

Vision and Mission Statements - Powerful Tools or Pure Baloney

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Abstract

Vision and Mission statements are popular management tools. They are prominently displayed on the walls of the corporate office, web sites and in annual reports. CEOs wax eloquently on them in meetings and conferences. Organizations have Vision and Mission statements because they have the potential to answer important questions, guide decision-making and inspire employees. However the effectiveness of these statements have been questioned and there appears to be some confusion on what is a Vision statement and what is a Mission statement. The paper looks at various definitions of Vision and Mission, and the varying perspectives in their usage. The results of an exploratory study, on the perception of Indian managers, on the effectiveness of these statements are analyzed and discussed. The paper concludes with suggestions on how organizations could build effective vision and mission statements.

Key Words: *Vision, Mission, Strategic Management*

Introduction:

“Performance follows Vision. Without a vision a firm may be profitable, but its competitive performance will suffer significantly”. The preceding statement by Quigley (1994) is a powerful motivator to start working on your organization’s vision if you don’t have one. Many articles and books point to a strong association between Vision, Leadership and Success (Abell, 2006; Domm, 2001; Collins & Porras, 1994; Pearce and David, 1987).

Leadership has been strongly associated with Vision. Whenever one talks of great leaders like Gandhi, Martin King Luther or Mandela, what comes to our mind is their vision. This is also true of great businessmen like Jamshedji Tata and Dhirubhai Ambani who are seen as visionaries. The story of Dhirubhai Ambani is a classic ‘rags to riches’ story. The man with only a few thousand rupees in his pocket and some dreams goes on to head the largest company in India. “Dare to dream” and “think big” was his advise to his executives. He built Reliance Industries from

scratch and during his lifetime it become the largest company in India. Jamshedji Tata dreamt of putting up a steel plant in India. Despite great obstacles, and advice to the contrary, he went on to lay the foundations for Tata Steel and pioneered the steel industry in India. His contribution ranges from Tata Steel to The Tata Institute (now Indian Institute of Science). When you read about Lou Gestener, Steve Jobs, Fred Smith, Narayana Murthy and Ratan Tata, it is their vision that comes to your mind. And this seems to hold good for great companies too. Collins and Porras (1996) found that visionary companies outperformed the general stock market by a factor of 12 and enjoyed enduring success. According to them the rare ability to manage continuity and change is closely linked with their ability to develop a vision. A survey of 1,500 senior executives in 20 countries (Korn 1989) found that 98% of the respondents ranked “Vision” as the top characteristic of the future CEO. India Knowledge Wharton (2007) recently

published an article on "Are Indian Business Leaders different?" According to the study, when asked what they thought were the competencies most important to their success, Indian executives felt "Shared Values" and "Vision" were important.

Closely linked to Vision, is the Mission of the company. While there is some confusion whether one is a part of the other or whether they are two different things, no one disputes that they are closely linked. A Mission statement like the Vision statement is considered important for the success of the organization. Some consider it the glue which holds the organization together, while others believe this is what defines the organization. According to Drucker (1973),

"A business is not defined by its name, statutes, or articles of incorporation. It is defined by the business mission. Only a clear definition of the mission and purpose of the organization makes possible clear and realistic business objectives".

Mission statements are considered important because,

- They provide a sense of purpose and direction
- They guide decision making
- They provide focus
- They contribute to creating an organizational identity
- They promote shared values and norms, leading to employee commitment

There are a large number of studies on the Vision and/or Mission addressing various issues like the content (David and David, 2003; Leuthesser and Kohli, 1997; Bart, 1997; David, 1989; Pearce and David, 1987), their contribution to performance (Rarick and Nickerson, 2005; Sidhu, 2003; Bart & Baetz,

1998; Rarick & Vitton, 1995; Pearce & David, 1987;), their meaning (Abell, 2006; Cummings and Davies, 1994; David, 1989; Ireland and Hitt, 1992; Todd, 1989) and whether they are of any use at all (Boomer, 2006; Bartkus, Glassman and McAfee, 2000; Lucas, 1998).

