

## Module 2

# Strategic Planning for Nonprofit Organizations

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### Why Plan?

- Provides a common game plan
- Sets a direction
- Helps gain commitment
- Enables managers and leaders to make informed decisions
- Determines how resources will be used

#### The Major Elements of a Strategic Plan

Assessment of the Current Environment  
Vision and Mission  
Strategy  
Goals and Objectives  
Action Plans  
Implementation  
Evaluation and Modification

“Plans are nothing; planning is everything.”

— Dwight D. Eisenhower

*Planning time is an investment in success!*

“If you don’t know where you’re going, you might end up somewhere else.”

— Casey Stengel

### The Planning Document

.....Where are we now?

.....Where are we going?

.....How are we going to get there?

### Planning: Comprehensive, Long-Range, Strategic and Tactical Plans

Most planning is based on a specific point in time or a specific location. Nonprofit organization leaders should look at planning at different levels: comprehensive, long-range, strategic and tactical. The big picture must include all institutions and time dimensions. The strategic approach is to consider the nonprofit organization as an important element within a community, region or state. The tactical dimension addresses the specific means to achieve measurable outcomes. Tactical plans address implementation in the planning process. Leaders play a decisive role in shaping public policy. The board and staff must understand the importance of citizen participa-



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tion, group facilitation, consensus building, and producing measurable outcomes that enhance community pride and quality of life. These key personnel must understand that planning is an approach to making decisions regarding the allocation of organization resources. It is an on-going process of self-evaluation and improvement.

## **A Framework for Organizational Development**

Strategic planning has been used in the business community since the mid 1950s, growing out of their need to adapt quickly to a rapidly changing economy. This type of planning provides a disciplined approach for making decisions and taking actions that respond to the challenges and opportunities inherent in a changing environment. State and local governments go through phases when different forms of planning are considered important. Planning can occur at different levels for different purposes. The approaches can be comprehensive, strategic, tactical or action-oriented.

Strategic planning provides organizations with a systematic and disciplined way of setting goals and determining how they can be accomplished, given the opportunities and threats posed by the changing economy, and its internal strengths, weaknesses and resources. The result is the allocation of scarce resources to strategies that will be the most effective in improving the organization and its sustainability. Therefore, it is recommended that organizations use the strategic planning approach as a framework to guide activity in the organization. This approach allows program participants to use the knowledge in each aspect of the organization. It also can be used to identify development priorities based on a sound, reasoned and disciplined analysis of organization needs. Planning helps the organization undertake team oriented action projects that target clientele and organizational needs while making the best use of limited public and private resources.

## **Strategic Planning**

In its ideal form, it is a broad based progressive form of planning that includes powerful stakeholders, clientele and potential constituents. Strategic planning is an integrated effort to put together institutional and revolutionary planning in the short and long term. Planning is a process in which people confer about their visions and goals, make decisions about priorities and implement policies for an improved quality of life (Forester, 1989:4).

## **Strategic Planning Principles**

Strategic planning, to be effective and long lasting, calls for the democratic principle of direct participation in public affairs by a broad spectrum of people. Differences among parties, individuals and groups, must be aired thoroughly during the strategic planning process. Failure to observe the interests of stakeholders will only delay the implementation of a plan.

## **The Need for Strategic Planning**

Strategic planning is a useful business development tool. It is used to promote eco-



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conomic development and entrepreneurship goals. Strategic planning is distinguished from comprehensive planning, long-range, tactical planning and related forms of planning.

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**Strategic Planning includes these features:**

1. It is a focused process that concentrates on selected issues most important to a nonprofit organization's vision.
  2. It realistically assesses an organization and its strengths and opportunities, while considering other elements in the environment.
  3. It explicitly considers resource availability and how resources can be used most effectively.
  4. It considers major events and changes occurring outside the organization, and the impact they can be expected to have on the organization.
  5. It is action oriented with a strong emphasis on implementation and achievement of practical results.
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**Strategic Planning Benefits**

1. Planning helps to accomplish the most important things. Many nonprofit organization administrators and staff members spend a great deal of time on the day-to-day management issues and trouble-shooting. Unfortunately, this emphasis on "fighting brush fires" and fund-raising often prevents the organization's staff from addressing the issues that will have an important impact on the organization's future. Strategic planning can help the organization identify those issues and focus resources on them. This can be particularly beneficial when a wide cross section of constituents is included in the process.
2. It helps educate the members of the organization and constituents about plans and build consensus about important issues and the actions required to address them. Strategic planning brings together new data, fresh perspectives regarding trends, regulations, legal issues, ethical issues, marketing, public relations and service to clientele.
3. It can position the organization to seize opportunities. Nonprofit organizations are experiencing rapid change. Change represents opportunities as well as threats. Strategic planning can help nonprofit organizations identify these opportunities and the actions necessary to take advantage of them.
4. It can shed new light on important issues through rigorous analysis. Use of a strategic planning approach can help to produce new information about a problem or to draw attention to one that has been overlooked.



