



# Thriving as a Nonprofit in 21<sup>st</sup> Century:

## Using Strategic Planning as Tool for Growth

March 28, 2022



SocialImpactArchitects



@snstexas @socialtrendspot



[socialimpactarchitects.com/wp](https://socialimpactarchitects.com/wp)

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# Introductions



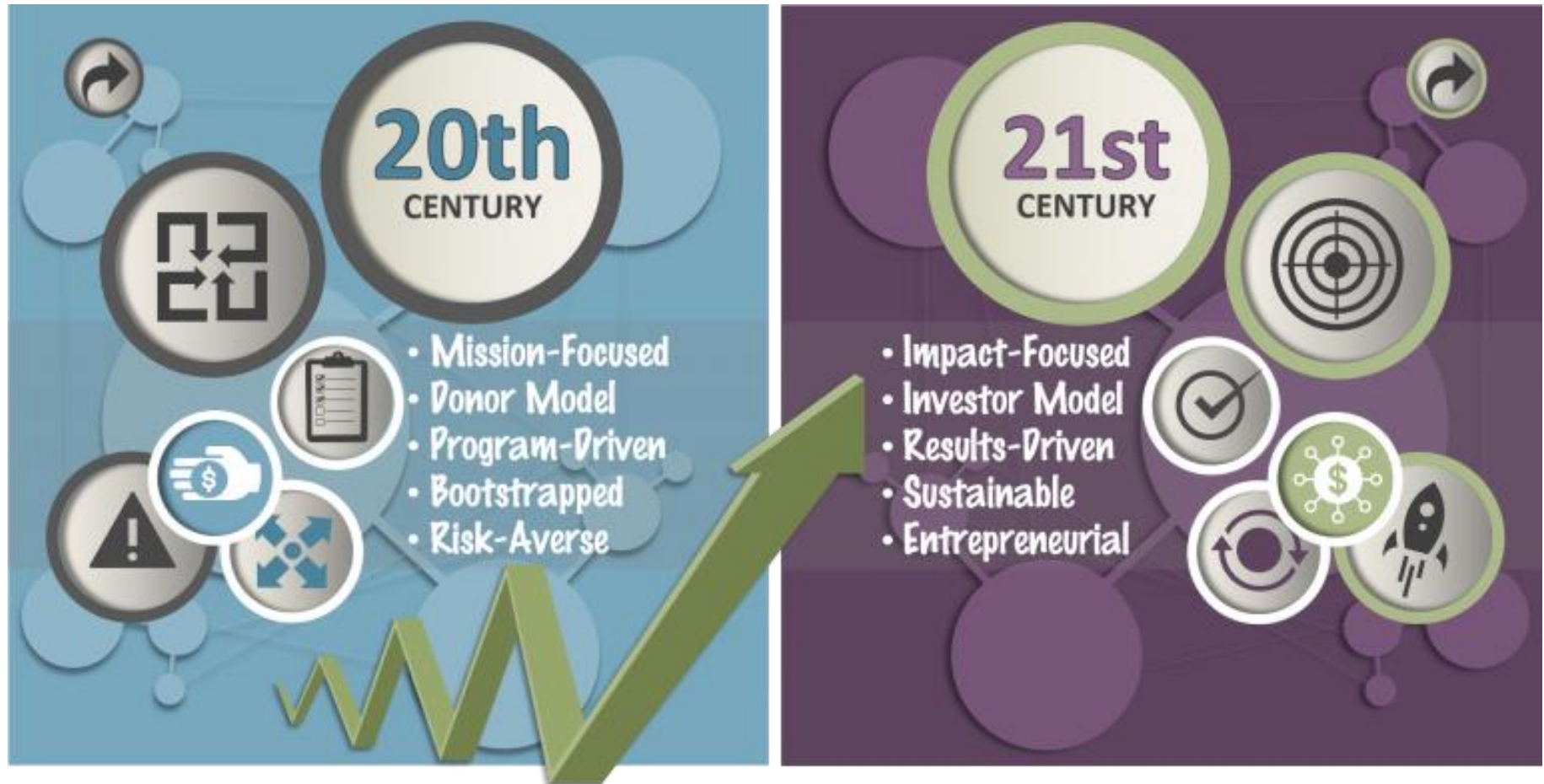
- Name
- Organization
- Role
- Do you have a strategic plan?
- What are your burning questions?



