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CONTENT ANALYSIS OF MISSION STATEMENTS IN BELGIAN ORGANIZATIONS[+]

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Abstract

This study gives an empirical analysis of mission statements being found in business practice. Using cluster analysis, we identified three types of mission statements: the value-driven mission statements, the hard strategy mission statements, and the performance-oriented mission statements. The mission statement being used does not seem to be influenced by variables such as size, organizational level or nationality of the mother company. If a value-driven mission statement is used, it seems that managers pay more attention to the linguistic aspects of the mission statement. Future research on mission statements should take into account the existence of different types of missions and attempt to include (1) the different roles which managers adhere to mission statements as well as (2) the process dimension of formulating and changing mission statements.

Introduction

A recent world-wide study by Bain & Co[1] indicated that in the first half of the nineties mission statements were the most popular management tool used by companies. This implies that during the last decade quite a lot of companies have devoted a substantial amount of time (and money) in trying to come to an explicit formulation of the company's mission. Most managers seem to agree on the importance of having a mission statement, be it explicit or implicit and be it flexible or enduring. Nevertheless, some confusion and uncertainty still exist with respect to the role of a mission or vision. Moreover, a lot of discussion is still going on about the (ideal) **content** of a mission statement.

The management literature and the consulting world often do not provide a clear answer to the many questions confronting the practitioner. Should the mission describe the current or future strategy and objectives ? Should it include organizational values ? Is the mission statement meant for external use, internal use, top management, all employees, or all stakeholders ? Should any attention be paid to the style of formulating and presenting the mission ?

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[1] Mentioned in Rigby & Gillies (1995).

In this article, we give a synthesis of the current state of the art of mission statements, in the business literature as well as in business practice. As such, we indicate the major variables and concepts which can be included in mission statements.

Our empirical study consists of an analysis of mission statements of 68 organizations in Belgium, collected in the Winter of 1994-1995. We limited ourselves to studying the *content* of the mission and did not examine the *process* of achieving (or changing) a mission statement. However, we do give some critical reflections with respect to the *role* of mission statements.

1. Mission, vision or strategic intent ?

Most authors agree that having a mission statement can substantially improve organizational functioning. Campbell (1995, p. 147) even argues that mission statements might increase financial performance, if they are formulated in the right way and when they are accepted by those to whom they apply. Despite the general acknowledgement of mission statements' role, the strategy literature is quite confusing with respect to the definitions being used[2]. At first sight, it might even be seen as a terminological jungle. It is therefore appropriate to start our analysis with a brief conceptual analysis.

Many authors make a distinction between mission and vision. Vision is described as a bridge from the present to a possible, desirable future state of the organization. It refers to the management's views about what activities the organization intends to pursue and the long-term course it charts for the future (Thompson & Strickland, 1995, p. 22). A mission tends to be more concerned with the present than with the bigger issue of long-term direction (Thompson & Strickland, 1995, Campbell & Yeung, 1994). Campbell & Yeung (1994) associate vision much more with some goal, a mental image of a desired future state of the organization.

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[2] The same applies to the concept of a vision (Larwood, 1995: 740).

The well-known concept of strategic intent (Hamel & Prahalad, 1989) can be seen as some kind of vision: a desired leadership position. Campbell & Yeung (1994)[3], however, argue that strategic intent is less powerful than (an effective) mission because it fails to include values and behaviour standards, which are seen as the keys to long-standing employee commitment and enthusiasm. This insight stems from the *Ashridge* model, which has been put forward in several publications by Campbell and different co-authors. In the Ashridge model, four elements are central in a mission statement: the *purpose* (why does the company exist); the *strategy* (the competitive position and distinctive competence); the *values* (what the company believes in) and the *standards & behaviours* (the policies and behavioral patterns that underpin the distinctive competence and the value system) (see e.g. Campbell & Tawadey, 1990).

In contrast to the above-mentioned theories, Bowman (1990, p. 6) does not make a distinction between vision and mission. He simply claims that good missions or visions are inspiring and exciting. Mission statements are essentially seen as an internal working document (Bowman, 1990, p. 101-102). Also Morgan (1988, p. 47) recognizes the importance of an "overarching sense of corporate direction", which might be called vision, mission, corporate philosophy, a sense of identity or a set of core values. According to this author, the relevant question is whether the mission (or however it is called) gives a coherent point of reference that simultaneously energizes and focuses the efforts of the organizational actors (Morgan, 1988, p. 47).

