



Mission, Vision, and Strategic Planning

Jin is the new Executive Director. He has decided the Association of People to Solve Community Problems needs a new strategic plan. He has hired a consultant, who interviewed the board chair, senior staff, and two community members whose opinions are valued by the board.

Jin then asks Malcolm to chair the strategic planning committee. At the first strategic planning committee meeting, the consultant presents the plan. Jin insists the plan be voted on by the committee, so it can be approved at the next board meeting, which is the last meeting before the annual conference. He really wants the new strategic plan presented at his first conference as Executive Director.

At the next board meeting, the consultant has written some talking points for Malcolm to use when he presents the strategic plan. Cherise expresses her confusion: “Did we change our mission?,” she asks. “The mission on page 92 sounds a bit different than the one I have in my board orientation manual.”

“You do not need to worry about it,” Jin replies. “The staff and I worked together to change the mission to reflect more of what we are actually doing. After all, we are the ones actually doing the work, so we really know best what it should say.”

What is a mission statement?

Your mission statement (often used interchangeably with the term mission) is the basic statement of why your organization exists. It typically defines the organization’s purpose, target population or region, and broad methods for achieving impact.

What is a vision statement?

Your vision statement (or vision) sets out what your organization seeks to achieve. It answers the question “If we have entirely met our mission, what does the world look like?”

Why should a nonprofit have a mission and vision statement?

Independent Sector, a national forum for nonprofit leaders, listed four characteristics of all good nonprofits:

1. a clear, agreed-upon mission statement
2. a strong, competent executive director
3. a dynamic board of directors
4. an organization-wide commitment to fundraising.

Their very first characteristic of a strong nonprofit is a clear, agreed-upon mission statement. A well-crafted mission statement is useful to every organization. Most importantly, it articulates and documents your organization's purpose, and gives the board, staff, volunteers, clients, and other stakeholders something against which to benchmark the success of the organization. It guides the development and evaluation of your programs. It is important from a public relations standpoint, allowing you to communicate to the public, funders, and decision-makers why you exist.

A mission statement has one more great use. The board needs to regularly evaluate the success of its programs. The mission gives your board a baseline to use to facilitate the decision-making: "does this program help us to meet our mission and work toward our vision?" If it does not, the decision becomes very clear very quickly.

Organizations must also be vigilant against "mission creep" or "mission drift". These phenomena occur when a nonprofit engages in work that does not directly fit into the mission. Often mission drift occurs when a nonprofit begins to focus too much on fundraising or finding new money, through earned revenue or funding opportunities which do not quite fit the priorities of the organization. Both board and staff must ensure the work of the organization is centered around the mission, as an organization that lacks focus will be less effective in achieving its true purpose.

How do you develop a mission statement?

The creation of the mission statement should include board, staff, volunteers, clients, and other stakeholders. Involving a range of stakeholders in defining the mission is helpful; it both requires those stakeholders to buy into the mission, and it shows commitment from the range of those involved with the organization.

There are several basic questions that should be answered in developing the mission:

- Why does the organization exist?
- What are the basic social, cultural, political, or economic needs we exist to meet?
- Who are "we," as an organization?
- What are our core values and philosophy?
- What are our core competencies? How are we unique? How do we do what we do better than any other organization?

Can a mission statement be revised?

Absolutely. A mission statement should be reviewed periodically to ensure it is still relevant. Changes should not be made just because the organization is doing work that is not currently encompassed within the mission; rather, changes should be made to reflect changing social, demographic, and environmental conditions that require shifts in the way an organization operates.

If an organization accomplishes its mission, the organization may choose to disband, dissolve, or restructure. On the other hand, if changing conditions have changed the focus of the organization, this may warrant a mission revision.

How involved should the board be?

The board should not only be involved in mission drafts and revisions, it should formally adopt the mission by a vote of the full board of directors. The statement of purpose in the organization's articles

of incorporation should be consulted; if a substantial change in mission has been made, a formal filing should be made. You may also need to file your changes with the IRS.

Why does planning matter?

