The Nonprofit Partnership

PANO | Pennsylvania Association of Nonprofit Organizations

Finding Our New Normal: Updating Your Strategic and Operating Plans

Creating healthier communities

Strategy Solutions works within and across sectors. Healthy communities are created when organizations are strong within each sector and are equipped to maximize the impact of their mission(s).

We work to support healthy organizations and strong sectors.

Our Approach

About Strategy Solutions

A Understand how the current environment is impacting business and how to identify opportunities despite current challenges .

B Learn how to challenge your assumptions about sustainability

C Understand tools to develop and support strategic and contingency planning

D Identify key next steps to help you update your strategic and operating plans

Objectives

Our Reality:
The world has changed.

Robert Amara was an economist, futurist and former CEO of Institute for the Future and was quoted by Ian Morrison, his successor in his book The Second Curve.

Amara's Law:

We all have a tendency to overestimate the impact of phenomena in the short run and underestimate it in the long run.

2020

2019

2018

2015

1. Consumers still spending
2. Streaming wars
3. Tech under attack
4. Tariffs to be continued?
5. AI protects the universe
6. Battle of the cloud titans
7. #MeToo circa 2000
8. Man in space
9. Here come the IPOs
10. Business' role in social change
11. Changes in Latin America
12. European woes

Source: Forbes

2020

Top Business Trends

Nonprofits live on the edge, pouring everything they have into their mission.

1. Limited resources;
2. Increased demands on nonprofits, stemming from increased needs in communities; and
3. The growing awareness that every nonprofit and board member needs to be an active, vocal advocate for her/his nonprofit's mission to affect policies in the community, and at a national level.

Source: National Council on Nonprofits

Nonprofit Trends

1. Nonprofit Networking Platforms
2. Earned Income
3. Private Sector Interaction
4. Greater Focus on Mission and Priorities
5. Artificial Intelligence
6. The Growing 'Attention Economy'
7. Innovative Sustainability
8. Easier, More Personalized Giving
9. Nonprofits as Catalysts for Private-Public Partnership
10. Use of Cutting-Edge Technology
11. Donations Via Text
12. More Women of Color in Leadership Positions

