

# Session XI Readings

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Management & Strategy  
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**ASPEN  
IMPACT**



## What Is Strategy?

Strategy is about pursuing a clear, compelling, and focused direction.

A statement such as, “We will be the best senior care provider in Indiana” is not a strategy. “The best” is generic and the statement as a whole doesn’t say about how a nonprofit will achieve its aim. On the other hand, a direction and a set of actions are clear in the statement, “We will provide competent and comfortable home care to the seniors we serve across Indiana. We will do so through a mobile team of caregivers who have medical expertise, lightweight medical equipment, and a warm and empathetic touch.”

An effective strategy tells everyone where you are headed. “We are heading *this way*...and not *that way*.”

A strategy says something about the character of the enterprise, too. It answers the question, “Whom do we choose *to be*?” and just as important, “Whom do we choose *not to be*?”

A strategy is usually most sustainable when it seeks to *optimize* and *not maximize* resources. Do not grow just because you want to be larger. A more strategic and sustainable approach is to grow when, where, and how it makes sense to do so. A strategy may be ambitious, stretching your capabilities, while staying achievable. As the Irish poet Seamus MacManus advised, “Never extend your hand farther than you can withdraw it.”

Strategy is also about clarity and unity. Make sure the direction is easy for your team members and audiences to understand. If it is hard for you to say or remember, it may be too convoluted, in which case you should simplify its intention or its wording. Your strategy should also link and focus all teams in your enterprise. Every service, program, public communication, and initiative should support or advance your strategy. You can define mutually reinforcing goals, values, and standards to unify your activities.

If you want to turn your strategy into a plan, a key question, “*Where* do we want to be, *what* do we want to be, *when* do we want to get there, and *how* do we want to get there?”

An equally important question is, “Where don’t we want to be, what don’t we want to be, when can we stop doing what we don’t want to do any longer, and how can we transition away from our present and towards our preferred future?”

It may take some time to think through these topics, but the result should refresh and energize your team, and bring meaningful benefits to those you serve!



## Two Planning Processes to Consider

A **traditional strategic planning process** is usually linear and has these elements:

- A kick-off day when everyone is excited to think about the future
- A plunge into interviews, surveys, and statistics to learn what everyone thinks of the organization and what the landscape and trends are
- Conversations and debates among the board or a task force about the direction the organization should take
- Sessions to calculate resources and sketch timelines to advance the vision
- Formal board approval of the plan
- Public launch and communications about the plan

After the plan has been in operation for a while, a nonprofit might do periodic evaluations via its staff or an outside group. What is going well and what isn't? What impact is happening? What should be done the same or differently in the future?

A traditional strategic plan will typically set a direction for the next three to five years. Oftentimes it needs revisions after a year or so since something...like, say, a pandemic...might call for a modification or two.

