



PLANNING IN SPORT

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SPORT
NEW ZEALAND

Cover credit: Photo New Zealand.
Skier on ice formation on Burnett Glacier,
Mount Cook (Aoraki) National Park.

Foreword

New trends in sport planning have been emerging over the last several years since the first edition of this guide was published in 2006. This new edition, retitled *Planning in Sport*, reflects these changes. It describes the good practice principles behind the new types of plans and highlights the links between these plans and overall strategy, as well as the interdependencies among the various planning documents. Approaches to measurement and evaluation have also become more sophisticated and this new edition of the guide incorporates these changes.

The demands on our time are never-ending. In sport and recreation, and in the not-for-profit world in general, these demands can be a distraction from the main goal: making progress towards a considered future. Sufficient funding to achieve desired outcomes is rarely available. Defining clear priorities and carrying others with you is a key challenge for management in the sector.



A coherent strategy provides a clear guide when making decisions, and helps clarify apparent 'opportunities' that don't, in fact, support the strategy. Rather than seeking funds in a tight market, organisations might make quicker gains by discarding activities that are not central to the organisation's purpose or no longer delivering value for money. If an activity is not progressing the goals of the strategy, say "No", or stop doing it, or charge a fair market price for the service being delivered.

Sport and recreation organisations exist to make positive change in the communities they serve. This purpose is reflected in the way they are legally structured, particularly in terms of their charitable and tax status. It is vital, therefore, that your plan is outwardly focused, describing clearly what sort of change is being advocated and the benefits the community will receive from the change. Being recognised as a leader, financially sound, or a great place to work are not goals in themselves but attributes of an organisation that is delivering its core purpose and creating benefit within its constituency.

To make progress, taking others on the journey is essential. This updated guide includes a stronger focus on telling the strategic story and the importance of communicating the benefits described in the plan.

Planning is not something done every three years and put to one side. The world is changing too quickly for that. Planning is a live, ongoing process and the board and management must be constantly connected to it. We hope this guide and its associated resources will help you maintain that focus.

"The essence of strategy is choosing what not to do."

– Michael Porter

Introduction

Planning in Sport presents a core framework, along with examples and explanations, to assist New Zealand sport and recreation organisations with strategic planning and the connected forms of business planning. It is not intended as a one-size-fits-all approach. Personal experience and preferences may lead to variation from the framework suggested here.

This guide is structured around four elements.

- Perspectives and opinions: short pieces throughout the document contributed by people with experience in the sector and with relevant areas of expertise which are used to illustrate specific points
- TEE: Think, Execute, Evaluate: a simple three-step loop for planning which follows this Introduction
- Suggestions and approaches that can be used for planning in the operational area, including the business plan, the high performance plan, the community plan, and other plans
- Resources: details of selected relevant print resources, and links to the Sport NZ and other websites for access to a multitude of online resources.

Terminology

Planning literature uses a wide range of terminology and can sometimes descend into jargon. This guide uses the terminology consistent with its partner publication, *Nine Steps to Effective Governance*. A full glossary of terms can be found on page 64.

For the sake of clarity, the key terms used in this resource have the following meanings.

Strategy	The overall plan and its general direction
Outcome	An 'ends' statement or desired result specifying the impact the organisation is striving to achieve
Initiatives	Actions or programmes designed to progress achievement of the outcome/s
Tactic	An action or 'mini-initiative', generally at the operational level
KPI	Key performance indicator (this can exist at any level in the plan)
KRA	Key Result Area, an area of business seen as essential to the plan's achievement, such as stakeholder relationships
Vision	An aspirational statement generally describing a desirable future state within the organisation's target community
Mission	A description of the organisation's purpose, its reason for being

Links to other resources

This guide should be used in conjunction with Sport NZ's published resources on governance (*Nine Steps to Effective Governance*) and risk management (*Guidelines for Risk Management in Sport and Recreation*), both available online and through Sport New Zealand.

Nine Steps to Effective Governance outlines the board's role in setting organisational direction, the strategic planning process, managing stakeholder relations, strategic risk management and ongoing evaluation.

Guidelines for Risk Management in Sport and Recreation provides a detailed process for identifying, assessing and managing organisational risk. These components of risk management are closely aligned with key elements of the strategic planning process. An effective risk management process can significantly increase the likelihood that an organisation's vision will be implemented successfully.

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Opinions and Perspectives

In compiling this revised text, a number of specialists were asked to contribute their opinions and perspectives in relation to planning, not necessarily limited to sport. These opinions are provided in this section. Each piece may not be unique in the information it provides – they overlap, interconnect, and reinforce key points.

Who actually makes sport happen?

Ultimately, it is the willing participation of tens of thousands of volunteers that forms the foundation for the successful delivery of sport. Any planning process must include consultation and communication with your volunteer base and the revision of the plan in partnership with the people expected to execute it.

Research indicates that achieving successful change in sport depends on taking people with you. This requires good communication – people need to know what impact any change will have on them, what will be better, by when, and how they will know.

A story-telling approach

The power of a story is well recognised. We all grew up with stories and continue to tell them on a daily basis. One generation passes powerful and fundamental stories to the next. Stories adhere to a group of simple rules and standard perspectives.

An innovative way to develop and test your plan is by trying to see the world you are proposing through the eyes of the people who will be affected by the likely changes. The following two pages consider the swimming world from the point of view of an early morning volunteer coach. They outline the key elements of storytelling and illustrate how a story-telling approach can add value to the development of a plan.



Finding a story that works

How do we describe a plan in a way that connects and resonates with the people that matter?

1. WHAT'S YOUR POINT? We start by reminding ourselves why we're doing this

Bringing together an important piece of information like a plan is a complex task. It's easy to lose ourselves in the fine print and hey, we're essentially writing about strategy and organisation – where's the buzz in that? But putting aside the management detail, what are we really trying to do? Who is the real audience and why should they care? And ultimately, beyond grand strategy, what are we after?



It's 5.30 a.m. and still chilly, mist clearing and the jug's on. Peta Jones (we've invented her, but we all know Peta) is a kids' swimming coach. Every second morning she's up at sparrow, organising her charges at the pool and then nudging them to be the best they can. There's a club meet next weekend and it's been a while since they've shown their best against that lot from Nelson. There's a million things to be done, from collecting uniforms to arranging transport. As well as coaching, Peta is on the area swimming committee. It's the usual story: not enough time, demanding parents, enthusiastic administrators and never enough money to go around. But somehow it's always worked; seasons pass, races are won and lost, trophies held, tears and triumphs, hearts broken, dreams shared. Kids swim and grow.

And somewhere else, behind closed doors, someone is writing a plan. A plan that will affect Peta, that will influence, help and guide her. It's written with the best of intentions, and it's a good plan. The question is: she's already good at what she does and it's always worked, why should she change?

But here's the thing: we're all looking for meaning. People are attracted to the good in themselves, and in others, and that, simply, is the essence of it. We're not setting out to demonstrate our financial zeal, to show we can balance the books and hold others to account. We're actually only wanting to be down there at the pool with Peta.

Sports organisations exist to make a positive change for their members. What's the nature of this change? Is it helping them be better managers, to make more efficient use of the resources they have? Yes, of course, we need all of that. But that's not what drives Peta and it's not why any of us are associated with sport. Sport inspires us, touches us, let's us believe in the seemingly impossible, connects and unifies us. It makes us feel good. And all this comes about as the sun rises over Peta's pool.

We're helping New Zealanders get the most out of the valuable time they give to sport.

Remember

It's a plan
... for a person!

2. WHAT DO THEY FEEL? First we engage, then we explain

Finding common ground

Engaging with an audience means being able to successfully build a connection within a human dimension. And this is where story comes in. A story is "a fact wrapped in an emotion that compels us to take action to change our world"¹. Story creates community, it gives people a plot, a reference point we can understand. From that reference point comes all the justification we need to act.

So disclosing your interest in a way that the audience understands is a key component of trustworthiness. Peta asks "how can I see myself and the kids in this?". If we can answer that, in other words take time to demonstrate our good intentions, we'll connect at a personal and a grassroots level.

Emotions win: none of us are as rational as we think we are

Chip and Dan Heath, in their book *Switch*², on the mechanics of change, explain that our minds are ruled by two different systems—the rational mind and the emotional mind—that compete for control. They describe a duality within each of us: our emotional 'elephant' and our rational 'rider'. All too often the rider is no match for the elephant. In essence, the rational mind wants change, but the emotional mind wants comfort. To change things, you need to appeal to both the Rider for planning and direction and the Elephant for energy and passion.

"The computer can't tell you the emotional story. It can give you the exact mathematical design, but what's missing is the eyebrows."

— Frank Zappa
The Real Frank Zappa Book

A story is: A fact wrapped in an emotion
... that compels us to take action.

Translation: change comes easily when emotion and rationality move as one. We can give all the logical reasons in the world for creating a sound business plan - good management, money well spent, return on investment but unless we can appeal at a human level, we won't inspire. And that's where story comes in. **Story gives us a plot, a way to frame our experiences. It's a context, a reference point, something we understand, something we can easily live and embody.**

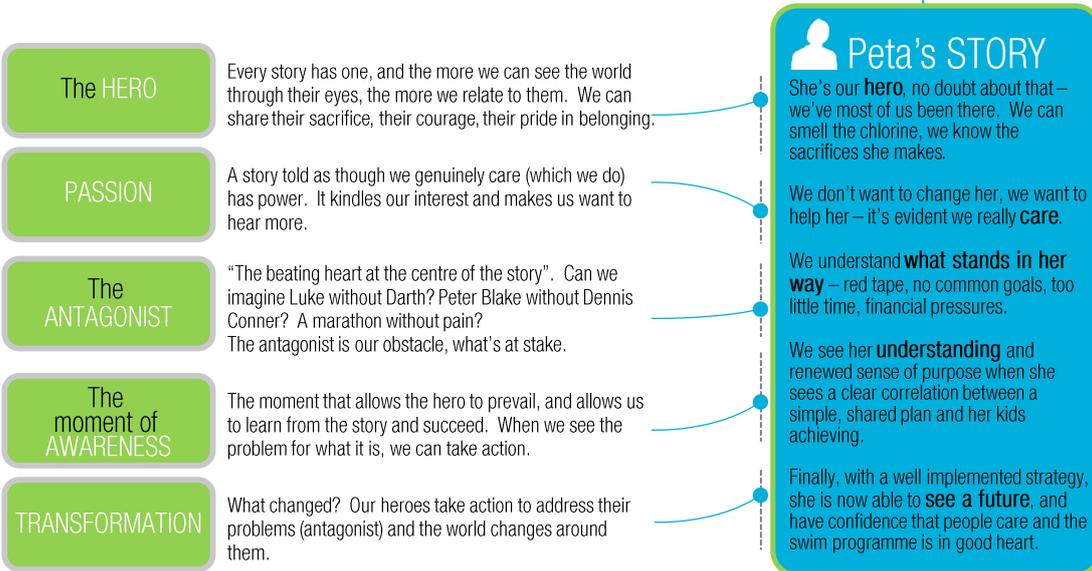
Put simply, we engage when we keep it real, and at the pool is where it's very real. What exactly, then, is story?

3. WHAT'S THE STORY? How story can build a sense of belonging

Stories are facts wrapped in emotions. The right story, at the right time, helps us shape and control our lives. How does this fit into a business plan? A good story simplifies our words into something we can understand. It's not manipulative. Think of it rather as a truth we can recognise, something that is made real for us in a personal way.

In their book "The Elements of Persuasion", Richard Maxwell and Robert Dickman³ describe how the right story, at the right time, helps us shape and control our world. What's the right story? Borrowing on thinking going back as far as Pythagoras, they list **the FIVE BASIC ELEMENTS of every story:**

"After nourishment, shelter and companionship, stories are the thing we need most in the world."
— Philip Pullman
Author of the His Dark Materials trilogy



"Don't just tell us the facts, tell us a story instead."
— Seth Godin
All Marketers Are Liars

BRINGING STORY ALIVE IN MY PLAN – some ideas:

- Go out of your way to determine what common ground you share with your stakeholders and what their challenges are.
- Agree a list of real people in situations familiar to your audience and ensure your plan connects with their stories: bring them 'into the room' and check and re-check against them.
- Include real scenarios, examples and success stories.
- Describe clearly, and in real terms, what and how it will be better for them with a plan in place, and then look for and outline measures that will show this is true.

4. INFORMATION THAT WORKS A few tips 'n techniques for readability and layout

As humans we thrive on information. The challenge is never that there's too much, it's how we organise and arrange it.

- A. YOU'RE BREAKING UP**
Split your information into chunks. It's the best "secret" for making information digestible. Break up your wordy paragraphs; it'll force you to divide your thoughts into distinct, digestible messages.
- B. TO THE POINT**
Use short, simple words wherever you can. Talk to the person. Which is best: "I can imagine a future where we develop and implement new initiatives that work" or, "I have a dream"?
- C. EVERY STORY**
... has a beginning, a middle and an end. Yep, it does. Even within a section, or a page. What's the point we're making, how does that play out, then what happened (i.e. what's the point again)?
- D. HIERARCHY**
It's a beautiful thing (and sorry, a big word). If you make every heading and subheading logically line up and support and explain those above them, great understanding is sure to follow.

^{1, 3}: Richard Maxwell & Robert Dickman, The Elements of Persuasion, NY, Collins, 2007
² Chip & Dan Heath, Switch, NY, RH Books, 2010

A governance perspective

From the board's perspective, a good plan is simple, focused and ideally able to be summarised on one A3 page. Rather than being formulaic and mechanical, a good strategic plan should be clear about direction, prioritise outcomes, and assist the board (and management) to make choices between competing alternatives. It is a vital reference point for decision making and implicitly (and often explicitly) contains the board's decision-making criteria.

New opportunities should be looked at on their merits, even when, on the face of it, they don't offer a good fit with the plan. A poor fit may reveal something bad – for example, an unintended widening of focus (mission creep) – but may also uncover a great opportunity.

“In preparing for battle I have always found that plans are useless, but planning is indispensable.” – Dwight D. Eisenhower

As several commentators note, the planning process can be of more value than the plan itself. A thorough process would address the following questions.

- what are our bravest assumptions and what would happen if we were wrong?
- do we know what we are getting into?
- what are the next best alternatives?
- if we do these things, what does it mean we can't do?
- do we have the capability to make this happen?
- can we afford to see it through?
- does it make sense? Does it 'feel right'? or is this just wishful thinking?
- what would, for example, our iconic forebears think of us if we did this?
- will it be credible to our key stakeholders?



Because implementation is where most strategic plans fall down, the plan needs to help the board be clear about where the organisation is heading. Intermediate milestones are important for tracking progress. The plan should not be full of high-sounding (but almost meaningless) language and rhetoric.

Ownership of the plan by the board is vital. That means bringing new members up to speed and allowing them to have input into the continuing articulation of the plan. In terms of process, the board's starting point must always be 'first things first'.

“Ends distinguish purpose from path, results from process, and where one is going from how one is going to get there.”

– John Carver and Caroline Oliver

Defining the desired destination should come first. The first question in this process should always be 'why do we exist?' The answer is seldom one that emerges clearly from an organisation's constitution. It is about what we must achieve (outcomes, results) before it is about what we will do (activities).

If the organisation were to be wound up, what would be lost that is of unique value and is not able to be delivered by others?

Only then can there be a dialogue about which activities might be useful. The key questions in this process are:

- what benefits does the organisation exist to provide? Another way of thinking about this is in terms of the impact it intends to make on its world.
- who are the beneficiaries? These are not all created equal, so part of the process is prioritising the order in which beneficiaries line up.
- how much is it worth investing to deliver those benefits to those people?

Another way to think about the strategic plan – especially when the organisation depends on others for funding – is that it is an *investment plan* (“We are asking you for money so we can deliver the following benefits to the following people...”).

No organisation exists for its own sake so the strategic plan should be outward facing. It must address what is going on in the organisation’s operating environment.

- what is happening out there that may be relevant, now or in the future, to the organisation – what is on the radar screen?
- what are the opportunities and threats?

A good process requires the board to be involved at the front end of the process. It mustn’t be a rubber stamp (or a negative nit-picker) of management work. The directors must be engaged from the outset in setting direction and identifying risk.

Strategic planning should be thought of as a continuing process that enables the board and management together to identify deeply held beliefs and biases and to conceptualise and grapple with both fundamental purpose and big ideas about the future. While its product is often a written plan, a board’s strategic dialogue is, at heart, both an emotional and an intellectual process.

It is a process that must have an active implementation phase. It is not enough just to write a ‘plan’: that’s the easy bit. Until the intent of the plan is reflected in a reallocation of resources, the strategy is only wishful thinking. Boards must accept that a significant amount of their time will be spent on thinking and debating alternative futures rather than managing current crises.

“...most of what boards do either does not need to be done or is a waste of time when the board does it. Conversely, most of what boards need to do for strategic leadership is not done.”

