

How to Create an Effective Non-Profit Mission Statement

by Francis Pandolfi

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“Mission” for nonprofits is the same as “profits” for private sector companies. In the private sector, corporations achieve their goals by carefully designing business operations that are reflected in a budget and then regularly reporting on how actual profits compare to that budget. If mission accomplishment is as important as profit attainment, why do most nonprofits not spend equivalent time in mission creation and monitoring?

In reality, nonprofits often completely mess this up. As important as missions are, nonprofits frequently go off in ineffective directions by relying on mission statements that can be little more than slogans. At a time when nonprofits around the world are struggling both to stay afloat and to achieve their missions, they are missing out on one of the most valuable tools to available to them.

As important as they are, mission statements are frequently little more than slogans. Many are lengthy and ambiguous or, to be useful, they must be accompanied by vision statements and lists of values, goals, principles and objectives. Because they are not carefully constructed, most mission statements cannot be used for regular and rigorous analysis, as is the case with corporate sales and profits. Furthermore, many nonprofit

managers do not instill the discipline in their organizations to use the mission on a regular basis as a tool to make decisions and achieve goals. Quite the opposite is true with the sales and profit budgets of successful corporations.

An effective mission statement must be a clear description of where an organization is headed in the future that distinctly sets it apart from other entities and makes a compelling case for the need it fills. Furthermore, this mission must be short, memorable and appropriate for a variety of organizational stakeholders including, for example, employees, funding sources, served constituencies and the Board of Trustees.

The process of creating a mission statement, often as important as the final result, may take several months; but well done, a mission statement can last for years. Here are three things to remember when crafting your mission statement.

A mission statement must clearly describe the nonprofit's strategy. This commonly used term – “strategy” – defines the actions that make the nonprofit unique. In the private sector a clear and effective strategy (i.e., “uniqueness”) facilitates attraction of customers, and that results in a profit. In a nonprofit a clear and effective strategy facilitates attraction of funds and provides the ability to take smart action. An effective strategy provides competitive advantage.

A well-crafted mission statement allows an NGO to operate with focus and discipline. It provides consistency in decision making over both time and geography. In other words, used as a tool to decide between various courses of action, the statement will be understood by employees in the same way over time and from location to location, because it is clear and easy to understand and not subject to multiple interpretations.

The process of creating the mission statement is just as important as the end result. Why is this? Because the staff and the board will have embraced this definition of strategy. Over time it is the board that is the keeper of the mission statement and the board will challenge the staff regularly to see that the statement is being achieved just as the board of a private-sector corporation will monitor profit.

One organization that has gotten it right is the Nature Conservancy with its mission “to preserve the plants, animals and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive.” This mission has been unchanged for years and the organization has been highly successful because its mission is simple (only 26 words), crystal clear and compelling.

For a nonprofit, in the end it is smart action that is equivalent to making a profit. As much time and energy should be devoted to creating a mission statement as to creating a sales and profit budget.

Francis Pandolfi has worked with over 40 NGOs as a Board member and a consultant. He was formerly CEO of Times Mirror Magazines and COO of the US Forest Service.

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