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5. It helps to identify the most effective use of limited resources. Strategic planning can help a nonprofit organization to target its resources to the most important problems and opportunities facing it, and to the projects that will have the greatest positive impact on the organization and achieve the highest return on investment.

**Keep Plans Simple!!**

**The Urge Is to Make Plans Complicated.**

**FIGHT THE URGE!!**

### **General Guidelines for Strategic Planning**

There is no one process for strategic planning. However, most planning processes include the basic elements outlined below. Included are references to chapters in this manual that can help program participants in the strategic planning process.

1. **Set broad policy directions based on the values and goals of the organization.** This involves developing a shared vision of what the organization should be in the future. This serves to establish a sense of purpose and direction for the planning process. Methods of developing a vision of the future may include surveys of citizens, stakeholders, local leaders, as well as reviews of past studies. After a vision of the future has been developed, organizational goals and mission statements must be updated.
2. **Analyze global, national, and regional trends that affect the organization.** The external environment is something over which nonprofit organizations have little control. However, localities can control the effects of external changes by capitalizing on opportunities and neutralizing threats presented by a changing economy. This step in the strategic planning process involves identifying the key factors and trends likely to affect the community and its economy of the future. This information-gathering step will help the board establish the “big picture” of the organization’s future and to consider the effects of social, economic and philanthropic trends.
3. **Identify local strengths and opportunities, particularly in relation to other nonprofit organizations.** In business terms, what is the organization’s “competitive advantage?” What makes the nonprofit organization unique? In order to effectively identify strengths and weaknesses, the organization must gather and analyze information on current nonprofit community conditions in terms of physical, financial, and human resources.

Asset Mapping or Asset Inventorying is an approach contrasted with needs assessment. Asset mapping emphasizes constructive, positive action that focuses attention on what is possible based on the existing circumstances. It is a process of identifying and defining comparative advantages of an organi-



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zation and setting as it examines its physical, environmental, economic, and human capacities and features. This is a positive approach that often is used to build consensus and momentum for social action. Unlike the needs assessment approach that addresses problems and concerns, asset mapping is more engaging and perhaps more motivating to achieve goals in a complex and diverse setting.

4. **Select key issues.** Based on economic trends, local conditions and a vision of the future, nonprofit organizations should identify a few critical issues whose successful resolution are essential to improvement of clientele services.
5. **Conduct further analysis of external and internal factors.** After key issues have been selected, further analysis is needed to determine the internal and external factors affecting these issues.
6. **Develop goals, objectives and strategies.** After reviewing the analysis results, the organization should develop or update goals, objectives and strategies that are designed to enhance assets and opportunities and reduce or eliminate the impact of identified problems. A goal identifies an end, a purpose, a desired outcome. It is a relatively general concept. An objective is a subcategory and measurable manifestation of a goal. An objective should be quantitative and measurable. It can be benchmarked in terms of a measurable outcome. An objective quantifies the goal within a time frame. How one achieves the objective is the tactical approach based on a tactical plan.
7. **Develop a plan of action.** After selecting strategies to achieve organizational goals, the organization board must develop a detailed work plan that indicates how these strategies will be implemented. The plan should include a specific statement describing the strategy, project or program, as well as information on the cost involved, staffing requirements, the organizations and individuals to be involved in carrying out the project, and timetables for starting and completing the project and for accomplishing major tasks. The plan should also assign specific responsibilities for carrying out the project.
8. **Evaluate, modify, and update the plan.** Strategic planning is meant to be a cyclical and continuous process. It should not result in a one-time plan. All plans and projects should be monitored to ensure they are meeting their intended purposes. If a project is not achieving its objectives, the organization should review the project elements in detail, identify the sources of the problem, and modify the project as necessary. There should also be provisions for periodically updating information upon which the plan is based and modifying the plan in reaction to changes in the external and internal environment. Because of the importance of this element in the strategic planning process, the responsibility of monitoring activities should be assigned and included in the action plan described in the previous step. Consideration should be given to asking each succeeding board or leadership group to review and update the previous plan, noting any changes that have taken



place in the community in the intervening period. Do not become paralyzed during the evaluation process and evaluation results. Evaluation by consumers can be a most anxiety-producing event. Keep evaluation in perspective. A difference exists between the effectiveness and worth or value of a service (Carver, 1997: 68-71).

