



# STRATEGIC PLANNING

## A Guide for Recreation and Sporting Organisations

SEPTEMBER 2004

### **WHAT IS A STRATEGIC PLAN AND OPERATIONAL PLAN?**

***Under the new StEP Grants program, organisations seeking funding under Stream 1 of the program are required to submit a “Strategic Plan” and an “Operational Plan” with their application.***

***Organisations seeking funding under Stream 2 of the program are also required to submit a Strategic Plan and to show in their application how the project they are applying for links to that plan.***

***Therefore what is a Strategic Plan and what is the difference between this and the Operational Plan?***

A **Strategic Plan** is a document that is designed to give the organisation some direction in the short to mid term (2-4 years).

It takes into account the internal strengths and weaknesses plus the external opportunities and threats to the organisation, and details strategies to address or build on these.

In general, a Strategic Plan incorporates the following items:

- Vision and/or Mission statement.
- Core business areas of the organisation.
- Goals/objectives related to these business areas for the period of the plan.
- Strategies/tasks to be undertaken to achieve these goals/objectives.
- Timelines for the completion of those strategies/tasks.
- Resource implications i.e. what will it cost to accomplish in terms of people and finances?
- Performance indicators, that is how will you know when the strategy/task is completed?
- Priorities for action, what should be undertaken in year 1, what in year 2, what in year 3 and so forth?

All those tasks that are to be achieved within the forthcoming 12 month period can be separated out of the Strategic Plan, and can be placed into a separate document called an **Operational Plan**<sup>1</sup> i.e. those priorities for action over the next 12 months.

The Operational Plan is then used by the staff and volunteers to guide their work during that time.

<sup>1</sup> Another name for the Operational Plan is a Workplan.



## ***How do these match up to a Business Plan? Do we need to prepare one of these as well?***

A **Business Plan** is a very detailed document that includes all of the information from a Strategic Plan and considerably more information about the business/organisation.

While there is no specific format or content for a Business Plan (usually this is related to the type of business), in general terms it might contain:

- Title Page – detailing the nature of the document, the name of the organisation, the period of time it relates to, and the date prepared.
- List of Contents – detailing the sections within the document and page references.
- Executive Summary – a broad statement of the background of the organisation, the purpose of the document, what is in it, how it was prepared and what is its intention.
- Strategic Plan – detailing organisation Mission Statement, goals/objectives, etc as listed in “Background.”
- Marketing Plan – details information and research related to market demographics, products and services, price structures, place of delivery of products or services, an analysis of the competition, product life cycle and promotional strategies.
- Financial Plan – details current and projected budgets, cash flows and details as to any assets and liabilities.
- Management Plan - details of the structure of the organisation in terms of membership, Board structure and staff employed – may include an organisation chart and constitution or other related legal documents relating to ownership of the business.
- Appendices – lists all documents that may be referred to in the body of the business plan.

Business Plans are documents that require a significant amount of time, resources and expertise. They are more often developed by the commercial sector and well-resourced, non-commercial organisations.

The Office for Recreation and Sport is **not requesting** that you have a Business Plan or that you forward a Business Plan with your application.

We are aware that there is a lot of different terminology in the community and amongst businesses and planners. So if your Strategic Plan goes by another name that is fine: it is the content and structure we are interested in.

## ***WHY DO WE WANT TO SEE THE STRATEGIC PLAN?***

The rationale for the ORS requesting to see a Strategic Plan and Operational Plan, is that it will provide some evidence of the short to medium term goals of the organisation and an indication that these have been thought through in terms of:

- Its importance to the growth of the organisation (priority),
- How it will be implemented (strategies/tasks),
- Who will be responsible (responsibility),
- When it will be implemented (timeline),
- How it will be measured in terms of success (performance indicators), and
- The financial resources that it requires (budget implications).

The Office for Recreation and Sport through the StEP Grant will be making a contribution towards the resources needed to undertake the Strategic Plan, and it is the performance indicators included in the plan which will be used to measure how effectively those funds have been used.

### **HOW DO WE KNOW IF OUR STRATEGIC PLAN IS GOOD ENOUGH?**

Like many things, there is no right or wrong way to prepare a Strategic Plan, they can vary from a few pages to a fully laid out document with images, charts and diagrams. They will reflect the size and scope of your organisation as well.

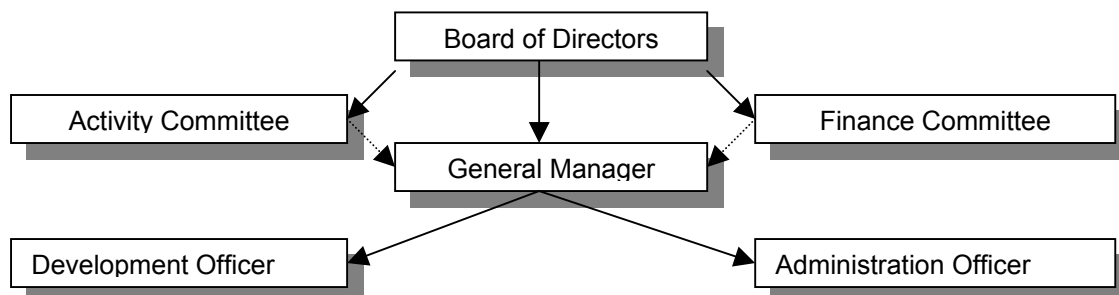
If you are new to preparing a Strategic Plan we suggest that you keep it simple at first. The plan can grow and evolve over time as your organisation develops.

There are some basics though that must be addressed. Ask yourself:

- Does the plan provide a clear basis for the direction of the organisation?
- If a new Board or staff member picked it up, could they easily use it to find out where the organisation is going in the next few years?
- Does the plan provide details on how the objectives are going to be achieved, i.e. does it prioritise the strategies and tasks, include resource allocation and target setting?
- Has the development of the Strategic Plan involved consulting with your stakeholders? For example, if your national body has a Strategic Plan, does your State Strategic Plan sit within this, i.e. does it refer to and reflect the priorities of the national body, or is it a separate document with no reference to the national plan?
- Likewise, your members and affiliates are also stakeholders. Has your planning involved communicating with them so that they have some ownership of the Strategic Plan and so become willing partners in its implementation?

### **WHAT IS AN ORGANISATIONAL CHART?**

In the application process, an organisational chart is also requested, on page 11. An organisational chart is simply a flow chart showing who are the responsible people within your organisation, the roles that they undertake and their reporting relationships to each other. It can include both paid and voluntary positions. For example:



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