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## Breakthrough Planning in an Era of Scarcity

By Jay W. Vogt



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After making a series of incremental cuts, if your nonprofit still cannot whittle expenses into line with revenues, then it's time to put everything on the table and engage in breakthrough planning that considers radical new ways of restructuring to accomplish your mission.

Breakthrough planning in an era of scarcity means starting with your mission, your resources, and a blank slate, and engaging your people in rethinking how you do what you do, perhaps to be even better, but at the very least to survive so you can live to grow again another day.

Before getting to this point, the first course of action for nearly every client of mine is to consider incremental cuts. Shave 10% here, delay that initiative there. Try not to compromise the mission. As one school superintendent said, "We cut so as to minimize the effect on learning in classrooms."

What happens when that is not enough? Many executive directors are saying, "We made cuts entering this budget year. Then we made mid-year cuts to make budget. Now we are looking at next year being even worse." Some are even saying, "Next year we fall off a cliff."

Richard Pattenaude, chancellor of the University of Maine, told *The Boston Globe* last January, "Incremental cost-cutting won't bring expenses into line with revenues in the coming years." What's needed is "major transformative change," including "taking another look at the structure of the seven-university system.... We have no choice."

With the optimism of many great leaders, one executive counsels, "Never waste a good crisis." She sees how the extraordinary drivers in the current economy are demanding more efficiency, resiliency, and creativity in her organization, all of which are good things.

Another executive posed this challenge to her senior people: "Think big, be creative, get out of the box. But assume the basic laws of gravity and nature will not go away. Start with a blank slate to ensure you don't limit your imaginations and creativity. No time machines or jet packs, but don't be hemmed in by the past either.

"Please try not to drown in the current realities, current people, or current operations. Imagine you can create a very new, different way of operating in the future to get to the finish line."

These conversations can be hard and scary. When everything is on the table, so are people's jobs. Another superintendent posed these ground rules for the conversation: "Our process should be inclusive, transparent, respectful – leave the personalities out, and be child-centered and data-driven."

Chancellor Pattenaude initiated an inclusive six-month process led by a 12-member task force, but most organizations don't have that kind of time. Many of my clients have as little as a day or so. We assemble the senior leaders or key stakeholders and start by reviewing the need for change.

These conversations can be so tough that it is essential to state the hard facts that are driving change. Next we reconnect emotionally with the organization's mission, values, and other guiding

ideas. On these things we will be rigid; on everything else we are flexible.

Then we lay out the blank slate challenge: given this mission and these resources, if we were starting today, how would we organize ourselves? Breaking a larger group into smaller groups for no-holds-barred brainstorming helps. When the groups report back, we map the common themes, and the outrageous outliers. People never fail to amaze with their creativity and humility in conceiving ways to restructure their work to continually, or even better serve, their mission, though it may cost them tough changes.

*Jay W. Vogt is president of Peoplesworth and author of Recharge Your Team: The Grounded Visioning Approach by Praeger. He can be reached at [jay@peoplesworth.com](mailto:jay@peoplesworth.com)*

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