

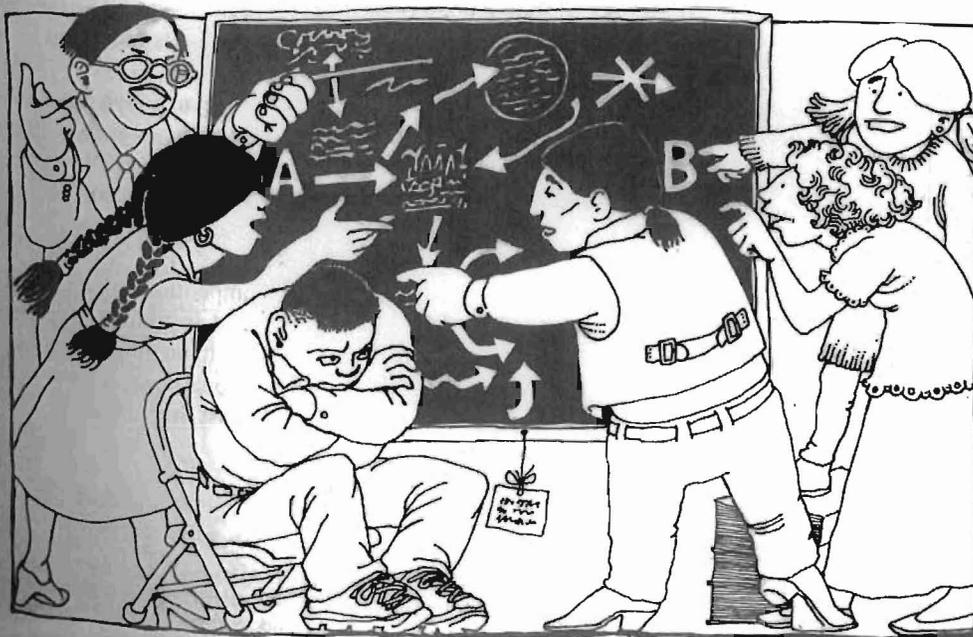
## Chapter 4

# Putting Your Purpose to Work: Planning Your Programs

*If you have built castles in the air, your work need not be lost; that is where they should be. Now put the foundations under them.*

—Henry David Thoreau

This chapter discusses a subject that can make or break a nonprofit organization: planning. Plans provide guidelines for making decisions in every area of an organization's operations, and serve as blueprints for achieving its objectives, its mission, and, hopefully, its vision. Nonprofits develop many different kinds of plans, but all good ones share these essential features: they



specify a time frame; they inventory the financial and human resources needed to achieve specific results in both the internal and external environments; and they detail how the plan will be implemented and the results assessed.

An organization's history can provide important information for the planning process, but plans can only be developed on the basis of information available and valid at the time they are drafted. Because internal and external factors constantly change, they become out of date almost immediately. It is essential, therefore, that both well-established nonprofits and fledgling efforts regard plans as living documents to be reviewed frequently and modified as circumstances change.

Planning is critical to a start-up's ability to present itself clearly and convincingly to its emerging constituencies, to initiate a track record of successful program delivery, to secure the resources it needs, and to establish its credibility. Mature organizations must also engage in planning because their ongoing success depends upon continued efficient utilization of resources and delivery of products and services. Further, planning ensures that an organization will be driven by its vision, and not the quest for funds. Below is an example of an organization that did not plan, became fund-driven, and while still doing good work, failed not only to accomplish its original mission, but may have endangered its future.

Despite the fact that the organization described below is no longer aligned with its founders' vision, it still provides valuable services. However, if organizations with similar histories do not formalize their mission by means of a long-range plan, they are unlikely to develop a stable base of support. Instead, the organization may be forced to change its focus constantly in order to secure funding from new sources for new programs, as present funders will be unlikely to renew their support of an organization that lacks a clear mission or plans for its achievement. In the case described below, continued lack of planning may ultimately cause it to lose its focus and identity, and jeopardize its future.

In an earlier chapter, we used the March of Dimes to illustrate how an organization can evolve when its vision is realized (the eradication of polio) and it develops a new one (a world without birth defects). Unlike the constantly changing mission of our example, the March of Dimes' new vision was arrived at consciously, and work toward its realization proceeded according to a long-range plan. As a result, the March of Dimes continues to be supported by the same funding sources that helped it achieve its initial vision.

In today's climate of reduced government support and increased competition among rapidly growing numbers of nonprofits and NGOs for funding, individual and institutional funding sources are becoming more rigorous in their funding decisions.<sup>1</sup> As a result, nonprofits are seeking to become more businesslike by applying practices more traditionally associated with for-profit corporations; careful, thorough planning is one of the most important of these practices.

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1. See Lester M. Salamon's report for the Nathan Cummings Foundation, *Holding the Center: America's Nonprofit Sector at a Crossroads*, for a perceptive and provocative discussion of this and a wide variety of other challenges and trends. (*Holding the Center: America's Nonprofit Sector at a Crossroads*. New York: Nathan Cummings Foundation, 1997. Available from the Foundation Center, 79 Fifth Ave., New York, NY 10003 and [www.fdncenter.org](http://www.fdncenter.org)).

