Does Mission Matter for Social Enterprise? A Study of US Arts and Culture Organizations

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ABSTRACT

In this study, we examine whether organizational mission statements have an influence on the performance of social enterprise. Our approach differs from the traditional approach rooted in strategic planning that begins with identifying content in mission statements expected to drive specific actions. Instead, we identify attributes of language in mission statements that linguists believe to be important dimensions of written text. Thus, we examine whether these linguistic attributes of mission statement have the power to persuade different stakeholders and lead to better performance. Using a sample of arts and cultural organizations from the Cultural Data Project, we apply a computer-aided text analysis technique rooted in linguistic theory to identify attributes of mission statements. We then test the effect of five mission statement attributes – activity, certainty, commonality, optimism and reality -- on financial and non-financial performance measures. Our findings confirm the importance of carefully crafted organizational mission statements for social enterprises.