

# Missions, Visions, Beliefs: Rekindling the Flame

by Hal Williams

RESULTS



*Our mission is to provide outstanding service to our customers.*

*Our intent is to be the best retail business in America.*

*We stand for quality.*

Ho hum. Of the countless hours many organizations spend on mission statements, most are wasted. The result is a set of stale words and expressions that lose zest each time they are repeated. The search for just the right words seems invariably to end up with the same words. Some defend the quest, saying that it's the process that counts. One can only hope so, since the content is so thin.

On the one hand, these mission statements are too general and generic. What does “outstanding service” mean in your particular business? What is it that defines “the best” from the second best? And just what constitutes the “quality” that you stand for?

Beyond the lack of specificity is the lack of translatability—in the sense of taking the mission off the printed page. For this to happen, the focus shifts from whether people understand the mission to whether they know how to express it. Missions too often are created and remain as a staff function, often in a planning, quality assurance or human resource department. They belong as a line function, and they must go deep.

In a bank, the real key is not that the senior vice president understand the mission; it is whether each teller understands it. Among other reasons, the tellers interact with far more customers. This principle similarly holds for social service organizations, where the test might be whether the child care worker on the third shift on Saturday night connects to the mission.

For missions to be effective, they need to move not only from generic to tailored form but from statements of attitude and philosophy to descriptors of behavior. The appropriate place for the mission is not in the plastic card in the pocket—it is in the head and guts of the employee. The question is not whether the employee can recite the mission statement. The question is whether they can give an example of how the mission has animated and influenced their behavior in the past two days.

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## Missions That Matter

The best mission statements define the company in terms of core business, often with strong comparative advantage. For example:

*“48 hour parts service anywhere in the world” for years defined Caterpillar Tractor as a company not in the goods business of machines but in the service business of ensuring that machines were available for use.*

*“99.5% service level” from Frito-Lay Potato Chips—an unreasonably high target for stocked shelves drove this company to behave very differently. The mobilization of all company resources to constantly hit this target transformed an impersonal commodities business into a very personal matter.*

*“Changing the Odds” as the mission of the New York State Department of Parole reshaped the agency from a focus on monitoring released inmates to the business not only of preventing recidivism, but of changing the factors that create the low odds that a former prisoner will make it in the outside world.*

Clear mission alone is obviously not an insurance policy for sustained profitability. But it is one indispensable starting point. The Conestoga Wagon Company was the preeminent maker of covered wagons in the 1800s. Had they defined themselves as being in the transportation rather than the wagon business, they might have become the preeminent car maker a century later.

### Missions come in three varieties:

#### 1. Definition by who you **are**.

- We are the state lottery. We have an operating budget of \$45 million and 420 employees. We report to the state director of revenue.
- We are the Acme Entertainment Company. We own and operate 500 music stores in 32 states and last year had sales of \$640 million.

#### 2. Definition by what you **do**.

- We operate a variety of games of chance in which about \$100 million is generated annually to support education.
- We sell cassettes, CD's and videos to customers who seek a wide range of products for personal and gift use.

#### 3. Definition by what you **achieve**.

- Last year we made 14 persons millionaires, while enabling 230 schools to get sorely needed equipment they could otherwise not have.
- In 1996, we enabled some 45,000 individuals to enrich their lives through music products that they bought and kept because they liked them.

Definition by accomplishment overcomes the self-centering trend of most missions to point to the burdens organizational staff carry. They shift the focus to what happens for customers, including those internal to the setting. Consider this eloquent preamble to a community compact drafted to guide a small town renewal project in an Appalachian area:

*We give our pledge to rebuild Corbett as a small community in which people help each other, in which we can get a good night's sleep, in which our children can range safely, in which we can feel good about our town, our neighbors, and ourselves. In which we do not waste.*

Or this organizational mission:

*We commit to each other to build and sustain a work environment that supports our personal as well as corporate goals for recognition, achievement, and interpersonal support. Justifiable praise is more powerful here than justifiable criticism. When we play "gotcha," it is to catch people doing something right.*

## **Viewing Visions**

Visions go beyond an enterprise to look at what should be different in the external environment. At their best they do not soothe but rather challenge—by suggesting the distance between present and desired conditions.

- Our vision is of a region in which no small business that deserves bank financing goes without it.
- We envision a school district in which each student, every day, wants to come to their school.
- We see a community with absolutely no unwanted teen pregnancy.
- Our vision is of a large set of people who understand that even in the midst of an anonymous shopping mall culture that personal relationships can be created between customer and store.

Without vision, the organization may not perish, but it will not have a bar for accomplishment that goes beyond financial performance. Historically, those companies that have been most profitable and most productive (excluding those in both private and public sector with protected markets) are those whose vision is socially as well as economically constructive.