## Case Study

### Morphing the Mission

Operating out of space donated by a church, two students, two tenants and one long-time housing advocate started a tenants' rights group in a low-income urban neighborhood. After negotiations for improvements to the tenants' building fail, the group organizes a rent strike that attracts considerable publicity and, after only two months, the landlord makes the improvements. Heartened, the group focuses its attention on the next apartment building. The all-volunteer group's limited financial needs are met by the church and by passing the hat at tenant organizing meetings; their publicity occasionally attracts unsolicited donations.

One day, the organization receives a foundation grant for \$10,000 and uses the funds to hire a part-time manager to solicit more grants. Although inexperienced in community organizing, the manager quickly generates \$45,000 in additional grants, becomes full-time, and the founding group rents a storefront office to continue its successful organizing work.

The manager's first task should have been to create an organizational plan. Priorities established by the plan would have determined: 1) Whether the \$45,000 should have been allocated to salary, or to organizing more buildings, thus fulfilling the group's original intention and building a stronger track record; 2) the need to incur rental and other office expenses. Presenting a plan to the foundation and asking for feedback would have built the relationship by evidencing the organization's foresight and fiscal responsibility.

Looking to the future, the group decides to create an income stream by writing and marketing a manual on tenant organizing based on its impressive track record. The foundation they approach to fund the manual asks that a unit on researching housing, family, and neighborhood demographics be included. Although not convinced of the value of such a unit, the manager and group agree on its inclusion since the foundation is willing to contribute \$75,000 a year for two years to fund the manual.

Lacking a plan, the group launched an earned/venture income initiative rather than leveraging its two foundation grants to solicit additional support from individuals, businesses, and more foundations, and building a governance infrastructure. A plan outlining development activities and detailing staff and volunteer

time allocation would have helped build a fundraising base without diverting human resources from the group's mission. The organization's agreement to undertake research in order to secure the \$150,000 foundation grant now indicates that it has become fund-driven, rather than mission-driven. A plan would have determined whether research was part of the organization's mission and, if so, where it fit into the program priority list. The plan could have served as a point of reference in the group's conversations with the foundation that asked for the research component, resulting, possibly, in a grant more in line with their mission.



Grant money in hand, the organization hires a research firm and follows its suggestion that tenant groups be created in each building to do the advocacy work while the group itself dedicates itself to research. At this point, the founders have moved on to other things and the director creates an independent tax-exempt entity with its own board of directors. A foundation previously approached for the research grant then expresses interest in funding leadership development training and makes a grant. We leave this group as it moves out of the neighborhood where it had done its tenants' rights organizing to larger offices in a more upscale neighborhood and hires two more staff members.



At this point, the funding tail is wagging the organizational dog, so to speak. Its mission already altered by adding the research element, the organization takes another step away from the founders' vision by accepting funding for leadership training. Should they visit their creation at this point, the founders might well wonder how many disadvantaged tenants living in substandard housing were being directly served by the now fully staffed, well-supported, and well-housed organization.



Now financially stable, the organization continues to this day doing research, writing, publishing, and training on issues related to community organizing, tenants' rights, and urban, low-income neighborhoods.

—Kim Klein. Taken from the *Grassroots Fundraising Journal*, April 1999. Used by permission.

## What Are the Advantages of Planning?

The advantages of planning include the following:

1. Planning forces an organization to establish program priorities so it can most effectively use its limited resources, challenging the notion that a group should do everything.
2. The planning process requires that an organization ask and answer specific long-term questions, such as:
  - Why do we exist?
  - Whom do we serve?
  - How will we make a difference?
3. Planning gives an organization a blueprint to chart its own future.
4. Planning improves communication at all levels within an organization, generating greater participation, trust, and results.
5. Planning saves time. Either time is invested in the planning process before a project is launched, or time must be spent later on labor-intensive remedial activities to solve the problems resulting from the initial lack of planning.
6. Planning maximizes an organization's human resources by defining the specific roles of staff, board, and volunteers.
7. Planning provides staff and board with criteria to measure their effectiveness.

## What Are the Perceived Disadvantages of Planning?

The perceived disadvantages of planning include:

1. Planning creates long-range solutions but does not immediately solve impending crises. It is difficult for an organization to think about long-range planning when, for example, its payroll for the coming month is not in hand.
2. Planning creates change, and change can be threatening. Many people are comfortable with the status quo and resist change, even when it may be for the better.
3. Planning is time-consuming and requires considerable thought before action can be taken. Nonprofit leaders are usually doers and activists, impatient with the problems they see and anxious to take immediate corrective steps.
4. Some organizations perceive that planning is:
  - restrictive, discouraging creativity;

- inflexible, limiting an organization's ability to take advantage of new developments;
- misleading, and based on future conditions whose certainty is unknown.