### Traditional Strategic Planning Model

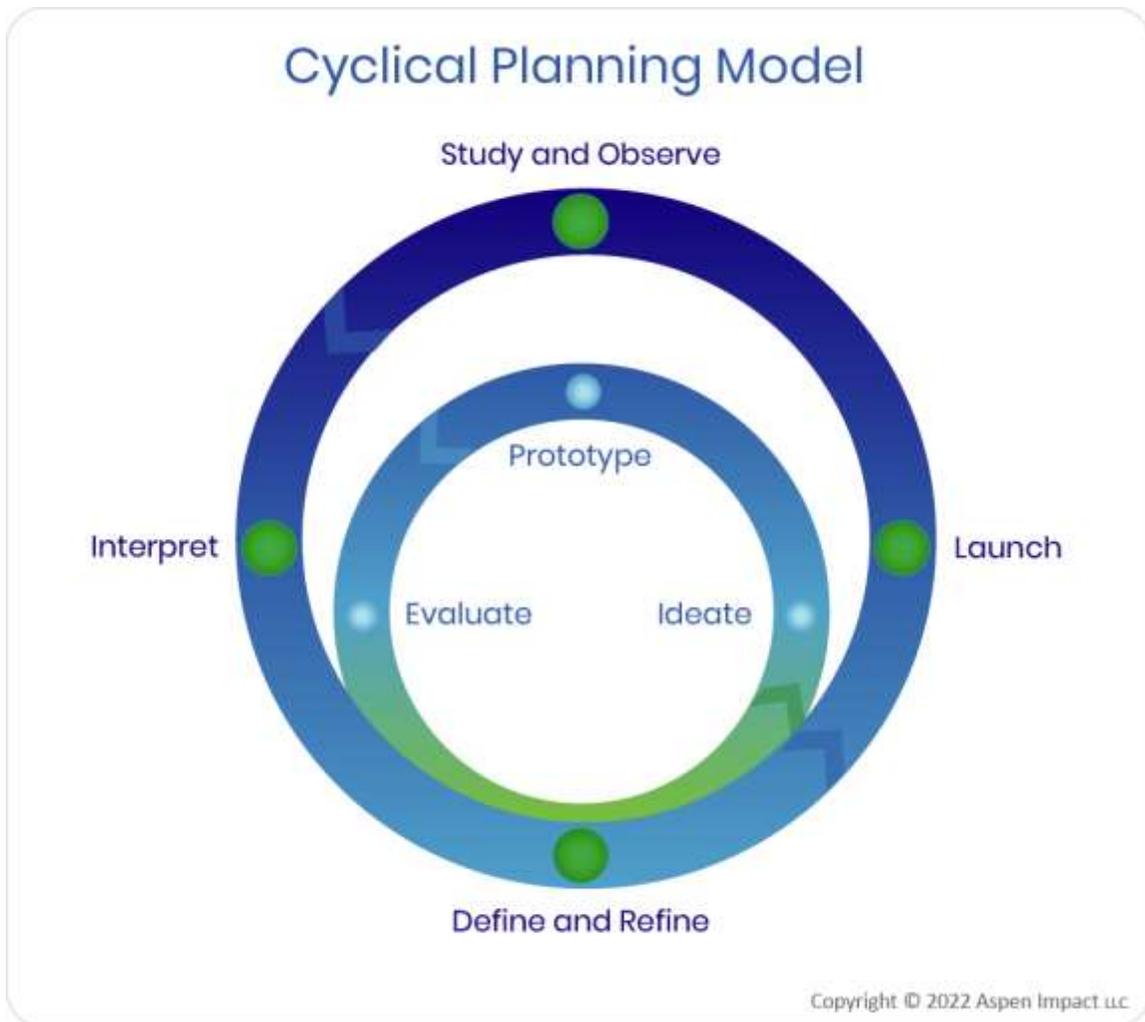


Let's think about this process for a moment. Is it a wise process? If you have participated in one, what did you like about it? What did you dislike? How effective was it (or wasn't it)? Should you and fellow Owls venture forth with strategic planning like this in 2022? Ponder these questions since we will discuss them when we get together!



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An alternative is a **cyclical planning model**. This model is based on the premise that it is unrealistic to expect the future to unfold in a predictable manner. Changes in staff, audiences, competition, funding, and technology, call for faster thinking. In a cyclical model, a team envisions tomorrow, but it also weaves testing and feedback loops into the process. In this manner, the enterprise can get a sense of what works – or doesn't – before it invests heavily in a given product, service, or overall strategy.



This process has some similarities to the traditional model, but also these differences:

- Creative thinking sessions in which the core team generates ideas about what the organization could offer, with the aims of both advancing a current strategy or testing a new one, and tackling the stated problem or opportunity
- Quick and cheap tests of how promising ideas would work, through rollouts of new services or methods to trial audiences



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- Team reflections about what the tests indicate about the organization’s potential to do something great, based on how community members have responded to early prototypes of the team’s ideas
- After a few rounds of reflection, redefining, ideating, and prototyping, the team decides to launch the most promising solutions to the broader community and then observes the demand and impact in the community
- The core team interprets the results and decides whether to do another round of problem-defining and solution-building

Each cycle may reinforce and advance earlier directions, or pivot toward new areas. There might not be a single, formal strategic plan, but instead a series of experiments and nudges that guide investments in services, methods, messages, roles, and infrastructure. If a funder asks for a strategic plan, a nonprofit might respond by sharing its newest “snapshot” of an evolving strategy or operating model.

This planning process could affect the entire enterprise or just guide the creation of certain internal or external initiatives. For example, an initiative could specify a new approach to community engagement, the rollout of a new service for a specific population, or the creation of a new staff education program. Any such initiative could reinforce or gradually adjust the overall strategic direction of a nonprofit.





