

Guide to Using a Program Strategy Map

Introduction

What is a program strategy map and why is it important?

Many nonprofits operate multiple programs, often across different locations, and find themselves facing strategic decisions about how to create the strongest possible mix of programs. This challenge is tough, even for organizations with clear goals for impact that inform their strategies.

The program strategy map is a tool you can use to visualize and evaluate the performance of your nonprofit's programs. It uses two dimensions—alignment with goals for impact and financial sustainability—to create four quadrants. Each quadrant raises a set of questions for you to consider about the programs that fall within it. The map paints a picture of how your unique set of programs is contributing to your mission and financial health. It can help you better understand and make decisions about those programs.

You might choose to do this analysis independently, or you might prefer to get support from an external advisor. Either way, your team will need to invest a meaningful amount of time. But once you've laid the groundwork for the analysis, it's repeatable—with results and analyses you may revisit over time.

Overview

This guide can help your team through the five steps of creating and using a program strategy map. We encourage you to keep the process as simple as you can, and use the most accessible data you can collect, striving not for perfection, but rather for a robust enough map to inform decisions.

The Program Strategy Map



Source: The Bridgespan Group

Resources

It may be helpful to follow along in the accompanying [Excel tool](#) to better understand this process. We also recommend reading “[How Nonprofits Can Map Their Programs to Their Strategy](#),” which expands on how valuable the program strategy map can be for nonprofit leaders.

Five steps to program strategy mapping

1 Name your critical questions	<ul style="list-style-type: none"> • Align on project end goal and key questions for consideration • Define programs for analysis • Consider how and when to engage stakeholders
2 Define what “good” looks like	<ul style="list-style-type: none"> • Develop and weight the criteria to assess the organization’s programs along the two axes • For each criterion, define what “good” looks like and design a simple scale to score programs
3 Gather information	<ul style="list-style-type: none"> • Collect, validate, and analyze the data required to assess program performance • Double check your data
4 Create the map	<ul style="list-style-type: none"> • Input program data and scores for each criterion • Use final scores to create a program strategy map (2x2)
5 Make decisions	<ul style="list-style-type: none"> • Review the final 2x2 strategy map and facilitate a discussion about program performance • Reserve time to reflect on results • Understand drivers of each program’s position on the map, and discuss implications and next steps

Source: The Bridgespan Group

STEP 1 – Name your critical questions

Overview

The first step is to clarify your **goals for the program strategy map process, identify the programs you will analyze, and plan how you will engage with stakeholders.**

How to

Before you choose which programs to map, be clear on the objective of the process—the key questions you are trying to answer. For instance, if your organization recently completed a strategy refresh, you might want to understand how your existing programs align with the new strategy. In that case, a comprehensive picture of your programs might make sense. But if your organization is facing financial hardship, you might want to focus on the programs you suspect are “potential distractions” (neither covering their costs nor contributing significantly to your impact goals).

When you’ve clarified your goals, you can begin to identify programs for analysis. For organizations that have many activities underway, it can be challenging to define what constitutes a “program.” In our experience, programs are clusters of activity that share several of the following characteristics:

- **Location:** Where is the program operated and/or delivered?
- **Population served:** Who is the target recipient?
- **Services offered:** What direct or indirect services are its focus?
- **Staff capabilities:** Which staff capabilities are needed to deliver it?
- **Funding source:** How is it funded?
- **Other assets:** What other assets are needed to deliver it (e.g., space, equipment)?

Ultimately you may need to make some judgement calls about how to define your programs based on the key questions you are hoping to answer. For example, if your primary goal is to understand how different sites compare to one another, you might analyze a multi-site program

by location to understand how outcomes or finances differ from one location to another. Alternatively, two activities typically viewed as separate services may make sense to analyze as one program. For example, a legal services clinic that offers both legal representation and case management to the same clients might describe these activities as two separate programs in their day-to-day operations, but decide to analyze them as one program for the program strategy map. Mapping the combined effort as one program would make sense if the services offered were, for example, provided to the same clients, delivered at the same point in time, and funded by the same contract or grant.

