



VIRGINIA CAPACITY

OCCB Newsletter

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WINTER - 2008

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Virginia Department of Housing and Community Development

www.dhcd.virginia.gov

A new year!

Just weeks into the New Year and already those resolutions are being put to the test. For many of us, visions of a fresh start are now just faded reminders of our own good intentions. If only we had put a plan in place, we might already be on the way to losing those extra five pounds, spending more time with family, or re-organizing the closets.

Similarly, the success of a well-intentioned nonprofit also depends on the implementation of a plan.

Strategic planning is key to effecting change and developing as an organization, and that's the focus of the Winter 2008 issue of *Virginia Capacity*, the Office of Community Capacity Building's quarterly newsletter.

We hope the tips help as you initiate or revisit your strategic planning process. Share *Virginia Capacity* with colleagues, and be sure to let us know how you were able to use the information. Enjoy!

Ten top tips for energizing your strategic planning team

The process of developing a strategic plan is as important as the plan itself. It requires broad participation from the board of directors; their leadership is critical. This typically comes in the form of a task force or an ad hoc committee that drives the process.

While this team energizes the full board, putting some key elements in place will help ensure that this smaller group is actively engaged in the process and feels supported in their efforts.

Giving new board members a chance to assume planning responsibility early in their board service will help ensure a fully engaged governing body.

1. Engage new and longstanding board members

Combine the institutional memory and knowledge of longstanding board leaders with the energy and fresh insights of more recent additions to the board.

2. Provide the group with outside facilitation and administrative support

To allow the strategic planning task force to fully engage in discussions, remove some of their process-related worry.



Under the direction of the board president and task force or committee chair, allow staff to assist in setting up their meetings. Provide for outside facilitation and note-taking. If the budget limits the employment of an outside resource, consider trading these services with staff from an unrelated nonprofit.

3. **Clear the workspace**

If unfinished business lingers, the strategic planning effort will not succeed. Be on the lookout for fundamental disagreements related to the mission and vision of the organization. Likewise, personal conflicts should be addressed, and critical issues such as immediate funding shortfalls should be resolved in order to clearly establish the multi-year planning context. Kick off the planning with an off-site retreat.

4. **Use a sample work plan or process**

Don't reinvent the wheel; use an established process. There are many resources available for strategic planning in a nonprofit setting. Start with one of these, and tailor it to your needs. This head start can strengthen the confidence of the planning team.

5. **Provide tools and support for information gathering**

A lot of information is needed to support an effective planning process. Tools such as worksheets to assess organizational strengths, weaknesses, opportunities, and threats (SWOT) are available to structure the data-gathering efforts. Engage the full board in providing this information and in seeking supplemental data and stakeholder opinion.

6. **Establish roles and processes**

Just as specific roles are established for board work, the planning subgroup should develop an agreed-upon structure, with set roles, responsibilities for all members. The presentation to the full board, their approval process and a timeline should also be set.

7. **Ensure the planning team is representative of the board, the organization and the community served**

Identify if there are any gaps in perspective or organizational knowledge. Consider

supplementing the strategic planning team with members from advisory committees, the client base, and committed volunteers. Other options include the use of focus groups and stakeholder surveys (see the related article in this issue).

8. **Mix staff and board members**

Board and staff members have different perspectives. Engage them in collaborative efforts to share the staff's working knowledge with the board and to expose staff members to the big-picture policy and governance interests of the board.

9. **Kick off and draw down the process with full board participation**

Even if the strategic planning process falls at a time that precludes active engagement from one or two board members, be sure to keep them engaged with a full-board retreat at the start and a full-board working session near the close so that these members can respond to, and inform, progress.

10. **Capture momentum and keep it**

The availability of an outside resource such as an independent facilitator can help create a sense of urgency for board members. The work plan for finishing the strategic plan should not extend more than three or four months if the board is going to remain actively engaged throughout.

+ A Bonus Tip: Have fun!

Use a sense of play and connect with individual passions for the organizational mission to elicit creative strategies in meeting your group's goals. And remember Yogi Berra's words on direction-setting: "If you don't know where you are going, you are certain to end up somewhere else."

