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Unleashing the Strategic Potential of the Web

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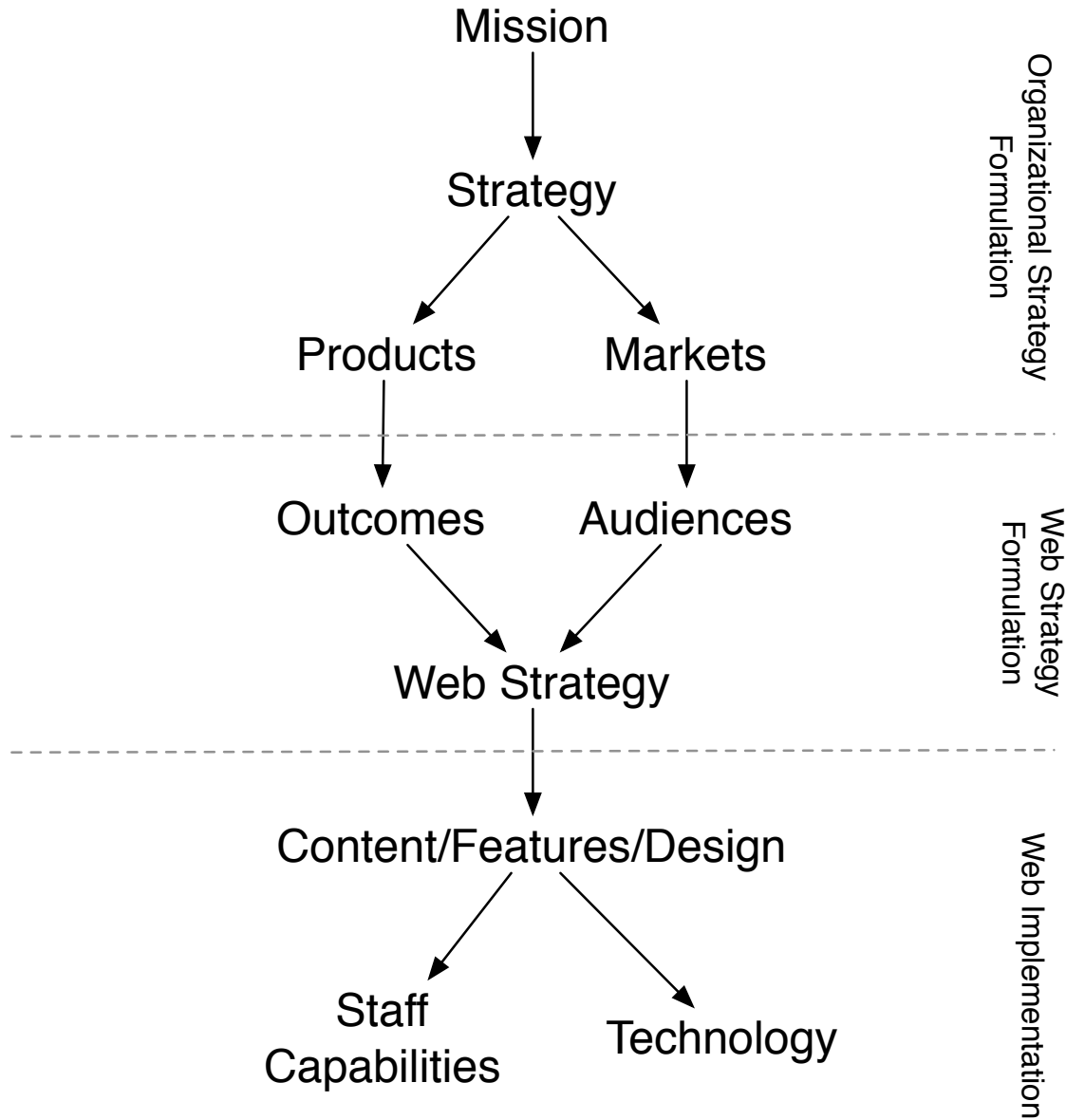
Unleashing the Strategic Potential of the Web

Maximizing the contribution your web site makes to your mission and strategy.

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Web Strategy Formulation Process



Strategy and Operations

This chart¹ is useful for assessing your current effectiveness in strategy and operations.

		Strategy	
		Excellent	Poor
Operations	Excellent	1	2
	Poor	3	4

Quadrant 1

Successful in the past and likely to be successful in the future.

Quadrant 2

Some success in the past, future success is unsure.

Quadrant 3

Some success in the past but unlikely to have success in the future.

Quadrant 4

Failure in the past and failure in the future.