– John Carver

Measurement and evaluation

At the beginning of the planning process, don’t be concerned with measurement. Thinking about what you want to achieve should not be limited by your ability to measure it. Later in the process, you will be able to apply a system of measurement consistent with your plan. But firstly you will need to clarify the impact you will have on the desired outcomes, and what things you accept that you have control over and how you want to measure them.

There is a detailed discussion of measurement and evaluation on pages 37-41.

What to get right

- the further you look back, the more insightful you will be when looking forward. Researching, acknowledging and respecting the organisation's past provide the platform for the future. Without this understanding, the organisation risks compromising the effectiveness of its planning.
- accurate and objective diagnosis of the organisation's current performance, to establish why it is successful or not, is critical. Be disciplined, be objective, and be aware that children, parents, volunteers and fans have many other ways to spend their time and money.
- debate and engagement lead to insight and inspiration – it is not just about producing a document; organisations need productive debate (including, at times, tension).
- it is very important to challenge inherent assumptions and received 'wisdom', to continually ask why.
- good planning involves creating alternative strategies and priorities to evaluate and debate.
- before you start formulating a strategy, ensure the organisation is absolutely committed to acting upon strategic priorities once they are adopted.
- social and marketplace trends and changes represent opportunities for growth or success. Positioning your organisation and/or services to leverage these opportunities can be the difference between outstanding success and 'middling' success.
- ensure you establish your strategic priorities; distinguish between primary activities (those that will make a difference to the strategies) and secondary activities (support activities or business as usual).
- once strategies are formed coherently and adopted, the organisation's leadership has to believe in the strategies and engage with staff and stakeholders in a way that results in their belief and conviction in them.



“Adding just one alternative makes good strategic decision-making six times more likely.”

– Dan Lavallo and Olivier Sibony, *McKinsey Insights*, April 2013



The pitfalls of planning

THE 'ONE-MAN BAND'

Sometimes it's easy for people to think, "Planning is the chief executive's problem; it's nothing to do with me." This often leads to one 'hero' within the organisation going it alone and developing a plan without consultation, and results in a lack of 'buy-in'. Remember, the board owns the plan.

TOO MANY COOKS

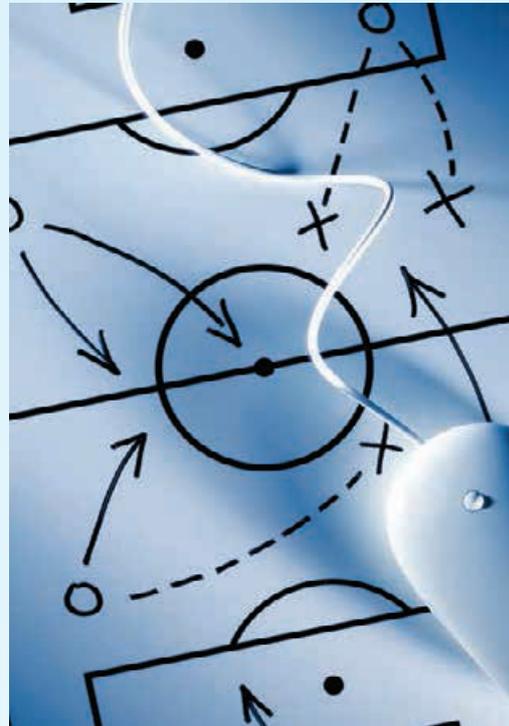
On the other hand, some organisations consult too widely and nobody will let go unless their 'two cents' worth' has been incorporated in the plan. This can lead to a sense of going around in circles, rather than of progress.

TOO DETAILED

Don't include more management content than is needed or relevant at a governance level. The board should focus on the few 'must achieve' aspects of the plan, rather than be drawn into operational matters.

TOO ACTIVITY ORIENTED

Planning statements should be about results, not activities. Specifying clear outcomes allows comparison of alternative strategies and enables the board to track the achievement of results. If the focus is on activities, the plan is likely to be short-lived. Many planned actions may not hit the mark or may only succeed if there is commitment over a long period. The result is that the board loses confidence in the plan as a whole and, along with management, feels under pressure to keep changing it. It is like digging up a plant to see how well it is growing!



TOO STATIC AND TOO SOON OUT OF DATE

Plans are often prepared on a three- or five-year basis, which means they date quickly and once adopted as governance documents, they are seldom used actively. Developing the board's sense of strategic intent and priorities should be a continuing process. Every board meeting should be a further step in the strategic 'thinking' process. The board can start with defining the broad direction and key deliverables (results to be achieved, not actions) and then add further detail over time.

A strategy full of buzz words loses its integrity very quickly. Avoid over-use of terms like 'value-add', 'sustainable', 'best', 'strategic', and 'sport of choice'. Never underestimate the power of a plain English plan.

“Most mission statements are long, awkward sentences that demonstrate the board’s inability to think clearly.”

– Scott Adams, creator of *Dilbert*

UNREALISTIC

Many plans are too idealistic, full of wishful thinking and good intentions. If they were taken literally they would set the board and management up to fail. This starts with the high-level statements in the plan. For example, most mission statements are relatively generic and serve little purpose – even as a marketing slogan. One organisation’s name could be replaced by another’s and it would make little difference.

It is far preferable to produce a directly expressed ‘purpose statement’ that describes precisely why the organisation exists – for example, to deliver some sort of benefit/s to certain groups of people.

Plans may also be unrealistic when they give little consideration to the resources required to implement the strategy. While strategic directions should not be restricted to outcomes that can be achieved in a single year or with the resources currently available, those that require resources that will never be available or that do not re-prioritise resources to the new direction are doomed to failure.

TOO NARROWLY CONCEIVED

Plans are often limited by the organisation’s current thinking about the business it’s in. For example, the American railway network, in its heyday, was justly admired as an outstanding achievement. But, over time, as the interstate network spread and commercial airliners took to the sky, the railway companies continued to think ‘railway business’, rather than taking a wider transportation view.

TOO INWARD LOOKING

Too many strategic plans are focused on developing organisational infrastructure (both people and equipment).

No organisation exists for its own sake. Those it serves and the results it must deliver lie externally

New computer systems and new programmes for training volunteers, for example, are enablers and may even be essential to operating efficiency, but they are not why the organisation exists.

LACKING MEASURES FOR OUTCOMES

Many strategic plans express laudable aims and visions. However, they are not supported with milestones designed to measure whether these aims are being achieved in line with the chosen strategic direction. Traditional financial indicators on their own are poor measures of desirable outcomes because financial success is a by-product of other achievements.

While measuring outcomes that you don’t have absolute control over may help you understand whether your initiatives have been effective, you can only be held accountable for those things you can control. Therefore, those items need to have clear measures and a clear assessment methodology.

‘More people active in a given region’ is a great outcome to work towards. However, many different organisations may be contributing to this result and, at the organisational level, measurement must align with accountability. So ‘more children under 12 in fundamental movement skill courses’ might be a more measurable aim in terms of accountability.



“If you fail to identify and analyse the obstacles, you don’t have a strategy. Instead, you have a stretch goal or a budget or a list of things you wish would happen.” – Richard Rumelt, *Good Strategy/Bad Strategy*

Observations from the real world

Planning processes and outcomes have improved significantly in recent years, but there is still:

- a tendency to jump from Mission, Vision and Values straight into Outcomes, Initiatives and Monitoring; what is missed are coherent strategies that address the big problems and big opportunities;
- a lack of commitment to clarifying strategic priorities – effective strategy is not just about determining what the organisation will do, but is equally about determining what it will not do;
- too much internal focus and therefore a lack of insight into the external environment, especially the competitive environment;
- a lack of segmentation and prioritisation – whole-of-sport plans that risk being unaffordable or otherwise unable to be implemented;
- planning based on securing government and/or trust funding as a prime driver, rather than being based on the real requirements of advancing the sport and associated organisations; and
- a disconnect around plan priorities and an understanding of the resource and budget allocation needed to carry out the priorities.

Make it a living document

- strategic planning is not a document preparation process, or a time-bound project; it should be a dynamic, ongoing process and discussion that at any one time is just at different stages of preparation and implementation.
- ensure the board, chief executive and senior management bring the key features of the plan into their everyday conversations, processes, actions and behaviours.
- empower staff, stakeholders and volunteers by ensuring they know how they can contribute to achieving the organisational strategy.
- link and monitor the plans (such as the strategic plan, business plan, budgets, divisional plans, individual plans) to produce a disciplined regime.
- set not only long-term strategic goals but also near-term objectives that link to the fulfilment of the long-term goals.
- design and implement communications around the plan, including customising the language, visuals and presentation for the audiences; have a board-level comprehensive version and a working summarised version for management, staff and stakeholders.

Creating a strategic plan is more than opportunity and aspiration. It requires a concerted effort to identify the obstacles the organisation will face in implementing the plan and agreeing options to mitigate these.

Resources

Links to the following resources are listed at
www.sportnz.org.nz/planning

Sport New Zealand resources

Nine Steps to Effective Governance

The Role of the Board Chair

Guidelines for Risk Management in Sport and Recreation

People Management Toolkit

Creating a Stakeholder Plan

Organisational Change in Seven Selected Sports

Storytelling

Websites

guykawasaki.com

sethgodin.com

themoth.com

anecdote.com

Print

Enchantment: The Art of Changing Hearts, Minds, and Actions. Guy Kawasaki, Penguin UK, 2011

The Story Factor: Inspiration, Influence, and Persuasion Through the Art of Storytelling. Annette Simmons, Basic Books, 2006





The Planning Process

The planning process can be considered in three parts, which are not necessarily sequential. Planning is a continuous process and the elements will overlap and interconnect.

TEE:

Think, Execute, Evaluate: A simple, three-step planning method

Think about your opportunities, threats, capabilities, goals, and vision for the future

Execute the development, design, communication, and implementation of your plan

Evaluate how successful you've been; and keep thinking about how to improve

In practice, these tools overlap somewhat, but they can provide a useful check of the validity of earlier analyses and assumptions. You need to choose the tools and the approach that work for you.

Most of the tools used for strategic planning have been developed in the context of for-profit organisations. Generally, they will be just as appropriate for not-for-profit organisations, as long as their competitive origins do not eliminate the potential to consider working collaboratively with others to achieve a broader end that neither may succeed with individually.

The strategic plan establishes strategic direction and what your organisation wants to achieve (outcomes). The key initiatives will be specified during this part of the process (how the outcomes will be achieved) across various timeframes (3-5 years, as well as annually) and levels of detail. These outputs will differ in terms of their detail and timeframes. Next, decide what is to be measured and at what level. These decisions will be carried through to the operational (business) plan and its associated resource plan to ensure there is appropriate alignment between initiatives and resources.

1. Think

Different approaches

There is no one right way to create strategy. But even strategies that have emerged through trial, experimentation or adaptation can be made more effective by undergoing some formal analysis. Formalised assessment, however, should not squeeze out the possibility of creative thought and endeavour.

In a dynamic environment, monitoring and revisiting strategic assumptions, learning and adapting initiatives, and creating space for new ideas and practices are at the core of truly strategic behaviour.

The planning tools and frameworks outlined here provide some useful building blocks to develop your strategic thinking about what your organisation should do currently and needs to do in the future to achieve success.

Using third parties in the planning process

Third parties can be used effectively at several points in the planning cycle, depending on available resources, and at any level, from governance through to grassroots forums. Use of an expert facilitator frees management from an organising role to focus on thinking and contributing as part of a team. A thorough briefing will make clear the desired outcomes of any session, which will significantly increase the value of the investment in third-party time.



It is important to distinguish between legal, moral and other stakeholders. Legal stakeholders are the 'owners' of the organisation and have special rights. Moral ownership extends to those that the organisation has an impact on but may not be legal owners in the strict sense, such as participants, parents and volunteers. Funders, sponsors, suppliers and the media are stakeholders with whom the organisation has a business relationship.

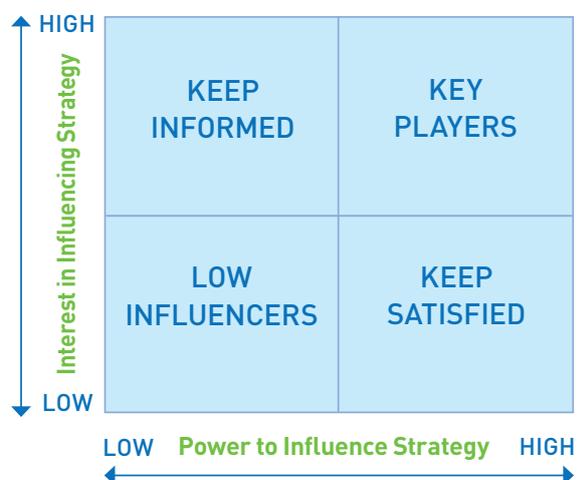
Thinking strategically

STAKEHOLDER ENGAGEMENT

Strategic planning sets out to systematically evaluate what your organisation should do, might do, and can do. Consulting with and understanding stakeholders is an essential part of this, as their support is critical to the success of organisations. Organisations have different types of stakeholders who provide financial, resource, political and moral support, all of which are necessary for achieving your goals and values. In most situations, organisational purpose should be aligned with the needs of your key stakeholders, since organisations exist to make a positive change in their stated constituency.

The range of stakeholders will vary depending on the type of organisation and its purpose. National organisations may have both regional associations and international sports bodies as key stakeholders, in addition to clubs, coaches, volunteers and administrative staff. Sports participants may range from elite athletes to children/beginners and social players. Funders, sponsors and suppliers have a different stake that also needs to be reflected in strategic planning. Schools, DHBs, PHOs, iwi and territorial authorities may feature in stakeholder assessments by regional sports trusts. Media represent a further stakeholder for all organisations, one whose interest may vary significantly over time. Potential stakeholders may represent currently unconsidered groups or associations and your organisation may benefit by engaging with them.

Stakeholder assessment can be undertaken for different reasons. While it will form a key input when determining or re-evaluating an organisation's purpose, it can also be useful when specific strategic challenges have been identified. The expectations and interests of each stakeholder may differ and vary over time, particularly in not-for-profit situations, where there tends to be a greater diversity among stakeholders, and conflicting pressure can be inevitable. For such issues, it is useful to map multiple interests on a grid – positioning stakeholders with respect to their power to influence the organisation, their level of interest in a particular issue, their needs, or their support (positive, neutral, negative). These categorisations provide guidance for how to consult, manage and communicate with key stakeholders. They also create the basis for a formal stakeholder plan. The associated resource *Creating a Stakeholder Communications Plan* is available in the online resources.



Before undertaking stakeholder consultation, decide on the:

- extent of consultation: available resources and time will limit the amount of consultation you can undertake, so it is important to prioritise stakeholders based on their level of influence or their interest. Some have more influence on the achievement of an organisation's purpose than others, so ensure those with a high priority are fully consulted; and
- process of consultation: a range of mechanisms can be used for consultation, including representative forums, one-to-one interviews, and surveys.

The key determinant is how best to get quality input. This means ensuring stakeholders understand the nature of the consultation, have enough time to contribute, and are given feedback after the consultation. While consultation can be time consuming, it can help build cooperation and buy-in among key stakeholders.

Templates for collating stakeholder feedback are available in the publication *Creating a Stakeholder Communications Plan*.

ENVIRONMENTAL ANALYSIS

Organisations do not exist in isolation; they operate in a dynamic and constantly changing environment. Most environmental factors cannot be controlled by the organisation, but can be identified, understood and responded to proactively. Ignoring the impact of environmental trends will, over time, undermine the future of an organisation, negatively affecting its alignment with key stakeholders.

Environmental analysis is often done poorly and tends to focus only on established forces that have been known to impact on the organisation. While many factors are identified, their relative impact or interconnections need to be thoroughly assessed.

Frameworks that highlight broad areas of environmental changes can help in understanding relevant external factors. One commonly used framework is a PEST analysis.

- **Political environment:** political priorities, proposed legislation
- **Economic environment:** wealth, work type, economic trends
- **Social environment:** lifestyle patterns and attitudes, demographics
- **Technological environment:** communications, information management, transport, entertainment.

Some variants of the model identify the media and/or the legal environment as additional elements.

In any environmental analysis, the following questions should be asked:

- what are the major changes currently occurring?
- what impact are these changes having on us or similar organisations?
- what further or related changes are likely to occur in the future?
- which of these impacts represent threats to be managed or opportunities to be exploited?

Obtaining this information can be time consuming, but in most cases there are now many sources, including the internet, similar organisations, universities, relevant management magazines, and advertising and media organisations, that can be drawn on.

See the list of resources on page 62.



CUSTOMER/MARKET ANALYSIS

Every organisation needs to understand what market/s it is operating in, its actual and target customers, and who else might be competing for these customers.

The participant market for a sports activity is different from the viewing (or 'audience') market, especially for professional sport. Elite athletes have different needs and requirements from participants playing socially or semi-competitively.

