2008 |
| 4. | T | Select a Web site designer | Alpha Beta Gamma Delta | 14 | N/A | 9/22/2008 | 10/1/2008 |
| 5 | T | Complete Web site design | Epsilon Alpha | 60 | Above | 10/2/2008 | 12/20/2008 |
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**STATUS: C = Complete; U = Underway; A = Approved; T = Tentative (contingent on something else)**

Approved 6/15/10

**Date:** 8/9/2008

# ACTION PLAN

| Chapter 2 POTENTIAL ROADBLOCKS | Chapter 3 POSSIBLE DETOURS |
|---|---|
| 1. No designer bids received. Budget of $3,000 too low.<br>2. Designer needs 90 days versus 60 days to complete the agreed upon Web site design. | 1. Reduce the complexity of the Web Site. Consider using amateur designers using domain software.<br>2. Phase the design effort to allow for critical components, e.g. online giving capability, to be on-line by end December with less-critical components to follow. |

## APPENDIX 4
## COMMUNICATING THE PLAN

Without communication of the plan and the education that comes with the communication, Foundation members can neither perform their roles nor effectively interact with each other. Every player needs the necessary documents and basic knowledge to execute their portion of the plan. Secondly, each of the players needs to communicate with each other—provide updates as necessary and always ask for others' input. Better to catch a potential problem earlier rather than later. In the event that there is a change in management, organization boards should also be sure to communicate their strategic plans to the new manager, and revise it, if necessary.

Certain groups of stakeholders might get complete copies of the plan, including appendices, while other groups (usually outside of the organization) might receive only the body of the plan or a summary without its appendices.

Every board member and member of management should get a copy of the plan.

Consider distributing all (or highlights from) the plan to everyone in the organization. It's amazing how even the newest board member or potential donor gains quick context, appreciation, and meaning from review of the strategic plan.

Publish portions of the plan in our regular newsletter, and advertising and marketing materials (brochures, ads, etc.).

Train board members and staff on portions of the plan during meetings and orientations.

Include portions of the plan in policies and procedures.