

What do we mean by strategic clarity?

Tight alignment between actions, resources and impact

Challenge:

**Transforming available resources into
intended social impact**



Bad news:

- “Can’t do everything”-- resources are limited while social needs seem endless

Good news:

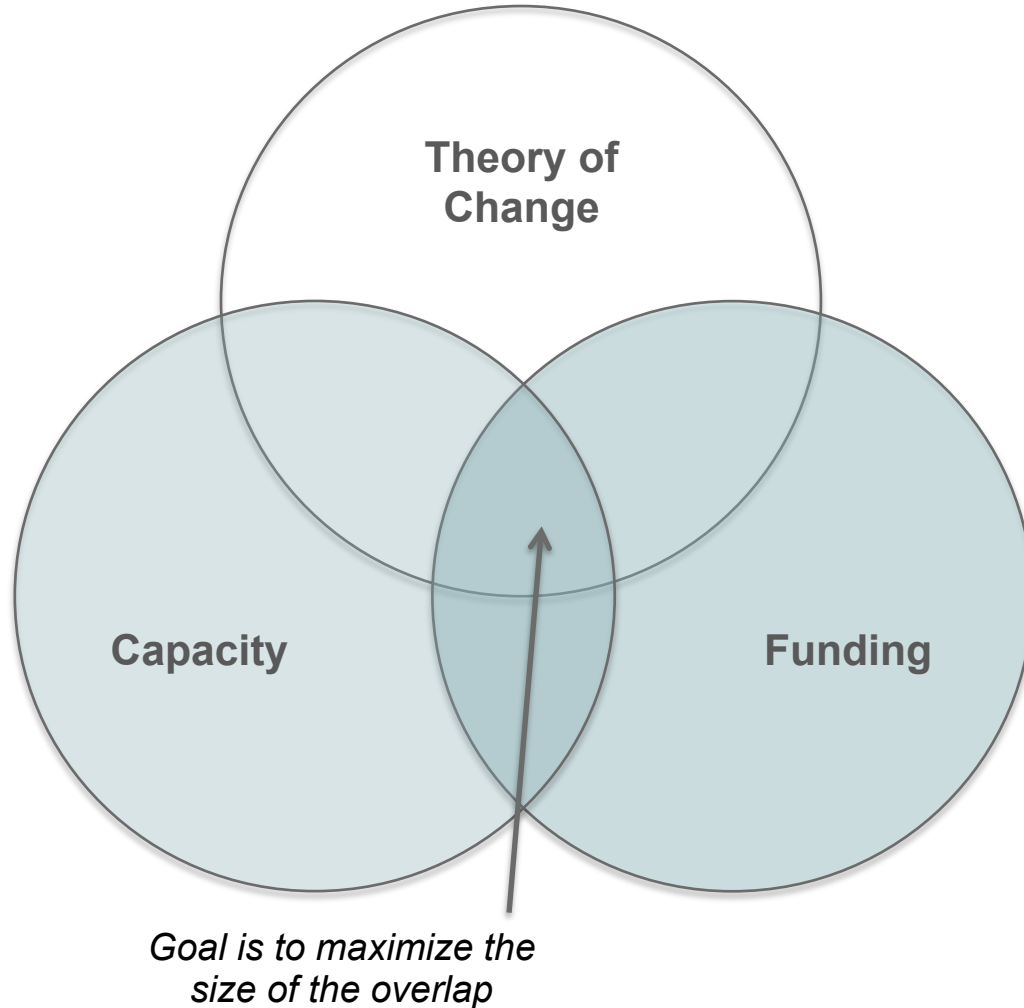
- “Everything isn’t equally worth doing”-- possible courses of action yield different levels of impact

**A clear “strategy”
means...**

- Achieving tightest fit between actions undertaken and intended impact

What makes a strategy strong?

