

Session 7: Mission deconstruction and Social Goals development

Summary of the session

Objectives	<p><u>The purpose of this session is to help participants reflect on their own missions and identify or clarify the social goals derived from the mission.</u></p> <p><u>Upon completing this session, participants will have:</u></p> <ul style="list-style-type: none"> • Understood the importance of the mission and mission statement for the SPM; • Defined social goals; • Identified the social goals embedded in a mission statement; • Practiced deriving social goals from own mission statements. <p>The three key messages of the session:</p> <ol style="list-style-type: none"> 1. Mission defines social goals – they are derived from the mission statement 2. There are three types of social goals: who are the clients? (target clients), how their needs are met (products and services), what kind of change does an institution want to contribute to (change)? <p>The following key people should be involved in the mission deconstruction exercise: board, management, staff, clients, other stakeholders.</p>
Session Structure	<ol style="list-style-type: none"> 1. Introduction (2-3 mins) 2. Exercise on Client Vision : identifying the three types of social goals (40 mins) 3. Process for developing social goals and objectives: unpacking the mission into three social goals(40 mins) 4. Who should be involved in the mission review? (10 mins) 5. Developing social goals for own MFI (15 mins) 6. Closure and link to the next session (1-2 mins)
Time/ Duration	110 mins
Slides number	1-11
Materials	<ul style="list-style-type: none"> • Flipcharts for group exercises (lots of them, blank) • HO 7.1 Missions deconstruction exercise • Missions deconstruction exercise – answer key for trainer’s use only • HO 7.2 Who should be involved in the mission review • HO 7.3 Mission deconstruction and developing SMART objectives for the participant’s own MFI.
Session delivery	
1. Introduction: (2-3 mins)	<p><u>Say:</u> This session starts by exploring the first key element of SPM: Developing Social Goals and Objectives, which will be continued in the next session. The purpose of this session is to learn the process of translating an organization’s mission into social goals.</p> <p>Introduce objectives of the session (slide 3).</p>
2. Social goals – Exercise on Client Vision (40 mins) <i>(Exercise in institutional groups)</i>	<p>(2-3 min) – Introduce exercise:</p> <p><u>Say:</u> In order to determine how effectively mission is translated into practice, we need to first understand what results the MFI is trying to achieve by providing financial services. To explore this issue, we will now do an exercise.</p>

You will be working in your institutional groups (participants from the same organization in the same group). Each group will receive a blank flip chart and markers. Your task will be to draw a picture of one of your target clients when he/she first becomes a client of your MFI, on the left side of their flip chart. On the right side, draw a picture of the same client five years later, showing the changes that should take place if the MFI were to fulfill its mission. Please think about concrete changes your MFI is trying to contribute to in the lives of your clients.

Show slide 4 "Exercise" and leave it on the screen for participants to see.

Distribute the flipchart papers and markers and invite participants to start working.

(15 mins) Participants work in groups and draw the pictures, After 20 mins ask them to stick the drawing to the wall.

The purpose of this exercise is to focus on identifying target clients, showing the changes the MFI wants to see in their lives due to offering them its services and products. NO DISCUSSION OF THE MISSION. Focus on discussing the transformation/changes.

(15 mins) Invite each group to describe their drawings. Next, focus participants on differences and similarities of the pictures, and help them in deriving three social goals:

Ask:

- One of the social goals of an MFI is to reach targeted clients. Do you see from the drawings who the targeted clientele are, what are their characteristics, how do they live at the moment?

Look at several drawings together with the group. It will be good to identify at least one example where the target group is specifically clear and one example where it is not. Confirm your assumptions with the authors of the drawings, for example, if you see that the targeted clientele is "rural, low-income women", ask if this is true? Also, if you see that you can not specify a target group, ask the authors – for example, the drawing could reflect a general low-income person, but the target clientele are micro-entrepreneurs.

Ask:

- Another social goal of an MFI is to fulfill target clients' needs through financial services. Do you see from the drawings what kinds of financial services this MFI is going to offer their targeted clientele?

Look at several drawings together with the group. Make sure you discuss which needs are fulfilled by these services – is this explicit? Are the services really mentioned for the targeted clientele or are they just general financial services with some parameters? Again try to identify one clear and one unclear example.

Ask:

- The third social goal is to contribute to positive change in lives of targeted clients. Do the drawings provide information about the changes which will happen with the targeted clientele lives?