Tapping into stakeholder perspectives

Given the limited size of governing boards, it's unlikely that any board fully represents the opinions and interests of all of an organization's stakeholders. To ensure that these additional parties have a voice in the strategic planning process, engage in some creative brainstorming around whose insight might inform the analysis and how that insight might be best captured.

Map 'em! First, try mapping the organization's relationships. Like the tentacles of an octopus, the organization may reach in many directions. It probably has partners, funders, clients, allies, members, sister organizations in neighboring communities, suppliers and customers.

Sometimes elected officials and local governments play an important role. And often there is a parent organization whose needs and requirements must be considered as well.

Getting these various players down on paper in a graphic presentation will help understand not only the primary individuals, organizations and communities you engage with, but some secondary ones as well.

Prioritize. Narrow the field; prioritize subjects for information gathering, since your resources (including time!) are limited.

Ask in a variety of ways. Some options for eliciting input include one-on-one interviews, focus groups and written or electronic surveys.

Nothing beats engaging a stakeholder representative in an informal setting, but try to build the conversation around a set of established questions to ensure some uniformity in the inquiry and to make sure you don't miss important information.

Also consider connecting the input process with your existing outreach efforts, such as staffing a booth under your organization's banner at a public event or celebration. Capture the candid and impromptu remarks by visitors and invite their additional participation in the formal process.

For an easy-to-use and free electronic survey tool, try surveymonkey.com.

Invite them in. Throughout the process, be on the lookout for particularly engaged and insightful stakeholders. You might want to invite them onto the team, or have them participate in a focus group to give feedback at a later stage of planning. These might be individuals the board wishes to groom for an advisory or governing board seat down the road.



Keeping fit: The plan update

Even if your organization just completed a three to five year strategic plan, keeping it fit should still be on the agenda. Once a plan is written, it ages quickly on the shelf unless it is used as an active, living document. By having a living strategic plan, it guides the day-to-day work of staff and board committees.

Depending on the complexity of the plan, the ad hoc planning group may dissolve upon completion, with plan oversight integrated into the board's executive committee. The executive director uses the plan, with its corresponding calendar of activity as a directive from the board, limiting the need for time-consuming board decisions on individual issues that are already incorporated into the organizational strategy.

Since every organization operates within a changing environment, the plan will shift.

These changes should be reflected in the plan update, as should feedback on proposed benchmarks that have been met and surpassed (celebrate those!) Address goals in which results are behind expected performance levels. The update should be completed annually, in conjunction with the development of the coming year's work plan.

Avoid common planning pitfalls

Fortunately, the world of catastrophic strategic planning mishaps is really the one in which organizations fail to plan.

While any planning process has its own pitfalls, they are shallow and well marked compared to the abyss confronted when working without a strategy and operating without forethought. That said, these common mistakes can be avoided. Here are some of those challenges and the way around them.

Present mindedness: It's surprisingly difficult to think beyond the present context, especially if there are immediate challenges looming. They preoccupy us, and in the worst cases, train us as reactive animals.

While it's imperative to understand the current climate, any successful positioning of an organization must take the next step by looking ahead. Incorporate demographic, social, economic and cultural trends as well as the potential effects of current policies in assessing the future services provided by the organization.

Isolationism: It's tempting to undertake a planning effort that incorporates only those already intimately involved with an organization. There are several dangers with a closed process, including the risk of groupthink. (Outside perspectives can shake this up pretty quickly.)

It also omits input and feedback from those who decline to engage with the organization or

use its services. Including these perspectives might open new markets and help identify potential partners and clients.

Forgetting to build buy-in:

