



performance hub

Successful strategies: real learning from real experiences

Summary Findings

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A Performance Hub Report
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The Performance Hub works to help third sector organisations (TSOs)* achieve more.

(*charities, voluntary organisations, community groups and social enterprises)

Our vision is of high performing TSOs having a positive impact upon the lives of millions.

Our overall aim is for improved third sector performance, and performance to be an integral part of the third sector's agenda.

Four specific aims contribute to this overall aim:

- To increase TSOs' awareness of the benefits of focusing on performance and improve their ability to use performance tools and approaches.
- To increase and improve the performance support offered to frontline organisations by local, sub-regional, regional and national infrastructure of all types
- To develop a more relevant, more effective and more accessible knowledge base about third sector performance.
- To strengthen the two way relationship between funders and TSOs on performance issues.

For more information, see our website at www.performancehub.org.uk

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Introduction

Many third sector organisations (TSOs) are trapped in a cycle of reaction, fire-fighting and problem-solving. Time spent on the strategic tasks of reflecting, reviewing, visioning, relationship building, planning, developing focus and anticipating challenges can reduce the amount of time spent managing crises and avoiding stress and burn-out.

Valuing and making time for strategy is central to organisational success. Busy third sector managers need accessible, relevant information about how to create a successful strategy.

The Performance Hub commissioned Partners in Evaluation to investigate how TSOs create successful strategy. The consultants worked with five small and medium-sized TSOs in England between June and November 2006 to help them develop their strategy – and to generate learning along the way. This report contains the summary findings. The full report is available as a pdf at www.performancehub.org.uk/successfulstrategiesreport.

Headline findings

Strategic planning can provide an impetus to consider the 'bigger picture' and to think laterally, outside the day-to-day tasks of running an organisation, project, campaign or building. A strong organisation needs both clear strategic leadership *and* dialogue about strategic direction. Dialogue is essential to buy-in, involvement and the delivery of the strategy.

Strategic planning works best when it is **appreciative, reflective, participatory** and **outcomes-focused**. It should **value** the **knowledge and expertise of all stakeholders**. It should bring stakeholders together to enable **dialogue** about values and purpose across the wider organisation and to acknowledge and value the complexity and connections across each TSO's environment. All of this takes time and, critically, commitment from trustees and senior managers. It also requires a culture open to listening and learning. Closed, linear strategic planning processes without opportunities to share and investigate ideas produce weaker strategies.

Top ten learning points

The rest of this summary report introduces the top ten learning points that emerged from the project.

1. Up-to-date vision and mission

The environment that TSOs operate in changes rapidly. This means that it is vital that TSOs have a clear and up-to-date vision and mission. They may need to be reviewed every few years or so, when major changes are expected in the wider environment or when the organisation is planning for the future and thinking strategically. The vision and mission statements should be actively used to test to

what degree any new developments, services or projects contribute to the vision and the mission, so that the efforts the organisation makes contribute to the intended purposes.

2. Focus and specificity

Much of the process of developing strategy involves turning general ideas into specific and precise plans. The process of defining exactly what changes (or outcomes) the organisation wants to achieve and what it wants to do, provides focus and helps it to consider other related possibilities. This is essential in order to test and challenge assumptions, clarify expectations, plan effectively, prioritise actions, budget accurately and ultimately, to evaluate the degree to which the organisation has been successful. The opposite of focus and specificity is fudge and woolliness, which limits organisational success. TSOs also need to establish an appropriate monitoring and evaluation framework as part of the task of developing a new strategic plan. This will help them stay on track, capture organisational learning and sew monitoring into everything they do.

3. Connect strategy to values to ensure ownership and buy-in

Too often, strategies remain paper-based statements of good intentions. Yet the strategic planning process is crucial to ensuring the wider ownership and eventual adoption of the strategy amongst key stakeholders. The process itself is a chance to generate energy and involvement amongst staff, service users, trustees or board members and other stakeholders. It is important to ensure that the strategy process connects with the driving values of the organisation. Connecting the strategic planning process to your organisational values will remind everyone involved of what they have in common. Providing an opportunity to say something about what motivates or inspires people in relation to the work of the organisation can help focus and kick-start the formation of a strategy.

