

## **Developing Goals, Strategies and an Operating Plan**

High-level, long-term goals are derived from the key success factors. Goals are broad, directional, and fundamental to the mission and, as such, they may remain the same year after year.

NGBs are generally best served by establishing no more than five goals. Goal wording should be simple and concise. Examples of effective organizational goals are: raise revenue, enhance the brand, provide valued programs and services, and govern and manage effectively.

Questions to ask when developing goals are:

1. Would accomplishing these goals result in significant progress on fulfilling the mission?
2. Do these goals accurately reflect NGB priorities and responsibilities?
3. Do they serve stakeholders appropriately?
4. Are we prepared to align systems, structures, budgets, programs, and people to support goal achievement?

Strategies are developed for each goal. Ideally, each strategy represents a single, distinct approach to achieving all or part of the goal. Like goals, strategies are directional. For example, a strategy under the “Raise Revenue” goal might be to “Increase membership.” Another might be to “Secure sponsors.”

Strategies are updated as the plan unfolds and environmental conditions change. Just as accomplishment of goals represent significant progress on the mission, accomplishment of strategies represents significant progress on goals.

While goals and strategies are directional, objectives are specific, measureable actions. They are created and implemented annually to support strategies. Objectives become the basis for an operating plan.

## **Operating Plan**

Developing a strategic plan is only half of the equation. Creating an operating plan each year that identifies measurable action steps (objectives and tactics) brings the strategic plan to life. The operating plan transforms visionary ideas into reality. It is a blueprint that systematically facilitates high performance and positive organizational results. Without an operating plan, a strategic plan cannot succeed.

In an operating plan, objectives and tactics are assigned to specific individuals with deadlines for accomplishment. Many organizations have performance management programs that tie individual performance and rewards to operating plan achievement. This creates a concrete understanding of who is supposed to do what, and for what purpose, which provides clarity and

inspires commitment. It fosters shared vision and teamwork. In short, setting sound individual goals builds a solid high performance culture to move the entire NGB forward.

Typically, the board and chief executive set strategic direction and establish the strategic plan framework. The chief executive fleshes out strategic plan detail for board approval. Once the strategic plan is approved, the chief executive develops an operating plan each year to support the strategic plan. Only high level objectives of the operating plan need board approval. Implementation is the purview of the chief executive. Plan progress is measured by achievement on objectives, rather than micromanagement of tactics.

A chart depicting strategic and operating plan components follows.

**Strategic Plan vs. Operating Plan**

Plan Type	Purpose	Components
Strategic <i>(Directional)</i>	Sets long-term strategic direction	<ul style="list-style-type: none"> <li>• Vision</li> <li>• Mission</li> <li>• Core Values</li> <li>• Goals</li> <li>• Strategies</li> </ul>
Operating <i>(Measureable)</i>	Action plan that supports strategic plan	<ul style="list-style-type: none"> <li>• Vision*</li> <li>• Mission*</li> <li>• Core Values*</li> <li>• Goals*</li> <li>• Strategies*</li> <li>• Objectives</li> <li>• Tactics</li> <li>• Tasks</li> <li>• Persons responsible</li> <li>• Timelines</li> <li>• Measures</li> </ul>

*\*Note: Vision, Mission, Core Values, Goals and Strategies from the strategic plan are the foundation of the operating plan.*