



Strategic Planning for Business Success

Part II: Pointers, Pitfalls, Resources & Examples

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Pointers

- Bring in a consultant skilled in strategic planning
- Funding for nonprofits is often avail to support this, if you have the time and resources to go after it
- Use NPO support centers, state associations



Common Pitfalls

- Lack of inclusion (stakeholder buy-in)
- Over-optimistic predictions (e.g. revenue, enrollment growth)



Common Pitfalls

- Lack of inclusion (stakeholder buy-in)
 - Business planning is part of the change management process
 - Change management is hard
 - Getting buy-in is challenging, time-consuming, and essential



Common Pitfalls

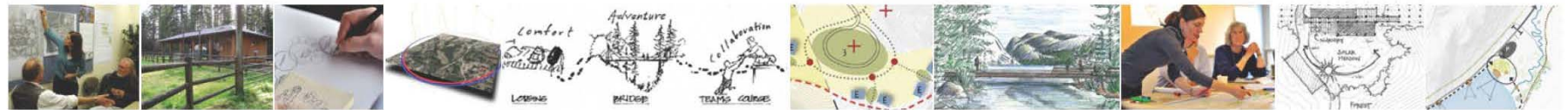
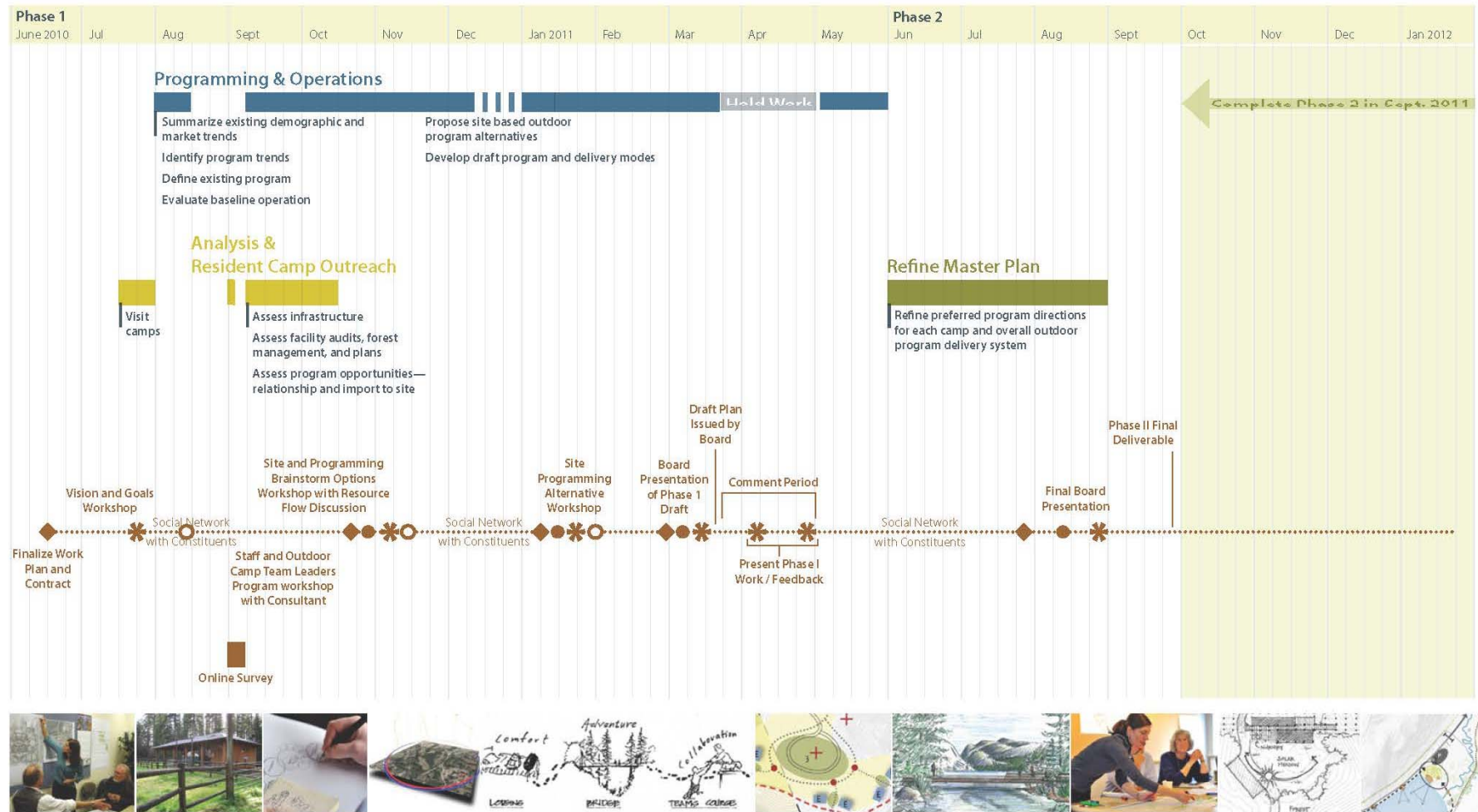
▲ Lack of inclusion