4. Using appreciation to inspire

Appreciative approaches¹ can help develop better visions and missions. They are a good way to reconnect individuals to the larger purpose. They stretch vision about what might be possible in the future and allow disagreements to be discussed in a more positive environment. They help to identify strengths and to recognise how far an organisation has come to get to the current position; celebrating this 'distance travelled' can be energising and motivating.

5. Collaborative consultation

The process of developing strategy should be collaborative, rather than the responsibility of a single individual or small group. The mix of perspectives and the chance to test out ideas amongst different stakeholders, including service users and staff, is a vital part of the process. Insights from stakeholders may surprise or challenge the organisation.

Making sure all the right stakeholders have their say and recognising that there might be conflicts of interest between different stakeholders is critical: consideration of where power lies and how to balance any conflicting interests is also important,

¹ An appreciative approach begins with what the organisation does well and considers how to build from that, rather than starting with an assumption of a problem that needs to be fixed.

but on the other hand, mixing all your stakeholders up at the same event can be rewarding!

Many TSOs are not necessarily good at communicating what they do; the consultation process in itself can be an opportunity to do this and to find out what else is going on, promote ownership of the findings and improve relationships with key stakeholders. It is an opportunity to make new contacts.

6. Creative and inclusive techniques

There are lots of creative and engaging techniques that can help to encourage wider participation in the process. Questionnaires and surveys may have a role, but rarely promote energetic conversations about vision and purpose. Simple visual methods and 'open space'² sessions work well to prompt conversations.

Meeting up with other organisations and going on visits or away days are also valuable.

It is important to allow divergent views, needs and tensions to be heard, acknowledged, and considered. This requires building trust and confidence so that people feel genuinely able to say what they think in a constructive way. It is important to pay attention to the barriers that may hinder some people from giving their views; make sure there is a range of opportunities for people to express their opinions. Using pictures or visual methods is often a good way to allow people to talk about both more inspiring visions for the future and the more tricky, difficult issues that inevitably arise.

7. Evidence-led approaches

It is important to consider new and unmet needs and to base any planned developments on both evidence of need and a realistic assessment of organisational strengths and capabilities. Organisations should ensure that they use the existing information that they have about their activities and the outcomes they create to inform the thinking and planning process, and look to other existing sources of information, before embarking on any major new data gathering exercises.

8. Make time for the process

Developing strategy is a challenging process and finding time and space to think can be difficult. TSOs have to be prepared to engage in a process of assessment of their strengths and weaknesses in an open, honest and positive manner. They should expect to be challenged and to have their thinking subjected to scrutiny, but it takes time to build relationships of trust and respect that allow for a more robust exchange of views.

9. Clear planning

It is helpful to establish a clear plan and timetable for the strategy process. This helps to make the most of existing activities and events to draw more stakeholders

² 'Open space' offers an alternative to more traditional ways of running meetings: individual participants offer to host conversations in small groups. These happen simultaneously over the period of time available. Participants choose which conversations they want to be part of and are able to move around to join other conversations as and when they want to. For more information, visit www.openspaceworld.org

into the processes. It is also helpful to establish an overview of the strategic direction first and perhaps divide up tasks amongst smaller working groups to work on the detail of implementation; although cross-group communication is essential to avoid multiple plans being developed in isolation. If possible, a small budget should be identified for the process; in fact, applying for funding to help an organisation make a step-change is quite legitimate.

10. The value of outside help

External facilitation of the planning process can break down barriers and create more open thinking. The input of even a few days' time can be valuable if used in a way that works with the existing strengths and capacities of the organisation. TSOs could benefit from access to such facilitators or 'critical friends'. One option could be for TSOs to seek out individuals in other TSOs, perhaps from other domains, with which they could form a reciprocal arrangement.

Find out more

For more useful tips on strategy, visit: www.performancehub.org.uk/thinkahead.

The full report from this project is available as a pdf at:
www.performancehub.org.uk/successfulstrategiesreport.

Issue two of the Hub's free quarterly magazine, *Achieve More*, also focuses on this topic and includes a 'How to' guide to running a stakeholder consultation workshop. It is available to order or to download, tel: 0800 652 5787 or visit:
www.performancehub.org.uk/achievemore2