Strategy for Non Profits
Non Profit Organizations: Creating a Process

Resources → Program → Services
Non Profit Organizations: Creating a Process

Resources → Program → Services

- $$$
- Used Furniture
- Volunteers

Assessment → Fumigation → Repair → Cleaning → Display → Delivery of Furniture
## Strategy Incorporates

**Mission**
Your purpose, the organization’s Raison d’etre.

**Vision**
What will the organization look like in 5 years; Describe its scale, scope, and contributions to the area it serves.

**[Values]**
[3-6 values defining the character of your organization.]

**Priorities, Principles**
- 10-12 axioms
- Parameters or guideposts for organizational behavior; informs leadership decision making;
- Key elements that make it work, describe your business model
- Incorporates [values], pillars of strategy, statement of competitive advantage,
To create

<table>
<thead>
<tr>
<th>Goals,</th>
<th>Objectives, Initiatives</th>
<th>5 year Financial and Operational forecast</th>
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| • Goals, overarching targets  
• If Goals are accomplished, Mission and Vision will be achieved | • Objectives, the building blocks of goals  
• Initiatives, groups of objectives, designed to support goals, or standalone | • Updated forecast reflecting the changes envisioned.  
• Operational Metrics  
• Financially |
Strategy Creating a Process that maximizes impact
More than a SWOT Analysis

**SWOT**
- Strengths, Weaknesses, Opportunities, Threats
- Static, Current State

**Strategy**
- Built on an imagined Future state, In various scenarios
- Validates your fundamental proposition, what you offer, who you serve, why they choose to be served, why the choose to be served by you vs. alternatives.
- Explains why resources granted you, will bring about a greater good
Informed by Future State of the World

### Needs
- How will the need evolve over time?
- New populations with same need? New geographies? New needs for the same population?
- What is driving these changes?
- How does the organization need to evolve to respond?

### Likely Evolution of other Organizations
- Other organization’s are in the area seeking to meet the same need in a different way?
- How will they likely evolve, what are they doing?

### Other External Factors
- Changes in Resource Base? Donors?
- Political? Regulatory
- Economic?
Strategic thinking….not just a Strategic Plan…

Strategic thinking…is about *synthesis*. It involves intuition and creativity. The outcome of strategic thinking is an integrated perspective of the enterprise, a not-too-precisely articulated vision of direction….

--Henry Mintzberg, Fall and Rise of Strategic Planning, Harvard Business Review 1994
Innovative Action

• Integrating the insights of the Assessments
• Leveraging on strengths; not what do I need, but what can I do with what I have.
• Use insights from those in the front line.
• “Ideate”
Safe place to challenge Assumptions

• Innovation often means destruction
• All organizations have cognitive Bias…assumptions woven into the narrative of why we do what we do, that are not true.
• Open to challenge, reforming, retesting
• Experiment (LOTSA)
Once invented: implement

- Choose Goals, Objectives, Initiatives
- Express them in a way you can be accountable
  - Specific
  - Assigned
  - Timed
Doing Strategy

- Define
- Assess
- Innovate
- Act
Questions
**Desired qualities in Services**: Offerings assuredly meets a meaningful need, for a growing population, with few alternatives

**Define:**
- What services do we offer?
- Who are services targeting? Demographically, Geographically?
- Why do the targeted clients value the service?
- Why do they value this organization’s service vs. alternatives?
Desired qualities in Services: Offerings assuredly meets a meaningful need, for a growing population, with few alternatives

Assess:
• Is there really a need? Why does it exist?
• How important is this need—in light of all the other needs in the world?
• Are the number of targeted clients growing or shrinking? Why? What could change that
• Is the need growing or shrinking? Why?
• For how long will the need exist?
• Do our organization’s services meet the need?
• Do they organization’s services work best in conjunction with other services?
• Can anyone else do it better? What do we do better than anyone else?
Desired Qualities in a Program: Effectiveness and Efficiency

Define:
- The steps, the process flow, in relative detail.
- Area’s of responsibility (who is responsible for which steps)
- Resource consumption (Money and Time), by step
**Desired Qualities in a Program:** Effectiveness and Efficiency

**Assess:**
- Is this workable? Can it create the service?
- Are the right people in charge of the right elements?
- Is it appropriately focused? Are all activities focused on delivery of priority services?
- What challenges do we face by our process? Are there any disadvantages?
- How could we accomplish the same results, with less resources, faster?
Desired Qualities in Resources: Abundant, easily accessible, and low cost.

Define:
- 5 to 10 resources which the organization can not exist without.
- Quantities needed; estimated cost
- Key competition for resources
Good Strategy: Resources

Desired Qualities in Resources: Abundant, easily accessible, and low cost.

Assess:
- Availability of the resource, by geography; Trend in availability over a 10 year period?
- Potential changes in competition for the resource over the next 10 years?
- Alternative ways of receiving the resource.
- Alternative resources that are more abundant, cheaper, more effective
Good Strategy: Self sustaining model

Donors and Volunteers
- Resources
- Receive?

What does your Organization do for your Donors of time and Money?
Transactional?
Transformational?
Non Profit Organizations: Good Strategy

Accurately assesses
• Environment in which this process operates
• Quality and character of the Organization’s programs and practices,
• Quality and availability of essential resources.

Acts upon those insights
• Innovated new ways of achieving greater success
• Leveraging strengths
• Minimizing exposure to weaknesses

Ensures effective and efficient delivery of meaningful services meeting a growing need on into the future
More than Donors

• We tend to focus on allocating time and energy in way calculated to return the greatest number of donor dollars.
• Applying that same thinking to the rest of the organization.
• Innovate ways of providing a maximum return to the donors who give you those funds.
Back to the Beginning

• Why does your organization exist?
• What do we offer
  – Clients?
  – Donors?
  – Volunteers
• How can we do more with less?
• Good Strategy, is transformational.