Despite the large number of studies on Vision and Mission, there is no widely accepted definition of vision or mission. They appear to be elusive concepts as academicians, researchers and practioners differ on what is "Vision /Mission". Looking at the vision and mission statements of big and successful companies does not offer much help, because you find that some companies have "Vision statements", some have "Mission statements" and others have both. The problem is compounded when the vision statement of one company appears like the mission statement of another. You take a deeper look at them, and many appear to be platitudes, which do not communicate anything special or unique. Take for example the mission statement " *Our mission is to deliver superior value to our stakeholders*". Statements like this neither provide a sense of purpose nor guide decision-making.

What is a vision statement and what is a mission statement?

Whenever we talk of vision or mission, there are three concepts linked to them – "Values", "Purpose" and "A Desirable future". We can treat them separately or combine them together. Some academicians, researchers and practioners treat them as separate concepts while others combine them together under an umbrella concept. This leads to confusion and the confusion gets compounded when the same terminology is used for both the individual concepts and the umbrella concept. Let us first look at the concepts separately.

Values: Just as individuals have values and rarely change them, organizations too have values. These are fundamental tenants that a company holds strongly and considers important. It is expected that these values will not change even if the situation penalizes the company for holding it. An Individual's values are formed during the childhood days, and are the outcome of interactions in the family, school and society. Similarly organizational values are also formed during its early years, and are influenced by the values held by the entrepreneur, managers and employees. These are expressed in the form of statements like "we do it this way because we believe it is right ". We cannot just pick up a value like "customer service" or "quality" and decide this is what our organization's value should be. Values need to be discovered and it requires deep introspection and discussion to identify them. According to Collins and Porras (1996) core values are not something, which the organization holds because they are source of competitive advantage, but they are what it would hold even if they were a source of competitive disadvantage. While Innovation, Customer Service and Quality are some examples of values that companies hold, it is not necessary that they should be your organization's values.

Purpose: The purpose or sometimes called the core purpose is the company's reason for its existence. It is supposed to capture the soul of the company and is its *raison d'être*. It is expected to answer questions like "What is our business" "Why does our organization exist". The "purpose" is not a goal, but the fundamental reason for being. The purpose does not change easily and is normally pursued for a very long time, if not forever. This purpose if properly articulated, provides a sense of worth and helps secure employees' commitment. It also guides decision-making

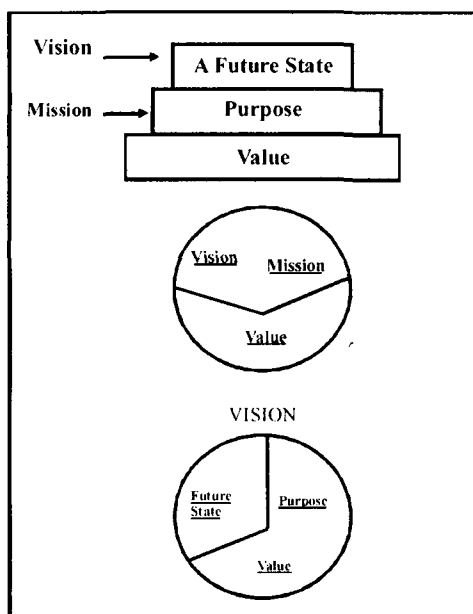
and ensures unanimity of purpose. The purpose also provides a reason for employees to feel good about the company. While making profits is important to companies, this cannot be the purpose or reason for existence. To get employees commit to the purpose and work with a sense of mission, you need one, which serves the greater good.

A Desirable future state: While the purpose provides us with a reason for being, many of us aspire for a future, which is different from today. This desirable future state can be called the envisioned future. It could be in the form of a super-ordinate goal or a larger than life goal. This can also be in the form of a vivid description of the future as you see it. This provides the motivation for employees to stretch and put in extraordinary efforts. The inspiration for this effort comes from this desirable future state.

