

Nokia's mission statement

Business



Nokia

Nokia's Interim Report (2013) showed a decline in the first quarter for group net sales, device and services net sales and networks net sales. Therefore, it comes as no surprise that Nokia's mission statement places a strong emphasis on shareholder value and social responsibility to increase the company's stronghold within its industry.

Shareholder Value

In order to gauge the company's performance in these two areas, there are a couple of specific indicators that Nokia is looking for. Shareholder value is increased through the success of the business. Nokia gives four areas that will become the primary focus of each of the business areas and gauge its success. These areas are: (1) leading and winning in mobile devices, (2) growing consumer internet services, (3) accelerating adoption of business solutions and (4) leveraging scale and transforming solutions in infrastructure (Grant, 2010, p. 24). This focus in these business areas allows for Nokia to increase shareholder value through a strong business strategy.

Nokia also wants to strengthen their strategic capabilities in the areas of: (1) consumer understanding, (2) brand recognition, (3) technology and architecture and (4) channels and supply chain (Grant, 2010). This will also help to increase shareholder value by allowing for a competitive advantage when dealing with the above business areas.

Social Responsibility

Nokia also wants to focus on their social responsibility as a mediator between the unconnected and connected. They envision a world where

everyone is connected and allow everyone to feel close to what matters to them. I believe that they can gauge this through the same manner they gauge shareholder value. Essentially, Nokia's business strategy will fulfill their social responsibility of connecting people. Leading the industry in mobile devices, Internet services, business solutions and solution infrastructure will all help connect people throughout the world.

Mission

With the new Nokia Lumia reaching number four on the list of largest smartphone brands in the USA, one can say that Nokia's mission is working on increasing the connectivity amongst people through their smartphones (Shah, 2013). However, the company as a whole is not doing so well. With all their sales dropping, the only thing that is increasing is the sale of their Nokia Lumia. Even at the number four spot, Nokia only holds a measly 4.1% of the smartphone industry in the US, and their overall sales are declining (Shah, 2013). Therefore, I would say they are not doing a very good job at fulfilling their mission statement. If Apple had the same mission statement, leading the sales of smartphones in the US at a whopping 33.7%, the statement would be more accurate in saying that they plan to connect people around the world and lead the industry.

Recommendation

In order to improve the mission statement, I believe that Nokia should add more tangible short-term goals to boost morale. Short-term wins not only boost morale, but also provide more attainable objectives to satisfy shareholders. Therefore, instead of stating that Nokia plans to, "Lead and win in mobile devices," they can state that Nokia will, "increase the

smartphone market value partnering with Android AND Microsoft to expand Nokia's global reach." Providing short-term wins that are not as broad as Nokia's current mission statement will help also strengthen the company's brand and make them a stronger company as a whole. Overall, Nokia is doing well within the smartphone realm, and losing in everything else. It is either time that they specialize in a specific industry (smartphones), or take the market by storm with something that has not been offered before. Only the future will tell, and the mission statement is what will reflect these plans.