Being rooted in a clear theory of change



Ultimate impact

Organizations tend to be clear on their desired ultimate impact

Harlem Children's
Zone¹

End the cycle of
intergenerational
poverty in Harlem

Robin Hood
Foundation²

Eliminate the gap
between rich and
poor in New York
City

OTF

Build healthy and
vibrant
communities in
Ontario

***Lofty, ambitious, influenced by multiple forces,
challenging to measure
(usually done by proxies)***

1. Delivering on the Promise of Non-profits, HBR, December 2008
2. <http://www.robinhood.org> (extrapolated from content on the site)

Intended impact

Clarifying their point of accountability is more challenging

Harlem Children's Zone¹

Over the next decade, 3,000 children, ages 0 to 18, living in the 24 block-zone of Harlem will have demographic and achievement profiles consistent with those found in an average U.S. middle-class community.

Robin Hood Foundation²

On an annual basis, using rigorous metrics that allow for relentless monetization, the Foundation will have invested in the most effective poverty-fighting programs. Our impact will be a 15:1 SROI.

Specific, realistic, measurable

1. Delivering on the Promise of Non-profits, HBR, December 2008
2. <http://www.robinhood.org> (extrapolated from content on the site)

Intended impact

Defines success for an organization

What will we
achieve?

What **outcomes**
will you **hold**
yourself
accountable for
achieving...

For whom?

...for **which**
beneficiaries...

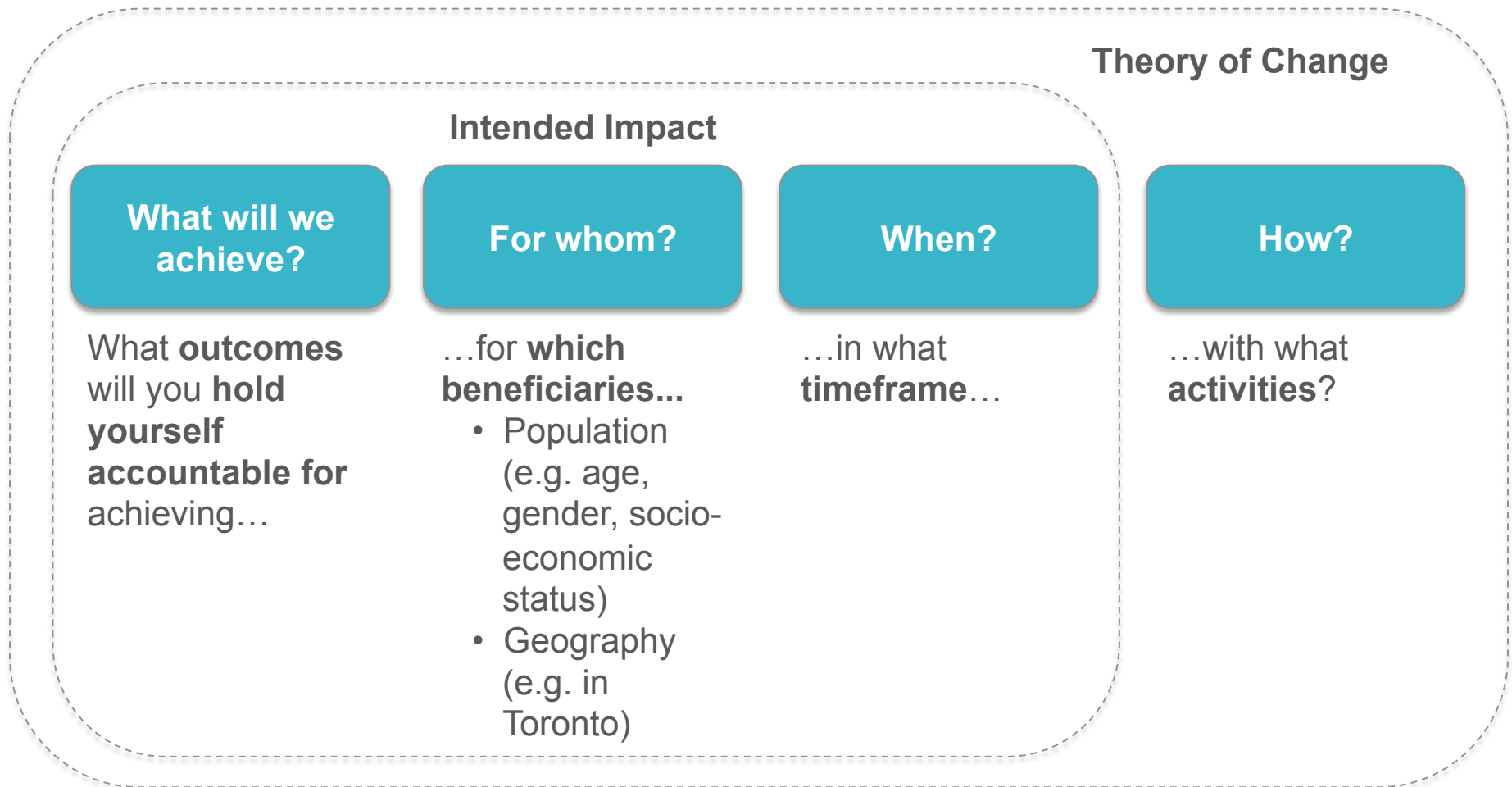
- Population
(e.g. age,
gender, socio-
economic
status)
- Geography
(e.g. in
Toronto)