One way of linking Vision and Mission with these concepts is by equating "Mission" with "Purpose" and "Vision" with the "Desirable future state". Values form the foundations on which both the mission and vision are built. According to Cummings and Davies (1994) "Mission and vision are different, but different in a way which renders them neither mutually exclusive or in competition, but complementary". Others however, have combined these concepts "Values", "Purpose" and "A Desirable Future State" under a single term. While this by itself should not create any difficulty, the confusion arises when they also use the words "Vision" or "Mission" to describe the combinations (see fig. 1). Take for example the framework of Vision articulated by Collins and Porras (1996). They suggest that Vision has two main components – Core Ideology and Envisioned Future. Core ideology is a combination of core values and core purpose while Envisioned future is the combination of a Big Hairy Audacious Goal (BHAG) and a vivid description of the future.

Now according to their framework, "Vision" is an umbrella concept, which encompasses values, purpose and a desirable future. Others use the word "Mission" as the umbrella term to hold all the three concepts together. When followers of a particular school of thought apply this in their organization, we end up with organizations with only Vision statements, organizations with only Mission statements or organizations with both Mission and Vision statements. The author recommends using these concepts separately and the following discussion is based on this.

Figure -1



Definitions and Meaning

According to Bart (2001), a mission statement is a formal written document intended to capture an organization's unique *raison d'être*. It should answer such vital questions as: why do we exist, what is our real purpose and what are we trying to accomplish.

According to David and David (2003) a mission statement can be defined as an enduring statement of purpose that distinguishes one organization from other similar enterprises. According to them the mission statement answers the question "what

business are we in?". And it answers the question for everyone in the company.

Mission statements are also known as

- A statement of Philosophy
- Creed statement
- Statement of purpose
- A statement of beliefs
- A statement of business principles

Drucker's (1973) recommendation was that mission statements should be a simple statement of purpose. However mission statements have undergone a radical transformation and they no longer represent the simple statement of purpose that Drucker recommended. David (1989) in his survey of the Business Week 1000 firms found that mission statements have 9 components. Leuthesser and Kohli (1997) found that mission statements were aimed at diverse stakeholder groups like customers, shareholders and employees. Bartkus and Glassman (2007) opine that these statements have been supplemented or replaced with the mission as a marketing tool or public relations tool directed at stakeholders. They also present an argument that mission statements are merely the result of institutional pressures taking the form of symbolic statements that are not related to action.

The mission statement is a powerful management tool. It can promote a sense of mission among employees and make work meaningful. Statements like "We are in the business of preserving and improving human life" is more likely to instill a sense of purpose than "Maximizing shareholders return". This ensures employees commitment and helps in creating an organizational identity. If properly crafted and used, the mission statement can guide decision-making. No organization has the resources to tap all the opportunities in the environment. Instead of a situation where

every manager supports proposals in line with his beliefs and desires, the mission statement helps bring focus in resource allocation by clearly delineating the boundaries and deciding what will and what will not be the business of the organization. Mission statements can sometimes be lengthy and it helps to have short catchy slogans or sentences, which captures their essence. Some examples are given below in exhibit –1.

Exhibit – 1

The mission of **Merck** is to provide society with superior products and services by developing innovations and solutions that improve the quality of life and satisfy customer needs, and to provide employees with meaningful work and advancement opportunities, and investors with a superior rate of return.

“Preserving and improving human life” – one of the values.

The mission of **Whole Foods Inc.** “to improve the health, well-being, and healing of both people and the planet”.

Slogan: Whole foods, Whole people, Whole planet.

Please see endnotes on the exhibit.