2020 Nonprofit Trends

Covid-19 has created "social distancing" and isolation

There is "no going back" to business as usual

While numerous emergency funds are being established, many companies don't have the resources to be sustainable
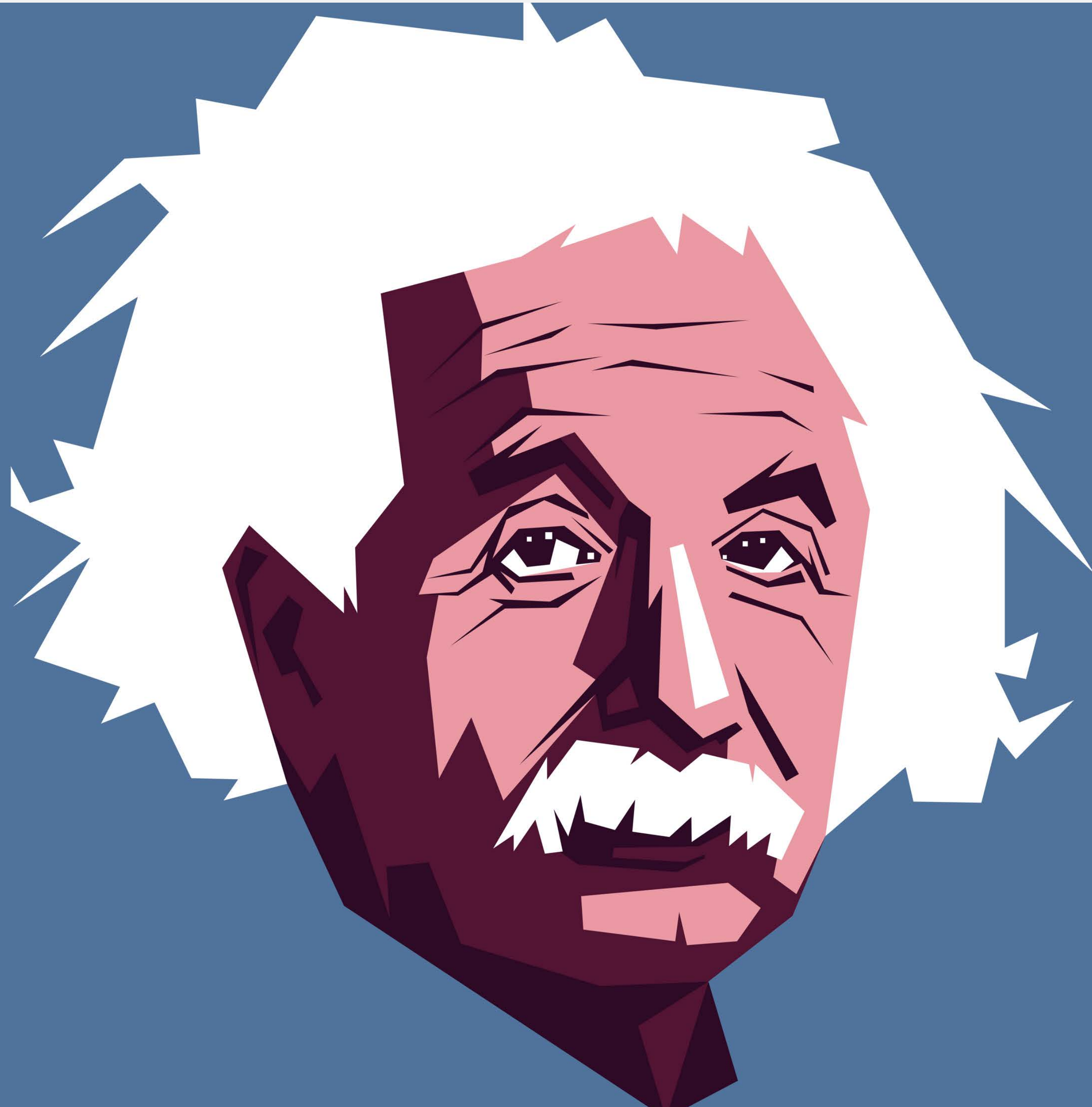
75%

of nonprofits said they would run out of cash in less than six months

19%

said they had only enough funds to last, at the most, for a month

Source: National Finance Fund

Our New Reality

Truth

If you want your organization to be sustainable, you have to "rethink" how you deliver programs and services and be able to "go virtual" when necessary now and in the future.

INSANITY

Doing the same thing over and over, expecting different results

Revisiting Strategic & Operating Plans

Step 3

Develop new "production systems" utilizing technology tools and resources to support "virtual" production and/or delivery where/when possible

Step 2

Analyze your core competencies and identify new product and/or market niches.

Step 1

Discuss and identify different possible future "scenarios" and examine how they impact business functions

Scenario	Scenario A Best Case	Scenario B	Scenario C	Scenario D Worst Case
Planning Elements	•	•	•	•

Scenario planning starts by identifying the various "sets" of environmental conditions or factors that could describe "one potential future" set of circumstances.

