

Managing Mission Creep



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The perennial debate: be good at everything or be great at one thing? I've witnessed this struggle at diverse nonprofits during many NRMC <u>consulting engagements</u>. The door of opportunity opens and most nonprofit leaders eagerly walk through. We take on additional programs or lines of service based on the needs of our stakeholders, the availability of funding, and the sense that we must do whatever it takes to save the world. Other leaders avoid pursuing tangential initiatives and instead increase focus on core programs that most clearly support the nonprofit's mission. It's tough to distill an impactful, sustainable balance between legacy programs and promising new enterprises. The world is watching your nonprofit; board members, employees, volunteers, and funders may assess growth across a vast continuum-from needless, damaging mission creep to essential, adaptive mission advancement. Where do you fall on the spectrum? Are you really striking the ideal balance?

A March 2016 Harvard Business Review article, "Reigniting Growth," focuses on addressing stall-out-a phenomenon of sudden drops in profitability and growth, often experienced by highly successful companies. The authors describe underlying causes of stall-out and strategies to bring profit margins back to their former glory. The strategies might also serve nonprofit leaders who find themselves in the midst of mission or programmatic stall-out, having tilted their nonprofit's keel too far towards either torpid tradition or cavernous creep.

Striking the Balance without Stalling Out

- **Growth is not always a vitamin** The authors of "Reigniting Growth," Chris Zook and James Allen, caution that stall-out's scapegoat is an aging or obsolete business model; but reflective research shows that increasing organizational complexity and internal dysfunction are the true culprits of stall-out. For example, as nonprofits grow, their structures and operational processes typically become more complex, creating new layers of bureaucracy that may stifle the ability of team members to decisively make-and execute-pivotal decisions. While one element of success is leveraging growth opportunities that come your way, an equally important factor is remaining nimble and flexible while exploring new territory. If poorly managed, growth may become a placebo that unleashes the unintended side effects of sluggish complexity.
- Attack complexity with care Zook and Allen studied ten companies that saved themselves from stallout; each agency took specific actions to address high-level complexity and cut operating costs by at least 8% (if not more). These actions allowed leaders to free up resources needed to focus more narrowly on their ultimate goals. Zook and Allen also note that a staged, top-to-bottom approach is best for

stripping away layers of organizational complexity, stating that "first the company must shed noncore assets and businesses" before reducing complexity in organizational processes, services, and products. In the nonprofit sector, the prospect of cutting anything tends to cause anxiety, and even panic. Sacred, legacy programs and services often remain on costly organizational life support, surrounded by stakeholders who argue that the nonprofit must protect 'where it came from.' Before shuttering long-standing programs or legacy functions, take time to celebrate the program's contribution to the nonprofit's reputation, and also to identify the valuable lessons learned during the activity's history. Taking this important step is a way to bring closure to programs, functions, and activities that need to be let go or wound down.

• **Inspire an owner's mindset** – One of the companies profiled in the HBR article is Dell. When founder Michael Dell returned to the company as its CEO he was determined to lead a shift in thinking. After a steep decline in market value, Dell believed that the common perception that risk was 'a bad thing' needed to evolve into a culture where risk-taking was celebrated and viewed as fundamental to innovation and success. According to Michael Dell, the company had to increase its risk appetite in order to achieve a turnaround, which included going private in 2013. The fact that nonprofits generally don't have owners shouldn't dissuade leadership teams from encouraging an owner's mindset and greater nimbleness. For example, one suggestion in the article was to hold Monday meetings and Tuesday follow-ups. Why? To remove unnecessary, bureaucratic delays between discussion and decision-making.

When a corporate mission experiences a stall-out, investor dollars and jobs are at stake. When a nonprofit stallsout, the momentum of a community-serving mission may be at risk. While some nonprofit missions should sunset, most missions represent important, unmet community and human needs. If your mission is being suffocated by an obsessive focus on the past, or worn out by pressure to deliver something new and cool each quarter, you may be at risk of a stall-out. Just as either a sedentary lifestyle or over-exertion can lead to heartrelated illnesses, it's vital to achieve balance. As a leader of a healthy and relevant nonprofit, it's your job to apply gentle pressure and support for growth and innovation while paying proper respect to your treasured legacies.

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