

# Ensuring Mission Impact

By Matt Breitenberg and Art Caccese

## How to Move From Strategy to Results



What will it take to accomplish your ministry's mission and vision? Are your programs and services having "mission impact?" How will you know if you've been successful? What will it take to increase financial resources for ministry priorities?

These are important questions for board members and ministry executives to answer as they confront the challenges facing their organization. Many Christian nonprofit organizations have struggled with accountability and stewardship issues. Most ministries are good at counting. But Peter Drucker cautions: "We must move from counting to measuring." The reality is: what gets measured gets done!

Today's donors and volunteers are much more discriminating in their choice of organizations to support. But even more important than this "new breed" of donor is the fact that Christian organizations must hold themselves accountable to a higher standard—after all, the work they do is not their own, but God's.

In an effort to help ministries plan better and implement mission impact measures, Straight Path Management interviewed board members and executives from more than 80 nonprofit and faith-based organizations to determine how they develop strategies to fulfill their mission.

The study's most significant findings show that only 31 percent of nonprofits have measures linked directly to mission impact, and less than five percent account for both results achieved and resources used to accomplish this impact. This information underscores an essential "disconnect" between the mission, and both the day-to-day activities and performance measurement of nonprofit organizations. As one executive of a Christian service organization for seniors remarked, "I would love to be able to monitor dollars spent versus the impact of our program."

Based on our study, the Typical Planning Process diagram

shows how the planning process typically works at most ministries. There are significant shortcomings with this planning process, including:

- Lack of mission impact measurement, so the delivery of programs and services substitutes for impact;
- Disconnect between resources and budget with mission and vision;
- Limited accountability with measurement focusing on the use of resources (delivering programs and services within budget), falling short of mission impact achieved.

So how can ministries improve the use of resources entrusted to their care?

### Mission Impact Model

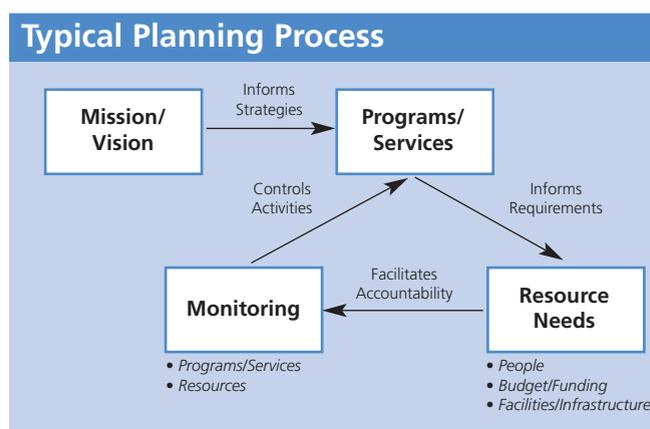
To increase impact, ministries must evaluate more than resources and budgets applied, or how many people participate in their programs. Effective accountability must address what the organization achieves relative to its mission. To be sure, budgets and other measures of resources are important, but they often fall short in answering the fundamental question of whether the organization is having Kingdom impact.

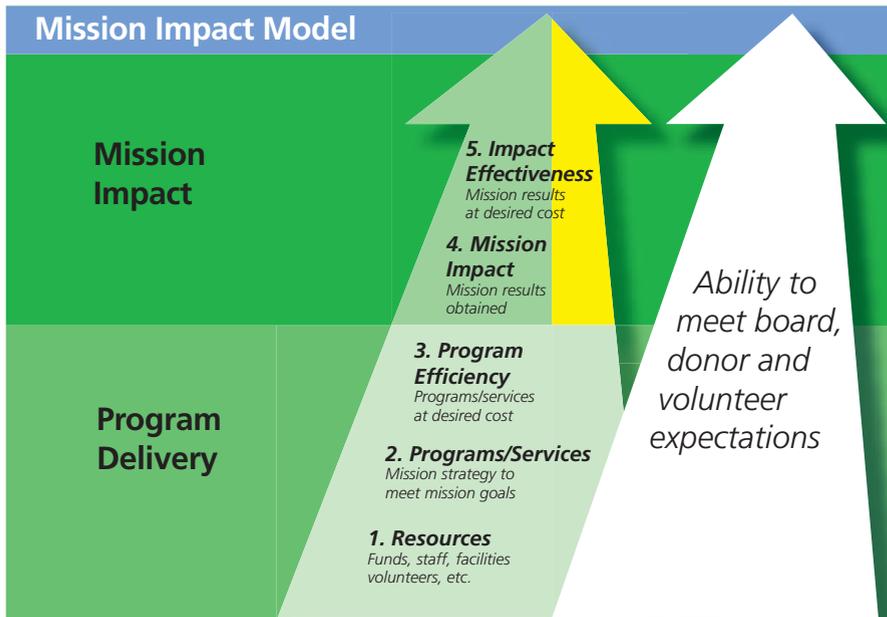
To clarify how ministries are currently functioning versus how they can be more successful, Straight Path Management developed the Mission Impact Model that illustrates current and desired methods of measurement (see page 12).

At the first level, ministries measure *resources*, including volunteers, staff, facilities, funds and other "inputs" to their work. These are vital to the fulfillment of mission, but they don't measure mission impact.

At the second level, nonprofits measure *programs and services*. At this level, the organization is tracking atten-

dance, or those persons who are receiving a service. Notice that tracking participation usually doesn't mean the nonprofit's desired impact is being achieved.