STEP ONE

Develop Scenarios
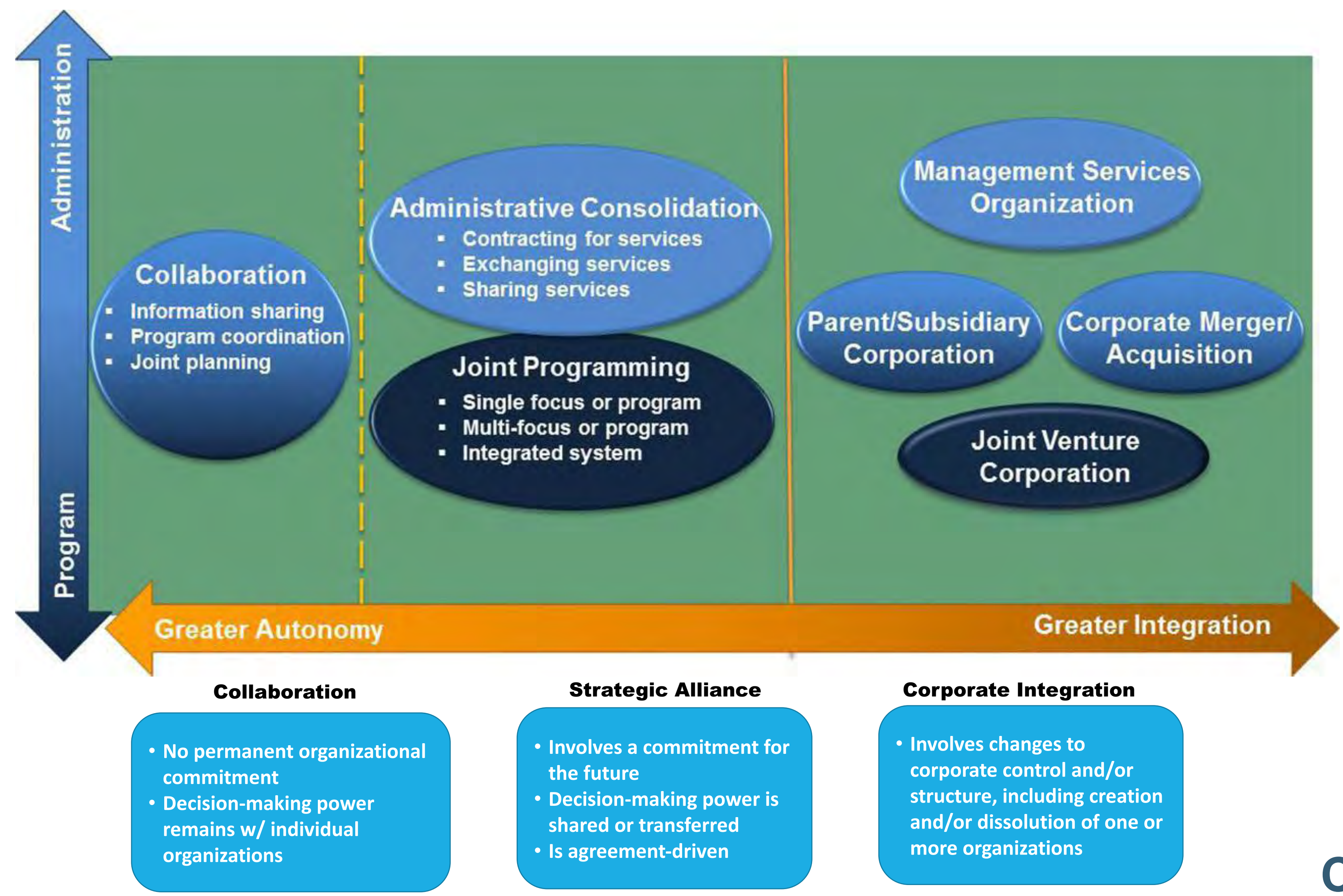
Identify the Environmental Conditions

STEP ONE

- Best case scenario: set of events and/or conditions that are the most positive and provide the best potential benefit to you

- Worst case scenario: set of events and/or conditions that are the most negative and provide the worst possible outcome to you

- Different combinations of events and/or conditions that could happen in the future

✓ Continuum of Services/Program Development Approach
✓ Integrated continuum of services
✓ System Relationships
✓ Management Structures
✓ Workforce Development
✓ Social Enterprises/ private pay models
✓ Service Delivery Processes/ Quality
✓ Employee Relationships
✓ Uplink/ Partnership Strategy
✓ Geographic Focus
✓ Fundraising
✓ Research
✓ Governance
✓ Technology
✓ Consumer Expectations
✓ Marketing Communications
✓ Government Relations/ Advocacy
✓ Physical Plant/ Facilities

STEP ONE B

Analyze Planning Elements

Collaboration
- No permanent organizational commitment
- Decision-making power remains w/ individual organizations

Strategic Alliance
- Involves a commitment for the future
- Decision-making power is shared or transferred
- Is agreement-driven

Corporate Integration
- Involves changes to corporate control and/or structure, including creation and/or dissolution of one or more organizations

Strategic Restructuring

Source: LaPiana Consulting, used with permission

STEP ONE C

Look at Potential Collaboration as a Strategy

Source: LaPiana Consulting, used with permission

Internal Self-Assessment
- Is restructuring an option?

