

The Goettler Series
To Advance
The Business of Philanthropy

5

Strategic Leadership

*Advancing the Organization
from Planning to Reality*

The Goettler Series

This article is one of a series on what we at Goettler Associates consider to be the essential elements of fund raising and institutional development today.

We have developed this series in response to interest expressed by our clients and our colleagues in the field.

One must, however, always exercise caution in writing an article as a guide or “how-to” piece. While the article addresses general principles, each philanthropic institution finds itself in different circumstances.

We like to think that one of the qualities that distinguishes Goettler Associates in the fund-raising field is our recognition of this fact: that each institution, each campaign, each situation is different, and that each requires the experience and skills of a team of professionals to listen, learn, analyze, and interpret — and then to organize and carry out the strategy appropriate to the specific circumstances.

On the other hand, we also recognize the need to increase awareness of the time-tested principles of successful fund raising and to advance the “state of the art,” so to speak. We intend this series to be an important contribution in this respect.

This series may also help you understand how we think and how we approach fund development and advancing our philanthropic sector. We hope that it will provoke questions — and that you’ll call us for answers.

Strategic Leadership

*Advancing the Organization
from Planning to Reality*

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and Susan J. DeWitt
Principal, The Strategic Source

Our new century brings many exciting opportunities to philanthropic institutions. Trustees and chief executives have more alternatives for increasing their organizations' service to society than ever before. Trends in society and the economy favor philanthropic organizations and the communities they serve. Among these trends are:

- * A *national economy* that has created private wealth on an unprecedented scale.
- * A rapidly emerging *global economy*.
- * A population of aging "*baby boomers*" who have reached the prime phase in their lives for giving back to society (by both financial and non-financial means).
- * A growing *spiritual awareness* that moves beyond the materialism of the past two decades—recognizing that community service can bring even greater rewards to the donor than to the recipient.
- * The *internet revolution*—promising access *to all, by all*—offers new ways to match an individual's interests and contributions to the needs of people throughout the world.

At the same time, the very forces that will open up incredible opportunities to philanthropic organizations in the years ahead also have the potential to limit an organization's success. Consider that:

* Just as investors have become more sophisticated in their decision-making, so have *donors*. The measures of success may be different—but sophisticated donors also look for a significant return on their dollars. And they demand discipline, professionalism, and communication from the organizations they support.

* While capacity to give has increased enormously, loyalty to traditionally favored institutions may be on the wane. Gifts that were once considered almost automatic (to *alma mater*, church, and long-established charities) may be less significant than gifts to newer organizations that better capture the *heart and passion* of the donor.

* People dedicated to true community service are demanding more *involvement and participation* in the organizations they support. They are interested in the organization's *mission and values*. And they want to be assured that their gifts of money and time are being put to the best use. In short, they want much more from the organization than a listing in its annual report.

The options made available by the internet are so numerous that donors may feel overwhelmed and throw up their hands in despair. Schools, hospitals, research institutes, churches, social service

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agencies and cultural institutions all clamor for attention. And the choices don't stop there. Even within organizations, annual funds, capital funds, and endowment funds seem to compete with each other.

In the new century, the most successful organizations will be those who help donors navigate through an endless array of options—to locate those best matched to their *personal values and aspirations*. These organizations will also foster *long-term relationships* with donors by providing greater opportunities for involvement and participation.

The Case for Strategic Leadership

In the climate we've described, the roles of nonprofit executives and trustees have become much more challenging than in the past. At the same time, these roles can be much more *rewarding* than ever before.

Professionals and volunteers can no longer be content to serve as managers of the status quo. It's often said that the worst enemy of business is "business as usual"—and the same wisdom applies to nonprofit organizations.

To advance an organization, today's nonprofit executives and trustees must show how it can *create a better future* for all those it serves. They must demonstrate the "*payback*" on the donor's investment. Above all, they must provide effective *leadership*—by creating an environment where:

- Everyone is committed to the organization's *vision, mission, and goals*.
- The *strategies and processes* employed by the organization are aligned with its vision, mission, and goals.

- All professionals and volunteers involved in the organization *understand their roles* in implementing its vision, mission, and goals, and all are *held accountable* for its success.
- The *performance* of both individuals and teams is focused on attaining the organization's vision, mission, and goals.

It's often said that the worst enemy of business is "business as usual" — and the same wisdom applies to nonprofit organizations.

In other words, nonprofit executives and trustees must become what we call *strategic leaders*. By that, we mean that they must actively *provide direction* for the institution, and just as actively *implement* that direction.

Strategic Planning is Not Enough!

The concept of strategic leadership, as we see it, differs from traditional methods of strategic planning.

Both approaches begin with an understanding of the *needs of the organization's constituents*. Once these needs are defined, the organization can clearly define its *vision and mission*. And once focused on this vision and mission, the organization can identify specific *goals* and the actions it must take to achieve them.

