

A Guide to Strategic Planning for Rural Communities

**USDA Rural Development
Office of Community Development**

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USDA Rural Development's Office of Community Development administers the Empowerment Zones and Enterprise Communities (EZ/EC) program, a Presidential initiative designed to provide economically depressed rural areas and communities with real opportunities for growth and revitalization. Its mission: to create self-sustaining, long-term economic development in areas of pervasive poverty, unemployment, and general distress, and to demonstrate how distressed communities can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented by alliances among private, public, and nonprofit entities.

Additional copies of this guidebook can be obtained by contacting:

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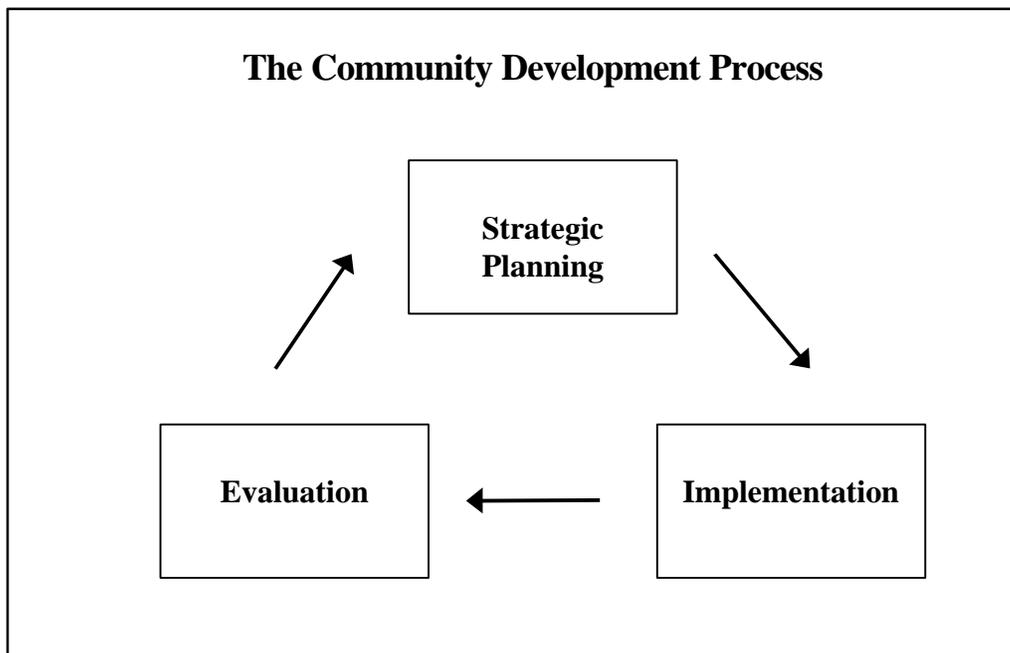
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Preface

Healthy communities require constant attention and nurturing. Communities become what they are based on choices people make over a long period of time. They are shaped by the decisions we make or fail to make. Some are made with knowledge about their impacts, but others are not. Some lead to unanticipated outcomes. But, the lack of a decision also has consequences.

The strategic plan is a useful tool for any community that wishes to change and grow. A plan will help you see where you want to go and help you make decisions on how to get there. This guidebook will help you choose a path for your community. It takes you through the first step in a process for change: strategic planning. You will create a vision of what you want your community to be like in the future; identify things that are preventing change and opportunities to move forward; and you will decide what actions are needed to make your vision a reality.

The community development process consists of three phases: strategic planning, implementation, and evaluation. Strategic planning looks at the big picture and helps you decide what is important. During implementation, you do the things which will get you where you want to be. After completing your activities, you evaluate them to see how well they worked. Improvements in the strategic plan will be based on lessons learned.



Why Do a Strategic Plan?

A strategic plan lays out the blueprint for change within a community. It takes a community from a pie-in-the-sky vision to specific actions. Below are some very good reasons for doing strategic planning:

- To create a vision of what the community wants to become in the future.
- To see the big picture of how the community's economy, environment and people will be changed.
- To make sure that everyone in the community shares in its well-being.
- To select and agree on some common goals.
- To involve as many people and local organizations (e.g. universities, medical centers) as possible in the process.
- To find out how much time, money, and other resources are needed to create change.
- To get the support of Federal, State, private and non-profit partners.