Develop Partner Criteria
- What are we looking for in a partner?

Partner Selection
- Who do we want to partner with?

Collaboration Committee
- What is our vision of the collaboration?

Interorganizational Assessment
- What do both organizations bring to the table?
- What are the concerns?

Options Analysis
- What is the best structure for us?

Due Diligence
- What will the new organization look like?

Implementation Plan
- Who does what to get it done?

Strategic Restructuring Process

Mission
- What we do and why we exist

Vision
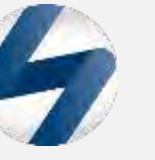- How we define success

Values
- Beliefs that guide our behavior

Take this time to reflect on your mission, vision and values.

What new or emerging opportunities exist that will enable you to fulfill these in a different way?

STEP TWO
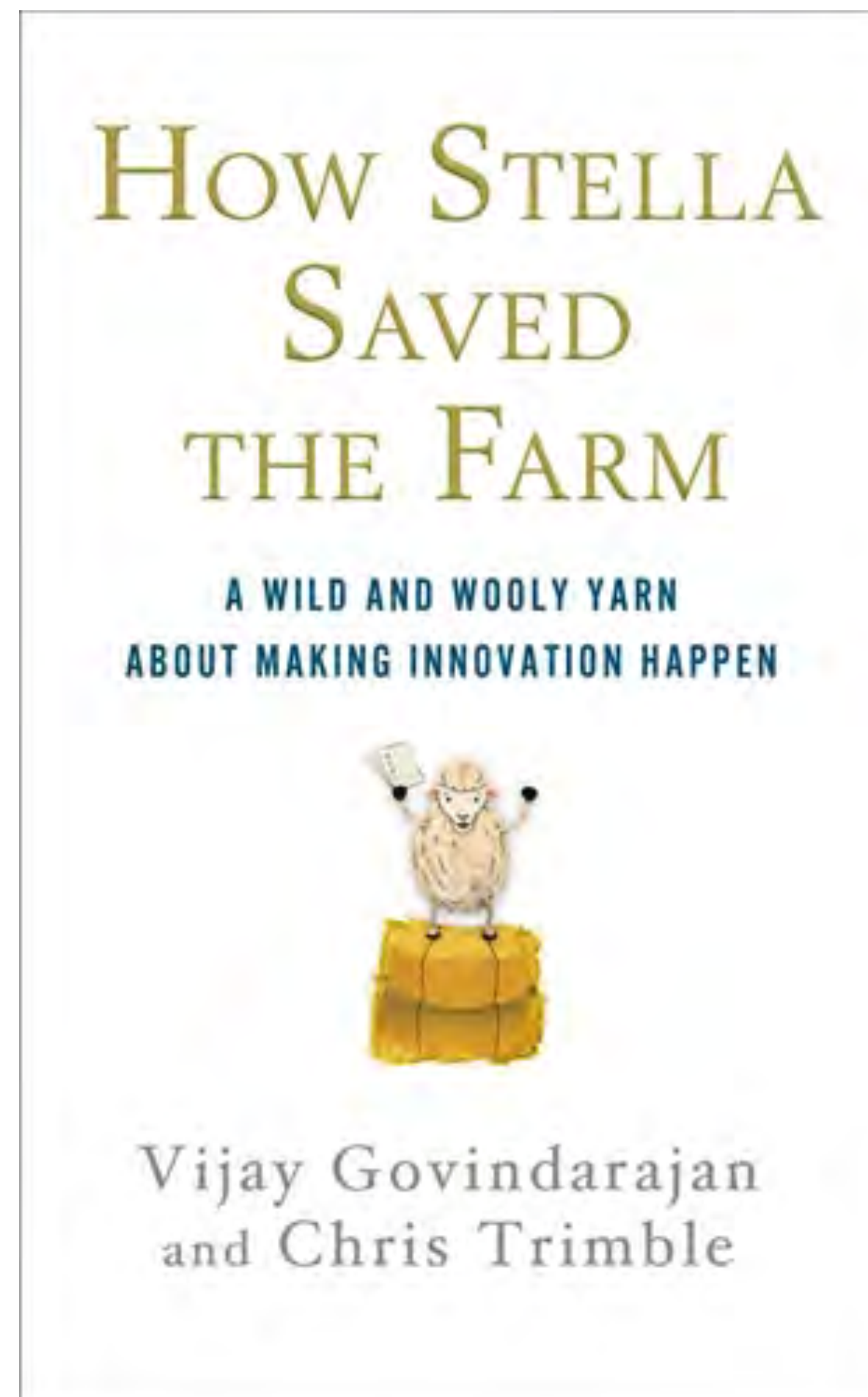
Analyze Core Competencies & Look for Opportunities