The strategic planning process should be built on cooperation and community involvement. In order for the organization to be effective in improving its program and financial sustainability, the plans must have broad organizational and community support and fulfill a vision of the future. Organizations may wish to use consultants to assist with specific tasks such as gathering data or implementing a part of the plan, but the organization's members should take the lead in the overall planning and implementation process (BoardSource, 2002; Carver and Carver, 1997: 139-141; Carver, 1997: 66-67; South Link 2000).

### **How to Develop and Implement a Strategic Plan Within Committee or Task Force Structure**

1. Develop a Base of Information
2. Identify Major Issue Areas
3. Inventory and Map Assets Identify Favorable and Unfavorable (SWOT) Factors
4. Develop a Vision Statement
5. Prepare a Mission Statement Write a Statement of Purpose to Guide Activity
6. Prepare a Goals Statement Establish a List of Goals and Purposes
7. Develop Specific Objectives Under Each Stated Goal
8. Form Committees or Task Forces to Address Specific Objectives
9. Each Group (Task Force) Develops Tactical Strategies for Implementation of Each Objective in an Action Plan
10. Task Force Presents Report to the Whole Group, Advisory Board or Advisory Committee for Evaluation and Feedback
11. Task Force or Representatives Present Report to Key Decision-Makers in Area and the public as deemed appropriate.
12. Reports due at an appointed time in 4-6 months.

#### **1. Develop a Base of Information**

- Re-examine briefly existing knowledge affecting the target area.
- Review the socioeconomic and demographic profile.
- Conduct environmental scan and review results.
- Conduct and asset inventory and asset map of local and regional capital: physical and social capital resources
- Review the needs assessment survey results.
- Examine the implications for community development and public policy



formation.

## 2. Identify Major Issue Areas

The group will identify the major community development issues and concerns affecting the area through a group decision process. The issues selected must be those over which some decision-makers in the area have control.

- Use Brainstorming, Fishbone, Nominal Group Process, Force Field Analysis or some other decision-making technique that allows ranking of responses.
- The ideal size of a task force is 5-8 members.
- Each task force should identify a facilitator, a back-up facilitator and a recorder. One of these or an additional person may serve as spokesperson.
- Individuals with strong opinions for or against the subject of the task force should not serve in the facilitator role. They should be free to develop thoughts and make comments as one group member.

## 3. Inventory and Map Assets: Identify Favorable and Unfavorable (SWOT) Factors

After the goal setting process is complete, in separate steps, the small groups should identify the area's Strengths, Weaknesses, Opportunities, and Threats in achieving its goals and objectives.

- Use Brainstorm, Fishbone, or Nominal Group Process
- The SWOT is intended to be a very open-ended, creative process where there are not "right" or "wrong" answers. Additional resource persons can be invited to add to the talent pool to consider ideas and possibilities.
- Group Think process is encouraged to avoid "old thinking habits."

### Identify short term issues, concerns, or interests:

#### Step 1. Determine Strengths:

- Identify existing assets, resource, and competitive advantages the area has when compared to other areas.

#### Step 2. Determine Weaknesses/Challenges:

- Identify existing disadvantages, liabilities, lack of resources, and shortcomings in the area in terms of achieving the objectives stated in the mission statement.

#### Step 3. Determine Opportunities:

- Rely on asset mapping results to identify best opportunities.
- Identify possibilities and situations available in the area that offers the potential for improvement in quality of life and economic well-being.



- The facilitator will encourage creative thinking and provide time for task force members to “dream” a personal vision.
- The task force members discuss interests and concerns. They share notions regarding their vision regarding the subject and methods of achieving that vision. “Blue Skying” is encouraged. This is a sort of “dream session” grounded in reality with a focus on possibilities and “what ifs.” Ideals are stated; realism can come later.
- Ideas are placed on flip charts.
- Use the needs assessment survey results and the environmental scan exercise as tools to identify possibilities.

**Step 4. Determine the Threats:**

- Identify the threats that block or threaten to block the achievement of objectives stated in the mission statement. Identify problems, challenges and barriers to achieving group objectives.

**4. Develop a Vision Statement**

A vision statement is a statement of what is possible. It is a forward-looking, future-oriented statement of where the group wants to be in terms of goals. It states the ideal objective of a future state of being. A review of the collective vision will also identify shared and diverse values held by stakeholders.

- Weigh optional and alternative futures.
- Elaborate on the mission statement with a notion of “what is possible” in the future.
- A vision statement implies an improvement in citizens’ quality of life and economic independence within the context of community development
- Strategic planning must be followed by well-prepared implementation of strategies.

**5. Prepare a Mission Statement**

**Write a Statement of Purpose to Guide Activity**

The facilitator may ask each participant in the group to list on a sheet of paper 5-7 ideas regarding the mission statement. The program participants will break out into the same small groups and use brainstorming, fish-bone technique, nominal group process, or force field analysis to construct the elements of a mission statement. Each of the breakout group facilitators will facilitate this discussion process.

