Strategic Planning

A strategic plan clearly articulates how a club will achieve its purpose. It sets out a series of priorities and measurable objectives for the immediate future and the strategies by which these goals will be achieved and resourced.

Effective planning enables a club to:

* become proactive rather than reactive by clarifying the club’s purpose and direction;
* initiate and influence outcomes in favour of the club;
* exert more control over its destiny by deciding where it wants to be in the future;
* adopt a more systematic approach to change and reduce resistance to change;
* improve financial performance and use resources more effectively;
* increase awareness of its operating environment (for example, competitors, government policy, threats and opportunities);
* improve organisational control and coordination of activities and;
* develop teamwork off the field.

Without adequate planning, a club frequently deals only with immediate problems and fails to consider future needs. Consequently the club:

* tends to function on a random, ad hoc basis;
* will never seem to have time to anticipate tomorrow's problems and;
* does not create conditions to deal effectively with the future.

**The Planning Process**

To overcome these limitations, a plan is necessary. There are four steps in an effective planning process for clubs to consider.

1. Pre-plan position
2. Strategy formulation
3. Strategy implementation
4. Strategy evaluation

The planning process should be seen as a continual process rather than creating documents that once finished remain on the shelf untouched. Your strategic documents should be referred to regularly and reviewed at least annually to ensure strategic objectives remain current, as well as to check if modifications are required as internal and external influences change and/or various objectives are achieved.

**1. Pre-plan position**

Without an accurate assessment of a club’s pre-plan position, it is difficult to establish a starting point for the development of a new plan. This section forms the first step in the development of a strategic plan. By conducting a review of the previous year/season including key quantitative measures of performance, clubs can objectively describe their current status and the starting point for developing a new strategy.

Key quantitative measures could include:

* participation numbers including total members, coaches, officials and volunteers;
* recruitment and retention rates for the past 3-5 years and;
* key financial indicators and results.

**1.1 Review of the previous year**

By reviewing the previous year’s operational plan and annual report, clubs can identify the extent to which tasks were completed and confirm the reasons for failing to achieve any performance targets including the implications of this for future years. In addition, clubs can make an assessment on the status of its objectives including whether they have been met, are ongoing for the coming year, or have changed due to internal and/or external influences?

It is important that a review includes a financial summary for the previous year that shows the income and expenditure items and an indication of actual financial performance against projected budgets. This information is critical to assisting the club in its financial planning for the coming year.

**1.2 SWOT Analysis**

Understanding the internal and external influences that impact a club is an important step that can be easily ascertained through the use of a SWOT analysis; a framework for assessing a club’s internal **S**trengths and **W**eaknesses, as well as external **O**pportunities and **T**hreats in the community and market.

A simple and easy-to-use tool, a SWOT analysis is essential to strategic planning and can assist clubs to:

* identify and isolate threats;
* address weaknesses and areas for development;
* capitalise on strengths;
* draw awareness to new opportunities and initiatives;
* react and respond proactively to a changing environment and;
* focus and direct funding and resources to maximise impact.

See SWOT template within the Game Plan resource list for further information on how to perform your own analysis.

**2. Strategy Formulation**

Having made an assessment of the current pre-planning position, clubs should draw upon this information to review or identify the purpose, vision, values, objectives, strategic initiatives and key performance indicators that will form their strategic plan.

**2.1 Purpose Statement**

A purpose statement explains the fundamental reason(s) a club exists. It articulates why you matter and why you do what you do.

It is important for clubs to understand their purpose. Together with a defined set of values, a purpose statement will guide the direction, priorities and activities that it commits to over a period of time.

See Purpose Statement template within the Game Plan resource list for further information and examples on how to develop yours.

**2.2 Vision Statement**

A strategic vision describes the route a club intends to take to develop and strengthen its business. It lays out the strategic course in preparing for the future.

Well-conceived visions are distinctive and should be specific to a club. Avoid generic, feel good statements like ‘we will become a leader and the first choice of participants’, which could apply to any club. For the strategic vision to function it must encapsulate a club’s directional path and provide the board with a reference point for making strategic decisions.

See Vision Statement template within the Game Plan resource list for further information and examples on how to develop yours.

**2.3 Value Statement**

A value statement conveys the values and priorities of a club. It encapsulates for members and the local community what is important to your club and the culture that guides its behaviours and decision-making.

It should show what your club believes in. It is the backbone which can be referred back for reference as what to do next and how to act.

See Value Statement template within the Game Plan resource list for further information and examples on how to develop yours.

**2.4 Key Objectives**

Key objectives can be defined as the results a club hopes to achieve when attempting to pursue its vision and purpose within the time frame of the plan. It is essential for a club to state its long-term objectives as they will indicate the direction of the organisation and assist with future evaluation. Stating the long-term objectives can also enable a club to reveal its true strategic priorities.

It is important that your objectives be:

* **Specific –** Write objectives simply and describe exactly what will be accomplished when each objective is achieved.
* **Measurable –** The objective needs to be measurable so it can be determined when it has been achieved. If it cannot be measured it might not be manageable.
* **Achievable** – Expect to achieve the objective and do not set objectives too high or make them unrealistic.
* **Related to the vision –** The objectives must relate to the vision of your organisation.
* **Time bound –** Each objective must have an achieve-by date. A deadline is a great motivator for achieving objectives.