A further complication arises from the difference between what is being written down and what is actually being done. For instance, Wickens (1995, p. 82) sees missions or visions as culture statements ('the way we do things round here'). However, the simple fact of having a mission statement on paper does not necessarily mean that the whole organization is ingrained and will act accordingly. This argument is also supported by Campbell & Yeung (1994, p. 152), who put forward the concept of *a sense of mission*. If a mission statement results in providing

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[3] In contrast to Hamel & Prahalad (1989), Campbell & Yeung (1994: 154) state that strategic intent is closest in concept to the traditional definition of mission: what business are we in and what strategic position do we seek ?

loyalty, commitment, pride from the employees, a sense of mission is present in the organization. Hence, a sense of mission
refers to the emotional commitment felt by people toward the company's mission. This occurs when there is a match between the values of an organization and those of an individual. Organizational values are sensed by the individual through the company's behaviour standards and policies. Irons' (1994) study clearly illustrates the importance of this match. His empirical findings indicate that service companies which are capable of achieving this match clearly outperform other companies (Irons, 1994, p. 69-90).

In our - pragmatic - study, we do not distinguish mission from vision. In our view, a company does not need to make a distinction between mission or vision. As Cummings and Davies (1994, p. 149) argue, a corporation's mission and vision should be developed in tandem to take advantage of a potential for complementarity and reinforcement. A statement as 'putting the customer first' could be categorized as a mission, whereas a statement as 'to be rated the best for customer service' can be categorized as a vision. Both statements might be quite valuable. In our research we simply asked managers to provide us with what they considered to be the mission statement of their company.

The different conceptions of mission statements can be summarized in figure 1, in which both 'hard' variables as well as 'soft' variables are included. The 'hard' strategy variables refer to the first reflections on mission statements made by Peter Drucker in the mid-1970s. He considered a mission as the explicit answer to the question 'what business are we in' (David, 1989, p. 90). Thus, it is a straightforward outline of what-we-do and where-we're headed (Raick & Vitton, 1995). Such considerations are quite rational and belong to what is commonly called the 'left side brain', i.e. the more rational aspects of human behaviour.
Reflecting solely on the hard strategy items will not result in an effective mission statement. For instance, Irons' (1994, p. 75) research suggests that the very reasons for long-term success in service industries are a clear vision with a strong customer focus and a cohesive culture working towards this focus. Furthermore, he states that mission statements which are only abbreviations of a strategic statement are unhelpful in creating a shared unity, which is an essential element of a sense of mission.

Figure 1: Components of mission statements

left side brain	--	right side brain
STRATEGY: P/M-scope, actual or desired position, company boundaries	*VALUES*: basic attitudes expected from the employees	*PURPOSE*: ultimate 'reason for being' of the company
e.g. quality products for segment XYZ	e.g. cost consciousness	e.g. contributing to a better world

Therefore, beside the 'strategy school' of mission statements, many authors adhere to the 'culture school', which emphasizes the 'soft organizational variables'. According to the latter school, the intention of a mission statement is to come to an emotional commitment of the employees. Therefore, the ideals (or purpose) of the company should be in line with the values being held by the employees. This is commonly denoted as being associated with the right side brain, i.e. the more emotional aspects of human behaviour. This might reflect elements of the ultimate goal of the company[4].

Between these two extremes, we situate the corporate values, which quite often refer to hard rational elements as well as to more emotional elements (e.g. quality improvement versus integrity). If these values are taken seriously, they automatically result in behavioral standards and policies, characterizing the company. As such, contrary to the Ashridge school, we believe that behavioral standards and policies are not to be seen as a fundamental component of mission statements, but rather as a result of it.

In our empirical analysis, we tried to identify clusters of mission statements. We assessed if different types of mission statements can be found in business life and whether underlying causes for these differences can be uncovered. Also, the linguistic aspects of a mission statement are being studied and will be linked to the types of mission statements found in business life.

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[4] We can refer here to the much publicized mission of Matsushita which states that Matsushita strives for bringing about peace, happiness and prosperity to the world.

