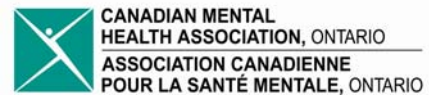# Strategic Planning Toolkit

Building Strong Foundations
Strategic Planning Toolkit

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INTRODUCTION

This toolkit was developed as part of *Building Strong Foundations (BSF) -* a joint project of CMHA Ontario and the Federation, funded by the Ministry of Health and Long-Term Care. Designed to strengthen the governance and administrative foundations of Ontario's mental health and addictions agencies, *BSF* offers a comprehensive suite of learning tools and resources on such subjects as:

➢ Human Resource Development

➢ Organizational Policies and Procedures

➢ Governance

➢ Strategic Planning

The Purpose

The purpose of this toolkit is to help agencies develop a good strategic plan. Intended for those who have never done a strategic plan, or those who do not have a formal planning process in place, it can be used as an educational resource to help Board and staff better understand why and how to do strategic planning, and then guide the planning team through the process. The toolkit will:

➢ build the leadership teams' confidence about their capacity to create an effective strategic plan

➢ demonstrate how the process can be designed to ensure that it is a helpful navigational tool for decision-making

➢ increase understanding about each of the components of the strategic plan and how they work together

➢ provide easy-to-use steps and checklists to help complete each of the components

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How to Use the Toolkit

1. Start by learning about what a strategic plan is intended to do and how it differs from other kinds of planning. Then review what it can do for your agency.

2. Once key decision-makers commit to developing a strategic plan, review the steps that need to be undertaken to plan the process. This is a critical step because a good strategic plan depends on having designed a creative, inclusive and rigorous process. A bad process will result in a bad plan. Read through the whole toolkit and then come back to this section and follow the steps required to plan the strategic planning process. Use the template in the appendix to customize the steps for your agency.

3. Now that the process is designed, consider each of the key components. The overview provides a picture of the components that make up the strategic plan. The description of the purpose explains what each component is intended to achieve.

4. Refer to the final section for suggested steps that can be taken to complete the components and checklists that outline what to look for or consider when doing the exercise.

What is Strategic Planning?

Strategic planning is a process that searches for the best possible choices for the agency. The development of a strategic plan can't be outsourced to a consultant or small stakeholder group because the process of discovering, challenging, analyzing and choosing is the most important part of the exercise. It determines what your agency intends to accomplish in the long term and outlines how its energies and resources will be directed.

A strategic plan is different from an annual or operating plan. Strategic planning starts with a vision of the future that does not presuppose that what is being done now will continue. It is a creative process that stretches thinking and challenges assumptions. The strategic priorities are a response to external opportunities and internal strengths and external threats and internal weaknesses. As well, a strategic plan focuses on organization-wide issues and high level priorities that cross over all aspects of the agency, including governance, management, culture, processes and programs. Other

kinds of plans have a more narrow scope and a shorter time frame. They usually focus on extending what is currently in place, only doing it better, and concentrate on tactics and schedules within specific program and functional areas.

A strategic plan is an important navigational tool. It can help Board members and staff to make decisions, set priorities and measure success. However, in order to be an effective resource, it must be agreed to by all key stakeholders, remain highly visible when critical decisions are made, and be regularly updated as the environment changes.

What Can Strategic Planning Do For Your Organization?

Strategic planning can help the agency better achieve its mission because it builds credibility, increases effectiveness and improves quality. A strategic planning process provides an opportunity for key stakeholders to step out of the day-to-day challenges facing the agency and reflect on and resolve big issues. It harnesses all the wisdom, insights, experiences and creative energies of the people who are responsible for delivering on the mission. It ensures the agency is:

➢ *creative* by challenging the status quo, testing assumptions and exploring alternative ways to work

➢ *proactive* by anticipating opportunities and threats and actively managing change

➢ *decisive* by making hard choices among the many alternatives and understanding the implications

➢ *focused* on what really matters by building staff ownership of future directions and aligning mission, vision, goals and resources

DESIGNING THE PROCESS

Why Planning the Process is Important

The completed strategic plan will only be as good as the process that got you there. If you can get the process right, then you'll get the right product. Thinking about the process before starting the development of the strategic plan can help ensure that your agency avoids many of the pitfalls. For example, many plans 'sit on the shelf' or never get implemented because people weren't properly engaged in their creation. Some plans look like 'more of the same' because the process didn't generate innovative thinking. In other cases, the development of the strategic plan gets stalled because inadequate resources were allocated.

Taking the time to plan the process will ensure the development of a realistic plan that truly stretches the organization. It will also ensure that those who are responsible for implementing the plan will feel ownership for its success and will be prepared to be held accountable for delivering results.

Steps in the Planning Process

The following describes the steps to be taken to design the planning process. (Use the ***Design the Strategic Planning Process Template***).The key steps are:

1. Defining the purpose

2. Setting the ground rules

3. Identifying who should participate and how

4. Identifying resources and leadership

5. Preparing the work plan

6. Determining the communication strategy

7. Developing strategies for overcoming resistance to the planning process

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1. Defining the Purpose

The first step in the planning process is to clarify why the organization is doing a strategic plan. It may seem obvious, however many plans fail because participants have different expectations of what is to be achieved. It is critical to start with a shared understanding of the intent of the strategic planning process. If this is well articulated at the beginning, the people responsible for guiding the process can measure their success along the way and make the necessary adjustments.

The key questions to be answered are:

➢ *What do we hope to accomplish by having a strategic plan?*

➢ *How will it be used and who will use it?*

➢ *What are the specific outcomes that are to be achieved by the strategic plan? For example, they might be to:*

   ▪ better align people, processes and programs
   ▪ increase organizational efficiency
   ▪ build consensus about future directions
   ▪ revitalize the organization
   ▪ provide a focus for decision-making

2. Setting the Ground Rules:

Having articulated why the organization is doing a strategic plan, the next step is to develop ground rules that will help the participants in the planning process to achieve the desired outcomes. These rules help create the right environment for strategic planning. Some sample ground rules appear below.