Target markets can be defined by:

- age, gender, income;
- participant behaviour or attitudes;
- geographic location; or
- a mix of these.

If the market is clearly defined, an organisation can be more focused and think more strategically about how it can achieve its goals. Market survey information may be available through a variety of sources (see list of resources on page 62).

Ultimately, the success of any organisation depends on its ability to attract and retain participants (customers) and to offer products and services that add value and meet the needs of its target markets. And so the organisation must understand its customers' motivation and needs and continually monitor how these may be changing. Stakeholder assessment may help to maintain this understanding by asking:

- how satisfied are our customers with what we are currently providing?
- what do our customers want from our organisation?
- what are the future requirements of our current and potential customers?

To avoid the risk of acting on what your organisation believes customers want, rather than on fact, use a targeted survey and/or regular customer evaluation systems to collect quality data.

The exact questions will be specific to your organisation but the issues you are seeking information on are:

- which competing organisations offer similar products or services in our market?
- what other activities compete for our customers?
- what are their main strategies and how successful are they?

- how is their 'product' (sport/activity) or services different from ours? What are their key strengths and weaknesses?
- could our products and services be easily copied or replaced by other organisations?
- are there any partnership or cooperative opportunities where different activities might complement each other?

"I need to stop getting into situations where all my options are potentially bad."

– Jack Campbell, *Dauntless*

Because of New Zealand's small population base and the limited resources of our sport organisations, partnerships or joint venture opportunities that increase participation and revenue should be given serious consideration.

CURRENT PERFORMANCE AND CAPABILITY ANALYSIS

Evaluation is highlighted as a crucial step in the TEE strategic planning process. In thinking about current and future initiatives, reflect on progress to date within your measurement framework and ask:

- what have we done well – and what capabilities are helping to be successful?
- what have we not done well – what factors are holding us back?

BENCHMARKING

One way to understand your organisation's capabilities better is through benchmarking – comparing yourself on important performance measures with other highly regarded organisations. Benchmarking works well where performance indicators can be identified and measured easily. The process often reveals unexpected opportunities for improvement as well as potential for collaborating with other organisations.

A capability analysis extends benchmarking to identify the drivers of your success and/or under-achievement. It should look at where your organisation has distinctive internal capabilities or skills that allow it to perform better than similar or competing organisations. Examples could include areas such as



event management or member services that have led to higher participation rates than for similar organisations.

If these capabilities are valued by members, participants or funders, they may be built on and leveraged in both existing and new initiatives. Similarly, by assessing why some goals were not achieved, your organisation can decide whether it needs to develop new skills or outsource activities to someone who can do them more effectively or efficiently. In assessing capabilities, the environmental analysis should be revisited, as this may have highlighted environmental changes, outside your organisation's control, that may have led to under (or over) performance.

Business models

Business modelling can be applied to the not-for-profit or beyond-profit worlds. It is an excellent discipline for thinking about the nature of the business and the different ways you could manage its component parts.

Your business model describes the value proposition you are making, to whom, through what delivery channels, and with which partners

Most importantly, it demonstrates how you will balance your costs against income (or funding). You need to choose and develop your business model before developing your strategy and strategic plan, which are about how to implement and optimise your chosen business model.

BUSINESS MODEL CANVAS

The Business Model Canvas, generally undertaken through a series of workshops, is an option that allows you to explore possible operating models. It is simple to understand and can be applied to the beyond-profit world. Every organisation that aims to create and deliver value must generate revenue and cover its costs, and so needs a business model.

Sport and recreation tend to be hybrid models. Income is derived from fee-paying customers (often subsidised) and third-party funding. Various third parties – sponsors, trusts, central and local government, philanthropists – will have a range of value expectations, which will centre on the quality of your core business, your function within the sport and recreation sector, and the associated connection with participants.

The Business Model Canvas, shown on the following page, is built around the interaction between nine key building blocks.

The Business Model Canvas

CUSTOMER SEGMENTS

Your customer segments describe who you exist for. An organisation may serve a single segment or multiple segments. A common fault is to try to be everything to everyone and, in doing so, to lose focus. Segments can be mass market, niche, segmented, diversified or multi-faceted. The segment will require a distinctive offer, different forms of relationship, and different channels, and each will have a different cost and revenue structure. Once decided on, a strong understanding of the needs of the segment/s is required.

VALUE PROPOSITIONS

The value proposition is why a customer chooses your offering over another: it resolves a problem or satisfies a customer need. It is an aggregate or bundle of benefits offered to the customer. The benefits can be quantitative (speed or price) or qualitative (design or experiential). A few of the elements of value creation are innovation, performance, brand/status, risk reduction, and convenience. Value propositions may differ across customer segments.

CHANNELS

The channel describes how to communicate with customer segments to deliver a value proposition. Channels can be direct or indirect, owned by the business or by a partner. Choice of appropriate channel/s is key to creating the right type of customer experience and generating revenue. National bodies in sport typically work through indirect channels, such as clubs, regional organisations, private promoters, or other delivery agents. In sport, the customers' choice of channel continues to change rapidly.

CUSTOMER RELATIONSHIPS

The desired type of relationship with each customer segment should be understood along a range from 'individual' and 'personal' to 'generic' and 'automated'. Relationships are generally motivated by the desire either to attract or retain customers (participants/volunteers/coaches) or to sell them something. Sport obviously has built-in characteristics like community and personal contact through coaching and team management; defining the desired level of the relationship lets you assess the resources and costs required to service the relationship.

REVENUE STREAMS

Understanding your revenue streams helps you assess your financial risk and exposure to changes in income. You should assess what each customer segment is willing to pay and through which pricing mechanisms. Achieving recurring revenue from the same customer is obviously a desirable goal. Some facilities (golf courses, for example) are achieving greater yield by using differential pricing, depending on the time of day or week. Sound analysis of net revenue for each segment is essential.

KEY RESOURCES

What key resources – human, intellectual, physical, financial – support your value propositions, customer relationships, distribution channels, and revenue streams? Will you own the resources or access them through partners?

KEY ACTIVITIES

These are the most important actions an organisation must undertake. They support the value proposition, customer relationships, and revenue streams. For a computer manufacturer, supply chain management is essential. For a management consultant, it is problem solving.

KEY PARTNERSHIPS

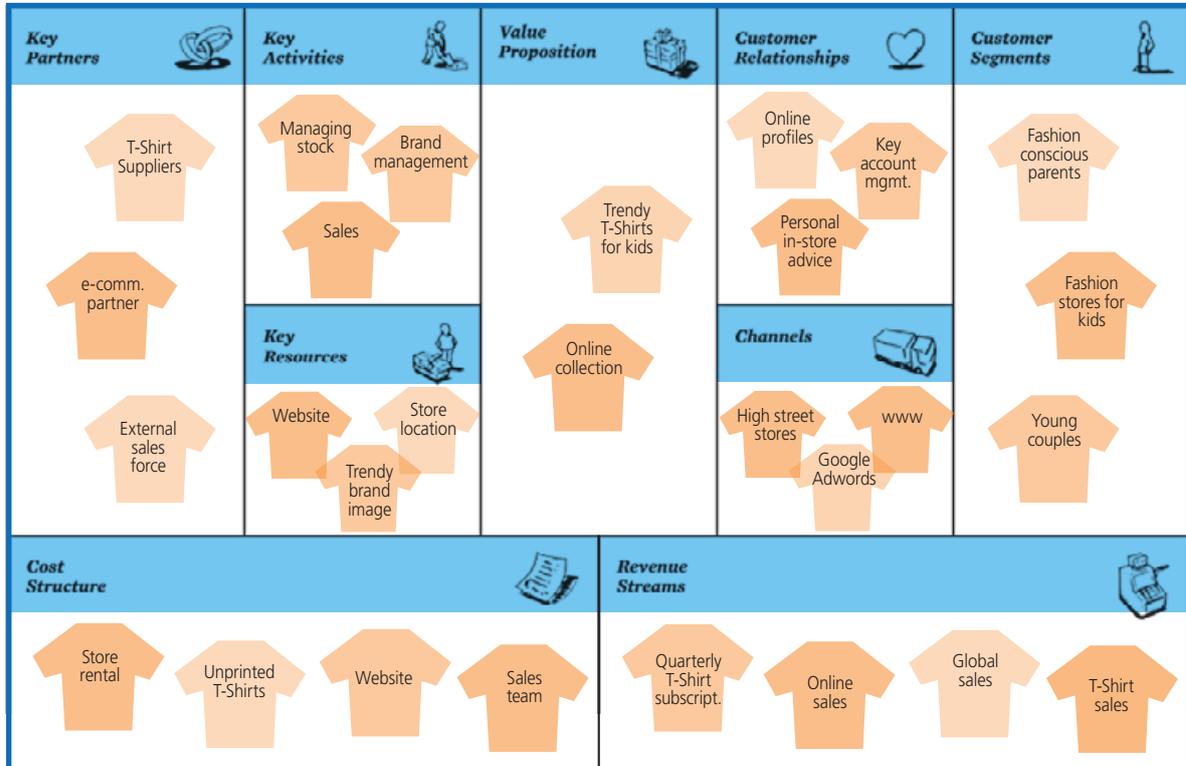
Partnership business models can often get better results than working on your own and can be used to reduce risk or to acquire specialist resource to perform essential activities. They can be in the form of strategic alliances between non-competitors, 'co-opetition' (alliances between competitors), joint ventures for new business, or relationships within the supply chain.

COST STRUCTURES

Business models can be cost-driven or value-driven (with many falling in the middle). Assessing your costs is essential to determining whether your business model will be viable within the available timeframe. The principal characteristics of cost are fixed cost, variable cost and whether the scale or scope of activities leads to efficiencies in these costs.

Having gathered your information, lay it out as a one-page graphic along the following lines.

T-SHIRT Company



The completed template shown here is a generic illustration of the model and is not intended to be used without further research and preferably some expert support.

The material above is extracted from *Business Model Generation*, Alexander Osterwald and Yves Pigneur, John Wiley & Sons, 2010. This material is reproduced with the permission of John Wiley & Sons, Inc.

Further information on the Business Model Canvas and cooperative models is available in the online resources.

From SWOT to TOWS

As a complementary approach to assessing your external and internal environments, a SWOT or TOWS analysis (Threats, Opportunities, Weaknesses, and Strengths) can be undertaken. By combining these perspectives, you can determine the key strategic issues (or challenges) facing your organisation.

THREATS	When you consider the trends and competitive activity in the wider environment, what do you see as the threats to the future of your organisation?
OPPORTUNITIES	When you consider the trends and competitive activity in the wider environment, what do you see as the possibilities for your organisation?
WEAKNESSES	When you consider organisational performance and capability in relation to like organisations and competitors, what do you consider to be the weaknesses of your organisation?
STRENGTHS	When you consider organisational performance and capability in relation to other like organisations and competitors, what do you consider to be the strengths of your organisation?

Theoretically, the order of assessment should not impact the analysis. In practice, though, some argue that by taking an external point of view first (Threats and Opportunities), an organisation is more likely to be open to and identify novel and truly strategic challenges. Linking the effects of Strengths and Weaknesses to organisational resources and capabilities is important, otherwise it won't be clear why your performance is better or worse than in comparable organisations.

The questions in the table above will generate a list of issues or challenges your organisation needs to focus on. You will want to continue to support your Strengths, as well as initiate Opportunities in new areas. These need to be a manageable number,

in line with your organisation's ability to address them within a reasonable timeframe – 4-6 might be typical for a small-to-medium organisation. These high-priority issues (in relation to the organisation's purpose, vision and values) will feed directly into the 'Execute' step of the planning process. The way they are addressed will be critical to the success of your organisation in the longer term.

Purpose, vision and values

In using the Thinking tools outlined, you will have discussed your purpose, vision and values, and the relative importance of different stakeholders, environmental trends, opportunities, threats, strengths and weaknesses. Purpose and vision statements are primarily drivers of longer-term continuity and improvement and provide important guidance from the board to the chief executive and managers about the overarching strategic direction. These statements connect powerfully to people's values, passion and emotions and while they are being developed they often become contentious and time consuming. It may be useful to bring in an external third party to guide the development or revision process.

A good purpose (or mission) statement should:

- describe the organisation's reason for being;
- capture the culture of the organisation;
- be clear, concise and easy to read;
- be broad enough to maintain relevance in a changing environment; and
- be specific enough to provide guidance to the organisation's people.

Examples from sports organisations include:

- 'lead, grow, promote and support New Zealand's game' (New Zealand Rugby Union); and
- 'create a more active Northland' (Sport Northland).

Vision statements, while being short, active statements, look forward beyond the current timeframe to describe an ideal future – for example, 'The best rowing nation in the world' (Rowing New Zealand), or 'Everyone out there and active' (Sport Waikato). These short statements may be supplemented with a more detailed description. A good vision statement should:

Vision

Vision is a long-term view, how successful business vision statement is an aspirational de

- provide future direction;
- express an identifiable benefit to key stakeholders; and
- motivate and inspire people towards a common goal.

Visions are typically stretching and may require multiple and staged initiatives over the longer term before they are accomplished. Some may never be fully realised.

Closely associated with your organisation's purpose is a values statement, which is also intended to inspire effort and guide behaviour. Values are not what your organisation does, but how it does it, and should reflect and foster the attitudes and behaviours you intend participants, employees and volunteers to exhibit.

Good starting questions are:

- what are the essential values contained in our organisation?
- what is the 'essence', ethos or spirit of this organisation?
- what do we stand for?
- how do we want to interact with each other and the outside world?
- what behaviours do we want to encourage?
- what differentiates our organisation from others?
- what truly draws people to participate with us?

There can be a big difference between 'espoused' values (what is said) and 'lived' values (what is done in practice).

Identify the values you wish to guide how you and your organisation behave, and ensure they are monitored and aligned with the other organisational processes, such as performance management.

If the values on the wall plaque and the actual day-to-day values the staff operate within are significantly at odds, there is a strong chance of business failure

When writing a purpose, vision or values statement, start with asking:

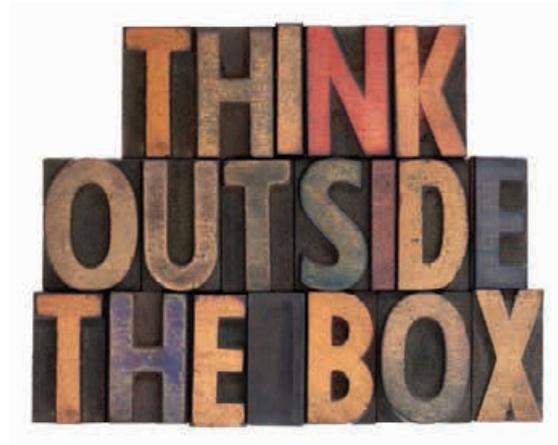
- if this organisation did not already exist, why would we create it?
- what is our current purpose? (review foundation documents such as the constitution and existing purpose statement)
- what is our reason for being?
- who are we doing this for? Who should benefit? (consulting with a core group of key stakeholders may help with these questions)
- what's important to us? (for values, staff may provide key insights through questions such as "What are people rewarded for?", "What is frowned upon?", "Who do people look up to, and why?")

It is also useful to consider whether your mission and/or vision statements clearly distinguish your organisation from other organisations. Overlap in perceived purpose or vision may suggest opportunities to cooperate or that your mission statement is too abstract to serve its intended purpose.

Creative thinking

Most organisations can benefit from varying their strategic thinking processes, trying out other approaches to answering current and new problems, and bringing in experts to help them understand emerging issues. Using the same strategic thinking tools can lead to stale thinking and less creativity. As Michael Porter notes, deciding where to be different is a key part of strategic management.

A variety of thinking tools are in the resource listing that follows.



Resources

Links to the following resources are listed at www.sportnz.org.nz/planning

Business Model Canvas

General information on the business model canvas

The lean canvas version – fast track modelling

The non-profit canvas

Starter diagrams and questions to ask

Business Model Canvas explained on YouTube

The Non-profit Business Model Canvas explained on YouTube

Co-opetition

Précis of the concept and a related book review

Strategic co-opetition: The value of relationships in the networked economy

Other thinking tools

Seven creative thinking tools

Generating new ideas

Appreciative inquiry

Action Learning

Used in high performance for its focus on the continuous nature of planning. This approach, using small groups, is particularly suited to rapid learning and quick exploitation of new knowledge. In the case of high performance, learning faster than the opposition is essential.

World Institute of Action Learning

Print

'A leader's framework for decision making'. David J. Snowden and Mary E. Boone, *Harvard Business Review* 85, no. 11 (2007): pp68-75

Business Model Generation. Alexander Osterwald and Yves Pigneur. John Wiley & Sons, 2010

Co-opetition. Adam J. Brandenburger and Barry J. Nalebuff, Doubleday, 1997

Creative Strategy: Reconnecting Business and Innovation. Chris Bilton and Stephen Cummings, John Wiley & Sons, 2010

2. Execute

Stop and think

Do you have a clear understanding of your organisation's:

- current direction, purpose and vision;
- external and internal environment; and
- key strategic issues and challenges?