2. Operationalization of the main elements in mission statements

As argued above, three main categories can be identified in mission statements: strategy variables, organizational purpose variables and corporate value variables[5].

The first category refers to the *current strategy content* ('what we do') and to the desired *future strategy content* ('what we want to achieve'). Variables which need to be taken into account in addressing these questions are: product scope, market segment scope, geographic scope, distinctive competence and the goals or intent of the company with respect to profit, growth, international scope, market position and leadership. Most of these variables are put forward in many of the theoretical or empirical studies on mission statements. Pearce (1982, p. 17) argues, for instance, that three indispensable components of a mission statement are the company's basic product or service, the primary market, and the principal technology to be used in producing or delivering the product or service. Also the economic goals (survival, growth, profitability) are seen as essential elements of the mission statement.

The second category of variables includes the *corporate values*. This refers to the 'who are we'-question. Which values must be taken into account in the daily activities of the employees of the company ? These variables are often included in what many authors call the company philosophy, reflecting the basic beliefs, values, aspirations and philosophical priorities (Pearce, 1982, p. 19)[6]. The values are the beliefs that underpin the organization's management style and refer to the right way to behave (Campbell & Tawadey, 1990, p. 5). Should employees be cost-conscious and/or customer-responsive ? · Should the employees reflect on the environmental impact of their actions ? Should they be constantly quality-oriented ? Defining these corporate

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[5] In his research of mission statements of the Business Week 1000 firms, David (1989) found that customers, products, services, location, technology, concern for survival, philosophy, self-concept, concern for public image and concern for employees were the most mentioned variables in mission statements. These variables fit nicely in our three categories.

[6] Pearce (1982: 19) makes some critical remark with respect to this category of variables: "... statements of philosophy display so great a degree of similarity among firms and are stated in such platitudinous ways as to look and read more like public relations promotions than like the commitments to values they are intended to".

values is not about making a long list of all good things in business that have a moral content, but about setting priorities (Campbell & Tawadey, 1990, p. 321).

The third category of variables deals with the *organizational purpose*. This refers to questions such as: for whose benefit does the company exist ? Which stakeholder(s) should the company be most concerned about ? In most of the writings on missions statements (e.g. Pearce, 1982; Campbell, 1995), the responsibility to stakeholders is seen as a vital element in the formulation of the company mission. Categories of stakeholders to be taken into account are mainly: customers, suppliers, shareholders, and employees (Campbell, 1995, p. 140).

As one of the major functions of a mission statement is to achieve some enthusiasm, loyalty or commitment from employees to realize the organizational values, purpose and strategy, we believe that the way of presenting and phrasing the mission statement is a major determinant of its effectiveness. A similar argument is put forward by Campbell & Tawadey (1990), who emphasize the importance of - what they called - the 'character' of the mission statement. Although mission statements should be easy to read, Campbell & Tawadey (1990, p. 327) argue that this does not necessarily imply concision: it might be 200 words as well as 20,000 words, as long as it gives an understandable and adequate picture of the culture of the organization. Also Irons (1994, p. 85) argues that a mission statement should be clearly articulated in simple terms, so that it can be understood by everyone.

Therefore, we added a fourth category of variables in our research reflecting the *presentation* of the mission (lay-out and way of formulation). The main issue in this category of variables refers to the question: is an effective communication style being used ? Von Thun (1982) argues that effective communication is characterized by four aspects: simplicity, structure, conciseness and attractiveness. These aspects refer to questions such as: is the statement easy to understand; are bombastic concepts avoided; are the major elements in the mission statement clearly identifiable; are the ideas expressed in short, concrete language; is rhetoric language being avoided; is the mission statement able to grasp the attention of people; is it able to evoke some emotional tie.

Besides these content-related aspects, communication messages can be transmitted based on totally different perspectives. Three perspectives can be identified: the sender's perspective, the receivers' perspective or the interactive perspective. A sender's perspective refers to a mission statement that can be viewed as a top-down message of how management expects people to behave. An interactive perspective refers to a message in which both the sender and the receiver are involved in the content of the message; this is often made clear by an extensive use of words like 'we' or 'our'.