At the third level, organizations monitor the *efficiency* with which they develop resources and deliver programs and services. The Salvation Army, for example, measures the percent of funds allocated directly to programs, and its figure of 83 percent is high among nonprofits.

The cost of raising a dollar of funding is another frequently cited measure of efficiency. Young Life measures efficiency by tracking the number of schools served per staff person. Up to this point, mission impact has not been addressed. This is as far as most nonprofits go in self-evaluation.

The fourth level is *impact* and it goes to the heart of the matter. What measures help an organization know how well it's fulfilling its mission? It's output-oriented (measuring results), not input-oriented (monitoring the budget). Did the program or service recipient simply attend or receive something, or was there a desired behavioral change? While less than one-third of study respondents had any mission-impact measures, they did provide helpful examples to those who want to move toward fulfilling their purpose.

■ A Christian university whose mission is to transform the global marketplace performs surveys of its alumni to determine leadership positions they hold.

■ A faith-based housing organization whose mission is to build decent, affordable housing for people in need monitors the duration that people stay in homes provided.

■ A Christian financial counseling

service whose mission is to strengthen family and community tracks debt repayment and debt freedom of its program recipients.

■ A religious organization tracks the number of program recipients whose lives are changed as indicated by their willingness to donate a month of their time to serve others.

In each of these examples, the ministry has gone beyond measuring the number of people who receive a service to measuring the desired change in people as a result of participation in a program or receipt of a service.

### Monitoring Mission Impact and Resource Utilization

At the fifth and highest level, ministries track mission impact against resources expended. The organization is asking not only, "Are we achieving mis-

sion impact?" but "Are we using our resources wisely?" In what is termed *impact effectiveness*, organizations track accountability for both impact achieved and resources used.

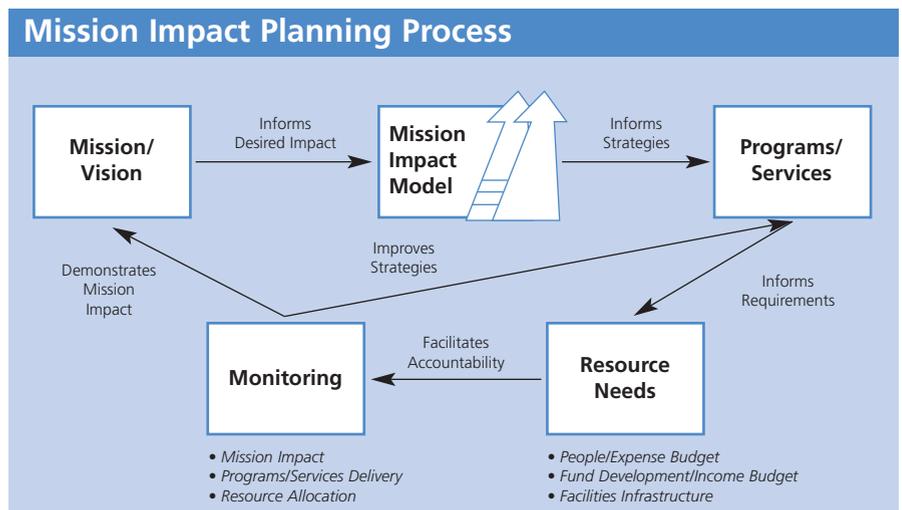
Habitat for Humanity achieves impact when a family moves into one of its houses and stays there. However, volunteers and donors might raise questions if each house cost a quarter of a million dollars to build (the actual figure is \$46,000). Organizations that clearly demonstrate impact effectiveness attract loyal volunteers and donors.

The Mission Impact Model is a powerful tool for establishing measures that help a ministry stay focused on its mission. When this is correctly integrated with planning, the following diagram shows the process results (see Mission Impact Planning Process on page 14).

As before, the planning process starts with a clearly articulated mission. Next, the ministry should define its measures of impact. How will the organization know if it's making progress toward fulfilling its mission? What are the desired results and indicators of success? Only after the desired impacts are defined should programs and services be identified. The rationale for a program or service is now explicitly based on mission impact.

Once these programs and services have been identified, the resource needs—people, funding, facilities/infrastructure—can now be determined. But now mission impact can also be monitored, along with program success and resource utilization.

This results-driven method of monitor-



ing performance strengthens accountability and improves strategies. Further, it addresses mission impact in several important ways: improved focus, better resource allocation, greater accountability and stronger relationships.

Straight Path Management's study concluded that most nonprofits have weak or tenuous alignment between program delivery and mission impact. This is often because of the difficulty in quantifying mission impact. The Mission Impact Model demonstrates how to apply clear measures, aligning strategies, resources and Kingdom impact.

There's one additional and essential step leaders must take as they consider the future of their organizations. They must ask themselves whether the mis-

sion, vision, values, strategic plan and projected outcomes are consistent with what God has revealed in his Word about ethics and justice. Do the plans reflect a dependence upon God? Does the projected use of ministry resources include the development of people? Is there a dedicated attempt to honor the bottom-line commitment to key constituents?

At its most basic level, the Mission Impact Model is about biblical stewardship. Within every stewardship relationship there are two parties involved: the Master who provides the resources and the steward who is entrusted with these resources. Eventually we will have to answer for how they were invested.

If we're faithful to God's call, using his resources wisely and for God-honor-

ing purposes, we'll find more than enough resources available for the ministry priorities he's given us to manage and invest in Kingdom work.

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