- A mission statement should be uniquely related to the purpose of the task force and the area served. It should avoid being too abstract and generic.
- The task force’s statements will be recorded on flip charts.



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- A mission statement should be about two to four sentences in length and express a purpose.

## 6. Prepare a Goals Statement

### Establish a List of Goals and Purposes

This list of goals (or purposes) is an extension and elaboration of the mission statement. The organization's goals should follow naturally from the principles identified in the mission and vision. Goals focus on specific points and purposes reflecting the different dimensions of the mission statement.

- The task force in each issue area should form short-term, medium-range and long-range Goals.
- Short-Term Goals (Current Year)
- Medium-Range Goals (2-3 Years)
- Long-Range Goals (4-5 Years)

The task force facilitator will then ask the task force members to construct a priority list of purposes. The initial portion of this process may be brainstormed so that distinctions are made between short, medium, and long terms goals.

Suggestion: Have all participants identify one short-term and one long-term goal to clarify the distinction between the two time periods. Some individuals may express different priorities regarding shared goals.

- It is realistic for the task force members to reach a consensus on a short list of top priority short-term goals.
- Goals should be directly linked to a principle noted in the mission statement.
- Goals should have the capability of focusing attention on features that can be measured.

## 7. Develop Specific Objectives Under Each Stated Goal

Objectives are measurable differences associated with a goal. Objectives are the concrete representation of an abstract goal. Goals cannot be evaluated or assessed unless the objectives are stated in a form to reveal measurable differences over time.

## 8. Form Committees or Task Forces to Address Specific Objectives

Individuals may volunteer or be assigned to specific committees or task groups based on personal interests and level of expertise regarding the subject. It is ideal for the group to select a chair or convener, a facilitator and a recorder. The work group should follow the general strategic planning steps as it begins to address the issue or subject. The work group should always keep the organization's vision, mission, goals and objectives in mind.



9. **Each Group (Task Force) Develops Tactical Strategies for Implementation of Each Objective in an Action Plan**

The implementation step identifies the methods of putting a plan into action. It includes the specific actions taken by task force members to accomplish the group's objectives. The committee or task force should be willing to look beyond its membership for talent, resources, answers to questions, and information. The difficult part of this process is asking the right questions. The list below includes a number of state, regional, local and institutional agencies that can assist with the implementation process of a strategic plan.

- Resources and information sources for planning and implementation include universities, community-based technical colleges, vocational centers, career centers, state agencies, civic organizations, Chambers of Commerce, economic development organizations, professional associations and others.
- Strategic Implementation Steps (Group Decision Process)

The following steps are an excellent way to manage information and keep emotions in check. Ultimately these steps deflect attention from history, built up tension, and “blame” for the problem. The focus is to find ways to address the issues. The group can move from sizing up the current situation to assessment of options, alternatives, and consequences of each alternative.

**Step 1.** Determine the Situation

**Step 2.** Identify the Goal(s): Move from Situation A to Situation B

**Step 3.** Clarify the Problem(s): Determine the Methods to reach “B”

**Step 4.** Develop Alternative Solutions

**Step 5.** Identify the Consequences of Each Proposed Solution

**Step 6.** Make the Decision to Present Findings to Decision-Makers

**Step 7.** Conduct the Evaluation and Provide Feedback

10. **Task Force Presents Report to the Whole Group, Advisory Board or Advisory Committee for Evaluation and Feedback**

This report contains the “How to Get There” plan. Dissemination of information is done with care at this point because the committee work is going “public” for the first time. This is a “final dry run of the plan” being tested for disclosure outside the whole group or advisory board.

- The report should contain multiple alternatives and consequences. It should educate and give options, and not advocate one option. The purpose of the report is to serve as a resource tool to help decision-makers decide on complex issues.



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11. **Task Force or Representatives Present Report to Key Decision-Makers in Area and the Public as Deemed Appropriate.**
  12. **Reports Due at an Appointed Time in Four to Six months.**  
(Sieverdes, 2002)



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## References

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## Module 2A

# Assessing Goals, Mission, Vision and Plans: Getting Everyone on the Same Page



### The Three Sectors: Government, Business and Nonprofit

The nonprofit and voluntary sector is referred to as the Third Sector that is contrasted to the Public and Private Sectors. The Third Sector is contrasted to the Public Sector that contains the government with its public officials and public services paid for by the federal, state and local governments. The Private Sector includes the for-profit organizations such as business and industry. The importance of the three sectors is equal in our nation. Having a clear vision is a survival tool.

