



The Role of Strategic Planning in Fundraising

For organizations about to embark on a campaign, having a strong strategic plan not only puts the organization in “the driver’s seat” – in terms of their future, it also gives them credibility and differentiates them from other organizations that do not have plans. In the competitive fight for major donor attention and support, having a comprehensive strategic plan is what could make the difference between a \$500 and a \$50,000 gift. Today’s donor, especially newcomer Baby Boomers and Generation Xers, insist on knowing the financial health, objectives and long-range goals of a nonprofit. Much like an investment, they are basing their decisions on sound business practices versus an emotional appeal.

Not every plan is a strategic plan. A true strategic plan takes into consideration the external environment and examines the effects of the environment on an organization’s programs and service offerings and operations. It sheds light on strengths and weaknesses and provides a 3-5 year blueprint for the organization. A good strategic plan will identify the issues that drive the future of the organization and works through a systematic process that positions the organization to be proactive about its future. Once the plan is agreed upon, it keeps everyone involved in the campaign on the same page.

Planning helps an organization to be proactive versus reactive to changes in competition, funding sources, client needs and capacity issues. It shows discipline and direction and provides the business case. It illustrates the issues and plans behind their fundraising needs.

Elements of a sound strategic plan include identifying and clarifying key areas that translate the organization’s mission into major policy directions. Once the key areas are identified, strategic directions are developed – focusing on each of the key areas. And finally, the plan develops concise objectives that recommend a course of action – in other words, who is to do what, and when it is to be accomplished.

When considering if the timing is right for your organization to undertake the Strategic Planning process, remember, although you may have board members experienced in planning, a consultant will provide objectivity, help to keep planning meetings on track and guide the entire process. These crucial steps, taken before your organizations put together a fundraising plan, go a long way in engaging stakeholders and providing confidence among your constituents.

The Benefits of Strategic Planning

- Clearly establishes who you are and what you do.
- Builds organizational consensus about future directions.
- Establishes a time frame to initiate critical issues.
- Identifies those responsible for spearheading certain assigned tasks.