Core outcomes from strategic thinking

The information gathered in the 'Think' process is now combined to determine future direction and help design strategies, which may:

- reaffirm and/or augment your organisation's current targeted outcomes and initiatives; and
- establish new outcomes and associated initiatives.

DETERMINING STRATEGY AND OUTCOMES

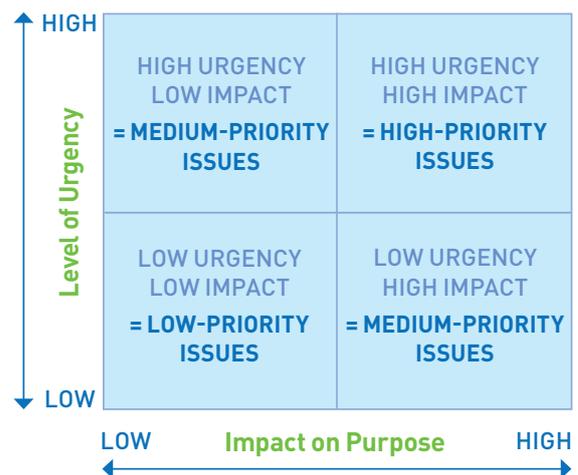
Strategic choice involves trade-offs and decision making. Making trade-offs will probably mean that some strategic outcomes and initiatives are no longer a priority, and may even need to be deleted to free up resources for new initiatives. Your chosen strategy and vision will imply that particular outcomes are being pursued and should be checked to ensure they are consistent with your organisational purpose and values.

Organisations often frame the strategic outcomes in terms of a specific problem they are currently facing. This may lead to narrower and shorter-term issues dominating their strategic direction. To overcome this, an approach called appreciative inquiry has been developed, which uses 'positive change' to build visions of desired and possible futures. The theory and practice suggest it is easier to generate creativity, buy-in, and commitment from your stakeholder base for directions that are positively framed and that build off previous successes than those that restrict strategies to addressing problems.

Possible strategies can be evaluated and compared by asking:

- would our key stakeholders support these outcomes?
- would these outcomes achieve our purpose?
- would these outcomes address the key issues faced?
- could our organisation effectively deliver these outcomes?
- would these outcomes address any major gaps identified in the organisation?

Another method of identifying priorities for your outcomes is to plot each strategic issue from the earlier environmental assessments on an 'impact: urgency' matrix. Your strategic direction should then focus on the issues that are most urgent and most likely to have an impact on your organisation's purpose/vision.



Examples of strategic issues include:

- declining participation;
- emergence of new activity directly competing for your target market;
- high staff turnover;
- over-reliance on a single source of funding;
- inconsistent performance of elite athletes; and
- general stakeholder dissatisfaction.

Further information on *appreciative inquiry* is in the *Think* section resource listings.

CONSIDERING OPTIONS

The next step in developing an executable strategy involves identifying the strategic options (initiatives) that could achieve all or part of the chosen outcomes and vision. At this stage, these potential initiatives can be considered at a higher, more general level so that the strategies considered remain broad enough to address several issues at the same time. You can refine them later to clarify and specify interconnections and resource implications.

It is likely there will be several possible pathways to the future, some of which may have already emerged and

been discussed informally. Identifying and evaluating alternative initiatives and tactics is a critical step in developing a sound strategy, but is often overlooked. By mimicking similar organisations, you may miss important differences among the organisations, their environments, or visions. But for most organisations the options are limited, by their purpose and their available resources. One sport cannot become another; and funding continues to be a challenge, so it is essential to meet agreed targets. Your value proposition and business model will also provide a broad indication of the building blocks for the options to be considered.

NATIONAL ORGANISATIONS	REGIONAL TRUSTS
<ul style="list-style-type: none"> Membership Services Strategic relationships Delivery structure 	<ul style="list-style-type: none"> Services Stakeholder relationships Service delivery Events

There is flexibility within some core aspects of both national organisations and regional trusts. For each strategy option, there is a range of alternatives along each continuum that can be implemented.

NATIONAL ORGANISATIONS

STRATEGIC CATEGORIES	
STRATEGIC OPTIONS (CONTINUUM)	
MEMBERSHIP	
CONSOLIDATE ←	→ GROW
Concentrate on retaining existing members and participants	Actively attempt to broaden membership and participation
SERVICES	
FOCUS ←	→ DIVERSITY
Concentrate on core services to members and other participants	Expand the range of services offered to members and other participants
STRATEGIC RELATIONSHIPS	
WEAK ←	→ INTENSE
Go it alone or without significant collaboration with other organisations	Partnerships central to strategy with a high degree of collaboration with other organisations
DELIVERY STRUCTURE	
CENTRALISED ←	→ DECENTRALISED
No or limited regional infrastructure, services provided by national office	Comprehensive regional and local infrastructure and service delivery

It's the strategy that tells us why, where, and what and the operating plan that tells us the how, who, and when.

REGIONAL TRUSTS

STRATEGIC CATEGORIES	
STRATEGIC OPTIONS (CONTINUUM)	
SERVICES	
FOCUS ←	→ DIVERSITY
Concentrate on core services to participants and regional organisations	Expand the range of services offered to participants and regional organisations
STAKEHOLDER RELATIONSHIPS	
WEAK ←	→ INTENSE
Go it alone or without significant collaboration with other organisations	Partnerships central to strategy with a high degree of collaboration with other organisations
SERVICE DELIVERY	
IN-HOUSE ←	→ OUTSOURCE
All programme delivery and services provided by employees	All programme delivery and services are contracted out to other providers
EVENTS	
IN-HOUSE ←	→ OUTSOURCE
Initiate and own Strong in-house capability	License out or work in partnership Limited delivery capability

Challenges and assumptions

Deciding on the initiatives required to achieve your targeted outcomes involves making assumptions about your organisation's environment and its ability to implement a strategy. These assumptions must be clearly identified and agreed on at this stage of the process, and their validity reviewed regularly. Identifying the key assumptions shows where the important challenges for the strategy lie. Most plans miss this, and major 'elephants in the room' are often ignored. The overall strategy and outcomes may be valid but at the tactical or initiative level the serious 'bumps in the road' must be addressed. Some challenges can be overcome and others have to be circumvented. Understanding the difference is key to successful implementation.

**The vision is the journey that inspires;
the goals are there to remind us we're on the
right track.**

DEVELOPING INITIATIVES

With outcomes established and options identified, the next step is to determine initiatives (specific actions) or at least agree on an approach to determining them. It may be necessary to undertake several initiatives over the period of the strategic plan in order to achieve a particular outcome successfully. It is also possible that, at the time of developing the plan, all of the required initiatives are not yet known, not immediately implementable, or require further analysis. These can be signalled in the plan.

Measures will be chosen in areas where they can demonstrate attribution (the link between initiatives and results) and where they can be tracked at a level of confidence. Over time, these initiatives should contribute to the chosen outcomes. If not, then the strategy needs to be reviewed.

The top-level outcomes are sometimes best measured by others who are better placed and resourced to do so. The following example is taken from the 2010-2015 plan of Sport Northland, an organisation that contributes to increased participation across the region.

OUTCOMES	INITIATIVES	MEASURES
There is a measurable increase in the number of Northlanders participating in sport	<ul style="list-style-type: none"> ▪ effective Regional Sports Organisations, clubs and schools ▪ stronger links between schools and clubs ▪ more volunteers are attracted to sport and are developed and retained 	
There is a measurable increase in the number of Northlanders participating in physical recreation	<ul style="list-style-type: none"> ▪ quality events are attracting increasing number of Northlanders ▪ increased/improved infrastructure supports Northlanders to become more active 	
Effective relationships enable quality services to be provided	<ul style="list-style-type: none"> ▪ relationships with iwi enhance the provision of sport and physical recreation to Māori ▪ relationships with councils and health service agencies enhance the provision of sport and physical recreation to Northlanders 	

After gaining agreement on initiatives, they need to be developed in more detail in the annual business plan and associated resource plans.

To be effective, the strategy must be supported and reinforced by an organisation's structure, systems and culture. An excellent strategy on paper is worthless unless the organisation is ready and able to implement it, and it has the buy-in of the people who will do the work on the ground.

A mis-match between culture and strategy dooms the plan to failure. There is considerable debate on the relative weightings of culture and strategy. Ideally, the two are aligned

Similarly, the importance of the alignment between strategy and resources cannot be over-emphasised. Following is a checklist for asking the critical question, "Now that we have developed our strategy, is our organisation able and ready to support it?" For each "No" answer, you will need to identify the issue/s and what mitigation is required. (Sometimes this may already be addressed in the strategic plan.)

“Culture eats strategy for breakfast.” – Attributed to Peter Drucker



STRATEGY ALIGNMENT CHECKLIST		YES	NO
Leadership	Is the board supportive of the strategy? Is board reporting linked to the strategy? Do we have capable leaders at different levels within the organisation to implement the strategy?		
Structure	Is our organisation structured into units that effectively support and deliver the strategy?		
People	Do we have the people with the right skills needed to deliver our strategy? Do our people support the strategy?		
Culture	Does our existing organisational culture (actual not espoused) support our strategy?		
Resources	Are our resources aligned with the strategy? Do we have enough resources (people, financial, time, other resources)?		
Systems and processes	Are our systems facilitating the effective delivery of the strategy? Do we have adequate systems in place for monitoring the strategy?		
Stakeholder management	Do we have effective communications with stakeholders? How are we communicating the new strategy to stakeholders?		
Incentives	Is our remuneration and rewards system aligned with the strategy? Are individual performance goals aligned with the strategy?		
Risk management	Have we identified the major risks associated with the strategy and planned to respond and prepare accordingly?		

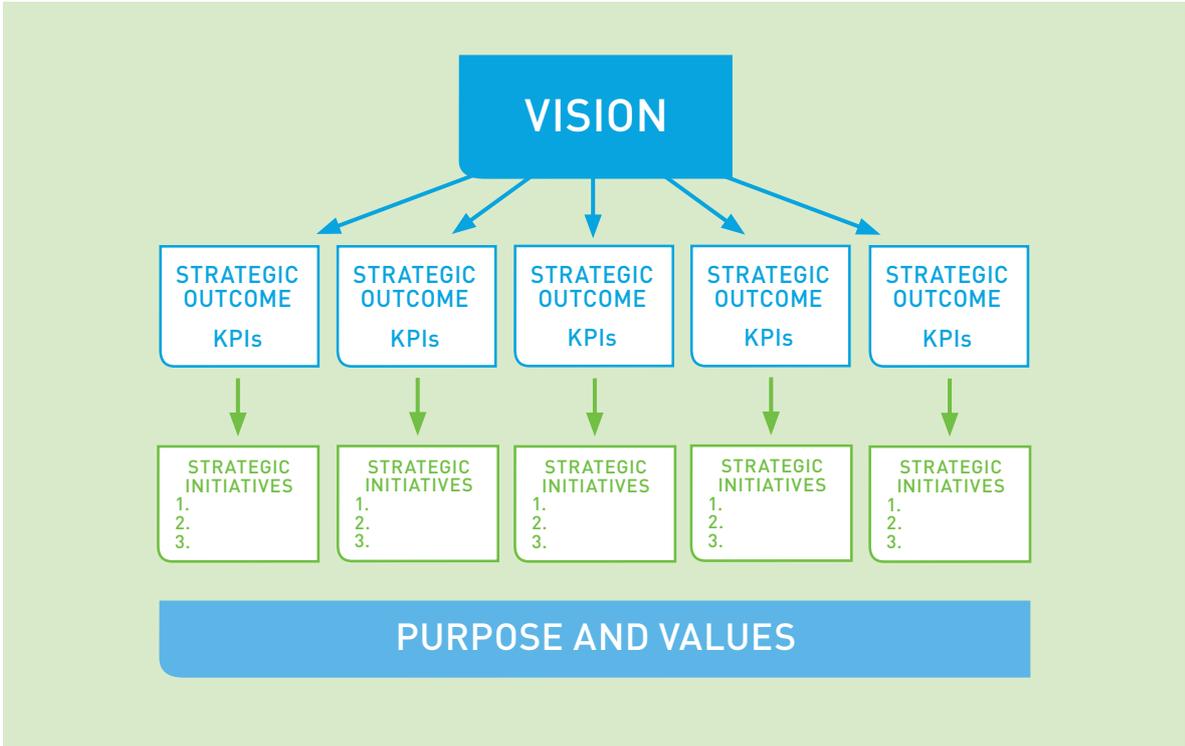
By answering these questions, your organisation is aiming to translate its chosen direction into actions that produce the desired results over the planning timeframe. The initiatives and annual plans need to be developed to a degree that will ensure they can be implemented effectively.

All parts of the organisation will need to understand how they can contribute to achieving the desired outcomes. Prioritising activity and allocating resources, such as time and money, can be challenging, especially for organisations with very limited resources, and, for them, evaluation will be doubly important to demonstrate effective results. In developing a resource plan, it may be important to assess which current activities may be de-emphasised in terms of resource allocation, to make sufficient resources and capabilities available for the new strategy.

It is crucial for the chief executive and senior staff to understand their contribution to delivering these outcomes.

They need to identify and personally monitor the alignment between work units and manage the inevitable compromises between what 'we would like to do' and what resources realistically allow.

It is also important that the various business units within an organisation do not develop their individual plans in isolation. They need to understand how they can contribute to the achievement of all the desired strategic outcomes and how they need to work with each other to do so.



OUR VISION

Everyone in the greater Wellington region has a life-long involvement in sport and active recreation.

OUR PURPOSE

To provide region wide leadership to the sport and active recreation community wherever they are in the region in order to enable people to have:

- **Motivation.** For sustained and regular participation.
- **Opportunities.** To participate wherever their needs.
- **Meaningful experiences.** At all levels.

OUR ROLE

When we say region wide leadership, we specifically mean:

- **Partnering.** Identify organisations and work with them to achieve shared outcomes.
- **Knowledge sharing.** Share the expertise effectively through strong networks.
- **Expertise.** Recognition as the subject matter experts in relevant areas of sport and active recreation.
- **Influence.** Advocate, mentor and bring positive change to the Wellington region.

STRATEGIC OUTCOMES

We aim to achieve the following strategic outcomes:

01. A region of sporty school-age kids. (5-17).
02. A region excellent at achieving and celebrating success.
03. Young adults (18-34) with a future of life-long positive sport and active recreation habits.
04. A sustainable sport and recreation system for the entire region.
05. Innovative opportunities to participate in response to changing lifestyles and macro trends.

OUR VALUES

SERVICE
PASSION
OPENNESS
RESPECT
TEAMWORK

STRATEGIC PRIORITIES

FRONT OF HOUSE: Provide leadership to the community centred around the following areas:

- **Set our kids up for life.** Enable schools, clubs and other organisations to deliver consistently quality experiences for school-age kids to provide skills and inspiration, including coaching and talent development.
- **Hook, or re-hook young adults (18-34).** Enable sport and active recreation organisations to set or re-set positive habits, particularly at clearly identified lifestyles where involvement drops.
- **Sport & active recreation system sustainability.** Help target organisations build the capability to deliver positive impact long into the future.
- **Facilities & resources.** resource are made available and barriers minimised to enable participation in sport and active recreation.

BACK OF HOUSE: In order to be able to provide this leadership in a sustainable way, we must:

- **Develop leadership capabilities.** Both internally and by working with partners to build relevant knowledge sharing, partnering and influencing skills.
- **Develop broad funding base.** Ensure Sport Wellington's long term sustainability by widening the sources of funding including commercial partnerships.

Telling the story

After sign-off, communicate the strategy and associated plan to staff and stakeholders. This will achieve buy-in, energise the organisation, and prepare it for change.

Presenting the plan to a range of audiences requires thought and preparation. While the board and staff need the full version of the plan, a summary presented in a visually appealing way will be more suitable for many stakeholders. The printed plan should be professionally presented, using effective imagery and colour. A video clip can be a powerful tool to convey the key elements, the strategic changes, and the implications for various stakeholder groups. A customised diagram can capture the essence of the strategic direction, key outcomes, and the strategy initiatives simultaneously.

This is [Sport Wellington's Strategic Plan](#), and overleaf is [Sport Northland's Strategic Plan](#).

Our STARTING POINT
Being clear about our shared ambitions

We know what we're working for

Our PURPOSE:
Creating a more active Northland

The two dimensions of our strategy **OUR FRONT OF HOUSE**



SPORT

There is a measurable increase in the number of Northlanders participating in sport

- Effective Regional Sports Organisations, clubs and schools
- Stronger links between schools and club sport
- More volunteers are attracted to sport and are developed and retained
- Young Northlanders are equipped with the skills to participate in sport
- Sporting success is identified, acknowledged and recognised



PHYSICAL RECREATION

There is a measurable increase in the number of Northlanders participating in physical recreation

- Targeted populations/settings have increased their participation rates
- Quality events are attracting increasing numbers of Northlanders
- Increased/improved infrastructure supports Northlanders to become more active



STRATEGIC RELATIONSHIPS

Effective relationships enable quality services to be provided

- Relationships with iwi enhance the provision of sport and physical recreation to Maori
- Relationships with councils and other service agencies enhance the provision of sport and physical recreation to Northlanders

10% increase

in Northlanders participating in targeted sports.