On the contrary, planning supports creativity by turning creative ideas into reality. Plans also provide guidelines for determining whether new developments—funding, program, or other—are in line with an organization's mission. Rather than limiting a nonprofit's ability to respond to new opportunities, plans help identify the ones that will support its mandated work. Finally, plans ensure that an organization's programs will be expressions of its vision and mission, rather than expressions of leadership's fears about the availability of resources in the future.

## Short-Term and Long-Term Planning

The two basic kinds of planning are short-term and long-term (also called long-range, or strategic) planning. Short-term planning takes two forms. Start-ups develop an organizational and program plan for one year and may sketch plans for a second. Short-term plans are also drafted to detail the step-by-step implementation of long-term plans developed by more mature nonprofits. Long-term planning looks forward three to five years or longer, states where the organization wants to be at that time, and outlines how to get there. Organizations engaged in long-term planning (many do so on a regular basis) will then work backward, so to speak, and develop shorter-term goals and plans for all areas of its operations.

The concepts and vocabulary of planning can be daunting, but the many short- and long-range plans that individuals routinely make in their own lives show that planning need be neither onerous nor off-putting. Planning a shopping excursion, for instance, includes virtually the same elements as a short-term organizational plan. After the goal of the excursion has been decided (what to buy); a strategy is developed (check which stores have the merchandise, get in the car, buy gas, pick up a friend, and go); a budget is created (how much can be spent); responsibility is assigned (who will do the shopping); and a timetable is established (when the shopping will be done).

Plans must be flexible. Decisions may have to be made during the excursion if one store is out of an item; if the price has gone up past what you were prepared to spend; if you remember something that had been left off the list; or if a family emergency arises and the shopping must be cancelled. Finally, you can evaluate how effective your plans were by asking how you might have done the shopping more quickly (by ordering some items from a catalog for home delivery, or shopping on-line); if you could have spent less money (by looking through ads in the paper or reading consumer publications); or if you could have saved time by calling ahead to be sure an item was available.

Longer-range plans made by individuals and families also resemble those made by nonprofits. Planning the purchase of a major appliance, car, or home; undertaking financial planning to make sure college tuition is available; planning for retirement; and preparing and

updating a will—all are familiar examples of long-range planning, and all require a similar planning process.

Our discussion of short-range and long-range planning will include these considerations: purpose, preparation, process and timeline, parties involved, and implementation and monitoring. Finally, we will consider an essential element of the planning process: evaluation, or self-assessment. We have already pointed out that as the number of nonprofits seeking funding grows, and as government funding declines, it is increasingly important that organizations be able to demonstrate the effectiveness of their work. Evaluation is an important tool organizations can use to improve the quality of their work, and to prove their worthiness to present and potential funders.

## **Short-Term Planning for New Organizations**

There are so many things for a start-up to do—seemingly all at the same time—that planning can seem more of an inhibitor of action than an enabler. Founders are frequently people of action, anxious to get going and to feel that they are making progress. But while spontaneous action creates immediately gratifying movement and momentum, only action directed by thoughtful planning can create lasting progress and structure that can be built on. Founders would do well to “make haste slowly.”

An organization planning for its first year of operation should follow a sequence of logical steps similar to the following:

### ***Step 1. Decide To Plan***

Successful planning requires the support and participation of the start-up organization’s core group, including its founder(s), board of directors, and other key individuals. A less-than-full commitment to the process means that any plans that are developed are unlikely to be implemented. Just as the process described in Chapter 1 for creating vision and mission statements can be a unifying experience, the planning process for an emerging organization’s first year can bind the participants together.

### ***Step 2. Assign Responsibility for Planning***

If there are enough members of the core group, a committee can be created to undertake the planning process. Start-ups would be well advised to solicit the participation of outside people with nonprofit and planning experience. In addition to bringing their experience and expertise to your planning process, they may become interested in your work and eventually become volunteers and contributors. Make sure that all those who participate in the planning process are aligned with your vision and mission.

### ***Step 3. Assess the Extent of the Problem and/or Opportunity***

An essential part of program planning is the clear identification and assessment of what the organization aims to address. Either before or during the planning process, an organization must understand the problem or the opportunity thoroughly in order to design sound, relevant

programs. Information-gathering might involve researching the existing literature on the issues as well as holding in-depth discussions with both constituents and key informants. This stage of program planning is sometimes described as undertaking a needs assessment.

Remember that your assessment should flow from your stated mission and should set the stage for the subsequent objectives and programs that you will develop. Your analysis should also consider similar efforts undertaken by other organizations. If you do not include these groups in your appraisal, you cannot establish a unique course of action for your own programs, and you will therefore diminish your chances of receiving adequate funding and ultimate success. Make sure you ask questions such as:

- What would be the value added of our work?
- What would differentiate us from other organizations in the same field of endeavor?
- What unique niche might we fill?

#### ***Step 4. Set Program Objectives***

Needs assessment provides data that helps an organization set objectives. An objective—the desired outcome of a program—should be stated in the form of the specific change or result an organization seeks, or a list of the services it plans to deliver. Objectives also provide benchmarks by which organizations and potential funders can gauge progress and effectiveness. Too often, objectives are confused either with broader goals that might be found in a mission statement or with methods of accomplishing objectives.