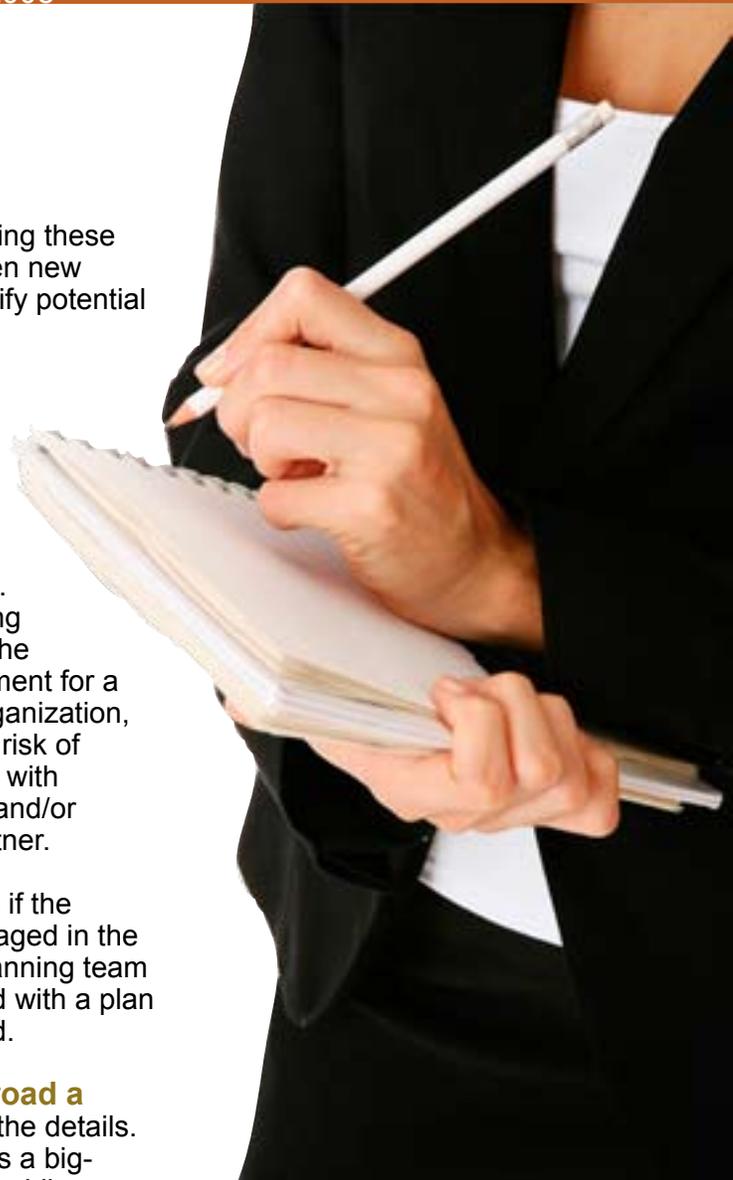
The flip side of the isolated planning process is the effect it can have on important stakeholders. For instance, by omitting a local government in the strategic plan development for a community housing organization, the developer runs the risk of creating a plan at odds with the community's plan, and/or alienating a critical partner.

Within an organization, if the entire board is not engaged in the planning process, a planning team may return to the board with a plan that won't be supported.

Painting with too broad a stroke:

Strength is in the details. While a strategic plan is a big-picture document, the guiding forces of a plan's capacity to effect change are the actions and timelines detailed within it. Identify who will do what, and by when. Then track progress.

Shelfishness: A dusty plan on a shelf provides little support for day-to-day action and decision-making. If your plan has gotten dusty, consider an update. If you've just completed a plan, check to see if implementation steps are in place. Develop an organizational structure to track it and schedule the first annual update.



"I always skate to where I think the puck is going to be."

Wayne Gretsky

"However beautiful the strategy, you should occasionally look at the results."

Winston Churchill

OCCB's strategic planning resources: The Seed capacity building program

The Office of Community Capacity Building (OCCB) provides services to improve the effectiveness of the Virginia Department of Housing and Community Development's nonprofit and local government partners located in non-entitlement communities.

Primarily, OCCB services are delivered through longer-term capacity building grants such as the Seed Program and the similarly structured Rural Community Development Initiative (RCDI) program, carried out under a USDA Rural Development grant. OCCB also provides shorter-term technical assistance.

In any capacity building effort, OCCB team members work with staff and the governing board to help the organization establish its own goals and plan to achieve them. OCCB staff facilitates planning processes and incorporates grant activities to strengthen an organization's ability and resources to



Board members of RCDI grantee SCORE, Inc. consider future programs at a December 2007 strategic planning session.

work with state, federal, private and local partners in improving communities throughout Virginia.

The Seed capacity building program is the unit's signature resource for these efforts.

A new cohort of Seed grantees will begin this summer. Program elements include staff and board training, strategic planning, on-site technical assistance, establishment of a peer learning network, and up to \$20,000 in operational grants per organization.