Too often, however, that's where traditional planning approaches end. How many organizations go to all the trouble of creating a strategic plan—only to see it, once written and adopted, collect dust on the CEO's bookshelf?

Strategic leadership, on the other hand, continues where strategic planning all too often leaves off: It moves forward to transform the plans into *visible, measurable results*. The key is to ensure that *all of the organization's resources* (i.e. financial resources, professional staff, trustees, and volunteers) are put to their *highest and best use* in meeting the needs of its constituents.

Unlike traditional planning approaches, strategic leadership is a *continuing process*. It's about *changing people's expectations*—and creating the discipline to move the organization into *action!*

Unlike traditional planning approaches, strategic leadership is a continuing process.

This process does not end with a SWOT analysis (strengths, weaknesses, opportunities, and threats). It does not end with a weekend board retreat. It does not end with the publication of a mission statement or a five-year strategic plan. This is an *ongoing process* designed to ensure that the organization continues to identify and implement, year in and year out, the *actions that will produce the desired results*.

The Benefits of Strategic Leadership

Strategic leadership constitutes a commitment by an organization to a new way of leading itself—one that focuses on *delivering results*. It activates leadership to ensure that all of the organization's efforts are moving the organization toward successfully achieving its vision.

The benefits to the organization are huge. By aligning its plans and practices with its vision, mission, and goals, the organization:

- Actively takes control of *creating its own future*—rather than being driven by its history and habits.
- Develops a *compelling “story”* to tell constituents as it seeks their support. Because it evokes shared values and aspirations, this “story” helps to attract both financial and non-financial contributions.
- Ensures that its resources are committed to those activities which are *truly “mission-critical”* (and enables it to eliminate activities that are not significantly advancing its contribution to society).
- *Improves its performance* on critical priorities—due to the increased focus and commitment developed during the process.
- Facilitates the *recruitment of trustees and volunteers*—by demonstrating a level of professionalism and a commitment to action that set it apart from its peers.
- Becomes a *breeding ground for leaders*—by modeling a leadership process that adds value to the professional and personal lives of staff and volunteers.

How Does Strategic Leadership Translate into Fund-Raising Success?

Strategic leadership improves the day-to-day and long-term performance of an organization by creating an environment where *everyone is committed to a common vision, and knows how to get there.*

Success in strategic leadership also enables success in fund raising and institutional advancement. There are several reasons why this is true:

- As we've indicated, professionals and volunteers have a compelling "story" to tell potential donors. They can *clearly articulate the vision and mission* of the organization—so that donors can make informed choices on the basis of shared values.
- Staff and volunteers can also *articulate the goals* of the organization, and why those goals are essential to fulfilling its mission. Armed with this "story," they can clearly demonstrate the link between the donor's contribution and the tangible service the organization provides to society.
- As the organization achieves its goals and reports these successes to its constituent groups, those groups *gain more confidence* that their gifts of time and money are being put to their highest and best use. And success, of course, begets success. Staff and volunteers will find that they *gain more credibility* as the institution they represent gains more credibility.
- Organizations with a clear, compelling mission, and demonstrated performance in service of that mission, find it easier to *attract and retain high-quality staff and volunteers.* People who choose to associate with the organization will share its values and have their passion engaged. They will

know that the organization "walks its talk," and will be motivated to participate in both financial and non-financial ways. Ultimately, the organization will succeed in raising money by *telling its own success story* (rather than trading on the strength of its trustees' relationships with prospective donors).

The Two Phases of the Strategic Leadership Process

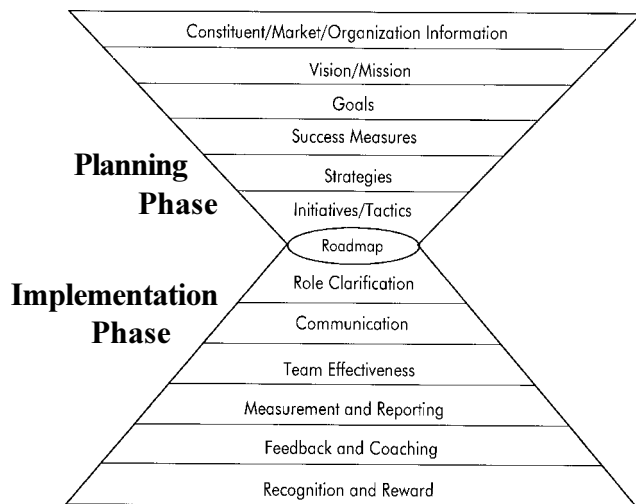
To achieve all these benefits, as we've suggested, strategic leaders must actively *provide direction* for the institution, and just as actively take the lead in *implementing* that direction. In most, if not all cases, one or both of these activities will lead to significant changes in *how the organization operates.* So strategic leaders are *change leaders.*

The strategic leadership process, as we define it, involves two interrelated phases:

1. The Planning Phase, in which the organization's leaders create the focus that will drive all of its activities. Through this process, the organization narrows its focus to a set of goals, strategies, and initiatives which will provide the greatest leverage in achieving its vision and mission. The organization's leaders also create a *road map*—a plan that will take them where they want to go.