In order to qualify as an objective, a statement needs to be SMART—Specific, Measurable, Achievable, Realistic, and Time-limited. Accomplished objectives become your history, a track record that inspires donors to trust your organization to accomplish what it has set out to do. Here are some examples of clear objectives based on needs assessment data:

- To increase the reading skills of five hundred ten-year-old children in our three school districts so that all read at or above grade level within two years, and through this project to ensure that 90 percent of school-age children in our community will always read at or above grade level.
- To decrease the incidence of teen drug abuse in our neighborhood by 50 percent in one year by providing a basketball court that can be used day and night.
- To lessen the loneliness and isolation of homebound seniors in our town through a visitor program that will match one hundred volunteer visitors with one hundred homebound seniors for weekly visits and monthly outings.
- To perform three concerts between September and May so that at least one hundred children from each of the four local elementary schools can be introduced to the traditional music of India, the Andes, and Azerbaijan.

The results of programs with such clear objectives can be easily measured:

- How many school-age children have advanced their reading skills?

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- How much has the rate of teen drug abuse declined?
- How many seniors have become involved in social activities?
- How many children from each school attended the concerts?

By setting clear objectives, organizations can more effectively prioritize and focus their activities, optimize their limited resources, and evaluate their success.

#### ***Step 5. Design Programs***

At this juncture, you can proceed to plan programs—developing the sequence of activities that will advance your objectives. All too often, organizations make this Step 1, overlooking the vital previous steps that ensure that all programs are linked to the organization's objectives and will further its stated mission. Programs initiated without thorough research and preparation may accomplish some good yet not achieve the specific results the organization seeks.

In designing programs, be specific. Think of your programs as strategies or maneuvers that will best position your organization to accomplish its objectives. During the design process answer the following questions:

- What are you going to do? Enumerate all the tasks involved.
- How are you going to do it? Do you need any special expertise?
- Where is it going to take place? Locally? Nationally?
- Who has the responsibility for implementation? Staff? Which staff? Others?
- When will the program take place? When will it start, and when will it end?
- How much is the program going to cost in terms of both staff and nonpersonnel expenses?

Thorough, effective planning answers all these questions. The what, how, where, who, and when of any program may have been imagined at one time or another, consciously or otherwise, with or without formal planning. But deliberate program designing enables an organization to control the program planning process from start to finish and creates a powerful end product to guide its activities.

#### ***Step 6. Develop a Work Plan***

By accomplishing the previous steps, you will have gathered the data needed to create a work plan, a checklist of tasks and deadlines that provides an organization with an invaluable tool for undertaking its work in a systematic fashion. Once established, the plan clarifies the responsibilities each party must fulfill to make the project happen, and can serve as an informal contract between staff, board of directors, and funders.

To develop a work plan, list all the tasks involved in carrying out a program, organized by function. For example, group all printing or promotion or organizing tasks together. Next to each task list the name of the party or parties responsible. Then, chart out the optimal timeline for the

completion of the entire program, including all the tasks enumerated. The following charts provide examples of work plans for two particular programs.

### Sample Work Plan A

Establishing a Program to Meet the Needs of New Immigrants to Our Community

Tasks	Who	When: Timeline											
		Sept.	O	N	D	J	F	M	A	M	J	J	A
1. Reviewing Mission Statement	Staff/Board/Committee		----->										
2. Undertaking Needs Assessment	Staff/Volunteers			----->									
3. Setting Program Objectives	Staff/Board/Committee					----->							
4. Designing Program	Staff					----->							
5. Seeking Financial Support for Program	Board/Staff								x-----x-->				
6. Implementing Program	Staff/Volunteers									x-----x----->			
7. Monitoring and Evaluation	Board/Staff										----->		

#### Step 7. Monitor and Evaluate Progress

Common sense is the rule in this last step. If a certain set of tasks is not completed on schedule, find out why. Elicit thoughts and suggestions from the responsible parties and involve them in the monitoring and evaluation process. Ask questions such as: Did we underestimate the amount of time necessary to complete the task? What corrective action needs to be taken? Do we need to reset any deadlines for completion of the project? The thrust of monitoring a project's progress is to enable all involved to do their jobs most effectively. Take care to make the tone of these conversations positive and nonjudgmental.

It is best to establish in advance the criteria you will use to evaluate your work. State objectives clearly so that staff and volunteers know your expectations and the criteria by which their work will be measured. Also, schedule in advance those times when the program will be evaluated (three months, six months, twelve months, and so on).

