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Missions and Mission Statements

Contributors: **Author:** Gerald F. Cavanagh

Edited by: Robert W. Kolb

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A mission guides a person or an organization in the direction that it wishes to proceed. A personal mission statement can help focus one's goals and life. A mission is generally best articulated in a formal, written mission statement. An organization's mission statement is designed as a broadly phrased statement of the firm's long-term goals; it distinguishes the firm from others in its industry and specifies the scope of the operations in terms of the firm's product or market. It spells out goals, is a statement of aspirations, and focuses one's actions. The mission expresses the vision of the firm's founders or strategic planners and also communicates the image that they seek to project. It often also indicates the principal customer or client needs that the firm will satisfy. Thus, the mission statement describes the firm's products, services, market, customers needs, and technology such that it also reflects the values and goals of the top managers, and ideally all the members of the firm. The mission statement defines the firm's overall plan in a succinct and engaging manner and with a tone that reflects the climate of the business itself.

A mission statement seeks to answer the following questions: What is the problem or the need that the organization is trying to address? What makes this organization unique? Who benefits from the work of the organization? Why does this organization exist? What customer or client needs do we fulfill? What sets our organization apart from our competitors? A mission statement should be brief, clear, and concise; it should be short enough that it can be easily remembered by the people in the organization. A mission statement should also be inspiring, free of jargon, and achievable. Members of the organization must be able to support the mission.

Through the mission statement, the managers and associates in the firm attempt to clearly articulate their long-term goals and what makes their organization special and worthy of people's attention. A mission statement thus expresses the values of the members of the organization. A mission statement focuses the efforts of all in the organization so that all are more likely to be "on the same page"; this better enables the firm to survive and to achieve long-term profitability and growth. This statement can then serve as a basis for shared expectations, long-range planning, deciding priorities, and performance evaluations.

A mission statement that is developed systematically and is comprehensive is an invaluable tool in directing and implementing policy. A mission statement thus serves as a guide to top managers when they make strategic decisions on the deployment of the organization's resources. Without it a manager may make decisions on the basis of one's biases and concern for "turf." A clearly stated mission statement enables a manager to focus on the long-range goals of the organization as a whole and not on the manager's particular priorities or preferences. Such a mission statement also provides a sense of shared expectations for people in the organization. It is important to give such guidance today, given global operations and people working in different countries and cultures. Thus, the mission statement specifies values and goals and provides a unity of direction that is intended to include many nations, peoples, and generations.

From outside the organization, one can view a mission statement as an instrument for learning about the goals of the organization, as well as its likely planning strategies. For a potential employee or customer, a mission statement may be a principal reason why one might seek or reject joining the firm as an employee or purchasing the firm's product or service. Thus, a mission statement communicates a description of the firm to prospective employees, customers, and other stakeholders, so that they may decide if they want to be involved with the firm.

Without a mission, a person or an organization risks wasting valuable time and resources by engaging in activities that do not contribute to attaining their goals. Indeed failing organizations often waste much of their time and effort on actions that have little longterm benefit for the organization. Once an organization grows beyond the few people who can have daily face-to-face contact, it becomes important to specify and write out the firm's mission and code of conduct.

Developing a mission statement for an organization forces the founders, top managers, and board of directors to articulate the goals of the firm in a clear, cohesive way. In a process that acknowledges the contribution of all people in the organization, these goals are then commented on by associates in the firm and are ultimately made clearer, more accurate, and more complete by an interactive process. Individuals in the organization also achieve a heightened sense of purpose when they reflect on and internalize the goals of the organization.

The mission statement can be amplified by following it with important, more specific goals and objectives of the organization. Thus, the mission statement itself can be kept relatively brief—ideally, a few sentences that can be remembered—but additional important items can also be included.

More than 90% of large firms possess a mission statement and a code of business conduct. Formulating a mission statement can be a valuable experience for the members of the group that is seeking to clarify their goals, although it is not always easy. The completed mission statement might seem to be deceptively simple, since a mission statement can be as brief as a sentence or two. But to distill the meaning of the organization or the group into those concise, meaningful sentences requires discipline, insight, patience, and cooperation.

To develop a mission statement, leaders of the group often ask such questions: Who are we? What do we do? Why do we do it? What should we be doing? What do we stand for? Then someone takes the key points and attempts to draft a mission statement. The draft is sent back to the group for their comment in order to clarify the statement. It may then go through several rounds of revisions. Moreover, organizations generally update their mission statements periodically with a similar iterative process.

