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Case Study

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By Kim Jonker & William F. Meehan III

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Curbing Mission Creep

DESPITE TEMPTATIONS TO BROADEN ITS FOCUS, THE RURAL DEVELOPMENT Institute has remained single-mindedly devoted to its mission. As a result, the organization has helped 400 million poor farmers around the world take ownership of some 270 million acres of land – all on a modest budget. **by KIM JONKER & WILLIAM F. MEEHAN III**

THROUGHOUT THE WORLD'S countrysides, the difference between poverty and prosperity often lies under people's feet: land. When poor farmers come to own the land on which they work, their newfound pride, commitment, and long-term outlook dramatically increase their productivity. As a result, landownership not only helps families generate more income and wealth, it also leads them to enjoy better nutrition, health, self-esteem, and community status.

As several revolutions have shown, however, transferring land from those who have it to those who don't is no easy task. Yet a small Seattle-based nonprofit has managed to turn 400 million of the world's poorest people into landowners. The nonprofit, the Rural Development Institute (RDI), is a group of attorneys, economists, and public policy experts who help the rural poor around the globe obtain the legal right to own land.

RDI pursues its mission through four major activities: 1) researching both the land needs of the rural poor and the best practices in land rights reform; 2)

working with governments to design land rights reform laws, policies, and programs; 3) convincing governments, donor agencies, and foreign aid organi-

How can nonprofits avoid mission creep?

What can nonprofits gain from sticking to their mission?

What are the elements of an effective mission statement?

zations to help the rural poor own land; and 4) implementing land rights reforms, which includes making the rural poor aware of their rights and monitoring land transfers.

By the end of 2006, RDI had worked in 40 countries and helped poor rural dwellers take ownership of some 270 million acres – roughly 7 percent of the world's arable land. The organization's success invites temptations: to expand into new areas, to aid new populations, to adopt new methods. But by hewing closely to its mission, RDI has increased its impact on a relatively small annual budget of just over \$2 million.

"We have avoided mission creep and have focused on what we do best," says Roy Prosterman, RDI's founder and chairman emeritus.

Mission creep plagues the nonprofit sector. In the private sector, pencil manufacturers, for example, rarely dive into the bakery business or into human resources consulting. Yet nonprofits routinely do the equivalent, expanding their programs far beyond their organizations' original scope, skills, and core competencies – often in response to funding opportunities or staff members' interests.

This creeping can stretch organizations so thin and so far that they can no



A farmer plows his field in rural India. Although land is the primary source of income, wealth, credit access, and status for rural Indians, some 62 million households have either few or no landownership rights. The Rural Development Institute is working to change that.

longer effectively apply their resources toward their goals.

RDI's greatest weapon in fighting mission creep is its well-defined mission statement: "RDI is an international non-profit organization working to secure land rights for the world's poorest people, those 3.4 billion chiefly rural people who live on less than \$2 a day." This mission clearly states whom the organization serves – the world's poorest people – and what it aims to do – get them land rights. (See "Making Missions That Won't Creep" on p. 64 for more on effective mission statements.)

Using this mission statement, RDI can wisely decide which projects to accept and which to decline, as well as which ongoing projects to exit. In so doing, the organization has become a leading expert on rural land issues for the World Bank, the U.S. Agency for International Development (USAID), and the United Nations Development Programme. And Prosterman received the inaugural Henry R. Kravis Prize in Leadership, which is administered by Claremont McKenna College.¹

Knowing When to Say "No"

RDI was born in 1967, in the midst of the Vietnam War. Prosterman had finished a Harvard law degree and a stint on Wall Street, and was teaching at the University of Washington School of Law. Watching as the Viet Cong recruited thousands of impoverished rural farmers, he became convinced that redistributing land to poor tenant farmers and paying reasonable compensation to landlords would address some of the social and economic causes of the war. He published his ideas about democratic land reform in the *Washington Law Review*. The dean of the University of Washington School of Law then passed the article on to a friend at USAID.

Impressed with Prosterman's ideas, USAID invited him to be a land law consultant in South Vietnam. Before he knew it, Prosterman was standing in a rice paddy, drafting legislation for the Land to the Tiller program. "My instructions had been to find facts, not make recommendations," he says. "But I ignored those instructions."

Through the program, the South

Vietnamese government, with financial help from the U.S. government, bought land from large landlords for two and a half times the value of the land's crops, and then redistributed the plots to tenant farmers. Between 1970 and 1973, the program gave land rights to 1 million tenant farmers, increased rice production by 30 percent, and cut Viet Cong recruitment by 80 percent. A 1970 editorial in *The New York Times* called the program "probably the most ambitious and progressive non-Communist land rights reform of the 20th century."