We will:

➢ *be open to change and new ways of working*

➢ *challenge assumptions and the status quo*

➢ *think long-term*

➢ *stimulate creativity and innovation*

➢ *make evidence based decisions*

➢ *confront realities and be open and honest in the assessment of the current situation*

➢ *provide an opportunity for input by all those who are affected by the plan*

3. Identifying Who Should Participate and How

It is essential to consider who should participate in the planning process. Keep in mind that the plan can be facilitated, but not developed, by a consultant or small group of senior managers. The participants involved in strategic planning decision-making should include those people who are going to be held accountable for the results and/or are responsible for implementing the plan.

Every agency will identify different participants based on such factors as its governance model, division of roles and responsibilities, organizational values, and resource availability. Ideally all stakeholders, including Board members, staff, clients, key funders/ donors, senior volunteers and community partners will have an opportunity to participate. Involving a broad range of stakeholders ensures that they not only agree with the plan when it is completed, but that they are prepared to support it and help make it happen. While not all stakeholders can or should participate in all aspects of the process, it is possible to offer opportunities for a broad range of stakeholders to provide input into some of the components. For example, questionnaires, focus groups, surveys and interviews can generate valuable information about organizational strengths, weaknesses, issues and choices.

It will also be important to consider how many of the various stakeholders will participate and how they will be selected. For example, will representatives from various functions, programs or services be invited to contribute? Will they be selected as a percentage of the total number of participants?

4. Identifying Resources and Leadership

The next step is to consider what resources (e.g. funds, people, technology) are available to do the strategic plan and how they will be allocated. For example, are there funds to bring people together face-to-face? If so, how many times? Are there funds to

hire a facilitator or research expert? Are there resources to survey a broad cross section of stakeholders?

If the process is to be successful, it will require commitment and leadership by the Board and Executive Director. The level and kind of commitment required may vary based on the agency's governance model.

A person (or group of people) must be identified who will take responsibility for ensuring the process happens as it was designed, on time and within budget. This person might be a Board member, Executive Director, a senior staff person or chair of the strategic planning committee. Regardless of who is assigned the task, it is critical that they have the authority and capacity to oversee the process.

It is also important to think about decision points at which approval is required. For example, will the strategic priorities be identified by a majority vote or will full consensus be necessary? Who will approve them before moving to the next step?

5. Preparing the Work Plan

This step involves making decisions about how the strategic plan will be developed. The planning horizon is the first thing to be considered. For example, is the plan aimed at the next 3 or 5 years? Keep in mind that while there is a set horizon, the plan will be continually reviewed and, if necessary, revised so it is responsive to new developments and challenges in the environment.

Review the diagram of the strategic planning components and the description of the purpose for each of them. Consider what kind of analysis you want to do for the external and internal review e.g. an analysis of opportunities and threats and/or benchmarking.

Now look at each component and decide how the steps will be completed. Review the section **Steps and Checklists**. You can use the **Designing the Strategic Planning Process Template** to help develop your work plan. Think about:

➢ *What is to be achieved or learned from the exercise?*

➢ *What kind of environment should be created and how will it be achieved? (refer back*

to your ground rules). For example, if the purpose is to review internal performance, it is important to encourage openness and transparency. If the purpose is a visioning exercise, it is important to stimulate creative thinking.

➢ *Who is responsible for organizing the steps and who will be held accountable for completing them?*

➢ *Who will participate directly and/or provide input?*

➢ *If dialogue and debate is required, should it be led or facilitated? By whom? If it is led, consider the impact of the person's position on the outcomes. If it is facilitated, think about the fact that the facilitator must remain neutral.*

➢ *How will each of the steps be completed?*

➢ *How will decisions be made e.g. consensus or majority rule?*

➢ *What is the approval process?*

➢ *How long will it realistically take to complete the steps ?*

➢ *What resources (people, funds, technology) are required to complete each* step, *where will they come from, and how will they be allocated?*

6. Determining the Communication Strategy

The communication strategy should be well thought through before beginning the strategic planning process. It is important to communicate regularly and broadly so key stakeholders feel included in the process. It is also important to keep careful records of what took place and which decisions were made so there is no need for backtracking. Communication goes a long way to creating a transparent process which, in turn, generates a high degree of trust. Think about:

➢ *Who* do you need to communicate with? Consider both internal and external audiences.

➢ *Why* are you communicating? For example, are you communicating progress being made in the development of the strategic plan, providing background information to help in decision-making or reporting on decisions made?

➢ *Who* will record decisions? Will the records include background and context information or just the decisions?

➢ *What* is the appropriate timing for release of the information? For example, if participants are reviewing materials on the external environment, how far in advance of the session should they receive it?

➢ *How* will it be communicated? For example, will it be a report, an update or email? Keep in mind that just because people receive information, doesn't mean that they will read it.

➢ *Who* is responsible for ensuring the communication strategy is executed properly? Who will write the material and who will send it out?

7. Develop strategies for overcoming resistance

Resistance can take many forms. People may chose not to participate in the planning process or seem to agree with the decisions, but then quietly sabotage their implementation. It is critical to uncover and then respond to those who resist. Creating the right atmosphere for developing the plan will help to overcome some of the resistance. Getting people to talk about their concerns before the planning process begins, then taking action to address them will also help. For example,

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Common Reasons for Resistance	*Strategies for Addressing Them*
'You can't plan because there is too much uncertainty.'	Communicate that the plan is not set in stone. It will be continually reviewed and revised.
'These things just sit on the shelf.'	Talk about how the plan will be used once it is completed (e.g. tie into performance reviews)
'It's the senior manager's job to do planning.'	Demonstrate to other stakeholders that they will be affected by the plan and build their confidence about their ability to participate.
'It will restrict our activities, so we won't be able to respond to new opportunities and challenge.'	Communicate the purpose of the strategic plan and how it is distinct from the annual plan. Explain that the plan will guide direction, not set activities.
'It will be a huge amount of work and nothing will really change in the long run.'	Tell people how important it is that they participate in the process in order to ensure that the expectations are reasonable. Also talk about how it will be integrated into the annual plan, not just added on.
'What we are doing now is working, why mess with success?'	Create an environment in which people take an honest look at performance and challenge the status quo. Get those who are comfortable with change to be ambassadors to those who aren't.
'We don't have the time'.	Emphasize that strategic planning is an investment in the agency's future. It will save a lot of time down the road because we'll have a shared sense of priorities. Also, in today's competitive environment, we can't afford not to make the time.

