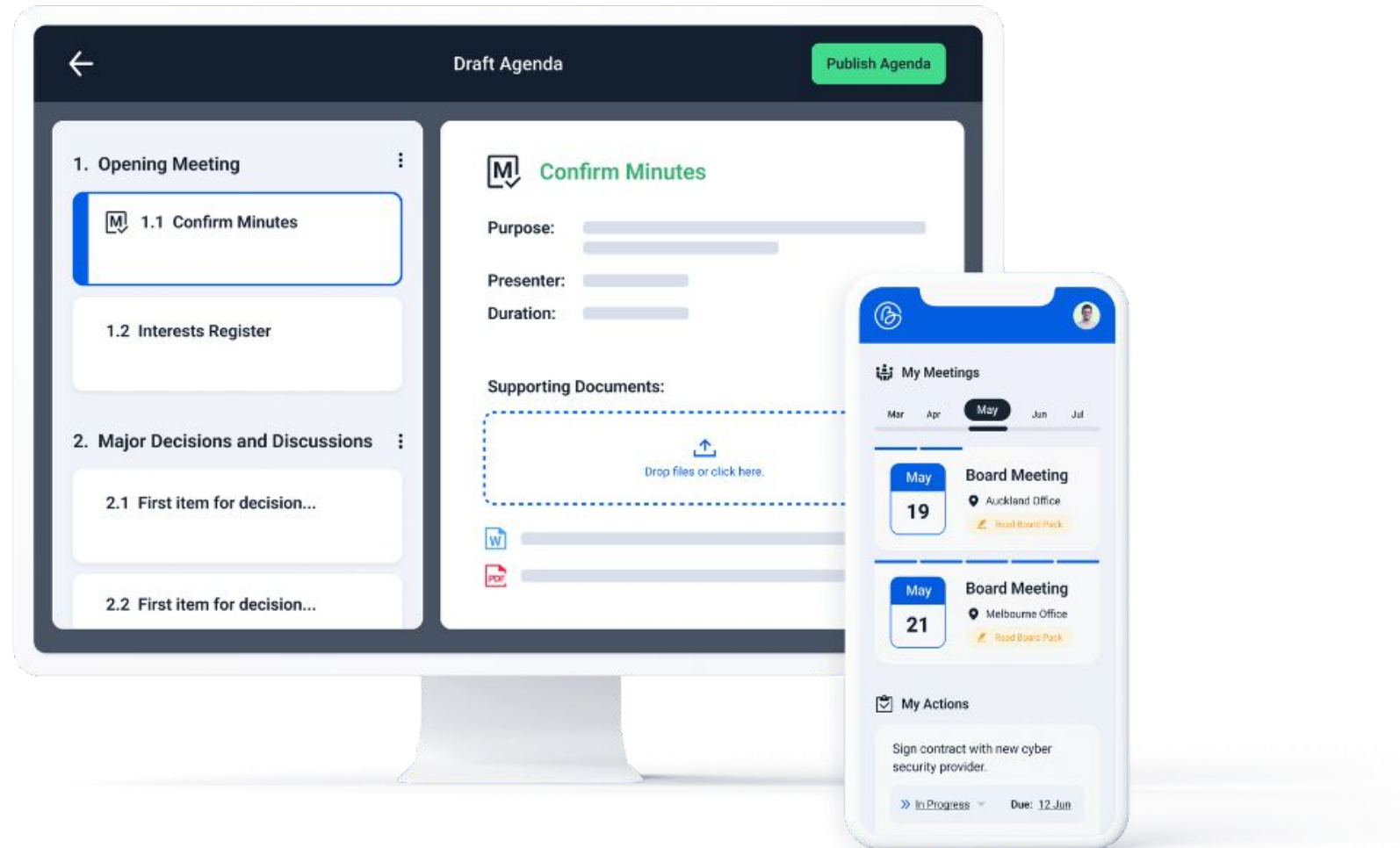




8 Steps to Building Your Operating Plan







Making the fundamentals of governance free and easy to implement



Slides, webinar video,
whitepaper, presentation &
templates will be sent to you.
Relax, listen and