# Shifts in Social Sector



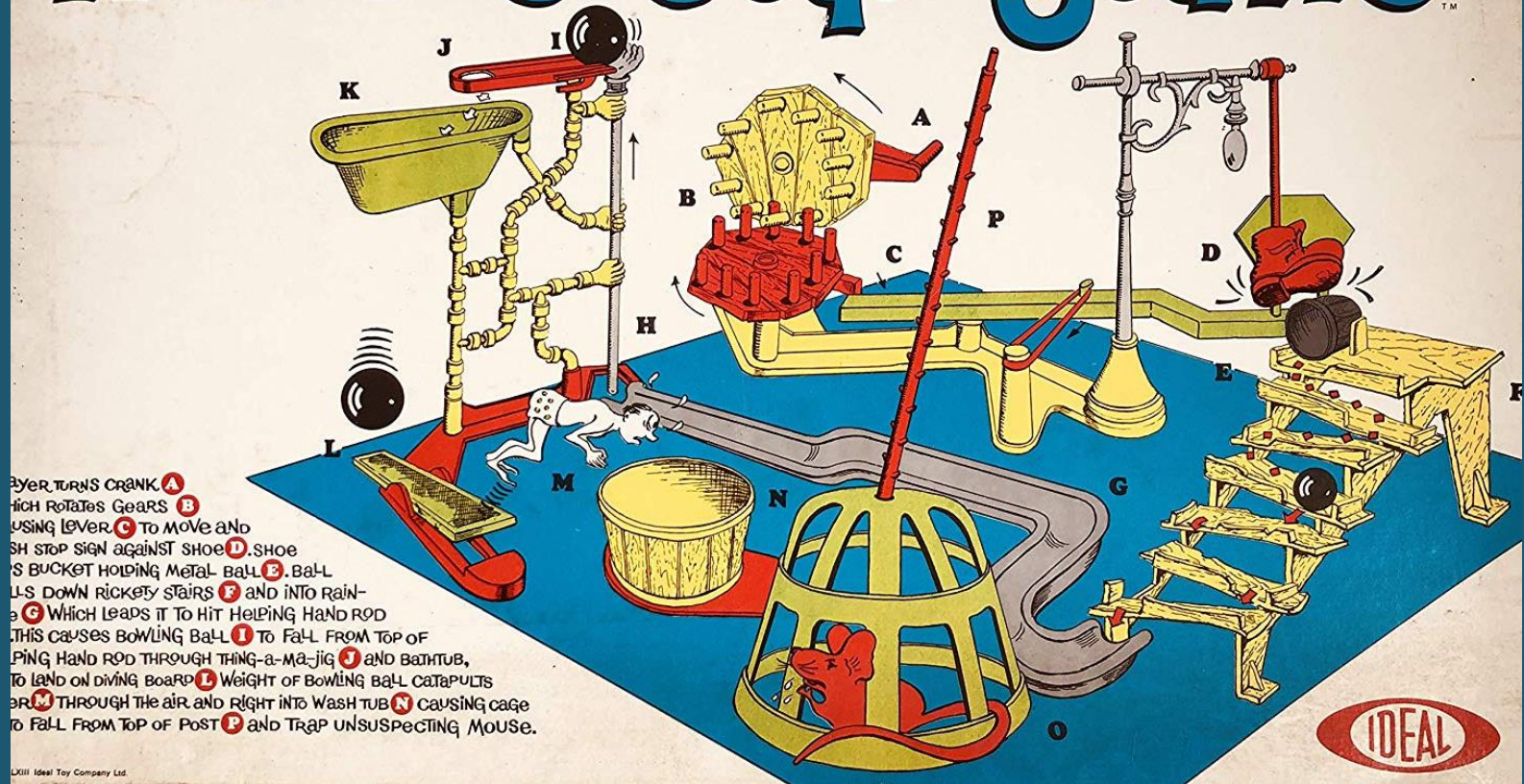
# Nonprofit Shifts





# Shift from Individual to Ecosystem

## mouse trap game

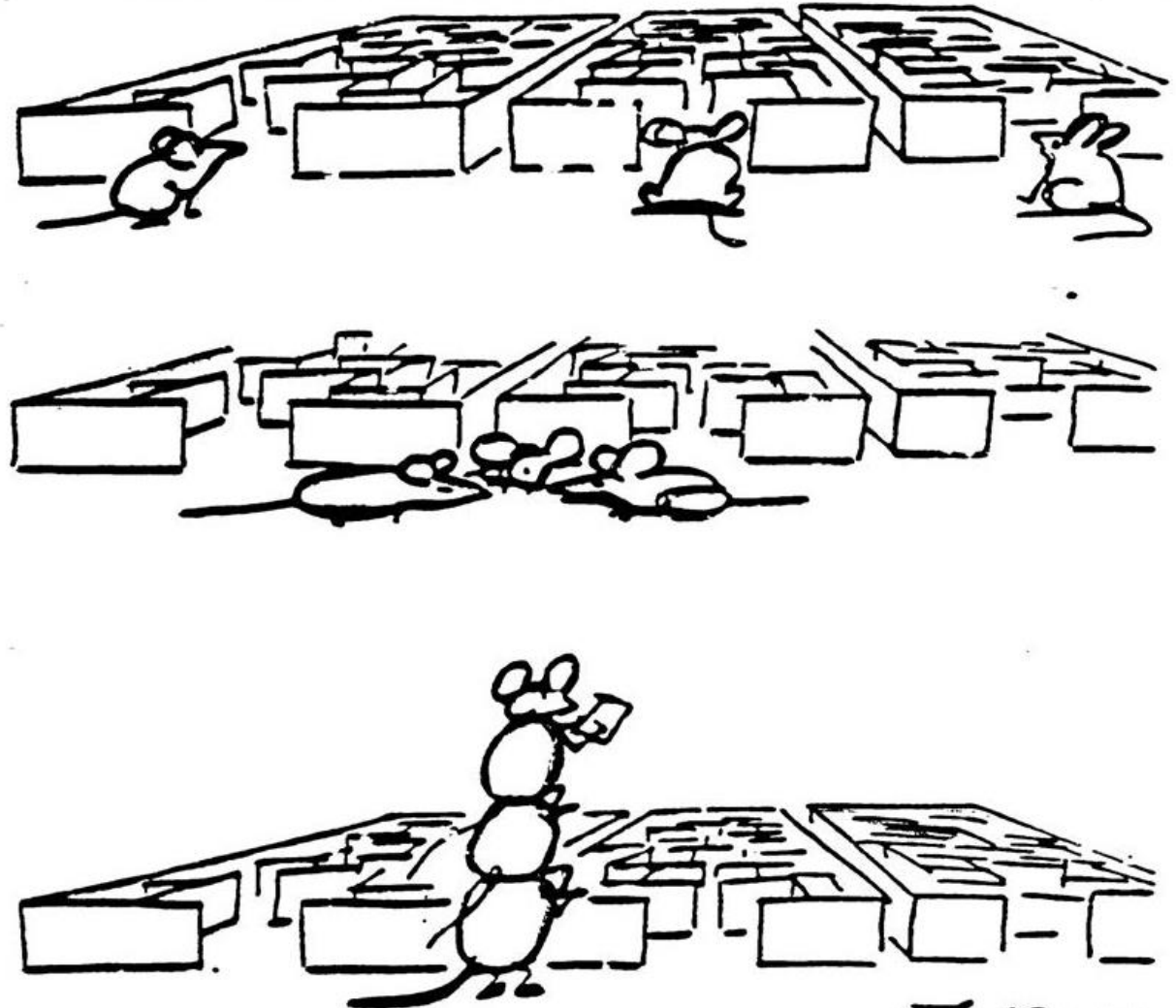


# How to Think About The Future

Individual Effort

Collaboration

System Change



# Collaboration Continuum

Forms Of Collaboration			Strategic Restructuring		
Informal Structure & Process			Formal Structure & Process		
Networking	Cooperation	Coordination	Coalition	Alliance	Integration
<ul style="list-style-type: none"> <li>Share ideas</li> <li>Exchange information</li> <li>Informal communications</li> </ul>	<ul style="list-style-type: none"> <li>Reach agreement on joint goal or activity</li> <li>Share responsibility &amp; decision-making</li> <li>Communicate as needed</li> </ul>	<ul style="list-style-type: none"> <li>Reach agreement on joint need</li> <li>Formalize needs &amp; responsibilities</li> <li>Share risks and rewards</li> <li>Communicate as a joint effort</li> </ul>	<ul style="list-style-type: none"> <li>Agree upon shared means to achieve goal</li> <li>Cultivate vision for success as group</li> <li>Create formal leadership</li> <li>Develop plan of action</li> <li>Share resources</li> </ul>	<ul style="list-style-type: none"> <li>Form a legal partnership with a fiscal lead</li> <li>Used for joint advocacy/programs or shared services</li> <li>Determine clear accountability</li> <li>Share resource formally</li> </ul>	<ul style="list-style-type: none"> <li>Form a new legal structure, including joint venture, parent-subsidiary or merger.</li> <li>Develop new policies and procedures to ensure mission impact and financial sustainability</li> <li>Create new leadership structures</li> <li>Communicate new brand &amp; vision</li> </ul>