### Sample

#### Organizational

#### Tasks

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### Sample Work Plan B

#### Organizing a National Tour of "X" Theater Company

Tasks	Who	When: Timeline															
		Sept.	O	N	D	J	F	M	A	M	J	J	A	S	O	N	Dec.
1. Establish Purposes of the Tour	Board/ Staff																
2. Map Out Schedule of Appearances	Executive Directors/ Logistics Coordinator																
3. Select Plays to be Performed	Artistic Director																
4. Commence Fundraising	Board/ Executive Director																
5. Organize Tour Publicity	Publicity Coordinator/ Local Publicists																
6. Organize Local Publicity	Local Contacts																
7. Rehearse Performers	Actors and Cast																

### Long-Term (Strategic) Planning<sup>2</sup>

While an organization's vision and mission statements will guide its work at every stage of its development, few start-ups expect to fulfill their mission and realize their vision right away. Their focus must necessarily be on taking the first few steps in that direction by beginning the work, by developing support and structure, and, most important, by staying alive. These priorities, combined with uncertainty regarding people, program success, and funding sources, make planning for one year only—and perhaps outlining a second—the most appropriate approach for new initiatives.

2. For more help on this stage of planning, see *Strategic Planning Workbook for Nonprofit Organizations*, published by the Amherst Wilder Foundation, 1997. This resource has a number of helpful worksheets and sample plans, as well as suggestions on how to compile all the information needed for proper program planning.

Nonprofits and NGOs already delivering programs, developing new ones, and leveraging their human and financial resources can—and must—take the longer view. Achieving their mission and vision is a long-term undertaking that requires planning that looks three to five, and perhaps ten, years into the future. Some organizations, such as the YMCA of New York, engage in this process every year. Most nonprofits will use their current fiscal year as the base year, and the next fiscal year as year two of the plan. Long-term plans have elements in common with short-term ones, but a more mature organization's scope requires a more rigorous process.

There are different approaches to long-term planning; materials describing some of them are listed in the Additional Resources section of this chapter. By reviewing these resources, speaking with experienced planners in both the nonprofit and for-profit worlds, and studying the long-term plans of similar organizations, you can identify the most appropriate approach for your organization, modify it if necessary, and apply it to your work. The following overview of long-term planning can serve the leadership of start-ups by providing a glimpse of the planning work to be done once their organizations are up and running, and can suggest considerations and approaches that might be relevant even at the incorporation stage. For those embarking on their first long-term planning exercise, the outline provides an overview to help put each step of the process in perspective. Finally, for those who already have done long-term planning, the overview may serve as a useful checklist and review of the basics. The process is divided into three phases: preparation, drafting the plan, and review and approval of the plan.

## Phase 1. Preparation

### *Step 1. Decide To Plan*

The short-term planning process usually begins when a start-up's core group agrees that planning should take place. For long-term plans, a formal decision to plan is made by the board, either because the bylaws require periodic planning, because the latest long-term plan has expired, or because board or staff leadership has recommended it. The decision specifies the term of the plan, usually three, five, or ten years. One person should oversee the planning process to make sure that all necessary steps are taken according to an established schedule.

The board can create a committee of its members to work with staff, or the executive director can set up a staff-level committee to make recommendations to the board. In either case, the committee solicits input from others; ultimately, everyone in the organization plays some role in planning. The greater the board's involvement in the planning process, the greater will be its investment in implementing the plan. A retreat facilitated by a planning expert may help inspire and guide the planning process.

### *Step 2. Review Vision and Mission Statements*

Before beginning the planning process, initiate an organization-wide review of your organization's vision and mission statements to make sure they still capture the essence of the group's prime purposes. These statements provide the litmus test for all planning decisions, and because the external conditions that affect a group's intentions are constantly in flux, reviewing an organization's founding statements is always in order.

### Step 3. Survey the Environment

Long-range planning requires that an organization consider both the internal and external environments in which it operates from several perspectives.

- **Competition.** Which organizations have a mission similar to your own? Are you aware of any new developments or new organizations? Are any organizations planning to close, thereby creating an opportunity for your organization to expand, hire laid-off staff, and expand its donor base?
- **Overall economic trends.** How do this year's economic indices compare with last year's? With projections for next year? Will changes affect your fundraising and earned income efforts? Are there specialized indices you should consult in this regard? What effect do you think long-term economic projections will have on your organization?
- **Field trends.** Has your reading of periodicals highlighted any significant developments or trends in your sector that should be considered in your planning? If you belong to a professional association, do their statistics or reports indicate growth and increased funding in a particular program area? Are any areas clearly on the wane?
- **External opportunities and threats.** Does your survey reveal potential major opportunities or significant threats? If you operate a homeless shelter, you must know if a law may be enacted to sweep your city's homeless off the streets, and that funding is available for new residential care facilities. If you are an arts organization, you should be aware of a movement gaining momentum at the board of education to eliminate arts education in the schools; you might work to stop the movement, or prepare community education programs to replace any that are cancelled.
- **Public sector.** All organizations (especially those receiving substantial support from or having significant contracts with units of government) will want to stay informed about political developments at all levels—and not just at planning time.
- **Social, cultural, and demographic trends.** What are the local, regional, national, and international trends that you should take into consideration? If the population you're serving is shrinking, building a new facility may not be a high priority. But if a local ethnic population is reviving its culture, say, or if immigrants are an increasingly large part of your community, you need to be aware of those changes so that you can plan to diversify your board membership or hire new staff with native fluency in the immigrants' language.
- **Strengths and weaknesses.** Make an honest inventory of your organization's strengths and weaknesses. Examine such areas as program quality, staff professionalism and effectiveness, board composition and participation, committee effectiveness, advocacy efforts, community relations, prospect cultivation,

marketing, and so on. Also consider such factors as adequacy of space, computer hardware and software, communications capability, staff morale, and the like. Solicit opinions from a variety of people who serve within your organization, as well as from a few who do not.

