Annual Summit

Strategic Planning in a Changing Environment

Chelan, WA
Monday, May 14, 2018
Facilitation & Process, LLC

Strategic Planning
We help you create authentic and actionable plans using your organization’s existing strengths, aspirations, and opportunities.

Revenue Planning
We help you explore the resiliency of your nonprofit revenue model and create a roadmap to strengthen your fundraising investments.

Nonprofit Board Development
We help you build a high-impact nonprofit board. Personalized assessment, training and support for board development, governance and effective leadership.

Community Collaboration
We help you do more good with like-minded individuals. Guidance on forming teams, coalitions and advisory boards to tackle today’s social issues.

Meeting and Retreat Facilitation
We help you manage better meetings for better results. Productive and outcomes-focused board retreats, conferences and training sessions.

Customized Training and Technical Assistance
We help organizations and communities see farther and learn faster. Whether a webinar, one-day training or multi-day event, we build solutions to your training needs.

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Roadmap

- The changing landscape
- Preparing for an unpredictable future
- Inspire you for the rest of the day
### Who is in the Room

#### Startup
- Can we make an Idea work?
- Innovating & forming a program & service strategy.
- Volunteer content experts & partners testing the idea little to no physical organizational structure.
- Struggle to attract capital & define costs.
- Develop evidence of potential & face validity.

#### Developing - Small
- Are we a program or do we build an organization?
- Standardizing program and services to ensure quality and Fidelity.
- Initial decision to build an organization intensive capital search & possibly first paid staff.
- Define minimum financial requirements to be sustainable.
- Demonstrate outputs and outcomes.

#### Established
- Do we go deeper, wider or longer?
- Defining Scope of program and services: Deeper, Wider, Longer.
- Creating organizational structure & systems. Differentiation of staff.
- Grow sustainable operating revenues and attract capital for growth.
- Demonstrate attribution, & accountability.

#### Leadership
- How do we sustain relevancy & strength of the field?
- Setting standards of practice and building the field.
- Fully resourced management & staff structure.
- Scale and leverage capital investments to create benefit beyond the agency.
- Rigorous evaluation to demonstrate impact.

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Strategic Planning or Luck

This is Luck
Strategic Planning or Luck

Today

Tomorrow

This is Strategic Planning
Nonprofit’s need to invest in planning

<table>
<thead>
<tr>
<th>Plan Both Written &amp; Effective</th>
<th>&lt; $500K (n=899)</th>
<th>$500K-$1M (n=177)</th>
<th>$1M-$2M (n=142)</th>
<th>$2M-$5M (n=123)</th>
<th>&gt;$5M (n=120)</th>
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<tr>
<td>Annual budget</td>
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<td>73%</td>
<td>79%</td>
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<td>Fundraising plan</td>
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<td>Theory of change</td>
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<td>5%</td>
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Adapted from: 2016 Northwest Nonprofit Capacity Report
Data presentation based on phone conversation with report author
BEST CASE SCENARIO
Less than half of nonprofits have a written and effective Strategic Plan

Likely scenario
1 out of 5
Way Too Many
The changing landscape

- Tax Cuts will decrease revenues pressuring budget cuts.
- Discretionary dollars are redirected.
- Regulations can create new context & erase gains and promote others.
- Federal Impacts State Impacts local.
The changing landscape

- Concentration of philanthropy.
- The Competition for philanthropy
- Democratization of philanthropy
- Crisis Philanthropy
Ford Foundation commits $1 billion from endowment to mission-related investments

- A major commitment to be phased in over 10 years
- Largest commitment of its kind by a private foundation
- An effort to help advance the broader marketplace for impact investing
• Total giving by 2,046 funders to 4,856 organizations: $1 Billion
• Median grant: $5,000
• Number of grants: 19,267
• Change in giving between 2012 and 2014: +60%
Spectrum of Money

Pure Good Works

Pure Giving

Pure Investment

The changing landscape

- Wealth inequity
- Polarization
- Increase needs
- Economic Challenges

Changing Community

Changing Public Policy

Changing Philanthropy
The changing landscape

- Changing Public Policy
- Changing Community
- Changing Philanthropy
- Changing Workforce

- Aging Workforce
- Millennial Wealth Building
- Full Employment
Three Strategic Postures

Shape the Future
- Advocacy
- Impact
- Build Autonomy

Adapt to the Future
- Focus on Efficiency
- Strengthening Core
- Proactive Change

Reserve the Right
- Build Capacity
- Market Timing
- Partner or Merge

Planning Framework

**PREPARE**
- Increase your information consumption
- Be clear about your developmental stage.
- Clean up your board
- Identify advisors for outside perspective
- Understand public policy
- Inform key stakeholders

**REVIEW FOUNDATIONS**
- Need, mission, vision, values
- Theory of Change & Impact (evaluation)
- Leadership, board, advisors
- Staff and Staff Development
- Revenue Model
- Transparency
- Communications & Partnerships

**STRESS TEST**
- Engage in Scenario Planning
- Evaluate your revenue model weaknesses
- Revisit your institutional values
- Plan for potential program strategy shifts
- Assess your capacity to change

**MAKE DECISIONS**
- What is your program & organizational impact?
- How competent is your board?
- How effective and strategic is your leadership?
- What do your financials tell you?
- Who is standing in your way?
- What actions do we need to take?
We are a Community of Practice

• Bury your ego

• Partner more deeply

• Recognize your economic power

• Act together
Principles for Action

1. Be objective
2. Stop staring at your dashboard
3. Be honest about impact
4. Slow down you will go faster
5. Scale up, down, merge or spin-off, ALL stay on the table
Thank you!