According to Todd (1989), a vision is an attempt to articulate what a desired future for a company would look like. He says that it can be likened to “an organizational dream – it stretches the imagination and motivates people to rethink what is possible. One of the most inspiring visions of a business is that of Henry Ford (Kitchen, 2004). He said, “I will build a motor car for the great multitude. It will be so low in price that no man making a good salary will be unable to own one and enjoy with his family the blessing hours of pleasure in God’s great open spaces. When I’m through, everybody will be able to afford

one, and everyone will have one. The horse will have disappeared from our highways, the automobile will be taken for granted [and we will] give a large number of men employment at good wages.” Another example is Kennedy’s vision “Man on the Moon” which guided NASA’s human space flight programme. Some of the most powerful visions are religious and political in nature. Buddha’s vision of peace, Gandhi’s dream of a free India and Martin Luther King’s dream of a nonracist America are examples of powerful visions.

A vision is necessary to inspire people. Employees are looking for something that will help them transcend the routine and mundaneness of day-to-day life. A vision, which is larger than life, stirs emotions and inspires people. You want to be a part of the effort. While Visions are actually goals, they are super-ordinate goals. They are what Collins and Porras (1996) called Big, Hairy and Audacious Goals. When you talk about them, they create a gulp factor because of the sheer size or audacity. However, one needs to keep in mind that while they should be big, they cannot be totally devoid of reality. They are not be easy to achieve, but there should be a chance, even if it only an outside chance that the goal can be realized. Visions spur action, because they are desirable future states, and most of us want to be there. To make visions come true, you require commitment and extraordinary effort. This is where the leader plays a role. It is his commitment and confidence that employees look for. The leader must be willing to make serious commitments, sometimes even bet his shirt on it to convince others. Once this is done, the organization is abuzz with activity; there is an undercurrent of expectation and the aspirational energy just bulldozes away the obstacles. Collins and Porras (1996) in their study of visionary companies found that these

companies were able to achieve even their most audacious goals. Tata did build Tata Steel and Dhirubhai Ambani did build Reliance. Vision Statements of some organizations are given below.

Exhibit - 2

Tata steel:

We aspire to be the global steel industry benchmark for Value Creation and Corporate Citizenship.

Reliance ADAG:

To build a global enterprise for all our stakeholders, and

A great future for our country,

To give millions of young Indians the power to shape their destiny,

The means to realize their full potential...

Indian Institute of Management, Ahmedabad:

A globally respected Institute that shapes management practices in India and abroad by creating new frontiers of knowledge and developing ethical, dependable, entrepreneurial and socially sensitive leader - managers committed to excellence.

Infosys:

To be a globally respected corporation that provides best-of-breed business solutions, leveraging technology, delivered by best-in-class people.

Please see endnotes on the exhibit.

Contextual and Philosophical differences:

Some of the confusion regarding the vision and mission comes from our background and the context in which we have used these words. If one is from the armed forces, or the security services, the word mission means a specific project or assignment to be completed.

You are assigned to work on a specific mission. A special team is created to undertake a specific mission. In such cases the goal is specific and clear, though it may be closely held on a need to know basis. Once the goal is met, the mission is considered accomplished and the team may be disbanded. For example in the movie "Guns of Navarone", a team of soldiers from the allied forces were assigned the mission to destroy a pair of giant guns, which were terrorizing the allied ships. In this context, missions are specific, well-articulated goals and short term in nature. If you look at the word mission in the context of the church, it is radically different. Many who went to Africa and other remote places were called missionaries, because their mission was to spread their belief. The mission was ongoing. They did not consider their mission to be over when 'x' number of people got converted to their belief or faith. They continued their work on the mission for life. From a time perspective, the mission in this context is long term. Depending on the context "mission" can be short term or long term. However, it is should be noted that in both the cases, fundamental to the word mission, is a clear understanding of the purpose of the group, why it has been formed, why it exists and what it is expected to do. This is also true for businesses, where it is largely used in Strategic Planning. When used in the context of strategic planning, the mission of an organization cannot be anything but long term.

