Strategic Planning

California Association of Food Banks
CAFB 2011 Conference: Banking on our Future

Presented by:
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Michael Allison Consulting
September 21, 2011
Topics for our session

① What is strategic planning?
② When is strategic planning helpful?
③ How to go about planning - use of consultants, etc.
④ Barriers (and remedies) to effective planning
⑤ Q & A
"You've got to be careful if you don't know where you are going because you might not get there."

Yogi Berra
• What *is* strategic planning?

• Is it different from “business planning”?
Strategic planning is a **systematic process**

... through which an organization **agrees on** - and **builds commitment to**

... **priorities** that are essential to its mission and are **responsive to the environment**.

Strategic planning **guides the acquisition and allocation of resources** to achieve these priorities.
#1 Make decisions
(figure things out)
#2 Build commitment

- agreement

- alignment
#3 Show me the money
Strategic Planning Process

EXHIBIT 1.1 THE STRATEGIC PLANNING PROCESS

1. Identify reasons for planning
   a. Set up the planning process for success
   b. Develop a plan for gathering information
   c. Design a planning process to meet the organization’s needs
   d. Develop a plan for planning (Planning Workplan)

2. Articulate Mission, Vision, and Values
   a. Create (or revisit) a mission statement
   b. Draft a vision statement
   c. Articulate/finalize the organization’s values, beliefs, and guiding principles

3. Assess Your Situation
   a. Summarize organization’s history and accomplishments
   b. Articulate previous and current strategies
   c. Gather information from internal and external stakeholders
   d. Evaluate current programs: collect objective data
   e. Summarize information collected

4. Agree on Priorities
   a. Make sense of the data collected
   b. Business planning: assess program portfolio and agree on competitive growth strategies
   c. Summarize future program portfolio
   d. Agree on core future strategies
   e. Agree on administrative, financial, and governance priorities

5. Write the Plan
   a. Create goals and objectives
   b. Develop long-range financial projections
   c. Write the strategic plan
   d. Adopt the strategic plan

6. Implement the Plan
   a. Manage the transition: assess the changes required for success
   b. Develop a detailed annual operating (implementation) plan for upcoming year (5th year’s goals and objectives)

7. Evaluate and Monitor the Plan
   a. Evaluate the plan and the planning process
   b. Monitor the strategic plan (at least once a year and revise as needed)

Product = Mission, Vision, and Values Statements
Product = Data to Inform Decisions
Product = Strategic Plan
Product = Annual Plan
Product = Best Practices for Future Planning and Effective Mechanisms for Monitoring

Source: CompassPoint Nonprofit Services
Strategic Planning Process

1. Get ready
   - Reasons for planning
   - Money and time available
   - Nature of information needed
   - Nature of engagement desired
   - Hire consultant?
   - Develop Planning schedule
CAFR Planning Agenda

Key questions for strategic planning
Second draft 4/11/11
[with input from Strategic Planning Committee and Senior Staff]

Program

1. Advocacy:
   a. See the Association become a more powerful voice for the people who can’t put food on the table; get in the face of politicians (Legislative Day is okay, but they know you are coming and has questionable impact)
   b. Figure out a process to get more of membership on board prior to the Association taking positions

2. Programs: Range of activities
   a. How much “direct programming” should the Association do?
   b. Farm to Family - has this become a “cash cow”? - are we pricing out smaller food banks?
   c. How can we prioritize programs, potential for growth, new opportunities?
   d. Should the Association focus its activities in one or be open to growth outside the state?
   e. Getting involved in collective purchasing shelf stable groceries for food banks?

3. Member Services - Support for smaller food banks:
   a. Share resources from larger organizations?
   b. Set up variable pricing structure for CARS programs?
   c. Develop expanded refrigeration capacity in rural areas?