**2.5 Strategic Initiatives**

Strategic initiatives describe the strategies and tasks a club will perform in order to achieve its objectives. For example, if a long-term objective is, ‘To increase the number of junior participants in the club’, then the strategic initiative to help achieve this may be, ‘To implement a modified format that enables primary school age children to participate outside of traditional weekend sport hours’.

When writing strategic initiatives, a club should describe what it aims to accomplish by using verbs to start the strategy, such as: foster, develop, provide, prepare, produce, organise, perform, nurture, support, explore, promote, advance, build, introduce, deliver, adopt, sustain or build.

**2.6 Key Performance Indicators**

Key performance indicators (KPIs) enable a club to identify the criteria it will use to measure its performance against each strategic priority. KPIs will determine the extent to which the strategies have been achieved and are the measures by which evaluation and feedback on performance are based. They should be related to the strategies and could include measures against quality, quantity and time.

Examples of key performance indicators include:

* Increase levels of funding and services between the club and key stakeholders.
* 5 per cent increase in registered members for the coming season.
* 90 per cent member satisfaction with upgraded web-based communication systems.

**2.7 Strategic Plan on a Page**

One of the best ways for a club to bring its strategy to life, to use it as a guide for decision-making and to communicate it clearly and effectively to members is to develop a one-page plan.

A one-page plan is a powerful way to capture only what is important and distil it down to a simple, clear approach.

The Strategic Plan on a Page framework within the within the Game Plan resource list provides a useful example of how to record and communicate your own strategic plan. A copy of your Strategic Plan on a Page should be accessible to all members and clearly advertised through the club and used as the central document for all committee meetings.

**3. Strategy Implementation**

**3.1 Implementation Framework**

Transitioning from planning to implementation can be tricky. The below implementation framework can help clubs manage the process by drawing attention to key areas of the business impacted by changes to the strategic plan and recommended activity for ensuring a smooth transition.

When looking to implement a new strategic plan, clubs are encouraged to use the framework as a reference and complete their own list of activities for each business area.

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| Element | Activity (Examples only: Clubs are encouraged to complete their own activity list) |
| Governance | Ensure policies and procedures, decision making and reporting align to the strategic direction of the club.  |
| Communication | Distribute planning documents to the appropriate key stakeholders.  |
| Resource allocation | Realign club structures and budgets against the plan where required.  |
| Key stakeholders | Ensure key stakeholders, including members, sponsors, associations are made aware of the strategic plan and club direction.  |
| Ethics and values | Manage conflicts of interest as they arise.  |
| Risk management | Establish a risk management plan to help identify, assess and respond to risks involved in implementing the plan. |
| Policies and procedures | Update all policies and procedures.  |
| Planning and monitoring | Monitor and evaluate plans regularly (at least annually).  |

**3.2 Operational Plan**

Separate to the strategic plan, an operational plan is a management tool that details the tasks, personnel, timings and costs associated with each strategic priority.

Operational plans can be broken down into day-to-day, weekly or monthly action items, and are useful in keeping clubs on-track and accountable for each objective within the strategic plan.

See Operational Planning template within the Game Plan resource list for further information and examples on how to develop yours.

**3.3 Operating Budget**

The annual operating budget is used to project the financial results of a club over a yearly period. It helps to assess the financial capacity of a club to manage the operations required to achieve its strategic objectives.

The operating budget measures the financial impact of both expenditure and income that is expected over the coming 12 month period. Therefore, it is important to take into consideration all legitimate income and worst-case expenditure to ensure unrealistic expectations are not projected. Allowances should be made for extraordinary expenses, which may occur into the future. Once the budget is completed the club should also consider ‘what if’ scenarios to gain an estimate of the impact changes to income and expenditure may have.

**4. Strategic evaluation**

Commonly the most neglected stage of the planning process is the monitoring, evaluation and review of the strategic plan.

Planning should not stop with when the strategic and operational plan has been adopted by members and the committee. It is a club’s most important reference document and should be used constantly throughout the year, providing context for decision-making and monitoring performance and financial status.

Tips for monitoring, evaluating and reviewing plans include:

* **Appoint people** who will be responsible for monitoring performance against the plan.
* **Ensure specific timeframes** have been allocated to implement the strategies.
* **Develop formal reporting procedures** for the designated person or action plan group to comply with, or update established reporting processes.
* **Check progress regularly** against the plan. This should be included as a regular item on management meeting agendas.
* **Modify the plan** if it is not possible to achieve some of the goals that have been set.
* **Establish a planning subcommittee** to review the whole plan each year to check whether the club has achieved its goals for the year and to add another year to the plan. Clubs should be constantly planning three to four years ahead.
* If changes to the plan are not major, you could treat the previous year’s plan as a draft and circulate it for amendment or extension.

A common problem is reviewing whether or not the strategies have been implemented, but not assessing whether the objectives of the strategies have been realised. Make sure you evaluate the results of the strategies you implement and assess whether the changes have delivered a positive impact for the club.

Key questions to ask when undertaking an evaluation process are:

* Have any major changes occurred with the organisation’s internal position?
* Have any major changes occurred with the organisation’s external position?
* Is the organisation progressing well towards achieving its objectives?