Getting Started

Once your community has decided to prepare a strategic plan, here are some steps to help you get started.

1. Identify a Lead Organization

Find an organization within your community that will provide leadership and support in the early stages of putting together a strategic plan. This organization may provide meeting space, telephones, computers, copiers, fax machines, secretarial support, and other things that the community needs to get started. You may have to create a new organization if you cannot find or agree on an existing one.

2. Form a Steering Committee

The steering committee will oversee the strategic planning process. Recruit up to a dozen people from the community to serve on this committee. They should have the trust and respect of others and should represent different interests within the community. Form a diverse group, rather than the same few people who are always in leadership positions.

3. Involve All Kinds of People

Get many people involved in the planning process. The strategic plan will have greater support if many people are involved. You need to hear from people who have different points of view, even if you do not agree with them. This will help you make decisions with more complete information and avoid some unexpected problems. Encourage minorities or people who have lower incomes to take part in the process.

Think about which local organizations can carry out actions in the strategic plan. These may include governmental agencies, community groups (e.g. schools, food banks), and businesses. The strongest plans are usually those that include a wide range of community organizations in designing and implementing the strategic plan.

Search for organizations and people who have helpful skills such as:

- Being creative
- Ability to work well with different kinds of people
- Good organizational skills
- Using local resources efficiently
- Lots of energy and enthusiasm

Broad Participation:
Do your planning meetings
reflect what your community
looks like?

4. Obtain Resources

Developing a strategic plan requires resources: people, places, and things (computers, copiers, etc.) to do the work. Create a list of these startup needs and find people or organizations willing to help. Your lead organization will provide you with initial help, but don't depend on just one agency. Think of individuals or agencies that are not directly involved in your steering committee, such as state economic development agencies, state offices of USDA Rural Development, and private foundations. Include youth groups.

5. Establish the Process

How will you make thoughtful choices about your future? After you have found people and resources, the steering committee should decide how the community will develop a strategic plan. Who will organize meetings? Who needs to attend? When and how will the public be involved? How many meetings are needed? How long will they run? What results do you want from each meeting?

Find someone in your community who can act as a facilitator or train several people. A facilitator makes sure your meetings run on time, that everyone has the chance to express an opinion, that decisions get made, that disruptions are small, and that everyone reaches agreement on important issues. Local businesses, community colleges, churches or government agencies may have skilled facilitators.

6. Develop a Planning Timetable

Create a brief (one or two page) planning timetable that describes when and where events will take place and who is responsible for organizing them.

Phase I: Strategic Planning

There are many ways to develop a strategic plan. These six steps will guide those who are not familiar with the process.

1. Develop a Vision Statement

Start thinking about your vision by creating a list of shared values in the community. Ask yourselves, “What is important to our community? What values will guide our activities?” For example: “We value creativity and innovative ideas,” “We value self-sufficiency and helping ourselves,” and “We value everyone’s opinions and contributions.”

Values, Vision and Process:

- **What values will guide our activities?**
- **What kind of community do we want to become?**

The USDA Office of Community Development’s vision is: “We envision vibrant rural communities that are sustained through creativity, diversity, and collaboration.”

Another example is: “Our youth are well-educated and capable of finding or creating good jobs locally.”

Begin crafting a vision statement. Describe how you want your community to be in the future. Use a 10- to 50-year timeframe. Think about how your economy, environment and people will interact. What will be different from today? Describe the end result you want. At this point, you do not have to describe how you will get there. That will be decided later.

Involve as many people as possible in this process. You may choose to have a larger group brainstorm about ideas and then ask a few people to try to combine those ideas into a short and clear vision statement.

2. Assess the Community

Once you have agreed on a common vision of the future, look at what you currently have. Prepare a profile of your community that describes its economy, environment and people. Some of this information may already be available from government agencies, colleges and universities, planning departments, utilities or local businesses.

Community Assessment:

- **Trends and conditions**
- **Problems and barriers**
- **Opportunities and assets**
- **Identify root causes of problems**

Describe trends affecting your community, the problems it faces, and the opportunities ahead. What are the barriers to change and the assets you can rely on? Has there been a lot of growth? Are a lot of people leaving the community? What businesses are doing well and what businesses are doing poorly? Look at the resources in your community. What kind of businesses are there? What do they sell? To whom do they sell? Where do people and local businesses buy the things they need? What churches, health centers, schools, parks and other public facilities serve your

community? What are community landmarks or attractions? What are the things your community is most proud of?