Similar problems exist with the word vision because it means many things. According to the dictionary it can mean eyesight, mental picture, something seen in a dream or a trance and farsightedness. Because the Vision is about the future, our belief and philosophy about the future play an important part. Some of us believe that the future is predetermined;

others believe it is determined by our actions. When we associate vision with farsightedness, it has a special meaning in organizations. Many activities like analyzing the environment, the industry and the competitor are attempts to predict the future. We hope to do this by identifying key variables and recognizing their trends with inflection points if any. Business Analysts and Leaders who do this well are put on a pedestal and worshiped. This assumes that the future is predetermined and the best approach is to get to know what the future "is". Another meaning of the word vision is that it is a dream. In this case, the vision is a picture of the future which we dream of. It is not a dream, which we have when we sleep, but a dream that does not let us sleep. It is a clear statement of what we would like to become. It is the combination of an ambitious goal and a vivid description of what the company would look like if the goal is fulfilled. A vision statement is not expected to be a prediction of the future based on our estimates of trends, but a dream of the future, which we hope to create. The understanding here is that we make the future happen. We start with the vision and work backwards to find what we need to do to make it happen. This does not mean we ignore trends or fail to analyze the environment. The analyses are required to decide how to realize the vision.

How popular are Vision and Mission statements:

In their study of the mission statements of Fortune 500 companies, Pearce and David (1987) found that only 28% of those who respondents supplied mission statements and 40.4 % of their respondents clearly stated that they had no vision /mission statements. According to the researchers, 5% of the respondents in the study stated that their mission statements were confidential and the remaining sent material from which mission

statements could not be confidently extracted. According to David (1989) in a survey of firms from the Business Week 1000, only 41% of the respondents provided formal mission statements, while the remaining 59 % had not developed a mission statement. Not all organizations have a mission or vision statement, but many are engaged in building them. Apparently Vision and Mission statements are popular. A survey by Bain & Co (Rigby and Bilodeau, 2007) found that it was one of the most popular management tool used by the organizations surveyed. In fact vision and mission has been among the most popular management tools in the surveys conducted by them since 1993. The popularity is not surprising considering the number of articles in business press that link Vision / Mission to successful companies and highlight a strong association between well-crafted Vision /Mission statements and financial performance. (David and David, 2003; Rarick & Vitton 1995). Further many texts in Strategic Management devote a number of pages (some a whole chapter) to the vision and mission of the company and place it at the forefront of the strategic planning process. Vision and mission statements are increasingly finding a place in the annual reports and web sites of many companies, and are quoted by the CEO's on important occasions.

Despite their popularity, a number of researchers and academicians are critical of Vision and Mission statements (Lissack and Roos, 2001; Bartkus and Glassman, 2007). They find that many of the statements are not clear and appear to be something put together in a hurry and without any seriousness. They question the effectiveness of such statements.

Let us look at the excerpts from two articles one on Vision statements and the other on Mission statements given in exhibit -3 and exhibit -4.

Exhibit –3

“It sure looks pretty”, John said as he turned to Susan and flashed a cynical smile.

“ You mean it sounds pretty?” Susan asked, confused.

“No, I mean it looks pretty.” John reached out and reverently placed his hand on the elegant plaque. “Sort of makes you want to ... what? Kneel down?”

Susan laughed nervously. “It sure doesn’t make me want to kneel down.”

“You’re right.” John said. “It makes you want to ... to laugh.” He looked at her seriously and exploded into laughter.

Susan looked around. “John, stop. Someone will hear you. This is our vision statement, for heaven’ sake.”

John flicked the plaque with his index finger. “Vision? Really? I didn’t know. I thought it was entertainment for visitors.” He shook his head and walked away.

Susan studied the vision statement for a few minutes. She concluded that John was politically incorrect - and right.

Reproduced from “Anatomy of a Vision Statement” by Lucas, J.R. with the permission of the author. See end notes for details.

Exhibit – 4

It was 18 months in the making. Hundreds of hours of staff time and thousands of dollars in consulting fees were spent. But it was worth it. The mission statement was finally ready for presentation at the company’s most spectacular PR event to date. A video crew was on hand to tape the event for use as a training tool. Everything

went perfectly, and as the president concluded his speech, a giant, 50 X 100 foot banner slowly unrolled to read, “Our mission: To be the best in the gadget industry and put customers first”. Everyone applauded, including hundreds of employees, customers and suppliers wearing T-shirts and buttons that said “Live the mission.”

