

Strategic Planning and Leading Organizational Change

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Seminar on Advanced Management of Housing Associations
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Session Objectives:

1. To place strategic planning in the context of leadership's role.
2. To introduce two prototype approaches to strategic planning.
3. To introduce some ideas and approaches to leading organizational change.

Agenda:

- Introductions
- Opening Activity
- Leadership's Role and Underlying Assumptions
- Prototype Strategic Planning Processes
- Approaches to Leading Organizational Change
- Application in Ireland

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Session Ground Rules

- Participate Actively
- Mutual Respect
- Stick to the Schedule
- No Cell Phones/Pagers
- Speak one at a Time
- Have Fun While Learning

Introductions

- Name, organization, role
- One hope for the future of your Housing Association
- One thing you would like to gain from this workshop

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Quotes

“In the mind of the beginner there are endless possibilities, while in the mind of the expert there are few”

Sonriu Suzuki Roshi

“We must understand things not only as they were, as they are, and as they might be, but also as they ought to be”

Dee Hock

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Opening Activity

- Form teams of three.
- Each person share one important organizational challenge or opportunity (strategic, big picture issues).
- Share ideas about strategic responses.
- Identify common themes and prepare a brief report.

15 minutes

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Roles of Leadership for Organizational Success

- Leading realization of the mission (programmatic).
- Building/strengthening the enterprise (organizational).
- Nurturing the roots (community base).
- Resource development.
- Advocacy.

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Underlying Assumptions

- Sustainability of our organizations is important (not as an end in itself, but due to the nature of the work).
- Strengthening the organizational infrastructure is essential for growth and long-term success.
- Connection to community is one of the things that makes us unique.
- Our topic is applicable to smaller as well as larger organizations.

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Connecting our Two Topics

- **ALIGNMENT** on mission, vision and goals is a fundamental element of organizational capacity.
- It contributes to the success of efforts to lead organizational change.
- Alignment is a result of a good strategic planning process.

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Benefits of Strategic Planning

- Power of a shared vision and goals.
- Creates momentum for implementation.
- Tool for communication of intentions to various audiences.
- Resource development tool.

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Stages of the Strategic Planning Process and Lessons Learned

- **Data Gathering/Research** - The process must be informed by useful information
- **Decision Making** - The process should be broad based and participatory.
- **Strategic Plan Report Preparation** - The product (“The Plan” Document) must be useful as a working document.

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Prototype Planning Process I Background

Cabrillo Economic Development Corporation
(CEDC) – Ventura County, California

- Largely rural county -10 municipalities, 750,000 population.
- Relatively strong economy.
- Severe shortage of affordable housing.

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CEDC

- Founded 1975 to respond to need for farm worker housing.
- 15 Member Board of Directors, 21 full time, 10 part time staff.
- Activities: housing development (773 units completed, 400 in pipeline); homeownership counseling/lending (helped 172 new homeowners, underwritten 90 loans); property management (7 properties, 270 units).
- Annual operating budget is \$2 million.

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Data Gathering/Research Phase (Approximately 2 months)

- Ventura County Trends and Indicators. (demographic, economic, housing market).
- Stakeholder views – Board and staff surveys, funder, lender, public official interviews, community resident focus groups.
- Product = a binder with all results, including a summary.

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Decision Making Phase (approximately 2 months)

- Three facilitated retreats, each one full day.
- **First:** Stakeholders (elected officials and government staff, community residents, nonprofit collaborators, lenders and funders)
Second: CEDC Management staff.
Third: CEDC Board of Directors.
- In each, complete a “situation analysis” or “SWOT” using the binder, define vision of the future, strategic goals and implementation strategies, values and principles.

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CEDC Report Preparation Phase (approximately 2 months)

- Draft by Executive Director and Consultant.
- Review of draft at half-day sessions with stakeholders, management staff and Board of Directors.
- Publication as a polished document.

