

TOOLKIT #4

The Strategy Kernel

A strategy is not a list of goals. Name the real challenge, choose one way to tackle it, and commit to a few actions that fit together.

A Lever & Core toolkit

Based on the kernel of good strategy described by Richard Rumelt in Good Strategy Bad Strategy

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Every complex organization is inherently simple.

01 · WHAT IT IS

Three parts every real strategy needs

Many NGO strategic plans are long lists of goals and values that everyone agrees with and nobody can act on. A useful strategy is shorter and harder: it says what the main challenge is, how you will deal with it, and what you will actually do. This toolkit helps your leadership write that in one page.

What it is

The **strategy kernel** has three parts. A **diagnosis** that explains what is going on and names the critical challenge. A **guiding policy**: the overall approach chosen to deal with that challenge, which also rules options out. And a set of **coherent actions**: a few coordinated steps and commitments of people and money that carry out the policy and reinforce one another.

If one part is missing, what you have is a wish, a slogan or a to-do list, not a strategy.

When to use it

- Preparing or refreshing a strategic plan.
- A board retreat or a new director's first months.
- The organization has many goals and little focus.
- Funding, demand or the environment has changed.
- Teams are busy, but pulling in different directions.

Warning signs of a plan that is not a strategy

- **Fluff**: big words that sound deep and say little.
- **No challenge named**: it never says what is hard.
- **Goals posing as strategy**: "grow our impact" is a wish, not a plan.
- **Too many priorities**: when everything matters, nothing does.

TIME	WHO	YOU'LL NEED
A half-day leadership session, after short preparation; a review every six months.	The director and senior team, ideally with one or two board members.	Short pre-reads on what has changed, a whiteboard, and the one-page worksheet.

Source. The kernel of diagnosis, guiding policy and coherent action, and the warning signs of bad strategy, are described by Richard P. Rumelt in *Good Strategy Bad Strategy: The Difference and Why It Matters* (2011). This toolkit is an original adaptation for mission-driven organizations by Lever & Core.

02 · THE FRAMEWORK

Diagnosis, guiding policy, coherent actions

1

DIAGNOSIS

What is really going on?

Names the critical challenge: the one obstacle that matters most.

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2

GUIDING POLICY

Our overall approach

How we will deal with the challenge, and what we will stop doing.

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3

COHERENT ACTIONS

What we will do

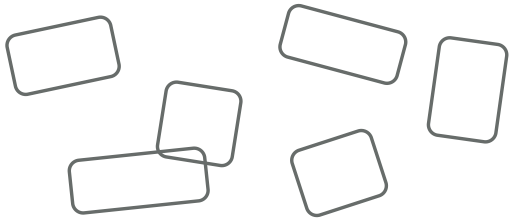
A few coordinated actions that reinforce each other.

THE KERNEL IN ONE LINE

Because of what we see (diagnosis), we will focus on this approach (policy), through these linked actions.

COHERENCE: ACTIONS THAT FIT TOGETHER

A wish list



Many good ideas, each pulling its own way.

A strategy



Each action supports the others, and all of them serve the policy at the core.

Fewer actions, built to fit.

A good diagnosis

Simplifies a complex situation into a clear story. It names the one or two obstacles that matter most, not every problem. It can usually be said in a few sentences.

A good guiding policy

Is a direction, not a goal. It creates advantage by focusing effort, and it is clear about what the organization will no longer do.

Good coherent actions

Are few, concrete and resourced. They have owners and dates, and each one makes the others easier or stronger.