Late in the afternoon, a few weeks later, John in sales got a call from Bill, his best customer. Bill was in a bind and he needed 210 units shipped overnight. Thinking of the mission and the fact that Bill was at the PR event, John said “No problem. Glad to help” – even though he knew that policy limited overnight express orders to 200 units or fewer and that it was late afternoon.

John immediately called Fred in shipping to tell him he had promised his best customer an overnight express shipment of 210 units. Fred said, “John, you know the rules. The limit is 200 units. Besides, it would take me until 6.00 to get the order ready, and I get off work at 5.00.”

Angry John said, “Fred, you were at the event. Our Mission is to put customers first” “Your job may be to achieve the mission and put customers first,” Fred replied “ My job is to follow rules and be out of here at 5.00. That’s top management’s mission John, no mine.”

John hung up, took his “Live the mission” button from his desk and threw it in the trash.

Reproduced from “Mission Statements: Are they Smoke and Mirrors?” by Bartkus, B., Glassman, M. and McAfee, R. B. with the permission of the author. See end notes for details.

While the above examples may appear hypothetical, one cannot escape the nagging feeling that there is some truth in them. Are Vision and Mission statements effective? To answer this question, it was decided to survey a small sample of managers for their views. Participants of various training programmes were asked to respond to a short questionnaire. Managers from different levels - junior, middle and senior management were represented in the sample.

Survey Results and Findings:

In one of the questions (Q3), they were asked to read the caselet (exhibit -4) and respond if they felt this was typical of what happens in organizations. The responses of the participants are show in table 1. 79.10% of them responded that this was typical of what happens in organizations. If this is how managers feel about mission statements, imagine the response if all the employees were surveyed. This brings to focus an important question -How do we get our employees commitment to our mission / vision statements?

Table - 1
Responses given by managers

Responses Question No.	Yes	No	Blank / Don't Know
Q1	64	3	0
Q2	47	19	1
Q3	53	10	4

The survey respondents were also asked to indicate why they felt that the above situation was typical in organizations. Based on the analyses of the answers, the following reasons stand out (table -2).

Table -2

Reasons - why the situation portrayed in exhibit 4 is considered typical.

Serial Number	Reason
1	Lack of demonstrated commitment from the top management
2	Ineffective communication regarding the vision and mission
3	Lack of understanding on how the vision and mission are aligned with various activities of the organization. A feeling that they are not related to operational issues.
4	Lack of clarity on what is Vision and Mission
5	Very little involvement of managers at the middle or lower level in the visioning and mission development process
6	Considered as PR or Marketing gimmicks and can be forgotten after the declaration.

The participants of the above study were also asked the following questions.

Q1. Does your organization have a vision?

If the answer to the above question is Yes, please give below the vision of your organization.

Q2. Does your organization have a mission?

If the answer to the above question is Yes, please give below the mission of your organization.

The responses to the above questions are given in table -1, and some interesting observations were made when the responses

were analyzed. Though 80.6% clearly responded that their organization had a vision, 70.37% of them could not remember the vision statement. While 70.14% of the respondents claimed that their organization had a mission statement, 87.24% of them could not remember the Mission statement. It was also seen that in the case of Vision statements, one of the organizations had a short vision statement and many who had remembered the vision statement were from this organization. Another interesting observation is that 41.1% of the participants from an organization, which had a clearly articulated vision and mission statement, mistook one for the other. One of the organizations had only a vision statement, but 55% of the respondents from the organization responded that the company had a mission statement. Surprisingly 66.6% of the participants from an organization, which did not have a vision or mission statement, also responded that their organization had one. This shows that there is a general belief that organizations have or should have a vision and mission

Discussion and Recommendations for Building Effective Vision and Mission statements :

