

Jan McGowan  
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# *Strategic Planning II*

Business and Development Planning

# *Review of Plan Components*

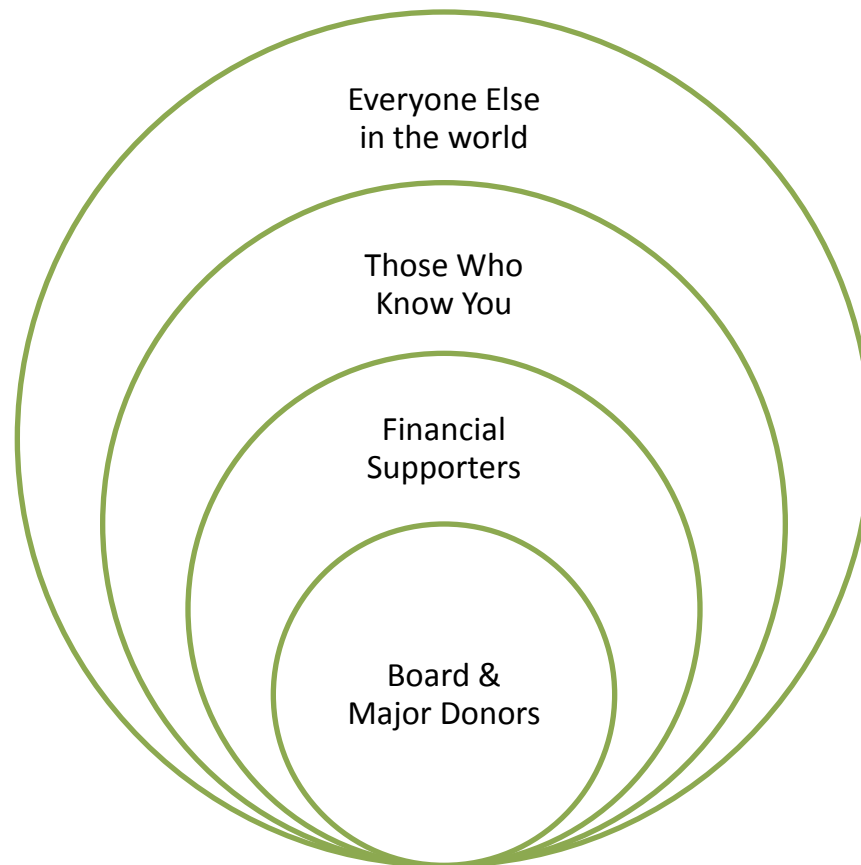
- Strategic Plans identify service needs and set direction
- Business Plans identify organizational qualifications and strategies
- Development plans identify how funds will be raised

## *Why create a development plan?*

- Identify HOW strategic plan initiatives will be funded
- Understand opportunities and select options
- Identify board and staff roles

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## *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

Gift Level	From Individual and Group Presentations	From Fall Campaign	From Spring Fundraising Luncheon
\$18	500 gifts = \$9,000	620 gifts = \$11,160	
\$36	500 gifts = \$18,000	500 gifts = \$18,000	
\$54	100 gifts = \$5,400	100 gifts = \$5,400	14 gifts = \$756
\$72	60 gifts = \$4,320	75 gifts = \$5,400	20 gifts = \$1,440
\$126	50 gifts = \$6,250	50 gifts = \$6,250	10 gifts = \$1,260
\$252	10 gifts = \$2,520	10 gifts = \$2,520	10 gifts = \$2,520
\$504	10 gifts = \$5,040	10 gifts = \$5,040	10 gifts = \$5,040
\$1,000	2 gifts = \$2,000	10 gifts = \$10,000	5 gifts = \$5,000
\$2,000	2 gifts = \$4,000	5 gifts = \$10,000	3 gifts = \$6,000
\$3,000	2 gifts = \$6,000	4 gifts = \$12,000	2 gifts = \$6,000
\$5,000	2 gifts = \$10,000	3 gifts = \$15,000	1 gift = \$5,000
\$10,000	2 gifts = \$20,000	2 gifts = \$20,000	
Total=\$245,020	\$92,530	\$120,770	\$31,720

## *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

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# *Marketing & Communications*

- Who, When and How

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# *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

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## *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

Issue	<ul style="list-style-type: none"> <li>•Miss revenue projections by 20%</li> </ul>
What might trigger this issue?	<ul style="list-style-type: none"> <li>•Downturn in economy</li> <li>•Major donor leaves organization</li> <li>•Bad press due to program misstep</li> </ul>
What can we do to prevent this issue (risk management)?	<ul style="list-style-type: none"> <li>•Prepare budget cut plan in advance</li> <li>•Commit to excellent donor communications</li> <li>•Assess each program for risks (using this worksheet) and work to minimize them</li> </ul>
If this issue occurs, how will we respond (crisis management)?	<ul style="list-style-type: none"> <li>•Implement cut plan (or program response plan)</li> <li>•Communicate quickly and sincerely, both internally and externally</li> </ul>
Who in the organization will lead the short-term response?	<ul style="list-style-type: none"> <li>•Executive Director, President of the Board, Management Team</li> </ul>
Where in our planning process will we deal with this issue long-term?	<ul style="list-style-type: none"> <li>•Strategic plan (prioritize goals and activities)</li> <li>•Development plan (plan more revenue than expense)</li> <li>•Business plan (our approach to crisis)</li> </ul>



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## *Session Q&A*