Project Schedule

June 2010
Project start

September 2011
completion



Legend:


- Coordination Meeting with Staff
- Property Committee Meeting
- Constituent Workshop, Camp Leadership Workshop, or Presentation
- Post on Web

Common Pitfalls

- ✦ Lack of inclusion
- ✦ Over-optimistic predictions



Does the True North Strategy yield financial stability?

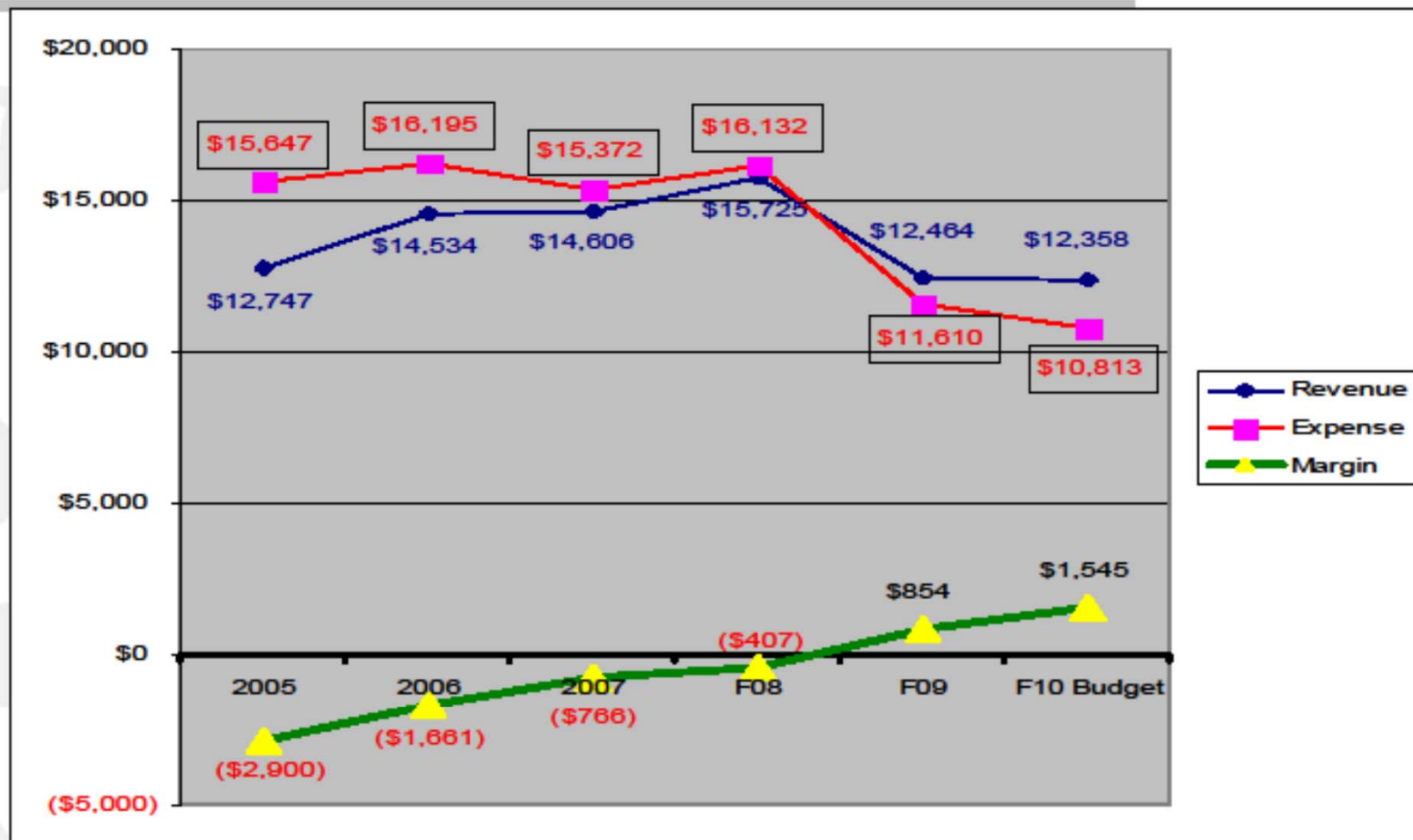


Assumptions (1)

Revenue:

- Development growth: 10%/year (excluding Vets & Capital Campaign), with starting point in 2010 of \$450K UR/TR miss and no repeat of \$600K in 2009 Capital Campaign.