¹ Tregoe, Benjamin and Zimmerman, John. Top Management Strategy. Simon & Schuster, NY, NY.

Driving Force Strategy for NPOs

Your driving force strategy² dictates your products and markets more than any other factor. Other areas may influence and supplement your driving force but they are secondary in nature.

Below are the potential driving forces for non-profit organizations. See the article at the end of this document for a more detailed discussion.

Potential Driving Force Strategies

Products and Markets

- Products Offered
- Market Needs

Capabilities

- Intellectual Property
- Method of Distribution
- Natural Resources

Results

- Size/Growth
- Regulatory/Political/Societal Change

What is your current driving force?

What do you think it should be in the future?

² Tregoe and Zimmerman.

Products and Markets

Top 3 Products/Services

1. _____

2. _____

3. _____

Top 3 Markets

1. _____

2. _____

3. _____

Outcomes and Audiences

Top 3 Outcomes for Your Products

1. _____

2. _____

3. _____

Top 3 Audiences from Your Markets

1. _____

2. _____

3. _____

Audience/Outcomes Matrix

	Audience 1	Audience 2	Audience 3
Outcome 1			
Outcome 2			
Outcome 3			

Analysis Questions

Are your outcomes treated consistently across your audiences?

Are all outcomes relevant to each audience?

Which outcomes and audiences appear to be particularly valuable?

Are these consistent with our mission and driving force?

Web Strategy Formulation

The key measures of an effective web strategy are that:

- It enables you to make decisions about the content, features and design of your site.
- It is closely aligned with your strategy, products and markets for the entire organization.
- It clearly addresses your top outcomes and audiences for the Web.

5 Potential Strategy Areas for the NPO Web

- Activation
- Education
- Donation
- Community
- Membership

Sample Web Strategies

“Our site will be the highest valued benefit of membership.”

“Our site will be the premier online business networking tool in our region.”

“Our web site will support the marketing, registration and on-going support of our meetings and events.”

“Our site will be the best Chamber web site in the world.”

“Our web site will market our city as the best destination for excellence in meeting and convention services and facilities while also offering some of the best outdoor recreational opportunities in the world.”

“Our site will clearly convey the value of joining the Chamber and make it insanely easy to give us money in exchange for membership.”

Implementation

Your web strategy should provide a framework for making decisions about what you do online to support your overall mission and strategy for the organization.

Web Site

Content

What content do you need to fulfill your outcomes with your target audiences?

Features

What interactive features do you need to fulfill your outcomes with your target audiences?

Design

What visual design, imagery and user interfaces will best appeal to your targeted audiences? How can they be designed to best support your outcomes?