This resulted then in a total of 30 variables along which the mission statements were evaluated. The list of variables included in our research is given in Appendix 1. The first three categories (strategy variables, corporate values and organizational purpose; or 25 variables) were used to identify the empirical groupings of mission statements (see paragraphs 3 and 4); the fourth category (presentation variables; 5 variables) was used together with other variables (eg. the size and the nationality of the organizations) to determine whether the identified clusters differ significantly over these variables.

3. Description of the sample and methodology

The mission statements were collected from a questionnaire sent to randomly selected companies between November 1994 and April 1995. The size of our sample is 68 companies[7]. A description of our sample of companies and their mission statements is given in Table 1.

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[7] In total 89 answers were received on a total of 545 letters being sent, i.e. a response rate of 16.3% Of these 89 answers, 9 did not supply the mission either because the company did not have a formal mission statement, or because they treated it as too confidential or too specific. Of the remaining 80 answers, 12 were dropped because different managers in different subsidiaries were providing the same mission statement of their common mother company.

Table 1: Characteristics of our sample[8]

	# of companies	Percentage
Kind of mission statement		
Business unit mission	20	29%
Corporate mission	47	70%
Nationality of companies		
Belgian companies	34	50%
European non-Belgian	24	35%
American	9	13%
Major Sales		
in consumer markets	16	24%
in industrial markets	42	62%
Size of company		
small (< 50 empl.)	15	22%
medium-sized (50-250 empl.)	15	22%
large (> 250 empl.)	32	47%

The mission statements were then subjected to a content analysis[9].   A first sample of ten mission statements was evaluated independently by three of the authors to test for the consistency of the interpretation of the criteria. The scores being given by the three researchers were very consistent. Only for the variables in the fourth category, referring to the presentation style of the mission statement, were some small differences being observed. Based upon the high degree of consistency, it was then decided to let the remaining mission statements being rated by two researchers.

To identify types of missions statements, we relied upon the 25 content variables (i.e. the binary coded variables in the first three categories, see appendix 1). The aim is to develop empirical

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[8] The totals do not add up to 68 companies or 100% because there were some missing values for the characteristics mentioned in this table.

[9] For a brief description of this method, see David (1989, p. 96-97).

groupings of mission statements. Ideally, the groupings are internally (within the clusters) homogeneous and externally (between the clusters) different with respect to the 25 included variables. We used a two-stage clustering procedure as suggested by Punj and Stewart (1983). In the first step Ward's minimum variance method was used to obtain a first approximation of a solution. Following this agglomerative hierarchical algorithm, an iterative partitioning analysis (in our case the k-means method) is chosen for the refinement of the initial clusters. Two remarks are in order here.

First, an in-depth study of the level of dependence of the attributes (the included variables) is necessary. High bivariate correlation between variables tend to be problematic since it gives rise to an unbalanced distribution of the variables along the underlying dimensions (De Pelsmacker & Van Kenhove, 1994; Ketchen & Shook, 1996). In the past, one tried to solve this problem by 'tandem clustering' (Arabie & Hubert, 1994), i.e. combining consecutively factor and cluster analysis. However, based on empirical and theoretical research, Arabie and Hubert (1994) argue that such an approach is outmoded and statistically insupportable. Moreover, in our case a factor analysis was considered inappropriate because of all 25 variables are binary (De Pelsmacker & Van Kenhove, 1994).

Nevertheless, we did have to correct for the too high correlation between some variables. We omitted the variable "safety", which was highly correlated with the variable "environmental concern" ($\rho = 0.63$)[10]. Also the variables 'for the benefit of the shareholders' and 'for the benefit of the customers' were highly correlated ($\rho = 0.58$). This problem was solved by combining these two variables into one variable 'for the benefit of internal stakeholders' (including the shareholders and the employees). After these corrections, a cluster analysis was then performed on the remaining 23 variables. Secondly, with respect to the clustering algorithms, Punj and Stewart (1983) have argued that the k-means method (reassignment of cases to the cluster whose centroid is closest to that case) performs better than any other method if a non-random starting point is used. The Ward method is used to obtain this non random starting point (i.e. the identified centroids of the hierarchical cluster analysis). With respect to the validity (mainly, internal) issues we try to answer following questions (Punj & Stewart,

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[10] In determining which variables to drop, we choose the variable which had the least differentiating power between the cases (i.e. the variables which were least mentioned in our sample).