COMMON FOCUS	COMMON GROUND	COMMON PROJECT	Possible Collective Impact Initiatives		
COMMON IDENTITY	COMMON STRATEGY	COMMON BUSINESS MODEL			
<b>Example:</b> Two nonprofit leaders meet for lunch on occasion and share notes on programs, community or new thinking.	<b>Example:</b> Two social sector leaders – one in nonprofit and another in government – agree to refer clients to each other and share data on success.	<b>Example:</b> Three arts organizations – all with events celebrating XYZ Month – work together on joint marketing and communications.	<b>Example:</b> Many social sector leaders come together to push common agenda and have an agreed- upon action plan.	<b>Example:</b> Two nonprofit leaders who have a long-term relationship decide to share staff member or co-locate at facility.	<b>Example:</b> Two or more nonprofits legally merge into a single organization.

**Deep Dive:** <https://socialimpactarchitects.com/collaboration-commandments/>



# Shifts due to COVID/social justice?





# Rubicon Shifts

## Overall

- Mergers & Acquisitions
- Leadership Transition
- DEI to IDEA

## Impact

- Global Interconnectedness & SDGs (Sustainable Development)
- Intersectionality of Issues
- Impact Accountability
- Community-Driven System Change



## Operations

- Succession Planning
- Re-engagement of Volunteers
- Technology as a Horizontal
- Cybersecurity as Latest Threat



## Brand

- Marketing as Necessity
- Experience Marketing
- Storytelling Ambassadors



## Culture

- The Great Return
- Generational Shifts
- Hybrid Work
- Mental Health



## Revenue

- Investment of Cash after PPP Loans
- Improved Donor Cultivation
- Trust-Based Philanthropy



