CATALYST COLLECTIVE GROUP

CASE STUDY

Why Strategic Planning Often Fails

Five Common Mistakes Executive Teams Make — and How to Avoid Them

Prepared by Catalyst Collective Group

Catalyzing Growth. Building Influence. Creating Legacy.

Executive Summary

Across sectors, nonprofit, government, education, healthcare, philanthropy, and mission-driven business alike, leadership teams invest enormous time, money, and political capital into building strategic plans. Retreats are booked. Consultants are hired. Vision statements are refined until every word is defensible. And then, more often than not, the plan quietly fails to change what the organization actually does.

Independent research consistently converges on the same uncomfortable conclusion: the majority of strategic plans are never fully executed. Studies cited by Harvard Business Review put the failure rate at roughly 67 percent, while the creators of the Balanced Scorecard, Robert Kaplan and David Norton, have estimated that as many as 90 percent of organizations fail to execute their strategies successfully. The pattern holds across for-profit and mission-driven organizations alike, and it holds regardless of how sophisticated or well-funded the planning process was.

At Catalyst Collective Group (CCG), we have sat on both sides of this problem, as the outside strategists brought in to design a roadmap, and as the operating partners who stay close enough to an organization to watch what happens after the retreat ends. Our perspective, reinforced by the broader research base summarized in this case study, is that strategic plans do not usually fail because the strategy was wrong. They fail because of predictable, well-documented breakdowns in how the plan is built, owned, resourced, and sustained.

This case study examines five of the most common, and most avoidable mistakes executive teams make when they engage in strategic planning. For each, we summarize the research evidence, explain why the mistake happens even among capable, well-intentioned leadership teams, and lay out CCG's perspective on how to avoid it. We close with an overview of the Catalyst Growth Journey™, the seven-phase framework CCG uses to keep strategy from becoming a document that sits on a shelf.

The Scale of the Problem

Before addressing the specific mistakes, it is worth sitting with how widespread and costly strategic planning failure actually is. This is not a fringe problem affecting a handful of poorly run organizations. It is close to the norm.

> **67% to 90%**
> *Range of strategic plan failure rates reported across research from Harvard Business Review and Kaplan & Norton's Balanced Scorecard studies*

Only 2%
of leaders report confidence that they will achieve 80–100% of their strategic objectives (Bridges Business Consulting)

80% vs. 44%
of leaders believe their organization is skilled at crafting strategy, but fewer than half believe it is skilled at implementing it (Bridges Business Consulting)

95%
of employees, on average, do not understand their own organization's strategy well enough to act on it day to day

These numbers matter because they point away from the explanation most executive teams reach for first. When a strategic plan underperforms, the instinctive diagnosis is usually "we picked the wrong priorities" or "the market shifted." Occasionally that is true. Far more often, the research and CCG's own engagement history, shows that the plan itself was reasonable, and the organization simply lacked the structures, ownership, and discipline required to carry it from the boardroom into daily operations. This is sometimes called the strategy-execution gap: the distance between what leadership decides and what actually changes in how people spend their time, money, and attention.

For mission-driven organizations in particular, the nonprofits, government agencies, educational institutions, and coalitions CCG most often serves, this gap carries a distinct cost. Every hour a board spends in a strategic planning retreat, every consulting fee, every staff hour redirected toward drafting a plan is an hour and a dollar not spent directly on mission. When that plan is never implemented, the organization has not just failed to grow; it has diverted scarce resources away from the people and communities it exists to serve.

CCG's Perspective: Strategy Is a System, Not a Document

> *A strategic plan is not the strategy. It is, at best, a record of the strategy at a single point in time, a snapshot of a decision the organization intends to keep making, week after week, long after the retreat is over.*

CCG's core position, shaped by work across advisory engagements with nonprofits, government agencies, educational institutions, healthcare organizations, foundations, and mission-driven businesses, is that strategic planning fails when it is treated as an event rather than a system. The retreat, the facilitated sessions, the polished deck are useful and often necessary. But they are inputs to strategy, not the strategy itself. The strategy is what the organization actually does differently on the Wednesday afternoon six months after the retreat, when the original excitement has faded and the everyday pressures of the work have reasserted themselves.