Ultimately, program definition should be a judgement call based on the goals of your analysis and the key questions you are trying to answer.

Key tips

- **Account for existing data systems:** Pay attention to how programs are currently defined and tracked within your existing data systems; using different definitions for the program strategy map might make it harder to collect data.
- **Focus on the programs most relevant to your key questions:** Analyzing your entire portfolio of programs to show a comprehensive picture of performance can be powerful, but it isn’t always needed. It’s more important to analyze the programs related to the key questions you need to address. Also consider excluding programs or initiatives that are new or in a test phase, because there may not be enough information about them.
- **Explore whether programs are serving your populations of focus equitably:** For programs with multiple sites that serve different populations, choosing to analyze sites separately can enable organizations to better understand how they are serving—or failing to serve—marginalized communities. You can also disaggregate data within programs at the same site in order to gain a better understanding of relative demographic performance in your program.

Engaging Stakeholders

Step 1 is a good time to plan for engaging stakeholders, including your staff. Indeed, the program strategy map requires significant engagement across various staff functions, so it is important to get staff on board early.

Once you've identified the goals of your program strategy map analysis, think about how and when to engage stakeholders in the

input and decision-making process. The right approach to take with stakeholders will vary by organization based on the patterns of engagement you've already established. Consider the role each group will play in providing input and making decisions, and how you will communicate with them about the program strategy map. Here we highlight some common ways nonprofit leaders have engaged others in their program strategy map work.

	Input that may be needed	Timing
Board of directors	<ul style="list-style-type: none"> • Approval and/or support for project • Approval and/or input on key decisions (e.g., a program exit) 	<ul style="list-style-type: none"> • Before process begins • When criteria and weighting are finalized • When the map is complete and decisions are in draft form or finalized (depending on the board's role in program decisions)
Program staff	<ul style="list-style-type: none"> • Assistance with data gathering related to respective programs • Input on criteria, scoring, and/or weighting • Input on decisions stemming from the analysis 	<ul style="list-style-type: none"> • When criteria and weighting are drafted • During the data gathering phase • When the map is complete and decisions are in draft form or finalized (depending on individual's role)
Program participants and community stakeholders	<ul style="list-style-type: none"> • Program participants and community members all may have valuable input on the relative impact of different programs 	<ul style="list-style-type: none"> • During the process (e.g., to get input on program performance) • When assessing the impact of potential decisions on these stakeholders • In communicating results of analyses and decisions

STEP 2 – Define what “good” looks like

Overview

Step 2 involves **developing the criteria that you will use to evaluate the programs** you defined in Step 1. These criteria align your team around what “good” looks like to decide what is most important (e.g., the extent to which a program’s approach is advancing equity), and ultimately to compare programs that may be very different from one another. This will help your organization make choices about the best use of your resources.

How to

Criteria should fall within one of two categories (the two axes of the program strategy map): financial sustainability and alignment with goals for impact.

We recommend beginning with these commonly used criteria:

Financial sustainability

- **Net contribution:** This is calculated by adding the “fully loaded costs” of your program and subtracting them from the program’s restricted revenues, giving you the degree to which the program is subsidized or not by unrestricted revenues. Fully loaded costs are calculated by adding direct program costs and related indirect costs. (See Step 3.)
- **Funding reliability:** The percent of program costs covered by funding sources that are guaranteed for the next three to five years or are very likely renewable.

Resources

The “[Intended Impact and Theory of Change](#)” framework may be useful to review before defining criteria around alignment with goals for impact.

Alignment with goals for impact

- **Population of focus:** The extent to which the program is having an impact with the community you are prioritizing. For direct service nonprofits, this might be expressed as a measure of the percentage of total clients served that are part of your populations of focus. For other organizations, such as those focused on policy change, this criterion may be less relevant.
- **Alignment with approaches that you believe lead to impact:** A subjective measure of how the program executes on approaches that your organization agrees contributes to impact (e.g., for an education program, is the curriculum tailored to the cultural and traditional backgrounds of participants?).
- **Program outcomes:** Evaluates each program’s success at achieving its target outcomes. For a direct service program, this may be the extent to which participants achieve specific outcomes themselves. For organizations with indirect approaches to impact, such as advocacy organizations, this criterion may be a measure of how effectively the program achieves specific milestones that contribute to larger-scale reforms or changes in behavior.