- Program fee revenue growth: 5%/year, excluding Vets which remains steady at 1,500/year; OBP ramps to growth of 10%/year beginning 2013.
- 80% of OBP through Centers beginning in 2015.
- Endowment payout: gradual return to full payout of 5% by 2015.
- Added Centers in Portland OR, Omaha, Little Rock by 2012; added three additional Centers by 2015.
- LA Center revenue excluded.

"Wilderness" Progress

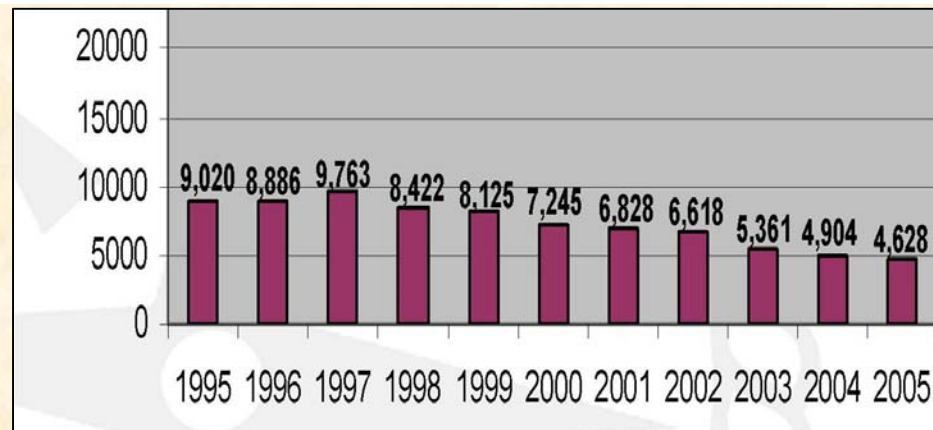


Challenge Yourself. Change Your World. Outward Bound.