A factor that impacts an organization's vision, mission and achievement of goals is the location of the organization in a Lifecycle Stage. The stages can be identified as follows:

1. **Formative Stage.** This is the creative stage. It is the beginning point. It occurs when the organization is formed by a small group of committed, passionate, dedicated and energized individuals who hold a personal stake in the success of the organization. The founders are personally engaged and strong-

<b>Organizational Lifecycle</b>			
	<b>High Creativity among Members</b>	<b>Lower Creativity among Members</b>	
<b>High Program Productivity, Outcomes and Publicity</b>	<b>GROWTH STAGE</b>	<b>PRODUCTION STAGE</b>	<b>High Financial Security</b>
<b>Low Program Productivity, Outcomes and Publicity</b>	<b>FORMATIVE STAGE</b>	<b>DECLINE STAGE</b>	<b>Low Financial Security</b>
<b>Board Openness</b>	<b>High Risk Taking</b>	<b>Low Risk Taking</b>	<b>Board Tension</b>
<b>Assessment and Renewal</b>			



ly committed to the start-up. Some literature refers to this as the alpha stage, the entrepreneurial stage or the formation stage. Start-up is normally a very creative time and the founders or charter members are enthusiastic about possibilities, plans and the potential impact they as a group can have to benefit a certain clientele. During this stage, options are being explored and risks are taken. The organization's cash demands are defined as investments. Participants work long hours for early success. Everyone associated with the board and the organization experiences a vertical learning curve.

2. **Growth Stage.** This is the stage when the organization is operational and functioning. Exploration and novelty are still in evidence. The organization is serving clients and achieving early outcomes and the demand for services is exceeded by the ability to provide the services. New clients and markets are being sought. Financial matters are stable, but the cash flow is not large because demand for growth is high. Expansion of audiences and clientele numbers outweighs the financial considerations of net profits. Many start-up costs are now complete, but demands for increasing services is high. Marketing focus is prevalent. Promises and good intentions may be ahead of actual delivery of exceptional programs and products. Mistakes happen and the learning curve is beginning to level off as everyone in the organization gains experience. Clientele may have the upper-hand in negotiations.
3. **Production Stage.** During this stage all systems are operational. The organization is functioning successfully, the cash flow is strong, clients are satisfied and stakeholders are satisfied. The organization is enjoying positive publicity and is experiencing a strong reputation in the community for provide reliable and quality service. Clientele are satisfied and the numbers are growing. No new investment is needed except to maintain program operations. The program has continuity and outcomes are noteworthy. Recruitment of volunteers is successful and self-perpetuating. Morale is good. Evaluation perpetuates successes. Too much success can lead to complacency further down the road.
4. **Decline Stage.** The organization and programs need to be evaluated and refreshed. Some programs have outlived their usefulness. Clientele are not being served efficiently or effectively. There could be division within the ranks. The board and organization need new ideas and new approaches or programs. Products are old; methods of delivery are old. Apathy is widespread. Different agendas held by different individuals are causing friction or tension. Tension may be subtle and not openly expressed. The lack of communication about board and organizational matters is leading to an increase in underlying discontent. Attendance at meetings, participation by members and volunteers and funding by stakeholders is off. Positive publicity is not evident or it could possibly be negative. Turnover of staff is imminent.
5. **Assessment and Renewal.** It is time to re-examine the vision, mission, values and goals of the organization. It is time to re-capture the creativity and energy



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that made the organization successful in the first place. Assets must be identified and inventoried. Needs assessments must be carried out with stakeholders, clientele, and potential audiences. Duties and responsibilities must be examined closely to ensure that they are timely and line up with the goals of the organization. This self-assessment requires honest reflection and self-examination.

### Rate Your Organization

In which stage is your organization. Place mark on the chart below.

<b>GROWTH STAGE</b>	<b>PRODUC- TION STAGE</b>
<b>FORMATIVE STAGE</b>	<b>DECLINE STAGE</b>

### Goals and Ends

Carver and Carver (1997:17-18) state that an organization must orient itself to goals, or in their words, “ends.” The ends are manifested in “ends policies” according to Carver and Carver. “Ends” describe the board’s expectations about the organization’s outcomes. Ends refer to the product of the organization’s activities. This is a measurable outcome that can be assessed and evaluated. The end has worth that can be measured.

It should be noted that ends are not the same as “results.” A “result” refers to one of three components of the “end.” The three ends issues are (1) what was the good or benefit, (2) who was served; who were the constituents served, and (3) what was the cost (Carver and Carver, 1997:18)?

Goal is a term that captures the essence of what Carver and Carver mean by an “end.” The term “ends,” appears to have more meaning and context when it is used in conjunction with the term, “means.” In simple language means are methods used to achieve ends or goals.



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State the Key Goals, "Ends," or Outcomes Desired by your Organization:

**The Key Goals or Outcomes of My Organization Are:**

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## Mission

### The Mission Statement

A mission statement needs to communicate the essence of your organization's purpose to its clientele, to its members, to its stakeholders and constituents, to its volunteers and to the public. This should occur in just one or two sentences. It is a statement that addresses the uniqueness of the organization's purpose.