Look at several drawings together with the group. Probably, all of them will contain pictures of the changes in life conditions and the well-being of clients. Link to previous discussions and say that these changes are related to targeted clients, not to all clients of the institution. Where does the change element come from? The change, as well as target clientele and their needs to be fulfilled

	<p>– are taken from institutions’ mission. All participants draw the “changed” picture of the client life, but is the change element included in their mission statement? It is likely that there will be some participants who do not have this element in the mission.</p> <p><u>Conclude:</u> The client vision is captured in the organization from its mission statement. Sometimes, though, the mission is not clear enough to translate work into social goals. In these cases, one will need to identify social goals implied by the mission or how it is understood by its staff.</p> <p>Show slide 5 SP pathway: The first component of SPM is to develop social goals and objectives. An MFI is managing the process that goes from “Strategy” to “Results” along the SP Pathway. To manage this process, an MFI must first define in specific terms the results that it wants to achieve. We just visualized MFIs missions and the clients after using the financial services of the MFI. In the next part of the session we will look at the so-called “un-packing the mission” and formulate social goals in writing based on mission statements.</p>
<p>3. Process for deriving social goals from the mission – Unpacking the mission (40 mins)</p> <p><i>(Talk and exercise)</i></p>	<p>(5 mins) Talk. Show slide 6: “The starting point is a mission statement”. <u>Say:</u> The mission statement is the starting point for SP.</p> <ul style="list-style-type: none"> • The mission defines who you are & how you operate. It identifies what the organization does, why and for whom. • A strategy paints a picture of what the organization plans to become, usually over the next 5-10 years. It describes how the mission will be implemented to create the desired impact <p>Social goals are a broad description of what you want to achieve, which can be extracted from the mission by asking the following specific questions:</p> <ol style="list-style-type: none"> 1. Reaching target clients (Who, Where) 2. Meeting target clients’ needs (How) 3. Change in target clients’ lives (For what) <p>Show slide 7: “Reviewing any mission statement” and explain that we start from asking the three questions:</p> <ol style="list-style-type: none"> 1. Who do you want to reach? 2. How will you meet your clients’ needs? 3. What are the desired outcomes? <p>(5 mins) Show slide 8: “People’s bank mission statement” as an example and ask participants to derive three social goals. Show the next slide (9) with the answers.</p> <p>(1 min) Introduce the exercise: <u>Say:</u> You will now receive a handout with several mission statements and you will have to un-pack them into social goals. These statements are taken from different organizations- banks, for profit MFIs, not for profit MFIs. Look at the worksheet and fill in the relevant boxes with formulations of social goals.</p>

Give HO 7.1 Mission Deconstruction to participants and ask them to look at mission statements and to unpack them into social goals. Alternatively, you may assign one mission statement to one group (especially when time is short).

(10 mins) Participants complete the sheet. The answers in are in the answer key for the trainer (to be prepared).

(15 mins) Discussion in plenary. Facilitate discussion **(use information from the Annex Mission deconstruction – this is for trainer’s use!)**.

Ask:

- How did the exercise go?

Collect some opinions. It is likely that some participants will say that in some cases it was easy to extract social goals, but in some other cases it was more difficult, because either the formulations were not clear, or they were missing completely.

Ask:

- What are the examples of clear missions with all three goals covered within the mission statement?

There are mission statements where all three goals are stated, for example number two and three. However, if we compare them, we will see that the number two formulation is too general, and the number three is specific but still general as a mission. Thus within mission number two it is hard to extract social goals, because this mission is about everything, everywhere and everyone. In mission number four there is no mention of the targeted clientele, while in mission numbers one, three and five it is quite specifically named.

Ask:

- Is the mission statement enough to understand all aspects of the three social goals?

Perhaps more explanation in the policies and operational documents is needed. For example, how does the institution define economically active poor or entrepreneurs? What do “better life” or “better opportunities for the future” mean? As the mission should become a tool for further implementation, it is important to have a clear understanding of the MFIs goals, while keeping them general in a long-term.

Conclude:

We see that mission statements can be clear and unclear, but each institution should make an effort to formulate their missions in a clear way in order to ensure further communication of it on different levels as well as its full implementation and success. Let us see on the slide what are the most frequent development goals in microfinance?

Show slide 11 “End goals reported by MFIs to MIX”, note diversity, note majority and sum up the exercise.

4. Who should be involved in deriving social goals from the mission (10 mins)

(Examples)

(10 mins)

Say:

As we saw, some mission statements are slightly vague or formulated in too general a way. For this very often a mission review exercise (including social goals identification) is needed: when the organization revisits its mission in order to make sure all three social goals are clearly reflected in its formulation. Let me give you some examples of institutions who undertook the mission review exercises recently.

Give examples from the HO 7.2 “Who should be involved in mission review” then distribute the HO itself.