Often, vision and mission come together. Consider the charter of Garden Way, a company which for years had a huge market share with its Troy Bilt rototillers. It states the intent (mission): "to bring Garden Way living to as many persons as practical." Garden Way living is then defined (vision) as "a way of life to which people by the millions are turning as a consequence of worldwide resource and food limitations." This company's recent difficulties are also an example of what can happen when you stray from your vision.

For missions and visions, many believe that the best statements are collectively constructed. Effective practice does not support this belief. The best visions often come from one or several pairs of eyes looking distinctively at something ahead. From Jesus to Gandhi...from Fred Smith at Federal Express to Henry Ford, visions often come from a leader.

Not everyone is equally visionary. Nor need we be. The process bromides about consensus before action actually insult our intelligence. I, for one, do not need to think that it must be my idea before I can buy into it. The point is not that we all have a hand in shaping the vision. The point is whether we can literally see the vision. That's the key. Can the leader so state the vision that it both compels us to look and enables us to find?

## **Beliefs at Bedrock**

Beliefs are the foundation for both mission and vision, as well as the key to integrating what we think and what we do. Without beliefs, there is no way to link corporate focus to personal energy. Beliefs go to character.

We look to character in people as a way of predicting how they will behave when the going gets tough. Will they repay the loan regardless of circumstances? Will they take personal responsibility or blame others? Character is core. Is it fair to seek it in organizations as well as in individuals? Yes! But you will not always find it. Many organizations have characteristics. Far fewer have character.

Some not only have character but tell you what it is and invite your scrutiny as to how well they live up to it. An impressive non-profit group serving persons with a disability states that "We are relentlessly optimistic for the growth of the people we serve. We do not advance financial constraints as an acceptable reason for falling short." Most non-profits believe that if government does not give the money, they cannot open another group home to serve those in desperate need. Not this one!

Beliefs in for-profit companies are equally impressive. In its strategic plan, one large bank speaks of the belief that its customers and its staff should actively choose it, not simply get there and stay there as a path of least resistance.

You are not well served to look for character in a company's advertising slogans, especially if externally created. A much better way to seek it is to look at return and warranty policies—both in writing and in practice. In many instances, we see that the return is for 60 days under specified limits. We get a sense that while we can take it back that we will face at least mild barriers in doing so.

At the opposite extreme are companies like L.L. Bean and Eddie Bauer, where the return policy is anchored in a genuine belief that if someone is dissatisfied with the product, for any reason, that they should not keep it. In some cases, this refers to a lack of fit. The customer tries it and does not like it. In the case of durable goods, it can also refer to wear factors. Eddie Bauer will take back a ten year old jacket if they think a problem was not caused by the owner. In many cases, the organizational character was first forged in personal belief. When L.L. Bean made his first canvas and rubber boots for duck hunters, they leaked. He not only felt an obligation to call them all back in, but to get the product right. His vision was not of customers who got their money back. It was of duck hunters with dry feet!

Beliefs run deeper than we think. For example, many companies that hedge on a warranty or

return policy do so out of a belief about human nature. They believe that many, if not most people, will take advantage of them if given half the chance. Companies who do not hedge on returns tend to believe that most people are basically honest and will honor some reasonable level of trust.

Beliefs also go wide. There is remarkable congruence in organizations between beliefs about customers and beliefs about staff.

### **What's Hard and What's Soft**

Many enterprises have held a belief that has led them to underplay the elements of mission, vision and belief in organizational life. This is the belief that in contrast to the “hard” side of business and its financial returns, visions and missions are “soft.” Not only are they hard to quantify but have an elusive relationship to performance—however measured.

The spate of books on high-performing companies, beginning with Peters and Waterman's *In Search of Excellence* in 1982, have greatly contributed to the blurring of the lines as to what is hard and what is soft. Yet the evidence is largely considered anecdotal—which it is. Astute readers have noted that these books with their legendary stories probably belong in the fiction section of the library. There is little sense of sampling within companies, for example, that tells us that anything reported is representative behavior. And outside of an oral history, there is not even great evidence that some of the events or proclamations actually happened.

More persuasive are the studies now emerging that put some “hard” data behind the value of missions and visions. James Colins and Jerry Porras at the Stanford Business School asked a sample of Chief Executives of Fortune 500 companies to identify organizations they deemed visionary. They then “invested” one dollar in the 20 companies most frequently mentioned from point of founding and compared performance with all companies with stock for sale. The visionary companies performed 55 times better than the market as a whole.

Other studies have compared visionary companies with non-visionary counterparts (e.g., Motorola with Zenith, Disney with Columbia) and found that the vision-driven companies performed substantially higher than their counterparts. Although in most of these studies, there is no way of “proving” that the vision caused profitability, the association is strong. Also, try to find a set of responsible studies that show strong and sustained organizational success in the absence of vision, mission, belief.

Missions, visions, beliefs are not another fad or fancy. They are here to stay. But presence is not enough. The critical fact is not whether a company has a theme. The question is whether it matters.