This distinction is the thread that runs through every mistake examined below. Poor goal-setting, weak buy-in, resource mismatches, absent accountability, and static plans are not five unrelated problems. They are five different points at which an organization can quietly slip from treating strategy as an ongoing operating discipline back into treating it as a document to be produced and filed away.

Five Common Mistakes Executive Teams Make

MISTAKE 1 Treating the Strategic Plan as the Strategy Itself

What it looks like

An executive team spends months, sometimes a full year building an elaborate strategic plan: a market analysis, a competitive landscape, a multi-year roadmap, a glossy final deck or bound document. The document is presented to the board, approved with enthusiasm, and distributed to staff. Then very little changes. Reporting in Entrepreneur magazine on this exact pattern describes a case in which a 143-slide strategy deck, the product of months of work by a top-tier consulting firm, was still sitting untouched in a shared drive six months later, with the organization having quietly reverted to business as usual.

Why it happens

Building a plan feels like progress, and it is emotionally satisfying in a way that the slow, unglamorous work of execution is not. A finished deck offers closure; a five-year implementation effort does not. In addition, many executive teams, especially boards governing mission-driven organizations conflate the approval of a plan with the achievement of its goals. Once the vote is taken, attention naturally shifts to the next pressing item on the agenda, because approval feels like the finish line rather than the starting line.

CCG's perspective

At CCG we treat the written plan as a hypothesis, not a finished conclusion, an informed, testable bet about how the organization will grow, phrased in language specific enough that a frontline staff member could act on it without a translator. A plan that says an organization will “become more customer-centric” or “deepen community impact” has produced language, not direction. The test we apply to every strategic priority in a CCG engagement is simple: can a specific person, in a specific role, describe what they would do differently next Tuesday because of this priority? If the answer is no, the priority is not yet a strategy, it is still an aspiration.

How to avoid it

- **Translate before you approve —** Every strategic pillar should translate into specific operational behaviors for specific roles, not just aspirational language for the board or funders.

- **Build ownership into the document itself —** A plan approved without a named owner, budget, and first 90-day milestone should be treated as unfinished, not final.
- **Keep the plan on the agenda —** Reserve dedicated space on every leadership and board meeting agenda to review strategic progress, not just financials and operations, so the plan stays a living reference rather than an archived artifact.

MISTAKE 2 Leaving Execution as an Afterthought — No One Has the Authority to Drive It

What it looks like

The plan is sound. The priorities are reasonable. But six months in, nothing has actually moved, because no one in the organization has the standing authority to push the new direction through the organization's natural resistance to change. A strategy consultant can diagnose the problem brilliantly, but cannot override a finance leader slow-rolling budget approvals, an operations leader who claims to be too busy to staff the initiative, or a program director who nods along in meetings and then quietly instructs their team to keep doing things the old way.

Why it happens

Most strategic planning processes are built to answer the question “what should we do?” and stop there, treating “how will this actually get done?” as a downstream implementation detail to be sorted out later, by someone else. This is sometimes described as the difference between an authority problem and an execution problem: what looks like a failure to execute is frequently, on closer inspection, a failure to grant anyone the standing power to compel cross-functional change. Analysis of this dynamic notes that even CEOs who say they want execution often, in practice, primarily want validation of a plan they have already privately decided on and validation is not the same as accountable ownership.

CCG's perspective

This is precisely why CCG's Catalyst Growth Journey™ does not end at the Design phase. Discovery and design produce the roadmap; Develop, Deploy, Demonstrate, Deliver, and Distinguish are where the organization builds the actual capability to execute, tests the plan against real conditions, and proves measurable results before declaring victory. A strategic plan without an execution owner who has real budget and decision authority is, in our experience, not really a strategic plan, it is a wish list with a table of contents.

How to avoid it

- **Name an owner with actual authority —** Every major strategic priority needs one named executive-level owner with real budget authority and the standing to resolve cross-departmental conflict, not a committee, which diffuses accountability.
- **Build a review rhythm with teeth —** Establish a short, recurring cadence (monthly or quarterly) where progress is reported against specific, pre-agreed milestones, with consequences attached to missed ones.
- **Confront quiet resistance early —** A leader who publicly agrees to a strategic priority and privately tells their team to disregard it should be addressed directly by the CEO or board chair, silence here is the single fastest way a strategy dies.