### Draw a Picture Illustrating the Mission of the Nonprofit Organization





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## Constructing the Ideal Mission Statement

Your mission statement should state the purpose of your organization and how the organization serves its purpose. It should tell the world who you are and what you do. It should be no more than two sentences. One sentence describes in a clear, concise and compelling way what the organization does — its statement of purpose. The second sentence should describe how it achieves its goals. Use strong, positive language. Name the constituent group being served by your organization. Reflect your uniqueness in the mission statement. What sets your organization apart from all other organizations and competitors?

Take a look at your organizational goals listed in the box a couple pages back. Use this information to guide your thoughts as you form your refreshed and improved mission statement.

Mission Statement of My Organization

If this is too laborious, then list the key words or phrases that describe your mission. Take a look at the organization’s key goals or outcomes on the previous page to get some hints about the mission.

### A Sample of a Wordy and Awkward Mission Statement

*At the Developmental Studies Center we develop, evaluate, and disseminate programs that foster children’s ethical, social, and intellectual development. While nurturing children’s capacity to think skillfully and critically, we also strive to deepen children’s commitment to prosocial values such as kindness, helpfulness, personal responsibility, and respect for others — qualities we believe are essential to leading humane and productive lives in a democratic society.*

Often, however, organizations want to say more about who they are, what they are doing and why they are doing it. The mission statement developed by the Forest Service illustrates an example of a mission statement format. After a brief statement, the Forest Service uses three pages to elaborate its mission, vision and guiding



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principles. Excerpts from the expanded statement include:

The phrase, *“caring for the land and serving the people,”* captures the Forest Service mission: *As set forth in law, the mission is to achieve quality land management under the sustainable multiple-use management concept to meet the diverse needs of people.*

It includes advocating a conservation ethic...

Vision: *We are recognized nationally and internationally as a leader in caring for the land and service people...*

Guiding Principles: *To realize our mission and vision, we follow 13 guiding principles...*

Neither approach is necessarily the “right” one for your organization. What is important about your mission statement is that one guiding set of ideas is articulated, understood and supported by the organization’s stakeholders, board, staff, volunteers, donors, clients, and collaborators.

## The Purpose

The purpose statement outlines the business perspective, that is the productive activities or programs, of your organization as the feature of its mission. Specifically, you must answer, “What activity are we going to do to accomplish our mission?” For example, there are many ways to work on the problem of homelessness:

- To construct housing for homeless individuals.
- To educate the public and advocate for public policy changes.
- To provide job training to homeless individuals.

Each of these is different method or way of doing business to achieve the same purpose. It is essentially a business statement. What is the business of this organization? Business statements often include the verb “to provide” or link a purpose statement with the words “by” or “through.” For example: *“To eliminate homelessness by providing job training to homeless individuals.”*

A cautionary note: If the word “and” is in your purpose or business statement, ask yourselves, “Are we really committed to both ideas connected by the word” and, “or have we simply not been able to accept that one idea is more important?”

The example of a mission statement cited at the beginning of this response sheet includes all three elements of what should be included in a mission statement.

Adding values in a mission statement can be a little tricky and distracting to the reader. Could or should you leave out the value statement?

*The Community Development Center provides educational programs that foster ethical, social, and intellectual development among neighborhood children. While nurturing children’s capacity to think skillfully and critically, we strive to deepen children’s commitment to prosocial values such as courtesy, kindness,*



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*teamwork, personal responsibility, and respect for others. These qualities create self-reliance and economic independence.*

When forming or refining a mission statement, ask these questions:

- What is the problem or need your organization is trying to address?
- What are the actions of your organization?
- What makes your organization unique?
- Who are the beneficiaries of your work?

The answers to these questions could be included in the mission statement or added as elaboration of the mission statement.

## How To Write a Mission Statement

There is no formula for finding the wording that best expresses the collective intention of your organization. It can be drafted by one person alone or after input gathered at leadership retreat. The most important issue is a consensus regarding answers to questions used in developing a mission statement.

One approach is to use time at a board retreat to discuss these questions and find out where the areas of consensus are and where there are differences. There is a “process” benefit to hashing over an organization’s mission statement as well. In the course of discussion and debate, new members are introduced to nuances of an organization’s mission and changes in the environment and old members refresh their understanding of both. As a result, the group will have confidence the mission statement that emerges (whether it is a new statement or a rededication to the old mission statement) is genuinely an articulation of commonly held ideas.