## Phase 2. Drafting the Plan

### *Step 1. Solicit Recommendations*

Board members should write a description of how they see the organization three (or five or ten) years from now. Staff members, including program directors and managers, should also write down what they would like to see happening in their area three (or five or ten) years down the road. For now, money should not be a consideration so that creative thinking is not inhibited. This is the time to dream. Each respondent should be given a report discussing the findings of the environment study (described in Step 3 of Phase 1) so that all are working under the same set of assumptions. Using the same forms for staff assessment and recommendations will also facilitate the process of writing the plan.

### *Step 2. Assemble the Recommendations for the Board*

After the staff considers the recommendations from the standpoints of priority and timing, the recommendations then should be merged into a single document. The document should be sent to board members well before their meeting so that the ensuing discussion will be more informed, and any preliminary questions can be clarified by the appropriate staff or planning committee member. At its meeting, the board should focus on the worthiness of the recommendations solely in the context of the organization's vision and mission; financial considerations should still not enter the discussion. The key question is, "If funds were available to implement these recommendations, is this the very best we can do?"

### *Step 3. Elaborate the Plan and Create Budgets*

The board then returns the document to the planning coordinator (or committee, or designated staff member) with its own recommendations so that the plan can be worked out in detail and budgets developed. It is essential to develop an operational component to the plan, whereby responsibility is assigned for tasks and objectives, deadlines are set for their achievement, and monthly, weekly, and perhaps even daily benchmarks are established. Without the "how" provided by the operational plan, the "what" of a long-range plan will never be achieved.

After the board's finance committee analyzes the soundness of the figures, the fundraising committee considers the proposed financial goals in light of the organization's present and potential sources of earned and contributed income. Those committees may choose to develop several budgets based on different income projections, and ask that the recommendations be adopted subject to revenues raised.

### Phase 3. Final Review and Approval of the Plan

#### *Step 1. Board Review and Final Modifications*

Once the planning staff adapts the initial recommendations to the different budget models, the revised versions of the plan are sent to board members. The board discusses the plans at a meeting and then forwards them to management so that any board-suggested modifications can be made. It may prove helpful for the organization's director and the chairs of its finance and fundraising committees to review the plans at the board meeting and answer questions that arise.

#### *Step 2. Final Redraft and Vote*

After the latest modifications have been made, the several versions of the plan, now in their final form, are sent once more to the board. A formal vote is held on which version of the plan will be approved. Versions of the plan projecting less revenues than the approved version should be ready for implementation in the event that fundraising goals are not met.

### Planning and Fundraising

Careful program planning increases the likelihood that a project will find support. Today, funders are reading proposals with heightened attention to the quality of the submitting organization's planning process. They are demanding that an organization's management be as solid as its vision is inspiring. With this in mind, note that the planning process parallels some of the major components of writing a proposal: stating the problem or assessing the needs; setting program objectives; describing program methods and the evaluation plan. (A resource with more information about integrating program planning with the proposal writing processes is *Program Planning and Proposal Writing*, by Norton J. Kiritz, published in reprint form by the Grantsmanship Center, Los Angeles, California, [www.tgci.com/](http://www.tgci.com/)).

You will find that your planning work also will aid you in writing copy for annual campaign and promotional materials (brochures, direct mail letters, case statements, etc.). Board members and staff also will be able to use some of the data gathered in presentations to inform prospective donors and others.

Finally, once reported, the results of your work will demonstrate to both your individual and institutional supporters the value of their assistance. They will then see the return on their charitable "investment" and be likely to renew their support and speak well of your work. Careful forethought when planning programs increases the likelihood of their success in advance of their execution, and aids the fundraising process as well.

### Tips

- Proper planning takes time. Ultimately, not having a plan is more time-consuming.

- Program planning precedes any successful effort to raise funds. Donors want to know what specifically your group will do to address the need you have identified.
- The most important part of the plan details the objectives. From objectives you can create a work plan and evaluate work already done. Objectives are SMART—Specific, Measurable, Achievable, Realistic, and Time-limited.

## Additional Resources

### Publications

Allison, Michael. *Strategic Planning for Nonprofit Organizations: A Practical Guide and Workbook*. New York: John Wiley & Sons, 1997. 277 p.

Arsenault, Jane. *Forging Nonprofit Alliances: A Comprehensive Guide to Enhancing Your Mission through Joint Ventures and Partnerships, Management Service Organizations, Parent Corporations, Mergers*. San Francisco: Jossey-Bass Publishers (Nonprofit & Public Management Series), 1998. xvii, 198 p.

