

Advanced strategic planning techniques

ACEVO

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Compass Partnership

Overview of techniques

Techniques to assess position

- PEST analysis
- Stakeholder analysis
- Competitor analysis
- Needs and gaps analysis
- Key issue analysis

Techniques for making choices

- Value for money
- Rank proposals
- Impact analysis
- Time budgeting

PEST analysis

Identify key trends in the external environment that will have the greatest impact on the organisation and its strategy:

- **Political trends**
- **Economic trends**
- **Social trends**
- **Technological trends**



Stakeholder analysis

- **Identify key stakeholders - internal and external**
- **Define information required**
- **Gather by interview and questionnaire**
- **Analyse results**
- **Review against current objectives and activities**



Competitor Analysis

Identify competitors



Gather data on their:

- user groups
- services offered
- income and expenditure
- strategic intentions
- strengths and weaknesses



Assess their overall position compared to your own position, the needs of users and funding opportunities



Needs and gap analysis

Assess needs
of each user
group



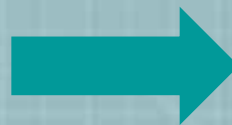
Review
current
provision



Identify
critical
gaps



Review
against
organisation's
capabilities



Select gaps
for your
organisation
to fill



Key issue analysis

- **Take results of internal and external reviews**
- **Identify the key issues facing your organisation**
- **Analyse those issues to determine:**
 - which are short / long term
 - which are easy / difficult to resolve
 - which are most important to achievement of mission
- **Feed results into strategic choices**



Techniques for making choices



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Value for money analysis

Make judgements about costs and benefits of different activities

	Income £,000	Expend £,000	Subsidy £,000	Users	Unit subsidy
Holiday service	15	55	40	200	£200
Helpline	-	25	25	2500	£10
Residential Care	100	120	20	10	£2000
Employment advice	50	60	10	400	£25
Equipment Loan	10	25	15	500	£30

The Board agreed to:

- Expand employment advice – excellent value for money
- Reduce the holiday service – similar holidays available at lower cost
- Negotiate increased fees from local authorities to reduce unit subsidy to home

Rank proposals against agreed criteria

- **Establish criteria for development**
- **Take costed proposals**
- **Separate into 'capital' and 'revenue' funding**
- **Ask managers to categorise into:**
 - critical strategic importance
 - important but not essential
 - pursue when funds available
- **Review their assessments and make choices**



Impact analysis

	Proposal 1	Proposal 2	Proposal 3
Our potential impact on user group/campaign	***	**	*****
Our current impact on user group/campaign	*	*	***
Extent to which proposal increases impact	*****	**	***



Time budgeting

- Translate projects into activity plans
- Prepare a time budget
- Guard against over-ambition!

Working days in year	225
20% Unaccounted time	45

RECURRENT ACTIVITIES

Management meetings	25
Team meetings	20
Regional visits	12
Board reports	6
Contingency	12

ONE - OFF ACTIVITES

Project 1	20
Project 2	30
Project 3	50
Project 4	5

Compass Partnership books:

Managing Without Profit, Mike Hudson, (DSC, 2000) sets out the theory and practice of creating highly successful nonprofit organisations.

Managing at the Leading Edge, Mike Hudson, (DSC, 2003) describes what can be learned from the management and governance of nonprofit organisations in the USA.

Both are available from www.dsc.org.uk

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