10% increase

in the number of fundamental movement skill deliveries for under 12 year olds.



10% increase

in the number of Northlanders participating in targeted recreational settings, activities and events.



Increase from 76% to 80%

in satisfaction from Sport Northland's major stakeholder groupings about their relationship with the trust (independent evaluation).

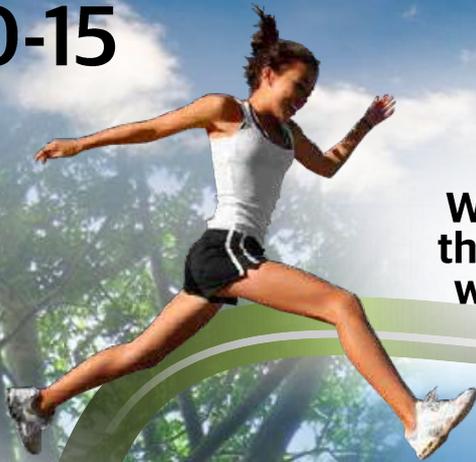
We know what's important to us

Our VALUES

"He aha te mea nui o tenei ao? He tangata! He tangata! He tangata!"
"What is the most important aspect in this world? It is people, it is people, it is people"

**Kotahitanga
UNITY**

an 2010-15



We know the future we want

Our VISION:
All Northlanders are healthier through regular, lifelong participation in sport and physical recreation

We know what we need to achieve ...

Our STRATEGIC OUTCOMES

what we're doing to achieve it ...

Our STRATEGIC PRIORITIES

and if we're on track.

Our MEASURES

OUR BACK OF HOUSE

INTERNAL CAPABILITY

Effective and efficient internal systems, processes and leadership enable us to provide quality services

- Quality systems and processes
- Quality operational-level leadership makes Sport Northland a great place to work and a model for partner organisations
- Our focus on Tikanga Maori protocols
- Best practice governance that serves as a model to sporting boards in the region

FINANCIAL VIABILITY

Sport Northland is financially sustainable

- Our financial reserves are at a level that mitigates against risk

Increase Sport Northland's rating

in Sport New Zealand's capability process to above 69%, taking us into the high performing category.

Replace the Kauri Club investment

and increase cash reserves from \$25,000 to \$100,000.

Resources

Links to the following resources are listed at www.sportnz.org.nz/planning

Sport New Zealand resources

Strategic and business plan templates

Strategy and planning

The National Council of Nonprofits (US); a good list of resources for strategic and business planning

McKinsey article on the building blocks of strategy

Interview with McKinsey partners on the evolution of strategic thinking

David Kryscynski talks about 'what is strategy'

Stakeholder analysis

Overseas Development Institute resource on stakeholder analysis

Edward Freeman discusses stakeholder theory

Environmental analysis

Fact sheet on PESTLE analysis



SWOT/TOWS analysis

A range of whiteboard presentations for different strategy tools

Scenario and contingency planning

Resources from Bain & Company

Strategic assumptions

Ivey Business Journal article on strategic assumptions

Customer/Market analysis

Bain and Company resources

Benchmarking

Bain and Company resources

Purpose, vision and values

Forbes article from John Kotter International

General strategy resources

Flipboard magazine

Strategic Management Bureau; daily strategy insights and updates

Strategy-business.com; insights, free and for purchase content

McKinsey e-letter

Videos on the Harvard Business Review site

Print

Making Strategy: The Journey of Strategic Management. Colin Eden and Fran Ackermann, Sage, 1998

3. Evaluate

Strategic planning fails when it becomes a linear process. Making planning cyclical and a continuous part of your activities is crucial to successful updating, adaptation, correction and learning. Monitoring outcomes and evaluating the results are key to closing the planning cycle.

Step 6 in *Nine Steps to Effective Governance* has extensive reference to evaluation and monitoring.

Two critical challenges impact on the way we measure success and/or performance in the sport sector.

ATTRIBUTION:

Causal connection between action and result

MEASURABILITY:

The ability to measure, or ease of measurement

Having identified your organisation's high-level outcomes, you should next identify the many factors that might affect each outcome. The list may include things like the availability of facilities, climate, demographics, volunteers, the economy, and national or world events.

Many factors lie beyond the control of your organisation. While your organisation may contribute to high-level outcomes in a vital way, many contributory factors will not be within your direct control

Leaders need to be prepared to negotiate a way forward within this challenging environment. It is necessary to distinguish clearly between performance and success: performance is a measure of achievement against controllables; success is a measure of achievement against (potentially) non-controllables.

It is never appropriate to performance manage a person or an organisation based on non-controllables

Therefore, you need to distinguish between 'key performance indicators' and 'key success indicators'.

Accepting that your stakeholders and other organisations may use different terminology, the language is less important than achieving a shared understanding within your organisation and at board level. When necessary, be prepared to explain the way you have used terminology.

Layering an intelligent and cost-effective measurement system over the top of your strategic plan should be treated as a separate exercise after your strategy has been finalised

An intelligent measurement system, particularly where attribution is an issue, will involve a combination of metrics and other information that will help you understand performance and success; performance is at least as important for directors and stakeholders as success.

An intelligent measurement system

Once you are confident that your thinking process has been robust, you can begin identifying what you can and should measure, when, what the accountabilities are, and where the gaps are. This is where you can start to apply SMART (Specific, Measurable, Achievable, Realistic, Time-bound) goal-setting principles.

If it is impossible or cost prohibitive to put a metric against an outcome in your plan, you need to decide what else you can do that will give you confidence the outcome has been or is likely to be achieved. Even if metrics are available, you may want to take steps to achieve confidence that there is a causal link between an initiative you have implemented and an outcome.

On language, do not get hung up on whether something is a strategic outcome, long-, medium-, or short-term outcome, impact, strategy, deliverable or initiative. The terms you use are less important than achieving a shared understanding of what must be done, when, and towards what end. Whether something is an outcome or an impact depends on perspective, so before spending too much time on language consider whether the label really matters.

Confidence in your thinking processes is likely to stem from answers to 'evaluative questions', such as, "If we ensure every person who wants to coach at a [specified] level is required to attend a [specified] coach training course, will that have a positive or negative impact on our coaches:teams ratio? Coach retention? Player satisfaction? Player retention? Team performance?" Metrics will get you part way to an answer but an evaluation may be necessary to fill the gap.

In the absence of metrics, an evaluation may give you the confidence you are doing the right thing despite a lack of 'proof'. You may not have player retention data, but if an evaluation suggests that better coaches are likely to lead to player retention, then investing in better coaches might be more pragmatic than investing in a monitoring system that will allow you to measure retention.

Evaluations cover a spectrum of 'complex' and 'expensive' through to 'basic' and 'affordable'. How you evaluate will depend on your own needs and budget. You should evaluate enough to provide a level of comfort for your strategy and to communicate a compelling argument to your stakeholders.

Use a self-check: if you cannot measure, or do not meet, a strategic target, will you still have a compelling argument for continuing with your existing strategy? That compelling argument might take the form of case studies, research, expert opinion, or a thorough and independent evaluation. The application of common sense, or the 'What would any reasonable person say?' test, might be sufficient, depending on your situation and budget.

EVALUATION

In its simplest form, evaluation involves showing that a particular action (programme, initiative, event) has occurred and testing the logic behind that action against any new evidence that is available. Advice from independent experts, peer review, research, case studies, simple surveys, stories, and images can all lend weight to the argument. The evaluation process just involves gathering the evidence and reflecting on what that evidence shows.

To satisfy yourself the action occurred as intended, you might ask:

- were the targeted groups reached?
- did it go to plan? If not, why not?
- were the resources and delivery good quality?
- how satisfied were the participants? Key stakeholders?

To satisfy yourself the action had, or was likely to have, the desired impact, you might ask:

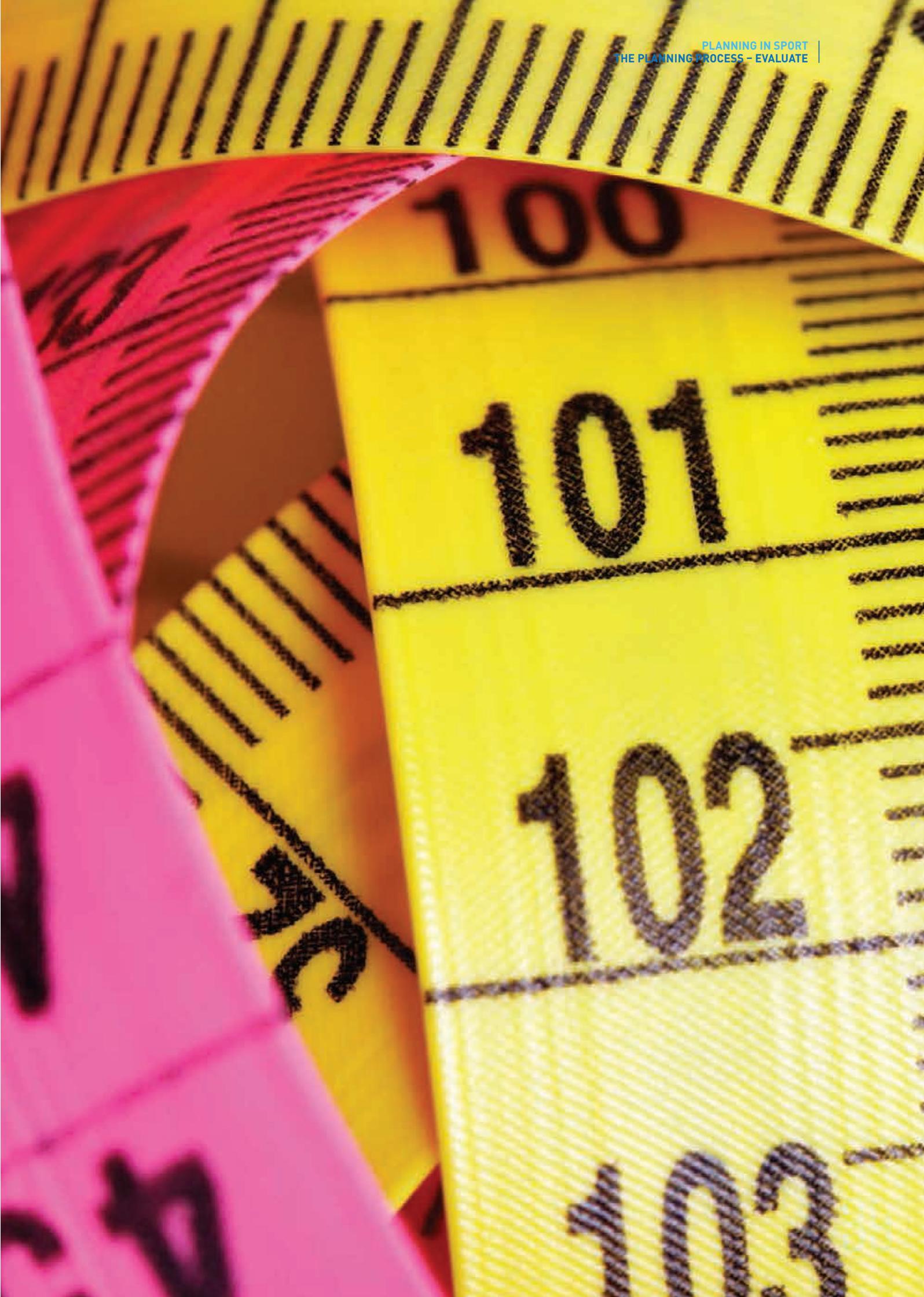
- if indicators of impact or of the outcome are available, what do they tell us about our progress?
- how might external factors have contributed to the results?
- has the project resulted in any unintended impacts?

When considering 'Where to from here?', you might ask:

- what worked? What didn't work?
- what things helped or hindered the project?
- in hindsight, what else could have helped?
- what would you advise anybody considering a similar project?
- should the project be pursued or stopped? Why?
- what needs to change, and how?

Gathering what you need to inform your evaluation can be as simple as asking participants to fill in a one-page survey. Online tools, such as Survey Monkey, can be useful, or you may request feedback from key people via email. When deciding what information to collect, you should be clear about what question you hope to answer.

Assessing the evidence can be as simple as getting heads together in a room to discuss the results. Be prepared to challenge your assumptions. A good focus group should include people from different perspectives who are not afraid to ask difficult questions.



MEASUREMENT

The following example of a measurement framework is taken from the Sport Northland plan. The trust has chosen to be accountable for things they believe they can control. They are, of course, still vitally interested in the high-level outcomes but in reality they are not the only contributors to that outcome; nor do they have the resources to measure it.

OUTCOMES	INITIATIVES	MEASURES
There is a measurable increase in the number of Northlanders participating in sport	<ul style="list-style-type: none"> effective Regional Sports Organisations, clubs and schools stronger links between schools and clubs more volunteers are attracted to sport and are developed and retained 	<p>10% increase in Northlanders participating in targeted sports</p> <p>10% increase in the number of fundamental skill deliveries for under 12-year-olds</p>
There is a measurable increase in the number of Northlanders participating in physical recreation	<ul style="list-style-type: none"> quality events are attracting increasing number of Northlanders increased/improved infrastructure supports Northlanders to become more active 	10% increase in the number of Northlanders participating in targeted recreational settings and events
Effective relationships enable quality services to be provided	<ul style="list-style-type: none"> relationships with iwi enhance the provision of sport and physical recreation to Māori relationships with councils and health service agencies enhance the provision of sport and physical recreation to Northlanders 	Increase from 76% to 80% in satisfaction from Sport Northland's major stakeholder groupings about their relationship with the trust (independent evaluation)

Balanced scorecard

The key performance measures can be presented within a 'balanced scorecard'. This popular form of communicating and monitoring performance targets takes an approach that ensures an organisation focuses on more than just financial measures.

The 'textbook' scorecard complements financial measures with three sets of operational measures, or perspectives.

- customer (member or stakeholder) satisfaction
- internal processes
- the organisation's ability to learn and improve.

The scorecard categories also try to compensate for the lagging nature of financial measures by adding KPIs that feed forward and provide early warning of

potential financial issues (for example, internal process problems affecting customer satisfaction that, in turn, might affect sales or revenue).

Collectively, these contrasting perspectives can provide answers to four key questions.

- how do our members and participants (customers) see us?
- what do we need to do to excel?
- how strong is our financial position?
- how can we continue to improve and add value?

This balanced set of performance measures can be communicated in a visual 'scorecard' format, as in the example following. For each perspective, goals and performance measures can be set.

MEMBERS/PARTICIPANTS	FINANCIAL
<ul style="list-style-type: none"> ▪ number ▪ satisfaction ▪ level of involvement 	<ul style="list-style-type: none"> ▪ total revenue ▪ diversification ▪ net result
INTERNAL CAPABILITY	INNOVATION
<ul style="list-style-type: none"> ▪ staff capability and development ▪ staff retention and satisfaction ▪ core processes 	<ul style="list-style-type: none"> ▪ service quality ▪ new products and services ▪ new developments to enhance organisational performance

A number of organisations have developed their own variations on this theme. For several years the New Zealand Rugby Union has issued a scorecard to communicate business success to stakeholders. Their annual report is listed in the resources below.

Resources

Links to the following resources are listed at www.sportnz.org.nz/planning

Better Evaluation; wide ranging and informative site with varied approaches and methodologies

Kellogg Foundation; evaluation handbook, logic model development guide and a strategic communications plan template

State Services Commission; guide on performance measurement

Evaluation Consult; comprehensive list of resources

New Zealand Rugby Union; Annual Report



Print

'Putting the balanced scorecard to work'. R.S. Kaplan and D.P. Norton, *Harvard Business Review*, Sept. 1993

'The balanced scorecard – measures that drive performance'. R.S. Kaplan and D.P. Norton, *Harvard Business Review*, Feb. 1992

The Balanced Scorecard: Translating Strategy into Action. R.S. Kaplan and D.P. Norton, Harvard Business School Press, 1996



Operational Plans

“The strategy by itself is not often the cause (of failure). Strategies most often fail because they aren’t executed well.”

– L. Bossidy and R. Charan, *Execution*

Business plan

After determining the outcomes and initiatives that allow completion of the strategic plan, the challenge now is to translate this into actions that produce results. A brilliant plan is worthless without effective implementation. The annual business planning process is a key mechanism for ensuring alignment and focus. This plan can also be called the annual plan or operational plan.