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This cyclical approach fuels an “emergent strategy”: Since new opportunities and challenges could emerge at any time, the nonprofit can adjust and create new initiatives in an adaptive or opportunistic way. Through rapid prototyping and testing activities, a team can test and learn from its ideas faster than a traditional planning process would allow.

Think about how the cyclical approach might apply to your nonprofit. Would it be better look at the future as a series of focused and iterative tests and launches, or as a single enterprise-wide launch of a strategic plan? What would you lose or gain by taking the cyclical approach? We will discuss such questions during our Excellence Academy session, too!



*Cycle towards the future!*



## What Should Your Future Plan Include?

No matter what approach you take, build towards a certain set of features. These features can place your enterprise in a great position to deliver mission impact, manage resources effectively, and unify your team:

### Core Items

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- **Vision Statement**

Convey a clear and exciting long-term outcome. Say why this vision matters.

- **Statement of Values and Beliefs**

Say what principles guide your decisions and actions.

- **Community Impact Strategies** (Targeted towards the field outside)

List the challenges your clientele faces and say what you will do, broadly speaking, to address those challenges. These are crucial topics to cover:

- Root causes and the accompanying symptoms:
  - Identify factors at the heart of the social issues you will address. Cite your direct experience plus any research studies that have informed your analysis.
  - Decide whether you will address the symptoms or the root causes, and how you will do so.
- Nature of engagement:
  - Decide to focus on direct impact among your clientele or systems-wide impact across your field (recall the Impact Matrix from an earlier Excellence Academy session).
  - List the overall services you will provide. Recognize that it is often more effective to do three things than ten.
- Roles you will play, conceptually speaking:
  - Identify roles you will or won't play in relation to the challenges you have identified. Your nonprofit could, for example, act as a *direct service provider*, a *trainer* for practitioners, a *supplier* to another nonprofit, or something else.
- Summary of which audiences you will prioritize:
  - Identify the populations that will receive the bulk of your attention: These people might all have similar challenges (e.g., low mobility, low income, basic education) that you'll target.



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- Identify community partners with whom you will collaborate. Perhaps together you can deliver a suite of services to the community populations you share.
- **Enterprise Strengthening Strategies** (Targeted inside your doors)  
Address your top internal challenges through capacity-building efforts:
  - Define an inventory of skills and views your board and staff must possess for your nonprofit to advance its mission and vision.
  - Summarize the primary methods you will use to attract revenue, manage resources, and invest in your priorities.

- **Summary of Outcomes**

Decide what you'll track to you can gauge your progress and impact:

- Define what short- and long-term success will look like for your mission and your sustainability. What stories, images, statistics, and other indicators will you collect and study? What results will tell you whether you are on track towards your vision and priorities? What results would signal that you must change your aims?
- Be sure your desired outcomes are ones you can influence. If there are many other contributing factors, maybe you should redefine or simplify the outcomes you seek.



## Extra Content

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The above items by themselves could form an effective strategy for the future. You could supplement them with this content in an intro or appendix to your plan:

- **Resource Diagrams**

Show broadly how you will configure your people, places, materials, and technology to execute your strategy:

- Draw an organizational chart of your personnel.
- Draw a neighborhood map that shows your future service delivery area and the concentrated areas of need.
- Draw a flowchart of how money and other goods will flow from their sources to each major activity your organization will perform.

- **Trade-off Discussion**

- List alternative choices you could have made and your reasons for rejecting those options.
- Comment on how you'll distinguish your nonprofit from others that, on the surface, might seem to do what you do.

- **Dreamer's List**

Summarize ideas that your plan does not include, but that you will revisit periodically and perhaps add during the execution phase.

- **Ecosystem Map**

Shows the players in your field:

- Diagram how resources will flow to and from you and others.
- Draw icons with labels for service recipients, collaborators, funders, competitors, policy makers, and impact evaluators.
- Briefly forecast how this ecosystem could evolve. Say how will you evolve to thrive as this ecosystem changes.

- **Milestone Chart**

Show the dates and indicators that will mark your progress.

- **Team Roster**

List those who contributed to your plan as decision makers, idea generators, writers, illustrators, subject experts, funders, or feedback providers.