2. The Implementation Phase, in which the leaders actively **execute the focus** throughout the entire organization. Through this process, the organization aligns its resources against the focused goals, strategies, and initiatives, and ensures that they are achieved. *The road map is their guide.*

To achieve success, each stage of both the Planning Phase and the Implementation Phase must be *actively driven by the executives and trustees* of the organization. Each stage also requires the *involvement and commitment of*



people at all levels of the organization. (The steps in the process are outlined in Appendix B.)

Getting Started with the Process: Are You Ready?

Organizations that use the strategic leadership process typically reap substantial benefits. There are several conditions, however, that must be met before an organization is ready to start the process. These conditions for success are:

1. A commitment to the process by the organization's executives and trustees

The strategic leadership process is time-consuming, and it requires the *active involvement of all key leaders*. These leaders must attend the planning meetings and complete assignments between meetings. They must be willing to make hard choices about priorities, and they must be prepared to change the policies and practices of the organization. While the process itself will help to create “buy-in,” the leaders of the organization must have a *shared commitment to the process* from the beginning.

2. A commitment to implementation

Nothing will breed cynicism within the board and staff faster than the realization that the strategic plan will not be implemented. The amount of time, energy, and expense that must be invested in this process demands that the plans be *implemented*. If the leadership team is unsure that it can commit to implementation, then the process should be deferred until that changes.

3. The organization is not in crisis mode

The timing may not be right for embarking on the strategic leadership process if the organization's leadership team is fully occupied with resolving a short-term crisis. Examples might include severe budget problems; the absence of a permanent CEO; or hostile relations among trustees. Before initiating a strategic leadership process, any crisis must be resolved—and an organization that faces such a situation may want to seek outside help.

Organizations which meet these three fundamental conditions for success are ready to start the strategic leadership process.

Planning the Strategic Leadership Process

If your organization is ready to begin, you'll need to identify a steering committee that will take ownership of the process and guide it. This group should be comprised of the individuals who are *ultimately responsible for the success of the institution*. Typically, they would include the chief executive officer, the chairman of the board of trustees, top-level administrative staff, and trustees who head key board committees. This group may also choose to include internal or outside counsel to help them manage the process.

To get the strategic leadership process off to a good start, the steering committee should be very clear about its objectives. It must determine:

- ➔ *Why* the organization is embarking on the process.
- ➔ The *results* expected from the process.
- ➔ Any *issues or concerns* about the process, and plans for resolving those concerns.
- ➔ Who will *manage* the process.
- ➔ Who will *participate* in the process, and what their responsibilities will be.
- ➔ A *time frame* and benchmarks for completing the process.

It is very important for the steering committee to clearly articulate these fundamental elements of the process. In doing so, it provides the organization with *clear direction and objectives*, and provides potential participants with *compelling reasons to get involved*.

Involving the Right Players in the Process

An effective strategic leadership process involves key individuals from *throughout the organization*—especially during the strategic planning phase. Broad involvement accomplishes two objectives:

1. Leaders hear *diverse points of view* on the organization and the directions in which it could move. This provides them with a better base of information for setting priorities.
2. Staff and volunteers are *included and listened to*. This will promote faster “buy-in” when the time comes to implement the organization’s plan.

The number of people involved in the process will vary, depending on the size of the organization. Generally speaking, the participants should include:

- Chief executive officer
- Board members
- Department heads
- Front-line staff representatives
- Volunteer representatives
- Other key stakeholders (major donors, community leaders, governing agency, service recipients, etc.)

...effective strategic leadership involves key individuals from throughout the organization.

Not all of these participants will be involved in every step of the process. For example, you may wish to involve your board members and department heads in a planning retreat, and obtain input from your volunteers through focus groups. What is critical is that each group feels *involved and listened to*—which will facilitate their commitment to the long-term goals and strategies you ultimately decide to pursue.

Should You Use Outside Counsel?

A well-run strategic leadership process will produce a strategic plan that is “*owned, and ultimately implemented, by everyone in the organization*.” For this reason, the content of the plan must be developed *within the organization*. Strategic plans developed by outside counsel are almost never implemented—since

in such cases, the members of the organization rarely develop a sense of ownership.