All parts of the organisation will contribute in some way to achieving the desired strategic outcomes. A large organisation will determine the overarching key initiatives to be used in achieving the outcomes, and this thinking should then filter down, and the process be repeated at each level.

The next step is to decide on and prioritise specific activities and tactics and allocate resources: people, time and money. Organisations often neglect to allocate resources. Moving resources from historical activity in order to support a new direction can be challenging as it often means ending support for ‘stuff that we have always done’.

It is important that the various business units within an organisation do not develop their individual plans in isolation, but must work together to achieve the desired outcomes.

The chief executive will need to manage the inevitable compromises between what ‘we would like to do’ and what resources realistically allow.

BUSINESS PLAN STRUCTURE

The business plan details the ‘means’ to achieve the ‘ends’ defined by the strategic plan.

While the business plan document itself can be structured in different ways, the plan should contain:

- clear linkages between the desired outcomes, key initiatives, and their supporting actions;
- performance measures that enable progress to be monitored; and
- defined costs, responsibilities and timeframes.

BUSINESS PLAN STRUCTURE

A summary page:

- a summary of outcomes from the strategic plan
- key initiatives for the organisation
- measures (what is to be measured and at what level)

An activity plan for each unit:

- actions, programmes and tactics that support the key initiatives
- a measurement framework to track activity during the year

Business-as-usual activity:

- a summary of activities in key business-as-usual areas
- a measurement framework for each area

Annual budget:

- the budget should have reports that assign costs to strategic areas and to business units.

ORGANISATIONAL ACTIVITY

Activity undertaken by the organisation can be separated into two types: that which meets the core ongoing purpose of the organisation (business-as-usual) and that which enables desired change to be achieved.

Key initiatives

Achieving an outcome will often be the cumulative result of several key change activities undertaken over time. These can be called initiatives and are the key actions management intends to undertake to achieve the desired change.



It is essential that the organisation and the board understand these activities well and manage them closely. Often the new initiatives get forgotten, pushed aside, or are completed late or poorly under the pressure of day-to-day activity.

Business-as-usual

'Business-as-usual' activities are those normally undertaken by a business unit on a year-to-year basis. Examples include competition management, human resource management, and membership services. These are important activities that enable the organisation to fulfil its core purpose, but will not necessarily result in the organisation's change goals being achieved.

Separating 'initiatives' and 'business-as-usual' activity can be beneficial in encouraging senior management and the board to focus resources, discussion and monitoring on initiatives intended to progress the change agenda. Business-as-usual areas are often described as Key Result Areas (KRAs), acknowledging that they are still essential for organisational success.

- don't pack the business plan with too many actions. It is far better to do a few things well than many things poorly.
- the skill is judging what will have the most impact on the stated outcomes and then how much can be done and done well with the resources available.

It is essential to have a formal mechanism to regularly review the application of resource to business-as-usual activity, checking that it is continuing to add value and contribute to the achievement of the organisation's purpose and vision.

BUSINESS PLANNING PROCESS

The business plan must address the outcomes defined in the strategic plan. These steps ensure this occurs:

- confirm the key high-level initiatives to be addressed during the year.
- draft supporting initiatives and actions at the business unit level.
- plan for 'business-as-usual' activities.
- agree on what is to be measured, and how, for the year.
- align resources.
- consolidate, with review by the CEO and adoption by the board.
- extend the framework down into individual performance plans.

In the Sport Northland Strategic Plan 2010-15, the initiatives at the strategic plan level are given more flesh at the business plan level. Each of these will, in turn, have further levels of detail at the business unit level. Many of the business plan level initiatives will persist across the whole span of the strategic plan, but they can and should be changed if it is clear they are not contributing efficiently to the stated outcomes.

OUTCOME	INITIATIVES (STRATEGIC PLAN LEVEL)	INITIATIVES (BUSINESS PLAN LEVEL)
There is a measurable increase in the number of Northlanders participating in physical recreation	<ul style="list-style-type: none"> targeted populations increase their participation rates through identified programmes quality events are attracting increasing numbers of Northlanders increased/improved infrastructure supports Northlanders to become more active 	<ul style="list-style-type: none"> water safety programmes active workplace programme He Oranga Poutama (HOP) programmes Project Energise Green Prescription presentation of 10 identified events presentation of Sport Northland run/walk series presentation of Sport Northland Triathlon Kensington Fitness Centre service delivery ASB Stadium service delivery

The following table illustrates how laying a measurement framework over a strategic-level initiative might look. As the plan is necessarily dynamic, Sport Northland may review and vary this annually. Desired improvements need not be linear.

OUTCOME	MEASURE	INITIATIVES (STRATEGIC PLAN LEVEL)	ANNUALISED MEASURES	INITIATIVES (BUSINESS PLAN LEVEL)	SPECIFIC BUSINESS PLAN LEVEL
There is a measurable increase in the number of Northlanders participating in physical recreation	10% increase in the number of Northlanders in targeted recreational settings, activities and events	Quality events are attracting increasing numbers of Northlanders	Year 1 benchmark 20,563 Year 2 +2% Year 3 +4% Year 4 +6% Year 5 +8% Year 6 +10%	Presentation of Whangarei run/walk event	Year 1 benchmark 766 Year 2 +2% Year 3 +4% Year 4 +6% Year 5 +8% Year 6 +10%

A high performance outcome and its connecting measures and initiatives may look like this.

OUTCOME	MEASURE	INITIATIVES (STRATEGIC PLAN LEVEL)	ANNUALISED MEASURES	INITIATIVES (BUSINESS PLAN LEVEL)	SPECIFIC BUSINESS PLAN LEVEL
Success in high performance on the world stage	3 medals at the 2016 Olympic Games	A world-leading high performance programme	Year 1 6 athletes in the top 8 (world rankings) Year 2 6 Commonwealth Games medals Year 3 World Championships 5 top 5 finishers	Women's sprint programme	World Championships 2014 5 qualifiers 3 top 8 finishers

As with the community sport initiatives in the Sport Northland plan, more detail will be needed in the full high performance plan (see page 50).

It may not be useful or cost effective to assess all aspects of the plan every year. Some details, such as the number of people attending courses or events, are easy to collect. Others, such as relationship quality, change more slowly and do not warrant an annual measure. Financial and high performance data that form part of the measurement framework are obvious and easy to track.

Business-as-usual KRAs are then added to the plan. The human resource KRAs might appear like this.

KEY RESULT AREA	INITIATIVES	MEASURES
Human Resources	Benchmark HR practices and policies against good practice	95% compliance with good practice
	Contract HR expertise to implement good practice Conduct annual staff survey	80% score in staff satisfaction survey

The draft business plan is completed by adding resources, accountabilities and timeframes. This will be at the business unit level.

OUTCOME	INITIATIVES (BUSINESS PLAN LEVEL)	SPECIFIC BUSINESS PLAN MEASURE	BUDGET	WHO	WHEN
There is a measurable increase in the number of Northlanders participating in physical recreation	Presentation of Whangarei run/walk event	Year 1 benchmark 766 Year 3 +4% 797	\$50,000	Events team (DF on lead)	February 20

The draft business unit plans are now consolidated and reviewed by the chief executive. Real value is added by reviewing for quality, feasibility and alignment. In particular, ask, "If we complete all this activity, will we really get the results we are looking for?"

The consolidated draft plan needs to be presented to the board for review and adoption. There may be several iterations before the plan is finally signed off. The plan is then communicated widely to staff and stakeholders as appropriate.

From here, the performance management process can be initiated, with every member of staff being clear about what they are accountable for in the coming year. There should be a clear connection between the individual accountabilities and the high-level outcomes.

FINANCIAL PLANNING

A financial plan, including the budget and cash flow forecast, needs to be developed and included in the business plan. The annual operating budget forecasts the total income and expenditure for the organisation. Total expenditure should represent the consolidated costs from the unit business plans.

The cash flow forecast includes all incoming and outgoing cash, by month. It should have a running accumulated cash position that highlights risk periods for the overall cash position. How far forward the cash is projected depends on the nature of the organisation's business and the strength of the balance sheet. A projection for a year forward is quite normal. The financial plan should make clear the match between stated outcome, key initiatives, and the application of financial resource.

See the online resources for further information on budgeting processes.

OPERATIONAL PLANNING ROLES

<p>Board</p>	<p>The main roles of the board in the operational planning process are to:</p> <ul style="list-style-type: none"> ▪ set strategic priorities and targets within the strategic plan; and ▪ review and adopt the annual business plan.
<p>Chief executive</p>	<p>Chief executive responsibilities normally include:</p> <ul style="list-style-type: none"> ▪ managing the overall business planning process; ▪ giving guidance to business unit managers; ▪ drafting and reviewing the consolidated plan; ▪ negotiating with managers; and ▪ ensuring that communication with staff and other stakeholders occurs.
<p>Business unit managers</p>	<p>Business unit managers are normally responsible for:</p> <ul style="list-style-type: none"> ▪ engaging in discussion with other managers, advisory groups and the chief executive to understand the business plan priorities; ▪ developing operational plans for their units that align with strategic outcomes; ▪ delivering their draft plans to the chief executive within planning timeframes; and ▪ assisting the chief executive in the review of the draft plan.
<p>Finance manager</p>	<p>The finance manager (or staff member with financial responsibility) is responsible for:</p> <ul style="list-style-type: none"> ▪ providing financial information and advice to business units and the chief executive; and ▪ developing a consolidated draft budget and cash flow for the period of the business plan.



Whole-of-sport plan

The whole-of-sport plan lays out a framework across all areas of a particular sport, from fundamental skills to elite performance. It includes everybody who is engaged – participants of all kinds, officials, coaches and volunteers. A national sport organisation (NSO) will probably not be active in all areas of the framework. It should strive to 'own' the plan, and the standards and guidelines within it, and encourage others to work in partnership.

Ideally, the NSO will be supported by regional sports trusts and territorial authorities, and achieve delivery through regional sports organisations, clubs, schools and other partners.

The whole-of-sport approach is intended to drive greater alignment between different levels of sport delivery and to promote partnerships between providers that will allow resources to be used more efficiently. The central tenet of the whole-of-sport philosophy is that NSOs will provide greater leadership and influence in connecting organisations with the people involved in delivering their sport.

There are a number of key plans within the whole-of-sport framework, notably community sport, high performance, and coach development. Suggested approaches to building these plans are found in the following pages. Other plans may also be required, such as a broad volunteer plan or one that focuses on specific areas, such as officials.



Community sport plan

A community sport plan should:

- adopt a participant-centred approach;
- use research to inform decision making;
- have buy-in from all stakeholders to ensure their commitment as delivery partners;
- clearly demonstrate the desired outcomes and be clear about each party's roles and responsibilities;
- use SMART (**S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**ime-bound) targets;
- be able to be summarised on one page;
- identify the programmes and initiatives that will be used;
- reflect good practice across all aspects of delivery:
 - This is particularly important for programmes provided to young people. Good practice principles for children and young people involved in sport and recreation can be found in the online resources;
- be connected to, and be an expansion of, an outcome within the sport's strategic plan. The strategic plan is specifically for the NSO. It is likely that the community sport plan will take a far wider view;
- align the thinking of the organisation at all levels of the sport to ensure consistent, manageable and reviewable delivery;
- be assessed annually against targets and modified where necessary; and
- have a long-term focus.

CHALLENGES

- **Time.** Research and consultation take time, but strengthen buy-in.
- **Planning alignment.** Aligning the plan with other organisational plans can be complex, but ultimately leads to operational efficiency.
- **Delivery alignment.** Delivering a consistent suite of programmes at national, regional and club level means the sport has a greater ability to control the quality of experience for the participant.

- **Impact.** Community sport can be slow moving, so realising the benefits of a new plan may take longer than expected.
- **Flexibility.** Although a plan must have a clear direction, it must also be adaptable and able to take advantage of new opportunities.
- **Resourcing.** No matter how much preparation goes into a plan, resourcing activities correctly in both a human and financial sense proves to be a challenge.
- **Research.** It is important not only to collect an appropriate level of research around the sport, but also to use that research correctly. A common mistake is to use only the research that affirms your plan, while ignoring contrary research.

COMMON MISTAKES

- the plan is too detailed and too complicated for members and stakeholders to understand. This leads to disengagement and limited alignment when it comes to the delivery of programmes.
- targets are not clearly articulated, making it difficult to track progress. More importantly, it becomes difficult to evaluate whether the community sport plan is having a positive impact on your stakeholders.
- if consultation is seen as a box-ticking exercise, the stakeholders will not feel valued and therefore will not buy into the plan. This will result in fragmented delivery and compromise the impact of any community sport programme.
- too often, sports change their structure before a strategy has been decided on. Strategy should be set before assessing the best method of delivery.
- sports should avoid over-promising in their plan. Over-commitment and non-delivery will result in the organisation losing the trust of its stakeholders.

LINKS TO OTHER PLANS

- **Strategic and business plans.** The plan should reflect an outcome from within the overall strategic plan and align with the business plan.



- **High performance plan.** Depending on the sport, a community sport plan lays the skill and participation foundation for the talent development or high performance plan.
- **Events plan.** If a sport is events based, the plan must factor in participation and pathways, via events.
- **Commercial plan.** Commercial strategies and relationships should be developed in conjunction with community sport.
- **Facilities plan.** A well-researched community sport plan should provide the trends and growth data needed to develop a facilities strategy.
- **The plan should relate to the** Principles of Young People's Development.
- **Volunteer planning** must also be taken into account.



High Performance plan

The following is taken from the *High Performance Sport New Zealand (HPSNZ) Strategic Planning Guide*. A fuller version will be available in mid 2014. It is intended that the guide is to remain a 'living' document, further developed and adjusted collaboratively between NSOs and HPSNZ.

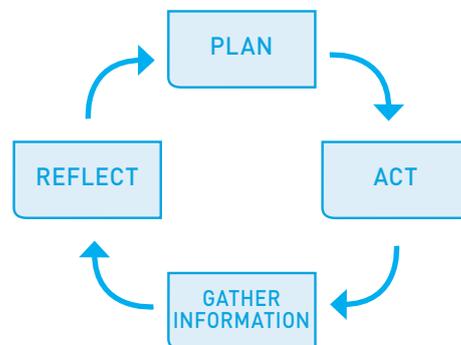
BACKGROUND

This *Strategic Planning Guideline* has been developed at the request of and in partnership with the NSO HP Directors (HPDs). The primary audience of the guide is HPDs and HPSNZ staff.

The main purpose of the guide is to provide HPDs with a framework that can assist in the process of thinking about and developing their HP strategic plan. Once developed, the HP strategic plan will provide high performance guidance for the NSO, while also serving as the business case for HPSNZ, thus minimising any duplication of process.

THE HIGH PERFORMANCE PLANNING PROCESS

Planning is learning; it is thinking, debating, and weighing data and evidence and contextualising new information. Planning is reflecting on the past, and identifying current and future needs. It involves analysis and a complete understanding of context.



The actions and information generated by this process (adapted from Revans' model of Action Learning) stimulate deep thinking and learning, which in turn create more incisive planning and decision making.

This process is common to and underpins the planning of athlete campaigns, the planning of NSO HP programmes, and the planning and investment by HPSNZ.

The key drivers in the planning process are:

- I. Understanding what it takes to win.

- II. Learning faster than the opposition is a sustainable competitive advantage.
- III. NSOs own and are responsible for planning.

KEY ELEMENTS OF THE HIGH PERFORMANCE STRATEGIC PLAN

Executive summary

The executive summary should include brief high-level information that provides context for the development of the plan.

Vision, mission and values

Connect to the NSO's high-level statements of purpose, goals and behaviour.

Situational analysis

Relevant information in the development of the situational analysis may include previous HP strategic plans, annual programme reviews, recent pinnacle event pre-briefs and debriefs, key performance indicators and risk management documentation. A SWOT analysis will allow critical success factors to be identified.

Competitive analysis

A strategic (NSO) and operational (individual/team) evidence-based competitive analysis is required.

Strategic goals and key performance indicators

The same disciplines for aims or goals outlined in this resource apply. HP goals at the level of the NSO will be performance specific – for example, 'Win the World Champs' or 'X podium finishes at the Olympics'.

Strategies to achieve goals/targets need to be identified. Key performance indicators then allow goals and strategies to be monitored.

Budget

The plan must include a detailed budget of the cost of achieving the performance targets within the context of the NSO overall budget. There must be a justification process for applying resource in the specified manner.

Risk management

The plan needs to articulate any identified risk and opportunities that have the potential to impact on the effective delivery of the HP plan. This should be accompanied with appropriate risk mitigation strategies, actions, and the relevant accountable staff, and the timeframes.

Key campaign plans for 0-4 and 5-8 years to podium

A campaign plan is the 1-4 year performance plan for an individual or team. It articulates what needs to be done to close the gap to the podium, and the resources needed.

