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“Building for the Successful Transition of Your Agricultural Business” Fact Sheet Series

Develop a Useful Mission Statement for Your Agricultural Business

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Introduction

Farms or agricultural businesses that are able to clearly communicate who they are and what they stand for are often more successful than those that don't have a true understanding of their focus. One way to develop strong communication lines and a clear understanding of what the business does is through the process of writing a mission statement. It does not matter whether the farm business consists of two people or 50, all involved must have a clear understanding of what the business does and why they do it in order to move the business in the desired direction.

A mission statement is a short statement describing the fundamental underlying reason for the business to exist — its critical purpose. This statement aligns what the business says it does, what it actually does, and what others believe it does. It clarifies what the business is not trying to do and not trying to be.

This statement is a reflection of the underlying values, goals, and purposes of the farm and of the management team. The mission statement should be communicated and remembered.

Writing a Mission Statement

The process of developing a mission statement is by nature very abstract, and it can be a challenging and time-consuming process for management to conduct. However, the mission statement development process can be a very rewarding undertaking, if the time and energy are spent to write an honest description of who the business is and what is valued, what the business does and how it is done, and who the customers are. The end result will be a shared

understanding of the focus of the business and a strong foundation on which to make business decisions.

A well-written mission statement should describe the farm business accurately and also provide inspiration to those who work to meet the everyday and long-term goals of the business. Since the creation of a mission statement is one of the first steps in the planning process, many of the discussions held during the process can also be used when writing the goals for the business.

Here are some sample mission statements:

Farm Market Mission Statement

Our mission is to produce a healthy and safe food product, maximize profitability, and maintain our rural heritage. It is important for us to provide a quality product and agricultural education for the tri-state farm market consumer. Building on our strong reputation, we will continue to grow our business and our people to ensure long-term success.

ABC Farm Mission Statement

We are a family-owned and -operated grain farm and plan to ensure this opportunity to the next generation. We strive to make efficient use of inputs, maintain excellent land stewardship practices, and produce high-quality commodities for the end user. We value rural life and are committed to keeping our rural community vital.

Landscape Service Mission Statement

Our mission is to enhance the outdoor living environment of our customers by providing quality

landscape services that are environmentally safe and economically sound while allowing our employees to grow as landscape professionals.

When developing a mission statement, give attention to what is important to the business now and in the future. Use the worksheet on the final page of this fact sheet to help you sort out your thoughts first as an individual, then as a group. It is important to have a clear understanding of where you stand as an individual before you think about the farm business. Ask both management and employees to complete the worksheet on their own. You will need to consider questions such as:

- What are my personal values?
- What are my business values?
- Why do we farm?
- What do we really want to do?
- What are the strengths of our business?
- What role does each family member and/or employee fulfill?
- What standard of living does the family want?
- How much family time do I want?
- Are nonfarm and/or community activities an important part of my life?
- When do I want to retire?
- Do we want to transfer the family business to the next generation?

Mission statements have a tendency to quickly get out of control and can become lofty, meaningless statements of grandeur. For example: *Our farm business strives to produce the best quality milk possible and provide customers worldwide with a nutritious supply of milk.* This statement does not tell anything about what the business really stands for or how they produce “the best quality milk.” It doesn’t explain what the “best quality milk” is, and “customers worldwide” is a broad explanation of the customer base. This statement is written more like a vision statement, which is the futurist dream of the farm business. The mission statement should be a more specific and focused statement. A good example of a mission statement is the Yoder Farm Mission Statement:

Yoder Farm Mission Statement

The Yoder Farm mission is to produce and market high-quality milk in sufficient quantity to provide a good standard of living for our family. The business should also be profitable enough to provide above-aver-

age compensation for employees and long-term security for our family.

Group Process

One person should not take on the job of writing the mission statement. It is essential that everyone directly involved in the operation of the farm business — spouse, parents, siblings, children, non-family employees, etc. — have the opportunity for input. This will provide a more true statement of what the farm business does and what it values. This approach also provides for greater buy-in and acceptance by those involved in the business. Although some business members may grumble about spending time on what may be viewed as an unimportant task, in the end everyone does appreciate being asked his or her opinion. It is hoped that everyone will feel like he or she played an important role in the success of the business.

After answering the questions on the worksheet on the last page of this fact sheet, the next step is to come together to discuss your answers as a group. Remember, it will take some time to work through the development process. Try to spread the group discussion over a set period of time involving more than one family meeting. Try to find times that fit everyone’s work schedule and meet in a neutral place. In other words, don’t save this discussion for the holiday dinner around mom and dad’s table. Family dinners should be reserved for family time, and discussions about the farm business mission statement should be conducted on work time when not in a peak production season.

As a result of the group discussions, a draft form or forms of the statement should be developed. The draft(s) can be two sentences or several paragraphs. Share the draft(s) with family members and employees, asking them to suggest revisions and additional thoughts.

The final form should be a concise statement of what the farm business does, how it is done, who the customers are, and what is valued. It does not matter what form it is written in, paragraph style or bullet points. Choose whatever form is comfortable for you. It is your business mission statement and should be a reflection of your business and its style.

Use of the Mission Statement

The value of a mission statement comes from the active use of it. Review your mission statement often to be sure it still fits with the direction of the business. Use the mission statement to aid in the goal-setting process and when making decisions. Successful businesses are built on strong foun-

dations. Taking the time to develop a meaningful mission statement will provide your business with the foundation it needs to be successful today and into the future.

Finally, once the mission statement has reached its final form, it should be printed and posted in an area such as the farm office, tool shop, milking parlor, or employee break area where it can be viewed on a daily basis. It will be of little use to the business saved in a computer file or in a desk drawer. Be proud of what your farm business does, how it does it, and why!

Summary

There is no perfect mission statement form. Managers should concentrate more on the process of gaining a better understanding of the business, themselves, and employees rather than worrying about the appearance of the mission statement. A useful mission statement will be one that clearly represents the business and its employees and will provide a foundation on which to develop business goals.

For more information on writing business goals, refer to the Ohio State University Extension Fact Sheet *Developing Goals for the Agricultural Business*.

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