OVERVIEW OF THE COMPONENTS

Plan the Process

- *Purpose*
- *Ground Rules*
- *Participants*
- *Resources and Leadership*

Revise or Reaffirm the Mission

Develop, Revise or Reaffirm the Values

Develop, Revise or Reaffirm a Vision

Assess the Situation

External Environmental Analysis:

- **Review of opportunities and threats**

- **Benchmarking/best practices**

Internal Review:

- **Needs assessments and satisfaction surveys**

- **Performance review**

- **Organizational review**

- **Historical synopsis**

Determine Strategic Direction

- **Identify critical issues or choices**

- **Set strategic priorities**

- **Establish goals, understand   implications and set indicators**

Create an Integrated Plan

- **Determine specific strategies, tactics and action plans**

Establish an Evaluation Process

PURPOSE OF THE COMPONENTS

Revise or Reaffirm the Mission

The organization's mission is an agreed upon statement that explains why the agency exists. In a succinct and clear statement, it describes what the agency does, for whom and how it does it. The mission should be compelling - it tells people what good the agency is achieving and helps to distinguish it within the community. If it is a good mission statement, it will help in guiding decisions about strategic priorities.

Develop, Revise or Reaffirm the Values

Organizational values (which may also be called guiding principles) describe the beliefs that drive how the agency works and builds relationships. They are at the heart of the organizational culture. The values should be reflected throughout the agency - in its policies, its performance reviews, and its governance practices. If they are already in place, they should also influence the design of the strategic planning process and the choice of strategic priorities.

Develop, Revise or Reaffirm the Vision

A vision statement describes a desirable future state that does not yet exist; visioning is the exercise of constructing a mental picture of a better and different future – one that stretches, challenges and inspires key stakeholders. The purpose of developing a vision is to open stakeholders thinking to possibilities, rather than being limited by the current reality.

A vision statement should also be plausible and provide enough information to help participants in the strategic planning process to make selections when faced with competing priorities or options. A one sentence vision statement that describes an outcome that won't be achieved in anyone's lifetime might inspire, but is unlikely to provide enough information to help in decision-making.

There are two types of vision statements. The first type focuses on what the agency could look like if it was functioning at its most effective and efficient. It might address

quality of staff, number of people served, governance practices, quality or quantity of volunteers, type of programs/services, sources of funding and/or efficiency of operations. The statements might say:

➢ *We are an employer of choice among the not-for-profit sector in our community;*

➢ *Our Board has adopted best governance practices;*

➢ *We are attracting and retaining high caliber volunteers in our community.*

The second type of vision statement focuses externally. It describes how the community and the lives of those served are improved, changed or different if the agency is successful. The statements might say:

➢ *The quality of life of our clients is significantly enhanced;*

➢ *We have built effective partnerships with the key organizations in our community;*

➢ *Leaders would describe our agency as having a significant impact on the quality of life in our community.*

Assess the Situation

Assessing the situation provides an objective view of the external and internal environments. It generates concrete information that leads to better understanding about the agency's challenges, opportunities, assets, capabilities and weaknesses. This section provides a number of ways to analyze the internal and external context. While it may not be possible to complete all of the components, every organization should at least complete a review of external opportunities and threats, and internal agency performance as part of the strategic planning process.

It is important to remember that assessing the situation is not an end in itself. Its primary purpose is to generate information that helps stimulate thinking and insights that, in turn, lead to the best possible strategic choices.

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Review of Opportunities and Threats

A review of opportunities and threats identifies those conditions, events and trends - such as changing client needs, increased competition or new regulations - which will have a significant impact on the agency. The intent is to make strategic choices that will take advantage of opportunities and reduce, mitigate or eliminate threats. By understanding opportunities and threats, organizational leaders can proactively create the future, rather than just react to it.

Opportunities are defined as those factors, events, circumstances or trends which could produce benefits for the agency. Threats are probable events, conditions or trends that could limit the agency's possibilities or produce significant damage. Keep in mind that some opportunities, if ignored or missed, may become threats. As well, threats that are effectively addressed can turn into opportunities.

The identification of opportunities and threats can also emerge through an analysis of potential allies and competitors in the community. Identifying other organizations which share common values, missions and goals may provide an opportunity to build partnerships, alliances and collaborations, or engage in joint programming and cross agency referrals. Identifying those organizations which compete for clients, funders, donors, Board members and other volunteers may uncover potential threats to your agency.

The gathering of information for the external environmental analysis can be a thorough and in-depth review based on formal research, or an informal process drawing knowledge and views from select stakeholders (e.g. Board and staff).

EXTERNAL ENVIRONMENTAL ANALYSIS

Benchmarking/Best Practices

The purpose of benchmarking is to learn about the 'best' performers in order to measure the success of the agency. This research, combined with other information about best practices, can be used to measure the agency's performance against objective industry standards, set reasonable goals and expectations against those standards and generate innovative ideas.

It is important to use the information gathered through the benchmarking/best practice exercise carefully. The information may be skewed because it's not comparing 'apples with apples' or does not paint a complete picture. Best practice information is best used as an indicator or guideline for generating innovative ideas and new approaches.

INTERNAL REVIEW

Needs Assessments and Satisfaction Surveys

A needs assessment is a formal analysis of the needs of the people for whom the programs and services are designed. It answers the question: what are the problems, issues, interests or 'wants' of the specific population we serve? It is important that the information is statistically sound, obtained from credible sources and not just based on the perceptions of a few staff or Board members.

The needs assessment should look at current needs and how they are changing as a result of, for example, the success of programs and services, external opportunities and threats, and advances in program models and research. It should also examine the needs of those who aren't currently being served by the agency, but would fit within its mandate or mission. It may be discovered that the agency can have an impact on a broader or larger market if it makes program/service alterations.