	<p>Sum up: The mission sets the strategic direction of the MFI. For this reason, the review of the mission or its deconstruction into social goals has to include key people: board, management, key stakeholders (including clients when appropriate).</p> <p>NOTE: the key message of this exercise is to understand who should be involved in the development of a social goal. Although some institutions may come to the conclusion that they need to re-write their mission, this is not the purpose of this discussion – we don't want to make all institutions change the wording of their missions – we want them to develop clear social goals.</p>
<p>5. Developing social goals for participant's own MFI (15 mins)</p> <p><i>(Case of People's bank and work in institutional groups)</i></p>	<p>(2 mins) Distribute HO 7.3 Mission deconstruction and developing SMART objectives for the participant's own MFI. Ask each institution to work on their own mission and derive their social goals (participants can sit together in institutional groups). Say that for the moment participants should skip the SMART objective part – this will be the topic for the next session. Only social goals are to be extracted in this particular exercise.</p> <p>(10 mins) Participants work on their own missions' deconstruction. Ask 2-3 volunteers to share the results with the whole group. Highlight this exercise was only a learning exercise. The true mission review should be done with senior management and other stakeholders, when participants return to their institutions.</p>
<p>6. Closure and link to the next session (1-2 mins)</p>	<p>Summarize the session by concluding the key points:</p> <ul style="list-style-type: none"> • The mission is a starting point for SPM • Social goals are a broad description of what you want to achieve, which can be extracted from the mission by asking the following specific questions <ol style="list-style-type: none"> 1. Reaching target clients (Who, Where) 2. Meeting target clients' needs (How) 3. Change in target clients' lives (For what) <p>In the next session we will go to the next step and design SP objectives based on social goals.</p>

HO 7.1 Mission deconstruction

Mission statements	Who? – Target clients	How? – meeting the target clients needs	For what? Change
1. Our bank gives the opportunity for a better future to the lowest income sectors, by giving them high quality and integral financial services.			
2. To provide financial services to the economically active poor, to enable them to lead a 'better life			
3. To alleviate poverty by providing quality and cost effective microfinance services to low income households, especially women, to enhance their economic role and decision-making capacity.			
4. Providing cost effective financial services, leading to better livelihood opportunities for clients			
5. To help micro entrepreneurs realize their dream by offering loan support, empowering them with a spirit of self-determination and self-reliance			

Mission deconstruction - answer key for Trainer's use only!

FOR TRAINER USE: MFI mission statements – examples to unpack into social goals

Mission statements	Who - Target?	How?	For what?
1. Our bank gives the opportunity for a better future to the lowest income sectors, by giving them high quality and integral financial services.	Lowest income sector	Giving high quality and integral financial service	To build better future
2. To provide financial services to the economically active poor, to enable them to lead a 'better life	Economically active poor	Financial services	To lead better life
3. To alleviate poverty by providing quality and cost effective microfinance services to low income households, especially women, to enhance their economic role and decision-making capacity.	Low income households, especially women	Quality and cost effective microfinance services	To enhance the economic role of clients and their decision-making capacity.
4. Providing cost effective financial services, leading to better livelihood opportunities for clients	Clients	Cost effective financial services	Create better livelihood opportunities
5. To help micro entrepreneurs realize their dream by offering loan support empowering them with a spirit of self-determination and self-reliance	Micro-entrepreneurs	Loan support	Empowering clients with a spirit of self-determination and self-reliance

HO 7.2 - Who should be involved in a mission review?

Who should be involved in a mission review?

The Board should be involved, as well as key executive management personnel. However, **to get full buy-in, you should consider how best to involve field staff, and even clients, in the process.**

- **ASHI (Philippines)** recently conducted a mission review exercise that involved client and staff representatives, and Board members, during one of their regularly scheduled quarterly meetings. The mission review can take place in conjunction with annual meetings, strategic planning retreats or in a specific mission review meeting.

The kind of changes that can emerge from a mission review:

- **FINCA Peru** realised that it was not fulfilling its mission to contribute to the empowerment of women. The mission review revealed the need for a better measurement system.
- In South Africa, a mission review highlighted the gap between **SEF's** policy of requiring a six-month track record for clients and its poverty alleviation mission. Concerned that it was not reaching its very poor target clients SEF began using participatory wealth ranking as a targeting tool and developed its own impact monitoring system.
- As detailed in 'The Moneylender's Dilemma', a mission review led **CRS** to conclude that microcredit was counterproductive to its original intention to improve livelihoods. As a result, it scrapped its microcredit products and developed a new mission focused entirely on providing savings services.

HO 7.3 Mission deconstruction and developing SMART objectives for your own MFI

Name of MFI: _____

Mission statement: _____

Social goal: Outreach to target clients		
SMART Objectives:		Specific Measurable Achievable Relevant Time-bound
Social goal: Meeting Target clients needs		
SMART Objectives:		Specific Measurable Achievable Relevant Time-bound
Social goal: Contributing to Positive Change		
		Specific Measurable Achievable Relevant Time-bound