## Governance

- Hybrid Board Work
- Experienced Boards



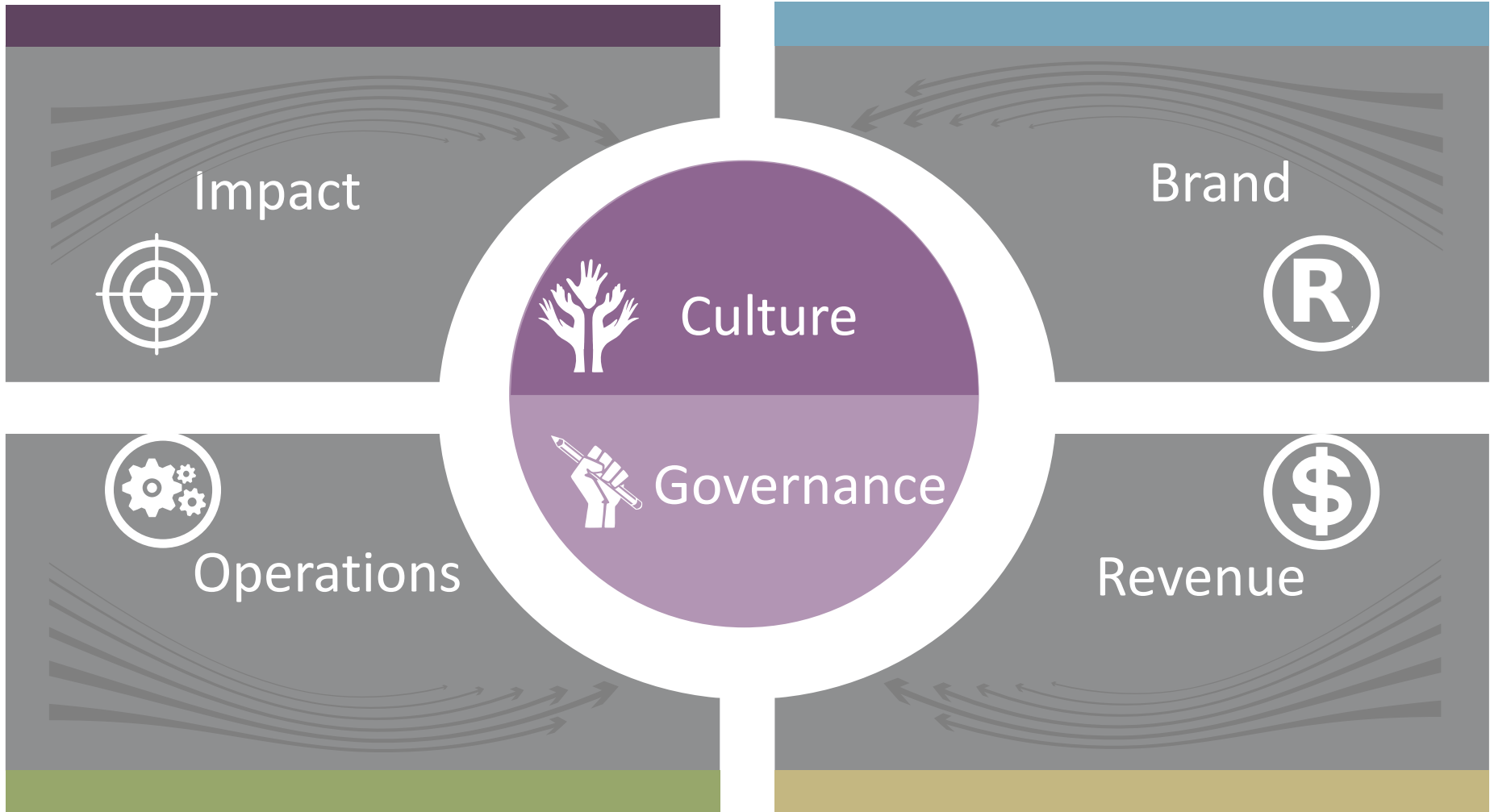


# Buzzwords



# Sustainability

## Organizational Focus Areas



# Sustainability

## High Performance + High Impact

### HIGH-PERFORMANCE NONPROFIT

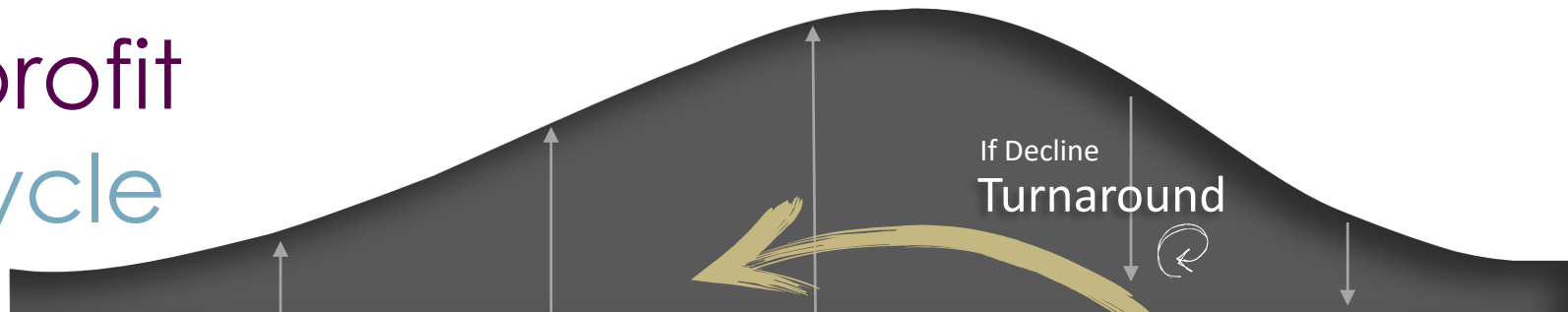
- Easy to observe
- Well-run organization
  - Leadership
  - Clear goals
  - Learning organization
  - Diverse financials














### HIGH-IMPACT NONPROFIT

- Long-term/usually in retrospect
- Organization which has meaningful and sustainable social impact