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## Who Should Help Map Your Future?

Get input from those who know you well, but don't stop there. It's just as healthy, and often more fruitful, to hear from people who will challenge your assumptions and stretch your thoughts. A well-designed planning process often has a small core team that meets regularly, augmented by periodic input from others. This is an example of such a model:



**Core Team** (eight or nine members who have deep and focused discussions and decisions):

- Two board members, including the Board Chair
- Two staff members, including the Executive Director
- Two clients who have experienced your services firsthand
- One funder who has supported your organization in recent years
- One or two people who are only generally familiar with you, but who are skilled at thinking about organizations and ecosystems as a whole



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## Input Teams:

- Staff members can gauge how achievable an idea might be in practice. They can also recommend methods that your clients would like and identify any bottlenecks or deal-breakers in an envisioned strategy.
- Board members, and possibly a few non-board committee members, can verify any emerging strategy would align with your mission and your board's priorities. They can also recommend resources to make the strategy more aspirational and more achievable.
- Your clients can comment on the usefulness and feasibility of emerging strategies. They can share their life contexts and recruit fellow community members to participate in any prototypes or launches that emerge from your process. They can also help you design strategies as active “co-creators.”
- Funders may affirm or deny their interest in strategies you are considering. Their approval might not be necessary for your success – in fact, their views could throw you off course – but it could help you attract support or avoid shortfalls through the strategies you select.
- Peer enterprises can share advice about what works and what doesn't. Their input could be crucial if you're thinking about adding services or client populations that are new to you. They can also comment on trends in the field that could match or undermine your vision.
- Journalists and researchers can share personal impact stories. They can also identify experts for you to consult, draw attention to root causes behind social issues, and help you think about the “big picture” for your field.

More people can provide more insights, but if you spend lots of time on these activities, your team may lose energy and focus. To reduce this risk, deploy a team (volunteers, staff, reduce the scale of your process to focus on a few questions, challenges, or opportunities at a time, instead of mapping out the direction of your nonprofit as a whole. Your approach could be akin to the cyclical model described above. Regardless of whom you involve, be clear, early in the process, about who will ultimately decide on your strategy.



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## Think Towards the Future

“The single most important skill needed for any CEO today is strategic acuity.”

*Indra Nooyi*

“Strangely enough, this is the past that somebody in the future is longing to go back to.”

*Ashleigh Brilliant*

“Be like a duck. Remain calm on the surface and paddle like hell underneath.”

*Michael Caine*

" The biggest barrier to originality is not idea generation, it's idea selection."

*Adam Grant*

" Lord, I ask not for a lighter load, but for stronger shoulders."

*St. Augustine*



## Tools to Guide Strategic Thinking

Strategic thinking can be simple, as in, “Our vision is to soak up sunshine in Hawai’i this spring. Our strategy is to a) save a week’s worth of salary this winter, b) fly from Indy, and c) walk from the Honolulu airport to the nearest beach.” You might need just one minute to come up with such a winning strategy – the alternatives of driving, biking, or swimming from here to there don’t require much debate.

In the nonprofit world, strategic thinking is complex, as in, “Our vision is to eliminate poverty in Hancock County by year 2025. Our strategy is to...uh...???” Since the variables are so diverse, it’s hard to pinpoint the causes of a problem, gauge which solutions would be most pivotal, or identify the best measures of progress and impact. To simplify, use matrixes, narratives, and frameworks. With them, you can spur insights, weigh alternatives, conjure up new ideas, blend concepts, test feasibility, or guide decisions. Here are some useful tools:

- Superpowers, Kryptonite, & Seismic Shifts
- Desirable – Feasible – Sustainable Wheels
- GHOST Framework
- Impact Matrix (see our Session 3 slides)
- Community Ecosystem Map (see our Session 3 slides)
- Evolution Chart (see our Session 3 slides)

The following pages describe the first three tools. The latter three are in our Session 3 slides.