For more information on OCCB's strategic planning resources, to participate in a Seed capacity building program how-to-apply workshop on March 18, 19, or 20, or to apply for the program, call (804) 371-7167 or visit: www.dhcd.virginia.gov.

Resources for strategic planning

There is a wide range of material available to help nonprofit boards engage in strategic thinking and planning. If you have a favorite guide to the strategic planning process, let us know, and we'll be sure to add it to the Office of Community Capacity Building (OCCB) library, and share the information with other communities.

Here are just a few book titles and Web sites:

- Alliance for Nonprofit Management: www.allianceonline.org/FAQ/strategic_planning
- Michael Allison and June Kay, *Strategic Planning for Nonprofit Organizations: A Practical Guide and Workbook*; John Wiley & Sons.
- Bryan W. Barry, *Strategic Planning Workbook for Nonprofit Organizations*; Fieldstone Alliance.
- Carter McNamara, PhD, *Field Guide to Nonprofit Strategic Planning and Facilitation*; Authenticity Consulting.
- Nonprofit Organization Management: *Forms, Checklists & Guidelines*; LRP Publications.

Creating a culture of strategic thought

For many nonprofit board members, strategic planning can be the most refreshing phase of the governance cycle. Removed from the day-to-day management issues in which too many boards find themselves entrenched, a planning process is an opportunity to engage in the group's primary goal: guiding the organization's strategic direction.

Perhaps the most important outcome of a strategic planning retreat is the creation of an environment conducive to deeply analytical thought based in the values of an organization. It gives time to thoroughly assess contexts and surrounding forces. Yet there's no reason that this environment can't be reproduced on a more frequent basis.

In his book, *The Art of the Long View: Planning for the Future in an Uncertain World*, Global Business Network founder Peter Schwartz puts forth that resilient organizations hold their strategic conversations on a continuous basis. The important dialogue happens in formal processes such as a planning retreat; but it also occurs informally, in smaller groups and in an almost ad hoc manner. It becomes part of the organizational culture.

In this way, a nonprofit board that thinks strategically not only engages in a formal planning process, but it maintains an ongoing future orientation, considering trends and shifts that can help or stand in the way of meeting the organization's goals. It uses every board meeting to engage in some level of strategic thought.

BoardSource contributor Terry Williams, a retired McKinsey & Company senior director, offers tips for encouraging strategic portions of board meetings. One recommendation is to move operational and management decisions to a consent agenda, reserving enough time to hold more important board-level conversations. Posing strategy-related question can help set the stage. Or consider role-playing or assigning board members to play devil's advocate to incorporate diverse stakeholder perspectives.

Board leaders might also consider broadening board membership or bringing in other participants for their perspectives. In the scenario planning process used

by Schwarz's Global Business Network, an outside 'bomb thrower' is included specifically to introduce ground-shaking and thought-provoking ideas and questions.

In the end, all strategic conversations have the potential for meaningful policy outcomes. It's the work of the board to continually identify the forces that might act on an organization while considering its goals and the options at hand for achieving them. The conversations can be fueled by the group's sense of energy and optimism. They can even be fun. And they're a sure way to attract and engage the strategically minded directors that every board seeks.

For more information:
Schwartz, Peter. *The Art of the Long View*
(Doubleday, 1991).

Williams, Terry. "Thinking Outside the Boardroom"
Board Member (BoardSource March/April 2006).



Putting plans to work: The Health Wagon



More than a million Virginia residents lack health insurance. In the Commonwealth's Appalachian region, high unemployment, geographic isolation, and a shortage of specialty healthcare providers compound the problem. For many of these Southwest Virginia residents, a nonprofit mobile healthcare provider, The Health Wagon, meets a critical need.

The Health Wagon provides an access point for services to the region's uninsured and underinsured residents. In addition to day-to-day work with a mobile health unit, the Clinchco-based organization plays a lead role the Wise County Remote Area Medical (RAM). The RAM is the nation's largest healthcare outreach, last year providing more than 8,000 rural residents with medical services.

Not long ago, however, The Health Wagon itself struggled. The organization lacked a reliable income stream. It needed more partners.

Through participation in the Seed capacity building program, the organization was able to move the organization to a more solid footing. A major factor in group's progress, said Executive Director Teresa Gardner, was the development of a strategy.

"Without the board addressing critical questions of how we want to position ourselves, we couldn't have taken advantage of some opportunities we were presented with," said Gardner.