When?

...in what
timeframe?

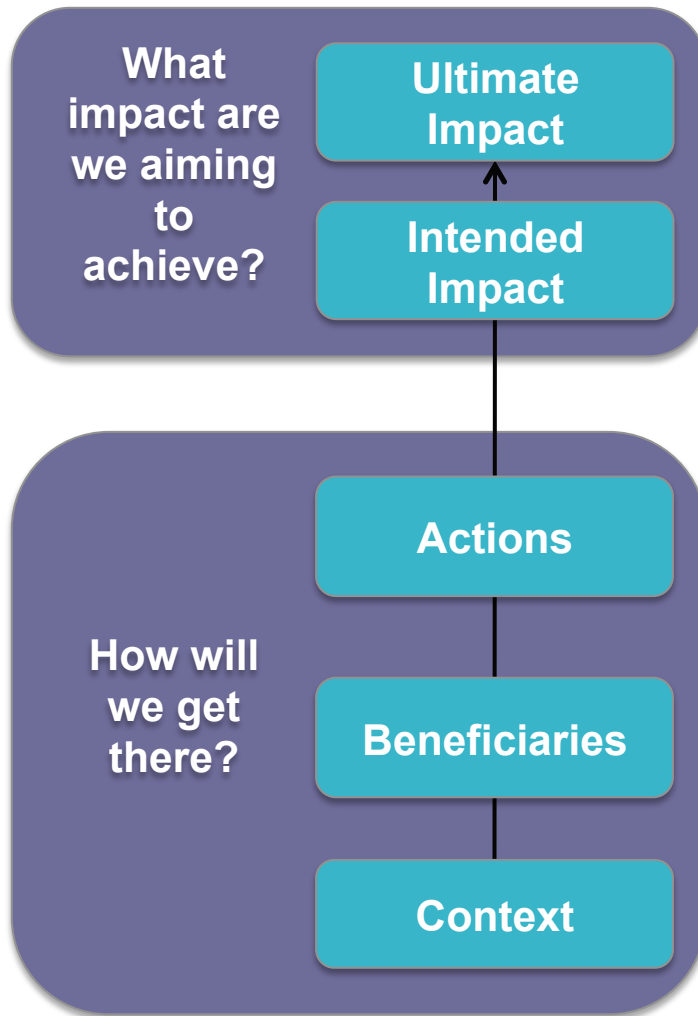
Theory of change

Articulates how intended impact will be achieved



Theory of change

Contains a series of key elements



- What is the ultimate change we want to see?
- Which specific outcomes will we hold ourselves accountable for achieving?
- What specific activities will we pursue? For how long? How often?
- Who will we serve/support through our work?
- What external context creates our ideal program environment? What internal context (e.g., core beliefs) underlies all our work?

