Strategic Resource Allocation – a checklist

In these days of reengineering, retooling and revitalization, how do we reenergize the concept of making choices to maximize what we have without using the “b” word? These 8 simple steps offer a good starting point.

1. **Why are we here?**
   - Reaffirm “what is our mission?” i.e. are we allocating resources according to our mission goals?
     - a. Maybe our mission goals have changed?
     - b. Maybe our client population has changed?
     - c. Maybe there is a particular opportunity to “invest resources” in a new way.
     - d. Will we have to do more with less?

2. **Look back before moving forward. Gather your data!**
   - Don’t undervalue the data provided by our past performance. What was last year’s plan to allocate resource strategically? How well did it achieve the plan? What changes would we make knowing what we know now about the resources coming our way this year? What can we assume about the future-probably very little but do try!

3. **Identify the trade-offs.**
   - We cannot do it all. We have limited resources and limitless needs. How do we decide how to allocate resources? How do we decide between following “Course of Action A” and “Course of Action B”? Is it better to provide a limited set of goods or services to a larger group of clients? Is it better to provide a smaller number of clients with higher quality goods or services?

4. **Take a stand, formulate the plan.**
   - Make decision based on the best information available. Try to keep our eyes on the prize-sustainability. Can we weather this current storm? Don’t get pulled off track by the lure of additional revenue. Know the real costs of providing each one of our services. Sometimes it’s better to say no today so we can say yes next year.

5. **Communicate the plan.**
   - Having made the choices that best further our goals, tell people-staff teams, colleagues, clients, stakeholders -so everyone knows the choices we’ve made and can help in pulling in the same direction.

6. **Monitor the outcomes.**
   - Did our strategic resource allocation decisions allow us to reach our mission goals? What did we learn from implementing that allocation methodology? What would we do differently next time? How were our efforts recognized by our client groups and stakeholders?

7. **Stand in someone else’s shoes.**
   - Look at your organization’s audited financial statements and calculate the percentage of total expenses spent on program, fundraising and management and general costs. What story is being told by these numbers? Calculate the percentage of program expenses spent on each of our program areas. What story does that tell about how our organization prioritizes programs and how it allocates resources? If these numbers and the story they tell were to appear on the front page of the New York Times, how would we feel? What reaction might come from our stakeholders? If the story being told is not reflective of the organization’s plans, change the way our organization strategically allocates its resources.

8. **Repeat Steps 1 through 8.**
   - This is not a one-off activity. Consider it like going to the gym. The more often we do it, the easier it becomes.