# Nonprofit Lifecycle



	Idea 	Start-up 	Growth 	Maturity 	Decline 	Crisis 
Impact 	Informal – Need established, best practices integrated & pilot launched	Pilot successful – Lessons integrated into design / Measurement starts	Established in marketplace – Strong results, partner-of-choice & consistent delivery	Consistent results through robust evaluation / Focused on continuous improvement, scale & system-building	Need exists, but nonprofit isn't partner-of-choice / Market duplication from other nonprofits	Demand near zero / Intense competition for resources & energy
Governance 	Not yet developed	Formal governance starts – Most likely homogeneous group	Board expansion – More diversity with more focus on planning & oversight	Board is more policy- & strategy-focused / Delegates management to Executive Director	Board members hard to recruit, retain & engage / Low focus of strategic issues	Board not fulfilling fiduciary responsibilities
Culture & Operations 	Entrepreneurial Founder using volunteer resources for guidance / Culture is defined by Founder	Flat organization – Decisions are likely made by Founder / Volunteers needed for hands-on support / Culture is action-oriented	Founder has hired or becomes Executive Director and is key decision-maker with Board guidance / Increased division of labor & accountability as staff is hired / Culture is results-oriented / Volunteers are used as resources	Leadership is often second or third generation from Founder / Clear division of labor & accountability among staff / Culture is well-defined and serves as a competitive advantage / Volunteers are seen as ambassadors	Increasing turnover of staff & volunteers / Decreased ability to attract top talent / Decreased transparency	Inability to fill key roles / High contention & division among staff / Mistrust of leadership
Revenue 	Most are in-kind	Limited financial resources – Lives hand-to-mouth	More diverse financial resources with established relationships with funders, but still unpredictable	High degree of financial diversity with established relationships with multiple funders / Endowment exists / Higher degree of financial predictability	Funders are not renewing contracts and not contacting organization / Low cash reserves / Decreasing donor retention & loyalty	Cash reserves insufficient to cover operating expenses / Long-time donors tapped out
Brand 	Not utilized	First official marketing materials – Primary method of marketing is word-of-mouth	Build-out of marketing & communication needs, including public & media relations	Sophisticated marketing & communications plan using multiple channels / Everyone equipped to tell story	Decreased public interest / Issue area not discussed in the media	Unable to attract media or public attention / Messaging does not resonate with public

