



IS YOUR ORGANIZATION AN OPPORTUNIST?

If not, you'll have trouble keeping abreast of today's unpredictable changes.

BY KATHRYN COLLINS VANDEN BERK

Strategic planning is not what it used to be. And it shouldn't be. We can't cope with a world of rapid changes if we cling to a

planning model that requires multi-year commitments built upon bedrock assumptions. The pace of today's business requires your organization to turn on a dime, and the goal of your planning process should be to create an organization that can do so.

This isn't such a departure as it first might appear to be. We're simply changing the nature of our assumptions. If, for example, we plan on the economy growing at a constant pace for an entire decade, then we plan around that expectation. If we plan for an economy that is *unpredictable*, then we plan around *that* expectation. We're planning in both instances. We just plan differently.

And as the future becomes harder and harder to predict, it makes sense for us to use the planning process to create an opportunistic organization.

What is an opportunistic organization? It's one that has the fundamentals so solidly in place that it can respond instantly to market challenges and opportunities. Its board and staff understand its functional elements and relationships

so well that they can quickly grasp the significance of evolving issues and bring new approaches to bear on the challenges presented.

Five Competencies of an Opportunistic Organization

If you'd like your organization to become more responsive and adaptable, you should structure your planning process around five basic competencies. They are:

- 1. Excellent Staff:** You should ask staff regularly what they value and need. If your recruitment, training, and compensation programs truly respond to staff members' answers, you'll never run out of ideas for improvement.
- 2. Cutting-Edge Programs and Services:** The cruelest cut is the loss of a cherished program or, even worse, a "cash cow." Yet, many organizations fall into the trap of failing to critically examine core services. If you aren't continually chal-

lenging your programs and services to be responsive to the market, you'll eventually find your organization sitting on the sidelines while others take over the field.

3. Financial Solidity: The world is risky enough. Don't add to risk by living on the financial edge. At a minimum, you should be achieving budget expectations every year and have adequate reserves for three to six months of operations. Your finance staff should regularly (and accurately) project financial cycles and cash flow needs. Your board and financial advisors should be financially savvy and fully informed about your financial position.

4. State-of-the-Art Buildings and Equipment: Many nonprofits feel that there's something wrong about putting money into facilities rather than programming. There's no glory in letting buildings and equipment fall into obsolescence because of poor maintenance or inadequate capital budgets. This ties back to excellence in programs and staff: You can't achieve "best practice" in second-rate work environments.

5. Leadership in the Field: Your board and senior staff should be circulating in the larger world. Their presence in trade associations and legislative hearings creates status and recognition for your organization. But more than that, your leaders will see the bigger picture, spot trends as they are happening, and bring back fresh perspectives and ideas to infuse your nonprofit with energy and enthusiasm.

Planning Steps: A Reminder

While this article isn't a treatise on strategic planning techniques, some steps are so critical that they deserve mention here:

1. Plan the Process Before You Begin. There's no substitute for careful attention to planning the process. Know what you intend to do before you do it!

2. Assess your Situation. Don't assume that you know what's going on, either within the organization or in the larger world. Go through the classic SWOT analysis (assessing Strengths, Weaknesses, Opportunities, and Threats). This is a great way to focus everyone's attention and reach consensus on critical issues facing you.

3. Link Each Plan Element to a Critical Issue. Create strategies to address critical issues unearthed by the analysis. Be frugal

with your time and energy. It's a waste to include non-critical issues in your plan. If there's no adverse result for not taking action, it isn't a critical issue for you.

4. Create Prioritized Goals and Action Steps. Again, address first those elements that are most critical to your organization. Don't condemn your plan to failure by trying to do too much at once. Your first-year's action plan should be achievable, have clear benchmarks for success, and tie accountability to a person or board committee. Develop your annual budget only when your action plan is completed.

5. Adopt and Implement the Plan. Translate your plan into annual work plans and build its elements into your performance evaluation systems. Include it in board and staff training and orientation. Summarize it in promotional materials. Monitor its effectiveness. Use it!

A Search for Meaning in an Uncertain World

The hallmark of good strategy is not the Grand Plan but the way it forces us to deal with change. And to build—and often rebuild—coherent meaning in the face of uncertainty.

There are no guarantees of success in this rough and tumble world. You can greatly enhance your organization's chances to succeed, however, if you use your planning process to develop those core competencies that will help you thrive in a world of uncertainty. ■

Selected Readings

*Barry, Bryan W., *Strategic Planning Workbook for Nonprofit Organizations. Blueprint for Success: A Guide to Strategic Planning for Nonprofit Board Members* (Video), National Center for Nonprofit Boards.

Bryson, John M., *Strategic Planning for Public and Nonprofit Organizations*, Jossey-Bass Publishers.

*Eadie, Douglas, "Master Change, Or Change Will Master You," *Nonprofit World*, July-August 1996.

Howe, Fisher, *The Board Member's Guide to Strategic Planning*, Jossey-Bass Publishers.

*Howick Associates, *The Compleat Facilitator*.

Kilmann, Ralph H., *Managing Beyond the Quick Fix*, Jossey-Bass Publishers.

*Muehrcke, Jill, ed., *Management and Planning, Leadership Series*.

*Rosenberg, DeAnne, "Eliminating Resistance to Change: The Magic Formula," *Nonprofit World*, September-October 1992.

Schwarz, Roger M., *The Skilled Facilitator: Practical Wisdom for Developing Effective Groups*, Jossey Bass Publishers.

*Starred publications are available through the Society for Nonprofit Organizations' Resource Center, included in this issue, or contact the Society's Resource Center at 6314 Odana Road, Suite 1, Madison, Wisconsin 53719 (608-274-9777).

A Word About Using Group Facilitation as a Tool to Build Ownership

The greatest impetus to the accomplishment of any strategic plan is the committed ownership of those who must implement it. Good facilitation of the planning process not only brings about the best plan, it builds consensus and buy-in that are critical to its ultimate success. Many grantmaking organizations recognize this, and will offer "organizational planning" grants to cover this cost.

Kathryn Collins Vanden Berk, J.D., has 17 years' professional experience with nonprofit organizations. She holds degrees in journalism and law from the University of Wisconsin-Madison and is licensed to practice law in Wisconsin and Illinois. She came to Illinois in 1995 to be president of the Allendale Association, offering residential treatment, special education, foster care, independent living, and clinical services, and held that position until 1997. Ms. Vanden Berk is a speaker on issues of leadership, women in management, the entrepreneurial nonprofit, organizational change and planning, and public policy. She may be reached at the Alford Group, 7660 Gross Point Road, Skokie, Illinois 60077.

Nonprofit World • Volume 17, Number 3 May/June 1999
Published by the Society for Nonprofit Organizations
6314 Odana Road, Suite 1, Madison, WI 53719 • (800) 424-7367