

STRATEGIC PLANNING

FOR PUBLIC AND **FIFTH EDITION**
NONPROFIT ORGANIZATIONS

A Guide to Strengthening and Sustaining
Organizational Achievement

JOHN M.
BRYSON

WILEY

THE REVISED AND UPDATED ESSENTIAL PLANNING RESOURCE AND FRAMEWORK FOR PUBLIC AND NONPROFIT LEADERS

Now in its fifth edition, *Strategic Planning for Public and Nonprofit Organizations* is the time-tested, practical guide to building and sustaining a more effective organization. Comprehensive in scope and written by John Bryson, the field's leading authority, this important text addresses the challenges facing today's leaders and managers of public and nonprofit organizations.

Strategic Planning for Public and Nonprofit Organizations offers guidance on responding to the increasingly uncertain and interconnected environments in which organizations operate and includes information for addressing new public expectations or formal mandates, demographic and technology changes, dwindling or unpredictable resources, and much more. Bryson also covers such important topics as defining an organizations' mission, creating greater and more enduring public value, and offers information on formulating desirable strategies and implementing them effectively.

The book explores John Bryson's proven strategic planning approach and clearly shows how strategic planning can improve performance. *Strategic Planning for Public and Nonprofit Organizations* offers leaders, managers, and students a detailed guide for designing and implementing the process, and contains targeted tools and techniques to make the process work. The revised fifth edition is filled with new cases and illustrative examples, updated resources, and fresh multi-media content in the accompanying instructor materials.

Great strategic planning can help build efficiency, effectiveness, and other important values into any organization's overall approaches and everyday operations. *Strategic Planning for Public and Nonprofit Organizations* provides the framework and tools needed to start planning for tomorrow today.

JOHN M. BRYSON is McKnight Presidential Professor of Planning and Public Affairs in the Hubert H. Humphrey School of Public Affairs, University of Minnesota, Twin Cities.

Cover Design: Wiley
Cover Image: © Ivanastar/Getty Images

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Also available
as an e-book

ISBN 978-1-119-07160-0



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Published by John Wiley & Sons, Inc., Hoboken, New Jersey
Published simultaneously in Canada

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Library of Congress Cataloging-in-Publication Data

Names: Bryson, John M. (John Moore), 1947- author.
Title: Strategic planning for public and nonprofit organizations: a guide to strengthening and sustaining organizational achievement / John M. Bryson.
Description: Fifth edition. | Hoboken, NJ: Wiley, 2017. | Series: Bryson on strategic planning | Revised edition of the author's Strategic planning for public and nonprofit organizations, c2001. | Includes bibliographical references and index. |
Identifiers: LCCN 2017040594 (print) | LCCN 2017040996 (ebook) | ISBN 9781119071792 (pdf) | ISBN 9781119071617 (epub) | ISBN 9781119071600 (hardback)
Subjects: LCSH: Strategic planning. | Nonprofit organizations—Management. | Public administration. | BISAC: BUSINESS & ECONOMICS / Nonprofit Organizations & Charities.
Classification: LCC HD30.28 (ebook) | LCC HD30.28 .B79 2017 (print) | DDC 658.4/012—dc23
LC record available at <https://lcn.loc.gov/2017040594>

Cover Design: Wiley

Cover Image: © Ivanastar/Getty Images

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

"Leading and managing public-serving organizations in complex environments is a distinct form of professional practice, and strategic planning is one of its key aspects. Bryson has thought through this issue from every angle, so the fortunate reader of the latest edition of this landmark book can readily deliberate about how best to apply their own intelligence to leading and managing public service organizations in the here and now, wherever and whenever that may be."

Michael Barzelay

Professor

London School of Economics and Political Science (LSE)

"Nobody captures the processes, insights, and strategies for strategic management like John Bryson does. He has produced another tour de force with the fifth edition of *Strategic Planning for Public and Nonprofit Organizations*."