Analyze Core Competencies

What do we do better than anyone?

What CAN we do operationally and strategically?

What can we PIVOT to do that is most needed?

HOW STELLA SAVED THE FARM
A Tale About Making Innovation Happen

A WILD AND WOOLY YARN ABOUT MAKING INNOVATION HAPPEN

Vijay Govindarajan
and Chris Trimble

Facilitate Innovation

STEP THREE

**Develop New
Production and/or Delivery Systems
(and market what you are doing)**

Ongoing Operations

↓

Strategy

↓

Organizing & Planning

↓

Execution

Innovation

↓

Committing to an Innovative Idea

↓

Making Innovation Happen
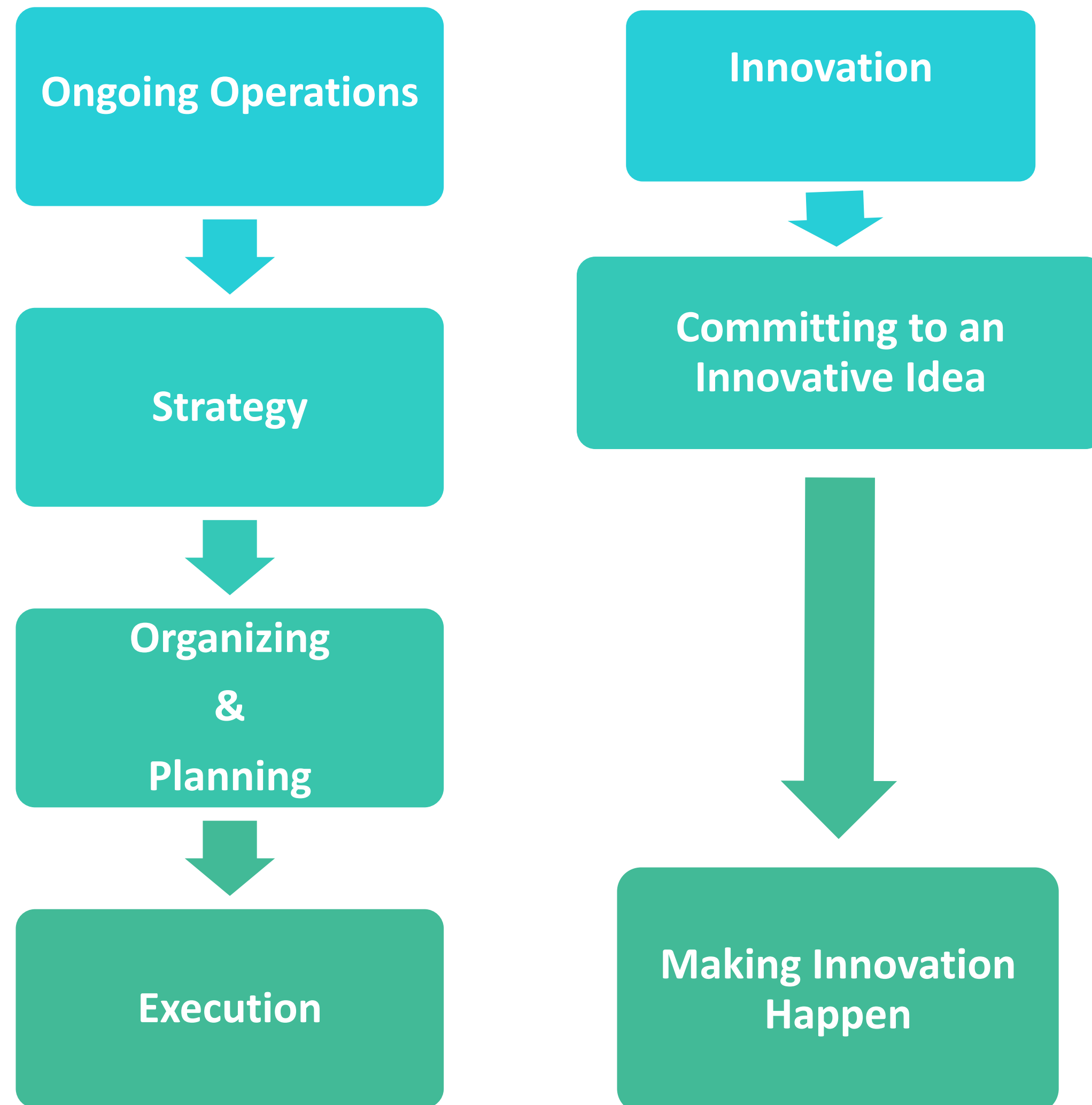
The need to reassess organizing and planning is often overlooked