Their goals included raising awareness of The Health Wagon's services and establishing strong relationships with funders. By considering the organizational strategy, the board was able to present a clear message around the necessity and impact of their organization.

The strategy was put to work as the organization responded to important opportunities, including national media attention brought by the 2007 RAM. The presidential primaries drew more attention to the crises in healthcare and pointed to the dependency of many rural residents on services such as those provided by The Health Wagon. And in early 2008, the organization was featured as part of a CBS News 60 Minutes segment.

Meanwhile, local attention on the organization increased as well. The fund development component of their strategy helped The Health Wagon strengthen partnerships and led to a long-term relationship with Mountain States Health Alliance.

"Our efforts are based in more than 25 years of good work. We will continue to build on that important heritage," says Gardner. "And our strategic plan will guide our efforts to meet the critical needs of the population we serve."

To donate to or volunteer with The Health Wagon, visit their Web site at: www.thehealthwagon.org.



The Health Wagon staff (left to right): Carol Turner, Heather Mays, Karen O'Quinn, Teresa Gardner, and Jo Ella Dales.



Mt. States Health Alliance (MSHHA) announces their yearly commitment of \$150,000. (Left to right) Barbara Hale, MSHA, Lee Turner, MSHA, Donald Baker, MSHA board member, Teresa Gardner, and Larry Kennedy, The Health Wagon Board President.



Mark your calendar

Virginia Chapter, American Planning Association Annual Conference

March 26 – 28
Reston, VA

For more information, visit:
www.vaplanning.org/news.

Seed capacity building program “How-to-Apply” workshops

- **March 18, 2 – 4 p.m.**
Remote [web](#) conference
- **March 19, 1 – 3 p.m.**
Roanoke Higher Education Center
- **March 20, 1 – 3 p.m.**
Richmond, Virginia Department of Housing and Community Development

Federal Home Loan Bank Affordable Housing Program “How-to-Apply” workshops

- **April 1, 9 a.m. - noon**
Fredericksburg, Central Virginia Housing Coalition Office
- **April 3, 9 a.m. - noon**
Virginia Beach, Higher Education Center
- **April 8, 9 a.m. - noon**
Harrisonburg, Rockingham County Administration Building
- **April 10, 9 a.m. - noon**
Abingdon, Higher Education Center

For more information, call (804) 371-7027.

Federal Home Loan Bank Community Investment Services for Banks Workshop

April 2
Richmond and Abingdon, Web Conference

For more information, call (804) 371-7027.

Seed capacity building program applications due

April 30

Appalachian Regional Commission (ARC) Flex-E Grant capacity building workshop series

April 22, May 13
Clintwood, VA

For more information, call (804) 371-7027.

Building a Creative Economy in Southwest Virginia: Art, Culture and Sustainable Development Conference

May 19 and 20
Southwest Virginia Higher Education Center
Abingdon, VA

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office-occb@dhcd.virginia.gov

A strategic planning glossary

strategic planning: A systematic process through which an organization agrees on mission-essential priorities. The process also builds stakeholder commitment and responds to the current operating environment

mission statement: A short, concise sentence or paragraph that reveals an organizations primary purpose. It can include clarifying information such as the population served and the manner in which the organization fulfills its mission.

vision statement: A vivid, idealized description of a desired outcome that inspires, energizes and helps create a mental picture of your target. Vision statements are usually set in the present tense and are highly descriptive.



goal: An abstract outcome statement that guides a program or management function.

objective: A precise, measurable, time-phased activity that supports a goal.

strategy: A broad, coordinated approach to achieving goals and objectives.

OCCB

About OCCB

The Office of Community Capacity Building (OCCB) serves as a catalyst for improving Virginia's community development partners' effectiveness to achieve their mission.

This is accomplished by providing capacity building services in five key areas:

- Organizational Development and Growth
- Organizational Management
- Resource Development
- Program Development
- Community Relations and Accountability

The goal of OCCB is to help develop sustainable organizations that improve the quality of life in the communities they serve. OCCB offers a variety of programs and services, primarily to nonprofit organizations and local governments located in non-entitlement communities throughout Virginia, to assist with increasing capacity. Intensive technical assistance and training is provided to strengthen and improve an organization's performance.