A satisfaction survey looks at the level of satisfaction of various stakeholders with their involvement in the agency. It also provides valuable insight into how each of the stakeholder groups views the agency. Stakeholders include: Board members, staff, volunteers, clients, funders/donors and community partners.

If needs assessment or satisfaction surveys have been completed, then it is important to review their findings, make observations and draw conclusions about what they tell the participants in the strategic planning process about future directions.

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Performance Review

A performance review is a rigorous, fact based assessment of how the agency is performing, both at the time of the analysis, and over the last 3 -5 years. It allows the agency to protect and build on its strengths and improve and/or eliminate areas of weakness. It is one of the most important steps in the strategic planning process.

The performance review should be evidence-based and draw from performance measures such as: the number of people that are served or attend programs; the direct and indirect costs of providing services; and the growth or decline in revenues or expenses. In looking at performance, it is important to evaluate both effectiveness and efficiency because it can't be presumed that if one is achieved, the other follows. Effectiveness relates to the impact the programs and services are having on the people served and the ability to meet their identified goals. Efficiency looks at such areas as turnaround times and cost benefit analysis.

In order to lead to the best possible strategic decisions, the information must be accurate and comprehensive. It is important to present the information in a way that generates objective observations that aren't skewed by individual history, attitudes, assumptions and values. Also, it is important to look at both the good and bad news. While this may be intimidating, it will ensure the strategic directions and goals are addressing the right problems.

INTERNAL REVIEW

Organizational Review

An organizational review is similar to a performance review, but focuses on whether the organization has the capacity to effectively and efficiently fulfill its mission. The review focuses on the organization behind the programs, including the management, governance, structures, resources, systems, culture and relationships.

The organizational review should focus on all aspects of the agency because they are interconnected. For example, an analysis that only focuses on one aspect may identify the issue as poor communication. However, a review of all the aspects may reveal that communication is breaking down because of a lack of clarity about roles and

responsibilities, and high stress levels in the work environment.

The review can be either a formal systematic evaluation of agency performance, or an informal assessment. A formal, in depth review will produce more reliable information, but can take time and resources to complete. There are a number of resources available for a formal review, such as *Benchmarks of Excellence for the Voluntary Sector* and the MOHLTC's *Operating Manual*. An informal review is easier and less costly but gives participants less confidence that the real issues have been uncovered. Even with an informal review, it is important to get a variety of views so perceptions are not skewed to one perspective.

INTERNAL REVIEW

Historical synopsis

An historical synopsis is an account of significant events that have happened in the life of the agency. It identifies occurrences in the past which offer insight into how the agency has become what it is today. It includes a description of major milestones, events or changes and the impact those have had on the agency.

Determine Strategic Direction

IDENTIFY CRITICAL ISSUES OR CHOICES

The critical issues or choices focus on the changes that need to be made or the areas that need to be addressed. Identifying these issues is a critical step because it allows participants to articulate and prioritize the real problems, challenges or opportunities before considering ways to address or take advantage of them. The success of this step is dependent upon having done a complete and accurate review of the internal and external environment and developed a good vision statement.

It is important to design a process that gets at the root issue or choice. The natural tendency of many participants will be to focus on one aspect of the agency or identify the 'top level' or 'symptom', rather than the real issues or choices. For example, participants may begin by describing the issue as *'needing more staff or funding'.* However, with probing, they may discover the real issue is *'how to identify ways to better utilize existing*

staff or to find other human resource and technology solutions to meet the growing demand for service'.

Issues or choices can be stated as questions or statements, for example: *'how can projected deficits be avoided?'* They can also be stated as a problem or a solution, for example: *'we need to build a financial base that can sustain our programs over the long term'.*

Determine Strategic Direction

SET STRATEGIC PRIORITIES

Strategic priorities describe what the organization will do in the next 3 – 10 years to ensure that it meets its mission and makes significant progress toward achieving its vision.

Clear, realistic and compelling strategic priorities keep the agency focused and will help it to avoid drifting away from its mission. They serve as the planning umbrella for integrating all the efforts of programs, processes and people into a cohesive organizational effort. If they are too broad and abstract and not grounded in the capacity or willingness of staff to fulfill them, they are nothing more than well intentioned wishes. However, they also need to be flexible enough to encourage creativity and innovation and allow for responses to new challenges and developments.

Determine Strategic Direction

ESTABLISH GOALS, UNDERSTAND IMPLICATIONS & SET INDICATORS

The goals describe what must be done to achieve the strategic priorities. They move from broad stroke to more specific, concrete, measurable and attainable goals. However, it is important to remain at a high level and not confuse goals with specific actions. The goals at this point in the planning process should still cross over a number of functional areas. For example, a strategic priority might be: *'to be the organization of choice for high caliber volunteers';* the goals to achieve that might be: *'to build the profile of the organization in the community and to create an effective volunteer management program.'*

It is also important to consider the implications of each goal for all aspects of the agency.

For example, if the goals require significant change within the agency, such as the elimination of a program, the development of a new program or a revision in the governance structure, then it is important to consider the resource, morale, and systems implications.

Once the goals are established, the next step is to develop indicators. These indicators answer the question *'How will we know it is happening?'* and provide a measuring system that allows the agency to monitor its progress.

Create an Integrated Plan

DETERMINE SPECIFIC STRATEGIES, TACTICS & ACTION PLANS

Many strategic plans fail because they are not properly integrated into the current activities of the agency. If the strategic plan includes detailed actions that are separate from annual plans and staff see them as an 'add on' to their regular responsibilities, they may feel overwhelmed. Integrating the strategic priorities and goals into the annual planning process ensures that the strategies, tactics and actions remain feasible and relevant to the people who must accomplish them. It also means that Board and/or staff can be held accountable for achieving them.

All relevant Board and/or staff identify specific strategies, tactics and action plans to achieve the strategic priorities and goals within their areas of responsibility. This may involve doing work differently, adding new activities, or refining current activities. The process can be undertaken as part of the annual planning process or as a revision to the annual plan. There are no set steps outlined in the Steps and Checklists section because every agency has its own operational planning process.