Ongoing planning allows you, the board, to assess your nonprofit on all levels and make intelligent decisions about how to allocate resources. Planning involves setting goals and choosing methods to measure results. Then experience, coupled with current information about what is going on in the environment, guides the setting of new goals for the future. Organization resources are deployed to achieve the goals. Measurement, followed by new goal setting, then continues as an ongoing process. Tracking performance and forecasting environmental changes enables organizations to make better governance and management decisions.

In addition, a strong planning process is recognized as a sign of good governance. Some funding agencies--including foundations and government grants--actually require proof of an operating plan or a strategic plan prior to approving funding.

Should all planning be “strategic”?

Generally, in the nonprofit sector, when a *strategic plan* is being discussed, the topic is actually a mid-range, *three to five year plan*. Because nonprofits operate in a fast-paced, constantly changing environment, most strategic plans only look forward three to five years. The process towards this type of plan typically includes a discussion of the mission, vision, and values, an analysis of strengths and weaknesses, and defining the major goals or strategic initiatives. The plan is not strategic because of its time frame, but because it identifies the strategies the nonprofit will use to guide its future activities.

A nonprofit may also consider a *long-range plan* (more than 10 years out). For most organizations, this type of plan will not be extremely useful. Social situations change quickly enough that ten years is a long time. On the other hand, a nonprofit hospital that is building a new wing is obviously planning in the 10, 20, or even 30 year range.

An operating plan (*short-range plan*) should be produced every year, as a companion to the strategic plan. The operating plan takes the broad goals listed in the mid-range plan, and breaks them down into quantifiable goals and actions for the upcoming year. Programmatic planning usually begins about six months before the end of the fiscal year. This plan becomes the basis for budget development for the next year. The staff typically guides this effort, but the Board should approve both the operating plan and the budget for each year. Together, these documents establish the policy parameters within which the staff is authorized by the board to use resources and implement programs during the year.

Who should be involved in the planning process?

The staff will usually take the lead in the short-range plan. The yearly operating plan is typically directly within the responsibilities of the executive director. The board will provide input, and then approve the final plan.

The mid- and long-range plan, on the other hand, should involve as many stakeholders as possible. This does not just include board, staff, and clients. Representatives of any community, organization, or group of individuals touched by your organization should also be consulted.

Perhaps the most vital step in the process is making sure to include as many stakeholder groups as possible. In this step, the board must venture outside of what it knows, and consider who the

organization could be serving, not just who they are already serving. Diversity becomes vital. The best way to get a true vision of what your organization is, and what your organization could be, is to get honest opinions not only from people being served by your organization but also from those who are not being served.

Should the board hire a consultant?

Possibly. Planning is a complicated process. It may involve significant amounts of conflict, or exchanges of differing opinions. An experienced planning facilitator can help assess your nonprofit's readiness, and can lead the planning process with your group.

What should a strategic plan look like?

Plans vary, but some common components of a strategic plan include:

- Mission & vision
- Relevant history of the organization
- SWOT analysis (a survey of the organization's strengths, weaknesses, opportunities, and threats)
- Stakeholder analysis (summarizing input from the various stakeholder groups noted above)
- Program analysis (performance trends and cost/benefit assessments)
- Budget analysis, including major expenses or possible funding opportunities
- Multi-year goals and objectives for the organization

Review of the basics:

Can you now answer the following questions?

1. What went wrong in the scenario with Malcolm and Jin?
2. Why should an organization have a mission statement?
3. Think of a nonprofit you have worked with. Who would you involve in the strategic planning process?
4. What questions should you ask as you are creating your strategic plan?

Quick Links to More Resources About Mission, Vision, and Planning

[BoardSource](#) has several resources on mission statements.

The [Alliance for Nonprofit Management](#) has an FAQ section on missions.

The [Foundation Center](#)'s mission statement page has many sample missions, and links to more resources.

The [Alliance](#) has several great papers on creating your strategic plan.

Western Michigan's [Management Guide](#) has actually a plan for your strategic plan.

[Philanthropy News Digest](#) has an article with five steps to creating a strategic plan.

The [Delaware Association of Nonprofit Agencies](#) maintains a library of information in their InfoCentral. In addition, members of DANA can get sample policies and procedures for free.

Evaluation Survey: Tell us what you think about this Training Module?

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[Mission and Vision Training Module Survey](#)