It is apparent from the responses and the analysis, that Vision and Mission statements are not taken very seriously by employees. Many appear to believe that it is all right to read it and forget it. On one hand the survey results indicate that managers have a tendency to believe their organizations have a vision and mission, and it is good to have one. But on the other hand, a large number of them are unable to remember the vision / mission of their organization. It appears short and catchy vision and mission statements have a better chance of being remembered. The results also highlight the confusion about

mission and vision, as some managers tend to mix them up. When responses to the sub question relating to the caselet (Q3) was analyzed, it became clear that mission statements are not very successful in securing commitment of employees and the problem lies in the process of developing the vision/ mission statements and how we use them. This is probably what Drucker meant when he said as far back as in 1973, that one possible reason for business failure and frustration is that the purpose and mission of the business is very rarely given enough thought.

Taking a cue from the responses in table - 2 and the suggestions given in various articles (Scott, 2005; David & David, 2003; Domm, 2001; Raynor, 1998; Ireland and Hitt, 1992) the following may be considered to ensure that we build vision and mission statements which creates a sense of identity, guide decision-making and inspire employees.

1. Do not start building your vision or mission statements till you are ready. Most companies, when they start as entrepreneurial ventures focus on "Build something people will buy" (Langeler, 1992). During their early years, they change directions and it could be quite some time before they discover their true purpose. Take for example 3M. When it started as the Minnesota Mining and Mineral Company its primary business was mining. After struggling for some time, it started making abrasive tapes and now its business is totally different (Collins and Porras, 1994). Over the years it found that its core purpose was "To solve unsolved problems innovatively". The mission rests on one of its core values "Innovation". It takes time for organizations to realize what their business is. Some organizations start

the exercise of building a vision and mission when they are in a crisis. They presume that a Vision and Mission statement will help them get over the crisis. While a vision/mission statement developed during a crisis can provide focus, and in some cases even help get over the crisis, they are not likely to be useful after the crisis. One suggestion is that you should consider building your vision and mission when your organization is doing well. This is the time when organizations have the resources required to build competencies and invest in the future.

2. You first need to be clear on why you want a vision or mission statement. Some CEO's decide to build a vision and mission because their competitors have them. They may want to build them because it is something to displayed on the web site, included in the annual report and talked about in meetings. Most of the time these statements are nothing more than nice sounding words, which are socially acceptable. Using Vision and Mission statements purely as Public Relations or Marketing tools is like using a sledgehammer to drive nails in the wall. It is misuse of an important management tool, and the tremendous benefits that these tools can deliver will be lost to your organization.
3. Understand that building a vision or mission statement is not something you do in a day or two, at a retreat. It takes time and should involve as many of your employees as possible. According to Raynor (1998), it took AT&T over two years to develop their mission. In one division of a

multinational company in India, the top management finalized the vision and mission after a series of meeting. When they presented it to the managers at the next level, they found the acceptance level was low. The same statements were then circulated to the next level managers with a note indicating that they were draft statements, which needed improvement. They were asked to feel free and make changes. Though the changes suggested were minimal, surprisingly the buy-in on the vision and mission was very high. Nothing gets one committed as being party to the decision. While it is not possible to involve all the employees in the process of building a vision and mission, involving as many as possible and in as many ways as possible definitely helps. One important thing to note is that employees will know whether you are serious or not about their involvement. If they feel that their suggestions and comments are not likely to be taken seriously, then instead of ensuring commitment, it will do the opposite.

4. You must demonstrate that the top management is serious about the mission and vision. It is necessary to demonstrate this seriousness by talking about the vision and mission on important occasions, strategy meetings etc. If the CEO keeps referring to the vision and mission in his talks, gives examples of how someone did something that was in line with the vision and mission, the message gets through. Constantly communicating the vision and mission, and helping employees understand them, particularly how

they relate to their jobs is important. Workshops and meetings on vision and mission will help. Identify cases and instances where employees were inspired by these statements and did something to further the vision and mission of the organization. Reward them, talk about them and praise them. The real work on vision and mission starts after they are formulated.