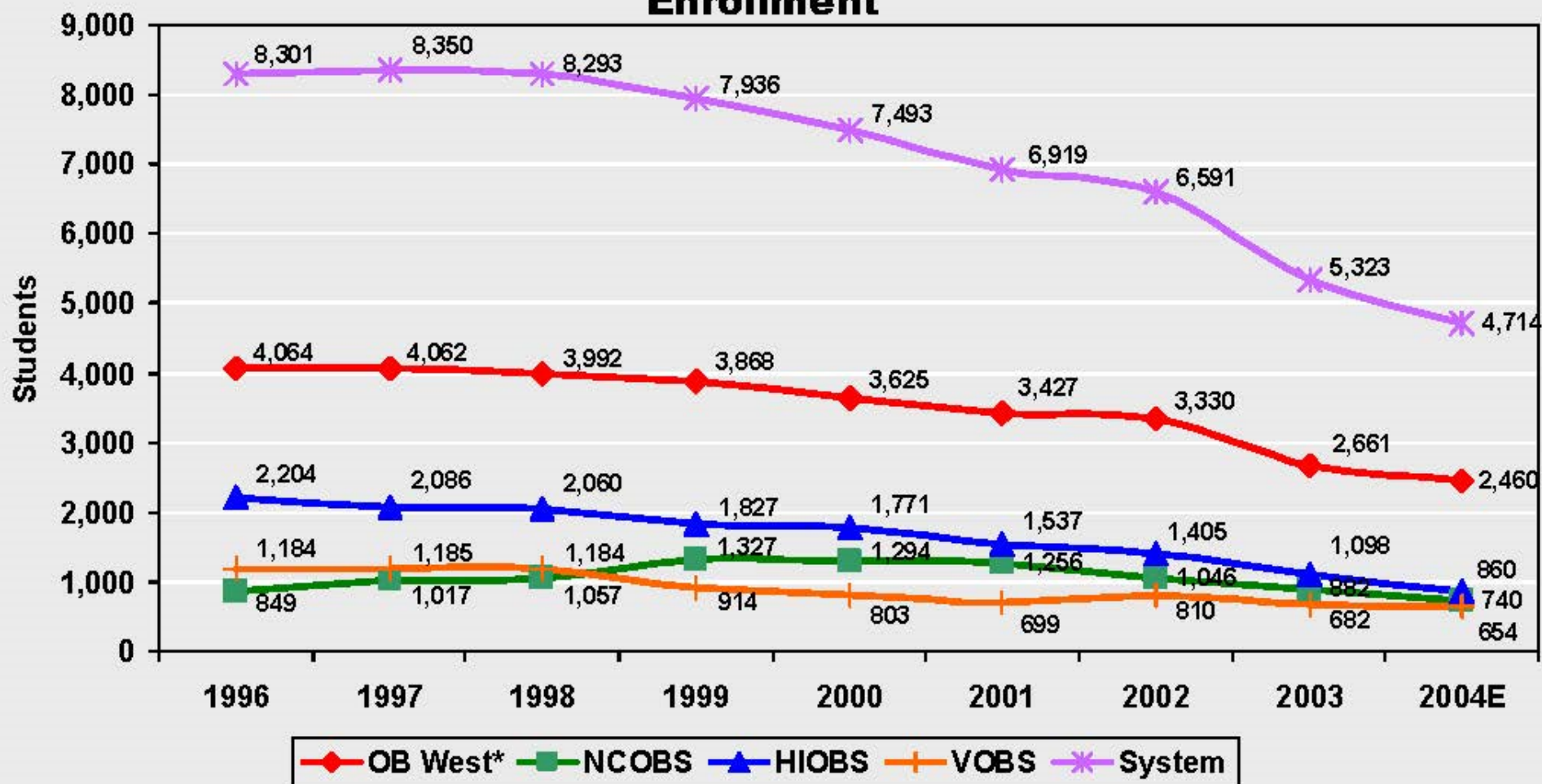


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Enrollment



The State of OBUSA -2009

- Resilient!
- Supported!
- Stabilizing & sustainable...
- Clear on our direction...
- And the challenges ahead



Challenge Yourself. Change Your World. Outward Bound.



