

## Strategy and Planning

**A guide to understanding, formulating and implementing strategy in a community organisation /charitable organisation - for volunteers, staff and directors/trustees**

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### What is strategy and planning?

Strategy and planning is the process of setting out what an organisation is there to achieve and how it intends to achieve it. It is a process that is concerned with bigger-picture and long-term thinking, rather than with ordinary day-to-day activities. Because of this, the strategy and plan should be owned by the board and senior staff, and collectively delivered by the whole organisation.

Different organisations often use different terms to describe the same process. A strategy might be called a business plan or a forward plan, and the planning document may be called an action plan or implementation plan. Whatever terms are used, fundamentally, the final document has two parts. The first part (the strategy) sets out what the organisation is there to achieve in the long term. The second part (the plan) sets out how the organisation will do it.

A strategy and plan is often informed by the views of beneficiaries, partners, staff and/or volunteers. Views can be collected through formal or informal consultation, or simply informed by conversations had during the normal course of events.

The strategy and plan may also be supported by further detailed plans: a budget, for instance, and possibly specific plans for other areas like marketing or fundraising. Detailed plans like this tend to be the responsibility of individuals or small teams working to deliver parts of the overall plan, whereas the strategy and plan is the guiding force for all of these more detailed areas of responsibility and is ultimately the responsibility of the board and senior staff.

### Why is it important for organisations to have a strategy and a plan?

A written strategy and plan is the most effective way in which the board can set out their collective vision for the organisation, and work in partnership with the staff to achieve it. It provides the necessary context and information in order to support effective and informed decision making at all levels of the organisation.

The process of creating and reviewing strategy and plans provides the board and staff with the ideal opportunity to come to a common understanding of the vision, the direction of travel and the route to achieving it. In turn, this makes communicating that mission to others more straightforward.

### Who creates your strategy and plan?

Organisations of different sizes will create strategy in different ways.

In a small voluntary organisation with no staff, the board will often work together to create it, led by the Chair or another trustee. Volunteers may be asked to contribute and beneficiaries may be asked for their input too.

In larger organisations, often the board and senior staff work together to create it, perhaps with the Chief Executive taking the lead in consolidating the views of the groups. Junior staff may also be consulted and again, volunteers and beneficiaries views are likely to be taken into consideration.

Because strategy is fundamental to the Board's leadership role, the board must be involved in its creation. Creating strategy in partnership with the staff gives a board the opportunity to bring all parties together behind a shared mission and purpose. The strategy then acts as a binding force for the organisation and provides clarity for all those working to achieve the mission.

The information provided here will help you get started in creating a strategy for your organisation. If you feel you would benefit from additional support or advice, please do get in touch with us at Derbyshire Dales CVS on 01629 812154. Our informal advice and support is free to our members, and we offer a range of services designed to support voluntary organisations with specific needs. You can find further information on our website.

### How do you create your strategy?

The first step to create your strategy is to agree who needs to be involved. Not all those involved need to be involved in exactly the same way, but if different groups do need to get involved, make sure you create appropriate opportunities in order that their views can be taken into consideration.

The second step is to agree the framework for the strategy and plan. Different organisations include different things in their strategy documents. We've included our suggestion of what you might want to include below.

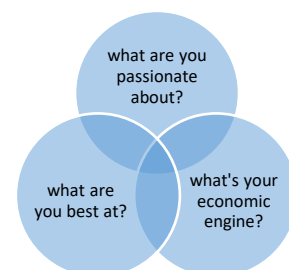
Thirdly, set aside some dedicated time to work through it. Most organisations find it useful to create a strategy in stages, rather than all in one go. You can facilitate the session/s yourself, or you might want to bring in an external facilitator to guide you through the process. This is a service we are able to provide if you feel you would benefit from some support.

Finally, remember that the board need to formally adopt the final strategy and plan when it is written, and then monitor progress against the plan on an ongoing basis. This is usually done at a board meetings.

### What does a strategy contain?

Different organisations include different things in their strategy documents. At the CVS, we begin by thinking about our core vision and values: the ideology that underpins all of what we do. We then think about our long-term strategic plan and our marketing strategies. Then we think through our current operating circumstances using a simple SWOT or PESTLE analysis. The following illustrates what we strive to capture and refine at the CVS:

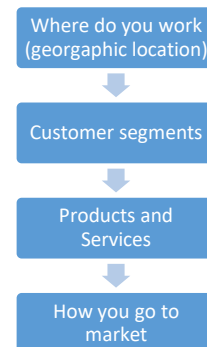
- **Our Vision:** what are we trying to achieve? What change would we like to see happen in the world because of our actions?
- **Our Purpose:** why are we trying to achieve our vision? Why is it important?
- **Our Values<sup>1</sup>:** what's important to us in our organisation and how do we carry out the work that we do? What values do we think all trustees and staff share?
- **Hedgehog Concept<sup>2</sup>:** a Venn diagram showing the intersecting area of what are we are deeply passionate about, can we excel at and how we bring in money (our economic driver – the one thing that will bring in the most sustainable source of income, expressed as revenue per x, where x can be a variety of things, including customer, product or project).



<sup>1</sup> For further reading about organisational values see Anne Rhoades, 'Built on Values: Creating an Enviably Culture that Outperforms the Competition', 2011

<sup>2</sup> For more information see 'Good to Great', Jim Collins, 2011.

- **Our Ultimate Goal:** the one thing we would like to see (and be able to measure) that will stretch us for a considerable time – perhaps a 10-20 year goal. This is not a financial goal, it needs to be something that is more motivating than money.
- **Our customer and beneficiary marketing strategies:**
  - Where we work?
  - Our different types of paying customers and our beneficiaries?
  - The products and services they buy/we offer for free?
  - How do we reach our paying customers/our beneficiaries?
- **Value Proposition and Brand Identity:** why do people buy from us and what do they expect from us?
- **SWOT analysis:** what are the organisation's current strengths and weaknesses opportunities and threats?



### How do you create the plan to implement the strategy?

At the CVS, our plan contains the following:

- **Targets:** for the short and medium term (3-5 years and 1 year)
- **Development goals:** what areas of the business and what specifically needs to be developed within the time frames listed above in order for the strategy to be achieved?

We often break down our development goals into quarters for the first year of the strategy. We also make sure we don't list too many short-term development goals each year – no more than one short term goal per quarter per person.

### How do you deliver your strategy and plan?

Delivering the plan then becomes a matter of delegating each short-term development goal to a single person responsible for achieving it, and ensuring each short-term goal has a set date by when it needs to be achieved. At the CVS we find it helpful to list these as due by the end of each quarter, and then keeping track becomes a routine matter of reviewing progress at each board meeting. Follow up can be done in between board meetings at team meetings and as part of the regular cycle of 121 meetings too.

It is also very normal for plans to need to shift and change as time goes on. You may find it helpful to revisit your implementation plan on a very regular basis, and to alter your short-term goals as you need to. This can either be done following discussion with the Chief Executive or with the Board as is necessary.

### How do you review your strategy and plan for future years?

Forming a strategy and plan is part of a cycle that takes place in a similar way each year. Towards the end of the year, the process of reviewing and formulating strategy begins again for the forthcoming years. Once again, development goals and targets for the forthcoming years can be set again, as described above.

### How can I get help?

Derbyshire Dales CVS can help if you need further support. Please contact us on 01629 812154. We can provide bespoke training for the board and staff and we can help you by facilitating the creation of your strategy and plan. The range of the services we provide can be viewed on our website, and you can call us to discuss your individual circumstances and how we can help.