Frances S. Berry

Reubin O'D. Askew Eminent Scholar and Frank Sherwood Professor of Public Administration

Askew School of Public Administration and Policy

Florida State University

"The new fifth edition gives us a new best-book-in-the-world on strategic planning for public and nonprofit organizations. Bryson does a masterful job of integrating intellectual insight and practical knowledge, showing conclusively that good theory can be *very* practical."

Barry Bozeman

Arizona Centennial Professor of Science and Technology Policy and Public Management

Director of the Center for Organization Research and Design

Arizona State University

"Public and nonprofit leaders are facing significant and unprecedented challenges today. Navigating these challenges and creating innovation in a complex world without a roadmap and guideposts is impossible. Once again John Bryson, in his latest edition of *Strategic Planning for Public and Nonprofit Organizations*, provides a clear framework for creating sustainable change in a complex world. This book is a must-read for leaders and managers to effectively create strategies for transformative change."

Gary Cunningham

President and CEO of the Metropolitan Economic Development Association

Minneapolis, MN

"In a time of great uncertainty for public organizations, strategic management is a must to survive. Bryson's new book shows the way forward and how to manage it. A must-read for practitioners and students alike, which treats the whole strategic planning and management process and activities in depth."

Erik Hans Klijn

Professor

Department of Public Administration and Sociology

Erasmus University

Rotterdam, The Netherlands

President

International Research Society for Public Management

"There has never been more pressure on public and nonprofit leaders to demonstrate their value to the world. Strategic planning is a key means to do so, but too often it becomes a make-work exercise in practice. To avoid that trap, read this book. John Bryson is the undisputed master of how to make strategic planning work in the public and nonprofit sectors, and this book is the bible on the topic."

Donald Moynihan

Professor and Director

La Follette School of Public Affairs

University of Wisconsin-Madison

"Anyone working in complex systems and facing dynamic change should grab this book to help you think, prepare, and act. For the novice, it provides an invaluable foundation for approaching strategy development and execution. For the experienced leader, this resource offers fresh tools and insights on applications that can energize your efforts within and across organizations."

Laurie Ohmann

Senior Vice President of Client Services & Community Partnerships

Catholic Charities of St. Paul and Minneapolis, MN

"John Bryson's *Strategic Planning for Public and Nonprofit Organizations* is THE book I always recommend to practitioners and academics alike. There is no better book on planning on the market today."

Rosemary O'Leary

Edwin O. Stene Distinguished Professor

Director, School of Public Affairs

University of Kansas

President

Public Management Research Association

“Bryson’s work has benefited innumerable practitioners and students in the US and well beyond it. Now this fifth edition even further ties together strategic planning with strategic thinking, acting, and learning. The book thus completes an impressive intellectual trajectory across the field of the strategic management of public services organizations.”

Edoardo Ongaro

Professor of Public Management

The Open University

United Kingdom

President

European Group for Public Administration (EGPA)

“John Bryson is the doyen of strategic planning for public services. This fifth edition of his book is essential and required reading for all students and practitioners.”

Stephen Osborne

Chair of International Public Management

University of Edinburgh

Editor

Public Management Review

“This new edition is a great resource for practitioners, scholars, and students learning the art and science of strategic planning as a basis for strategic management. It operationalizes practical guidance, showing how strategic thinking, acting, learning, and deliberation have to be designed and integrated into the strategic planning process.”

David M. Van Slyke

Dean and Louis A. Bantle Chair in Business and Government Policy

The Maxwell School of Citizenship and Public Affairs

Syracuse University

“The new edition of this most authoritative book on public and nonprofit strategic management responds effectively to the changing environment of our time, incorporating more content on governance, collaboration, deliberation, sustainability, and public value creation. Beautifully written, theoretically sound, and practically useful, it is a must-read for scholars, practitioners, and students who want to keep abreast of the field.”

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This book is dedicated to all of my students over the past 40-plus years, all the organizations with whom I have been privileged to work, and the people who have been kind enough to read and comment on this book in its several editions. I owe you all a deep debt of gratitude—not least for all that I have learned from you.



