

Vision, mission and values of the kraft heinz (cerebos)

[Business](#), [Strategy](#)



Strategic management has evolved to be a demanding and extremely complex subject. Rightfully so, with the number of corporate failures that seem to appear with monotonous regularity, it is vital that a subject such as this is thoroughly researched and published with some arguing that very little empirical research has been conducted on this subject (Cady et al. 2011).

Several scholarly articles suggest that organisations from the end of the 1990's and onwards have felt the pressing need to establish clear and articulate strategic vision, mission, and values. However, creating a strategy that sustains competitive advantage is simpler in theory. Beaver (2000) examines several statements from 55 global blue chip companies and found that almost all commit to service, quality, excellence, innovation, progression, teamwork, corporate and social responsibility and the like. Unsurprisingly, all companies strive to attain financial growth and success, to become market leaders and satisfy shareholders, consumers, and employees. The same is true for their values, which seem to be very generic across industries and organisations using similar language, which has become arguably over-used losing their meaning and value.

Thompson et al. (2016) explains that a strategy developed well can lead to financial success. A strategy forces senior managers to decide on a directional path the company should take arguing that committing the company to one path versus another pushes managers to decide about whether the company's present strategic course will drive growth and profitability or whether changes to the company's strategy and long-term direction are needed.

This report will conduct a critical analysis of the Kraft Heinz (Cerebos) vision, mission and values statements as well as the strategic objectives. The evaluation will discuss elements that work well and are competitive as well as their shortcomings, and whether the organisation is truly living its values and objectives in order to achieve its mission and vision.

What is the organisation?

Cerebos is an Australian food manufacturing company with revenue of approximately \$400 mil. The organisation owns and produces several iconic and longstanding Australian brands including Gravox, Saxa and Fountain. Kraft Heinz acquired Cerebos in March 2017, and as a result the organisation's strategy now falls under the existing Kraft Heinz approach.

Vision: To be the best food company, growing a better world.

(Kraft Heinz, 2018)

Mission: To develop, produce and distribute reliable, wholesome, and delicious food products, generating shareholder value while behaving in a socially responsible manner.

(Author's own, 2018)

Values:

Consumer first - we are passionate about our consumers and always exceed their expectations.

Ownership - we think and act like owners of our business, make tough choices and treat every dollar as if it is our own. We keep it simple, focus on the work that matters, and have a culture of meritocracy that recognises and rewards exceptional performance at every level.

Innovation - we take informed risks, conquer challenges, and make the world's favourite foods.

Quality - we have an unwavering commitment to quality.

Integrity - we do the right things at all times. We inspire trust. We are honest and ethical.

(Kraft Heinz, 2018)

An evaluation of the vision, mission and value statements

CEO David Fagiano (1995) summarises vision, mission and value statements as internal and external communication and motivation. They are typically strategic and yet often more descriptive of an organizations identity, why the organization exists and what it seeks to accomplish. Further, Fagiano (1995) correlates businesses to individuals, as individual have personalities, companies have varying cultures which, derive from values and keep employees on the right path.

Vision

Kirkpatrick (2017) defines the vision as any statement that describes the long-term goal of a business as well as elements of the mission and values.

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Kirkpatrick (2017) also explains that while vision statements have shown to have a positive effect on employees, helping them to adapt to change, productiveness and remain focused, not all statements are equally effective. Several scholarly articles specify certain methods or formulae that determine effective vision statements; Kirkpatrick (2017) has found that an effective vision statement should carry some of these certain characteristics.

Clarity - in which how well the vision statement is understood by employees.

As a previous employee of Kraft Heinz, the use of “ The best food company...” in the vision statement has been questionable. What defines a food company as best? The term ‘ best’ is also very ambiguous; does ‘ best’ refer to good wholesome or fresh food? Kraft Heinz’s brands are generally shelf stable/ processed foods, which one can argue, is not ‘ best’. Or does ‘ best’ refer to innovation, internal processes and so on?

Brevity - of being succinct.

While short and simple vision statements are more effective and memorable more explanation is often required as discussed with the ambiguity of ‘ best’.

Future Focus - describing the desired future.

Idealism - portraying a highly desirable future

The use of “...growing a better world” in the Kraft Heinz vision statement is future focused and idealistic. This is a clear statement that communicates the organization’s commitment to Corporate Social Responsibility. The

corporate website states that the organisation is committed to help end hunger worldwide through distributing 57 million iron-fortified meal packages globally in 2015 alone.

Uniqueness - describing how the organization differentiates itself from other organizations.

Exclusiveness is lacking from this vision statement particularly as the number of organisations putting the issue of sustainability on their strategic agenda has been growing in the past few years (Staniškienė & Stankevičiūtė, 2018).

Mission

Leggat and Holmes (2015) place a large emphasis on the significance of mission statements, stating that the statements are effective management tools, enhance performance, provide a sense of purpose, behavioral standards, foster employee identity with their organization, give greater definition to the interests of external stakeholders, inspire employees, refocus the organization during times of change and improve resource allocation process. The mission does also serve many of the elements that Leggat and Holmes (2015) discuss, for instance behaving in a socially responsible manner does inspire employees and provide a sense of identity.

The Kraft Heinz mission statement is more detailed than the vision statement providing a more focused explanation of the business reason for being and in fact appears to clarify the ambiguity that circulates the vision

statement. Further, the mission statement clarifies how the organization determines to be the 'best' and to 'grow a better world' through a socially responsible manner. However, this then begs the questions, is the vision actually a 'vision' or is it the 'mission' and vice versa. The intention of the mission statement is to describe the scope and purpose of the present business (Thompson et al. 2016).

Further, the use of "...generating shareholder value..." is a given and arguably unnecessary for a mission statement. One can argue that the sheer existence of any business is ultimately to deliver financial value to the relative stakeholders.

Values

Cady et al. (2011) explicates that research conducted in to companies labelled as 'visionary' found that a fundamental element is their core values which, provide a sense of purpose beyond financial objectives. As a result employees are motivated for extended periods of time driving success. It is said that successful companies have seen to be more ideologically driven as opposed to profit driven (Collins et al. 1997 cited in Cady et al. 2011).

Ultimately, values should communicate the ideal characteristics the organization expects of its employees in order to pursue the mission and vision of the business (Thompson et al. 2016). The Kraft Heinz values are arguably common values that several organisations would share. The Kraft Heinz values embody employee ownership; consumer driven, driving innovation, prioritising quality and integrity which are all standards to good

working behavior however, their shortcoming is that neither allude to or link directly to achieving the vision or mission of the organisation. For instance, Thompson et al. (2016) provides an example from Patagonia, Inc. The organisations' mission statement discusses providing solutions to the environment crisis and as a result one of their core values is 'Environmentalism', thus providing a direct link to the mission. Core values should not only be the beliefs, traits and behavioural norms that an organisation seeks from its employees but should also provide a link to the vision and mission of the business, to further reinforce what employees should strive towards. On the other hand the vision states " To be the best food company..." while this is not clearly defined it is arguable that the values are the traits the organisation seeks to become " The best..."