

8 principles

For nonprofit organizations and emerging initiatives



- * Strategic thinking isn't something ingenious; and it definitely shouldn't be reserved for visionary leaders.
- * It's a set of attitudes and a way of thinking that anyone in an organization can learn. And it should be that way: strategic thinking works best when it becomes a shared team language.

This is not a strategic planning guide. It's a practical manual with a list of 8 principles that you can start adopting instantly.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

1

**Everything is dynamic and in constant motion.
Continuously scan your environment(s) for tendencies,
changes, and shifts, so you can react on time.**



The world around your organization is always changing. This includes your field of work, the nonprofit or social enterprise landscape in your country or region, the political, economic, and social context, and the people you work with or work for. Regularly scanning these environments helps you notice early signals, emerging trends, and important shifts. Not every change requires a shift in strategy, but some do. Doing this work together as a team is essential: it creates a shared understanding of what is happening around you and a common language for deciding how the organization should respond.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

2

Develop a deep understanding of the problem you respond to: its elements, root causes, and scale. Plus your organization's realistic role in addressing it.



Understanding the problem is the most central part of strategic thinking. Without this understanding, any intervention risks being random, and any impact your organization achieves is largely a matter of luck. We could even say *'love the problem'*: follow emerging research, think about it often, and talk about it regularly within your team. Learn to distinguish between the actual problem and its symptoms. At the same time, stay aware of the complexity and vast nature of most social challenges: this understanding should guide you in breaking the problem into manageable parts. If you work on homelessness, for example, don't try to respond to homelessness as a whole, and certainly don't try to "solve" it. Identify the specific slice of the problem that you can truly understand and address in a realistic way.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

3

Focus more on the outcome (or impact) you want to see, rather than the interventions you will do.



Answering the *what* question is usually where organizations spend the most time, and often where they have already invested a lot of energy. What matters even more, however, is the result of your work. What do you actually want to change? How will the lives of your primary stakeholders shift? What new processes or behaviors should emerge? If everything you plan for the next year (or the next three years) is delivered, what will truly be different? Being clear about outcomes is essential both internally and externally. It helps motivate your team, better align with the mission, and prevents the organization from slipping into simply delivering services. It also matters externally: outcomes are often the most compelling part of your story for those who want to join your cause: partners, volunteers, donors, board members, etc. Very often this shows up as a simple question: What does success look like for you? It's great to have a clear answer to that question.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

4

Build on data, instead of impressions and only anecdotes.



It is easy and tempting to rely on personal impressions or individual opinions when trying to understand the external environment or the state of the organization. But it can quickly lead to groupthink, where teams reinforce existing assumptions instead of making well-informed decisions. Data can come from many sources. It may include internal pools, as well as information from reliable external sources such as research, studies, or articles. Anecdotal insights can be valuable, but they should not stand alone. To make sense of them, involve as many perspectives as possible: people from your target audiences, staff members, leadership, experts, volunteers, members, etc. Another important source of data is your own monitoring system. Nonetheless, remain critical: unclear indicators or poorly chosen metrics can easily produce misleading numbers and point the organization in the wrong direction.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

5

Align organizational functions with your strategic goals.



This may sound like strategic planning advice, but it is equally important as a mindset, particularly in organizations with more separated functions. Beyond defining your core strategy, create supporting strategies or at least clear alignment for key organizational functions such as HR, fundraising, finance, communication, volunteers, or any other area relevant for your operation. These functions provide the conditions that allow your core strategy to be delivered effectively. Strategic goals come first; organizational functions exist to support them, not to define them. Each strategic goal should be translated into concrete objectives for every relevant function: HR goals, fundraising goals, financial goals, communication goals, etc.

6

**Stop adjusting your goals to funding opportunities.
Look for funding aligned with what you want to achieve.**



Unfortunately, too many organizations fall into this trap, and it truly is one of the most common paths to mission drift. Strategic goals slowly get overwritten by funder priorities (or even by multiple funders' various priorities), until the organization is no longer fully in control of its own direction. The best way to avoid this is to have well-crafted strategic goals and a relevant mission statement in the first place. Communicate these clearly and consistently to donors and other financial supporters, and treat this as part of donor education. When project-based funding is dominant, avoid inventing entirely new activities just to fit a call. Instead, try to reframe what you already do or carefully widen the scope of your target audiences, without compromising your mission. It will not always be easy, and the temptation will come. When it does, anchor yourself in the problem, and look for partners who share a common understanding of both the problem you address and the impact you want to achieve.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

7

Don't get fixated on outputs.

Numbers matter, but they need context.



Figures need context; both internally and externally. Metrics can be a valid way of showing the scale or reach of your work, and they are, in fact, an essential component of any measurement and evaluation process. At the same time, relying too heavily on numbers to communicate the significance of a problem or the importance of your work is rarely the right approach. Internally, this can shift attention toward producing higher figures rather than reflecting on the actual change your work creates. Focusing on outcomes (or impact) is often far more motivating for team members; and even more so for volunteers, donors, and potential supporters. Some donors or grant-giving organizations are genuinely interested in numbers, which means you should know these figures well. Still, most audiences connect more strongly with stories that help them understand why your work matters. As a general rule, use storytelling more than graphs and charts.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

8

Think more in terms of stakeholders rather than a single target audience.



Countless people, communities, and institutions influence your organization, and vice versa. Stakeholders exist well beyond your direct target audiences: they include your team, board, donors, supporters, members of the media, academia, experts, other organizations in your field, and many more. All of them relate to your work differently, have different motivations, and influence your organization in different ways. By getting to know them more deeply, you gain clearer insight into the problems, needs, and gaps you want to address. Beyond simply mapping stakeholders, it is important to plan how you want to work with them. This allows your organization to operate more effectively, communicate more clearly with the public, and ultimately contribute to greater impact and long-term sustainability.



isterra.org

Strategic know-how and guidance
for your nonprofit organization

Let's get in touch...



- ✧ if you would like to explore more
- ✧ if you need some extra guidance to apply these principles for your reality
- ✧ if you wish to work on any organizational issue related to strategy or long-term sustainability.

LinkedIn

bence@isterra.org



isterra.org

Strategic know-how and guidance
for your nonprofit organization