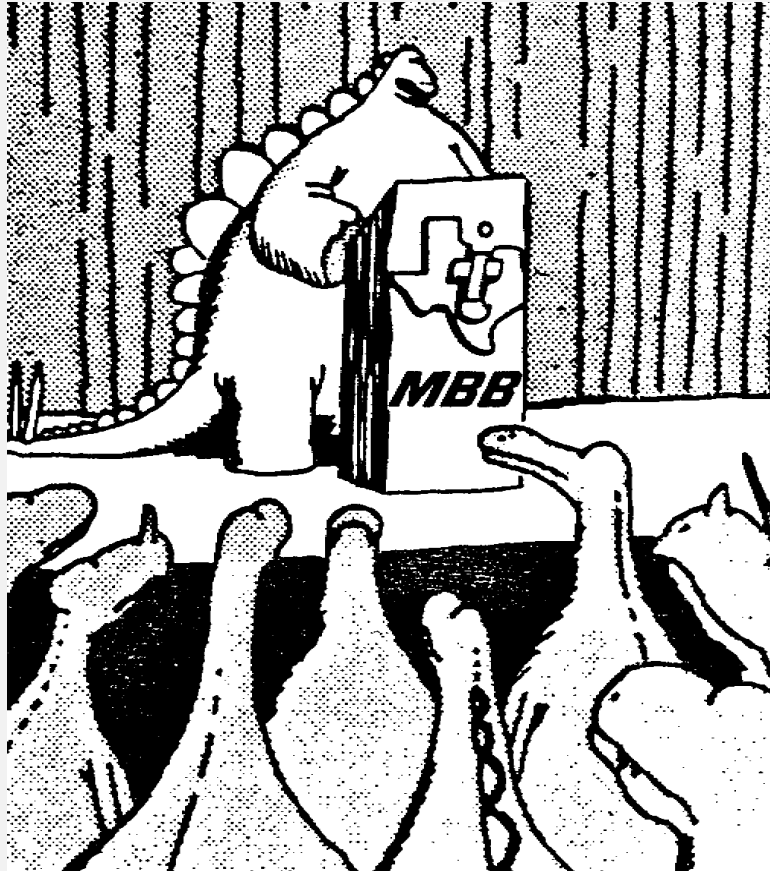




# Strategic Planning



# Goal: To Adapt & Grow

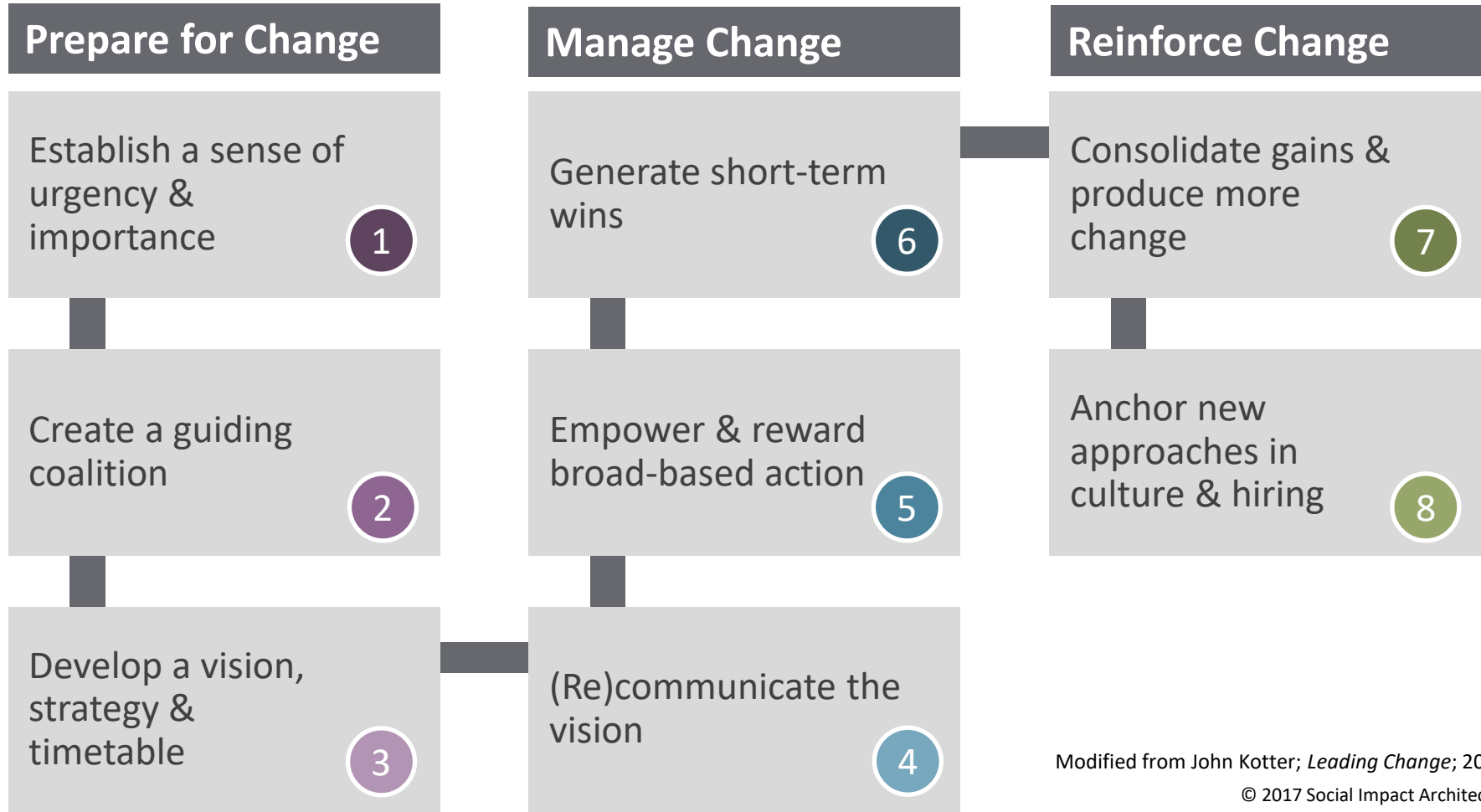


"The picture's pretty bleak, gentlemen ... the world's climates are changing, the mammals are taking over, and we all have a brain about the size of a walnut."



“What if we don’t change at all ...  
and something magical just happens?”