Barry, Bryan W. *Strategic Planning Workbook for Nonprofit Organizations*. rev. ed. St. Paul, MN: Amherst H. Wilder Foundation, 1997. x, 129 p.

Clearly written workbook describes the step-by-step process for developing and effecting a strategic plan. Numerous worksheets and planning tips help both experienced nonprofit executives and volunteer leaders envision the future of their organization and construct the best path to reach that goal. Appendices include an example of a strategic plan and a bibliography.

Brinckerhoff, Peter C. *Social Entrepreneurship: The Art of Mission-Based Venture Development*. New York: John Wiley & Sons, 2000. xvi, 238 p.

Brinckerhoff states that nonprofits are mission-based businesses, not charities. He defines social entrepreneurs as “people who take risks on behalf of the people their organization serves,” and in this book he seeks to teach business development skills in order to facilitate successful risk-taking ability. Since planning is an essential first step in the process, details are provided for developing a business plan, including financial projections, for a nonprofit. Numerous worksheets, charts, and examples are given. Indexed.

Bryce, Herrington J. *Financial and Strategic Management for Nonprofit Organizations*. 3rd ed. San Francisco: Jossey-Bass Publishers (Nonprofit & Public Management Series), 2000. xxxviii, 776 p.

A comprehensive desk reference organized into five parts. Part One focuses on the mission or purpose of a nonprofit; maintenance of tax-exempt status; forms of nonprofit corporations, foundations, and associations; and the role of trustees. Part Two deals with

increasing contributions; uses of trusts, annuities and endowments; consequences of business ventures; and marketing and advocacy. Part Three discusses budgets, including compensation and benefits; and managing claims against the organization. Part Four analyzes finances, including statements and goal-setting. Part Five deals with strategic planning, collaboration, alliances, and reorganization. Appendices include a sample of a conflict-of-interest policy; various IRS documents; the unified registration statement ("Standardized Registration for Nonprofit Organizations Under State Charitable Solicitation Laws"); and glossary. With suggested readings and an index.

Bryson, John M., and Farnun K. Alston. *Creating and Implementing Your Strategic Plan: A Workbook for Public and Nonprofit Organizations*. San Francisco: Jossey-Bass Publishers (Public Administration Series; Nonprofit Sector Series), 1996. xx, 117 p.

Bryson, John M. *Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement*. rev. ed. San Francisco: Jossey-Bass Publishers, 1995. xxi, 325 p.

Introduces the dynamics and benefits of strategic planning. Provides four case studies of organizations that underwent the strategic planning process, and outlines the Strategy Change Cycle, developed by the author. Eight chapters emphasize the planning aspects of the approach. The roles and responsibilities of management leaders, and guidance on starting the planning process, are provided. Includes bibliographic references and index.

Coolsen, Peter. "What Nonprofit Organizations Need Are More Left-Handed Planners." *Nonprofit World* 18 (March-April 2000): 29-32.

Gives suggestions for effective strategic planning in nonprofit organizations. With bibliographic references.

Howe, Fisher. *The Board Member's Guide to Strategic Planning: A Practical Approach to Strengthening Nonprofit Organizations*. San Francisco: Jossey-Bass Publishers (Nonprofit Sector Series), 1997. xiii, 114 p.

Joyaux, Simone P. *Strategic Fund Development: Building Profitable Relationships that Last*. Frederick, MD: Aspen Publishers (Fund Raising Series for the 21st Century), 1997. xiii, 213 p.

Argues that four relationships are critical for a nonprofit organization's survival. The first relationship is within the organization and involves creating a healthy infrastructure. The second is with the community, which evolves through strategic planning. The third is with the organization's constituents so they will be ready to give. Finally, the fourth is with the organization's volunteers to enable them to take action on behalf of the organization. Includes bibliographic references and index.

Kearns, Kevin P. *Private Sector Strategies for Social Sector Success: The Guide to Strategy and Planning for Public and Nonprofit Organizations*. San Francisco: Jossey-Bass Publishers, 2000. xxvii, 344 p.

Kearns delves into the realm of strategic thinking as practiced by the business sector, and how these methods can be best utilized by the public and nonprofit sectors. He claims that, essentially, the models can be growth, retrenchment, or stability, and he studies these options thoroughly. Some of the areas he explores are the increasingly competitive environments, entrepreneurial initiatives, strategic collaborations, and advancing the mission. With bibliographic references and an index.

Light, Paul C. *Sustaining Innovation: Creating Nonprofit and Government Organizations that Innovate Naturally*. San Francisco: Jossey-Bass Publishers (Nonprofit and Public Management Series), 1998. xxx, 299 p.

Presents case studies and lessons from the Surviving Innovation Project, a five-year research effort funded by the Ford, McKnight, and General Mills foundations. Though the resulting data show that there is no one true path to innovating, the most successful organizations focused on assets and mission rather than liabilities.