1983): is the cluster solution different from what might be expected by chance ?, and are the clusters related to variables other than those used to derive them ?, are the clusters useful ?

A Chi-squared test is used to check the proportions of cases within the clusters along the attributes. Other parametric and non-parametric tests (see below) are also used to asses the fit between the data and the obtained clusters. However, one should be very careful when using parametric significance tests, such as the one-way anova F-test or manova constructions. Since clustering methods attempt to maximize the separation between clusters, the assumptions of the usual significance tests are drastically violated (see for instance Klastorin, 1983 for an overview)[11].

In order to make the clustering results more interpretable, a correspondence analysis (Green, Carmone & Smith, 1989) was conducted. A correspondence analysis can be used to analyze the difference among the obtained clusters, the difference among the variables and the difference between all variables and all clusters. The solution is two dimensional, such an analysis plots a Euclidian space in which all (significant) variables and all clusters are simultaneously represented. That way, the Euclidian distance refers to the level of association.

4. Results

4.1 Introduction

The frequencies of the strategy, value and purpose variables in the mission statement of our respondents are given in Table 2. The most included variable was the product scope (85%) followed by the quality value (68%) and the customer-oriented value (65%). Only one third of the companies pay attention to describing their distinctive competence in their mission statement.

Our findings correspond to some previous studies. For instance, in the study of David (1989) of the Business Week 1000 firms, it was found that about eighty per cent of the firms included a product/service statement and a customer-orientation in their mission statement. Rarick & Vitton (1995) also found that the differentiation from competitors was only noticeable in one

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[11] Other tests to assess the validity of the cluster results, such as 'split-half samples' (Ketchen & Shook, 1996) were not appropriate give the relative small sample size.

third of the mission statements. In their research the most frequently mentioned variables were concern for quality (73%) and concern for public image (73%). In our study, the latter variable was reflected by the variables 'societal responsibility' and 'environmental concern', which were only mentioned in 24% and 19% of the cases. Some cultural differences between US and Belgian companies might account for the latter difference[12].

Table 2: Percentages of inclusion of variables in mission statements

a) Strategy variables
1. Product scope	85%
2. Geographic market scope	50%
3. Market segment scope	37%
4. Technology scope	16%
5. Distinctive competence	32%
6. Leadership	56%
7. Growth, profit, survival	56%
8. Internationalization	12%
9. Market share, market position	10%
10. Long term orientation	16%

b) Corporate values
11. customer- or service-oriented	65%
12. Quality concern	68%
13. Cost concern	34%
14. Flexibility, speed	28%
15. Environmental concern	19%
16. Innovation, entrepreneurship, creativity	41%
17. Team spirit	25%
18. Personal development/empowerment/learning	50%
19. Integrity (ethical standards)	34%
20. Safety	13%

c) Organizational purpose
21. Societal responsibility	24%
22. For benefit of shareholders	27%
23. For benefit of employees	32%
24. For benefit of customers	53%
25. For benefit of suppliers, distributors, dealers	18%

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[12] Especially the societal responsibility of companies is a much more debated topic in the US than it is in Europe.

4.2 A taxonomy of mission statements

Our research results show that the sample data consist of three significantly different clusters of mission statements. This can clearly be depicted from the increase in percentage change in the Ward criterion (see appendix 2). The characteristics of these clusters are given in table 3.