You can't ask the group that is in charge of today to also be in charge of tomorrow, because the urgent always squeezes out the important.

STEP THREE

Reorganize to "fast track" new programs and services

Source: The Other Side of innovation by:
Vijay Govindarajan and Chris Trimble

Performance Engine
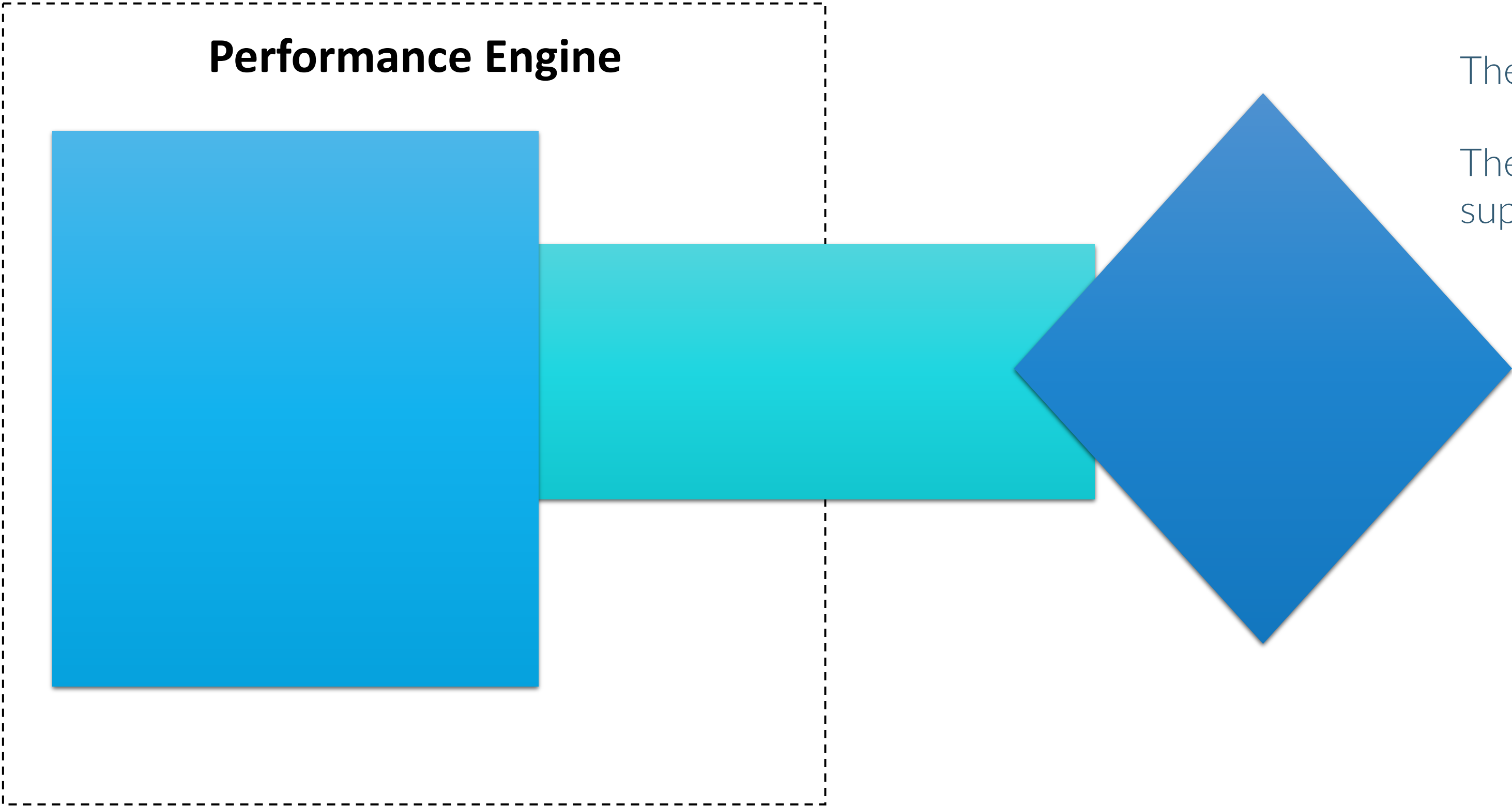
Project team = Dedicated Team + Shared Staff