This community profile will help you see where needs are not being met and identify people and resources needed to carry out your plan. The chart includes some major areas in which to identify your community’s strengths, weaknesses, opportunities and problems.

Issue Category	Examples
Arts/Recreation/Culture	Facilities, programs, after-school activities, festivals
Basic Needs	Food, housing, clothing, household goods, equal opportunity.
Business Opportunities	Large and small businesses, self-employment, and second jobs.
Education	Preschool, primary, secondary, trade schools, colleges
Environmental Quality	Quality of air, water, land. Noises, odors, pollution.
Health	Physical, mental, dental, emergency care, drug abuse.
Housing	Affordable, safe, with basic services
Jobs	Unemployment, wage levels, training and job placement
Family and Youth	Parenting and communication skills, abuse or violence.
Physical Assets	Natural environment, parks, land use, roads, airports, water and sewer, telecommunications
Safety/Security	At home, school, work, in the community.

After preparing the community profile, examine the root causes of problems you identified. Ask why this problem exists and continue asking until you find the root cause. Imagine you are the manager of a store and have a problem with an employee.

Why is there a problem?	The employee shows up late to work every day.
Why is the employee late?	She takes her child to the day care across town.
Why does she take her child there?	There is no day care close to work.
Why can't she find any?	There is the only one facility in the community.

By asking “why?” several times, you will realize that the root cause of the problem is not that you have a lazy employee, but that there are not enough child care services in the community. Asking why can save you a lot of time and money in getting at the real cause of problems.

3. Analyze Resources

After completing the community assessment, look at available or needed resources such as people, organizations, money, facilities, equipment, and other things that can be used to carry out your plan. What Federal, State, local, foundation and private resources could you apply for? Can a religious group raise some of the needed money through a yard sale? Will a large employer match any funds you can raise? Think about creative ways to find additional resources, especially those that do not involve money. Can local or regional businesses donate excess equipment? Committed and motivated people are just as important as money.

Resource Analysis:

- What resources does the community already have?
- What new resources does the community need?

4. Rank Problems and Opportunities

During the community assessment, you identified opportunities and problems and their root causes. Now rank the issues in order of importance. Rate each problem on one or two factors: the **severity** (seriousness

Ranking Problems and Opportunities:

- How will you prioritize problems and opportunities?

of the problem) and **magnitude** (number of people affected). Assign a value to each problem, ranging from 1 (low) to 5 (high). Multiply the severity number by the magnitude number to get a score for each problem. Opportunities can be ranked by the likelihood of success, how much benefit you will get or other factors. Limit the amount of time for discussing each problem in public meetings to focus on the most important concerns. Differences of opinion and lack of resources may mean some highly ranked problems or opportunities are left out of the strategic plan in the short run. But these issues can be included in later updates of the plan.

5. Determine Long-term Goals

What does the community want to change or achieve in the next 10 years? A strategic plan should include goals for each highly-ranked problems and opportunities. It is not necessary to begin working on every goal in the first year. In some cases, more information may be needed about a problem before you can begin to solve it. When you develop goals, you are setting the direction for your community. Any specific action you take later should relate directly to one of your goals. Describe your goal in enough detail so that everyone will know when you get there. For example: By the year 2010, the high school graduation rate in the community will be 80 percent. In this step, you do not need to say how you will achieve the goal.

Goal Setting:

- What does your community want to achieve in the long term?

6. Select Strategies

Next, decide the best way to achieve your goals. You should brainstorm as a community about different strategies to achieve your goals. You will be more likely to identify creative strategies when a diverse group of individuals are involved in the process. This will help you identify and avoid any negative or unintended consequences. For example, to reduce unemployment, you could use any or all of these strategies: increase the amount of loans available to existing businesses; set up a job training program; recruit new businesses into the community; start a small business center; or come up with another creative idea.

Strategy Development:

- **What will your community do to achieve a particular goal?**

After you have developed a list of strategies, evaluate them to decide which ones will be most effective. Here are some questions to help you think about the impacts that a strategy could have. If negative impacts are identified in any of these areas, you can brainstorm about ways to minimize or avoid them.