The process of coming to a consensus on the mission statement is generally a learning experience for the group. Some firms begin the drafting process during a retreat of the board. This is appropriate for a board, since the broad goals of the organization are a major responsibility of the board. But a group cannot efficiently write a mission statement together; quibbling over words can waste much time. The process will proceed better by circulating a draft written by one person, perhaps the founder, or a top manager who took notes during an initial group session. For the mission to be successful and for everyone in the organization to own that mission, it is essential that each person have some opportunity to participate in formulation. Conducting workshops, whereby all in the organization are able to comment on the mission, helps focus workers' efforts, gain cooperation, and build morale among the group.

There is not a clear distinction between a mission statement and a vision statement. A mission statement relates an organization's purpose, while some describe a vision statement as a "vision of the future." One attempt to distinguish is to call the vision the destination and the mission the journey.

Often a mission statement precedes a firm's ethics statement and sometimes the terms mission statement, ethics statement, and code are used interchangeably. Some firms, such as Johnson and Johnson (J&J), call their mission statement a Credo. J&J's Credo was the foundation that enabled top management to effectively deal with the tragedy of the poisoning of Tylenol pills. By the CEO James Burke's own account, he acted on J&J's Credo, which stated that their first responsibility was to the doctors, nurses, and patients, all those who used their products. They were open about the problem and mounted a costly and successful recall of all products. As a result, the firm and the product survived and prospered.

Some firms have set out their basic principles in a values statement, which sets forth the basic values on which the firm is based. The values statement often follows a firm's mission statement, and these values often make reference to the founder(s) actions and guiding principles that have made the firm a success.

A mission statement should be more than just a document posted on the wall or placed in orientation literature; it should be a living document that influences people in the organization in all their major decisions. As a living document, it should be revised and updated regularly. To demonstrate that the mission is not mere public relations, stories of how the mission has been achieved can be included as supplements.

Firms that have a clear and strong mission statement tend to outperform their competitors in the marketplace, according to empirical studies. Among those firms identified as strong on their mission are 3M, American Express, General Electric, IBM, J&J, Ford, Marriott, Nordstrom, Procter & Gamble, and Sony. Each of these firms has a clear mission statement. Each also is outstanding in its industry, is widely admired by businesspeople, has made an indelible imprint on the marketplace and the world, and was founded before 1950. Moreover, each of the firms that have a well-articulated mission tends to be more thorough in their orientation and various methods of communicating their vision and mission. Firms with a strong mission more carefully nurture and select senior managers and more often select their chief executives from within the firm.

Mission statements often stress the superior quality of the product or service offered. Mission statements also generally include elements such as the importance of integrity, respect for the individual worker, service to the customer, and responsibility to the community. It is important that the mission provide a foundation for the existing and desired ideology and that the members of the firm have integrity in acting out that mission. However, each mission is unique and thus reflects the industry, market, and values of the people within the firm.

In many cases, firms do not live up to their own stated mission. Mission statements are sometimes platitudes and public relations gestures, that is, statements that are designed to make the firm look reputable and responsible to its outside constituencies. If a mission is too general, it is ineffective because it does not describe the particular firm. Mission statements are sometimes too ideal; that is, since they are aspirational, they are not realistic. However, mission statements are statements of ambition, so it is not surprising if those aspirations are not always perfectly achieved.

Collections of some of the best business mission statements have been gathered and analyzed. These researchers have also provided some background on the individual firms and how those mission statements were developed. Organizations that are presented include AES, Bayer, Cadbury Schwepps, Caterpillar, Comerica, Cummins Engine, Donnelly, Ford, General Motors, Herman Miller, Hershey, Hewlett Packard, Hong Kong Ethics Development Center, Hyatt, J&J, Kroger, Levi Strauss, Marriott, Procter & Gamble, Sears, Starbucks, TRW, UNUM, and Whirlpool.

Nonprofit organizations (NGOs) are less likely to develop a mission statement, partially because members feel that their mission is already clear to stakeholders. In addition, funding agencies generally do not contribute to the general purpose of an NGO, but to specific projects, so there is less incentive to spend the time and energy to develop a mission statement. Moreover, a mission may seem to limit an NGO if a new project and funding is available. Nevertheless, the same rationale for a mission statement is true for NGOs: to provide direction, coherence, and a goal by which to judge individual and organizational achievement and success. Moreover, since NGOs do not enjoy the automatic feedback of profit and loss, it is even more important to fashion a mission statement and to set goals.

Gerald F. Cavanagh

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See also

- [Caux Principles](#)
- [Codes of Conduct, Ethical and Professional](#)
- [Global Codes of Conduct](#)
- [Global Reporting Initiative](#)
- [Social Accountability \(SA\)](#)
- [Strategic Planning](#)
- [Transparency International](#)
- [United Nations Global Compact](#)

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