

# [Business mission statement](https://assignbuster.com/business-mission-statement-essay-samples/)

In business, the mission statement is a broad but simple statement that expresses the business’s defined vision. The vision is, in essence, the mission statement’s big picture. The mission statement puts the vision into words and sets the tone for the business’s goals. The mission statement also establishes the structure for the business’s core values and principles. These values and principles help to guide the actions and conduct of the business’s staff. Objective Are a set of clearly defined targets by which the organisation will achieve its purpose.

The goals are a series of levels the business outlines to accomplish its mission. Each goal, or level, is separated by a series of stepping stones that the business must climb to reach each goal. The stepping stones are objectives. The objectives, unlike the mission statement, are actionable and measurable steps. There are usually multiple goals and objectives needed to achieve the business’s mission statement. Strategies To achieve the objectives, the business must create detailed strategies to define the steps the business will take towards achieving the objectives.

The strategies detail the steps, as well as the staff and resources needed to complete each aspect. Similar to the objectives, the strategies are actionable and measurable and often include a series of short-term deadlines that are designed to ensure that the objective’s deadlines are met. Considerations The mission statement and objectives are neither interchangeable nor independent. Without the objectives, the mission statement is unachievable. Without the mission statement, the objectives have no direction.

The mission statement is too broad to be measurable, and the objectives are too specific to provide the big picture. When well defined, the mission statement and objectives provide a balance that helps to shape the business’s operations and service. An Example Businesses often develop their brand around their mission statements, and the business objectives are often reflective in their service and offerings. For instance, the mission statement for the Walmart Corporation of stores is, “ We save people money so they can live better. The company uses a collection of strategies, such as implementing sustainability plans and diversifying suppliers, to achieve its goals of reducing prices which, in turn, helps the company to achieve its mission. Importance for a business organisation to have business objectives \* They help to ensure that all employees are working towards the same targets which will lead to efficient production. \* Employees will understand what is expected of them as minimum standards can be set and; \* Progress can be reviewed to judge success. \* To ensure all employees are on the same page when working in the company. Business owners can review the objective to ensure it was achieved in the best way possible. \* Realistic goals can help business owners avoid the frustration of failing to meet specific objectives. \* To ensure employees meet the minimum level of expected behaviour in the business. \* Objectives held by business owners maintain a singular focus in the business environment. \* Setting new objectives can help business owners stay motivated in their company. \* Business owners can use objectives to create a competitive advantage in the business environment. Business owners with clear objectives for creating highly successful businesses usually represent strong financial opportunities for lenders and investors. Importance for a business organisation to have business objectives \* Inspire employees to see their role in making the mission a reality. \* Serves as a basis for business planning. \* Reassure customers that the organisation is committed to their purpose, especially if they share the same value. \* Determine strategy \* Provide a guide to action \* Provide a sense of direction and unity. Provide framework for decision making \* Coordinate activities. \* Facilitate prioritisation and resolve conflict between departments. \* Measure and control performance. \* Encourage a concentration on long term factors. \* Motivate employees. \* Provide a basis for decision making. \* Provide shareholders with a clear idea of the business in which they have invested. Corporate Social Responsibility Is a commitment by an organisation to manage their operations in a way that has a positive impact on society. Importance of corporate and social responsibility As an important business objective, it demonstrates that the organisation is incorporating social, economic and environmental concerns into their values, decision making, culture, operations and policies and procedures in order to establish better practices within the firm and improve society. \* The organisation will benefit from an improved reputation which will increase sales. \* Improved ability to recruit. \* Improved ability to develop and retain employees due to employee friendly policies and practices. \* Improved competitiveness due to certification and improved operational efficiencies leading to cost savings. It shows the organisation’s ability to meet legislation demands, increased globalisation, pressure from consumers, and advances in technology as well as increased investor pressure. Impact of business objectives on team objectives and targets Business objectives are set at a strategic level to reflect the aims and mission statement of the organisation. Departmental objectives will then be set which will reflect how the can help achieve the organisational objectives and then the team objectives will be set to reflect how the team can help achieve the departmental objectives.

UNDERSTANDING ORGANISATIONAL STRUCTURES Importance of a formal structure to an organistion \* It enables an organisation to establish functional areas; \* The organisation will establish the system of working relationships; \* The system of chain of command and span of control is established. Features of formal organisation structures Diagram below shows a formal organisation structure staff staff Accountability Board of Directors Delegation of responsibility and authority. Managing Director Functional Funcitional Funcitional Mgr 1 Mgr 2Mgr 3 The most common features of any formal structure include: Authority - the right to make decisions and carry out tasks •Span of control - the number of people a superior is responsible for •Chain of Command - the relationship between different levels of authority in the business •Hierarchy - shows the line management in the business and who has specific responsibilities •Delegation - authority to carry out actions passed from superior to subordinate •Empowerment - giving responsibilities to people at all levels of the business to make decisions Accountability – responsibility for results and an obligation to report. Responsibility – the obligation or duty to carry out a task.