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BOUND**

Additional Resources

- ▶ cnmsocal.org: Center for Nonprofit Management in southern California offers trainings, consultants, more
- ▶ compasspoint.org: nonprofit consulting, publications, newsletter
- ▶ allianceonline.org: Alliance for Nonprofit Management offers publications, referrals, more
- ▶ boardsource.org: resources for nonprofit Boards
- ▶ coloradononprofits.org, calnonprofits.org : nonprofit resources in Colorado, California
- ▶ guidestar.org: nonprofit tax returns; reports, newsletter
- ▶ Strategic Planning for Nonprofit Organizations (Allison & Kaye)



NOLS STRATEGIC PLAN: PROVIDING OUR VISION AND GUIDING OUR ACTIONS

FOCUS AREAS:



RISK MANAGEMENT



ACCESS TO WILDERNESS
CLASSROOMS



TECHNOLOGY



FINANCIAL EQUILIBRIUM
AND STRENGTH



STUDENTS



EXPANDING BRAND
AWARENESS

GOALS:



EVIDENCE-BASED
CURRICULUM DEVELOPMENT



STAFF EXCELLENCE



DIVERSITY



PHILANTHROPIC SUPPORT



ENVIRONMENTAL
STEWARDSHIP

EXPEDITION 2013

Strategic Planning Participants | Mission, Values & Context | Summary of Objectives

Downloads: Poster | Plan (pdf)

National Outdoor Leadership School



Strategic Plan 2008 – 2013

Increasing strength, depth, breadth, and balance.

Mission, Values, Context, and a Summary of Objectives

The plan that follows is the product of a broad community effort that took place over nearly one year. This plan is our long-term guide for the 2009–2013 fiscal years at NOLS. The predominant story is that we will remain committed to the school's mission and core values, which underwent no changes in this planning process.

The mission of the National Outdoor Leadership School is to be the leading source and teacher of wilderness skills and leadership that serve people and the environment.

The NOLS staff, students, trustees, and alumni share a commitment to wilderness, education, leadership, safety, community, and excellence. These values define and direct who we are, what we do, and how we do it.

Our basic plan is straightforward—we will continue to focus substantially on what we have been doing, do it better, reach a broader audience, and remain a leader in our field.

While our mission states that we are both a leading *source* and *teacher* of wilderness skills and leadership, our primary emphasis has been, and will continue to be, as a teacher. We are an organization of committed educators and we are passionate about our students and the student experience. Our student outcomes are excellent, and demand for our courses exceeds what we can currently supply. Our staff and faculty are outstanding and dedicated. During the next five years we will continue to teach in and for the wilderness.

Our sense of community is strong. Our finances are in balance and our alumni are supportive. We will continue to build a better world by developing active, positive leaders who have experienced and who value wilderness.

The NOLS community takes pride in the success it has achieved in pursuing its values and fulfilling its mission, but we recognize in this plan that our horizons for educating students and for wilderness stewardship can be broader, its impact more significant, and its strengths greater. Global and local needs for leadership and environmental awareness and responsibility are compelling.

Contained in this plan are **five goals of strategic significance** that will strengthen, broaden, and deepen NOLS. These five areas are not new, but they are our focus areas for greatest change in the coming years. These interdisciplinary objectives will permeate what we do, affecting the annual plans and daily decisions of each operating department. These focus areas are:

1. **Staff Excellence**
2. **Diversity**
3. **Evidence-Based Curriculum Development**
4. **Environmental Stewardship**
5. **Philanthropic Support**

In addition to the primary focus areas above, the coming years will see considerable attention directed toward six natural focus areas that support and enhance our mission and core values. We anticipate that there will be less significant change in these areas. We will be responsible in our daily efforts to ensure our continuing excellence and improvement in all of them. These areas are:

- **Students**
- **Risk Management**
- **Access to Wilderness Classrooms**
- **Technology**
- **Expanding Brand Awareness**
- **Financial Equilibrium and Strength**