You may, however, want to consider bringing in outside resources to help you run the process as *efficiently and effectively* as possible. By engaging a professional planning consultant, you should gain:

- *Process expertise.* Members of your staff have important responsibilities beyond management of the planning process. It is often more efficient and productive to enlist outside counsel—whose *only job* is to plan, organize, and facilitate the process. That way, the organization’s leaders can focus on the *content* of the process.
- *Independence and objectivity.* Professional consultants are independent of the social and political networks of the institution. They can bring to the process an objectivity that “insiders” often cannot. They can ask the hard and sometimes unpopular questions that will help the institution examine itself more honestly and completely.
- *Team effectiveness.* A professional consultant can bring strong facilitation skills that increase the participation of all players; ensure that all voices are heard; and enhance the group’s appreciation of diverse viewpoints and skills. A well-run planning and implementation process—where ideas, values, and points of view are shared, discussed, and agreed upon—often produces a much stronger and effective leadership team.
- *Experience.* A competent professional consultant can bring the benefit of experience with numerous institutions, some of them similar to your own. He or she can draw on this experience and, where appropriate, bring it to bear on your own situation.

Will Strategic Leadership Help Your Organization?

The strategic leadership process is a disciplined approach to getting organizations to focus on *results*. The process helps leaders define and successfully implement their goals. It can be beneficial to almost any organization, public or private, that seeks to improve its service to society. The process has proven especially effective in organizations where:

- Strategic plans have been developed in the past, but not successfully implemented.
- Goals are frequently being added or changed.
- No clear vision or goals exist.
- The organization seems to produce more activity than results.
- Community and/or board support of the institution is not strong.
- Staff and/or volunteer departments seem to be working at cross purposes.
- A reorganization or merger has recently taken place.
- A new direction is being embarked upon (often in response to market changes).
- Staff and volunteers often complain about lack of direction or communication.

Appendix A: Strategic Leadership at Work

For years, Community General Hospital has maintained its independence, while similar organizations have been swallowed up by larger, often for-profit health-care corporations. Despite industry challenges, Community General has remained economically strong, while still investing in technology and expansions. This has been achieved through a combination of diversified revenue streams (through commercial investments such as its office building and parking deck) in addition to service fees (which alone, for most services, typically do not meet costs). Additional revenue comes from interest income on liquid assets, as well as some annual giving.

Hospital leaders have long been aware of the many “issues” regarding the hospital facility and its services. These included an overcrowded Emergency Department, and a backed-up medical lab. In addition, patients living in town were traveling out of the community for cancer treatments, because those treatments were not available at CGH. They faced pressure from several trustees to “fix” the hospital’s problems.

But were there issues of which they were not aware? How are they viewed by the staff, and by community leaders? What “vision” did the hospital’s family and constituents have for their hospital and their community? More importantly, how could this vision be realized? These are questions that reach beyond the short-term paradigm of “solving a problem.”

The board chair and the CEO both knew that CGH-family and community support was vital if the organization was to thrive in the future. CGH needed to take control of its future, which meant that its staff, board, and community needed to take “ownership” of that future, and direct all resources to achieve it. This support would have to become long term, not just through a capital campaign. When people invested in Community General, they had to see it as investing in the future of their community and their hospital. However, to create the future meant not only a well-researched and developed plan, but the organizational structure and leadership to ensure that its long-term vision was realized amidst the “distractions” that are inevitably encountered on a day-to-day basis. It would require Strategic Leadership.

These are questions that reach beyond the short-term paradigm of “solving a problem.”

Using the approach outlined in this document, hospital leaders embarked on the Strategic Leadership process. They organized focus groups to assess the hospital’s “current reality” as viewed by its constituents. They enlisted input from people across all levels of the organization, as well as the community, to create the vision of what this institution should become. What unique value should they provide to the community? What services should they offer? What strengths could they build upon, and what needed improvement? What were the top five gaps between what CGH “is” and what it “should be?”

Obtaining input on these questions through a series of meetings, the board held a retreat and agreed on four specific priorities that would advance the organization's vision over the next couple of years. They included:

- Partnership with a leading cancer center to provide cancer treatments locally
- Become a regional leader in a holistic approach to health care
- Expand the emergency department
- Develop a joint venture to outsource lab services

The board was initially surprised as they grappled with their findings. The focus on holistic care came straight from community input, and the board was pleasantly surprised when it was embraced by the nursing staff. Of course, the nurses had been listening to their patients all along, so they knew this was a need! And the board also was surprised that the idea to outsource lab service came from the lab itself—the technicians were not pleased with the quality of service they were providing, and wanted to explore alternatives to improve that quality.

CGH has not “finished” its vision, nor does it expect it ever will.

Also at their retreat, the board identified how it would define and measure success on each of these priorities, and assigned board “champions” to each priority to spearhead strategy development. The champions then formed

cross-functional committees of staff and leaders to develop specific strategies and tactics, which were reported back, discussed, and endorsed by the full board.

After the strategies and plans were completed, the board realized its own “work” needed to change in order to achieve the vision. The champions of each strategy became energized, but began to realize that not all members of the board were pulling their weight. The board undertook a serious examination of the roles and expectations of its trustees, and identified several “non-negotiable” expectations regarding financial and non-financial involvement. Most board members embraced their more active new roles, but a couple of trustees resigned rather than step up their efforts. They were replaced by new trustees who shared the vision of the hospital. The board also reframed its meeting agendas to focus most of its time on discussing and supporting the strategic priorities.

