Strategic Planning: Why Engage Diverse Stakeholders?

One of the most interesting and meaningful steps in the strategic planning process is engaging stakeholders, both internal and external. The insights you gain by eliciting a range of perspectives about your organization contribute to the creation of a high-impact strategic plan.

Who Are Your Stakeholders?

Internal stakeholders, the board of directors and staff, have an intrinsic interest in the success of the organization they know so well. Each of these stakeholders has a unique and central voice in the planning process. Their articulation of strengths, challenges, and aspirations is essential to developing a strategic plan that encourages your organization to stretch.

If you have volunteers working alongside staff to deliver your services, they are in a distinctive role. They have chosen to share their talents with your organization because they believe in your mission and want to help fulfill it. Volunteers provide a bridge between internal and external stakeholders. As parastaff, they are on the front lines along with staff. As individuals who have sought your organization out, they may have similar motivation as your donors.

Your external stakeholders are many: your funders (foundations and corporations), individual donors, organizational partners, clients (and their families), and perhaps even those who do not use your services or have chosen not to fund your organization. External stakeholders know your organization in different ways depending on how they connect. It is essential to glean their valuable perceptions.

Identifying Your Various Stakeholders—Even the Ones That May Not Be Obvious

Several years ago, I facilitated a brainstorming meeting with the board of a youth organization. The purpose of the exercise was to develop a list of external stakeholders for me to interview as part of the planning process. The initial step was to identify categories of stakeholders. The board named the standard ones, those categories noted above, with some additions including program alumni, parents of program participants, and community advocates known to support the organization’s work.

Board members and management staff flew through sticky notes, writing names and affixing them on the wall under the main headings. As I aggregated the names, it was interesting to see...
so much overlap. This told me that everyone in the room was part of the same organization. This group was clear and unified regarding who had something meaningful to tell them as they went about seeking feedback about the organization.

When there is no overlap, or very little, in developing this list of potential external stakeholders, another story is told. This may signal a factionalized board, one comprised of individuals who are unable to come together as a cohesive entity, instead holding firmly to their own agendas and thereby their particular lists of who should be engaged.

If the board of directors and executive staff lack unanimity, it may suggest the absence of a strong leadership partnership. Neither has a sense of who the other thinks has a valuable voice because they do not share enough information with each other. Moreover, this discrepancy may suggest conflicting visions for the organization.

Once the plan is complete, you have another reason to engage these stakeholders: to share your vision and goals with them. Permit them to see how their feedback contributed to the roadmap for your organization’s future.

**What Do You Want to Learn from Internal Stakeholders—Those Who Know You Best?**

- What do they view to be your organization’s strengths, weaknesses, opportunities, and threats? (SWOT analysis)
- What do they think are the most important strategic issues facing your organization? What needs to be on your radar screen as you look to the future?
- What do they think your organization is most successful at and how might it be leveraged? How can you take what you do well and apply it to other areas of the organization?
- What are their aspirations for your organization? What are the success measures? Where do they see the organization in three to five years?

**What Do You Want to Learn from External Stakeholders—Those Who Know You from a Different Angle?**

- What do they value about your organization? Where do they think your organization excels?
- What differentiates your organization from others providing similar or
complementary services?
- Why do they fund you or contribute?
- What makes your organization a desirable partner for collaboration?
- Why do clients seek your services?
- What are your different stakeholders’ hopes for your organization?
- What compelling issues are other nonprofit organizations facing? How might knowing this shed light on issues your organization faces now or in the future? How might this information help you make sense of issues you thought you were alone in facing?
- What do they observe as critical nonprofit environmental issues of importance to all organizations?
- What trends do they observe and why are these important to understand and discuss?

**Why This Is so Worth It**

- It builds bridges and fosters closer relationships with these stakeholder organizations and individuals.
- It lets stakeholders know that your organization is planning for its future rather than letting others—or circumstances—dictate, or set, your priorities.
- It telegraphs your interest in learning about the environment in which your organization operates.
- It provides information against which you can evaluate and measure your own organization.
- It pinpoints challenges other organizations face that you may also encounter.
- It shows the depth of your commitment to learning by the caliber of the questions you ask.

A significant benefit of engaging external stakeholders is letting them know that you are taking hold of your future. As a leader, you want to learn things that you cannot know unless you ask.

**Sometimes You Gain Unusual Insights**

In one stakeholder interview on behalf of an arts organization client, I learned from one of its key funders that this foundation was also working on a strategic plan. In all likelihood, it would lead to a change in funding priorities. My client was able to learn this particularly meaningful bit of information because all stakeholder interviews were anonymous in order to promote candor. Knowing a key funder was on the cusp of shifting focus led directly to my client’s
setting a strategic goal to diversify its funding sources and not be overly reliant on a single or small pool of funds.

**What to Do with the Information**

Only your organization’s board of directors and executive leadership can envision the future, determining your next level based on competencies and accomplishments that are the foundation on which to build and community needs you want to address. Thus, this admonition: take your external stakeholders’ comments as descriptive, not prescriptive. Appreciate that it is up to your organization’s leaders to determine what is interesting and important in the information you have gathered and how to use it. Perhaps it is meaningful because you would not have known unless you asked.

**Don’t Miss This Opportunity**

Often, organizations contemplate skipping this step in the strategic planning process. Think again. Engage as many external stakeholders as you can. Welcome diverse points of view and new information. Yes, it may add to the project budget. Yes, it takes time to gather and synthesize the feedback. Yes, it probably means engaging an unbiased consultant to conduct this assessment in a way that ensures anonymity and thereby straight information. Most important is that it is a rare opportunity to engage your stakeholders in an unparalleled way. Enjoy the richness it adds to your strategic planning process and the strengthened relationships you gain through the process. Take pride that while welcoming input from others, you distinguish your organization as a strong one proactively addressing its future.