Capabilities

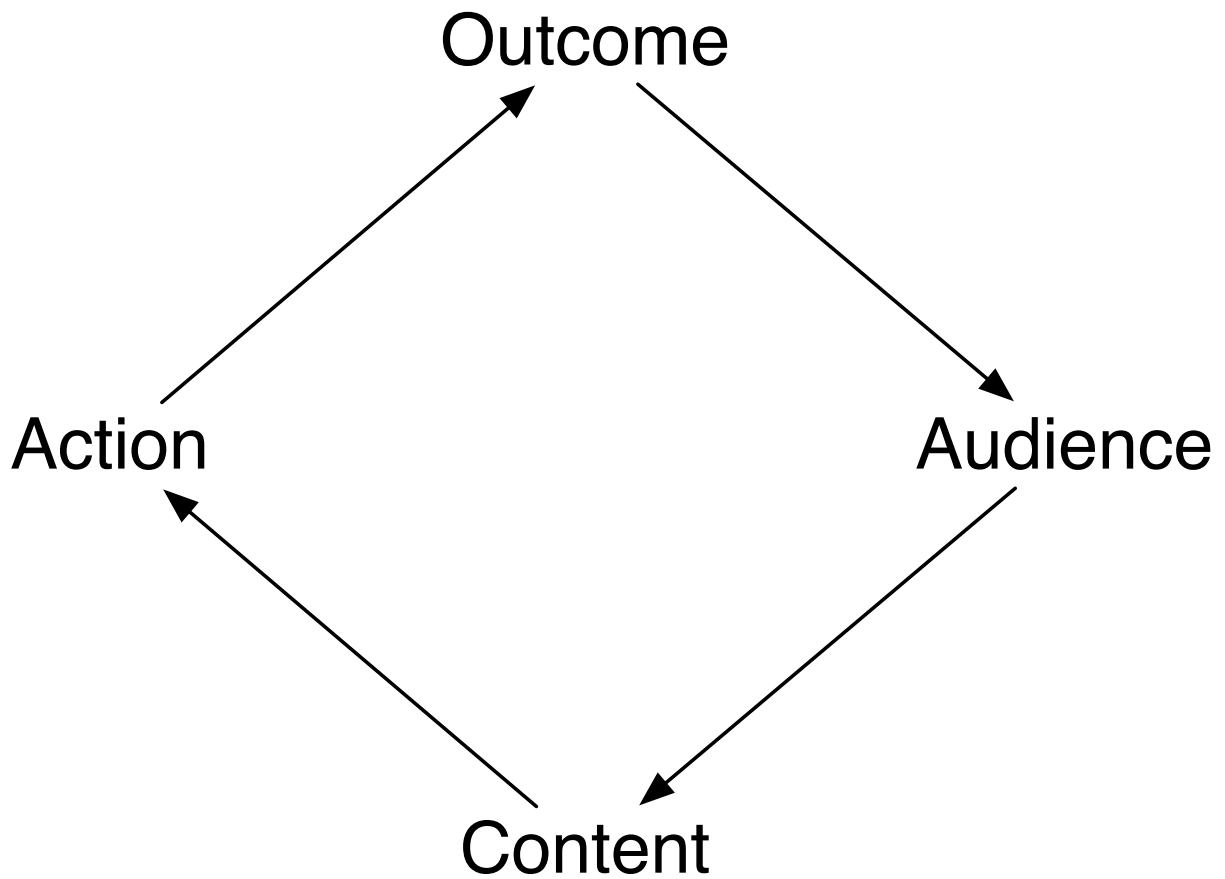
Staff

What abilities does your staff need to develop and manage the content, features and design that you need? What elements should you outsource?

Technology

What software and services do you need to manage your web site and provide the interactive features that you need? Should you custom build your site? Use off-the-shelf software? What integration do you need with your database?

Measuring Success



Driving Force Strategy for Non-Profit Organizations

By C. David Gammel.

Ideas adapted from Tregoe & Zimmerman in *Top Management Strategy*³.

Strategic Areas

Tregoe and Zimmerman, in *Top Management Strategy*, offer nine potential strategic areas for any organization. The authors give these areas as the key strategic elements for any corporation. While they may be pursuing several of them at once there is always one that is the driving force of the organization and dictates how they decide to guide the business. The driver may be consciously arrived at (ideally) or may be in force subconsciously or by default.

The driving force determines what markets they pursue and which products they offer.

The nine areas are:

Products and Markets

- Products Offered
- Market Needs

Capabilities

- Technology
- Production Capacity
- Method of Sale
- Method of Distribution
- Natural Resources

Results

- Size/Growth
- Return/Profit

Let's discuss each of these strategic areas and their applicability to non-profit organization strategy.

Products Offered

Products offered as a driving force dictates that the organization in question determines its future markets based on the products it is producing today. Future products will likely be

³ Tregoe, Benjamin and Zimmerman, John. *Top Management Strategy*. Simon & Schuster, NY, NY.

variations or improvements upon its current offerings. Growth is achieved by selling deeper into its existing markets and identifying new ones for which its products are a good fit.

This area fits well in the NPO world. There are many organizations that offer specific products or services as the main way in which they fulfill their mission and are happy to provide those to anyone for whom they are good fit.

Markets Needs

An organization with markets needs as its driving force will focus on developing products and services that best meet the needs of their target markets. Changes in the market will lead to changes in their product offerings.

This too seems like a good potential driver for NPOs, particularly social service groups, professional societies and trade associations who focus on supporting the needs of their constituencies.

Technology

A technology driven company provides only products or services that leverage its technological capability. This kind of organization would develop any product that creates value with their unique technology. They may also license the technology to others.

In the non-profit world, there are few if any organizations that create their own technology. However, many groups do develop their own intellectual property that is unique in their fields. It may make sense to replace 'Technology' with 'Intellectual Property' as a potential driving force for NPO strategy.

Production Capability

An organization with this driving force focuses on leveraging value from their ability to produce products using their know-how, processes, systems and equipment. They may specialize in a certain type or class of products or generalize and offer a wide variety of production options to their customers.

While some NPOs may excel in the production of their products or services, there are no NPOs that focus on nurturing that production capacity and making it available to any organization that could use it. There are service companies who excel at various aspects of production that have NPOs as clients. Therefore, I recommend eliminating this area from consideration as a driving force for an NPO.

Method of Sale

An organization driven by method of sale will focus on markets and products that best match the capabilities and limitations of their primary method of sale. They may even sell products from other organizations in order to maximize the value of their method of sale.