The Dedicated Team is custom-built for the initiative.

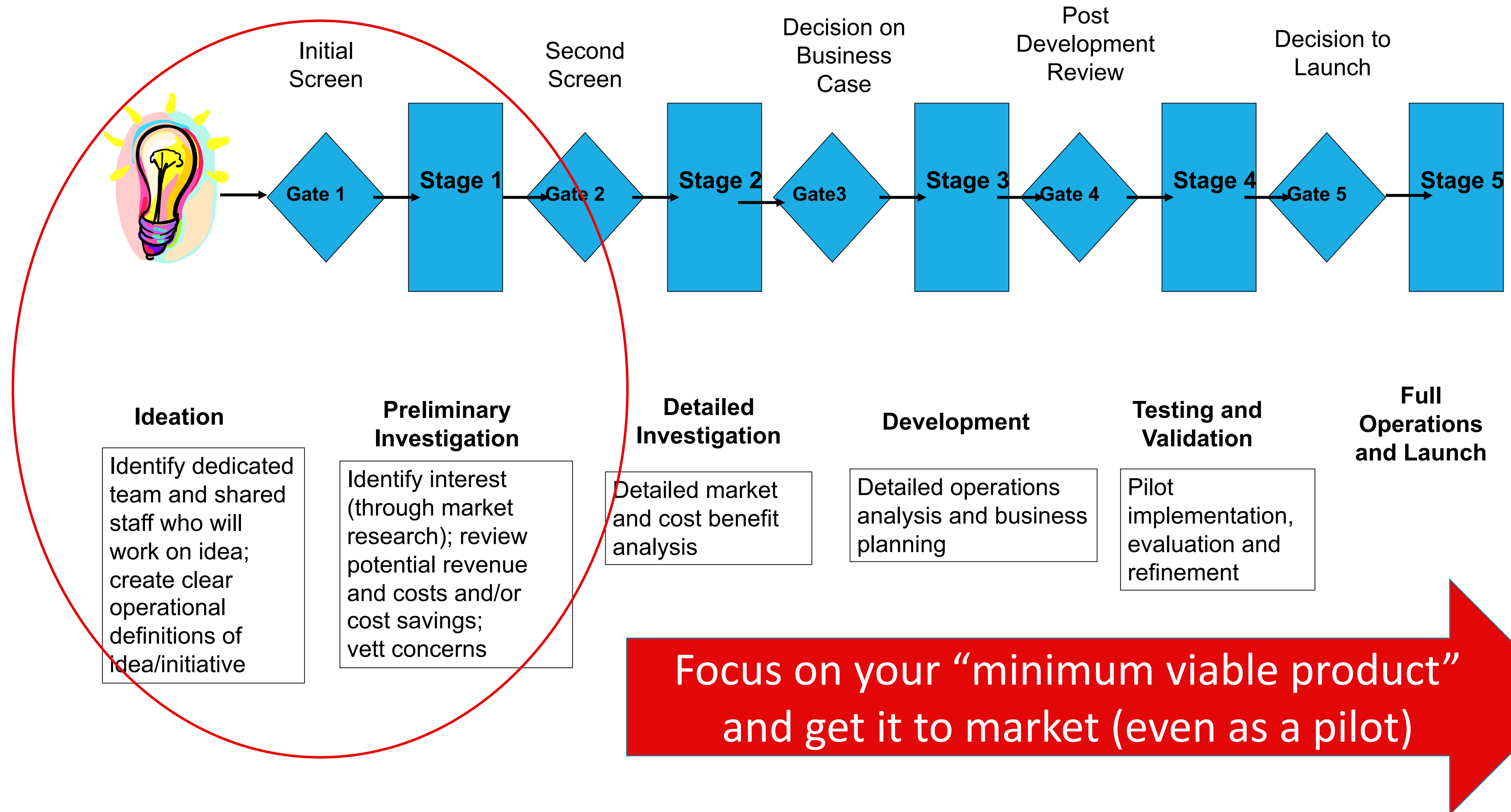The shared Staff retains its existing responsibilities and support the initiative.