PREFACE

This book addresses a number of important questions facing the leaders and managers of public and nonprofit organizations as they cope with the challenges that confront their organizations, now and in the years ahead. How should they respond to the increasingly uncertain and interconnected environments in which their organizations operate? How should they respond to dwindling or unpredictable resources; new public expectations or formal mandates; demographic changes; technology changes; deregulation or reregulation; upheavals in international, national, state, and local economies and politics; and new roles for public, nonprofit, and business organizations, including calls for them to collaborate more often? What should their organizations' missions be? How can they create greater and more enduring public value? How can they formulate desirable strategies and implement them effectively? These are the questions this book addresses.

SCOPE

Strategic Planning for Public and Nonprofit Organizations is based on two premises. The first is that *leaders and managers of public and nonprofit organizations must be effective strategists* if their organizations are to fulfill their missions, meet their mandates, satisfy their constituents, and create public value. These leaders and managers need to exercise as much discretion as possible in the areas under their control.

They need to develop effective strategies to cope with changed and changing circumstances, and they need to develop a coherent and defensible basis for their decisions. They also need to build the capacity—the resilience—of their organizations to respond to significant challenges in the future.

The second premise is that *leaders and managers are most likely to discern the way forward via a reasonably disciplined process of deliberation with others when the situations faced require more than technical fixes*. To succeed, deliberative processes also need institutional and organizational processes and structures in place to support them. The deliberative tradition, however, nowhere implies that there is “one best answer” to major challenges, only that there is the possibility of gaining understanding, finding common ground, and making wise choices via the deliberative process.

Strategic planning at its best makes extensive use of analysis and synthesis in deliberative settings to help leaders and managers successfully address the major challenges that their organization (or other entity) faces. This book begins by defining strategic planning as a deliberative, disciplined approach to producing fundamental decisions and actions that shape and guide what an organization (or other entity) is, what it does, and why it does it. Strategic planning has an important role to play as part—but only a part—of complex social problem solving. Specifically, it can be helpful for:

- Gathering, analyzing, and synthesizing information to consider its strategic significance and frame possible choices
- Producing considered judgments among key decision makers about desirable, feasible, defensible, and acceptable missions, goals, strategies, and actions
- Producing similarly considered judgments about complementary initiatives, such as new, changed, or terminated policies, programs, and projects, or overall organizational designs
- Addressing key organizational challenges now and in the foreseeable future
- Enhancing continuous organizational learning
- Creating significant and enduring public value

As experience with this kind of deliberative approach has grown, a substantial and expanding inventory of knowledge, guidance, procedures, tools, and techniques has also developed to assist leaders and managers. Strategic planning of this kind has become a standard part of management thinking and practice in the business world.

Strategic planning has also become the standard practice of large numbers of public and nonprofit organizations. Of course, strategic planning isn't always called for, doesn't always work, or can work quite badly. This book is intended to help practitioners make suitable, wise, and effective use of strategic planning.

The first four editions of this book played an important role in promoting the use of strategic planning by public and nonprofit organizations. The practice of strategic planning has progressed substantially, and new areas of concern have emerged. Although this fifth edition covers many of the same topics as the first four editions, it also focuses on additional areas requiring special attention. All of the chapters and references have been updated, and new cases have been added. In addition, new material has been added on:

- How to identify the actual or desired purposes of initiatives, including, of course, strategic planning efforts
- The importance of focusing on creating public value and preserving and enhancing core democratic values
- The importance of critical thinking and the logical structure of deliberative arguments and the requirements for effective deliberation intended ultimately to create public value
- A new approach to strategy formulation called principles-focused strategizing designed to guide strategy development in situations characterized by high complexity, shared power, significant feedback effects, and the absence of clear goals
- Collaboration, including cross-sector collaboration
- Implementation and performance management
- Organizational learning and formative, summative, and developmental evaluations
- Organizational and community resilience and sustainability, which also means more attention to risk management
- The applicability of information and communication technology and social media throughout the process

The fourth edition's resource on developing a *livelihood scheme*, which links competencies and distinctive competencies directly to organizational aspirations, has been dropped to save space. The resource basically repeated what is in Bryson, Ackermann, and Eden (2007). In addition, the resource on how to use strategy mapping has been dropped because that information is now in a new workbook called *Visual Strategy* (Bryson, Ackermann, & Eden, 2014).