4. Member Services - Other:
   a. What do members want? What is missing?
   b. Associate members? Who and why? (non-food banks involved in F2F)
   c. Don’t know what some members are up to, but it impacts us all

5. How do we measure success? In pounds of food? Something else?

6. What’s our role in the broader anti-hunger movement?

Operations/Infrastructure

7. Organizational leadership:
   a. May need to support Executive Director with a #2 person soon
   b. Reflect on how leadership (Board and staff partnership) may need to evolve as organization grows
   c. How does board go about evaluating, managing, supporting ED?
### CAFB Strategic Planning Schedule of Activities

<table>
<thead>
<tr>
<th>Month</th>
<th>Revised</th>
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| March | - Agree on timelines for major activities  
        - Finalize workplan  
        - Schedule Strategic Planning Committee meetings  
        - Interview Committee members |
| April | **Take stock of the current situation:**  
        - begin capacity assessment and environmental scan  
        - Strategic Planning Committee meets by phone (Friday April 8)  
        - Conduct analysis of internal financial situation, etc.  
        - Conduct program assessment  
        - Conduct majority of external interviews  
        - Analyze feedback from surveys  
        - Hold extended Strategic Planning Committee meeting (Fri April 29) |
| May   | **Complete research, prepare initial draft of plan elements**  
        - Complete interviews and other research and analysis  
        - Phone meeting of Strategic Planning Committee (Tues May 24 tentative) |
| June  | **Complete first draft of plan**  
        - Develop draft strategy statements  
        - Begin to define objectives/milestones for the plan  
        - In-person SPC meeting (Tues June 14 tentative) |
| July  | **Get input from board on first draft of plan**  
        - Strategic Planning Committee (conference call Wed July 13)  
        - In person meeting with Board members (3rd Thursday July 21)  
        - Input from full staff on plan  
        - Incorporate input into second draft |
| August| **Prepare final draft of plan**  
        - Strategic Planning Committee (Monday, 8/22 conference call)  
        - Circulate for final input, bring to August board meeting (8/25) for discussion and approval |
Strategic Planning Process

2. Mission, Vision and Values
   - Review current statements
   - Revise, update or create

The mission of California Association of Food Banks is to provide a unified voice among food banks to maximize their ability to build a well nourished California.
Strategic Planning Process

3. Assess Your Situation

- Summarize organization’s history and accomplishments
- Assess financial data
- Evaluate current programs
- Gather input from internal and external stakeholders
- Conduct other environmental assessment
- Summarize information and implications
# Tools for Information Gathering

### Revenue Sources

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<tr>
<th>Year</th>
<th>Member Dues</th>
<th>Grants &amp; Contr (R)</th>
<th>Grants &amp; Contr (UnR)</th>
<th>Donations</th>
<th>Earned Revenue-F2F</th>
<th>FISMIP (s/b Grants)</th>
<th>Government Contracts-NHC</th>
<th>Other Revenue</th>
<th>Total Revenue</th>
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<td>$674</td>
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<td>$154</td>
<td>$116</td>
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<td>$993</td>
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Tools for Information Gathering

![Graph showing Revenue, Expenses and Net Assets from 2007 to 2011]

<table>
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<tr>
<th>Year</th>
<th>Total Revenue</th>
<th>Total Expenses</th>
<th>Change Net Assets</th>
<th>Cumulative Net Assets</th>
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Strategic Planning Process

4. Agree on Priorities

- Analyze “program portfolio” and develop program priorities
- Agree on priorities for administration, resource development and governance
Dual Bottom Line Matrix

Mission Impact

The heart of the agency  Star programs

Decision is needed  Cash cows

Profitability

CompassPoint Nonprofit Services
Dual Bottom Line Matrix

Mission Impact

Profitability

CompassPoint Nonprofit Services
Strategic Planning Process

5. Write the plan
   1. Introduction/Executive Summary
   2. Context/Environment/History
   3. Vision, mission, values
   4. Program Plans
   5. Organization Development Plans
   6. Financial Plan
   7. Appendicies
Strategic Planning Process

6. **Implement the Plan**
   - Anticipate organizational change required and proactively support and manage
   - Ensure specific *annual* work plans are developed and aligned with strategic plan
   - Agree on monitoring schedule and who will lead
What is the board’s role?
Case Studies

Oak Street House

*Do we have the right mission?*

Lambda Legal

*What is the board’s role in program planning?*

Resource Media

*Do we have the right structure?*
Common questions and issues

- How to begin?
- What should it cost? How long should it take?
- Completing a plan that is actionable and will attract funder support
- Consensus building
- Setting realistic - yet ambitious - goals; getting real
- Getting planning participants to think strategically - inadequate understanding of organization
Questions and Discussion
Caveats

- The first strategic plan will inevitably focus a lot on organizational structure and process.
- If you can’t summarize the plan in your own words, it isn’t clear enough (the big ideas).
Bottom line?

JUST DO IT.