5. Getting your employees' commitment will not be easy. You need to build the required critical mass fast. You can start with a core group who are committed and who will act as evangelists for the vision and mission. As they talk about it, their enthusiasm spreads. As employees see their managers and colleagues become associated with the mission and vision, more will jump on to the bandwagon.
6. It helps if you have milestones. The Vision is a long-term goal. Employees can get frustrated and their enthusiasm can falter. Detractors will strike now by airing their views about how unrealistic the vision is. Milestones help because they give you a reason to celebrate and reaffirm that you are on the right path. These help renew the spirit and keep the energy level high.
7. In all your planning activities, explicitly check for alignment with the vision and mission of the organization. Initially this can be difficult. It will take effort. But with time, it will become second nature. Your vision and mission are reflections of the values that are important to the organization. Unless policies at all levels are aligned with

the vision and mission, there will be no consistency in decision-making and it can lead to confusion. Policies at the organizational level and the functional level should be clearly aligned. Take for example the case of Whole Foods. The mission of the company is "to improve the health, well-being, and healing of both people and the planet". Consistent with the mission, the company encourages store personnel to extend company efforts to encourage the adaptation of a natural or organic lifestyle by going out into the community and conducting proactive public relations programs. The company also has "take action" centers for customers who wanted information on such topics as sustainable agriculture, organics, and the sustainability of seafood supplies and over fishing problems, the environment and similar issues. Some of their employees are customer turned employees. Slowly the mission and vision statements will attract people to the organizations who hold similar values. People, who do not, will feel uncomfortable and leave.

Conclusion:

Vision and Mission statements are powerful tools and their potential is enormous. Well-crafted vision and mission statements can inspire employees, guide decision-making and help in creating a strong organizational identity. To tap this potential, you have to be serious and commit resources to the construction and deployment of these statements. There are numerous reasons for not building a vision / mission (Ireland and Hitt, 1992), and your organization has to decide if the benefits outweigh the cost. The biggest difficulty in crafting effective vision

and mission statements is in having to choose. When it comes to values, we have to choose between those that mean something to us and those that are socially desirable. When it comes to mission or the core purpose, we have to choose “what to exclude”, and some of “what to exclude” may represent great opportunities. When it comes to the vision, the difficulty is in answering the question, how ambitious should we be. Many times the vision statement appears like a wish statement, and there is a tremendous difference between a “Wish Statement” and a “Vision Statement”. A wish statement represents a desire for something bought about by fortuitous circumstance and luck, whereas a Vision statement is an expression of the ambition backed by competence, resources and sustained efforts. The answer to the question, “how effective are vision and mission statements?” is simple – it depends on how we build and use them.

Endnotes:

1. The Mission statement of Merck in Exhibit 1 is from <http://www.merck.com>. The mission statement of Whole Foods is from a case Whole Foods Market, Inc. by Arthur A. Thompson (2003). The case provides detailed information on the mission, vision, values and strategy of the organization at that point in time.
2. The vision statements in Exhibit 2 is from the websites of the respective organizations;
<http://www.tatasteel.com/Company/vision.asp>,
http://www.relianceadagroup.com/adportal/ADA/aboutus/group_vision.html,
<http://www.iimahd.ernet.in/institute/vision.htm>
<http://www.infosys.com/about/who-we-are/default.asp>

3. Exhibit 3 is reproduced from “Anatomy of a Vision Statement”, by Lucas, J.R. published in *Management Review*, February (1998). It provides an excellent reading on how many vision statements are platitudes and sound not only tame but also hilarious.
4. Exhibit 4 is reproduced from “Mission Statements: Are they Smoke and Mirrors?” by Bartkus, B., Glassman. M. and McAfee, R. B. published in *Business Horizons*, Nov-Dec (2000). The article explores the disconnect between expectations from mission statements and their implementation.

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