

# Company mission and vision as a strategic tool

[Business](#), [Company](#)



A company uses various tools to make decisions and strategies on how to run their business effectively and efficiently. The purpose of strategic planning is to provide solutions to day-to-day problems rather than address one single purpose. Strategic plans have to not only provide solutions for the day-to-day problems but also provide some manner of template along which the problems can be compared and the solution found in accordance with the organizations goals and objectives. Strategic Planning: Tools Employed

There are various tools employed to create strategies in organizations. The strategic planning stage is important to organizations for a number of reasons. Some benefits of strategic planning identified by McNamara are: • Provide a purpose for the organization and help them to establish goals which are specific, measurable, and attainable which can be achieved within a specified time period (SMART goals). • They help in communicating those goals to the constituents of the organization. • They foster a sense of ownership amongst the stakeholders who adhere to the plan.

- They help increase organizations effectiveness and efficiency by creating maximum utilization of the resources of the organization.
- They create a unified effort from all the employees to attain goals set by the vision statement.
- Provide a type of manual which helps employees make on-the-spot decisions which they could follow in the absence of higher management.
- Strategic plans create a base from which organizations can measure their progress and an established mechanism for informed change when needed.

These benefits show us the importance of the strategic planning stage for any organization which is pretty much the same for any organization.

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Strategic planning requires careful analysis of the surroundings of the organization as well as a comprehension of the company's own capabilities. There are various tools employed to formulate strategies. Some of them recognized and implemented by organizations are: SWOT Analysis: The SWOT analysis measures the internal and external factors in an organization which may affect the organization's performance at present or in the future (Schutta).

The internal factors are the organization's Strengths and Weaknesses whereas the external factors are the Opportunities and Threats in the organization's market. TOWS Analysis: The TOWS analysis uses the same variables for planning purposes yet it differs from SWOT analysis in the manner that the relevance placed on the variables differs. However the results obtained from the two fore-mentioned analysis approaches provide similar results and are simply an alteration of each other.

There are also various other planning tools applied such as PEST Analysis, Scenario Planning, Competitive Analysis, Goals Grid, Supply Chain Strategic Planning, and Situation-Target-Path model for strategic planning (Strategic and Business Planning Free Resource Center). Each of these models relies on the internal-external factors prevalent in the market and provides different perspectives but take varying perspectives on which variables are important and which aren't.

The PEST (Political, Economic, Social, and Technological) analysis, for example, relies heavily on external factors, while Scenario planning tries to foresee all possible outcomes of the actions companies take and help them plan in advance for them. The Competitive Analysis strategy requires the

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organization to monitor their competition and plan in accordance with the competitor's actions. The Goals Grid recognizes the organizations goals and maps it along a matrix which has quadrants labeled Goals you wish to: Achieve, Preserve, Eliminate or Avoid and places the goals in their respective box.

The Supply Chain analysis method uses consumer's demands and organization's potential for supplying into their strategic planning considerations. And finally the STP model which divides the planning process into 3 stages. The Situation stage basically refers to the present status of the organization. The Target stage involves setting goals or targets which the organization tries to meet. And lastly, the Path stage of planning which involves the decision of which processes to employ to attain the goals.

### Missions and Visions

Keeping in mind the different types of tools organizations use in formulating strategies the statement that Missions and Visions are tools which could be used for strategy formulation is authentic. Missions are the organization's main purpose of existence. They provide the justification of the existence of the organization as well as provide a source of guidance and inspiration to the management and other key stakeholder's of the company (Bryson). The definition basically covers the importance of the mission statements as it exhibits the affected parties and also provides meaning to the organization.

Visions however are the future aspirations of the company and where they plan to see themselves in the future. These are the goals of the organizations. Hence, the path paved by the mission statement leads to the goals which are decided by the vision. They work in correlation with each

other. Keeping these definitions in mind we can conclude that Mission statements and visions can be seen as tools in the strategic planning. The earlier descriptions of the tools employed by the strategy planners show the importance of establishing goals and observing their affects on the organization.

The Goal Grid approach to strategic planning and the STP model rely heavily on the formation and implementation of goals in creating strong organizational cultures and effective use of resources. Missions provide the strategists the possible paths and company approved measures to employ while the visions provide the organization's goals and aspirations. Strategists must know the company approved processes and the future plans of the organization to create a strategy which provides the highest outcomes.

And all the models aim to create plans which lead to some substantial goal. This goal is set by the Vision of the organization. Hence, all the models can rely on the Mission statement and vision of the company as tools for determining strategic plans. The reason why Mission statements and Company Vision are placed so given so much importance is that they are the foundations for any organization and if the foundations are weak then the whole business empire cannot prosper. Therefore, critical care is taken into creating these statements.

Since they cannot be changed suddenly as they are the basic framework for an organization, they must be made in a manner that would accommodate evolution rather than stay static. Writing a Mission Statement Jeffrey Abrahams (Abrahams) has created a five step approach to writing a company's mission statement. He has described the steps in the manner:

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Step 1 of the process identifies who will be writing the mission statement in the first place. The mission statement could be written by a single individual at a high post in the hierarchy or could be written by various representatives from the different departments of the organization.

This approach is more feasible as the best ideas are collected at one place and the statement would not be based against any one department and would be readily accepted by all. The second step requires deciding when the statement is to be written. Whether the statement should be written during office hours while the writers of the statement are functioning in a business setting or whether it should be written on some off-site location where they are not distracted by the pressures of their work.

Both times have shown mixed results so the organization should use its own discretion in making the selection of the time and venue. The third stage addresses the audience of the statement. The writers of the statement should know who they are addressing before getting down to the actual writing process. Who the mission statement will address is very important to know because if the mission statement is not appropriate for the audience then they would not be able to follow it. The statement would become useless in that circumstance.

The fourth step requires determination of the language to be used in the writing of the statement. Key phrases, organizational lingo, terms which would become inculcated into the organizational operations. These words and phrases are decided upon and are not introduced impromptu but are selected by the writers of the statement. The final step is the selection of the format in which it would be provided to the audience. Whether it would be

presented in the monthly reports as a reminder, whether it would be publicly displayed to all the employees or what other format will be adapted to convey the statement to the audience.

These steps ensure the creation of a statement which meets all the basic requirements. It addresses the audience, takes into consideration the external factors which may influence the statement creation, and provides a general manual for creating the statement. However, in my opinion the author did not address the subject matter enough. The content of the statement should be in accordance to the cultural norms of the society where the workplace exists and should also meet standards set on the grounds of legal, political, or economic standing.

If the statement requires the employees to indulge in “use any means necessary” type of approach in benefiting the organization then they would perhaps begun to commit unlawful activities or acts which would be frowned upon by society. These sort of statements are self-serving for the organization and don’t benefit the employees. They also bring disrepute to companies if left unchecked and exposed by legal bodies or customer-interest dogwatches. Conclusion A vital factor in creating strategies is having the knowledge of what one’s goals are.

But more importantly is having the knowledge of how one is to obtain them. Mission statements and Visions serve that purpose. Both can be considered as tools to achieving desired goals and many corporations have devised models which use the two to formulate the strategies (Goal Grid and STP Analysis approaches utilize mission statements and visions). To create a successful mission statement and organization vision the audience needs to

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be recognized, priorities established upon the importance of the various activities and a good communication channel to relay the information to the desired audience.

It is also crucial to involve as many bright minds in the writing process to cover up all the possible facets of the statements and create a single concise piece of work which requires minimal alterations over the future years.

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