*Use these tools with care!*



## Superpowers, Kryptonite, & Seismic Shifts

This tool is more fun than a SWOT analysis: it asks participants to think of your nonprofit as a superhero. Respondents can help your team choose a “superpower” to emphasize as your #1 focus for overall strategy or service delivery. E.g., a superpower could be a tight-knit network of farmers who bring fresh produce at consistent speed and quality to those you serve. Respondents can also help you defend against something that could damage or undermine your work. E.g., they might mention that a new set of health standards could prohibit you from processing food as you have in the past, in which case you could invest in new shipping, storage, or delivery methods. Respondents can also highlight community- or society-level factors that could alter your landscape. You could pivot before the shifts arise.

### Superpowers

What's our superpower?

How can we use it to save the city?

### Kryptonite

What's our greatest threat or vulnerability?

How can we protect ourselves?

### Seismic Shifts

What seismic shifts could shake things up?

As a result, what opportunities could surface for us?

### Bonus

Who is your favorite superhero?

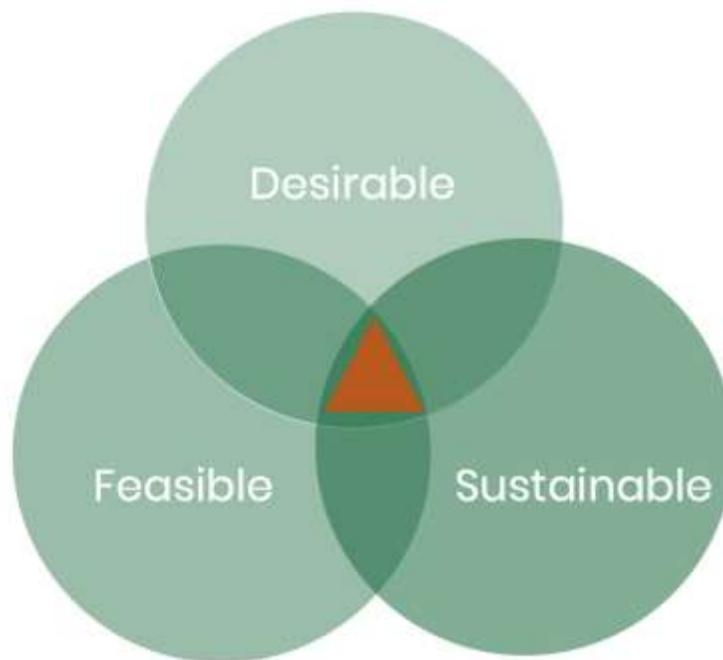


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## Desirable – Feasible – Sustainable Wheels

This tool can help you choose among the options you are considering for your future.

- Some ideas may be things you'd love to do, but might require way more skills and money than you have. They might be hard to maintain over time, too.
- Some ideas may be easy for you to do, but might not be things you or your clients want. They might be hard to maintain over time, too.
- Some ideas may be easy to replicate once they are up and running, but it might take too much money to reach that point. You or your clients might not like them, anyway.



Once you have developed a few intriguing concepts, score them on these criteria. If you design a prototype for, say, a new service, you could observe how easy it is for you to put the service into operation, how much demand it generates, how comfortable your staff is in providing it, and what challenges you sense as possible long-term vulnerabilities. With this diagram, you can quickly sort good and bad ideas. You don't need to score an idea across dozens of variables if these three criteria give you enough direction to pursue or halt an idea.



## GHOST Framework

This framework enables your nonprofit to summarize its top priorities, beliefs, and methods, and highlight operations that will turn a preferred strategy into reality. This tool is most useful once you have narrowed your ideas to the most promising and attractive ones.

Goal	Hypothesis	Objectives	Strategy	Tactics
What	Why	What	How	How
Broad goal you will pursue	Succinct reason for your goal	Specific output or result you will seek	Summary of your chosen solution	Specific activities you will undertake

Here is an example of how to fill in this chart:

Goal	Hypothesis	Objectives	Strategy	Tactics
What	Why	What	How	How
Ensure each family in Hancock County has a fresh and nutritious meal each day.	Fresh and nutritious meals will fulfill our mission of addressing food insecurity in our community, while also setting a desirable standard for quality.	Deliver an average of 5,000 fresh and nutritious meals per week to residents we define as poor (household income within 125% of the federally defined poverty level).	Source and deliver fresh food from local gardeners and farmers.	Deploy a fleet of vans to farms and gardens across Hancock and neighboring counties. Sustain this operation via “eat-1-feed-1” donation program among the general public.