- Does the strategy attack the root causes of a problem?
- Is it a powerful method for change?
- Does it involve partnerships among all sectors?
- Will the strategy promote community empowerment in decisionmaking?
- Will the strategy distribute benefits widely in the community (Consider age, gender, race, income and disability)?
- How will the strategy affect the community's economic diversity and vitality?
- How will the strategy affect the community's self-reliance and vulnerability to outside influences (e.g., global trade, severe weather, economic downturns)?
- How will the strategy affect the community's resilience or ability to adapt to changing circumstances?
- How will the strategy impact existing public services, such as schools, police, roads, water, and sewer?
- What is the net impact on community finances (revenues vs. long-term costs)?
- How will the strategy affect the community's natural resources (air, water, energy, and land)?
- Will the strategy enhance the more efficient use of community resources (financial, man-made, natural)?
- How much waste or pollution will the strategy create?
- What will be the cumulative effect of this and other related actions (i.e. approving a subdivision may contribute to a gradual loss of farmland.)?
- How will this action further the community's long-term vision and goals?
- What impact will this action have off-site (neighboring communities or the larger region)?
- How much risk does this action involve? Consider whether it puts all of the community's eggs in one basket or if some aspects of the action could succeed while others do not.

Phase 2: Implementing the Plan

No strategic plan is complete just because it gets written. The hard work of implementation comes next. Everything cannot be done at once, so a strategic plan should be divided into several programs of work. Divide a 10-year plan into five 2-year work programs. Each two-year work program describes who will do things, to or with whom, what will be done, at what cost, and how success will be measured.

Select goals and strategies from the strategic plan that you will begin during the first 2-year period. The work program must contain realistic estimates of expenses and income, describe tasks that need to be done, identify who will do the tasks, and set a timeframe for completion. Although this information may change under unexpected circumstances, your work program should be as detailed and realistic as possible. Next, decide how to measure your progress and select “benchmark targets” for the first 2 years. These targets help evaluate your progress and report on outputs.

Implementation may be the most difficult but most important phase in the community development process. It is in this phase that the planned-for resources can be lost, partnerships become either close or distant, projects are started and then managed, and results become visible. Experience shows that successful communities usually do these things:

- Start with a smaller project that has a high chance of success,
- Manage their resources wisely and get the most value for every dollar,
- Act responsibly so their supporters have confidence in the community’s ability to deliver the promised results,
- Keep citizens informed and constantly involved,
- Set benchmarks to measure how well they are doing,
- Evaluate progress regularly and publicly,
- Change their plans when conditions change or new opportunities arise, always keeping in sight the long-term vision,
- Use every opportunity to learn from experience, and
- Celebrate successes publicly.

This guidebook is not intended to address the implementation phase in detail. USDA’s Rural Development Office of Community Development provides communities with separate guidance on benchmarking, which is an important implementation tool in the Empowerment Zone/Enterprise Community Program.

Another helpful guide to successful project implementation is U.S. Department of Health and Human Services, Office of Community Services, *Self-Sufficiency Project Implementation Manual: Lessons Learned from Eight Years of Office of Community Service Demonstration Partnership Programs* (Washington: Department of Health and Human Services, Office of Community Services, October 1996).

Phase III: Evaluation

A strategic plan is never really finished. It will change as your community's needs, resources and priorities change. Your first version will change over time as you learn from your experiences and improve it. Think of your plan as being in a looseleaf notebook, not as a hardcover book which never changes. Constant evaluation will help you see how well the community is doing, understand the benefits and impacts of certain activities, and make decisions based on better information.

Monitoring and Continuous Learning:

- **How will members of the community be kept involved and informed?**
- **How will the community report on annual progress?**
- **How and when will you review and update the strategic plan?**
- **How will the community evaluate its process, outputs and outcomes?**

1. Continuing Public Involvement

After the initial enthusiasm of developing a community vision and strategic plan, many communities find it difficult to maintain public interest and involvement. This dropoff is normal, but over the long term, a strategic plan cannot succeed if it relies on only a few people to implement it. The plan should describe how the community will involve the public. The community always needs a large pool of motivated people. For example, some communities establish working committees or hold regular town hall meetings. It is especially important to reach out to those segments of the community that have not been very active in past community functions.