Table 3: Significant differences among the clusters in the sample per variable // in %	cluster 1 n = 24	cluster 2 n = 33	cluster 3 n = 11	average N=68 68	S < 0.05	Signif. level
1 purpose: benefit customers	63	33	91	52.9	NS	0.53709
2 purpose: social responsibility	17	24	36	23.5	NS	0.38532
3 purpose: internal stakeholders	50	15	82	38.2	NS	0.23532
4 purpose: benefit of suppliers/distributor	13	12	45	17.6	NS	0.81119
5 strategy: distinctive competence	46	27	18	32.4	S	0.04643
6 strategy: geographic market scope	42	55	55	50	S	0.03607
7 strategy: growth, profit, survival	92	18	91	55.9	S	0.00386
8 strategy: Internationalization	17	6	18	11.8	NS	0.57781
9 strategy: leadership	58	48	73	55.9	NS	0.26852
10 strategy: long term	0	3	91	16.2	S	0.00025
11 strategy: market segment scope	29	48	18	36.8	S	0.00256
12 strategy: market share, market position	17	0	27	10.3	NS	0.15053
13 strategy: product scope	67	97	91	85.3	S	0.00127
14 strategy: technology scope	13	21	9	16.2	NS	0.08536
15 value: cost	50	15	55	33.8	NS	0.15314
16 value: customer-driven	96	39	73	64.7	S	0.01818
17 value: environmental concern	13	18	36	19.1	NS	0.6169
18 value: flexibility, speed	54	15	9	27.9	S	0.00273
19 value: innovation, entrepreneurship, creativity	46	30	64	41.2	NS	0.63425
20 value: integrity	71	12	18	33.8	S	0.00016
21 value: personal development	88	12	82	50	S	0.00107
22 value: quality	92	45	82	67.6	NS	0.06114
23 value: team spirit	67	3	0	25	S	6.3E-07

Based upon the scores of the clusters on the variables, the three clusters can be described as follows. Cluster 1 represents the *value-driven mission statements*. These 24 companies clearly view a mission statement as an instrument for culture management. These missions stress values such as customer-orientation, quality,

personal development, team spirit, etc. Cluster 2 can be denoted as the *hard strategy-oriented mission statements*. This group seems to see mission statements mostly as answering the rational economic-oriented question "what business are we in ?". Hence, the product scope, market segment and geographic scope are focal issues in this group. Compared to the other two groups, very little attention is paid to shared values.

Cluster 3 can be referred to as the *performance-oriented mission statements*. These companies or business units seem to be most concerned about making explicit their long term ambitions, with respect to growth, profit or aspired leadership positions. They also seem to attach more importance to defining the (long-term) purpose of their company[13]. A comparison with the 'hard strategy' cluster reveals that cluster 3 clearly devotes more attention to the shared values, although the value variables are obviously inferior to the long-term performance-orientation.

These findings can also be assessed from figure 2, derived from a correspondence analysis. Cluster 1 is located in the lower right quadrant, close to the statistically significant value variables. Cluster 2 is located very close to the variables product scope, geographic market scope, and distinctive competence. Cluster 3 is located in the lower left quadrant, which seems to be determined largely by the variable long-term orientation and the performance variable including market share, profit or survival.

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[13] However, this finding was statistically not significant.

Figure 2: Visual Representation of the Clusters
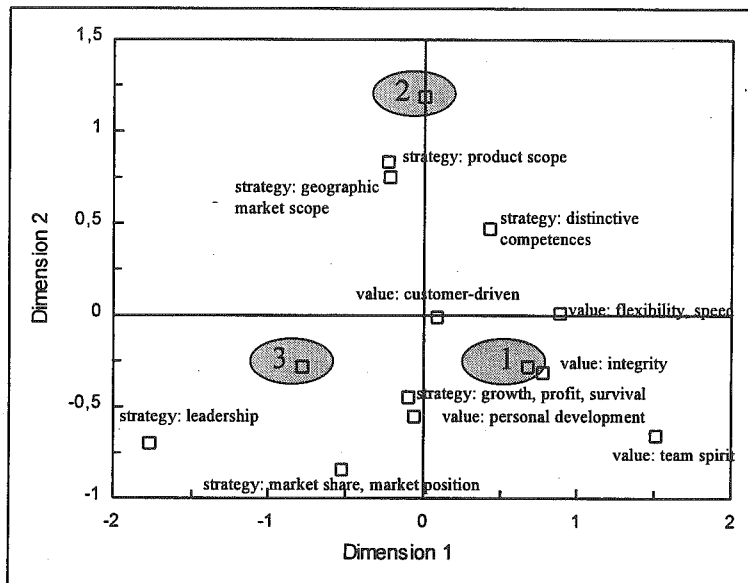
The type of mission statement being used could not be explained in a statistically significant way by differences in size, nationality of the mother company, markets being served or level at which the mission is being formulated.