We will pursue our core activities and these goals within the context of a budget framework intended to ensure the long-term vitality and financial equilibrium of NOLS. This is a growth plan constrained by our commitment to excellence and the availability of faculty, classroom, and financial resources. NOLS recognizes that prudently managed growth can be beneficial and is consistent with its mission. By growing, NOLS can educate larger numbers of students, increase our impact, enrich faculty and staff careers, deliver operating economies of scale, add sophistication to our program, and build philanthropic support. Recognizing that external pressures may require us to adapt, the plan makes the following central operating assumptions:

- With vigilant attention to the maintenance of our quality standards, student days will grow annually by an average of 3% from the end of 2007—a nearly 20% increase by the end of 2013. Faculty, staff, course offerings, wilderness classroom access, technological tools, marketing and enrollment, and facilities will grow commensurately in sophistication and scope.
- We will manage NOLS to annually increase our net assets by 3% of total operating revenue. This is a level that, based on recent experience, will maintain NOLS' buildings and facilities and fund adequate operating reserves. Embedded in this margin target are the achievement of the strategic goals and the utilization of philanthropic revenue to fund a growing share of operations.
- Branch enhancements and new operating areas are planned along with meeting classroom needs for WMI, but no major new capital projects are funded by operations during the five years.

Setting goals, mapping routes, assigning responsibility, achieving objectives, and adapting are core NOLS skills. Through its annual budget cycles, daily execution, and trustee meetings, NOLS will map its routes toward the objectives set in this plan; define checkpoints and timelines; assign responsibilities; chart progress; and adapt. In the end, however, it is only a plan. In classic NOLS fashion, we will lead the school by relying on common sense, good judgment, our values and purpose, and commitment to stewardship.

Goals of Strategic Significance

Attention to NOLS' mission and core values—wilderness, education, safety, community, excellence, and leadership—has made the school a leader in wilderness skills, wilderness medicine, and experiential and leadership education. Continuing improvement, excellence, and leadership in these areas is a central commitment of this plan. We will refine our best practices and focus on outstanding execution. We will remain humble, avoid complacency, and welcome the responsibility of the leadership position that we have attained as an educator.

We will also accept the risks and costs of significantly increasing our attention to the following five initiatives. We shall pursue them with passion and in a manner that is consistent with our mission, values, and the long-term strength of the school. We recognize that they will often be interrelated and cross many operational boundaries within the school. As circumstances require, we may redefine them. They were selected from a broader list—strategic planning must, in part, involve deciding what not to prioritize. These goals were broadly endorsed by our community in the development of this plan; are consistent with NOLS' mission and values; and will broaden, strengthen, and deepen the school.

- 1. Staff Excellence**
- 2. Diversity**
- 3. Evidence-Based Curriculum Development**
- 4. Environmental Stewardship**
- 5. Philanthropic Support**

1. Staff Excellence

The Goal

NOLS attracts and develops excellent staff who are motivated to support and provide exceptional student experiences. To meet future needs, our focus will be both on retention and development of current staff while recruiting additional staff to meet our future needs. To achieve this, NOLS will raise faculty and staff compensation to a level that is comparable to nonprofit peers in outdoor education and closer to other nonprofit organizations of similar size and complexity. Nominal aggregate salary spending will be increased by 10% in calendar year 2008 and again in 2009; 6% in 2010; and at a rate roughly parallel to inflation in 2011 to 2013.

Additional investment will be made in recruitment; initial and continuing instructor training; communications with staff and instructors; analysis and refinement of staff travel plans; and career mentoring, development, and planning.

These compensation and spending increases will depend on the simultaneous achievement of the school's goals for annual net asset gains as a percentage of revenues (3%), the conclusion by the board of trustees and executive director team that they will be sustainable, and the continuing achievement of NOLS' other primary organizational goals.

