

SMALL BUSINESS ADVISORY TOOLKIT



Develop A Mission Statement

Your mission statement represents a picture of where your business aims to be in the future.

Your statement has to do two things:

- It should explain to customers and other stakeholders what business you are in
- It should be motivational and provide a shared sense of purpose. This helps to create a focus for the efforts of all your employees and managers.

By working your way through the initial thinking process and then the creative one, you will develop a mission statement that communicates to your customers and motivates your employees.





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GET BUY IN BY MAKING IT A TEAM EFFORT

Assemble a team for the project and seek suggestions from other employees other peoples ideas can be valuable and provide good words to use.

Project team members must have a clear understanding of what a mission statement is and what its purposes are.

All members must attend each meeting of the project team until agreement is reached.

The group must answer the four questions below.

QUESTION 1: WHAT BUSINESS ARE YOU IN?

Deciding what business you are in may seem blatantly obvious . you manufacture water tanks therefore you are water tank manufacturer.

But a better approach is to ask \pm Vhat customer need does my product/service fulfil?qbecause customers buy to meet a need. It may be they need a water tank but they may also need an environmentally friendly one, one that is a shape that fits a particular situation, one that is long lasting and resistant to ultraviolet and so on.

So redefine what business you are in to focus on customer benefits . *±*eliable and long lasting water storage solutions to suit individual situationsq

TRY IT:

QUESTION 2: WHAT ARE YOUR BUSINESS ASPIRATIONS?

You can define your aspirations in terms of what financial projections you have in mind (e.g. triple the sales revenue in 5 years) or in terms where you want to rate among competitors (e.g. hold 30% of the market in 5 years).

However that approach leaves out the people you want to inspire with the vision . your customers and your employees.

Refocus your aspirations in terms of ±whatqs in it for them?q. for example, ±We build tanks to match any home colour scheme or architectural styleq

TRY IT:

QUESTION 3: WHAT ARE THE MOST EVOCATIVE WORDS TO USE IN YOUR STATEMENT?

The words you use in your mission statement should relate to the customer in a language they would recognise, understand and value.

In the example above <u>architecturalqcould</u> be replaced with <u>abuildingq</u>, which might have more resonance with the customer (client?) group you want to influence?

TRY IT:





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QUESTION 4: HOW DO WE PULL ALL THAT TOGETHER INTO A STATEMENT?

You may have developed a lot of good ideas and phrases to express them and now you have to reduce them all to one or two sentences! This can be a difficult task. It can be made a little easier if you start with the words $\frac{1}{2}$ We are in the business of ...qand follow with statements on:

- The type(s) of customer you want to supply to
- The needs of those customers you will be meeting
- How your product meets them

For example: We are in the business of providing customised water storage solutions (how you meet the need) to urban and rural residents (customer groups) designed to meet individual needs of size, location, design and colour (customer benefits).

The first draft can look pretty rough so try playing with the words and the sequence of ideas.

TRY IT:

EVALUATE YOUR MISSION STATEMENT

Measure your statement against these criteria.

My mission statement:

- Is clear and unambiguous
- Is realistic, and therefore believable by both customers and employees
- Is achievable
- Is customer focussed and contains a clear customer benefit
- Is motivational to the employees by setting quality or other customer benefits to aim for achieving

CAPITALISE ON YOUR MISSION STATEMENT

Dong fail to capitalise on that work. The only justification for having put the time into developing a mission statement is to get some return on investment. Though they are intangible, such things as motivating and focussing employees and providing a point of brand differentiation with customers has a definite bottom line benefit for the company.

The ideas you captured in your mission statement can also provide the basis of your marketing message and company motto.

Ensure it gets out to:

- " The managers of the company
- " The employees of the company
- " The customers of the company
- " All external stakeholders of the company (suppliers etc.)

Finally, make a commitment never to compromise it. To do that would be to dilute team commitment by employees and compromise your reputation among customers.

Annually, review your mission statement to make sure it is still relevant to your business strategy.