With respect to the lay-out variables (category 4, see Appendix 1), some differences were being observed. As could be expected, companies in the category of the 'hard strategy'-oriented mission statement pay less attention to the formulation and lay-out of the mission statement.

With respect to the *perspective* being used in the mission statement, it was found that in the 'hard strategy' cluster only 15% of the mission statements were viewed as having an interactive perspective. For cluster 1 and cluster 2 this was respectively 54% and 45% (significant difference at the 0.05 level).

Cluster 2, the 'hard strategy' group, also paid less attention to having a clearly structured mission statement (significant at the 0.05 level). The mission statements of cluster 2 were also clearly very concise (significant at the 0.05 level). Quite often, only the product/market-scope was mentioned in the mission statement.

The type of the mission statement clearly seems to effect the attention being paid to lay-out and formulation of the mission statement. If it is situated in the 'strategy school', and referring to the more rational elements of defining the scope of the company, few attention is paid to the lay-

out. If, on the other hand, the mission is more seen as a cultural element, lay-out and formulation are given more attention in order to be able to grasp the attention and to influence the attitudes of the employees.

5. Limitations of the study and conclusions

This study is a first step to come to a more structured approach in research on mission statements. It has been argued that before embarking on studying performance impacts of mission statements, a taxonomy of mission statements needs to be built up. Out of this initial study, three types of mission statements were identified: the value-driven mission statements, the hard strategy-oriented missions statements and the performance-oriented mission statements.

The type of mission statement being used did not seem to be effected by company characteristics.

One of the major limitations of our study, inherent to most studies on mission statements, is that we investigated only mission statements being sent to us. Only 16% of the managers being contacted did respond, although it might be expected that a majority of the companies do have a mission statement[14]. Also the limited geographical scope of our study should be recognized: only companies located in Belgium were being contacted. It can be expected that different types of mission statements are being used in different countries or regions[15].

Furthermore, the degree to which a particular mission statement has been spread throughout the organization, and how lively it is adhered to, might be more relevant than having the *ideal* content in the mission statement. Behaviour of people is the best indication of the real vision of a company; this behaviour cannot be changed by simply writing down 'what to aspire for' and 'how to behave'. It is not surprising therefore that many attempts to formulate and implement visions and missions have been naive and in some cases destructive. The gap between rhetoric

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[14] As reported in the study of Rigby & Gillies (1995), cf. supra.

[15] For a good review of the differences between mission statements in France and in the UK we can refer to the study of Brabet & Klemm (1994).

and reality and between aspiration and achievement can still be observed in many organizations (Coulson-Thomas, 1992, p. 61).

Linked to the idea of the process of formulation, also the dynamics in the content of mission statements have not been explored in our study. It might be well the case that some companies change their mission statement over time, and do change from type of mission. A good illustration of this can be found in Langeler (1992), in which a company, Mentor Graphics, is confronted with five different mission or vision statements over a period of 10 years.

The latter study also clearly illustrates the limited impact a mission statement can have on the strategic direction of a company. Therefore, many authors argue that missions can be seen as mainly motivating rather than strategic directing techniques (cf. Cummings & Davies, 1992). A mission can be seen as a reinforcing structure by articulating the types of behaviour an organization sees as guiding its progress into the future. This reflects the reinforcement theory of motivation.

Also performance-oriented mission mainly intends to motivate employees, an idea which can be derived from the goal-setting theory of motivation (Cummings & Davies, 1992). The main idea in the latter theory is that specific, difficult to achieve goals have a strong motivating impact, and as such increase performance. Both motivation approaches have their value. Henceforth, different types of mission statements might be equally effective.

Even Campbell (1995, p. 139) recognizes that mission statements are little more than a reiteration of the rules of the economic game companies are playing. The rationale for having a mission is then seen as a signal to stakeholders (mostly shareholders and customers, as these are most cited in mission statements) that the company intends to play by the rules and to communicate these rules to employees. Campbell (1995) claims that mission definition has to do with constraint definition. Missions are intended to indicate the constraints on the freedom of action of managers and employees rather than worthy objectives for an organization. As such, mission statements can also be seen as an 'umbrella' to rationalize actions undertaken throughout the corporation. As they intend to serve for a longer period of time, they remain correspondingly rather vague. This seems logical, as the major aim of these mission statements should *not* be to direct the firm's strategy *but* to have an impact on the motivation of the

participants whose contribution in the strategic actions is needed. By presenting the different parts as belonging all to one 'large firm' some people may feel more committed to support some strategic initiatives (Bogaert, Martens & Van Cauwenbergh, 1994, p. 67).

