

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.

→

2

GUIDING POLICY

Our overall approach

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

→

3

COHERENT ACTIONS

What we will do

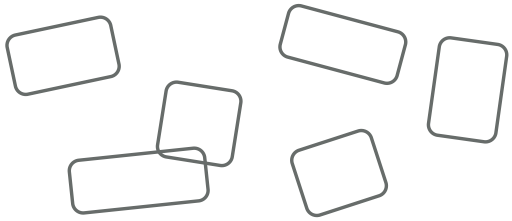
A few coordinated actions that reinforce each other.

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.

03 · STEP BY STEP

Writing your kernel with the leadership team

1

Gather what is changing and what is hard

Before the session, collect short inputs: shifts in need, funding, partners, the team, and what has not worked. Bring facts and open questions, not solutions.

Ask: What has changed around us? What keeps us from more impact?

2

Write the diagnosis

In a few sentences, explain what is going on and name the critical challenge. Test it: would a thoughtful outsider recognize it? Does it explain why past efforts stalled? Toolkits #2 and #3 help here.

Ask: If we could solve only one thing, which would change the most?

3

Choose the guiding policy

Generate two or three different approaches to the challenge and compare them. Choose one. Write it as a direction ("we will…") and add what it rules out ("and therefore we will not…").

Ask: What does this approach make easier? What are we giving up?

4

Design a few coherent actions

List the three to five actions that put the policy into practice, including decisions about people, money and partners. Check that each one supports the others. Drop good ideas that do not fit.

5

Test for coherence and commitment

Read the kernel aloud as one sentence: because of the diagnosis, we follow this policy, through these actions. Look for contradictions, missing resources and actions without an owner.

6

Put it on one page and review it

Share the one-page kernel with staff and board, and revisit the diagnosis at least twice a year. When the situation changes, the strategy should too.

Goal or guiding policy?

A GOAL OR SLOGAN	A GUIDING POLICY
"Be the leading organization in our field."	Concentrate on the two regions where we already have trusted partners, and leave the rest to allies.
"Diversify our funding."	Build a base of recurring individual donors around one flagship program, instead of chasing many small grants.
"Empower young people."	Work through schools we already know, and train their staff to run the program themselves.

04 · WORKED EXAMPLE

A food assistance network stuck in emergency mode

TYPICAL SCENARIO

A composite of a pattern we often see in the sector. It is not a client and does not describe any real organization.

THE SITUATION

A regional NGO distributes food to families in need. Its strategic plan lists many goals: reach more families, diversify funding, strengthen volunteers, improve nutrition, raise visibility, digitize operations. Each year the team works hard on all of them, and the organization feels just as fragile.

DIAGNOSIS

The organization was built to respond to emergencies: one-off campaigns, pop-up distributions and short-term emergency grants. But the need it serves has become steady and long-term. The **critical challenge** is that an emergency model is being used for a permanent need, which leaves families, volunteers and funding unstable.

GUIDING POLICY

THE APPROACH

Shift from emergency response to a stable, year-round network built with a few strong local partners, and stop running one-off pop-up distributions.

COHERENT ACTIONS

- Sign multi-year agreements with a small number of local partners who host regular distribution points.
- Replace campaign-based volunteering with steady teams attached to each distribution point.
- Ask core donors for multi-year support of the network, and stop pursuing grants that require one-off events.
- Track the same few measures at every point, so the board sees one picture.

WHY IT HOLDS

Each action supports the others: stable partners make steady volunteer teams possible, steady operations make multi-year funding credible, and shared measures make the network easier to explain. Goals such as “raise visibility” were not dropped; they now follow from the kernel instead of competing with it.

> **The lesson.** The old plan had more goals than the new one has actions. What changed was not effort but focus: one honest diagnosis made it possible to say no to good-looking work that did not fit.

05 · WORKSHEET

Your strategy kernel on one page

Organization / unit _____ Time horizon _____ Date _____

1 DIAGNOSIS

What is going on, in a few sentences? What is the critical challenge, the obstacle that matters most?

2 GUIDING POLICY

We will... (the approach) / and therefore we will not... (what it rules out)

3 COHERENT ACTIONS

Three to five actions, each with an owner and the resources it needs.

	ACTION	OWNER	RESOURCES
1			
2			
3			
4			
5			

4 COHERENCE CHECK

- ☐ The diagnosis names one critical challenge
- ☐ Every action serves the policy
- ☐ Each action has an owner and resources
- ☐ The policy says what we will stop doing
- ☐ The actions reinforce each other
- ☐ It reads as one sentence: because... we will...

06 · FOR THE FACILITATOR

Tips and common mistakes

Facilitator tips

Spend most of the time on diagnosis

Groups rush to actions. A sharp diagnosis makes the policy and actions far easier to agree on.

Ask for the hard thing

Invite people to say what is difficult, not only what is going well. Strategy starts where the obstacle is named.

Compare real alternatives

Put two or three guiding policies side by side. Choosing between options is how a team discovers what it believes.

Write the “will not” together

Saying no is the hardest and most useful part. Make it explicit and agree it with the board.

Keep it to one page

Longer documents can follow. The kernel itself should fit on a page and be easy to repeat.

Common mistakes

Goals in place of a policy

“Double our reach” is an ambition. The policy is how you will get there given the challenge.

A diagnosis that blames the outside

“Not enough funding” is rarely the full story. Ask what about us makes the situation harder.

Keeping every priority

A plan that tries to satisfy every stakeholder usually serves none of them well.

Actions without resources

If an action has no owner, time or budget, it is a hope. Decide what it takes, or drop it.

Writing it once and filing it

Situations change. Revisit the diagnosis regularly and adjust the policy when it no longer fits.

QUESTIONS TO KEEP ON THE WALL

01 What is the one challenge that matters most?

02 Would an outsider recognize our diagnosis?

03 What will we stop doing?

04 Does each action make the others stronger?

05 Who owns it, and with what resources?

06 Has the situation changed since we wrote it?

Want help running this with your team?

Lever & Core — Uriel Edery

We help NGOs and mission-driven organizations find the few things that really limit their impact, and build simple, focused ways of working around them.

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