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CEDC Annual Goal Setting and Evaluation Process

- Connects annual planning to long-range strategic plan.
- Two day all staff planning session.
- First day – review of progress of previous year goals, celebration of successes and lessons learned.
- Second day – presentation of goals for the new year.
- Features: participatory, new emphasis on outcomes.

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Prototype Planning Process II Smaller Organization

- **Research phase** – same emphasis on service area trends and indicators and stakeholder views.
- **Decision making phase** – facilitated one-day retreat of all Board and staff (and perhaps external stakeholders): situation (SWOT) analysis; strategic goals (in two areas – programmatic and organizational); implementation strategies.
- **Report Preparation** – Staff and Board review draft, Board adopts.

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Putting the Plan into Action

- Connect to annual goal setting process (CEDC model).
- Connect to annual budgeting process.
- Driver of resource development efforts.
- Regular monitoring of progress against goals.
- Annual Board-staff retreat to review progress and adjust goals and strategies.

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Leadership's Role in Strategic Planning

- Champion the process.
- Convene stakeholders.
- Participate but don't dominate.
- Writer (Strategic Plan Report).
- See quote from Rodney Fernandez, Executive Director, CEDC.

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Leading Organizational Change

- Defining terms: focus is (1) on staying abreast of changes in the working environment and leading the organization in adapting and responding; and, (2) leading internal growth and change
- Another dimension (not the emphasis here) is advocacy to influence the working environment

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Thoughts on Leading Change I

- “There is nothing more difficult to take in hand, more perilous to conduct or more uncertain in its success, than to take the lead in the introduction of a new order of things” – Niccolo Di Bernardo Machiavelli

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Thoughts on Leading Change II

Organizations can become adept at making and incorporating changes. This ability is termed “**Adaptive Capacity**” It has four elements:

- **Learning**
- **Responsiveness**
- **Innovativeness**
- **Motivation**

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Learning - to measure performance and identify both problems and possibilities for improvement.

Responsiveness - to understand how well people are served and what changes will improve quality.

Innovativeness – to use the organization’s people and knowledge to create new programs.

Motivation – to create jobs and organizations where staff and volunteers see the results of their work – the foundation for motivating people.

(from Letts, Ryan, Grossman, High Performance Nonprofit Organizations)

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Manage or Lead?

The problem with many organizations is that they tend to be overmanaged and underled. They may excel in the ability to handle the daily routine, yet never question whether the routine should be done at all.

There is a profound difference between management and leadership, and both are important. To manage means “to bring about, to accomplish, to have charge of or responsibility for, to conduct”
Leading is “influencing, guiding in direction, course, action, opinion”
The distinction is crucial. Managers are people who do things right and leaders are people who do the right thing.

Leadership seems to be the marshalling of skills possessed by a majority but used by a minority. But it is something that can be learned by anyone, taught to everyone, denied to no one.

Leaders: The Strategies for Taking Charge, Bennis and Nanus

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Approaches to Leading Organizational Change

- Embrace the role of “Strengthening the Enterprise” for a sustainable future.
- Measure yourself regularly against standards (examples: NDSC Criteria, NeighborWorks® PROMPT, McKinsey Assessment Tool).
- Focus on the fundamentals: HR Management, Financial Management, Organizational Development, Communications.
- Involve everyone in the organization in change processes in meaningful ways.
- Use the potential for peer learning and support.

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Staying Abreast of Changes in the Working Environment

- Involvement in networks (ICSH and others)
- “Big Picture” conversations at Board and staff meetings
- Foster partnerships and collaborations (including “non-intuitive” ones)

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Table Activity

- Select facilitator, recorder, reporter.
- What is on the short list of most significant obstacles to putting strategic planning into practice in your organizations?
- What are some good ideas to overcome the obstacles?
- Is there a role for ICSH? If so, what?
- Prepare a brief flip chart report .

20 minutes

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Bibliography

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