This study was an exploratory study on the characteristics of mission statements observable in business practice. We do hope that some further insight on the use of mission statements in business practice has been put forward in our study. However, this is only a starting block of empirical research on mission statements. Once different types are identified, further research should go in the direction of the - perceived as well as experienced - roles of mission statements, the process of building up mission statements and the dynamics / changes of mission statements.

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APPENDIX 1: VARIABLES INCLUDED IN THE QUESTIONNAIRE

a) STRATEGY VARIABLES

* Industry definition ('what we do now'):
1. Product scope
2. Geographic market scope
3. Market segment scope
4. Technology scope
5. Distinctive competence[16]

* 'What we want to achieve' (desired position, strategic intent):
6. Leadership
7. Growth, profit, survival
8. Internationalization
9. Market share, market position
10. Long term orientation

b) CORPORATE VALUES ('who we are')

11. customer- or service-oriented
12. Quality concern
13. Cost concern
14. Flexibility, speed
15. Environmental concern
16. Innovation, entrepreneurship, creativity
17. Team spirit
18. Personal development/empowerment/learning
19. Integrity (ethical standards)
20. Safety

c) ORGANIZATIONAL PURPOSE (for the benefit of whom does the company exist)

21. Societal responsibility
22. For benefit of shareholders
23. For benefit of employees
24. For benefit of customers
25. For benefit of suppliers, distributors, dealers

d) PRESENTATION (LAY-OUT AND FORMULATION)
26. Perspective (sender, receiver, interactive)
27. Simplicity

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[16] Cf. Hall (1991): "capabilities the organization possesses that set it apart from its competitors". The most quoted definition of distinctive competence goes back to Kenneth Andrews (1971: 97): "it is more than what the company can do; it is what it *can do particularly well*".
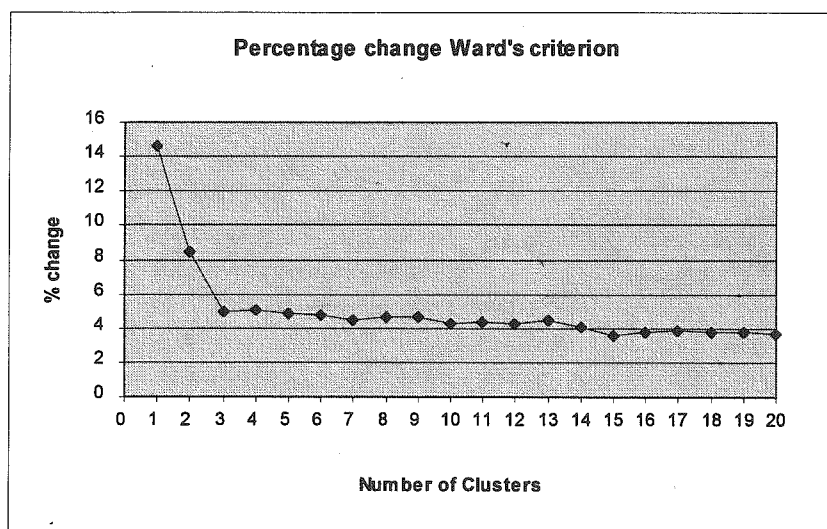
28. Structure
29. Conciseness
30. Attractiveness

The variables in the first three categories (strategy, values, purpose) were binary coded (1 = attribute was present in the mission statement; o = not present).

Variable 26 (perspective) was given a 0 if a receiver's perpective was being adopted; a 1 if a sender's perspective was being adopted or a 2 if an interactive perspective was being adopted.

The other four presentation variables were given a score from 1 to 5 (1 being not at all reflecting the variable, 5 being totally reflected the variable). E.g. for the variable simplicity a score of 1 meant being extremely complex, a 5 meant being extremely simple.

APPENDIX 2: Percentage increase in Ward's criterion

Percentage change Ward's criterion

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