

Ten things you need to know about aims, mission and vision

Ian Marcousé provides a framework of ten concepts for your revision. In this volume we look at aims, objectives, strategy and tactics

1 Vision

Vision should be the starting point. An entrepreneur starts out with a sense of higher purpose, to change the world in some way. Google started with the vision, 'to organise the world's information and make it universally accessible and useful'. However, those with no real vision may dress up the company's aims to make them seem inspirational. Vision implies more of a leap into the future – mission is about the future based on today, while vision is a step forward.

Example: Tesla's vision statement is 'to create the most compelling car company of the 21st century by driving the world's transition to electric vehicles.'

Advantage: vision may sound more creative than mission, which may help to inspire more commitment.

Disadvantage: as with mission, the risk is that the supposed vision gets in the way of the aims, rather than enhancing them.

2 Mission

A mission is a business's aims stated in a way that can inspire.

Example: Tesla's mission is 'to accelerate the world's transition to sustainable energy'.

Advantage: a well-considered mission might inspire top-notch staff to join and stay with you – and inspire customers towards your products.

Disadvantage: if the mission is purely hype and invented by a public relations (PR) department, it will induce cynicism from staff and customers alike.

3 Aims

This is a broad statement of where the business wants to get to in the future.

Example: for a person, an aim might be to become wealthy; a business might aim to diversify.

Advantage: if company directors can agree on a clear sense of direction, it makes it easier to turn those aims into specific, measurable objectives.

Disadvantage: aims can be forgotten once objectives are in place – especially aims that relate to ethical business practices.

4 Changing aims

Aims may change once circumstances change, especially when things have gone badly.

Example: in 2012, GSK plc, a major pharmaceuticals business, stated that its aim was 'to improve the quality of human life'. After GSK plc received huge fines for bribing doctors in America and China, new chief executive Emma Walmsley said her aim was to put innovation at the heart of the business.

Advantage: changing aims is essential if the competitive environment has changed around you.

Disadvantage: ideally, aims would always stay the same, so that staff and customers can truly understand what the business is really about.

5 Chicken or egg?

Aims, mission and vision can sometimes seem to be an afterthought – a rationalisation for actual behaviour. So, did the aim 'to do good' come first, driving the company's objectives? Or did it come after the bosses discovered that company executives were responsible for bribery or price-fixing?

Example: over several years in the early 2000s, employees of HBOS, which became a Lloyds Bank subsidiary in 2009, were guilty of fraudulent activities at the expense of small businesses at its business branch in Reading. Today, Lloyds' mission is 'Helping Britain Prosper'.

Advantage: it is helpful to ask what came first, the aim or the outcome. In theory it should be the aim.

Disadvantage: if companies see aims as an aspect of PR, they may have no proper business purpose.

6 From aims to objectives

Aims set out the broad direction, while objectives firm things up into specific targets with a clear timescale.

Example: aim: to strengthen our position within our core market. Objective: to boost market share to 22% by the first quarter of 2027.

Advantage: a clear objective provides a target to measure success (or failure) against. This provides the power to motivate, as people like to measure their own performance against a yardstick.

Disadvantage: objectives can cause problems if their timescale is too short. They may lead to short-termism – decisions made that work for now, but cause problems later on. The recent scandal about the Post Office's treatment of its franchises is a good example of this.

7 Purpose

This answers the question, 'what are we for?'

Example: The bank HSBC has a purpose section on its website, which says it is 'helping to create a better world'. It does not mention HSBC's payment of US\$1.9 billion to American prosecutors to settle allegations of 'willfully failing to maintain an effective anti-money laundering (AML) program' against drug cartels in Mexico.

Advantage: companies seem to think that words such as 'purpose' show them in a good light. It is better, surely, to behave properly.

Disadvantage: the focus on corporate image can point staff in the wrong direction. Actions speak louder than words.

8 Mission statement

A formal document setting out the mission of the organisation – usually in one sentence (see pp. 6–7).

Example: GSK plc's mission statement is to 'help people to do more, feel better, live longer.'

Advantage: this particular mission statement seems very generic for a pharmaceuticals company, but it may provide some comfort for those who work for the business.

Disadvantage: a real mission does not need to be written down – every staff member should feel it/live it (like Manchester City F.C. under manager Pep Guardiola). If a committee has sat down to write one, it may have no real impact.

9 PR or real?

Are a company's statements around aims and mission drawn up by their PR department or by the board of directors?

Example: at the very time it collapsed financially and following reported poor treatment of its small business customers, RBS bank's mission was to 'run our business with integrity and openness, delivering optimum financial results within clearly defined business principles'. This sounds like it could be the work of the PR department.

Advantage: in the long run, the only advantage to be gained from stating a mission is if it comes from the directors.

Disadvantage: PR-driven aims or mission statements are likely to have little credibility among staff and therefore no positive effect.

10 A vision for future visions

Visions should only be mentioned if the leader/entrepreneur feels the need.

Example: if you have found a way to halve the carbon dioxide involved in steel-making, of course you should shout about it. Not to be boastful, but to share the idea and turn it into a real benefit for everyone.

Advantage: the example is about authenticity in the pursuit of something we can all benefit from – including the entrepreneur's company.

Disadvantage: none at all.

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