MISTAKE 3 Building the Plan Without Genuine Buy-In from Those Who Must Carry It Out

What it looks like

A small group, often the executive director, CEO, or a handful of senior leaders, draft the strategic plan, sometimes with a consultant, and brings it to the board or staff only once it is largely finished, seeking approval rather than input. Board members or department leaders who were not meaningfully involved earlier may feel sidelined, and staff further down the organization often cannot articulate what the strategy even is. Research on this dynamic finds that, on average, roughly 95 percent of a company's employees do not understand their organization's strategy well enough to act on it. This in turn means the plan effectively does not exist for the vast majority of the people who would need to carry it out.

Why it happens

Genuine engagement is slow, and executive teams under time pressure are tempted to treat broad consultation as a bottleneck rather than a foundation. For nonprofit and government organizations specifically, board dysfunction compounds the problem: boards that are underinvolved in the planning process fail to stress-test financial projections and long-term sustainability, while boards that are involved only late, near final approval, tend to arrive with major objections at the worst possible moment, after the plan is essentially finished.

CCG's perspective

CCG's Discover phase exists specifically to prevent this failure mode. Before any roadmap is drafted, we work to surface the perspectives of board members, frontline staff, funders, and where relevant, the communities an organization serves, not as a courtesy step but as the mechanism by which the eventual plan earns real ownership rather than mere approval. A plan that a frontline program manager helped shape is a plan that program manager will defend under pressure; a plan handed down from above is a plan that same manager will quietly deprioritize the moment things get busy.

How to avoid it

- **Engage stakeholders before drafting, not after —** Involve board members, department leaders, and frontline staff in shaping priorities during the discovery and design stages, not just in ratifying a finished product.
- **Use a standing planning committee for larger boards —** For nonprofit and public-sector boards, a dedicated planning committee that stays engaged throughout the process tends to produce far stronger ownership than infrequent full-board updates.
- **Translate the plan for every audience —** Once the plan is approved, restate its priorities in plain, role-specific language for every level of the organization — not the language of the board deck.

MISTAKE 4 Setting Goals That Outrun the Organization's Actual Capacity and Resources

What it looks like

The strategic plan is ambitious, appropriately so, in the room where it was written. But the goals it sets assume a level of staff capacity, funding, technology, or organizational bandwidth the organization does not actually have and has no near-term path to acquiring. Timelines are aggressive. New initiatives are layered on top of already-full workloads without anything being stopped to make room. Within a year, staff are demoralized by targets that were unreachable from the outset, and the plan's credibility — along with leadership's — erodes.

Why it happens

Ambition is rewarded in the planning room in a way that realism is not. Board members and funders often want to see bold goals, and executive teams, eager to demonstrate vision, can be reluctant to name resource constraints explicitly for fear of appearing limited in their thinking. The result is a plan calibrated to what the organization aspires to be capable of, rather than what it is actually capable of executing given its current staffing, systems, and budget.

CCG's perspective

CCG builds capacity assessment directly into the Develop phase of the Catalyst Growth Journey™, treating it as a gating step rather than an afterthought: before an initiative is finalized, we ask what would need to be true in staffing, systems, revenue, and partnerships for the organization to deliver on it. From there we surface honestly where that capacity does not yet exist. This is not a call for timidity. It is a call for sequencing: an organization can pursue an ambitious multi-year vision while committing, in any given year, only to what its actual capacity supports.

How to avoid it

- **Stress-test goals against real capacity —** Every strategic goal should be reviewed against current staffing, budget, and systems capacity before it is finalized — not after it has already failed to launch.
- **Decide what stops, not just what starts —** When a new strategic initiative is added, name explicitly what existing work will be paused, delegated, or deprioritized to make room for it.
- **Sequence ambition in phases —** Break multi-year ambition into shorter, resourced phases so that each stage is genuinely achievable with the capacity the organization has today, building credibility for the stages that follow.

MISTAKE 5 Treating the Plan as Static in a Dynamic Environment

What it looks like

The strategic plan is finalized, bound, and treated as fixed for the next three to five years. When conditions change: a funding source disappears, a new competitor or peer organization emerges, community needs shift, a public health or economic disruption hits, the plan is not revisited, because revisiting it feels like admitting failure. Instead, the organization either keeps chasing goals that no longer make sense, or quietly abandons the plan altogether without ever formally updating it, leaving staff unsure which version of the strategy, if any, is actually still in effect.

