

A Framework for Mission-Driven Strategies

Strategy can be one of the most important, and most daunting, parts of directing an organization or program. Effective strategies communicate a compelling vision that guides decision-making and inspires stakeholder engagement. Much of the thinking about organizational strategy originated in the (profit-driven) business community, posing a challenge for mission-driven organizations whose primary aim is to create [social value](#). To help our clients overcome that challenge, we have adapted commercial best practices to create a framework we call the Mission-Driven Value Chain. This article briefly introduces Value Chain Analysis, presents a modified framework for a Mission-Driven Value Chain, and offers an example of its application.

Value Chain Analysis

A quick search for “value chain analysis” will yield dozens of images similar to the diagram below. There are five basic parts to the standard value chain:

In a typical strategy for a for-profit business, you might find a mission statement about the company’s unique value and a vision statement expressing its aims to be the best or largest supplier in their market. Support



- A **mission statement**
- A **vision statement**
- A sequence of **primary activities** that incrementally add value to the product(s) or service(s) delivered by the organization
- **Supporting functions** and activities that enable the primary activities
- The **output to be optimized** (shown here as “margin”)

functions, like technology, finances, and human resources, will be listed that enable primary activities involved in product or service delivery, all in service to the ultimate goal – increased margin (profit). We have found that some of these pieces apply to our mission-driven clients, others do not translate well, and still other important pieces seem to be missing.

Mission-Driven Value Chain

To adapt the value chain for a mission-driven context, we added a **purpose statement** to complement mission and vision statements. The framework uses primary activities that contribute to the **social value**, rather than the strictly financial value, of a product or service. And in place of margin, we describe the output to be optimized in three parts:

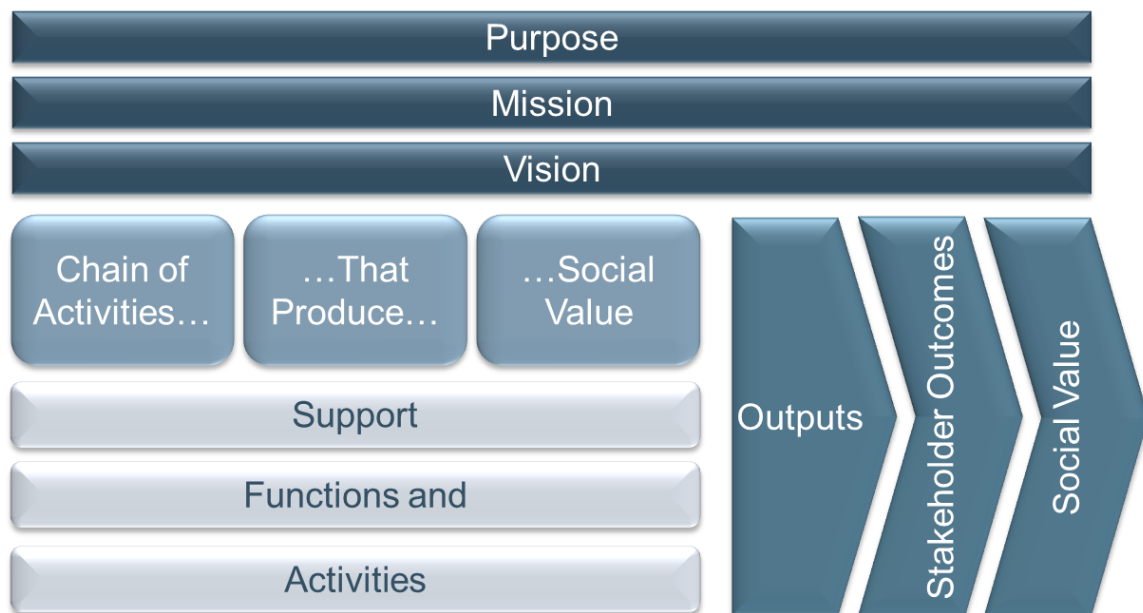
- The direct **outputs** of the program or organization
- The **stakeholder outcomes** achieved by way of those outputs
- The **social value** realized through those stakeholder outcomes

purpose to be a lofty one, one that you cannot achieve alone. In our experience, organizations operating in the same domain may have similar purpose statements. Your organization’s unique value and contribution to that purpose are described in your mission and vision statements. The purpose statement for an affordable housing program might be: “Eliminate homelessness and housing insecurity in the community.”