CGH has not “finished” its vision, nor does it expect it ever will. Through this process, it has created a culture of ownership across its board, staff, and community. Giving is up, staff morale is up, and the community is beginning to view CGH as a comprehensive health resource in the community. According to the CEO, “I used to feel like I was on my own trying to drag this place forward. Now, the board is in sync and is providing real leadership, making all of our jobs much more rewarding.”

Appendix B: The Strategic Leadership Process, Step by Step

As we've indicated, the strategic leadership process consists of two major interrelated phases: the planning phase and the implementation phase. Each phase includes six steps that must be completed for the organization to fulfill its vision, mission, and goals.

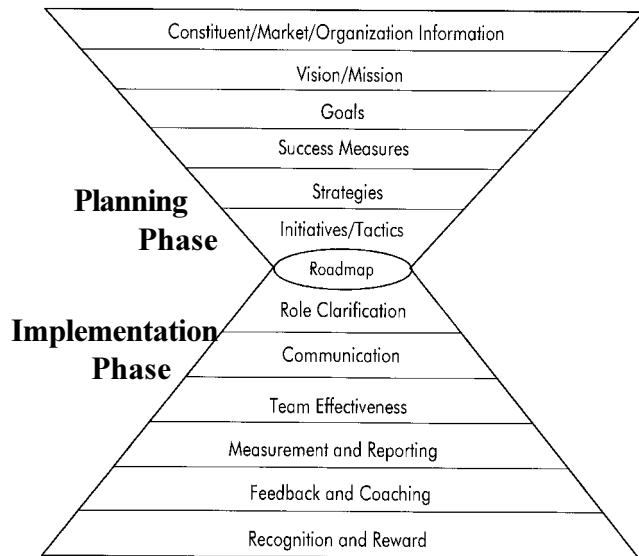
Phase I: The Strategic Planning Process

During the planning process, the organization's leaders *create the focus* that will drive all its future activities. Through this process, the organization narrows its focus to a set of goals, strategies, and initiatives which will *provide the greatest leverage* in achieving its vision, mission, and goals. Each of the six steps in this phase leads to greater focus and clarity on the direction in which the organization wants to move.

1. *Research and analyze the organization and its environment*

To get a strategic planning process off to the right start, all participants need to have a comprehensive understanding of the *environment in which they operate*. Relevant information about constituent needs, market realities, and organizational capabilities must be made available to planning participants for their review, reflection, and analysis. With this information, participants can identify all of the *possibilities* available for the organization to pursue.

We often find that some of this information is readily available, while other data has to be collected through surveys or focus groups. It is especially important that participants in the planning process understand:



- The needs, preferences, and satisfaction levels of the organization's *constituents*.
- *Market conditions* and the organization's performance in the marketplace.
- *Best practices* in key organizational processes (e.g., program development and implementation).
- The organization's *strengths and weaknesses*.

During the planning process, the steering committee should provide forums where participants can reflect on the meaning and implications of information relevant to many levels of the organization. Volunteers, professional staff, and trustees may reach different, but equally valuable conclusions that will inform the rest of the process.

2. Describe the organization's vision and mission

Armed with an informed view of the possibilities available to the organization, participants are ready to articulate the vision and mission of the institution. The key questions that need to be answered are:

- What is the unique value that we provide to our constituents (clients, community, donors, volunteers, and staff)?
- What *impact* do we intend to have on society?
- What do we, as an organization, *aspire to become*?

An effective vision “paints a picture” of *where the organization intends to go, and what the organization will look like when it gets there*. The vision describes the desired future so that everyone involved in the organization can easily *imagine and visualize* how things will be.

The organization's vision also provides a barometer for *goal-setting and decision-making*. Most importantly, it helps to *align the activities of different teams* involved in the strategic leadership process—by providing a “true north” or orientation point for the institution.

Equally important to participants in the process is a clear understanding of the organization's *mission*—which defines the *purpose* of the organization. The mission describes *why* people come to work, open the doors, and turn on the lights. This is expressed in terms of the unique *value* the organization provides to its constituents.

A clearly defined mission helps leaders, staff, and volunteers to understand how the organization intends to *realize its vision*. It also helps them to focus on those activities that provide the *highest value* to their constituents (and makes it easier to eliminate activities that do *not* add value to what the organization does).

Discussions of the organization's vision and mission should produce clear and concise statements that describe what the organization is and what it's there to do. The objective of this process, however, is not to write a “mission statement.” What's more important is the dialogue itself—an exchange of ideas, experiences, and beliefs that leads to *shared ownership of the organization's purpose*.

3. Determine the organization's goals

While the organization's vision and mission provide the context for the planning process, they must ultimately be translated into *daily activities*. To accomplish this, the organization's leaders must first define its *goals*—the priorities for action which will move it closer to realizing its vision. The organization's goals indicate *where it intends to focus its resources* over the next few years.