These criteria are a starting point; customize them as you see fit based on your impact goals and approaches to your work.

For organizations whose goals for impact include advancing racial equity or other forms of equity, this step can be a prime opportunity to apply an equity lens. For instance, if your organization’s mission is to close the learning gap between Black children and white children, criteria could include the demographics of program participants or whether the program uses approaches that are culturally inclusive.

Once you’ve aligned on a group of criteria, it’s important to define what “good” looks like for each criterion. What level of performance would justify a high, medium, or low rating for a program? Your existing data may inform where you set thresholds for high, medium, and low ratings. Be sure to define good in broad enough terms that it can be applied across programs in a consistent way.

Organizations with a hybrid approach, blending direct service programs and advocacy work, may find that their streams of work are too different to easily assess with the same set of criteria. They may find it useful to have a separate criteria for each area of work to compare “apples” and “oranges.” If so, clear high, medium, and low ratings for each criterion will help to compare across programs in different areas of work.

If your criteria are not equally important, then provide a weighting to each criterion according to your priorities. The total weights assigned to the criteria along each axis should sum to 100 percent. For example, an advocacy organization might place greater weight on how faithfully a program deploys key approaches like coalition building and place less emphasis on reaching a population of focus.

Key tips

- **Keep it simple:** Fewer criteria and a simple rating scale (e.g., high/medium/low) can help prevent your analysis from becoming overly complex and make it easier to interpret the results to inform decision making.
- **Select criteria where you can pull objective data:** Define criteria that are measurable and as data-driven as possible.
- **For organizations with an equity focus, ensure criteria unpack how programs are contributing to your equity goals:** This can be done by naming the populations your organization prioritizes under population of focus, clarifying which approaches advance equity, and setting clear outcome goals that advance equity.

Program criteria and rating scale (example)

		Sample criteria		Sample rating scale			Sample weighting
				Low - 1	Med - 2	High - 3	
Financial sustainability	Net contribution	[Revenue] - [True Cost] = Net Contribution	Net loss	Breakeven	Net Gain	80%	
	Funding reliability	Percentage of program costs covered by funding sources that are guaranteed for next 3-5 years and/or likely to be renewed	Low (funding likely to diminish or disappear)	Medium (funding likely to remain stable)	High (funding likely to increase over time)	20%	
Alignment with goals for impact	Population of focus	Percentage of clients/users that represent your target population	< 60%	60% - 80%	> 80%	34%	
	Alignment with key approaches to impact	Degree to which program employs key approaches	Low	Medium	High	33%	
	Program outcomes	Measurable outcomes specific to program area	Low	Medium	High	33%	

Source: The Bridgespan Group

STEP ③ – Gather information

Overview

Step 3 in this process is **gathering the necessary data to create the program strategy map**. The output of this process will be only as good as the inputs you use: gathering accurate data is key to ensuring that your analysis yields worthwhile insights that you can act on.

How to

Some common sources of program data include:

- **Internal data systems:** Current data from finance and program tracking systems will be critical, although they might have to be adjusted if program definitions used for this analysis differ from those used for accounting and compliance purposes.
- **Internal organization surveys:** A short survey for key staff can collect useful information on your programs.
- **External survey:** Short surveys to collect information on outcomes and satisfaction from program participants and community members can provide important insights on program quality and impact.
- **Interviews/focus groups:** Short interviews or focus groups with management or program staff can reveal internal perceptions on program quality, performance, and alignment with strategy. They can also garner input from community members on performance and satisfaction.
- **Market research:** Secondary research and expert interviews can identify concentrations of need across the target population.

This is also an opportunity for your organization to consider your programs' impact through an equity lens by comparing outcomes across key demographics. This may require disaggregating your data. Depending on the questions you are seeking to answer, you might disaggregate your data by racial demographics, organization sites, or other characteristics that address your key questions.