Theory of change

Key considerations

Don't confuse hope with accountability

- Can you deliver these results, given your size and resources?



Create a target, not a mirror

- Does this reflect what you already do, or what you *need to do* to achieve impact?



Make it specific enough to be measurable

- Could you measure what you aim to achieve?



Make sure it's plausible

- Is this theory based on a logic leap or hard evidence from research and/or your prior work?



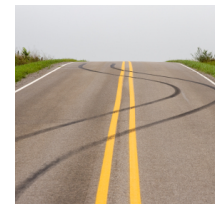
Take external context into account

- Does this theory reflect/align with the external dynamics in your field?



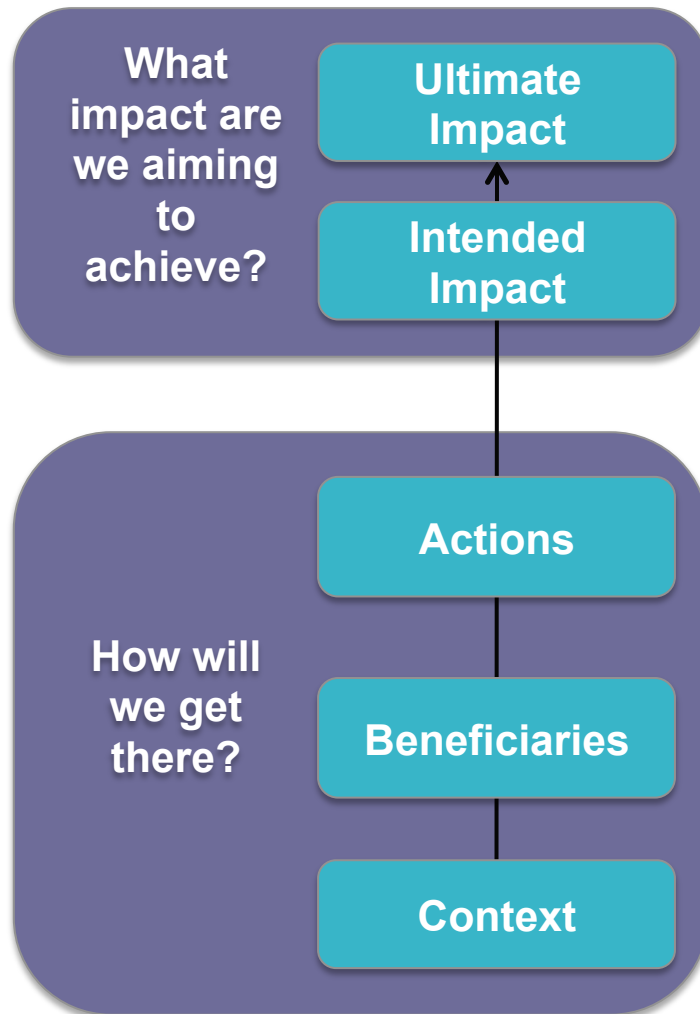
Be faithful to your theory

- Can you foresee how your theory of change will inform decision-making?



Ontario Trillium Foundation

Key questions in developing theory of change



- *To build healthy and vibrant communities in Ontario*
- What specific, measurable outcomes (informed by Canadian Index of Wellbeing indicators) will we hold ourselves accountable for achieving?
- How can our approach to grantmaking bring about our intended impact? What priorities do we select within each sector? How does size and duration of grants drive at impact? What is the right mix of all of these for our “portfolio”?
- Who do we exist *primarily* to serve (i.e. Individuals? Communities? Organizations?)
- How does our external context inform our approach (e.g., fiscal austerity, increasing need)?