2. Progress Reports

How will successes be publicized? As the strategic plan is being implemented, it is important to have constant communication with the public and agencies that have provided resources to the community. It is easy to forget to tell everyone what you are doing when you are so busy doing the work. However, the individuals and agencies that support the community need to know that their time and money are well spent. The strategic plan should describe how and when you will provide progress reports to the public and other partners. This will help maintain good partnerships and ensure continued support from inside and outside the community.

3. Strategic Plan Review and Amendment

How and when will the community review its strategic plan? This review can look at both "How is the community doing?" and "How well are the plan's goals being carried out?" It can consider unexpected circumstances and scan the environment for new problems or opportunities. The review team could include some of the people that developed the strategic plan as well as members of the public. The review may identify things that need to be changed in the strategic

plan. Perhaps you thought you could build a new airport, but you later learned that your proposed site was a toxic waste area. As your situation changes, so will your plan.

However, you should not immediately revise your strategic plan every time you identify something that needs to be changed. Planning experience has shown that an annual review cycle works well and no more than two per year should be allowed. Constant changes can weaken the plan and lead community members to lose interest in the process. The strategic plan should describe an official, public process to change the plan. This will allow those who helped develop the plan to learn about the proposed changes and participate in refining and approving them. Just as the whole community participated to create the plan, they should also help improve it.

4. Continuing Evaluation

Every once in a while, you should stop and look at what went right or wrong, learn why it happened and try to prevent similar problems in the future. The strategic plan should describe how and when the community will evaluate the process, outputs and outcomes of the strategic plan. If you already know who will do your evaluations, include them in the planning process. They can tell you what kind of data is needed to do a good evaluation.

Process

Did people complete their tasks on time and within budget? A process evaluation helps answer questions such as "What changes are needed in how we are carrying out our plan?" and "How can we do it better?" It may be possible to do a process evaluation at the end of the first year or it may be more effective to do it during the strategic plan's annual review and update.

Outputs

An output evaluation asks, "How much of what we planned to do did we actually accomplish?" Outputs are usually things that can be counted and that you can see completed in a short timeframe. They result from activities in the strategic plan and work programs. (e.g., jobs created, houses built, programs started).

Outcomes

In evaluating the end results of implementing a strategic plan, ask "How successful were we in tackling the long-term problems in our community?" or "How successful were we in achieving our long-term goals?" Outcomes are usually long term (e.g., fewer people living in poverty) and linked to problems and goals. They are hard to evaluate because many factors that influence a community's well-being are out of its control (e.g., weather, the world trade).

Strategic Plan Elements

What is the product of the strategic planning process? Unless required by a specific program, the plan does not have to follow any specific format. Here are all the major elements of a strategic plan:

1. Vision Statement

- What values will guide our activity?
- What kind of community do we want to become?

2. Community Assessment

- Trends/conditions (economic, social, etc.)
- Problems and barriers, their root causes and their magnitude/severity
- Community strengths and opportunities
- Ranking or prioritizing of problems and opportunities
- Existing resources, assets, capabilities and new resources needed

3. Goals

Group goals under key issues, such as housing, transportation, employment, and environment and under each major heading, describe:

- What are our long-term goals?
- What is our desired condition?
- What do we want to change (condition, problem, barrier, opportunity)?

4. Strategies

- How can we best achieve each goal?
- How will partnerships help us achieve our goal?

5. Evaluation Process

- How and when will the strategic plan be reviewed and updated?
- How will the community report on progress every year?
- How will the community evaluate its process, outputs and outcomes?
- How will members of the community be kept involved and informed?

Where to Get Help

FEDERAL AGENCIES

- USDA Rural Development, Office of Community Development: 1-800-645-4712
- USDA Rural Development State Office Community Development Program Managers
- USDA Forest Service

Useful Web Sites for Community Empowerment

<http://www.ezec.gov>

<http://www.rurdev.usda.gov/ocd>

STATE AGENCIES

- State Data Centers for census information
- State departments of community development
- State Cooperative Extension Office

OTHERS

- Universities, institutes, foundations, “think tanks,” and local consultants
- Resource Conservation and Development districts
- Community Action Agencies
- Area Planning and Development districts
- Southern Rural Development Center
- North Central Regional Center for Rural Development
- Western Region Rural Development Center
- Northeastern Rural Development Center

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