

Developing a Mission Statement for Your Agricultural Business

Fact Sheet FS1172



Cooperative Extension

Stephen Komar, Agriculture and Resource Management Agent, Sussex County

Robin Brumfield, Extension Specialist in Farm Management

Brian Schilling, Extension Specialist in Agricultural Policy

One of the most important and often overlooked components of a successful farm business plan is the organization's mission statement. Every farmer has a unique philosophy and set of circumstances which steer their business decisions, whether it is a production method, such as organic farming, a specific commodity such as livestock or vegetable farming, or a target market such as local or high-end consumers. These unique circumstances help to craft the focus and future direction of the business and provide the basic information that can ultimately help develop a viable farm business plan.

To develop the goals and standards needed for a successful enterprise, a farm business needs both a well thought out vision statement and a clear mission statement. While a vision statement looks at the ideal future of the operation, identifying what the business wants to be, a mission statement speaks to the present and clarifies the core purpose of the business.

The mission statement answers the question "What business are we in and why?" A mission statement should focus less on what activities happen on the farm and more on what the business accomplishes for its customers, employees, and owners. Some key components of a mission statement include:

- Why does the farm exist?
- What is its purpose?

- What do we do on the farm?
- Why do we do it?
- Who are the customers?
- What are the products, or services, provided?

In a market-driven economy, a good mission statement describes what consumer need will be filled. How the farm's products and services will do this better than the competition is called the customer value proposition. This market-driven approach to business is different from the production-driven approach taken by many farm managers in the past. Historically when times were less competitive, managers could produce high-quality products and then find a market for them. Now, organizations must first identify a market need and then produce products or services that satisfy that need, at a price customers are willing to pay while still returning a profit to the business. A well written mission statement will help to focus the organization and serve as a guide in how the company intends to achieve this goal.

A mission statement should be short enough so people can easily remember it. It should succinctly express to everyone involved in the company the answers to the following questions:

- What is the farm business' purpose?
- What distinguishes our business from the others (what makes our farm business unique)?

RUTGERS

New Jersey Agricultural
Experiment Station

Rutgers, The State University of New Jersey
88 Lipman Drive, New Brunswick, NJ 08901-8525
Phone: 848.932.5000

- How can we beat or capitalize on the competition?
- Who are our target customers?
- What is my role in the business?

It is important that everyone with interest in the day-to-day operation or interest in the success of the farm discuss the mission statement. This input will not only ensure that all involved have an opportunity to share their ideas, it will also provide a clear direction for the business and can provide the basis for employee leadership and management.

If done correctly, a mission statement will give customers and employees alike clear expectations of your business while providing employees clear objectives to meet these expectations. On the following page are some examples of mission statements:

Description of Uncle Steve's Farm: Uncle Steve's farm is located in beautiful Hunterdon County. The farming operation consists of beef cattle raised for sale to various customers in New Jersey. Steve is dedicated to the ethical treatment of his animals and is a strong believer in organic production.

Uncle Steve's Farm Mission Statement: Uncle Steve's Farm is dedicated to raising animals in an environmentally sustainable fashion with the strictest attention to animal health and comfort. These practices ensure a superior quality organically raised beef product for our customers and a picturesque healthy environment for our neighbors.

Description of Mrs. Greenjeans Greenhouses: Mrs. Greenjeans Greenhouse is a small greenhouse business located in a fairly rural area in Anywhere, USA. Mary Wilson, the manager and owner of the greenhouse, recently bought the business from Bill Smith who had reduced production to only bedding plants in the spring. Mary plans to produce bedding plants, but to also expand production to include poinsettias, hanging baskets, perennials, and garden mums to have crops almost year-round. This will improve cash flow, keep customers coming back for products all year, and help keep the same employees most of the year. She will produce her own plugs and rooted cuttings in the winter so that she can ensure the top quality demanded by the retail garden center market.

Mrs. Greenjeans Greenhouse's Mission Statement: Mrs. Greenjeans Greenhouse produces and retails unique high-quality greenhouse products to serious gardeners within a 200-mile radius around Anywhere, USA. We pursue continued market penetration through a commitment to quality and value while ensuring a good working environment for our employees.

Description of B & B Livestock Farm, LLC: B & B Livestock Farm, LLC is a small, family farm that has been in operation in Lebanon Township, New Jersey since 1991. They strive for quality and excellence and produce NATURAL food and are committed to animal health, food safety, and environmental stewardship. All of their farm animals are hormone free, steroid free, antibiotic free, and raised in as stress-free an environment as possible. They sell all natural farm-fresh brown eggs, natural grain fed beef, all natural pork, free-range roasting chickens, and fresh turkeys for Thanksgiving.

Mission Statement: B & B Livestock Farm, LLC, is a quaint family-owned farm dedicated to recognizing our customers' needs by producing healthy, superior-quality, all natural food for the local consumer. Our high standards and commitment to cleanliness, animal health, and environmental stewardship allow for a relaxed, stress free environment for our animals and visitors alike.