ask questions





Brett Herkt

CEO - Cofounder
BoardPro



Steven Bowman

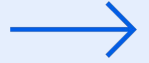
Professional Director
- **Advisor**



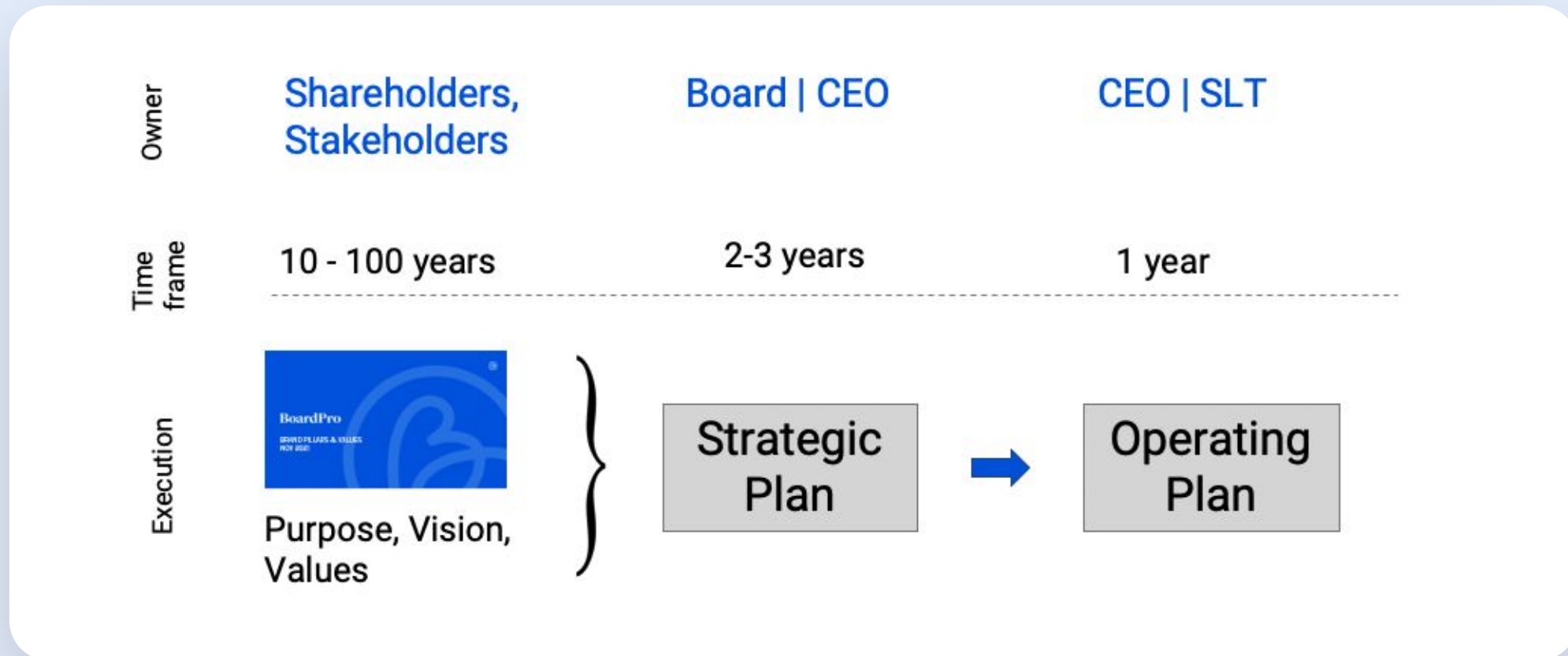
Lynda Carroll

CEO
Align Group





Strategic Playbook





01

Setup Process



Start Early



Establish a Basic Plan and Timeline



Follow a proven formula (template)



Facilitation Context "Important contextual elements of this organisation and group include..."	Purpose(s) "The purpose(s) of this meeting is to..."	Facilitation Goal(s) "At the end of the meeting success would be..."	Important considerations "For this facilitation we need to consider..."
Participants <ul style="list-style-type: none">Organisational Authority and InfluenceCapabilities and ResourcesKnowledge, insights, InformationExpertise (Specialist, Technical, Cultural) Consider: <ul style="list-style-type: none">Who these people areHow to prepare for themHow to help them participate	Power / Influence <ul style="list-style-type: none">Power dynamics (formal, social, financial, employment, religious)Influence (informal, cultural, social, gender, age...)	Process <ul style="list-style-type: none">Strong start - clear agenda with purpose, objectives and introductionsEnsure safe environment - Warm up, ground rules, quiet voices, personal safetyVariety (delivery, questioning, resources, methods, techniques, scale and record keeping)	Place / Physical environment <ul style="list-style-type: none">Consider a neutral or off-site venueFormat of the room / spaces to enable process and manage power