Mission Statement

A well-crafted mission statement makes clear your organization’s or program’s role in supporting your purpose. Your mission is a description of what you do, tied to why you do it. If you’re not sure where to start, a good template for mission-driven organizations is

Mission-Driven Value Chain



The resulting Mission-Driven Value Chain is depicted above. Let’s explore each of these pieces and apply them to an example program for increasing affordable housing.

Purpose Statement

A strong purpose statement communicates the impact your program or organization aims to achieve in the world. It’s ok for your

to describe what you do and for whom. Our example program’s mission is “Provide affordable, permanent housing for lower-income members of our community.”

Vision Statement

A compelling vision statement imagines what your program or organization aspires to be in the future. We’ve found that many mission-

driven clients are less comfortable with articulating a vision for their organization than they are with articulating a vision for a better world – and so many vision statements read like purpose statements. The value of having a more internally focused vision statement is to provide a beacon for change initiatives, strategic planning, and goal-setting. A vision statement for the example affordable housing program might be “To be the driving force for sustainable housing in our community.”

Output, Outcomes, Value

Outputs, stakeholder outcomes, and social value build successively to achieve an organization’s mission and purpose.

Social value might be thought of in terms of observable changes sought in the world aligned with the purpose statement. This description of value provides a strong foundation for communicating broad impact – the “so what” of your organization or program. Societal impact, in turn, emerges from positive outcomes for one or more groups of stakeholders, whether direct users of your products or services or indirect beneficiaries. Outputs describe what is under your organization’s direct control: the products or services you offer. Outputs and stakeholder outcomes often parallel mission statements and can facilitate direct performance and impact measurements.

Existing organizations and programs have found this framework useful for more clearly communicating the impact of their efforts. They might start with their current outputs and then articulate the stakeholder and social benefits from those outputs. Designers of new programs benefit by first identifying the social value to be created and desired stakeholder outcomes, and then determining what outputs best enable those results.

An affordable housing program might focus on outputs like greater availability of low-cost

housing, financial literacy, and public awareness of housing issues. Associated stakeholder outcomes include community member placement in homes, improved housing security, ability to retain their homes, as well as informed policymaking and public advocacy for policies that improve housing security. The value to society may include reduced homelessness and corresponding burdens on public services as well as greater community cohesion.

Primary Activities and Supporting Functions

Primary activities describe the steps your organization or program takes to create social value. Think of these as the efforts your organization undertakes to support your constituents or beneficiaries, including the requisite steps necessary to carry out those tasks. In other words, primary functions are responsible for the outputs identified in the previous section. They are distinct from supporting functions, which are necessary to enable the operations of your program or organization. Supporting functions vary slightly from organization to organization; primary activities are unique to your mission and execution model.

Differentiating between primary activities and supporting functions can simplify investment decisions and organizational analysis. Investing a notional \$1,000 in an internal-facing process (a supporting function) may make sense if the investment results in even greater cost savings or enables a primary function to deliver even more social value. Otherwise, spending that \$1,000 to increase the output of a primary function may be in the best interest of your program’s beneficiaries.

The diagram below depicts what the primary activities and supporting functions might be for the affordable housing example, along with the other components of the program’s mission-driven value chain.

Purpose: Eliminate homelessness and housing insecurity in the community

Mission: Provide affordable, permanent housing for lower-income members of the community

Vision: To be the driving force for sustainable housing in our community



Using the Value Chain

Throughout this article, we've alluded to various ways of leveraging the mission-driven value chain. Value chains can be an effective tool for communicating strategy with internal and external stakeholders, measuring the social value created by your program or organization, and guiding plans.

The process of *creating* a strategy can be even more important. Documenting a value chain can reveal opportunities to improve social outcomes by modifying a portfolio of public services or how they are provided. And value chain discussions can help leadership teams get on the same page about the organization's goals and structure.

Please let us know what uses you find for the mission-driven value chain or suggestions for improving it.

About the Author

[David M. Wagner](#) has more than fifteen years' experience helping public, private, and nonprofit sector clients devise and execute

effective social impact strategies. A "reformed engineer," David brings a unique viewpoint combining his experience leading teams, designing complex systems, supporting public-benefit programs, and analyzing public policy. He is passionate about public service and ensuring technology helps, rather than harms, our communities.

About Clear Mission Consulting, LLC

Clear Mission Consulting is dedicated to ensuring the effective and equitable application of technology and policy to our communities' needs. We partner with civic-oriented organizations to optimize their programs and strategies. With our balanced viewpoint and systems thinking approach, we help our clients maximize their social impact, scale up their operations, and deepen public, donor, and leadership trust.

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