Resources

Although nonprofits generally have a good understanding of their revenues, they sometimes know less about their costs—especially when it comes to the “true” total cost of providing a service or running a program. For more help with true cost analysis and the calculation of net financial contribution, see Bridgespan’s [“Nonprofit Cost Analysis Toolkit.”](#)

Key tips

- **Share the load:** Distribute data-gathering responsibilities across your leadership team and delegate to key program and finance staff, when possible.
- **Keep it simple:** Depending on data availability, light-touch approaches may be very useful. For instance, in the absence of hard data on program performance, a qualitative assessment can provide a directional sense of program outcomes (e.g., a survey of staff or participants that rates the program as “likely doesn’t meet”/“meets somewhat”/“mostly does meet” our goals for program outcomes).
- **Build in time for data validation:** Double-check data prior to assessing programs, especially if you have multiple people contributing data for the same criteria (e.g., program directors rating their own programs).

STEP 4 – Create the map

Overview

Step 4 is where you **pull all of your data together and use it to plot your programs** on the program strategy map.

How to

Bridgespan has created an [Excel tool](#) to simplify the process of plotting data on the program strategy map.

Key data include your overall criteria ratings for the X and Y axes, as well as each program's overall budget (which informs the size of each circle on the map). Some organizations may find this template sufficient to create a program strategy map for discussion. For others, it may serve more as a learning aid to acquaint them with this analysis before gathering and plotting data in their own spreadsheets.

Key tips

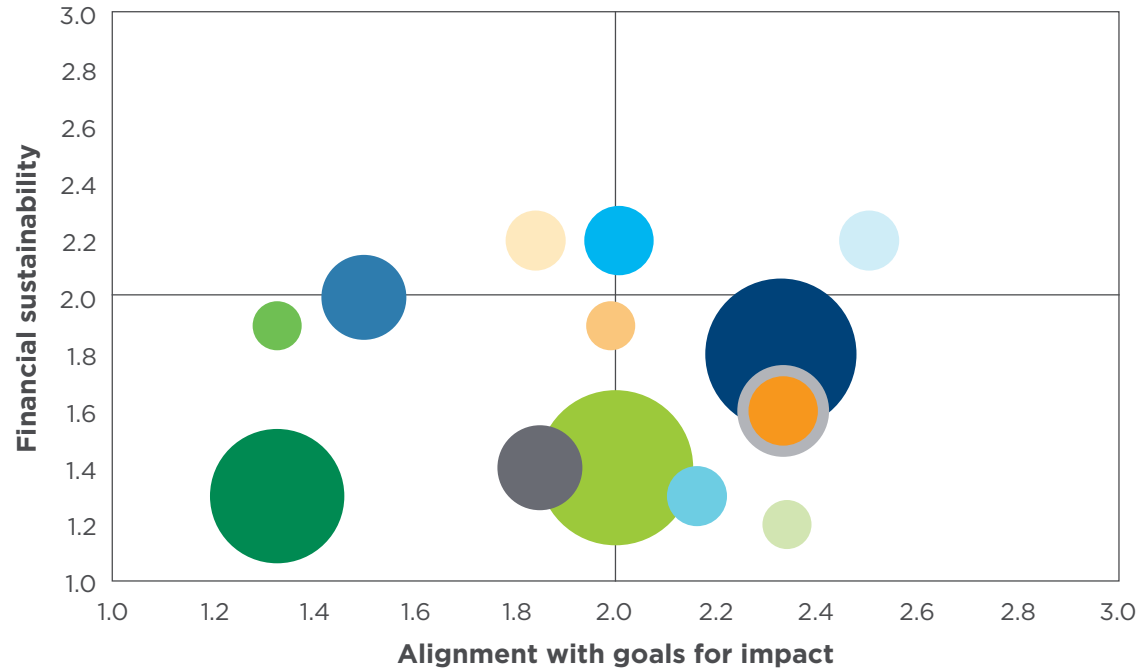
- **Gut check program placements:** Does the picture look right based on what you know to be true about your organization and programs? In some cases, a program may look out of place because of underlying problems with your data or analysis. In other cases, you may have uncovered some new insights about a program.
- **Color code your program strategy map:** Color coding each circle on the map is a way to add an additional layer of information to this chart for more complex organizations. This can be used to display structural information about programs (e.g., geographic location or department in your organization) or additional variables that are not represented on the X or Y axis (e.g., program maturity to differentiate between start-up activities and established efforts).