HP coaching

Coaching is a critical component of the HP strategic plan. In order to win on the world stage, athletes need the best available coaching. The HP Coaching Plan should outline how coaches are attracted, developed and retained.

HP Athlete Development

HP Athlete Development (HPAD) is a key area within HP that involves the systematic process of identifying, developing and monitoring future potential athletes. The development of this area is key to the sustainability of the sport at the HP level. HPAD covers the stages of development between -8 to -5 years from international performances.

Athlete performance support (APS)

APS should identify the sport science, medicine and resources required to enable the achievement of the HP strategic plan. The needs identified in the HP campaign plans should drive the level of the APS.

Daily training environment

Some key questions to consider about the daily training environment include:

- what does the daily performance environment consist of?
- does it meet the needs of the athletes and coaches?
- is it informed, and how are its management and development being catered for?
- are the level and type of APS meeting the needs of the athletes?

Monitoring and review

The ongoing process of monitoring and review will be detailed in the full version of this document to be released in mid 2014 and posted with the online resources.

LINKS TO OTHER PLANS

High performance success relies on HP being an aligned part of a well-performing NSO. The HP strategic plan needs to be linked to related plans, notably strategic, commercial, communications, and community sport. The NSO's operating environment must support and not distract from the HP programme. HP is dependent on the smooth running of corporate support services, such as human resource, finance, general administration, selection processes, and travel and facilities maintenance. The link to governance must be clear and mutual expectations understood.

Coach development plan

Coaching is a crucial element in both the community and high performance sporting areas. Successful sports will have a commitment to developing coaches to meet participants' needs at all stages of their participant and athlete pathway. The commitment will be evidenced by a thorough planning framework and sufficient resourcing to ensure its goals can be met.

This planning must also allow for integration and alignment of coach development across a range of organisational levels. Coaches operate in a wide range of environments – most notably primary schools, secondary schools, clubs, RSOs and NSOs. In each of these settings, the demands on the coach will be different and the coach development opportunities offered will need to be adapted accordingly. A clear understanding and definition of roles and responsibilities are important.

Coaching is a blended profession. Coaches may be volunteers, part-time employees, or fully professional. The nature of the coach's engagement will be important when considering the time and resource that can be offered in coach development opportunities. Effective planning will take this into consideration.

Coaching and coach development do not exist in isolation within a sporting organisation. Accordingly, coaching planning must be integrated with both community sport and high performance planning.

Many of the requirements for a successful coaching plan are laid out under the 'success factors' for the community sport plan (pages 48-49)

In particular, a coaching plan needs to:

- adopt a participant-centred approach;
- recognise different stages of participant and athlete development – the athlete pathway;
- determine coaching needs at each stage on the athlete pathway and create development opportunities to support each stage (coaching communities); and
- create a one-page Coach Development Framework that shows coach development opportunities in each community.

LINKS TO OTHER PLANS

Strategic plan

The coaching plan should reflect a strategic KPI from within the overall strategic plan.

Business plan

To ensure sustainability and transparency, the coaching plan should align with the organisation's operational plans.

High performance plan

The coaching plan (performance and high performance coaching communities) should be a key enabler within the high performance plan.

Community sport plan

The coaching plan (foundation and development coaching communities) should be a key enabler within the community sport plan.



Commercial plan

The commercial, marketing, and communications plans are three separate plans that need to come together or be closely aligned to create an integrated whole. There is no point in developing a marketing plan if there is insufficient commercial funding to support it. Similarly, it isn't possible to develop a communications plan without having identified the target audiences and key messaging in the marketing plan. Yet without a communications and marketing proposition, it is impossible to find commercial partners to support the programmes. The three are therefore interdependent and in turn should be aligned with and dependent on the overall strategic plan for the organisation/company and other operational plans.

By following this process and structure, the key elements of the marketing, commercial, and communications plans become apparent. The marketing and communication elements are tactical initiatives developed on the back of a well-researched rationale that identifies the key target markets and core proposition. The communications messages are developed from this.

A good plan needs to identify:

- background research, situation analysis and rationale, leading to insight;
- target market and core proposition;
- numerical and non-numerical objectives;
- opportunity assessment including business modelling (cost justification/revenue potential/implications);
- strategy;
- tactical activity to achieve the objectives (PR, advertising, promotions, digital, events, etc.);
- budget; and
- timeline.

The budget will identify revenue expenditure and therefore the financial shortfall; the numerical objectives will identify the revenue/profit expectations for the programme. From this, the plan can look at concepts to secure revenue and financial returns through commercial partnerships, sponsorship, membership, events, broadcast rights, digital rights, and merchandising opportunities.

CHALLENGES

- ensure that you have the research information you need to make the right strategy decisions. An independent view and situation analysis are worth considering.
- confirm that commercial strategies and plans are relevant to the resources and capability of the organisation/company.
- don't seek research funding before the programme has been initiated. It is easier to allocate funding to research and evaluation once a programme is up and running.
- make sure you have a compelling and differentiated proposition/s that will appeal to the target audience and therefore to potential commercial partners.
- identify the risks associated with the programme and therefore the worst-case financial scenario.
- accurately identify the costs of the programme and forecast the revenue potential.
- evaluate products and programmes with credible methodology.
- develop a partnership structure and develop a target list of potential partners who are most likely to be interested in the proposition/s.
- develop an engaging presentation that brings properties to life and really 'sells' the proposition/s – a challenge for new products and programmes that are untried and untested.
- allow enough time to source and secure identified revenue streams.
- retain commercial partners by demonstrating increased return on investment year on year.

GUIDELINES FOR DEVELOPING A COMMERCIAL STRATEGY/PLAN

- have a clear idea of your target market.
- have a clear idea of your value proposition.
- ensure you have enough human and financial resource to execute the plan. Outsource as necessary.
- develop the assets to ensure they have value (website, events, media).
- ensure you own and control the rights of the assets, properties and programmes and consider protecting the IP where relevant and appropriate.

- have a point of difference.
- develop a prudent budget with best-case and worst-case scenarios.
- use research and data to demonstrate the rationale.
- use credible independent valuation methodology.
- undertake ongoing evaluations to show return on investment and success against objectives.
- develop close long-term partnership relationships. Under-promise and over-deliver.
- benchmark against similar programmes.
- be targeted and specific with prospective partners to save time and generate greater success.

LINKS TO OTHER PLANS

What else in the organisation needs to be aligned for the commercial strategy/plan to work? The commercial strategy/plan needs to align with the organisation's overall business plan or strategic plan – everything starts there. Often the marketing plan is developed on the back of what the organisation is already doing operationally, yet this isn't always the most commercially viable option.

If commercial revenue is one of the key strategic objectives of the organisation, it may be necessary to change the operations plan to deliver more financially viable products and services. If changes are going to be made, then those responsible will need to understand the rationale behind the changes as it will fundamentally affect their roles and responsibilities. It is important that those in the organisation involved with operations understand the importance of the commercial partners and respect and value them accordingly.

Databases and digital platforms such as websites and social media are increasingly important and this must be considered in the commercial strategy and plan. It may be appropriate to have a specific commercial plan for this area but it should be aligned with the overall commercial strategy.

In developing the commercial plan, it is also critical that the financial arm of the business fully understands the risks and potential revenue, so they can plan accordingly. At various stages, legal expertise may also be required to assist with contracts.

Communications, web and social media plan

Communications planning is covered in detail in the resource *Creating a Stakeholder Communications Plan*, available with the online resources. Since its publication, web and social media have evolved quickly and they are covered below.

WEBSITE PLAN

Web projects aren't technical projects – they are *business* projects that use web technology in their delivery. (The technology itself has matured markedly and much of what you need is available out of the box.)

This means that the first question for organisations considering a new website is: "What real value will it add?" You may want to improve your site's appeal to sponsors, or sign up more members. The next question then is: "How will the website do that?"

Organisations need to have a clear idea of the value of their sites and be able to articulate that in a digital strategy. That strategy kicks off the following very short overview of web development.

Digital strategy

A digital strategy outlines vision, principles and priorities. It is not detailed, but will produce what you need for a development roadmap.

Roadmap

Produce a list of projects, large or small, based on the principles of your strategy and, critically, on realising the aims of your organisation's business and marketing plans.

Vendor selection and requirements

Websites have moved a long way from the days when it was considered enough to post a few web pages and hope someone visited. This means that you need to select a vendor who is a *business* partner, rather than just an IT specialist.

Good web companies will work with you to identify audiences, their needs and your needs, and are central in finding creative solutions to these questions. For this reason, don't be prescriptive in your Request for Proposal (RFP) documents – avoid presenting a hard-and-fast shopping list of requirements. Instead, outline a vision and a few definitive deliverables, and build in lots of scope for the advice of imaginative suppliers.



User experience (UX) and information architecture (IA)

Make sure your supplier understands your user experience (UX) and information architecture (IA). These two disciplines ensure your user is at the heart of your development, otherwise you'll probably lose them, irrespective of how technically flash your site is.

The technology: 'sports platforms' vs other platforms

Platforms are the software on which your website runs. There are a number of platforms aimed at sports that allow them to consolidate membership, content management, and events systems. They are usually less costly upfront, and can be quickly rolled out.

On the other hand, use of sports platforms may invite vendor lock-in, can be technically limited, and sometimes incur high ongoing licensing and other costs.

Sports should consider options from other vendors, as well as the sports platforms. Open source software and cloud-based services are attractive options.

Social media

The rise of social media brings huge opportunities and challenges for all those associated with sport and recreation – including clubs, participants, fans and administrators. Social media also brings new risks that must be managed. In starting to think about when and how to use the wide array of social media tools that are available, you have taken the first step on a complex journey.

The following is taken from the Sport New Zealand Social Media Plan, available in the online resources.

STEP 1

Analysis. Clearly identify and understand the environment in which you are operating. Start off with a simple SWOT analysis to review your internal Strengths and Weaknesses and external environment (Opportunities and Threats).

STEP 2

Appraise your audience. Define and understand your audience groups. You need to know what they are looking for.

STEP 3

Assess your resources. Who will manage social media may be an easy question if your organisation is small. For larger bodies, responsibility will often fall to the marketing and communications team.

STEP 4

Define your objectives. Social media activities must support your overall business objectives. Check your strategic plan and work out which of your organisational objectives can benefit from increased awareness, engagement or promotion.

STEP 5

Evaluate your options. Even if you never post a single comment, social media tools can still be useful in monitoring and listening to conversations and comments about your organisation and your sport.

STEP 6

Make a plan. Understand the general types of social media platforms and select those that will best help you reach your objectives.

STEP 7

Implementation. Start thinking about implementing your social media plan.

STEP 8

Watch and learn. Develop an evaluation method. Prepare in advance what you will measure, how often, and with what tools.

STEP 9

Refine and improve. Spend a large part of your social media time listening to your audience, tracking metrics, and learning.

Facilities plan

A PLAN FOR FACILITIES RELATED TO A SPECIFIC SPORT SHOULD:

- not just be about new facilities but about the best use of all facilities;
- reflect trends in participation and the evolving forms of your sport;
- be realistic and recognise the network of facilities that are required to meet the needs of the sport;
- be developed in partnership with others and provide clear evidence of need; and
- have non-facility based solutions.

PURPOSE OF THE PLAN

A facilities plan describes the current infrastructure that allows the sport to occur and then determines the desired future state. The gap between the current situation and what is desired forms the basis for the plan.

Funders and investors want to see how applications for new facility development fit with the desired state of the sport. Facilities plans will describe this future. These are as important for regional organisations as they are for national ones. They list the network of facilities that exist or are desired at national, regional and local level and across the codes.

Regional plans are often a collaborative project with input from the local authorities, regional sports trusts, and regional sports organisations, among others.

CORE ELEMENTS

Provide an overview of the strategy's purpose, objectives and scope

It is important to understand why a strategy is required before starting the process. There may be a specific problem that needs to be fixed – perhaps a lack of suitable venues, outdated venues, participation growth, or changes that require a change in the shape of the network.

Achieving the correct scope is vital. A facilities plan at the national level is unlikely to be able to capture

every available facility for a sport (unless it is highly specialised, and even then the inventory may miss informal places).

Provide an overview of the specific NSO and sport

Explain the specifics of the sport, so that investors and planners understand the outcomes the sport is attempting to achieve. This should be evidence based, including good quality participation data, and be clearly linked to the sport's strategy documentation. The sport needs to understand the economic and social value it brings to an area in order for investors to determine their return on an investment made.

Compile an inventory of the existing facilities within the sport

An inventory, while often difficult to compile, is a very effective way to describe the current shape of the network. Facilities should be listed and visually mapped to clearly illustrate whether the current stock is meeting participants' needs and whether it will be able to service those of future participants. (For example, theoretically there are enough aquatic centres in New Zealand to meet total demand, but their distribution means that particular groups of swimmers cannot readily access them: there is an over-supply of pools in the South Island and an under-supply in the top half of the North Island.)

Provide an evidence-based assessment of future facility needs

With an understanding of the desired future state comes an understanding of the needs, as opposed to the wants, of future participants. A plan allows an organisation to articulate the needs of future users of their facilities. What demographic changes will impact on participation, and what are the general participation trends? Without solid evidence, funders will find it difficult to make decisions about the need for new investment.

Analyse the 'gap' between current facilities and current and future needs

The gathered evidence will reveal a range of scenarios. It may show that there are:

- enough quality facilities already available (unlikely, as you would not undertake the planning work in the first place unless you thought there was a need);
- enough facilities, but they're in the wrong place;

- enough facilities now, but they are ageing and need upgrading or retrofitting;
- enough facilities, but they are misallocated (for example, there are insufficient regional facilities but too many community facilities);
- insufficient facilities and the network needs to be expanded; and
- more than enough facilities, and there may need to be a rationalisation of the network, for example, if a sport is undergoing long-term decreased participation.

A facilities strategy needs to aim higher than merely providing solutions for an identified problem. There may be more cost-effective, non-facility, solutions that would address under-supply or other scenarios. A programming or timetabling change can help with capacity issues without the need for further investment. Extending playable hours by using artificial elements such as lights or turf is another solution. It is important to explore all options in the needs assessment phase of any facility development.

Provide a prioritised list of recommendations for the development of facilities to meet current and future needs

Recommendations can offer facility or non-facility scenarios. Often, they will be a mix of both. It is good practice to break down the recommendations so that investors clearly understand your organisation’s long-term approach. Such a strategy aids buy-in. Entering the next funding round with a bundle of unrealistic expectations does not.

Provide a summary of how your key facility recommendations align with the process and intent of the relevant territorial authorities’ Long Term Plans (LTP)

Many sports facilities rely on local government support, and council planning processes can be daunting for the uninitiated. Ensure that council officers/politicians are engaged in the whole strategy/plan development process, and that you actively seek their advice. For example, it is critical that the timeframes in your strategy are aligned with council planning cycles.

Your strategy will enable territorial authorities to:

- be aware of the facility needs of your specific sport during the LTP process;

- match the sport’s needs against their strategic, social and demographic drivers and the needs of other sports, to get an overall picture of regional facility needs; and
- ensure new facilities and upgrades to existing facilities comply with any specific requirements corresponding to the facility purpose and use.

COMMON MISTAKES

- a poor requirements brief, and therefore unclear expectations;
- lack of quality data to support decisions;
- a scope that is too broad or too narrow, and therefore not an effective tool for solving the problem. The strategy needs to clearly articulate what part or parts of the network it is addressing and, as importantly, what it is excluding;
- not consulting with the right people; and
- not having a clear project structure, which includes an agreed process for milestone sign-offs.

LINKS TO OTHER PLANS

There is a clear link between the facility plan and an organisation’s strategic plan, and particularly the community sport and high performance plans. Most sports rely on facilities, spaces and places to participate. The infrastructure required is often taken for granted, since it is likely to be funded and/or managed by third parties. Sports need to embed the importance of having quality facilities, places and spaces that enable quality experiences.



Knowledge management plan

PURPOSE OF THE PLAN

Sports sector organisations are increasingly moving from the business of direct delivery to working with and influencing others. This may be by augmenting the capability of delivery partners or influencing resource holders on behalf of their constituencies. In both cases, the considered use of the right information at the right time is necessary.

“Technology is so much fun but we can drown in our technology. The fog of information can drive out knowledge.”

– Daniel J. Boorstin

Knowledge management (KM) combines tools, processes and behaviours for gathering, using and exploiting the relevant information. It should help

people to recognise what is useful amid the ocean of information on offer, and to determine how to collect and make this information useable and accessible for others.

Knowledge management is a people-focused activity. A good plan will translate into performance elements in staff plans and suggest ways management can model and encourage the desired behaviours. This will be supplemented by specific initiatives that aim to improve systems and processes to make knowledge management easier.

The knowledge management plan is a tactical one that acts as an enabler for higher-level strategic goals. The organisation’s strategy will recognise the use of knowledge as one of the ways it will achieve its stated outcomes.

CHALLENGES

The typical challenges that a knowledge management plan will target are below.