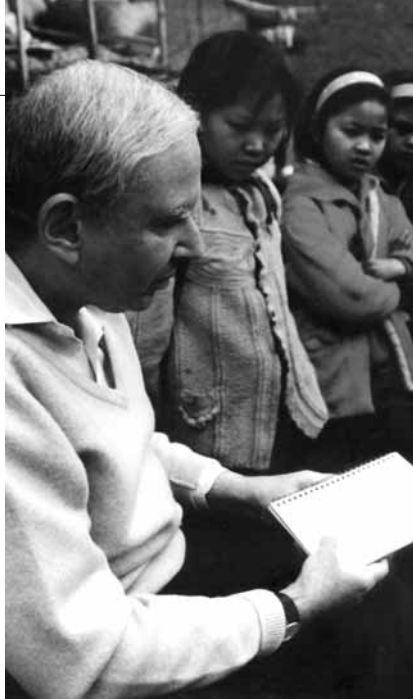
Unlike the Marxist variety, RDI's democratic land rights reforms ensure that governments lawfully and nonviolently give private landowners fair compensation for their land. Land recipients, in turn, are free to choose how they will farm. Nearly all choose family farming, rather than forming collectives or cooperatives. During its early years, RDI developed its mission statement. "There was so much enthusiasm and interest in all of the new opportunities and different directions that we could take," Prosterman explains. "I needed a

tool with which to herd the cats and to make sure that everyone was on the same page about our fundamental goal.” Over time, RDI has slightly altered the wording of its mission statement, but its substance has remained the same.

RDI uses its mission statement to know when to say “no” to new projects. In 1998, for example, a USAID contractor approached RDI with the opportunity to work on a fully funded urban land rights reform project in the former Soviet Union. Though not targeted specifically to the poor, the subcontracting offer was quite alluring: RDI was already working in the former Soviet Union on a grant that was about to expire. This new subcontracting opportunity would give RDI a new, stable source of funding. It would also take advantage of RDI’s rich expertise in Russian land law.

Despite these economies and synergies, RDI would still have to devote much time and energy to understanding urban, as opposed to rural, land rights reform. The management team was concerned that accepting an urban project would lead the organization away from its niche of promoting land rights for the rural poor, who represented the largest population in need of RDI’s services. “There was so much work to be done in the rural setting,” says Tim Hanstad, RDI’s president and CEO. “In the end, we turned down the urban opportunity because we felt that it was outside of our mission. And we felt very strongly that on principle we shouldn’t chase after funding.”

It turned out to be the right deci-



Roy Prosterman conducts fieldwork in China, where RDI has helped give land rights to more than 75 million families.

sion, says Hanstad. The organization eventually found other ways to earn money, such as charging fees to help with farm privatization in Moldova and Ukraine. This income allowed the organization to focus on its mission and to develop “a strong presence in the former Soviet Union within our niche of rural land rights reform,” says Hanstad. By the end of 2006, RDI had helped governments reallocate more than 34 million acres of land in Russia, 2.9 million acres in Moldova, and nearly 69 million acres in Ukraine – the great majority of it to impoverished rural families.

Taking on Risky “Yeses”

A well-focused mission statement can give organizations the motivation and clear decision-making criteria they need to step up to difficult assignments. Indeed, sticking to its mission has led RDI to take on outsized challenges.

In 1999, for instance, RDI’s man-

agement team weighed the pros and cons of expanding the organization’s operations into India. India has the largest number of poor people on the planet. It also has the greatest concentration of rural households that are landless or nearly landless – a total of 62 million households. A 1997 World Bank report showed that landlessness – even more than caste or illiteracy – was by far the greatest predictor of poverty in India.² For these reasons, Prosterman and Hanstad found the possibility of entering India extremely attractive. “It was the kind of opportunity that makes nonprofit leaders who aspire to make a difference absolutely starry-eyed,” explains Hanstad.

Yet this high-reward opportunity was also high risk. RDI usually only enters countries whose politicians are willing to develop and implement the organization’s recommended initiatives. “We always ask ourselves, do the political forces appear to be aligned, or at least not strongly opposed?” explains Hanstad. “The conventional wisdom in the 1980s and 1990s was that India had insufficient political will for land rights reform.” And understandably so: In the 1960s and 1970s, reformers had attempted to redistribute full-size farms to landless peasants by seizing the farms and then paying landowners far below market rates.

In addition, RDI did not have any funding earmarked for new operations in India. The organization anticipated that India would be an especially expensive and challenging place to work. Rather than just one central decision maker, India has 28 states with 28 different sets of land tenure rules and reforms. With its funding already stretched thin, RDI would have to establish an office in India to coordinate work in multiple and frequently remote locales.