A common set of goals helps to ensure that the *activities of all constituent groups are aligned* as they move the entire organization toward the realization of its vision. (Naturally, not every group will approach the goals in the same way.)

Experience suggests that most organizations should limit themselves to five or six broadly defined goals. A larger number of goals can become unwieldy and dilute the organization's focus.

4. Define measures of success

Success energizes an organization. It provides a sense of accomplishment and encourages people to dream bigger dreams. Too often, however, organizations don't define *what success will look like*—so no one knows whether they've achieved it. When this happens, people may feel that the organization is *not*, in fact, succeeding. Or they may celebrate the wrong “successes”—things that don't really advance the mission of the organization.

For each of the goals identified in step 3, the organization needs to establish clear *measures of success*. In each case, the question to be answered is, “How will we know that we've achieved this goal?” The answer must then be translated into two or three tangible measures that will be used to track progress against the goal.

5. Develop strategies to achieve the goals

Once the organization has identified a set of goals that will create the greatest leverage for success, it must translate these goals into a *detailed plan of work*. To accomplish this, leaders must first develop specific *strategies* for achieving the goals, based on the agreed-upon measures of success. Otherwise, the goals will be talked about, but not acted upon. This is where traditional strategic planning most often fails.

The organization's strategies present the basic *logic* of how its goals will be achieved. In essence, “chunks of work” must be *defined, assigned, reported on, measured, and completed* in the short run. If one of the organization's goals, for example, is to “reduce reliance on the top 10 contributors in the annual campaign,” a specific *strategy* might be to “develop targeted communications programs to enhance relationships with mid-tier contributors.”

A strategy must be defined well enough that a person, department or project team can “get their arms around it” and carry it out. Typically, several strategies will be developed to support each of the organization's goals.

6. Identify specific initiatives (tactics) to implement each strategy

In the final stage of the planning process, the organization identifies the specific *initiatives (or tactics)* that will collectively implement each strategy. These initiatives are the specific projects or activities that will provide the greatest leverage for carrying out the strategy, given the organization's strengths and capabilities. Fund-raising campaigns in support of specific strategies would be included here.

The initiatives are, in effect, the “*deliverables*” that are produced in order to accomplish everything the organization has decided on up to this point. The initiatives must “drill down” the work to an even greater level of detail than the previous steps in the process.

If one of the strategies, as in the above example, is to “develop targeted communication programs to enhance relationships with mid-tier contributors,” the initiatives might be to “develop a quarterly newsletter to update mid-tier contributors on the organization's activities,” or to “sponsor two educational seminars targeted to the interests of mid-tier contributors.”

The description of each initiative should include *why* the project is to be done; what *objectives* it will achieve; *how* it will achieve these objectives; *when* the project will be done; and how its *success* will be measured. Attention to this level of detail helps to ensure that mere “activity” does not become a substitute for success—and that the work being done to implement each strategy is, in fact, the *right* work.

The Organization's Road Map to Success

At the end of the planning phase, the organization will have a documented “road map” for achieving its goals. Like a well-researched travel plan, this road map will:

- Clearly identify the *destination* of the organization—by articulating its vision and mission in terms that all participants in the process can understand and embrace.
- Identify both the *starting point* of the organization's journey and the *direction* in which it must travel to reach its destination as quickly as possible (i.e., its goals).
- Specify the *route, the vehicles, and the milestones* that the organization will utilize to reach its destination (i.e., specific strategies and initiatives).

As the organization moves into the implementation phase the road map will serve as a guide for the leadership team. Once the planning phase is complete, in fact, the members of the leadership team should spend 80 to 90 percent of their time *actively managing the implementation of the initiatives* contained in the road map.

A word of caution: The greatest temptation in the planning phase is to short-circuit the process. We often believe that if we've done a good job of defining an organization's vision, mission, and goals, the details will take care of themselves in the implementation phase. But experience proves otherwise. As we've suggested, organizations that do not “drill down” to the necessary level of detail usually find that their goals are talked about, but not acted upon. And their leaders spend more time “putting out fires” than implementing strategic initiatives.

At the opposite end of the spectrum, those leaders who devote sufficient time to developing a realistic, well-planned, and pragmatic road map will set themselves up for success in the implementation phase—when they will align the organization's resources to reach its chosen destination.

Phase II: The Implementation Process

During the implementation phase, the organization *actualizes and makes operational* the focus it established in the planning process. Throughout this phase, the organization continuously *directs its resources* (primarily people, but also facilities and other tangible resources) toward the goals, strategies, and initiatives it has identified, in order to ensure that all are achieved. In this phase, each of the six steps leads to greater direction of the organization's resources toward the accomplishment of its strategic goals.

1. Define roles and responsibilities of all participants

The first step in turning the organization's road map into reality is to clearly *assign accountability for each initiative*. Depending on their scope, initiatives may be assigned to individuals or to project teams. If the scope of the initiative warrants a team, it's important to identify both the *team leader* and the *team members*, and to clearly communicate *what is expected* from the team.