Context

NOLS strives to attract, recruit, and retain the best intown and instructional staff in the outdoor education industry. Exceptional faculty and staff are the lifeblood of the NOLS educational experience. We have a 40-year history of benefiting from the passion and dedication of our staff to implement our mission. The school, out of necessity, also has a long

history of compensating below nonprofit market rates—relying on passion and dedication to retain and motivate our staff. We believe that NOLS has grown to a scale of operations and philanthropic support that allow us to increase our compensation spending.

Implementation

Over the term of this plan, a leading budget priority will be the achievement of this faculty and staff retention-related goal. Dedication, passion, and the quality of our mission, values, program, students, and community will, however, remain the primary motivators for our faculty and staff. Thus, the achievement of this plan in its totality is meant to strengthen those bonds and improve staff recruitment and retention.

Clear communication with faculty and staff will continue to be a priority for the term of this plan and thereafter. Through staff meetings, individual assessments, and feedback discussions, faculty and staff should understand how their work is perceived, what additional training is available, how their careers with NOLS can be expected to evolve, and what opportunities for additional work and advancement will realistically be available to them.

Recognizing that many NOLS staff will inevitably move into new careers, more attention will also be directed in each annual plan toward the development of career counseling and networking services to assist employees as they further their career at NOLS or assist them in their pursuit of different career opportunities. As staff transition away from NOLS, we will encourage ongoing relationships as volunteers, alumni supporters, and part-time instructors.

2. Diversity

The Goal

NOLS' students, faculty, and staff will come from more diverse backgrounds. It is a central objective of this plan for NOLS to broaden the scope of its focus beyond its traditional audiences.

We will enhance the strength, and breadth of appeal, of our current curriculum and programs by expanding and adapting them to address a student body, faculty, and staff from more diverse backgrounds. This effort will be additive—recognizing and maintaining the excellence and effectiveness of the program we currently offer.

We will maintain the current level of financial aid as a percentage of tuition revenue and distribute aid through a program managed to support our diversity goals.

Assuming continuing trends, and to implement our diversity efforts, we recognize that NOLS will need to further develop standards and tools for the selection of admitted students at times when the number of applicants exceeds the number of class spaces that we can offer. Our goal shall be to maximize the number of students most likely to benefit from a NOLS education.

Context

We believe that multiple perspectives and experiences are essential to learning. NOLS wishes to be an inclusive community and respects the differences that make each of us unique. We believe that our mission and values should be relevant and important to all people and that we will increase our impact by reflecting the perspectives and needs of diverse communities in our curriculum and program. By diversity, we mean differences encompassing ethnicity, race, socio-economic background, gender, sexual orientation, faith, age, and national origin.

Detailed Goals and Tactics

This section contains further goals and tactics for the five primary focus areas of the plan. It also contains goals and objectives for the six other focus areas of this plan that entail less change from present practices.

The Focal Points of the Strategic Plan

Goals of Strategic Significance

1. Staff Excellence
2. Diversity
3. Evidence-Based Curriculum Development
4. Environmental Stewardship
5. Philanthropic Support

Focus Areas for Support and Enhancement

6. Students
7. Risk Management
8. Access to Wilderness Classrooms
9. Technology
10. Expanding Brand Awareness
11. Financial Equilibrium and Strength

1. Staff Excellence

Further Goals and Tactics

1. Staff are valued for their contributions to outstanding student experiences and educational outcomes.
 - a. Compensation

Targeted overall increases of 10%, 10%, and 6% respectively for calendar '08-'10 (28.3% overall) provided that:

 - i. the planned increases are sustainable;
 - ii. NOLS achieves its financial goals including, without limitation, annual net asset gains of 3% or greater; and,
 - iii. NOLS continues to achieve organizational success.