TYPE	CHALLENGES
Gathering	<ul style="list-style-type: none"> ▪ Overload. Feeling overwhelmed by the quantity of information collected ▪ Breadth. The breadth and variety of information encountered can make knowledge sharing challenging between staff from different teams ▪ Lost in plain sight. Staff are sitting on ‘gems of information’ that few people know about ▪ Accuracy and completeness. Difficulties collecting information and ensuring its accuracy due to poor systems or skills, or both
Analysing	<ul style="list-style-type: none"> ▪ Where to start? We’ve collected lots of information but we’re not sure what to do with it ▪ Analysis time/skills. We don’t have time to filter information that isn’t relevant so it just sits there and increases ▪ System gridlock. We are not able to access the information we have because it is held in different systems
Influencing	<ul style="list-style-type: none"> ▪ How to make a difference? Lack of knowledge about the ways value can be showcased to enablers and providers ▪ Get beyond the gatekeepers. The delivery of information is blocked by ‘knowledge gatekeepers’ – people who restrict the flow of information to others ▪ Credibility. How do we get enablers and providers to view us as: ‘a respected professional organisation...a place where people can go to for the answer...a reliable organisation’
Reporting	<ul style="list-style-type: none"> ▪ Paperwork overload. Staff are frustrated by the laborious process of delivering multiple individualised reports on a single project for different stakeholders ▪ Value added? Uncertainty about whether or not the delivery of information adds value to enablers and providers

Specific initiatives can be designed around those challenges that are causing the most difficulty. It is better to target a smaller number of initiatives and execute these well than to tackle a larger number poorly.

CORE ELEMENTS OF A KNOWLEDGE PLAN

A knowledge plan can be as complex or simple as you want. It may just be a small part of a communications or stakeholder plan or a more detailed document. As regional sports trusts evolve their role to become a regional enabler and influencer, a more thorough document may be warranted.

UNDERSTANDING WHAT INFORMATION IS NEEDED

There is a sea of information out there, a lot of it irrelevant. You should have a clear idea of what is required for reporting, influencing, analysis, decision making, and so on. This will develop from your communications and/or stakeholder planning. Some of it will be needed to keep the board and management informed through the cycle of planning as outlined in this resource.

KNOWLEDGE MANAGEMENT ACTIONS

Gathering information

You need to understand where the sources of information are: reports, public sources, meetings, conversations, observations, research. You may need certain information but not have the resources to acquire it. If you can't access this by working with others, and it is essential to the business, then you need to consider building a business case to justify the investment.

Analysing

This involves focusing on the right information, adding meaning to it, and presenting it in a way that adds value for those who will be using the information.

Influencing

Actions, such as facilitating, advocating, connecting, and delivering information, influence behaviour and decision making among stakeholders.

Reporting

It is important to provide clear and accurate reports that demonstrate the value being added by your organisation.

MEASUREMENT

If you place value on the collection and use of information, then some simple measures are needed. Internally, they will be around visibility of the knowledge management aspects of staff roles and the extent to which they understand them and are encouraged to work in those areas. Internally, you want to understand whether people have the necessary information to do a great job. Are the in-house systems and tools providing adequate support? Externally, do your reports provide the information required by stakeholders? Does the information allow others to make better decisions or enhance their performance? These questions need not be complex and can be included in other staff or stakeholder surveys.

INTERNAL MEASURES	
Recognition	To what extent are personnel at all levels encouraged to pursue the knowledge management aspects of their job?
Information needs	To what extent do staff have the information they need to do a great job?
Systems and tools	How well do internal systems and tools support knowledge management?

EXTERNAL MEASURES FOR RESOURCE HOLDERS	
Accountability	How well do we provide information that demonstrates clearly what has been achieved for a particular contract?
Quality information	How well do we provide quality information that helps your organisation do its job, for example, trend data, innovation, value of sports, good news, and so on?

MEASURES FOR PROVIDERS

Quality information

How well do we provide quality information that helps your organisation do its job, for example, information that helps you run better, achieve higher participation levels, and so on?

Required competencies and behaviours should reinforce the gathering and sharing of information. You will need to understand stakeholders' requirements and actively work on those relationships. Equally, senior management should both model and reward expected behaviours.

A fuller description of KM competencies and behaviours that might be found in a position description is in the online resources.

TACTICS

A wide range of possible tactics, tools and systems exists in the KM world. We suggest you focus at first on a small number to get things started. They will be grouped into four areas.

- **Connecting:** How you connect with others externally (both ways)
- **Internal:** How you encourage and enable KM behaviour internally
- **Plans:** Do you have a plan for key stakeholders or sports? Is the priority information clear?
- **Tools and models:** Information storage and retrieval, and any logic or planning models you may use

PEOPLE AND LEADERSHIP

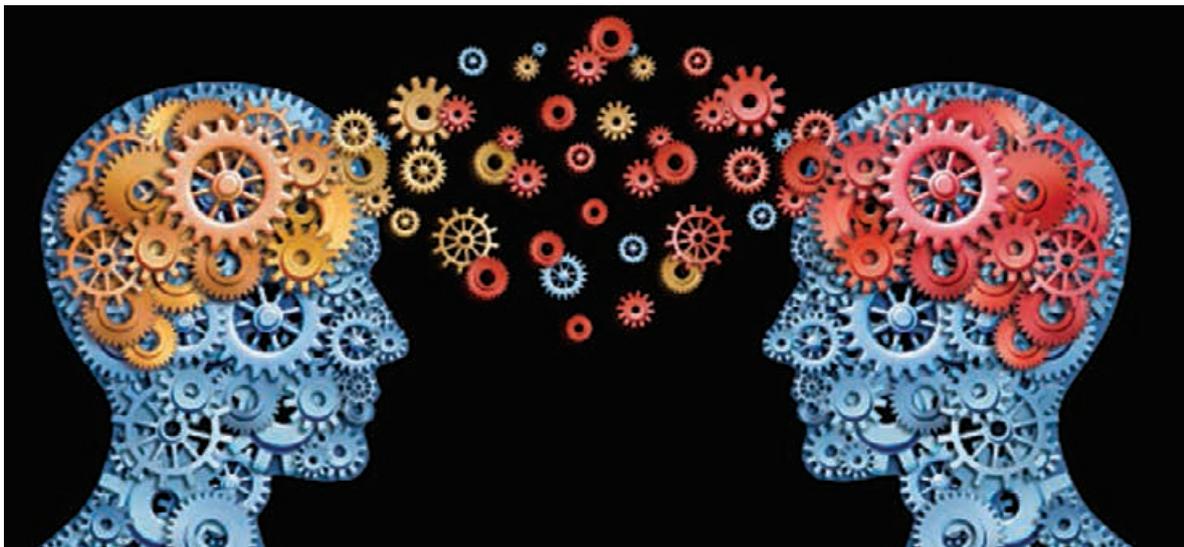
If you are serious about KM as a core part of your business, this will be reflected in leadership behaviours and embedded in the staff performance framework.

GETTING BUY-IN

An organisational commitment to knowledge management begins with the board. Board members need to understand the purpose of focusing on KM and why resource and time are being applied to it. For them, the value being added to external stakeholders will be the key measure. Internally a more considered approach is likely to be building on things that already happen informally. Staff will need to be guided through the reasons, be involved in creating a plan, and understand how this will be measured both externally and internally. As with the board, adding provable value to stakeholders is a strong imperative.

LINKS TO OTHER PLANS

Knowledge management is a tool to achieve strategic outcomes and so sits at the tactical level in the overall plan. It may be part of, or certainly have strong connection to, a stakeholder or communications plan, essentially providing the 'what' and 'how' around the information needed to inform and influence both internally and externally.



Workforce plan

In 2013, Sport NZ, Skills Active, and the New Zealand Recreation Association began a collaboration to develop a Workforce Planning Framework (the Framework) for the sport and recreation sector.

The Framework will help sector organisations to plan for, develop and sustain a vibrant and skilled workforce (both paid and volunteer) to meet the current and future demands of the sector. It will clarify the roles agencies and organisations can play at national, regional and local/club level to successfully maintain a capable paid and volunteer workforce with the right skills to deliver sport and recreation in New Zealand.

BACKGROUND TO WORKFORCE PLANNING

In 2012, BERL Economics conducted a study into the sector's paid workforce, culminating in its 2013 report *Sport and Recreation Sector Workforce to 2026* (available in the online resources).

In the report, BERL observes: "The overriding influence facing sectors in their development of a workforce for the coming decades (and beyond) remains intense competition for labour with the necessary capabilities and competencies." While the BERL study focuses on the sector's paid workforce, it recommends understanding the role of the volunteer workforce and its relationship to the paid workforce.

LINKS TO OTHER PLANS

There is a clear link between an organisation's strategic and business (operational) plans and its workforce planning activities. All sports rely on people for the delivery of services and sporting and recreational experiences. Developing capability, whether paid or voluntary, is a strategic issue for most organisations. An organisation's workforce planning tactics should feature in its business or operational plan.

A significant focus of workforce planning is managing hard-to-fill and critical roles. For a sport organisation, these include coaches and others involved in delivering high performance programmes. It is also likely that a number of voluntary roles will fall into the hard-to-fill or critical role categories. A workforce plan should be linked to an organisation's high performance, coaching and volunteer strategies, and operational plans.

Resources

Links to the following resources are listed at www.sportnz.org.nz/planning

Sport New Zealand resources

Strategic and business plan templates

Financial policies and procedures

Good practice principles for young persons' sport

Sport New Zealand Social Media Plan

Knowledge management guide; prepared as part of a pilot scheme for regional sports trusts

Report on knowledge findings among the regional sport trusts 2011

Good practice in the sector

Whole of sport plan; Hockey New Zealand

Community sport plan; Tennis New Zealand

Coach education framework; Gymsports New Zealand

Coaching strategy; Tennis New Zealand

Coach development strategy; New Zealand Rugby Union

High Performance strategy; Triathlon New Zealand

Facilities plan; Hockey New Zealand

Knowledge management

Knowledge Jolt with Jack

Practical insights as Jack Vinson grapples with how to implement KM in the organisations he works with.

American Productivity & Quality Center

A member-based non-profit and one of the world's leading proponents of business benchmarking, best practices, and knowledge management research. Somewhat academic, but it provides useful tools and white papers.

Information and Research Sources

Links to the following resources are listed at www.sportnz.org.nz/planning

Sport New Zealand resources

SPORT AND RECREATION KNOWLEDGE LIBRARY

The Knowledge Library is an online repository of New Zealand-based sport and recreation research ideas and research projects – underway and completed. It is for all those working or interested in sport and recreation: practitioners, researchers, students and the public. You can just browse the site, or become a registered user, which allows you to add your own research entries and to get regular email updates about new information on the site. Note that all Sport NZ research is being placed on the Knowledge Library website (rather than the parent Sport NZ website), so check the Knowledge Library if looking for Sport NZ-generated research.

Free to subscribers.

CLEARINGHOUSE FOR SPORT

The Trans-Tasman *Knowledge Exchange Portal* allows all New Zealand sport and recreation organisations to register as New Zealand members on the New Zealand home page (click on the International Knowledge Exchange link on the Clearinghouse home page). Joining the Clearinghouse gives sector organisations access to:

- knowledge portals; and
- regular electronic news/research updates.

Eligible partner organisations of Sport New Zealand get access to further resources, including:

- SPORTDiscuss – an online academic database of journals and articles, MEDLINE, the Psychology & Behavioral Sciences Collection, and the Australian and New Zealand Reference Centre; and
- the Catalogue of Australian Sports Sector Libraries and related services including requesting articles, document delivery, and interloans.

See the *Client Service Model*, which advises who is eligible to access what on the Clearinghouse.

You can enrol as a member online. Fees may apply for some services, such as document delivery and interloans.

SPORT AND RECREATION CASE STUDY TOOLKIT

A self-help toolkit to help clubs, groups, facilities, event organisers and more to record, report and understand the value to members, participants, the community and stakeholders.

SPORT NEW ZEALAND RELAY

This free service provides topical information and research in the sport and active recreation sector. Emailed to subscribers monthly.

NEW ZEALAND COACH

New Zealand Coach is a monthly online magazine produced by Sport New Zealand. All articles and links from current and previous magazines are available on the website.

ACTIVE NEW ZEALAND SURVEY

National survey of sport and recreation participation and volunteering among adults in New Zealand (16 years and over).

The survey was conducted several times between 1997/98 and 2007/08 and is being conducted again in 2013/14. Information about the 2013/14 survey is on Sport New Zealand's website.

Results, sport and recreation profiles and regional profiles are available from surveys conducted between 1997/98 and 2007/08. Data from the Active NZ surveys is made available on request through data access agreements.

Free to approved applicants for non-commercial purposes.

YOUNG PEOPLE'S SURVEY (2011)

17,000+ students (5- to 18-year-olds) were asked about their sport and recreation activities.

An initial report – *Sport and Recreation in the Lives of Young New Zealanders* – describes the main findings for boys and girls of different ages and ethnic backgrounds. An infographic provides an at-a-glance summary of results.

In collaboration with Auckland Council, the survey was extended to include over 8,000 students in Auckland. The results are reported in *Sport and Recreation in the Lives of Young Aucklanders*.

Other publications will be posted as they are released.

IN FACT RESEARCH SUMMARY SERIES

Sport New Zealand commissions research to meet its information needs and those of the sport and recreation sector. Reports are published on the website and Fact Sheets summarising results from key projects are published regularly.

Contact

Inquiries related to Sport New Zealand research:
+64 4 472 8058 (ask for the Research team)

General information sources

MCKINSEY & COMPANY

This company publishes an online *McKinsey Quarterly*, which focuses on the latest thinking about planning and governance issues. See, for example, the article 'Making great decisions'.

GOOGLE SCHOLAR

Google Scholar provides a simple way to search broadly for scholarly literature. From one place, you can search across many disciplines and sources: peer-reviewed papers, theses, books, abstracts and articles, from academic publishers, professional societies, pre-print repositories, universities and other scholarly organisations.

SOCIAL SCIENCE RESEARCH NETWORK

The SSRN eLibrary consists of two parts: an Abstract Database containing abstracts on over 490,600 scholarly working papers and forthcoming papers, and an Electronic Paper Collection currently containing over 399,400 downloadable full text documents in Adobe Acrobat PDF format. The eLibrary also includes the research papers of a number of fee-based partner publications.

Economics and statistics

BERL FORECASTS

The BERL Forecasts provide an assessment of the New Zealand economy and prospects for the next three years. The Forecasts are produced quarterly.

INFOMETRICS

Various forecasts on the New Zealand economy, including some regular free information.

NEW ZEALAND INSTITUTE OF ECONOMIC RESEARCH

A range of reports on New Zealand including some freely available material.

STATISTICS NZ

A wide range of statistical and survey data about New Zealand.

Glossary

Balanced scorecard: A broad-based performance measurement that complements financial information with other operational measures encompassing lead indicators of key aspects of the organisation's vision and performance. The scorecard and its variants typically build from the perspectives described by Kaplan and Norton in the *Harvard Business Review* and subsequent books.

Business as usual: Core operational business tasks of the organisation, not including tasks directed at bringing about change.

Business plan: An action plan, typically with an annual timeframe, for managing implementation of initiatives. Also referred to as the 'operational plan'.

Deliverable: Something in the operational plan to be delivered in a certain form and on a certain date, for example, a seminar, a resource, a coaching DVD.

Initiatives: Broader actions or programmes designed to progress achievement of strategic outcome/s.

Key performance indicators (KPIs): Performance measures selected to assess the progress of initiatives, measuring items that the organisation can be accountable for. These can exist at any level of strategy and plans.

Key Result Area: An area of business seen as essential to the plan's achievement, such as stakeholder relationships.

Key strategic challenges: Factors in the external or internal environment that are most likely to impact on the overall purpose of the organisation.

Key success factors: Factors that indicate successful progress towards the achievement of outcomes. They may be in areas that the organisation is not wholly accountable for. Often known as 'critical success factors'.

Mission statement: A description of the organisation's purpose, its reason for being.

Monitoring: The collecting of information to measure progress and performance against agreed performance measures.

Planning: The process of determining what should be achieved and how to achieve it.

Purpose: The organisation's primary reason for being (sometimes called a 'mission statement').

Strategy: Generated by the overall process outlined in this document, the strategy is a coherent pattern of higher-level initiatives designed to achieve the targeted strategic outcomes.

Strategic direction: Synonymous with overall strategy.

Strategic outcomes: An 'ends' statement or desired result specifying the impact the organisation is striving to achieve. Often just called 'outcomes'.

Strategic plan: Communicates the strategy in written form.

Tactic: An action or 'mini-initiative', generally at the operational level.

Values: Core beliefs and principles that are intended to inspire effort and guide behaviour.

Vision statement: An aspirational statement generally describing a desirable future state within the organisation's target community.

Sport New Zealand acknowledges the contributions of the following people in updating this resource:

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