O'Connor, Judith. *The Planning Committee: Shaping Your Organization's Future*. Washington, DC: National Center for Nonprofit Boards, 1997. 20 p.

Oster, Sharon M. *Strategic Management for Nonprofit Organizations: Theory and Cases*. New York: Oxford University Press, 1995. ix, 350 p.

Applies the concepts of strategic management developed originally in the for-profit sector to the management of nonprofits. Describes the preparation of a strategic plan that is consistent with the resources available, analyzes the operational tasks in executing the plan, and outlines the ways in which nonprofits need to change in order to remain competitive. Topics examined include the role and mission of the nonprofit, fundraising, accounting, evaluation, volunteers, and the board of directors. Provides in-depth case studies of nine nonprofit organizations from diverse areas of the nonprofit sector. Includes numerous charts and graphs, bibliographic references, and index.

Rutter, E. Jane. *The Self-Sustaining Nonprofit: Planning for Success*. Columbia, MO: Grants Link, Inc., 1997. ix, 117 p.

Provides practical guidelines and advice to nonprofits that are making the transition from a volunteer organization to a formal structure. Covers topics of incorporation, developing internal structures, financial and service planning, and growth. Includes bibliographical references.

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Wyzbinski, Patricia, Pam Moore, and Scott Gelzer. "Beyond a Hit List: Income Planning for Small Nonprofit Organizations." *New Directions for Philanthropic Fundraising* 20 (Summer 1998): 9-23.

Recommends that nonprofits create an income plan to 1) state goals and objectives; 2) reflect long-term planning; 3) apportion responsibilities to various parties; and 4) use as an evaluation tool. Explains in detail the planning process and the roles of staff and board. Provides a sample of such a plan, with instructions about implementation.

**Internet**

About.com ([www.nonprofit.tqn.com/library/weekly/aa030998.htm](http://www.nonprofit.tqn.com/library/weekly/aa030998.htm))

Extensive resources, links, software relating to nonprofit planning.

**Applied Research & Development**

([www.ardi.org/cgi-bin/ardi?action=Resources2&cat=Planning](http://www.ardi.org/cgi-bin/ardi?action=Resources2&cat=Planning))

Information on nonprofit strategic planning

**Business Planning Site** ([www.planware.org/index.html](http://www.planware.org/index.html))

Business plan software and freeware, white papers on business planning, financial planning, and strategy development.

**Charity Village** ([www.charityvillage.com/charityvillage](http://www.charityvillage.com/charityvillage))

Planning resources are only one area covered by this vast Canadian site, which contains information, links, and resources about virtually every area of a nonprofit's activities.

**The Grantsmanship Center** (<http://www.tgci.com/>)

TGCI offers grantsmanship training and low-cost publications to nonprofit organizations and government agencies. TGCI conducts some 200 workshops annually in grantsmanship and proposal writing. More than 100 local agencies host these workshops.

**InnoNet Non-Profit Toolbox** ([www.innonet.org/](http://www.innonet.org/))

Created by Innovation Network, a nonprofit consulting organization in Washington that helps charities plan and evaluate programs, this Web site offers interactive work sheets that help nonprofit staff members develop program, fundraising, and evaluation plans for their projects. The site plans to post sample evaluation tools, such as surveys and questions for focus groups, that can be downloaded, as well as links to other Internet resources for nonprofit organizations.

**Nonprofit Links** ([www.uwex.edu/li/links\\_strategic.html](http://www.uwex.edu/li/links_strategic.html))

Provides many links to organizations specializing in nonprofit planning; includes on-line articles and worksheet.

Nonprofit Organizational Assessment Tool ([www.uwex.edu/li/assess1.html](http://www.uwex.edu/li/assess1.html))

A 29-page on-line description of the nonprofit planning model, with charts, by LI faculty member Frank Martinelli. This section of the Nonprofit Organizational Assessment Tool can help guide a group discussion about an organization's strategic planning process. This group discussion ideally should include board members, staff, volunteers, and service recipients, but could be used as a self-assessment tool by anyone associated with a nonprofit organization.

Planware ([www.planware.org/buslink-i.htm](http://www.planware.org/buslink-i.htm))

A variety of software to support the process of institutional planning

Strategic Planning in Nonprofit and Public Sector Organizations Description of Planning Model (on-line article) ([www.mapnp.org/library/mgmt/np\\_progs.htm#anchor4294895830](http://www.mapnp.org/library/mgmt/np_progs.htm#anchor4294895830))

Information in this document explains a basic (and increasingly common) framework in which nonprofit programs can be developed. The framework suggested in this document will produce a program that is highly integrated with the organization's mission and other programs. The framework serves as a sound basis for writing program proposals to funders, as well, because the framework closely follows that of the standard proposal document. In addition, the program will be clearly structured for a straightforward program evaluation. This document includes the following sections: What's a Nonprofit Program? 6 Cornerstones for Solid Program Planning; 8 Guidelines to Keep Program Planning on Track; Program Direction: Goals and Objectives; Program Process (Process, Resources and Budget); Program Evaluation. Extensive links and other resources.