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Case Study #9

The Case of the Stakeholder Schisms

Creating Alignment in a Non-Profit Organization

The Situation: Stakeholders Pulling in Different Directions

The Alliance for Children's Rights is Los Angeles County's only non-profit free legal services organization devoted solely to protecting the rights of impoverished and abused children. Serving nearly 5,000 children annually, the Alliance has programs serving children who need adoptive families, are in the foster care system, need health care coverage and services, have learning or developmental disabilities, are mentally ill or had behavioral disorders, and those who are homeless or runaways.

In October 2002 Ms. Janis Spire became Executive Director of The Alliance for Children's Rights, replacing a charismatic director and highly successful fundraiser. The new Director faced multiple challenges. Many of the Alliance's programs had been created based on the availability of funding rather than a coordinated long-term plan, and thus were not as connected or complementary as might be desired. There was disagreement whether the organization should have a national or local focus. The Board and staff each felt not fully understood or appreciated by the other.

The Goals: Get the Stakeholders Aligned on a Common Plan

Ms. Spire engaged Frontier Associates to assist the organization in developing and implementing a plan to resolve these challenges. Her goals were to:

- Get the Board and the staff in agreement and focused on a clear purpose and a consistent long-term plan for the organization.
- Resolve the disparate programs in which the Alliance had gotten involved.
- Identify areas for growth and development.
- Establish a balance of work that served the needs of individual children as well as the need for system wide change.
- Resolve whether the Alliance was a Los Angeles County or national organization.
- Keep the Board engaged and active in securing resources.

In addition, since Ms. Spire was new on the job, it was important to her that the Board view whatever was done as having been highly successful.



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The FAI Solution: Use Strategic Planning to Generate Alignment

We recommended that The Alliance do two things to resolve the issues it faced:

- Create a purpose and future goals for the organization that would generate passion and unity, and
- Create a long-term strategic plan for accomplishing these goals that would coalesce and focus the organization on its long-term and near-term priorities.

Non-profit organizations have particular issues stemming from their high dependence on volunteers and contributions. Forming and implementing a cohesive and consistent strategic plan is especially difficult in the face of multiple strong points of view from influential and powerful parties. Thus we recommended that all Board and all staff members (a total of about 35 people) participate in a Strategic Planning Workshop.

To help generate the needed agreement on organizational priorities and future plans the workshop would use Frontier Associates' proprietary approach to strategic planning called "Designing the Future from the Future".¹ This approach has the following unique characteristics:

- The group agrees that as a group it will be accountable both for designing the future of the organization and for the implementation and fulfillment of the future they create.
- All decisions are made by consensus – there is a decision only if every participant agrees on the same alternative as being the best solution with no compromise. In other words, every participant has a veto. This generates a much higher level of listening to others' point of view, and much more creative solutions. In addition, the final plan has the complete support of everyone in the organization, thus substantially increasing its chances of being implemented.
- Little time is spent on analyzing the present or the past, and there is no attempt to reach agreement on the present or past.
- The process starts with the end-point, the ultimate purpose of the organization, and works backwards to the present.
- The plan includes outcomes for all groups that have a stake in the organization's future, i.e., clients, owners, employees, and the community.
- A structure of support is created that increases the probability that the plan will actually be implemented.



The Results: A Board and Staff in Alignment

As a result of the strategic planning exercise, the Board and the Staff are in much greater alignment and are working cooperatively on an inspiring and common future.

- Both Board and staff expressed a greater appreciation for the roles and circumstances of the other, generating a much more cooperative environment.
- Because the plan was their creation, with every individual playing a role, rather than the creation of an independent consultant, buy-in was easier to achieve and universal.
- Starting from the future and working backwards was a major factor in being able to create consensus.
- Present day actions must be linked to the source of passion, the vision and mission, to generate enthusiasm and personal commitment. A strategic goal of only 3-5 years is unlikely to indicate sufficient progress to connect to a powerful vision. In contrast, the Alliance said it would take at least 30 years to make satisfactory progress on accomplishing its vision. A strategic plan of this duration enabled people to connect their present day actions to the accomplishment of what they care about, the vision.²
- The process took a relatively short time. The initial design meeting took one day, followed by one afternoon meeting a few weeks later and smaller group meetings to refine the material.
- Since they had played a major role in development, the Board formally approved and the staff informally approved the plan with a high degree of alignment.
- The staff's subsequent thinking tended to include more long-term perspectives.
- The clear organizational purpose provided a context and the strategic plan provided clear guidance for which programs should be emphasized and which should be transferred elsewhere. In particular, the organization decided to focus on Los Angeles County.



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Summary

Today, the Board and the staff are working as teammates, together fulfilling a future about which they all are passionate. Their goals are now clear and priorities are more easily set and adhered to.

A year after the strategic planning session, the Alliance Board Chair said:

"The Future from the Future process helped us reach a place we had been trying to get to for several years. It provided the spark that took us to a new level. The result is a strategic plan that we use consistently to guide our decision-making. We have also found it easier to set new goals because the plan provides a strong foundation to build on."

¹ Additional information concerning the Designing the Future from the Future approach may be accessed at the Frontier Associates web site at www.frontier-assoc.com.

² An excerpt from The Alliance's strategic plan may be seen in *Strategic Planning #9: An Example Strategic Plan*.