

WEEK 4

# The Business Vision and Mission

*Strategic Management*





# Vision Statement:

## WHAT DO WE WANT TO BECOME?

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- It is important for all managers, executives, and corporate's employee to agree on the basis vision that company wants to achieve in the long term
- Vision statement should answer the question of: "What do we want to become?"
- Vision statement should be clear enough
- A good vision statement should be short, state in one sentence, and should involve all of the managers to give their thought for developing vision statement.

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"Where there is no vision,  
the people perish"

## PROFIT VS VISION

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**"Share vision creates  
commonality of interest  
that can motivate  
workers and put them to  
a new world of  
opportunity and  
challenge"**

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Fred David



# Vision Statement

SHOULD BE WRITTEN IN CUSTOMER  
PERSPECTIVE

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eBay

“To provide a global trading platform where  
practically anyone can trade practically anything”

# Vision Statement:

NEED TO DO MORE THAN IDENTIFY  
THE PRODUCT/SERVICE A FIRM  
OFFER

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## First statement

"To make the automobile accessible to every American"

## Second statement

"To provide personal mobility for people around the world."



# Vision Statement Analysis

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at least, a vision statement should reveal the type of business the firm engage

For example,

to have a vision that says, “to become the best retailing firm in the USA” is much too broad, because that firm could be selling anything from boats to bunnies.





# Vision Statement Analysis

## FIRST STATEMENT

Starbucks strives to be the premier roaster and retailer of specialty coffee globally

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## SECOND STATEMENT

to be the most well-known, specialty coffee, tea, and pastry restaurant in the world, offering sincere customer service, a welcoming atmosphere, and unequalled quality.



# VISION STATEMENT



**Air Asia**

To grow PT Indonesia AirAsia as Indonesia's largest low-cost carrier and to provide the best service possible to Indonesian consumers by enabling cost-efficient connectivity



**Tokopedia**

Membangun sebuah ekosistem dimana siapa pun bisa memulai dan menemukan apapun



## General Motor

to be the world leader in  
transportation products  
and related services



## Pepsi Co

to continually improve  
all aspects of the world  
in which we operate—  
environment, social,  
economic—creating a  
better tomorrow than  
today



## Royal Caribbean

to empower and enable our  
employees to deliver the best  
vacation  
experience for our guests,  
thereby generating superior  
returns for our shareholders  
and enhancing  
the well-being of our  
communities

# Mission Statement

WHAT IS OUR BUSINESS

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asking the question “What is our business?” is synonymous with asking “What is our mission?”

the mission statement is a declaration of an organization’s “reason for being.”



# Another name for Mission Statement

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Creed Statement

A Statement of beliefs

A Statement of Purpose

A Statement of Business Principles

A Statement of Philosophy

A Statement "defining our business"

starting point for the design of jobs and organizational structures

a mission statement reveals what an organization wants to be and whom it wants  
to serve

# General approach to develop vision and mission statement

## First Step

Gather all of the example of statements and ask the managers to read all the statements for background information

## Second Step

Ask the managers to individually prepare a vision and mission for organization

## Third Step

A facilitator or committee of top managers should then merge these statements into a single document and distribute the draft statements to all managers.

## Fourth Step

A request for modifications, additions, and deletions is needed next, along with a meeting to revise the document.

# The Principles of Vision and Mission

## SMART

- **Specific**  
Should be focus in a clear direction
- **Measurable**  
Target should be easily to measured
- **Achievable**  
Target should be attainable (resouces: both of human or financial)
- **Relevant**  
Should describe current situation or condition
- **Time bound**  
A clear time target

# The Components of Mission

## 1. Customer

We believe our first responsibility is to the doctors, nurses, patients, mothers, and all others who use our products and services. – Johnson & Johnson

## 2. Product/ service

AMAX's principal products are molybdenum, coal, iron ore, copper, lead, zinc, petroleum and natural gas, potash, phosphates, nickel, tungsten, silver, gold, and magnesium. – AMAX Engineering Company

## 3. Markets

Our emphasis is on North American markets, although global opportunities will be explored. (Blockway)

# The Components of Mission

## 4. Technology

We will continually strive to meet the preferences of adult smokers by developing technologies that have the potential to reduce the health risks associated with smoking. - RJ Reynolds

## 5. Concern for survival, growth, and profitability

To serve the worldwide need for knowledge at a fair profit by adhering, evaluating, producing, and distributing valuable information in a way that benefits our customers, employees, other investors, and our society. - McGraw-Hill

## 6. Philosophy - What are the basic beliefs, values, aspirations, and ethical priorities of the firm?

Our world-class leadership is dedicated to a management philosophy that holds people above profits. (Kellogg)



# The Components of Mission

7. *Self-concept* – What is the firm's distinctive competence or major competitive advantage?

*Crown Zellerbach is committed to leapfrogging ongoing competition within 1,000 days by unleashing the constructive and creative abilities and energies of each of its employees. – Crown Zellerbach*

8. *Concern for public image* – Is the firm responsive to social, community, and environmental concerns?

*To share the world's obligation for the protection of the environment. – Dow Chemical*

9. *Concern for employees* – Are employees a valuable asset of the firm?

*To compensate its employees with remuneration and fringe benefits competitive with other employment opportunities in its geographical area and commensurate with their contributions toward efficient corporate operations. – Public Service Electric & Gas Company*

# Pepsico

## MISSION STATEMENT

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We aspire to make PepsiCo the world's (3) premier consumer products company, focused on convenient foods and beverages (2). We seek to produce healthy financial rewards for investors (5) as we provide opportunities for growth and enrichment to our employees (9), our business partners and the communities (8) in which we operate. and in everything we do, we strive to act with honesty, openness, fairness and integrity (6).



**L'ORÉAL**  
PARIS

***BECAUSE YOU'RE WORTH IT***

# L'OREAL

## MISSION STATEMENT

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our mission is to design, produce, and distribute the world's best fragrances, perfumes, and personal care products (2) to women, men, and children (1) by utilizing the latest technological improvements (4). We empower our highly creative team of researchers to develop safe, eco-friendly (7) products that will enable our firm to profitably grow (5) through thousands of retail outlets. We strive to be one of the most socially responsible (8) firms on the planet (3) and appreciate our employees (9) making that happen, while following the "golden rule" in all that we do (6). (85 words)

# Group Assignment

GROUP: CONSIST OF 4 MEMBERS

Fine one company and do vision and mission statement analysis. For Vision Statement analysis, give your argumentation how's the company's vision statement? Is it already good and based on customer perspective? For Mission Statement Analysis, it should be conducted based on 9 principles of mission statement. Try to:

- Find what are components mentioned in the mission statement of the chosen company
- Find what are components not mentioned in the mission statement of the chosen company

Submit in doc or pdf format through edmodo. Deadline :  
Saturday, 22nd February 2020

