

# Basic Overview of Various Strategic Planning Models

## (Including Basic, Issue-Based, Alignment, Scenario and Organic)

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There is no one perfect strategic planning model for each organization. Each organization ends up developing its own nature and model of strategic planning, often by selecting a model and modifying it as they go along in developing their own planning process. The following models provide a range of alternatives from which organizations might select an approach and begin to develop their own strategic planning process. Note that an organization might choose to integrate the models, e.g., using a scenario model to creatively identify strategic issues and goals, and then an issues-based model to carefully strategize to address the issues and reach the goals.

The following models include: “basic” strategic planning, issue-based (or goal-based), alignment, scenario, and organic planning.

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### Model One - “Basic” Strategic Planning

This very basic process is typically followed by organizations that are extremely small, busy, and have not done much strategic planning before. The process might be implemented in year one of the nonprofit to get a sense of how planning is conducted, and then embellished in later years with more planning phases and activities to ensure well-rounded direction for the nonprofit. Planning is usually carried out by top-level management. The basic strategic planning process includes:

- 1. Identify your purpose (mission statement)** - This is the statement(s) that describes why your organization exists, i.e., its basic purpose. The statement should describe what client needs are intended to be met and with what services, the type of communities are sometimes mentioned. The top-level management should develop and agree on the mission statement. The statements will change somewhat over the years.
- 2. Select the goals your organization must reach if it is to accomplish your mission** - Goals are general statements about what you need to accomplish to meet your purpose, or mission, and address major issues facing the organization.
- 3. Identify specific approaches or strategies that must be implemented to reach each goal** - The strategies are often what change the most as the organization eventually conducts more

robust strategic planning, particularly by more closely examining the external and internal environments of the organization.

**4. Identify specific action plans to implement each strategy** - These are the specific activities that each major function (for example, department, etc.) must undertake to ensure it's effectively implementing each strategy. Objectives should be clearly worded to the extent that people can assess if the objectives have been met or not. Ideally, the top management develops specific committees that each have a work plan, or set of objectives.

**5. Monitor and update the plan** - Planners regularly reflect on the extent to which the goals are being met and whether action plans are being implemented. Perhaps the most important indicator of success of the organization is positive feedback from the organization's customers.

\*Note that organizations following this planning approach may want to further conduct step 3 above to the extent that additional goals are identified to further developing the central operations or administration of the organization, e.g., strengthen financial management.

## Model Two - Issue-Based (or Goal-Based) Planning

Organizations that begin with the "basic" planning approach described above often evolve to using this more comprehensive and more effective type of planning. The following table depicts a rather straightforward view of this type of planning process.

### Summary of Issue-Based (or Goal-Based) Strategic Planning

(Note that an organization may not do all of the following activities every year.)

1. External/internal assessment to identify "SWOT" (Strengths and Weaknesses and Opportunities and Threats)
2. Strategic analysis to identify and prioritize major issues/goals
3. Design major strategies (or programs) to address issues/goals
4. Design/update vision, mission and values (some organizations may do this first in planning)
5. Establish action plans (objectives, resource needs, roles and responsibilities for implementation)
6. Record issues, goals, strategies/programs, updated mission and vision, and action plans in a Strategic Plan document, and attach SWOT, etc.
7. Develop the yearly Operating Plan document (from year one of the multi-year strategic plan)
8. Develop and authorize Budget for year one (allocation of funds needed to fund year one)
9. Conduct the organization's year-one operations

10. Monitor/review/evaluate/update Strategic Plan document

## **Model Three - Alignment Model**

The overall purpose of the model is to ensure strong alignment among the organization's mission and its resources to effectively operate the organization. This model is useful for organizations that need to fine-tune strategies or find out why they are not working. An organization might also choose this model if it is experiencing a large number of issues around internal efficiencies.

Overall steps include:

1. The planning group outlines the organization's mission, programs, resources, and needed support.
2. Identify what's working well and what needs adjustment.
3. Identify how these adjustments should be made.
4. Include the adjustments as strategies in the strategic plan.

## **Model Four - Scenario Planning**

This approach might be used in conjunction with other models to ensure planners truly undertake strategic thinking. The model may be useful, particularly in identifying strategic issues and goals.

1. Select several external forces and imagine related changes which might influence the organization, e.g., change in regulations, demographic changes, etc. Scanning the newspaper for key headlines often suggests potential changes that might effect the organization.
2. For each change in a force, discuss three different future organizational scenarios (including best case, worst case, and OK/reasonable case) which might arise with the organization as a result of each change. Reviewing the worst-case scenario often provokes strong motivation to change the organization.
3. Suggest what the organization might do, or potential strategies, in each of the three scenarios to respond to each change.
4. Planners soon detect common considerations or strategies that must be addressed to respond to possible external changes.
5. Select the most likely external changes to effect the organization, e.g., over the next three to five years, and identify the most reasonable strategies the organization can undertake to respond to the change.

## **Model Five - "Organic" (or Self-Organizing) Planning**

Traditional strategic planning processes are sometimes considered “mechanistic” or “linear,” i.e., they’re rather general-to-specific or cause-and-effect in nature. For example, the processes often begin by conducting a broad assessment of the external and internal environments of the organization, conducting a strategic analysis (“SWOT” analysis), narrowing down to identifying and prioritizing issues, and then developing specific strategies to address the specific issues.

Another view of planning is similar to the development of an organism, i.e., an “organic,” self-organizing process. Certain cultures, e.g., Native American Indians, might prefer unfolding and naturalistic “organic” planning processes more than the traditional mechanistic, linear processes. Self-organizing requires continual reference to common values, dialoguing around these values, and continued shared reflection around the systems current processes. General steps include:

1. Clarify and articulate the organization’s cultural values. Use dialogue and story-boarding techniques.
2. Articulate the group’s vision for the organization. Use dialogue and story-boarding techniques.
3. On an ongoing basis, e.g., once every quarter, dialogue about what processes are needed to arrive at the vision and what the group is going to do now about those processes.
4. Continually remind yourself and others that this type of naturalistic planning is never really “over with,” and that, rather, the group needs to learn to conduct its own values clarification, dialogue/reflection, and process updates.
5. Be very, very patient.
6. Focus on learning and less on method.
7. Ask the group to reflect on how the organization will portray its strategic plans to stakeholders, etc., who often expect the “mechanistic, linear” plan formats.