

Business Plan Vs. Strategic Plan

WHAT'S THE DIFFERENCE?

With a strong emphasis on written plans for nonprofits, it can be confusing to understand the difference between strategic planning and business planning. Experts often define the two this way:

STRATEGIC PLANNING: Big picture thinking about the direction the organization is taking and the way it is fulfilling its mission. Often, specific goals, objectives, strategies, and resources are included as a means to deliver on the mission, and the perspective of a broad range of stakeholders is often included.

BUSINESS PLANNING: Implementing a strategy with the goal of financial success, to support the organization and ensure sustainability. Business Plans are often required for obtaining funding.

Ideally, business planning will follow strategic planning as the means for implementing the goals laid out in the strategic plan. In a nutshell, strategic planning is big picture thinking; Business planning is the road map to get there.

Strategic Plan	Business Plan
Vision and Mission The reason the organization exists	Definition of the Venture Programs or Services to Be Delivered
Scan of the Landscape A needs analysis or report with stakeholder input	Market Analysis Current need, potential reach of the venture, competitive landscape
Goals and Objectives Long range goals and objectives to achieve them	Staffing and Management Individuals delivering the services and their qualifications and experience
Vision or Values Principles that guide the organization's work and decisions	Time Frames and Benchmarks Listing of expected accomplishments and time frames
Program Plans Specific strategies the organization will take to advance its mission	Financial Requirements Start-up costs, cash flow and recordkeeping
Resource Development Plans to generate the funding needed to carry out the program plans and sustain the organization	Revenue Projections Level of profitability, ability to grow the program
Partnerships or Alliances Description of key partners in delivering on the mission	Marketing Plans Plans for market awareness, media relations and branding
Measure of Success Description of how success of the plan will be evaluated	Analysis of Risks Identification of potential risks and how to mitigate them