Writing a Mission Statement

The following worksheet has been designed to help you develop a mission statement for your farm. Answer each question by selecting the answer(s) that fits your personal views or describes your farming operation. After you have answered each question, develop a mission statement including as many words or phrases from the questions as you feel necessary to best describe your operation. It is recommended that each partner in the farm business answer the questions separately, then discuss with others in the business to find areas of agreement or to discuss specific questions. Once the mission statement is developed, it should be used as a regular part of advertisements, shared with your employees, customers, and suppliers and used as a foundation for your farm business plan.

Mission Statement Worksheet

1) What type of farm business do you have?

- | | |
|--|----------------|
| ☐ Livestock farm | Species _____ |
| ☐ Grain farm | Type _____ |
| ☐ Forage or hay farm | Type _____ |
| ☐ Vegetable farm | Type _____ |
| ☐ Nursery | Type _____ |
| ☐ Greenhouse | Type _____ |
| ☐ Tree fruit | Type _____ |
| ☐ Diversified Operation | Describe _____ |
| ☐ Other | _____ |

2) Describe features that make your products unique or better than the competition. Examples are:

- | | |
|--|-------|
| ☐ Raw farm product | _____ |
| ☐ Semi-processed | _____ |
| ☐ Branded product | _____ |
| ☐ Superior performance | _____ |
| ☐ Availability | _____ |
| ☐ Size | _____ |
| ☐ Quality | _____ |
| ☐ Fresh | _____ |
| ☐ Product mix | _____ |
| ☐ Varieties/new variety | _____ |
| ☐ Types | _____ |
| ☐ Color | _____ |
| ☐ Shape | _____ |
| ☐ Organic | _____ |
| ☐ Others | _____ |

3) Describe benefits to the consumer that make your products unique or better than the competition. Examples are:

- | | |
|---|-------|
| ☐ Long-lasting | |
| ☐ Fragrant | |
| ☐ Sweet | |
| ☐ Synthetic Pesticide-free | |
| ☐ Others | _____ |
| ☐ Others | _____ |
| ☐ Others | _____ |

4) Select the words or phrases that describe your farming practices.

- ☐ Organic
- ☐ Natural
- ☐ Sustainable
- ☐ Conventional
- ☐ Hormone-free
- ☐ Grass-fed
- ☐ Biodynamic
- ☐ Other _____

5) What words or phrases best describes the principles or values that guide your choice of farming practice?

- ☐ Sustainable
- ☐ IPM
- ☐ Green
- ☐ Local
- ☐ Environmental stewardship
- ☐ Profitable
- ☐ Fresh
- ☐ Healthy
- ☐ Natural
- ☐ Rural heritage
- ☐ Efficient
- ☐ Community involvement
- ☐ Quality
- ☐ Other _____

6) What words or phrases best describe how you sell your products/services?

- ☐ Community Supported Agriculture (CSA)
- ☐ Direct retail sales
- ☐ Wholesale
- ☐ Farmers market or tailgate market
- ☐ Pick-your-own
- ☐ Experiential (agritourism or entertainment)
- ☐ Other _____

7) What words or phrases best describes your customer base?

- ☐ Local consumers
- ☐ Retail outlets
- ☐ Restaurants

- | | |
|--|----------------|
| ☐ Specialty crop consumer | Describe _____ |
| ☐ Ethnic markets | Describe _____ |
| ☐ Other | Describe _____ |
| ☐ Other | Describe _____ |

8) What words or phrases best describe what you want your farm to be known for?

- ☐ Family atmosphere
- ☐ Freshness
- ☐ Humane
- ☐ Friendly service
- ☐ High quality
- ☐ Superior quality
- ☐ Honesty
- ☐ Integrity
- ☐ Progressive
- ☐ Welcoming
- ☐ Picturesque
- ☐ Other _____

Briefly describe what makes your farm unique?

Develop a mission statement using the words or phrases that you selected above.

References

Johnson, D.M., and Hanson, J.C. Focusing Your Dreams: Creating a Mission Statement. Fact Sheet 668. University of Maryland.

Woodruff, J.N. (2007). Develop a Useful Mission Statement for Your Agricultural Business. Ohio State University.

Ehmke, C., Dobbins, C., Gray, A., Boehlje, M., and Miller, A. (2004). Developing Vision and Mission Statements. Purdue Extension.

© 2012 Rutgers, The State University of New Jersey. All rights reserved.

For a comprehensive list of our publications visit www.njaes.rutgers.edu

March 2012

Cooperating Agencies: Rutgers, The State University of New Jersey, U.S. Department of Agriculture, and County Boards of Chosen Freeholders. Rutgers Cooperative Extension, a unit of the Rutgers New Jersey Agricultural Experiment Station, is an equal opportunity program provider and employer.