Types of Formal structures and their common features a) Flat structure – one in which the span of control is broad and there are few hierarchical levels. b) A tall structure – one in which the span of control is narrow and, as a result, there is a large number of hierarchical levels. The table below outlines the main characteristics of flat and tall organisations tall| flat| decentralised authority| centralised authority| many authority levels| few authority levels| narrow span of control| wide span of control| high levels of delegation| low levels of delegation| long lines of communication| easier communication| igh degree of functional specialism| low degree of functional specialism| bureaucratic| easier coordination| tall structure| advantages| disadvantages| decision are made expeditiously| excessively bureaucratic| Wider consultation improve the quality of decisions| difficult communication| more delegation gives employees a sense of belonging and responsible | difficult coordination| | | | | | | Flat structure| advantages| disadvantages| greater control| excessively bureaucratic| economies of staffing| rigidity| economies of specialisation| delays in decision making| easier communication| loss of initiative| stifles personal development | MD MD c) Matrix structure – a structure that facilitate the horizontal flow of skills and information. The matrix organizational structure is atypical because it brings together employees and managers from different departments to work toward accomplishing a goal. The matrix structure is a combination of the functional and divisional structures R & D R & D PURCHASING PURCHASING QUALITY CONTRL QUALITY CONTRL PRODUCTION PRODUCTION PROJ. A MGR PROJ. A MGR PROJ. B MGR PROJ. B MGR PROJ. C MGR PROJ. C MGR MATRIX ORGANISATION STRUCTURE|

Advantages | Disadvantages| flexible| overlapping authority| interdisciplinary| power struggle occur| cooperation| costly to implement| motivates and challenges| split allegiances| develops managerial skills| encourages discussions rather than action| creativity encouraged| creates problems of control| frees up top managers for planning| decision making process can be slow| encourages decentralisation| | MD PERSONNEL PURCHASING PRODUCTION SALES FINANCE MD PERSONNEL PURCHASING PRODUCTION SALES FINANCE d) Functional structure – organised in terms of functional areas of management. Features

The chain of command is linear, so everyone knows his position in the organization. Since decisions travel through the chain of command, the process becomes bureaucratic, and information and decisions move slowly. Functional grouping can result in a narrowed overall perspective. Because of communication and decision-making issues, the functional organization is slow to adapt to environmental changes. functional organisation structure| advantages| disadvantages| efficient | communication problems| specialised| slow to respond| simple lines of control| over-specialisation| | coordination problems| | decisions concentrated at the top| | Factors determining the type of structure chosen by an organisation \* Size and economic performance of the organisation. \* Technology \* The environment \* Nature of the business and culture \* Location of authority \* Types of production systems MANAGING THE ADMINISTRATION FUNCTION The management of the administration function is as way to support sustainability and the achievement of business objectives. Some of the activities involved in the management of this function include: \* Waste minimisation \* Selecting suppliers. \* selection resources \* Maintenance of office machinery and equipment

Waste minimisation Impact of waste minimisation on organisational performance \* More efficient operations; \* Reduced costs due to using fewer resources; \* Less wastage of materials and lower waste collection costs; \* Improved quality control through increased monitoring of processes to reduce waste; and \* An improved public image leading to higher sales. Practices used to minimise waste in a business administration environment \* Using energy efficient bulbs; \* Switching off lights and heaters when rooms are unoccupied; \* Switching off monitors at the end of the day; \* Only printing when necessary; Printing in draft format where possible; \* Printing both sides of the paper; \* Using scrap paper for making notes; \* Recycling various products in the correct way; \* Choosing long life products rather than disposable products, and \* Re-using stationery such as folders and envelopes if possible. Selecting suppliers Benefits of considering social responsibility when selecting suppliers \* Drive down costs \* It enables the organisation to achieve value for money. \* It influence suppliers to be innovative in order to provide goods and services which are environmentally and socially responsible. Selection resources

There ways of selecting resources for use in the organisation as a way to enable it to enjoy value for money out of such resources. Some of the methods include: \* Comparing supplier prices rather than remaining loyal to one supplier. \* Negotiating payment terms and prices with suppliers. Regular Maintenance of office machinery and equipment This function contribute the overall efficiency of the organisation in the following ways: \* It prolongs the life of the equipment thereby reducing the costs of replacing and disposing of equipment. \* It minimises waste produced by equipment which also saves time. MANAGING THE WORK OF A TEAM