Groups are good at many things, but writing is not one of them. Have group discussions about big ideas and concepts, and then let one or two individuals draft and redraft the wording before submitting a version for the group to consider. It is important to circulate the draft mission statement a few times to board, staff and other stakeholders. Some consultants advise organizations to seek an outside opinion from someone unfamiliar with the organization to see how easily the mission statement can be understood.

Mix with passion, humanity and an eye on the big picture, and keep refining the mission statement until you have a version that people can actively support (The Alliance).

Carver (1997:196-197) points out the mission must be kept “out front.” The power of a good mission statement is only effective when it is the guiding force for action by an organization. The mission statement is a fragile commodity and can quickly become “simply words” without meaning. The mission is the link that ties individuals to the “ends,” the vision and the practice. Printing the mission and reminders of the mission helps to raise the consciousness of organization members about the mission and vision, but it can be fleeting in terms of its importance. The mission must be ingrained in the thinking and actions of the board (Carver, 1997:196).



## Vision

People follow a vision; they do not necessarily follow other people. The leaders of the organization, the board of directors in particular, have the task of articulating the vision of the organization. The vision begins with the individual leader or core of leaders. First, a vision comes from the knowledge held by the individual. Second, it evolves from the knowledge within the organization. Third, the vision and knowledge is extracted from elements in the nonprofit or voluntary organization sector of society (Klopp, 1998, 32).

**A vision is a guiding image of success formed  
in terms of a contribution to society.**

If a strategic plan is the “blueprint” for an organization’s work, then the vision is the “artist’s rendering” of the achievement of that plan. It is a description in words that conjures up a similar picture for each member of the group of the destination of the group’s work together.

No Olympic athlete ever got to the Olympics by mistake; a compelling vision of his or her stellar performance inevitably guides all the sweat and tears for many years. The vision statement should require the organization’s members to stretch their expectations, aspirations, and performance. Without that powerful, attractive, valuable vision, why bother?

**There is one universal rule of planning:  
You will never be greater than the vision that guides you.**

**State the Vision of your Organization in the box below.**

The Vision of My Organization

Do your clientele, volunteers, staff, board and administrator understand the vision statement?



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## How a Vision is Used

John Bryson, the author of *Strategic Planning for Public and Nonprofit Organizations*, states that typically, a vision is “more important as a guide to implementing strategy than it is to formulating it.” This is because the development of strategy is driven by what you are trying to accomplish, your organization’s purposes. A mission statement answers the questions: Why does our organization exist? What business are we in? What values will guide us? A vision, however, is more encompassing. It answers the question, “What will success look like?” It is the pursuit of this image of success that really motivates people to work together.

A vision statement should be realistic and credible, well articulated and easily understood, appropriate, ambitious, and responsive to change. It should orient the group’s energies and serve as a guide to action. It should be consistent with the organization’s values. In short, a vision should challenge and inspire the group to achieve its mission.

## The Impact of Vision

John F. Kennedy did not live to see the achievement of his vision for NASA, but he set it in motion when he said, “By the end of the decade, we will put a man on the moon.” That night, when the moon came out, we could all look out the window and imagine... And when it came time to appropriate the enormous funds necessary to accomplish this vision, Congress did not hesitate. Why? Because this vision spoke powerfully to values Americans held dear: America as a pioneer and America as world leader.

In an amazing longitudinal study on goal setting, Yale University surveyed the graduating class of 1953 on commencement day, to determine if they had written goals for what they wanted their lives to become. Only 3 percent had such a vision. In 1973, the surviving members of the class of 1953 were surveyed again. The three percent who had a vision for what they wished their lives would become had accumulated greater wealth than the other 97 percent combined.

Great wealth, a man on the moon, brother and sisterhood among the races of the globe... what is your organization’s vision?

The primary importance of the vision statement means that failure to clearly state and communicate your organization’s vision can have harmful consequences, including:

- Organization members can waste time “barking up the wrong tree”.
- The organization may not think broadly enough about different possibilities if its vision statement is unclear or overly narrow.
- The organization may not realize when it is time to go out of business.



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Finally, the importance of mission statements is summarized quite eloquently by Lewis Carroll through the words of the Cheshire Cat in *Alice in Wonderland*, “If you don’t know where you’re going, it doesn’t matter which way you go.” Indeed!

## **Vision**

Martin Luther King, Jr. said, “I have a dream,” and what followed was a vision that changed a nation. That famous speech is a dramatic example of the power that can be generated by a person who communicates a compelling vision of the future.

Management author Tom Peters identified a clear vision of the desired future state of the organization as an essential component of high performance.

Widely read organizational development author Warren Bennis identified a handful of traits that made great leaders great. Among them is the ability to create a vision.

So, What Is a Vision and How Do I Get One?