Establish an Evaluation Process

The purpose of evaluation is to systematically monitor, review and revise performance in achieving the strategic priorities and goals. It allows key decision-makers to keep the strategic plan visible, to ensure that it continues to be relevant and to build accountability throughout the agency for delivering results. Without a good evaluation process, the plan is nothing more than words on paper.

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In establishing the mechanisms that will be used to evaluate the plan, it is important to consider what will be measured, how it will be monitored, what will be done as a result of what is learned and how the strategic plan will be revised. If clear and measurable goals have been set, then determining what to measure and how to measure it will be easy.

STEPS AND CHECKLISTS

Develop, or Reaffirm a Mission Statement

Steps

1. **Review the current mission statement** and determine if it needs to be reaffirmed or revised.
2. **If it is to be revised, then make revisions** using the Mission Checklist.

Mission Checklist

This checklist can be used to review the current mission statement to determine if it is still accurate and relevant. If it needs revision, then use the checklist to ensure the revised mission statement is a good one.

☐ Does it clearly and accurately describe what we do, for whom and how we do it? Does it make clear what everyone within the agency is committed to make happen and change as a result of our collective action?

☐ Does it describe what is unique or distinct about us? Does it specifically describe the demographics and geography or community we serve?

☐ Does it reflect our organizational values?

☐ Is it realistic and attainable; can it be achieved with current or potential resources available to us?

☐ Would people want to rally around the mission or contribute to it? If the agency were to disappear, does it adequately describe why anyone should care?

☐ Does it remain relevant to those we serve? Would they share the description of what we do and why?

☐ Do all our current programs and services fit within the description of mission?

☐ Does it allow for growth and innovation?

☐ Does it appeal to the heart and head?

☐ Does the mission use correct and current language? Is it jargon free and written in plain language? Is there consensus about the meaning of each of the key words in the mission?

Establish, Revise or Reaffirm the Organizational Values

Steps

1. **Identify the current beliefs of the organization**. Be aware of some of the underlying assumptions about how the organization behaves. For example, think about how people are treated, relationships are developed or decisions are made. Also think in terms of all the stakeholders, including Board members, volunteers, staff and clients).

2. **List values that aren't currently being demonstrated in the organization, but should be** - such as treating clients with respect and dignity.

3. **Turn the description of beliefs and behaviors into value statements.** Ensure that there is no jargon or vague language that would allow people to interpret them differently.

4. **Prioritize the list** by getting agreement on the key or most important values.

5. **Describe how the values could translate into the day-to-day work of the organization.** Consider the impact of the values on all aspects of the organization including, governance, operations, programs, relationships and behavior.

6. **Formalize the value statement** through Board endorsement. Consider whether to make the value statement an organizational policy.

7. **Communicate the value statement to all key stakeholders.** This can be done as a part of the overall communication strategy.

Establish, Revise or Reaffirm the Organizational Values

Examples of Organizational Values

➢ Constant learning: *We continuously learn from our successes and mistakes and then apply them to do even better in future endeavors. We regularly seek out feedback from all our key stakeholders.*

➢ Respect and humility: *We approach others in a way that demonstrates that we value them and their contribution. We show respect and humility in all our stakeholder relations, including the relationship between the Board and staff, and in the way we communicate with funders and deliver services to clients.*

➢ Meaningful partnerships*: We form and then actively nurture meaningful partnerships and collaborations in order to better serve our clients and reduce duplication of effort.*

➢ Good decision-making: *We are rigorous in our decision-making processes. This means that we will be creative, thoughtful and decisive and are prepared to make tough choices.*

➢ Integrity: *We are honest and frank in all of our dealings and communications. We ensure information that is timely, appropriate and honest.*

Establish, Revise or Reaffirm the Organizational Values

Values Checklist

Use this checklist to review your current values. If all of these conditions are not met, consider revising the values.

☐ The values address all aspects of the organization from how it is governed to how we build relationships. They are not just focused on how we work with the people we serve.

☐ The values are still relevant to the mission of the organization.

☐ The language is clear to everyone. There is no jargon or vague language.

☐ We are all clear about how our values translate into day-to-day behavior. Everyone has a consistent interpretation of how they affect our structure, processes and relationships.

☐ The values are explicit enough that we can identify when they are being met and celebrate them

Develop, Revise or Reaffirm a Vision

Steps

1. **Determine the purpose of the vision statement.** For example, is it an internal and/or external vision? How will it be used?
2. **Ask participants to respond to a set of questions.** The purpose of the questions is to generate thinking about what success would look like in the future. It is important to encourage people to think outside the 'box' of current restrictions (e.g. of funding or people) but also to ensure the vision is plausible (i.e. that it could be achieved). Consider:
    - What unique contribution could we be making that we aren't making now?
    - What would make this an exciting agency in the future?
    - What do we need to do to thrive?
    - Who could we be serving or how could we be serving people better?
    - What is our greatest opportunity for growth?
3. **Compile the information into clusters** such as resources, services or new clients. It might be easier for a smaller group to organize the information. Keep in mind that it should be clustered in a way that will help participants in the strategic planning process to make critical choices**.**
4. **Ask key stakeholders for corrections and additions.** It is important that stakeholders feel that it truly reflects their vision of the future.
5. **Summarize the description of the vision into a statement.** This should be done by a small group. The statement should be extensive enough to provide a framework for thinking about strategic choices, but short enough to be compelling.

Develop, Revise or Reaffirm a Vision

Vision Statement Checklist

Once the vision statement is drafted, use the following checklist to ensure that it has the right components. This checklist can also be used to review a current vision to ensure it is still accurate and relevant.

