**Strategic Planning II**

Business and Development Planning
Review of Plan Components

• Strategic Plans identify service needs and set direction
• Business Plans identify organizational qualifications and strategies
• Development plans identify how funds will be raised
Why create a development plan?

- Identify HOW strategic plan initiatives will be funded
- Understand opportunities and select options
- Identify board and staff roles
Everyone Else in the world

Those Who Know You

Financial Supporters

Board & Major Donors
Development Plans

• Revenue plan by sector
• Development activities
• Special events
• Recognition
• Marketing and Communications
Revenue plan by sector

• Identify types and sources
• Create pro forma for each
# Sample Pro Forma - Individuals

<table>
<thead>
<tr>
<th>Gift Level</th>
<th>From Individual and Group Presentations</th>
<th>From Fall Campaign</th>
<th>From Spring Fundraising Luncheon</th>
</tr>
</thead>
<tbody>
<tr>
<td>$18</td>
<td>500 gifts = $9,000</td>
<td>620 gifts = $11,160</td>
<td></td>
</tr>
<tr>
<td>$36</td>
<td>500 gifts = $18,000</td>
<td>500 gifts = $18,000</td>
<td></td>
</tr>
<tr>
<td>$54</td>
<td>100 gifts - $5,400</td>
<td>100 gifts - $5,400</td>
<td>14 gifts = $756</td>
</tr>
<tr>
<td>$72</td>
<td>60 gifts = $4,320</td>
<td>75 gifts = $5,400</td>
<td>20 gifts = $1,440</td>
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<tr>
<td>$504</td>
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<td>10 gifts = $5,040</td>
<td>10 gifts = $5,040</td>
</tr>
<tr>
<td>$1,000</td>
<td>2 gifts = $2,000</td>
<td>10 gifts = $10,000</td>
<td>5 gifts = $5,000</td>
</tr>
<tr>
<td>$2,000</td>
<td>2 gifts = $4,000</td>
<td>5 gifts = $10,000</td>
<td>3 gifts = $6,000</td>
</tr>
<tr>
<td>$3,000</td>
<td>2 gifts = $6,000</td>
<td>4 gifts = $12,000</td>
<td>2 gifts = $6,000</td>
</tr>
<tr>
<td>$5,000</td>
<td>2 gifts = $10,000</td>
<td>3 gifts = $15,000</td>
<td>1 gift = $5,000</td>
</tr>
<tr>
<td>$10,000</td>
<td>2 gifts = $20,000</td>
<td>2 gifts = $20,000</td>
<td></td>
</tr>
<tr>
<td>Total=$245,020</td>
<td></td>
<td>$92,530</td>
<td>$120,770</td>
</tr>
</tbody>
</table>
Development Activities

• For each type and source
• Detailed timelines
• Work plans for staff and board
A Word about Special Events

• Maximize current or drop
• Identify new
• Be creative
Recognition

• KEY to retaining donors
• Touches per year
• Levels of contact
Marketing & Communications

• Who, When and How
Development Plan Q&A
When and why create a Business Plan

• Starting a new organization, business venture, or service
• Expanding, acquiring or improving any of the above
• Identify any problems before implementation
• Get commitment and participation
• Establish a roadmap to compare results
• Obtain financing from investors and funders
Business Plan Components

• History, services
• Management & governance structures and qualifications
• Business approach and strategies
• Market demand and competencies
• Budget and financials
• Special plans such as technology and volunteer
History and Services

• Overview of where you’ve come from

  • Include unique and special highlights
Management and governance structures and qualifications

• Statement of models used, if any

• Relationship between board and staff
  • Organizational chart

• Primary responsibilities of key staff and board positions

• Bios of key staff
Business approach and strategies

• Standards followed

• Key strategies
Market demand and competencies

• Research and compare

• Make the case for your place in the community

• Look for collaborative opportunities
Budget and financials

• Historic financial including analysis

• Next year(s) budget
Special plans such as technology and volunteer

• Approach for identified business needs
Business Plan Q&A
Crisis Management

• Don’t wait
• Prepare for wide range
• Develop physical plans
• Be prepared to speak
• Provide media training
## Crisis Management Worksheet

<table>
<thead>
<tr>
<th>Issue</th>
<th>• Miss revenue projections by 20%</th>
</tr>
</thead>
</table>
| What might trigger this issue? | • Downturn in economy  
• Major donor leaves organization  
• Bad press due to program misstep |
| What can we do to prevent this issue (risk management)? | • Prepare budget cut plan in advance  
• Commit to excellent donor communications  
• Assess each program for risks (using this worksheet) and work to minimize them |
| If this issue occurs, how will we respond (crisis management)? | • Implement cut plan (or program response plan)  
• Communicate quickly and sincerely, both internally and externally |
| Who in the organization will lead the short-term response? | • Executive Director, President of the Board, Management Team |
| Where in our planning process will we deal with this issue long-term? | • Strategic plan (prioritize goals and activities)  
• Development plan (plan more revenue than expense)  
• Business plan (our approach to crisis) |
Session Q&A