The fifth edition reflects a continuing major trend in the field by explicitly blending strategic planning with leadership and ongoing management. People realize that the former is no substitute for the latter. People also realize that strategic thinking, acting, and learning must go together for strategic planning to serve its function as a deliberative process focused on identifying and addressing important organizational issues. Of course, these points were all emphasized in the previous editions, but they are emphasized even more in the fifth edition. The book is therefore as much about *strategic management*—and indeed *strategic governance*—as it is about *strategic planning*. I have kept the original title, however, because of the recognition and following that the first four editions have achieved worldwide.

The new edition also reflects another continuing trend in the field by highlighting the importance of inclusion, analysis and synthesis, and speed as means to increasing organizational and community effectiveness (Bryson, 2003). The idea is to get more people of various kinds and skills involved, increase the sophistication and quality of analysis and synthesis used to inform action, and do it all more quickly than in the past. Doing any two of the three is not so hard, but doing all three together is very hard. One of the challenges the book presents, but does not really solve, is how to be inclusive, analytic, synthetic, and quick all at once. Figuring out how to address this effectively is one of the continuing tasks for the field.

In short, this edition places a renewed emphasis on the fact that strategic planning is *not* the same as strategic thinking, acting, learning, or deliberation. What matters most is strategic thinking, acting, and learning in a deliberative context. Strategic planning is useful only if it improves strategic thought, action, and learning; it is not a substitute for them. Strategic planning also does not produce deliberation unless it is designed into the process. The reader should keep clearly in mind that the formation, or realization, of strategies in practice has a variety of sources (the vision of new leaders, intuition, group learning, innovation, what already works, chance), and strategic planning is only one of them. Wise strategic thought, action, and learning takes all of them into account. As Mintzberg (1994, p. 367) famously noted, “Strategy formation cannot be helped by people blind to the richness of its reality.”

Specifically, this book:

- Reviews the reasons public and nonprofit organizations (and communities) should embrace strategic planning and management as ways of improving their performance
- Describes the elements of effective deliberation and deliberative practices

- Presents an effective strategic planning and management process for public and nonprofit organizations that has been successfully used by thousands of public and nonprofit organizations around the world—this approach is called the Strategy Change Cycle. The book offers detailed guidance on applying the process, including information on specific tools and techniques that might prove useful in various circumstances within organizations, across organizations, and in communities
- Discusses the major roles that must be played by various individuals and groups for strategic planning to work and gives guidance on how to play the roles
- Clarifies the various ways in which strategic planning may be institutionalized so that strategic thinking, acting, and learning may be encouraged, embraced, and embedded across an entire organization
- Includes many new examples of successful (and unsuccessful) strategic planning practices
- Relates the entire discussion to relevant research and literature

AUDIENCE

This book is written for two main groups. The first consists of elected and appointed policymakers, managers, and planners in governments, public agencies, and nonprofit organizations who are responsible for and who want to learn more about strategic planning and management. The book will help them understand what those are and how to make use of them in their own organizations and, to a lesser extent, their communities. Thus, the book speaks to city council members, mayors, city managers, administrators, and planners; sheriffs, police chiefs, fire chiefs, and their staffs; school board members, administrators, and staff; county commissioners, administrators, and planners; governors, state cabinet secretaries, administrators, and planners; legislators; chief executive officers, chief administrative officers, chief financial officers, and chief information officers; executive directors, deputy directors, and unit directors; presidents and vice presidents; elected and appointed officials of governments and public agencies; and boards of directors of nonprofit organizations.

The second major audience consists of academics and students of strategic planning and management. For-credit and professional development courses on strategic planning and management are now typically offered in schools of public affairs, public administration, planning, and