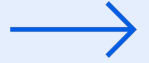
Facilitation Plan Template



Tips

- Alignment with LT and Board
Bring both on the journey
- Establish clear timelines
(4 months before new fiscal year)
- Engage your functional leaders
- Use an independent facilitator for strategy work.
- Process in 3 Parts
 - 01.** Review prior year
 - 02.** Strategy Offsite
 - 03.** Operational plan and budget





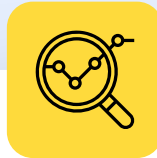
02

Set Scope and Constraints

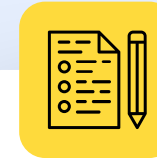


➤ **Two phases**

- Secure strategic mandate from the board
- Communicate the scope to the SLT



➤ **Develop operating plan and budget consistent with the scope.**



➤ **Create a briefing document**

- Vision and purpose
- Key constraints
- Business model canvas
- OKRs and SWOT



Tips

- 01.** A strong vision and purpose underpins the entire organisation
- 02.** Set ambitious but achievable goals
- 03.** Use a professional facilitator or at least a 3rd party with facilitation experience
- 04.** Use a business model canvas
- 05.** Objectives and Key Results (OKRs) are useful tools
- 06.** SWOT - What are your Top 3?





03

Review and Critique



01

Capture learnings from previous year

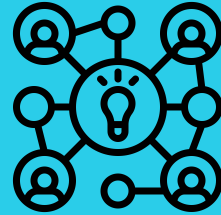
02

Be honest with your team





Tips



- **Understand why a specific strategy is not working and why.**



- **Involve your facilitator at the beginning of the process. They are critical to your success.**





04

Strategy Day



- **Review and confirm your current org. strategy**
- **Best considered in two parts**
 01. Strategic foundation
 02. Top 4- 5 things the board agrees to be achieved over next 2 – 3 years.





05

Budget - First Cut



01

Choosing your annual plan or budget – which goes first?

02

Top-down financial forecast for the senior leadership team is a place to start

03

Focus on small levers with maximum impact

04

Review industry benchmarks and conversations with close advisors

05

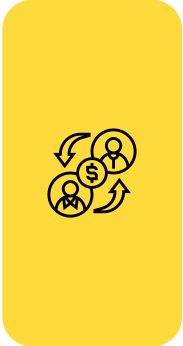
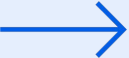
Use expenditure buckets and simple ratios

06

Keep the budget simple – one page is fine



Tips



Start your revenue model early



Run top down and bottom up exercises in parallel



Get a strong handle on revenue growth lines



Ratios are a wonderful tool for budgeting.



Q and A





06

Team Goals and Strategies



01. Choosing your annual plan or budget – which goes first?

02. Top-down financial forecast for the senior leadership team is a place to start

03. Focus on small levers with maximum impact
 - Focus on small levers with maximum impact
 - High level strategic statements
 - SMART actions for achieving key results



Tips



You don't need a fully detailed operational business plan



Develop key strategic directions, key objectives and projects



Your operational leaders should step up to fill in the gaps



07

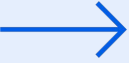
Present Draft to the Board



- Create a single operating plan presentation
- Send to your board as pre-reading
- Leaders to present their functional plan on the day
- Head of finance to present the budget, focus on charts and trends
- Facilitator to summarise feedback and key take-aways
- Avoid the need to finalise key questions on the day



Tips



Avoid detailed operational plans



Use simple slides – speak to the content



The CEO doesn't need all the answers



Request feedback genuinely



08

Finalise Plan & Budget

➤ Consider all feedback as soon as possible

➤ Assess impact to operational plan and adjust where necessary

➤ Update the budget

➤ Test with board before delivery to LT

➤ Upload your operational plan and budget to a secure shared drive or board portal like BoardPro







Q and A





Brett Herkt

in www.linkedin.com/in/brettherkt



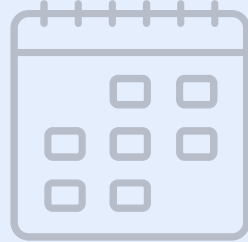
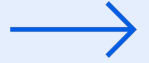
Steven Bowman

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Lynda Carroll

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Webinar Schedule

- | | | |
|------------|---|---------------------|
| 31. | How to own your time in a post COVID world | September 14 |
| 32. | Creating effective minutes for your board meeting | September 29 |
| 33. | How late reporting kills a CEO | October 12 |
| 34. | How to create your annual operating plan | October 27 |
| 35. | Stakeholder engagement for boards | November 10 |
| 36. | What good governance for nonprofits look like | November 16 |
| 37. | Why a board needs a solid connection with the CEO | November 24 |



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