In assigning responsibilities for the organization's initiatives, it's important to take into account the *individual workloads* that result. For people to believe that the organization's leaders are serious about their priorities, they must believe that the jobs assigned to them are “doable.”

When individuals who are already “stretched” are loaded down with additional projects, and offered no additional support or relief, neither the person nor the project has much chance of success. In fact, this is a good time to *eliminate responsibilities* that don’t support the vision, mission, and goals of the organization. That kind of work neither adds value to the organization nor provides added value to its constituents.

2. Establish an ongoing communications process

One of the greatest challenges of the implementation process is to make sure that all of the organization’s resources are continuously directed toward its highest priorities. In this respect, an *effective communications process* can produce tremendous benefits. As people come to know, understand, and embrace the organization’s road map, they develop a *vested interest in the success of the whole enterprise*. Then, if the process begins to veer off course, people at all levels of the organization will intervene (which makes the job of top leadership much easier).

An effective communications process will:

- Provide a comprehensive view of the organization’s *destination* and *road map*.
- Explain *why* the organization’s goals, strategies, and initiatives were chosen.
- Clearly identify *who is responsible* for the initiatives included in the road map.
- Describe how *each part of the organization* can contribute to its success in reaching the destination.
- Provide *regular progress reports*—so that everyone involved in the organization knows where it is on the road map, and hears about any changes of direction.

- Provide for genuine *dialogue* on successes and concerns, so that continuous course adjustments can be made.

The process of *listening and sharing throughout the organization* is far more important than the actual form of the communication. This process must be honest, credible, and two-way. Any misalignment in the implementation process will be noticed first *among those on the “frontline”* of the organization, rather than its boardroom. When misalignment occurs, it’s the responsibility of leadership to enable people on the “frontline” to communicate honestly, and to intervene without fear of the consequences.

3. Improve the effectiveness of the organization’s teams

Most of the work outlined in the road map will be assigned to *teams*—the basic unit through which work gets done in today’s organizations. Most teams, however, do not operate at peak performance levels—usually because they haven’t developed the *team skills* that will make them more effective. In order to deliver the results described in the strategic plan, most teams need to spend some time developing the necessary skills. Generally speaking, a team that seeks to become more effective must:

- Agree on a *common purpose*.
- Define *performance goals*.
- Develop a *common working approach*.
- Clarify the *role of each team member*.
- Identify and build on the *complementary skills of team members*.
- Hold each other *mutually accountable* for achieving their goals.

Teams do not become more effective through “team-building” seminars unrelated to their performance. They become more effective through *continuous discovery of their capabilities*, as well as recognition of their performance gaps, in the course of tackling new challenges. As they become more aware of the team’s performance, team members can use that knowledge to develop and improve its performance.

As the organization moves deeper into the process of implementation, some teams will usually need help in developing their team performance skills. Organizational leadership should offer teams development opportunities that are targeted to their specific performance challenges.

4. Measure and report on success

During the planning process, measures of success are established for each goal, strategy, and initiative. To ensure that the organization’s road map is being successfully implemented, these measures must be translated into *specific benchmarks* that can be tracked and reported.

The organization’s leadership is responsible for ensuring that these benchmarks are reported and monitored. In this way, leaders can ensure that progress remains on track; that resources continue to be allocated properly; and that appropriate actions are taken to keep each initiative moving forward.

Leadership is also responsible for *communicating progress on the strategic plan* to the organization’s constituents (including staff, volunteers, and donors). This communication will keep the organization’s vision, mission, and goals alive in the minds of these constituents. It will also demonstrate the *responsible stewardship of resources* that all constituents have a right to expect.

5. Provide participants with regular feedback and coaching

Leadership teams who implement the process we’ve outlined will create the conditions for success by providing *clear direction and expectations*; by *facilitating “buy-in”* to the organization’s activities; and by *aligning the organization’s resources* appropriately. Through communications and reporting systems, these leaders will keep informed of both successes and concerns.

Here’s another element of success in the implementation process: Based on what they learn, the leadership team must take action by *actively providing feedback and coaching* to the initiative leaders and teams. With this interaction and support, the initiative is better equipped to meet the expectations of the leadership team and deliver the desired results.

Regular feedback and coaching also reduces the likelihood of surprises for the leadership team. In an environment where volunteers are *managing crucial projects*, which is very common in nonprofit organizations, the active involvement and support of the leadership team is vital to the volunteer’s growth and success.

6. Celebrate success through recognition and rewards

Once again, the strategies and initiatives contained in the organization’s road map are those which the leadership team believes will provide the greatest leverage in achieving the organization’s goals. As the group moves closer to achieving these goals, significant and public celebration is in order! What’s more, if an organization neglects to *honor its successes in living out its mission*, it may send a dangerous message to its constituents: that the *status quo* is acceptable.