## **Shared Vision**

To a leader, the genesis of the dream is unimportant. The great leader is the servant of the dream, the bearer of the myth, the storyteller. “It is the idea (vision) that unites people in the common effort, not the charisma of the leader,” writes Robert Greenleaf in *Leadership Crisis*. He goes on to write:

Optimal performance rests on the existence of a powerful and shared vision that evolves through wide participation to which the key leader contributes, but which the use of authority cannot shape.... The test of greatness of a dream is that it has the energy to lift people out of their moribund ways to a level of being and relating from which the future can be faced with more hope than most of us can summon today.

## **The Process for Creating a Vision**

Like much of strategic planning, creating a vision begins with and relies heavily on intuition and dreaming.

As part of the process, you may brainstorm with your staff or your board what you would like to accomplish in the future. Talk about and write down the values that you share in pursuing that vision. Different ideas do not have to be a problem. People can spur each other on to more daring and valuable dreams and visions — dreams of changing the world for which they are willing to work hard.

The vision may evolve throughout a strategic planning process. Or, it may form in one person’s head in the shower one morning! The important point is that members of an organization without a vision may toil, but they cannot possibly be creative in finding new and better ways to get closer to a vision without that vision formally in place. Nonprofit organizations, with many of their staff and board members actively looking for ways to achieve a vision, have a powerful competitive and strategic advantage over organizations that operate without a vision.



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## Perceptions of Ideal Futures: An Exercise in Forming Vision

This section outlines an exercise you may employ to assist your organization in defining its own vision. By using this exercise to develop your organizational vision, you may be better assured that the vision statement that is developed is a shared vision.

At a retreat, or even at a board meeting or staff meeting, take an hour to explore your vision. Breaking into small groups helps increase participation and generate creativity. Agree on a rough time frame — say, five to 10 years. Ask people to think about the following questions: How do you want your community to be different? What role do you want your organization to play in your community? What will success look like?

Then ask each group to come up with a metaphor for your organization, and to draw a picture of success: “Our organization is like ... a mariachi band - all playing the same music together, or like a train - pulling important cargo and laying the track as we go, or...” The value of metaphors is that people get to stretch their minds and experiment with different ways of thinking about what success means to them.

Finally, have all the groups share their pictures of success with one another. One person should facilitate the discussion and help the group discuss what they mean and what they hope for. Look for areas of agreement, as well as different ideas that emerge. The goal is to find language and imagery that your organization’s members can relate to as their vision for success.

Caution: Do not try to write a vision statement with a group. Groups are great for many things, but writing a vision statement in a large group is not one of them! Ask one or two or three people to try drafting a vision statement based on the group’s discussion, bring it back to the group and revise it until you have something that your members can agree on and that your leaders share with enthusiasm. A group brainstorm session can yield the key values and elements that should be contained in the organization’s vision statement.

The vision addresses where the organization is headed. The vision contains the dream of what impact the organization can have. It is an image of a better future state of being (Klopp, 1998, 32-34). It is a statement of confidence and pride that certain goals can be achieved. Leaders do not have to be far ahead of the organization; they just need to be ahead and anticipating the future. It is important that board members and individuals in the organization see changes and outcomes as a result of services rendered by the organization. They need to be able to make predictions about the future of the organization (Klopp, 1998, 55).

## Values or Guiding Principles

Values are beliefs that your organization’s members hold in common and endeavor to put into practice. The values guide your organization’s members in performing their work. Specifically, you should ask, “What are the basic beliefs that we share as an organization?”



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Examples of values include: commitment to excellent services, innovation, diversity, creativity, honesty, integrity and so on. Values may include beliefs such as: “Eating vegetables is more economically efficient and ecologically responsible than eating beef.” This could be the contention held by the Vegetarian Association.

Marvin Weisbord writes in *Productive Workplaces* that values come alive only when people are involved in doing important tasks. Ideally, an individual’s personal values will align with the spoken and unspoken values of the organization. By developing a written statement of the values of the organization, group members have a chance to contribute to the articulation of these values, as well as to evaluate how well their personal values and motivation match those of the organization.

Be sure that organization’s publications, documents, and brochures are clear about the links among goals, mission, vision and organization values. Be prepared to link each of the organization’s programs to an end. All elements of the mission must be relevant to the purpose of the organization and its vision. These elements are manifested in measurable program objectives.



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## References

Alliance for Nonprofit Management. 1899 L Street, NW, Suite 600, Washington, D.C. 20036. <http://www.Allianceonline.org>. It is suggested that you review the actual web site for more detailed information and sources.

BoardSource. 1828 L Street, NW, Suite 900, Washington, DC 20036-5114, Telephone: 202-452-6262 or 800-883-6262, Fax 202-452-6299, E-mail [BoardSource.org](http://www.BoardSource.org). <http://www.BoardSource.org/main.htm>. BoardSource is formerly known as the National Center for Nonprofit Boards.

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