Why it happens

Many planning processes are built around outdated assumptions about how stable the operating environment will remain. Strategy has been described by planning practitioners as always being a hypothesis, an informed opinion about how to win, not a fixed roadmap, yet organizations continue to plan as though a three-year document, once approved, should not need to change. Revisiting a plan is also politically uncomfortable: it can look, to a funder or a board, like the original plan was wrong, even when the far more accurate story is that conditions changed in ways no one could have predicted at the time of planning.

CCG's perspective

This is the purpose of the final phases of the Catalyst Growth Journey™ — Demonstrate, Deliver, and Distinguish — which are deliberately built as a recurring cycle rather than a one-time finish line. CCG encourages the organizations we work with to build in short, regular checkpoints, often quarterly, where the plan's core assumptions are explicitly re-tested against current reality, and to treat a revision made in light of new evidence as a sign of organizational discipline rather than a sign of failure. A strategic plan that cannot flex when the world changes around it is not a strong plan; it is simply a plan that has not yet been tested.

How to avoid it

- **Build a fixed cadence for reassessment —** Schedule short, regular strategic checkpoints, quarterly is typical, separate from routine operational meetings, specifically to re-test the plan's assumptions against current conditions.
- **Normalize revision as discipline, not defeat —** Reframe updating the plan as evidence of strong governance and organizational learning, not as an admission that the original plan failed.
- **Define your early-warning triggers in advance —** Even between formal checkpoints, name in advance the specific external conditions: a funding shift, a policy change, a new competitor, that would trigger an off-cycle review.

Avoiding These Mistakes: The Catalyst Growth Journey™

Each of the five mistakes examined above shares a common root: strategy handled as a single event rather than a sustained discipline. CCG's answer to this pattern is the Catalyst Growth Journey™, a seven-phase methodology applied consistently across our engagements with nonprofits, government agencies, educational institutions, healthcare organizations, foundations, coalitions, and mission-driven businesses.

Discover — Discover the Opportunity

Genuine stakeholder engagement, honest assessment of current capacity, and a clear-eyed view of the organization's operating environment — directly addressing the buy-in failures described in Mistake 3.

Design — Design the Roadmap

Translating vision into specific, role-level priorities rather than aspirational language — directly addressing Mistake 1.

Develop — Develop the Capabilities

Building the staffing, systems, and resource base the strategy actually requires, and sequencing goals to match real capacity — directly addressing Mistake 4.

Deploy — Deploy the Solution

Naming accountable owners with real authority and putting the plan into motion — directly addressing Mistake 2.

Demonstrate — Demonstrate Measurable Results

Establishing the review cadence and metrics that let an organization know, in real time, whether the strategy is working.

Deliver — Deliver Lasting Value

Reassessing and adapting the plan as conditions change, so that value compounds rather than erodes — directly addressing Mistake 5.

Distinguish — Distinguish the Organization in the Marketplace

Using disciplined execution, not just an ambitious plan, as the true source of competitive and reputational advantage.

Conclusion

The evidence is consistent across sectors and across decades of research: most strategic plans do not fail because the underlying ideas were poor. They fail because organizations mistake the finished document for the finished work, leave execution without a genuine owner, build plans without the buy-in of the people who must carry them out, set goals beyond what current capacity can support, and then treat the resulting plan as fixed in a world that keeps changing around it.

None of these five mistakes are unique to any one sector, and none of them require a larger budget or a more brilliant strategy to solve. What they require is discipline, a willingness to treat strategic planning as an ongoing operating system rather than an annual event, and the structural commitment to keep that system running long after the retreat ends and the deck has been filed away.

This is the standard CCG holds itself to in every engagement, and the standard we encourage every executive team and governing board we work with to hold themselves to as well: the plan is not the strategy. The strategy is what the organization actually does, differently, on an ordinary Tuesday, months after the applause has faded.

About Catalyst Collective Group

Catalyst Collective Group (CCG) is a strategic growth and business development advisory firm that helps organizations build the partnerships, positioning, and operational capacity required to scale outcomes. We support nonprofits, government agencies, educational institutions, healthcare organizations, foundations, and mission-driven businesses with solutions that include executive strategy, partnership development, operational excellence, revenue diversification, and community impact planning—ensuring growth is aligned, measurable, and sustainable.

Our mission is to transform ideas into investment, partnerships into progress, and vision into measurable, sustainable impact.

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