Recognition and rewards can come in many forms. For professional staff, financial incentives must be explicitly tied to *successful performance on critical initiatives*. Non-financial rewards, such as public recognition and speaking engagements, must also go to those who make significant contributions to the success of strategic initiatives.

Leadership teams, too, need to recognize and reward volunteer project leaders and team members. Public recognition, coveted committee assignments, and other visible signs of volunteer success must also be tied in significant ways to *successful advancement of the organization's mission and goals*.

One sure way to destroy the commitment of high-performing volunteers is to recognize the “big names” on the volunteer roster, rather than the “big performers.” Leadership must be explicit in recognizing the *performance* of the organization's volunteers. If for no other reason, they'll be more likely to volunteer for the next big initiative.

Putting Strategic Leadership to Work

Embarking on a strategic leadership initiative, and seeing it through to completion, is no small task. Strategic leadership is a continuous process of making sure that the organization remains focused on identifying and implementing those activities that will *provide the greatest leverage* for maximizing the organization's unique contribution to society. That requires a lot of hard work.

As we've shown, however, each step in the process builds on the preceding step—directing more and more of the organization's resources toward realizing its vision. And the activities that are recognized and rewarded in

the final step of the process are the *same activities* that are driven by the needs of the organization's constituents and the realities of its marketplace, as identified in the very first step!

The organization that commits to the strategic leadership process creates the conditions for successfully capitalizing on the exciting opportunities for growth that are available in today's philanthropic environment.

Embarking on the Strategic Leadership Process: A Timeline

The strategic leadership process need not take forever. Within six months, in fact, most organizations can progress well into the implementation phase. A typical timeline might look something like this:

<i>Month 1</i>	Organize steering committee
<i>Month 2</i>	Gather information for review and analysis
<i>Month 3</i>	Organization-wide focus groups on vision, mission, and goals
<i>Month 4</i>	Leadership retreat: + Clarify vision, mission, and goals + Develop strategies
<i>Month 5</i>	Board and staff committees develop specific strategies and initiatives
<i>Month 6</i>	Begin implementation phase

Let's Talk About Your Situation

Fund-raising campaigns have been won without implementing all the principles and strategies discussed in this article. Often, in the course of planning and executing a particular campaign, we find that the best way to achieve success is to “invent” new tools and approaches to replace the standard ones. We at Goettler Associates strive to apply the principles of fund raising in a flexible way that is appropriate to the needs and circumstances of each individual client.

There are certain constants, however. Our experience shows that the campaign which is properly conceived, planned, and executed—with the assistance of professional counsel—is the campaign which invariably enjoys success.

We'd enjoy talking with you informally about these ideas. Or, better yet, we'd like to learn about *your* situation and discuss with you how we can apply our experience and talents to further your success. We would welcome the opportunity—without cost or obligation—to learn more about the current status of your advancement program. This includes your development objectives, the challenges you face, and the resources you have for achieving your goals.

About the Firm

Goettler Associates was founded by Ralph H. Goettler in 1965 to serve the nation's nonprofit organizations. The firm brought together a group of highly qualified professionals to serve the total funding and marketing requirements of clients' major fund-raising initiatives. Since 1965, we have helped more than 1,500 nonprofit entities raise over \$1 billion to fund capital projects, build endowment, or facilitate special projects.

Services

Goettler Associates is a full-service, client-oriented firm. We tailor a program to the special circumstances of each client. This often requires a combination of several essential elements, including capital, annual, and deferred giving; and marketing and public relations. We take pride in the quality of counsel that we can provide in all of these areas.

We have helped our clients conduct successful capital campaigns, increase annual operating support, establish planned giving programs, and strengthen their endowments through our services:

Studies and Assessments

- › Campaign Planning Studies
- › Development Assessments
- › Strategic Planning

Donor Cultivation and Campaign Positioning

- › Leadership Awareness Programs
- › Case for Support Development
- › Campaign Identity and Marketing
- › Writing, Print Design, and Video Production

Development Support

- › Prospect Research
- › Endowment Management
- › Executive Search

Campaign Management

- › Resident Campaign Direction
- › Periodic Campaign Consulting
- › Consultation on Annual and Deferred Giving Programs

The Team

The Goettler Associates team of fund-raising professionals draws upon a wealth of experience and is supported by extensive human and information resources. Our consultants average more than fifteen years of experience in institutional advancement.

Building on Trust

Our Mission is to assist nonprofit organizations in achieving challenging fund-raising goals by:

- › strengthening the client's image and awareness;
- › recruiting, training, and motivating volunteers; and
- › attracting significant philanthropic support.

We guide our clients toward their financial goals through:

- › the integrity and high performance standards of our employees;
- › effective and honest relationships; and
- › the quality of our work in achieving success.

GOETTLER ASSOCIATES, INC.

580 South High Street

Columbus, OH 43215

(614) 228-3269

(800) 521-4827

www.goettler.com