# Steps to Change Management



Modified from John Kotter; *Leading Change*; 2012

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# Planning Process





# Strategic Planning Objectives

1

Understand the organization's current state

Decide on the best plan

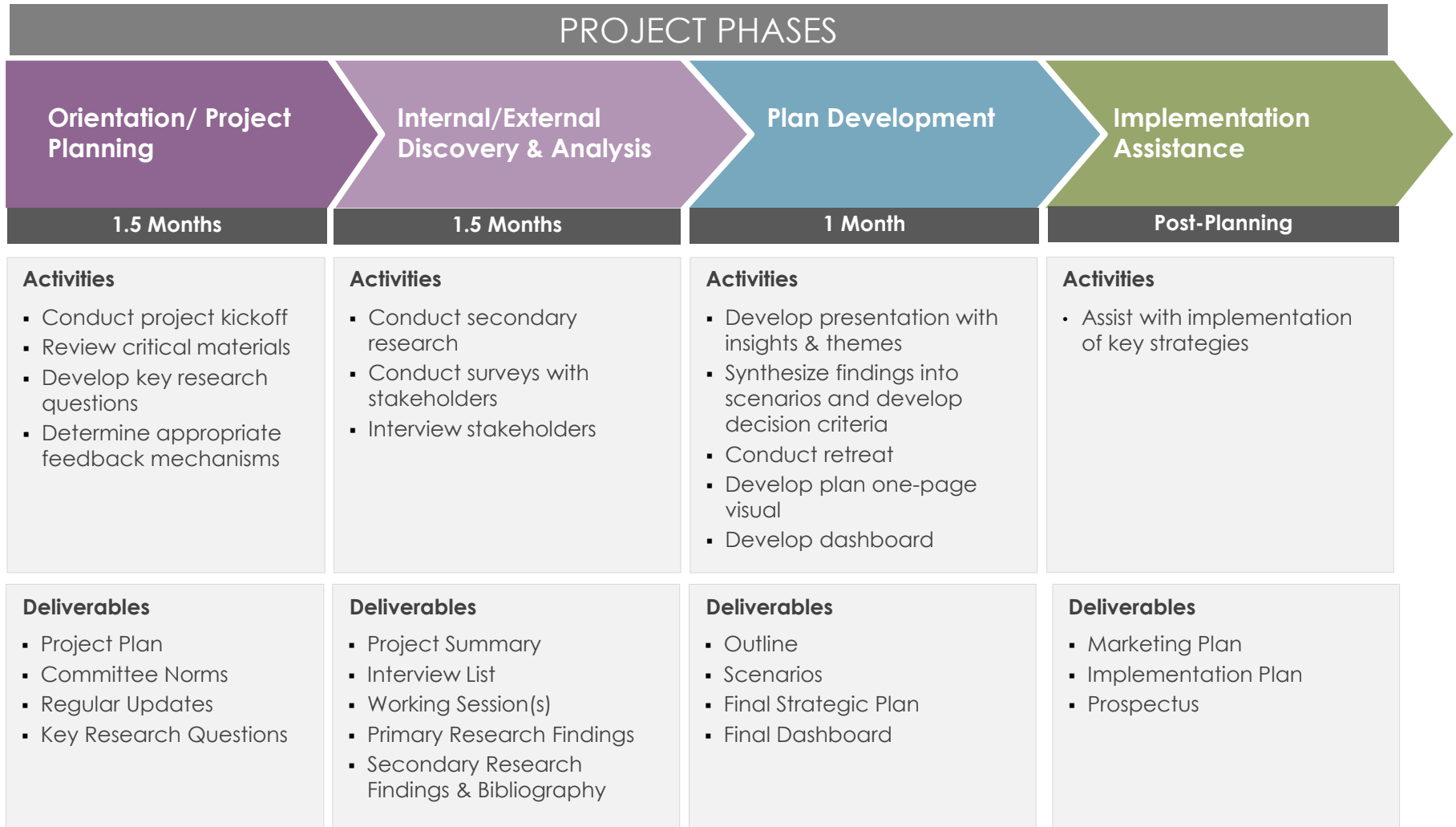
2

Identify highest priorities for impact

3

Establish milestones to ensure progress

# Typical Project Plan & Timeline



# HOLY TRINITY of

## Vision - Mission - Values



### VISION

**Describes the organization's desired future state of the world** (without mentioning the organization itself)

The best vision statements are one-sentence statements that are aspirational, memorable and succinct.

### MISSION

**Mission – Describes the organization's unique reason for existence and its priorities and methods for accomplishing the vision** ("unique" meaning that it connects to your unique value proposition)

The best mission statements are easy to memorize, action-oriented and understandable.

### VALUES

**Describes the organization's fundamental beliefs and guiding principles that drive its culture**

The best core value statements are often power statements, so employees understand the organization's DNA and can easily put them into action.

**Deep Dive:** <https://socialimpactarchitects.com/nonprofit-vision-mission-values/>

# Types of Plans

Less Intensity

More Intensity

## **ACTION**

- Focused on initiation – getting the right things done in the right sequencing
- Created when getting an organization off the ground to help make good decisions

## **FOUNDATIONAL**

- Focused on stability – either in operations or transition
- Created when organization has hit a “limit to growth” due to operational and/or staffing constraints
- Typically done as growth is on the horizon for next plan

## **BRIDGE PLAN**

- Focused on extending existing strategic plan
- Created when uncertainty in future funding or leadership exists and a new strategic plan is not yet plausible
- Requires review of results of existing plan as well as new areas to include

## **TRANSFORMATIONAL**

- Focused on growth – either in programming or geography
- Created when organization or community needs to go to next level
- Requires operational elements to be relatively stable and mature
- Requires community assessment of need

## **TURNAROUND**

- Focused on continuity – rightsizing mission with financials
- Created when organization has hit decline in lifecycle and needs swift action
- Requires competitive and community assessment

# Developing a Plan?

## WHAT ARE OPTIONS FOR DEVELOPING A PLAN?

### DEVELOP INTERNALLY

- Ensure that core team members have sufficient time and expertise to carry out role.
- Consider leveraging a plan template.

### DEVELOP INTERNALLY WITH A COACH

- Solicit proposals from at least 2 coaches.
- Select coach that best meets needs – and that you can work effectively with.
- Ensure that core team members have sufficient time and expertise to carry out roles.

### HIRE A CONSULTANT TO DEVELOP

- Solicit proposals from at least 2 consultants.
- Select consultant that best meet needs – and that you can work effectively with.
- Ensure that advisory team is actively engaged in decision-making.





## ORGANIZATIONAL DASHBOARD

Objectives	Activities	Deadline	% Complete	Owner(s)	KPI (Key Performance Indicators)
<b>IMPACT:</b> Operate as a data-driven organization utilizing research and insights in driving continuous improvement and deliberate growth	+Collect data & review via Continuous Quality Improvement (CQI) meetings	10.31.17	50%	Director of Programs	+Ongoing monitoring from baseline data for continuous improvement +Development of dashboard for each program focused on measurements that matter +Gaps in data are identified and resolved
	+Institute an opportunity assessment to guide program decisions so expansion and execution of services are mission-focused and seamless	08.31.17	100%	Mgt Team	+Opportunity assessment is used 90% of time to decide on official go/no-go decision +Staff report on survey that growth is managed properly

Objectives	Activities	Deadline	% Complete	Owner(s)	KPI (Key Performance Indicators)
<b>GOVERNANCE:</b> Cultivate a board who is active, serve as ambassadors, and are accountable to organizational goals	+Provide board experiences to engage board	Ongoing	25%	CEO/Mkt Chair	Offer at least 1 board experience a quarter with 55% attendance Share mission moments at 80% of board meetings Board reports greater comfort with storytelling
	+Adopt formal board commitments & use governance committee for training and accountability	08.31.17	75%	CEO/Gov Chair	75% of board attends meetings 80% actively serves on a committee 90% participate in at least one event 100% makes a financial contribution to organization

# Steps to Creating Plan

If you **don't have** a plan



If you don't have a relevant plan, start fresh & create a 2022 “action plan”

## Re-watch or review slides from past presentations and consider:

- Conducting any lifecycle assessment for a realistic view of current state
- Conducting a SWOT assessment and/or program review
- Brainstorming ideas learned from presentations focused on getting the “flywheel” effect
- Triangulate above & discuss possible future state scenarios – then ask:
  - What will best stabilize the organization?
  - What is the best use of the time & resources?
  - What is going to prepare you for the future?

# Template: SWOT Analysis

The most commonly used tool to conduct an organizational audit is the SWOT analysis, which is often used during the strategic planning process.

## STRENGTHS

- What do you (as a program or organization) do better than anyone else?

## WEAKNESSES

- What could you improve?
- What do others do better than you?
- What inhibits your ability to achieve success?