☐   Provides a clear and shared picture of what success would look like in the future

☐   Makes the distinction between what the agency would look like and what the community/world would look like

☐   States the description of the future as if it has already been achieved e.g. The organization is seen as the employer of choice among the best possible candidates

☐   Stretches the agency but is plausible

☐   Fits with the agency's values and mission

☐   Sets the agency apart and makes it distinctive

☐   Describes outcomes, not strategies or activities

☐   Describes a substantive and challenging level of achievement

☐   Has a timeframe that is achievable

☐   Acts as a rallying call for all stakeholders

☐   Honors, but is not hostage to, the past

☐   Outlines clear guideposts

☐   Provides clear direction for decision-making about the agency's direction and priorities

Assess the Situation
External Environment: Review of Opportunities & Threats

Steps

1. **Identify the key categories of information to be collected.** Consider:
    -   social/cultural (e.g. demographics, donor/volunteer expectations)
    -   economic (e.g. market changes, consumer confidence)
    -   political (e.g. new legislation and policies, changes in leaders or political philosophy, funding patterns)
    -   systems (e.g. structural changes in the health care system)
    -   technological (e.g. innovation in information technologies)
    -   sector (new program models, innovative strategies, staff recruitment)

2. **Identify key allies and competitors.** Start with other agencies working directly in the mental health or addictions field and then branch out to those who have or could have an impact on the people served by the agency. It is important to identify what makes them an ally or competitor and what can be learned from them. Consider:
    -   their mission and how they position themselves
    -   how they do things differently, worse or better than our agency
    -   the organization's direction and what impact it has on the agency

3. **Determine how the information will be collected.** Consider information that is available through:
    -   existing sources e.g. CMHA Ontario or OFCMHAP
    -   secondary sources e.g. government reports, Statistics Canada, websites
    -   internal stakeholders e.g. Board members, staff, consumers

4. **Collect the information.** Look for significant changes, trends and potential allies and competitors in the external environment. If the information is being gathered from internal stakeholders, consider using a survey, interviews or brainstorming sessions. Also look for information that helps you to identify why those events are occurring. (See *What to Look For*)

5. **Organize the information into clear categories (e.g. social, political) and separate opportunities and threats.** Keep in mind that sometimes they can be the 'flip side of the same coin'. For example, demographic changes in the population could increase the demand for service, which adds pressure to resources but may also increase funding opportunities.

6. **Identify what the opportunity or threat means to the agency (e.g. to operations, resources, programs) and articulate the implications.**

7. **Prioritize those opportunities and threats that are the most likely to have the most impact on whether the organization succeeds in the future.**

What to Look For

When looking at the possible opportunities and threats, use this list to help identify the most significant issues:

☐ Would it significantly influence our ability to achieve our mission?

☐ Would it have an impact on our whole agency or on a number of different areas of our operation?

☐ Is there a significant risk or implication if we don't respond to it?

☐ Would it have a longer term impact on the agency?

☐ Would it directly impact our clients, funders, volunteers or staff?

☐ Would it cause us to do things differently, such as changing the way we deliver service or recruit staff?

☐ Is it likely to occur?

☐ Would it have a significant impact on resources?

☐ Would it make us significantly more or less competitive?

☐ Could we effectively take advantage of it or reduce/eliminate it?

☐ Would most of our stakeholders see it as critical to our success or failure?

Assess the Situation
External Environment: Benchmarking/Best Practices

Steps

1. **Determine the purpose of the exercise.** Is it to:
   - compare ourselves to other organizations in different sectors?
   - compare ourselves to 'like' organizations?
   - find innovative approaches?
   - learn about how others deliver programs, govern, manage or build relationships?

2. **Determine how formal a process is required.** For example, if the process is intended to benchmark your agency's performance against that of other organizations, it must be reliable. It is important to ensure the same things are being compared and that there is a complete and accurate picture. If it is to learn from others about how they do things, then the process can be less formal.

3. **Identify the specific areas that need to be benchmarked or learned about.** For example, is the purpose to learn about:
   - financial or program performance?
   - how efficiencies are achieved?
   - program delivery or governance models?
   - recruitment or communication strategies?

4. **Determine where to get the information.** Collecting it from existing sources, such as CMHA Ontario or OFCMHAP, community partners or literature reviews, is much less costly and time consuming than doing your own research.

5. **Develop a realistic plan for collecting the information.** Identify information sources and strategies for data collection. Determine who will collect the information and what resources are required. If it is important to collect original information, think about partnering with other organizations.

6. **Once the information is gathered, clearly articulate what was learned** from the research process so that it can inform the development of strategic directions.

Assess the Situation
Internal Review: Needs Assessment and Satisfaction Surveys

Steps

1. **Identify what you want to achieve by doing a needs assessment or satisfaction survey.** Think about:
   - What you want to learn?
   - Who do you want to learn about – consumers, staff, Board members, volunteers, donors, funders and/or community partners?
   - How will the information be used?
   - How accurate does it need to be?

2. **Determine how the information will be gathered.** Keep in mind that a confidential, face-to-face process will generate more genuine and reliable responses. However, it may also limit the number of responses that can be collected. Also consider where the information might already exist, such as in performance reviews or Board evaluations. Approaches for gathering information may include:
   - surveys
   - interviews (face to face or telephone)
   - observation (observe people participating in programs)
   - focus groups (small groups led by an objective facilitator)
   - questionnaires

3. **Develop an action plan** with timelines and assignments of responsibility.

4. **Develop a series of questions.** Consider whether you want to collect qualitative information (about how people feel or what they think) or quantitative information (based on 'hard' data such as attendance figures). Watch for questions that are judgmental, biased or not targeted to the audience. Test the questions with potential respondents to make sure they generate information that is relevant to the strategic planning process.

5. **Design a process for compiling, tallying and analyzing the information.** Consider what resources will be required, who will do it and how it will get done.

6. **Collect the data and analyze it.** Be sure to summarize the findings in a way that allows people to see patterns and trends. However, be careful not to present the information in a way that presumes conclusions.
7. **Identify the key learning from the data.**

What to Look For

The following provides some ideas of what to look for in the findings from the needs assessment or satisfaction survey.

☐ What are the societal forces that may have influenced the findings?

☐ How do our clients describe their needs or perceptions; is it different than what other studies or surveys tell us?

☐ What are the root causes of the needs/concerns?

☐ How have the needs or perceptions changed; what's causing them to change?

☐ What impacts do our programs and services have on addressing the needs/interests/concerns?