While this strategy may appear to be a good fit for professional societies who could focus on maximizing sales through the channels they use for marketing to them, it is unlikely to be a driving force for any NPO.

An organization that used this as a driving force might, for example, excel at a particular method of raising money and use that ability to fund any number of different missions well suited to that method of sale. In reality, any charity would have higher level strategies driving their choice of markets and products.

Therefore, I recommend not considering method of sale as a driving force for an NPO.

Method of Distribution

Method of distribution as a driving force implies that the company decides on which markets and products to offer based on what best fits their methods for getting those products to their customers.

This strategy could be a good fit for NPOs that focus on how they deliver their products and services within their mission more so than exactly what they deliver. International aid organizations may fall into this area where they develop the ability to get aid to anywhere in the world, the specific aid varying significantly based upon the actual need of their 'customers'.

Natural Resources

A company with natural resources as its driving force focuses on creating value with the use or conversion of the natural resources they own and/or have access to.

In the NPO world, some conservation organizations pursue their mission by taking ownership of land and/or creating easements on naturally vital land to preserve its value while allowing limited development. This concept might also extend to blood banks.

Size/Growth

A company using size/growth as their driving force make its decisions on which products to offer and which markets to serve based on those that provide the greatest rate of growth. It is only the driving force if the desire to grow leads directly to change in market and/or products. Tregoe and Zimmerman note that this rarely a long term driving force.

NPOs that wish to maximize their overall membership or constituencies might adopt this driving force for a period of time.

Return/Profit

Return/profit as a driving force implies that the organization will target a specific level of profit and then determine the scope of its products and services in support of that goal. The authors specifically state that an organization working to maximize profit within a specific product scope is not return/profit driven. The products and markets must be determined by the best return possible outside of other considerations to be a return/profit driven organization.

This area of strategy is the most clearly at odds with non-profit organizations. While NPOs do need to operate in the black over the long haul, they are not driven by maximizing profits.

Those that have strayed into this as a driving force tend to get into trouble (such as United Way a few years ago).

However, I think that a suitable replacement for return/profit is the area of change or impact upon the regulatory/political environment or society as a whole. Many NPOs work to create change in the world around them and could use that as their driving force where their products and markets are determined by how they can have the greatest impact on creating change in these areas.

Summary of Strategic Areas and NPOs

Below is a summary of the discussion above, indicating which of the original areas of strategy apply and two proposed new areas (in italics).

Area	Potential NPO Driving Force	Not Applicable to NPOs
Products and Markets		
Products Offered	X	
Market Needs	X	
Capabilities		
Technology		X
<i>Intellectual Property</i>	X	
Production Capability		X
Method of Sale		X
Method of Distribution	X	
Natural Resources	X	
Results		
Size/Growth	X	
Return/Profit		X
<i>Regulatory/Political/Societal Change</i>	X	

This leaves us with an updated list of strategic areas that are suitable as potential driving forces for NPOs:

Products and Markets

- Products Offered
- Market Needs

Capabilities

- Intellectual Property
- Method of Distribution
- Natural Resources

Results

- Size/Growth
- Regulatory/Political/Societal Change

These refined strategic areas should provide fertile ground for your senior staff and board members to decide what should truly drive the future of your organization. This approach provide much greater clarity of purpose than traditional strategic planning usually provides.

About C. David Gammel

C. David Gammel is president of High Context Consulting, LLC. David helps his clients to maximize the strategic potential of the people, processes and technology.

David has been quoted in dozens of articles and news stories on topics such as social media, web security, strategy and others. He has appeared in articles published in *The New York Times*, *The Washington Post*, *Wired*, *MSNBC.com*, *Monster.com*, *Workforce Management*, *Executive Update* and other publications.

High Context Consulting has attracted clients such as the Society for Human Resource Management, JotSpot (now owned by Google), SafeKids Worldwide, Council on Foundations and many others.

In addition to consulting, David speaks internationally to diverse audiences that have included Fortune 500 executives, small business owners, non-profit organization executives, boards of directors, small business owners, entrepreneurs, students and others. His presentations run the gamut from cross-cultural business strategy to social media to web site management.

David has served on the faculty of the U.S. Chamber of Commerce's Institute for Organization Management and has guest lectured at American University in Washington DC.

Web teams led by David earlier in his career won numerous industry awards for design, content and functionality, including an *Aesculapius Award of Excellence* for health care communications.

David has a Master of Arts in International Communication from American University in Washington, DC, and a Bachelor of Arts in International Studies from Miami University in Oxford, Ohio.

David lives in Salisbury, MD, with his wife Jennifer and daughters Ella and Lily.