Moreover, some staff members did not support expanding into India. RDI

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CASE STUDY

had never established an in-country office with its own funding, and many RDI staff members feared that the diversion of funds to India would endanger their jobs. At the same time, staff knew that focusing RDI's scarce resources in less costly regions would give them more job security. For example, a great deal of easy money lay in the former Soviet countries, where RDI had already developed a strong presence. "It would have been a no-brainer to forget about India and stay in the former Soviet Union except for one major factor: We had already reached a point of diminishing returns in the former Soviet Union," says Hanstad. "India, on the other hand,

market. Yet if each nonlandowning family in India received a two-acre lot, reformers would have to redistribute 20 to 40 percent of the country's land. This was impossible. RDI would have to serve fewer people, decrease the plot size per family, or redesign its program in some other way.

After much deliberation, the management team decided to enter India. Discussions about the various pros and cons always came back to the organization's mission. "Our mission is to secure land rights for the world's rural poor," explains Prosterman. "The sheer numbers of landless rural poor living in India meant that we simply could not avoid the

Securing microplots for India's entire landless population would require less than 1 percent of the country's total arable land.³

RDI determined that the government could carve some of the microplots from public lands, and then the government could purchase the remainder from landowners at full market price. This strategy would involve land costs of less than \$100 per family, whereas a full-size two-acre plot would cost roughly \$2,000 per family (if paying market price). It would also allow RDI to increase its reach and scale because the organization would not have to recommend capping the number of families that the program could serve.

Additionally, RDI's microplot program would give titles either just to women or to women and their husbands. Ownership of the title gives women more control over their new asset, more say in their families, and more status in their communities.

To date, the governments of four Indian states – Karnataka, Andhra Pradesh, West Bengal, and Orissa – have accepted and begun implementing RDI's microplot ownership recommendations. The program has the potential to reach some 2 million poor rural households in these states alone, and several other states are waiting to begin similar programs. Moreover, the new microplot approach gave RDI a new way to pursue its mission in settings where governments have given up on distributing traditional, full-size farms. For example, Mali and Pakistan's most populous province, Punjab, have already accepted similar landownership programs partly developed by RDI staff attorneys.

Knowing When to Leave

RDI uses its mission statement not only to choose which projects to take and which to leave on the table, but also which programs to exit. In 1992, RDI began conducting fieldwork in Kyr-



In a rural Indian village, a formerly landless mother and son plant a tree on their new microplot – a one-tenth-acre parcel that can help lift them out of poverty.

was a vast, totally untapped market full of incredible potential."

To tap that potential, however, RDI would need to adapt its approach dramatically. India had more landless people than did any of the other countries in which RDI had worked. In these countries, RDI had aimed to allocate two to three acres to each needy farming family. The organization's research had shown that two to three acres was enough for families both to feed themselves and to sell their surplus on the

country while staying true to our mission and our aspirations for impact."

To address the unique circumstances in India, RDI reinvented its model. After conducting extensive research in villages, the organization discovered that owning a one-tenth-acre "microplot" of land gave a family a large portion of its nutritional needs, extra income, a place for a house, bargaining power in the labor market, access to affordable credit, a cushion against small disasters, and increased status in the community.

Making Missions That Won't Creep

Successful nonprofit mission statements have the following seven characteristics:

1 They are focused

A widely accepted axiom of corporate strategy is that more focused strategies generally outperform less focused ones. The same principle applies to nonprofits. Nevertheless, in an attempt to be inspiring or to appear grand, many nonprofit missions are too broad and unfocused. As a result, many organizations promise to end global poverty, bring about world peace, and feed all the hungry people in the world when in fact they have resources only to grant a few hundred small business loans, to teach a few thousand children about nonviolent communication, or to feed a few thousand people in one county.

2 They solve unmet public needs

Nonprofits are accorded special status, starting with their special tax status. Their purpose is to address needs that markets and governments can't or won't. Their missions, therefore, should attend to public – not private – needs that corporations, governments, and other nonprofits wouldn't otherwise meet.

3 They leverage unique skills

People come to the nonprofit sector with passion and high aspirations. But these are not enough to make organizations have impact. Nonprofits need specific skills and capabilities that distinguish them from

other organizations. Both Teach for America and Responsible Wealth, for example, are fighting social inequalities. But they take very different paths to this same end, as reflected in their mission statements. Teach for America very clearly states that it aims “to enlist our nation’s most promising future leaders in the movement to eliminate educational inequality.” Responsible Wealth, in contrast, strives “to speak out publicly about a growing set of rules tilted in favor of large-asset owners at the expense of all others in society.”