Source: The Other Side of innovation by:
Vijay Govindarajan and Chris Trimble

STEP THREE

Organizing an Innovation Initiative

Stage/Gate Product Development Process

Initial Screen

Second Screen

Decision on Business Case

Post Development Review

Decision to Launch

Gate 1 → Stage 1 → Gate 2 → Stage 2 → Gate3 → Stage 3 → Gate 4 → Stage 4 → Gate 5 → Stage 5

Ideation

Identify dedicated team and shared staff who will work on idea; create clear operational definitions of idea/initiative

Preliminary Investigation

Identify interest (through market research); review potential revenue and costs and/or cost savings; vett concerns

Detailed Investigation

Detailed market and cost benefit analysis

Development

Detailed operations analysis and business planning

Testing and Validation

Pilot implementation, evaluation and refinement

Full Operations and Launch

Focus on your "minimum viable product" and get it to market (even as a pilot)

PERSEVERENCE

Going Virtual

In the very short run, it could be as easy as using "Zoom" or some other web-based communications technology

Over the long run, it's a bit more complicated than that

Developing Virtual Programming

Step 3

Utilize technology tools and resources to support virtual programming.

Step 2

Analyze the program work process flow and update for virtual delivery.

Step 1

Revisit your logic model, desired outcomes and impacts.

See our webinar from Friday April 3 for more information

Strategic Plan
Goals & Objectives
(FY)
Vision
Mission

GOAL 1:

This Year: A.

GOAL 2:

This Year: A.

GOAL 3:

This Year: A. .

GOAL 4:

                    A.

GOAL 5:

                    A.

Update Your Strategic Plan

Goal 1:				
OBJECTIVE	ACTION STEPS	ACCOUNTABILITY	BUDGET	TIMEFRAME
A.	●			
B.	●			
C.	●			

Update Your Action Plan

The success of any organization is based on the ability to adapt to the needs of a changing environment!

1. Analyze scenarios
2. Identify opportunities
3. Innovate to meet immediate needs and/or transition to virtual and update your plan(s) to reflect the change(s)

Conclusions

Thank you for your participation today.

If you feel that you would like some assistance, please don't hesitate to reach out to us:

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