***Annual Plan Template and Tips***

***Disclaimer****: This document is not intended as legal advice. Your organizational goals, purpose, bylaws, and values should drive the creation of this document*

It is the board’s job to set the strategic direction of the organization. They do that best in concert with the CEO/executive director/tribal administrator (assuming the organization has staff). Other staff and stakeholders can also be deeply engaged. Ultimately, the plan should be board approved.

Keeping the whole team on track and focused requires a plan. When everything seems possible, often little is achieved. Ideally, an annual plan builds from an existing strategic plan and prioritizes the next steps toward larger goals. However, if no strategic plan exists, an annual plan can still offer great value in motivating and engaging the team to move mission forward. Importantly, annual plans and strategic plans start with rooting the organization in what is core and offers a section on Core Purpose and Core Values. Many organizations also include their mission statement, and some include their operating principles.

Part two of any plan is the goals. In annual and strategic planning, the group should prioritize goals that are not “business as usual,” meaning that any goal in the plan is focused on what will be different as a result of achieving the goal. Consider what goals will push the team to work at a deeper level, or move more efficiently, or partner differently, or something that needs to get started or to end. In strategic planning, the goals are prioritized in longer time frames of 10+ years and then 3-5 years for short-term goals. In annual plans, the timeframe is often set for the next 12-18 months and preferably aligned to the annual budget.

The format for the goals section is based on preference. The main difference between annual goals and strategic goals is that with annual goals often more specific information is available. In the first example below, the emphasis is placed on the goal itself. In the second example, the emphasis is placed on the mechanism to achieve the goal.

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**The Annual Plan – Part 1**

**Mission: xxx**

**Core Purpose:** *(What business are you in)* **xxx**

**Core Values:** *(Our DNA, who we are regardless of what we do, in every space, our team, our decisions, etc.)*

* **xxxxx**
* **xxxxx**

**Operating Principles** *(in addition to core values that are woven through every decision – operating principles define how we do our external work)*

* **xxxxx**
* **xxxxx**

**Vision: xxx**

**Envisioned Future/Long-Term goal: xxx**

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**The Annual Plan – Part 2**

***Annual Priorities (date) – Option 1***

**Goal 1:** *Often written with SMART language (Specific, Measurable, Achievable, Realistic, Timebound)*

Example: Create more financial stability by diversifying into charitable sources, increasing our total dollars raised by 7% in 12 months.

* Objective 1
  + Action step 1
* Objective 2
  + Action step 1

**Goal 2: xxx**

* Objective 1
  + Action step 1

**The Annual Plan – Part 2  
*Annual Priorities (date) – Option 2***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Category/Goal/Outcome** | **Objectives/Action Steps** | **Champion/Lead** | **Support** | **Complete by** |
| 1. Grow and stabilize our board to the full complement in 6 months. | * Write/adopt board succession and officer succession plans * Write a board succession plan to document a clear path to recruit, place, and orient new board members   + Define and provide consistent onboarding training for the board   + Include in the matrix our commitment to diversity   + Update job description for board, committees, officers | Activate board development committee | Full board, ED |  |
|  |  |  |  |  |

**Add columns as helpful to move your goals forward including:**

* Funds needed or budgeted amount
* Ties to strategic goal

**Final Tips**

Annual plans are a catalyst for team engagement. Once complete, you can use them to:

* Communicate externally and internally – keep the message consistent
* Inform job descriptions, hiring, and engagement of staff and volunteers
* Support board recruitment and retention
* Develop your messaging to donors in your fundraising efforts
* Say yes/no to ideas generated by the board and staff
* Budget around the immediate goals
* Create tactical plans that tie to the annual and strategic plans
  + Communication plan
  + Fundraising plan
  + IT plan

Remember to take the annual and strategic plans to every meeting and use them to drive your decisions. Together they are your North Star to help you steer in the right direction.

Since annual plans differ from business as usual and no one can see the future, be prepared for two things to happen:

1. Eventually, some ideas will fall away because they no longer become necessary, and some will not have enough engagement and momentum to move forward.
2. Once you accomplish the needed goals in the annual plan, then the team can go back to the strategic plan and pick which goals to tackle next.

What matters most is that your organization is ultimately moving toward the envisioned future with the intention of the long-term and short-term ideas to back up your decisions.