Summary score table (example)

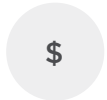
Activity	Impact	Financial	
	Alignment with goals for impact (<i>x-axis position</i>)	Financial sustainability (<i>y-axis position</i>)	Annual program expense (\$) (<i>circle size</i>)
Program 1	2.32	1.80	475,000
Program 2	1.50	2.00	150,000
Program 3	2.01	2.20	100,000
Program 4	2.16	1.30	75,000
Program 5	2.50	2.20	75,000
Program 6	1.33	1.30	375,000
Program 7	1.33	1.90	50,000
Program 8	2.01	1.40	500,000
Program 9	2.34	1.20	50,000
Program 10	2.33	1.60	100,000
Program 11	1.99	1.90	50,000
Program 12	1.84	2.20	75,000
Program 13	1.85	1.40	150,000
Program 14	2.33	1.60	175,000
	Higher numbers mean greater impact alignment	Higher numbers mean lower financial burden	

Source: The Bridgespan Group

Program Strategy Map (example)



- Program 1
- Program 2
- Program 3
- Program 4
- Program 5
- Program 6
- Program 7
- Program 8
- Program 9
- Program 10
- Program 11
- Program 12
- Program 13
- Program 14


 Circles represent programs mapped to axes. Circle size is proportional to annual program expense.

Source: The Bridgespan Group

STEP 5 – Make decisions

Overview

A completed program strategy map won't tell you what to do, but it will help set the stage for thoughtful conversations about the impact and sustainability of your overall mix of programs. This is the work of the fifth and final step of the process, in which your leadership team will **review the results of your analysis, align on next steps, and chart a path forward.**

How to






Prompts for discussion once your team has a completed program strategy map include:

- What have we learned about the key questions we set out to answer at the outset of this analysis?
- Based on this picture, what are the strengths of the portfolio of programs? What are the challenges?
- What surprises us about the placement (and related scores) of each program?
- What are the opportunities to move programs up and to the right?
- Where should we focus our efforts for improvement? (E.g., should we focus first on larger programs or on areas that might be easier to improve?)
- What outstanding questions do we have about certain programs and their effectiveness? Where do we need to learn more?
- Will any of the potential changes we may make to our programs disproportionately impact clients from already marginalized groups?

Resources

For more on these potential decisions, see [“How Nonprofits Can Map Their Programs to Their Strategy.”](#)

There are five primary decisions you might make about a given program...

- 
Grow it if it is performing well on both of these dimensions and has the potential to be scaled for greater impact.
- 
Improve it on the dimensions of the analysis it is lacking in (seek to move it up and to the right on the map).
- 
Exit in the case of underperformance on one or both dimensions of this analysis, if performance cannot be significantly improved.
- 
Leave as-is for programs that are delivering results relatively sustainably, but are not a priority to grow or improve in the near term.
- 
Maintain despite lower performance. Organizations may decide to keep a program despite poor performance on one or both dimensions of the analysis. This could be for a number of reasons, including whom it serves or program benefits that have not been fully captured by the overall criteria.

Key tips

- **Save time for reflection:** Reserve ample time to reflect on results and discuss potential implications.
- **Look for places where you need to learn more:** This analysis often begets further research questions before an organization feels ready to make hard decisions (in particular, when this process reveals an organization needs more reliable data).
- **Practice effective decision-making behaviors:** Make sure you have gathered relevant input from stakeholders prior to making any final decisions. In particular, seek out perspectives missing on your leadership team and any information that will help you interpret your data to better understand the overall story of a given program.