## OPPORTUNITIES





- Where are the good opportunities facing you?
- What are the interesting trends you are aware of?

## THREATS

- What obstacles do you face?
- What are other nonprofits doing that you should be worried about?
- What are funders doing that you should be worried about?

# Agency Name

## SWOT Analysis

Strengths			Weaknesses
<ul style="list-style-type: none"><li>• X</li></ul>			<ul style="list-style-type: none"><li>• X</li></ul>
<ul style="list-style-type: none"><li>• X</li></ul>			<ul style="list-style-type: none"><li>• X</li></ul>
Opportunities			Threats

# Template: Program/Event Review

## Background

Name	Brief Description	Start Date / History
XXX	XXX	XXX

Funding Source	Staff Involved and Roles / Location	Key Program Metrics
<ul style="list-style-type: none"><li>■ XXX</li><li>■ XXX</li></ul>	<ul style="list-style-type: none"><li>■ XXX</li><li>■ XXX</li></ul>	<ul style="list-style-type: none"><li>■ # served</li><li>■ % change</li></ul>



# Steps to Creating Plan

## If you **have** a plan



If you have a plan, start with it and create a  
“**bridge plan**”

### Take existing plan and evaluate each objective using assessment

- Continue anything needing additional work
- Sunset anything completed or obsolete
- Add anything needed based on current environment or new learnings:
  - Re-watch or review slides from past presentations and consider:
    - Conducting any lifecycle assessment for a realistic view of current state
    - Conducting a SWOT assessment and/or program review
    - Brainstorming ideas learned from presentations focused on getting the “flywheel” effect
    - Think about:
      - What will best stabilize the organization?
      - What is the best use of the time & resources?
      - What is going to prepare you for the future?

# Strategic Plan Assessment

## SAMPLE

Objective	Grade (A-D)	Decision (Complete, Keep, or Modify)	Comments CEO & Team
<b>Culture</b>  Cultivate a staff of team players who are positive and successful people committed to following best practices and excellence in programming	A	Keep	
<b>Diversity Goal</b>		Add	<b>New Goal:</b> Engage in an intentional process to integrate equity conversations into all decisions made at x

# Planning Process





## Q & A / Reflection





For additional info

**Social  
trendSpotter**

Latest Trends in the Social Sector

<https://socialimpactarchitects.com/blog/>

## CHECK OUT THESE ADDITIONAL RESOURCES:

### TOP QUESTIONS ON STRATEGIC PLANNING

[socialimpactarchitects.com/strategic-plan-qa/](https://socialimpactarchitects.com/strategic-plan-qa/)

### STRATEGIC AND/OR BUSINESS PLANS

[socialimpactarchitects.com/business-strategic-plan](https://socialimpactarchitects.com/business-strategic-plan)

### HIGH IMPACT + HIGH PERFORMANCE ORGANIZATIONS


[socialimpactarchitects.com/nonprofit-sustainability](https://socialimpactarchitects.com/nonprofit-sustainability)

### ACTION PLANS


[socialimpactarchitects.com/action-plan](https://socialimpactarchitects.com/action-plan)

### DASHBOARDS


[socialimpactarchitects.com/nonprofit-dashboards](https://socialimpactarchitects.com/nonprofit-dashboards)



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# Suzanne Smith, MBA

Founder & CEO, Social Impact Architects

## EDUCATION

- MBA, Duke University's Fuqua School of Business
  - Selected as CASE (Center for the Advancement of Social Entrepreneurship) Scholar
- Adjunct Professor – University of Texas at Arlington

## AWARDS & HONORS

- "Best for the World" Small Business List – B Corp, 2015 - 2019
- Tedx Speaker, "Everyone Can be a Changemaker," 2015
- Huffington Post's Top 10 Social Sector Blog, 2014
- Next Generation Social Entrepreneurs Award, 2010

## COMMUNITY LEADER

- **Dallas, Texas** – Dallas Commission on Homelessness, Mayor's Task Force on Poverty, Leadership Dallas, Leadership North Texas & Junior League
- Dallas Regional Chamber, Young ATHENA Award, 2014
- Dallas Business Journal's 40 Under 40 Award, 2012
- **Cincinnati, Ohio** – Founder, Flywheel: Social Enterprise Hub

# About Social Impact Architects

Social Impact Architects® is a social change agency that provides consulting and learning resources to changemakers, working alongside them to design creative and transformative solutions to social issues. SIA uses innovative, market-driven management tools to design cost-effective, pragmatic plans for our clients. We work collaboratively with our clients to ensure organizational ownership and improved capacity to sustain the solutions we help design.

## About SIA

- Created in 2009 to bridge the divides in the creation of social solutions between governments, philanthropy, and nonprofits
- Established as a Benefit Corporation; received Best in the World from 2015-2019
- While headquartered in Dallas, Texas, the firm works across the country with clients large and small with a focus on the middle of the country
- Leverages a diverse virtual team with masters and doctorate degrees from across the country speaking multiple languages

## Firm Expertise

- Authors **Social TrendSpotter** (@socialtrendspot), one of the sector's top blogs according to the *Huffington Post*. Known for its relatable way of blending important concepts and new ways of working with storytelling, **Social TrendSpotter** has been hailed by readers as "the only blog I read each week."
- **Social Impact Architects** has successfully contributed to system change and innovation projects at the local, state and national level. This process has been so successful that it was presented in 2015 at the U.S. Conference of Mayors as a best practice.
- **Social Impact Architects** serves in a number of advisory roles to government, including HHS's roundtable on social enterprise.



CEO, Suzanne Smith, testifying at the U.S. Conference of Mayors in 2015.