Budgeted increases from '11-'13 will roughly parallel inflation rates as NOLS addresses other strategic priorities. This also relies on such increases being sustainable.
 - b. Travel expenses: Review effectiveness of travel plan and make adjustments as appropriate and affordable.
 - c. Performance appraisal: All employees receive at least one comprehensive performance appraisal annually that provides growth-oriented positive and constructive feedback.
 - d. Staff advisory work groups: Staff advisory work groups (intown, field staff, and WMI instructors) inform decision-making on compensation and other issues.
 - e. Review effectiveness of faculty programs such as Annual Field Program (AFP), WMI Annual Position (WAP), Instructor Development Fund (IDF), and Recognition of Professional Experience (ROPE) and make adjustments as appropriate.
2. NOLS recruits excellent staff.
 - a. Compensation goal referenced in 1(a) above has focus, in part, on entry-level compensation for intown staff and WMI and NOLS faculty ensuring that NOLS attracts the best new staff.
 - b. Instructor Course (IC) enrollment equals at least 25% of the projected number of field staff for the year.
 - c. IC scholarships represent 50% of overall IC tuition.
 - d. Establish merit-based scholarship programs with four partnership colleges/universities. Scholarship will cover the full tuition for an IC.
 - e. Publications: Opportunities for working at NOLS as intown staff and faculty featured in various NOLS publications, e-news, and web media.
 - f. We will increase numbers of WMI/NOLS field instructor crossover staff.
 - g. Grow our WMI faculty to meet future needs.
 - h. Staffing office expands its resources to include recruitment/mentorship position.
 - i. Initiate and offer yearly New Zealand Instructor Course until sufficient local New Zealand and Australian staff needs are met.
 - j. Achieve our staff diversity goals as outlined in the diversity strategic goal.
3. NOLS develops its best staff.
 - a. Development: NOLS will offer its staff comprehensive career development from the hiring process forward, including ongoing mentoring, coaching, and a dynamic staff seminar program to both enable staff to grow and NOLS to meet staffing needs.
 - b. Opportunities/succession: Supervisors will collaborate with our best staff to identify appropriate new opportunities for staff to remain challenged and invested in the NOLS mission, to ensure a system of effective succession, and to provide rewarding career opportunities.

- c. Annual field staff meeting: We will continue to organize a WMI annual staff meeting and we will also initiate an annual field staff meeting with a strong emphasis on Annual Field Program staff attending as a means of providing continuing education for all field staff.
- d. New employee orientation: Human resources will offer new employee orientation on a seasonal basis.

2. Diversity

Further Goals and Tactics

1. Diversity in our student body is prioritized and supported by scholarships.
 - a. Scholarships will increase at a minimum as a percent of total tuition revenue for traditionally underserved communities.
 - b. Formalize our present partnerships and develop partnerships at each NOLS location.
 - c. Alumni of diverse backgrounds will serve as alumni reps.
 - c. The percent of ethnic, racial, and international catalog, NOLS Pro, and WMI students will increase 30%. (FY07 % x 1.30 = 2013 %).
 - d. Women students on catalog and NOLS Pro courses will increase to 40% by 2013.
 - e. WMI courses will aim for overall gender balance by 2013.
2. Staff Training
 - a. Develop diversity curriculum materials for the *Wilderness Education Notebook*.
 - b. Provide diversity training on the Instructor Course and at program supervisor meetings. Use these and other opportunities to educate and set clear expectations of working with a diverse audience.
 - c. Develop a train-the-trainer program for program supervisors and school directors so that they can be a training resource at our various locations.
3. Diversity is reflected in the membership of our board of trustees.
4. Diversity is reflected in our faculty.
 - a. The percent of ethnic, racial, and international faculty will increase by 20%. (FY07 % x 1.20 = 2013 %)
 - b. Women faculty will increase to 40% by 2013.
5. Diversity is reflected in our intown staff.
 - a. The percent of ethnic, racial, and international directors will increase by 40%. (FY07 % x 1.40 = 2013 %)
 - b. Women directors will equal or exceed 40% by 2013.
 - c. The percent of ethnic, racial, and international mid-level managers (Level E, D and DE or non-U.S. equivalent) will increase by 20%. (FY07 % x 1.20 = 2013 %)
 - d. Women mid-level managers will equal or exceed 40% by 2013.