Assess the Situation
Internal Review: Performance Review

Steps

1. **Determine what is to be learned from the performance review**. Think about:
    - How will it be used?
    - What is to be reviewed – programs and services, financial performance, human resources, governance and/or operations?
    - What is the review period and will it create a reliable picture?
    - Should qualitative (e.g. numbers) and/or quantitative information (perceptions) or both be collected?
    - Should it look at effectiveness and if so, how is that defined?

2. **Determine how the information will be gathered.** There may be information available from existing data sources (e.g. satisfaction surveys; financial reports; program reviews) or it may need to be collected. Also consider how the information will be compiled.

3. **Review the data to be sure that it is clear.** Check the accuracy of the information and, if necessary, make adjustments.

4. **Bring together key stakeholders and ask them to analyze what the data tells them.** (see *What to Look For*) Identify trends, relationships, patterns and significant changes. Ensure that all observations are made before going to the next step. Don't allow participants to leap to conclusions or solutions.

5. **Identify areas of strength and core competencies. Also identify weaknesses and articulate why they are a weakness.**

6. **Develop conclusions about the performance of the agency.** Ensure all the conclusions are based on evidence.

Assess the Situation
Internal Review: Performance Review

What to Look For

Here are some key areas to look at when reviewing the performance information:

☐ Is the organization and its clients better or worse off? Why?

☐ What improved or worsened?

☐ Are the numbers increasing, decreasing or the same? Why?

☐ Have the ratios changed (e.g. revenues to expenses)? Why or why not?

☐ Has the quality improved? At what cost and for what benefit?

☐ Are we consistently meeting program objectives and annual plans? If not, why?

☐ Are we having the impact that we set out to have? If not, why?

☐ Are the strategies working? If not, why?

☐ Do the perceptions of our performance differ from what the quantitative data tells us? If so, why?

☐ Do the benefits received exceed the direct and indirect costs? If not, why?

Assess the Situation
Internal Review: Organizational Review

Steps
(Same as the steps for a performance review)

Key Areas of Consideration

The organizational review should identify areas of strength and weakness. The following success factors should be present in your agency. Determine if the organization has:

☐ A clear and compelling direction based on well articulated, comprehensive and manageable plans

☐ An ongoing and rigorous performance management process that generates reliable information and is used to improve performance

☐ Strong Board stewardship based on an effective governance structure, clear roles and responsibilities, good decision-making processes and a nomination process that ensures the right people with the right skills are in the right positions

☐ Well managed human resources (staff and volunteers) based on a realistic and detailed human resource plan, clear job descriptions, effective policies and a productive and positive work environment

☐ The appropriate resources to achieve the intended results using a realistic revenue generation plan, proper allocation of human and financial resources to achieve the plan and the appropriate support systems and policies to allow for effective and efficient resource generation and allocation

☐ Positive relationships with external and internal stakeholders, based on a culture of collaboration

☐ Innovative and responsive approaches that result from a creative internal environment that encourages measured risk taking

☐ Clear and useful policies and procedures that help the organization to be more effective, streamlined and protected

☐ Effective use of technology and space that is properly utilized to help deliver quality programs and services

Assess the Situation
Internal Review: Historical Synopsis

Steps

The following steps can be taken to compile an historical synopsis.

1. **Determine the parameters of the review.** Think about:
   - How will it be used?
   - What is to be reviewed – leadership, finances, funding, programming, service delivery, organizational environment or culture?

2. **Decide how the information will be generated.** Consider who can provide a comprehensive perspective of the agency's history e.g. founders, previous staff and Board members. Also look in existing records of the history, such as annual reports, media coverage, and minutes.

3. **Organize the information.** Agree upon a format for presenting the information. For example, should it be organized chronologically or by topic area? Determine the most critical factors. Isolate the key decisions, events, milestones and changes that had a significant impact on shaping the agency. Also identify who was positively or adversely affected by them.

4. **Identify the key learnings**. Look at the factors that contributed to growth/decline or improvements or loss of quality, and describe what affect they had and what cold be learned from it. Find patterns that surface over time and identify what they tell you. Draw conclusions about what they say about future directions.

Determine Strategic Direction
Identify the Critical Issues or Choices

Steps

1. **Compile all the key learnings** from the external analysis and internal review. If possible, put the learnings and vision statement on flip charts on a wall so that all participants can see them. Summarize what was learned about:
   - programs offered
   - market needs
   - size/growth
   - technology
   - human resources
   - service capacity
   - organizational image
   - financial sustainability

2. **Brainstorm all the issues and** choices that emerge from the findings of the external environmental analysis, internal review and the visioning exercise. It is important to be comprehensive in your view, don't worry if they are 'all over the map'. Try to express the issues or choices as either questions or statements. Consider the following.
   - Which strengths and assets should we be expand or strengthen?
   - Which significant opportunities should we capitalize on?
   - Which weaknesses must we correct?
   - Which threats must we avoid, mitigate or eliminate?
   - Which barriers could we encounter?
   - Which programs or activities should we add or discontinue?
   - Which benchmarks, best practices or innovations should we achieve?

3. **Narrow down the list** by finding logical combinations and by eliminating duplication. For example, if there are a number of issues or choices saying the same things, but in a different ways, restate them as one choice or issue.

4. **Cluster the issues/choices into relevant themes** (e.g. leadership, capacity, quality) or categories (e.g. financial, human resources, programs/services, community profile/reputation, governance, operations). This is best done as a

small group.

5. **Provide evidence that it is an issue/choice** (e.g. the numbers show a steady decline in clients over the last three years). You may not need to write these down, just be sure that people can justify the selection of issues or choices.

6. **Consider the consequences and implications of not responding** to the issues/choices.

7. **Identify the most significant issues/choices.** Begin by deciding on the criteria for prioritization. Prioritize the issues/choices in a way that allows for consensus to be reached. Try to limit the number to no more than 10 issues/choices. Possible criteria for selecting priority issues and choices, include:

   ☐ Will it have significant impact on organization's performance?

   ☐ Is there a sense of urgency?

   ☐ Is there the capacity to address it effectively?

   ☐ Is it a priority that must be addressed or something that should simply be monitored?

8. **Review the issues/choices to see if they can be further refined** by combining them. If it is possible to combine them, ensure that they don't lose impact or meaning because they become too broad. Also ensure that the meaning and implication of each issue/choice is understood by all critical stakeholders.