4 They guide trade-offs

Like RDI, almost every nonprofit must make critical decisions between seemingly equal alternatives. Mission statements can help nonprofit leaders decide which options to pursue and which to abandon. Nonprofits should say “no” to attractive funding opportunities or compelling programs that are not aligned with their missions. They should say “yes,” however, to challenges that take their mission to the next level, even when doing so appears harder than taking on an incremental, less focused activity.

5 They inspire and are inspired by stakeholders

Nonprofits almost always have multiple stakeholders, often with conflicting interests. These stakeholders include board, staff, clients or

customers, governmental agencies, and the public at large. A great mission reflects those stakeholders’ interests, sometimes balancing them, sometimes choosing some interests over others. As a result, the mission statement is inspiring to them.

6 They anticipate change

The best mission statements are timeless. Of course, almost everything changes over time, and nonprofits need to regain their stakeholders’ understanding and commitment to their mission every three to five years. But nonprofits should alter their fundamental mission only in truly exceptional situations.

7 They stick in memory

The simple fact is that most stakeholders for most nonprofits – particularly external stakeholders such as donors – rely heavily on a nonprofit’s mission statement to guide their actions. And so stakeholders should be able to remember the statement without effort. Most memorable are short, concrete mission statements, such as that of Springboard: “to offer education on the wise use of credit.” Kiva also has a pithy mission: “to connect people, through lending, to alleviate poverty.”

There are great nonprofits whose mission is not well reflected in their mission statement. But that is not one of their great aspects. –*W.F.M.*

gyzstan, a newly independent former Soviet nation. RDI presented its findings to Askar Akayev, the first president of Kyrgyzstan. RDI's major recommendation was to break up collective farms and give Kyrgyzstan's farmers long-term land rights, and RDI provided a detailed plan with which to do so. The president adopted RDI's suggested reforms over the next several years.

By 1999, RDI had been working in Kyrgyzstan for seven years and had completed the first three of its main activities: research, reform design, and policy advocacy. Implementation was also well under way. The time had come to complete the reforms, which entailed overseeing the remaining land allocation, making sure that beneficiaries met the criterion of being poor rural dwellers, and monitoring the overall development of Kyrgyzstan's land market. Focused on maximizing impact in securing land rights for the world's poor, RDI's senior management team decided unanimously to hand over the remaining implementation to other aid agencies, both public and private.

"RDI typically gets the most bang for its buck in the first three of RDI's four activities [research, reform design, and policy advocacy], and this is especially true in a small country," notes Hanstad. "The fourth activity, implementation, is extremely important but offers RDI relatively less opportunity for impact, not least because many others are qualified to do the implementation for us." In Kyrgyzstan, many well-qualified aid agencies were poised to oversee the land redistribution, and the government had a clear track record of success and commitment. "It was great to be able to leave a country because of success rather than failure," Prosterman says.

Implementation of the program finished in 2002. As RDI had recommended, the Kyrgyzstan government successfully distributed 2.5 million acres to more than 232,000 beneficiary families.



A farmer in China's Hunan Province fertilizes his field. When farmers own their land, they invest more in it and adopt more sustainable practices.

Minding Your Mission

A mission statement is not just inspiring language for fundraising materials and the "About Us" section of a Web site. It is also a tool for weeding out, embracing, or withdrawing from programs. When nonprofits wield this tool well, they can achieve deep and far-reaching impact with limited resources.

Although a clear, focused mission statement is necessary for avoiding mission creep, it is not sufficient. Everyone closely involved with running the nonprofit should live and breathe the mission statement. They should use it to evaluate every opportunity and program area. "Does this new opportunity align with our mission?" is a frequent question at RDI staff and board meetings.

Another good way to see if an organization is living by its mission is to ask staff members and other stakeholders. Surveys about mission can include questions such as "What is the organization's mission?" "Do you think the organization is staying focused on this mission?" "Should the mission be

altered?" "If so, what do you believe the mission should be?"

RDI recently conducted a survey of this kind just as Prosterman was scaling back his involvement and Hanstad was assuming the role of CEO. The results revealed that staff agreed what the RDI mission is, that RDI is staying focused on this mission, and that no one wants to alter the mission.

"The organizational focus and momentum around the mission statement helped make our leadership transition smooth," says Hanstad. "I took the reins knowing exactly what we as an organization want to accomplish. We believe that we can transform lives, countries, and even the world by securing land rights for the rural poor." □

¹ This prize was established by Henry Kravis, founding partner of Kohlberg Kravis Roberts & Co., and Marie-Josée Kravis, economist and Hudson Institute senior fellow.

² The World Bank. "India: Achievements and Challenges in Reducing Poverty" (1997).

³ Rural Development Institute. "Opportunity for Change: Making the Case for Homestead Plots."