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Ban the *Yearly* Planning Meeting

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I would ban the yearly planning meeting, preferring a three-year approach to strategic planning.

Strategic planning is the process for defining direction, setting priorities and aligning resources. It serves as a guide for successive boards, committees and the staff. It is developed at a multi-year leadership retreat.

Some organizations convene a *yearly* planning meeting where directors are asked to set 12 months of priorities. This is quite different than a periodic leadership retreat, though the two concepts are sometimes confused.

The intent of an annual meeting is the orientation of director roles and responsibilities. Time allowing, they might also fine-tune an existing strategic plan.

By meeting annually, volunteers are socialized to think only 12 months in advance. Directors seldom object to short-term planning because long-term planning feels like heavy lifting. It is easier to select convention menus than it is to decide how to grow the conference and increase revenue.

Efforts for the year ahead should already be in place, framed by the budget, committee assignments and staff projects. Convening the board to set short-term priorities is ineffective and changes course midstream.

Volunteer leaders are expected to be visionary. Strategic thinkers, not tactical doers. They should think beyond their terms of office in order to add value to the community, cause or profession they represent.

The Problem with Annual Planning

At this year's retreat the board chair announced, "Instead of setting priorities for this year, we will set our sights on the next 3 to 5 years."

"To better position our organization, we will focus on a vision and long-term thinking. It is more important that we think strategically than to make a list of new projects for the staff."

A board member sighed, "Thank goodness."

She explained, “Our yearly planning has been a waste of time. It starts by listening to the incoming chair’s priorities. The list can be characterized as legacy projects by which the chief elected officer wants to be remembered.”

She described the hazards of yearly planning. “During the reading of priorities everybody smiles. But you could see the eyes roll. Rather than asking how the priorities fit into the mission and impact resources, people politely nod their heads in acceptance. We don’t need a revolving theme-of-the-year.”

Attendees included the full board, committee chairs and staff. She knew the committee chairs were wondering how to change their programs to satisfy the new goals. The staff mostly stared at the floor, realizing their workload had just been changed by the incoming leader.

An ideal board chair will begin the term by asking, “Where is our plan, it is my responsibility to advance the existing mission and goal?”

Spaghetti

After the chair lists the year’s priorities, everyone was asked for their ideas. “We always broke into groups.”

She said the process was like throwing spaghetti on the wall. If an idea stuck, we added it to the list.

We developed various mechanisms for prioritizing the year’s work. One year we had pennies, another time we had colored dots, and another we wrote our thoughts on post-it notes.

The effort was not strategic. Rather it was an annual rerouting of priorities and programs. It created frustration for committees and staff.

The final step in the process was to put the plan on a shelf to collect dust.

Three-Year Strategic Planning

Scrub the annual planning meeting. Replace with it with a retreat for strategic discussions that span at least three years.

Invite strategic thinkers to set a roadmap for the organization’s future spanning 3 to 5 years. Focus on the core competencies or pillars of the organization, not short-term tasks.

A longer-term plan will frame the efforts of successive boards and committees. Staff will know of the priorities. All parties will work collaboratively to advance the mission. This long-term plan promotes consistency and allows for the monitoring of progress.

At the MetroNorth Chamber of Commerce in Minnesota, the CEO and president, Lori Higgins, said they have transitioned from annual planning to a three-year strategic approach.

“When our board met for their strategic planning session, I shared examples of how successful nonprofit organizations had moved to a 3-year approach. Our board members are business entrepreneurs, leaders and strategists so they know the value and impact of longer-term thinking.”

The multi-year plan encouraged the board to stay at a higher level of discussion, avoiding the weeds and micromanagement that used to occur.

“We created SMART goals for the multi-year strategy, ensuring that each of our priorities were Specific, Measurable, Attainable, Realistic and Timely.”

“This was a springboard to true leadership and action in the chamber of commerce. We no longer focus on short-term projects but look towards the future in order to better meet our mission and create lasting value for the membership and community.”

Finally, at the MetroNorth Chamber they integrated the strategic plan into all aspects. It stays on the board table for frequent reference to determine how new ideas fit into the strategy document. Committees align their efforts with the plan’s goals. The document effects budgeting and staffing.

At the Iowa Funeral Directors, executive director and CEO Suzanne M. Gebel, CAE, said, “Once the goals for the three-year plan were set, our board determined the tasks and timeline for each goal. Of course, they wanted everything done within a month, so we then set an achievable timeline. Based on the timeline, tasks are addressed and completed; everyone is on same page. There isn’t a need for an annual rewrite.”

In summary, planning is more powerful when focused on three to five years. Avoid the practice of creating a yearly to-do list. The transition will save time, avoid frustration and encourage directors to think strategically.

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Note: Bob Harris, CAE, provides free governance tips and templates at www.nonprofitcenter.com.