Determine Strategic Direction
Set Strategic Priorities

Steps

1. **Review the list of priority issues/choices.**

2. **Separate the long-term issues/choices from the short-term.** The short term issues/choices may become goals to achieve the strategic priorities.

3. **Articulate clear directional statements.** You should be able to turn statements of issues or choices into strategic statements. Keep in mind the statements should:

   ▪ start with a verb

   ▪ focus on the long-term direction, not activities

   ▪ link to the mission, values and vision

   ▪ clearly state what is intended so there is a shared interpretation

4. **Prioritize the strategic directions based on agreed to criteria.** If possible, narrow them down to about 4 – 6 strategic priorities. As part of the criteria, consider:

   ☐ Does it tangibly move the agency closer to the vision?

   ☐ Will it stretch the agency beyond what it is now accomplishing?

   ☐ Can it lead to creative and innovative goals?

   ☐ Will it allow the agency to respond to new challenges and developments?

   ☐ Can it realistically be implemented with existing or attainable resources?

   ☐ Does it generate excitement on the part of those who have to implement it?

5. **Review the strategic priorities with key stakeholders to ensure there is buy-in.** Circulate the priorities to other stakeholders who will be significantly affected by them. Try to provide an opportunity for as many of those stakeholders as possible to talk about what they mean and how they were established. The intent is to begin to build ownership, not to revise the priorities.

6. **Ensure that the program outcomes and indicators and organizational policies and procedures fit with the strategic priorities.** If they don't, it will be important to revise or develop new ones.

Determine Strategic Direction
Establish Goals, Understand Implications and Set Indicators

Steps

1. **Brainstorm ideas about how to achieve the strategic priorities.** Be sure the environment allows participants to think creatively. It is also important to include participants with experience so they can talk about what has worked and not worked in the past.

2. **Evaluate each of the ideas against key criteria.** Consider:

   ☐ Will it have a significant impact in achieving the strategic priority?

   ☐ Will it stretch the organization beyond what is now being accomplished?

   ☐ Can it lead to creative and innovative strategies and tactics?

   ☐ Does it link to the mission, values and vision?

   ☐ Is it based on best practices, and on what has worked in the past

   ☐ Can it be measured?

   ☐ Can it realistically be implemented with existing or attainable resources?

   ☐ Does it generate excitement or a sense of urgency on the part of those who have to implement it?

3. **Short list the best ideas.** Ensure there is consensus**.**

4. **Turn each idea into a goal statement** that describes a specific, concrete, measurable and attainable result. Choose the verb at the front of the statement carefully. Ensure there is consensus about what they mean. Remember that every word matters; there should be no ambiguity. It is also better to have less ambitious goals that are achieved than more ambitious ones that aren't.

5. **Prioritize goals.** There should be 2 – 3 goals for each strategic priority. Keep in mind that it can be energizing to focus on a few goals that can be achieved quickly and used as a stepping stone to more ambitious goals. This will build confidence and increase the willingness of Board members and staff to work toward achieving the longer term goals.

6. **Consider the implications of the goals to the agency.**

   ☐ Are there significant impacts for the way the agency is governed, managed or operated?

   ☐ Will pursuing these goals require a significant change in the way that staff deliver programs and services? If so, what kind of change is required?

   ☐ How will these changes affect our clients and funders?

   ☐ Do they require new processes or systems?

   ☐ What kind of resources will be required to accomplish these goals?

7. **Set indicators for each of the goals.** Decide how you will measure the success of each goal by describing how you will know it is achieved. The indicators can be based on quantitative (e.g. numbers) and qualitative (e.g. perceptions) information. Keep in mind the indicators should look at a variety of dimensions, such as structural, system, practice and attitude changes. To help identify indicators, ask participants to finish the question: we know it is happening if….?

8. **Determine if it is necessary to revisit the mission statement.** This will be necessary if the description of the mission doesn't align with the strategic priorities.

Indicators Checklist

Effective indicators have the following ingredients: They are:

   ☐ developed by the people with experience in the area

   ☐ measurable

   ☐ easily understood - free of technical jargon and vague concepts

   ☐ comprehensive and touch on all the appropriate dimensions, such as structure, systems, practices, attitudes and culture

   ☐ based on reliable information

   ☐ compelling and make people want to achieve them

CREATE AN INTEGRATED PLAN
Determine specific strategies, tactics and action plans

Steps

1. **Consider which programs or functions are impacted by each of the strategic directions and goals.**
2. **Determine how the strategic plan can be integrated into annual planning processes.**
3. **Integrate the strategic directions and goals into the annual planning process.**
4. **Compile the strategies, tactics and actions plans related to the strategic plan into a consolidated plan.**

Checklist for Planning

Have the appropriate Board and/or staff considered:

☐ all the key components of a plan – what, who, when and how

☐ strategies to address the barriers and challenges to achieving the plan

☐ a clear process for holding people accountable for achieving the plan and/or ensuring that it is appropriately modified so that it can be achieved

☐ actions that have a sense of urgency

☐ reasonable expectations

☐ a clear allocation of the resources required to complete the action plan

☐ a clear connection to organizational values and culture

CREATE AN INTEGRATED PLAN
Establish an Evaluation Process

Evaluation Process Checklist

This checklist outlines the steps that can be taken to develop an evaluation process and can be used to help ensure that the evaluation process is successful. The evaluation process should meet the following criteria:

☐ We are clear about the purpose of our evaluation and how we will use the information

☐ We have clearly defined what we will measure and how we will measure it

☐ We know who is responsible for measuring progress in achieving the priorities and goals

☐ It is clear how often we will review the plan and how we determine if it needs revisions

☐ If revisions are required, we have laid out a clear process for making the revisions, including who is to be involved and how it is done

☐ We have allocated enough resources (financial and human) to properly evaluate the plan

☐ The evaluation process is aligned with our other performance measurement systems.

☐ A communication plan has been developed to ensure the right information from the evaluation goes to the right people so that necessary changes to goals and strategies can be implemented and in order to celebrate progress.