

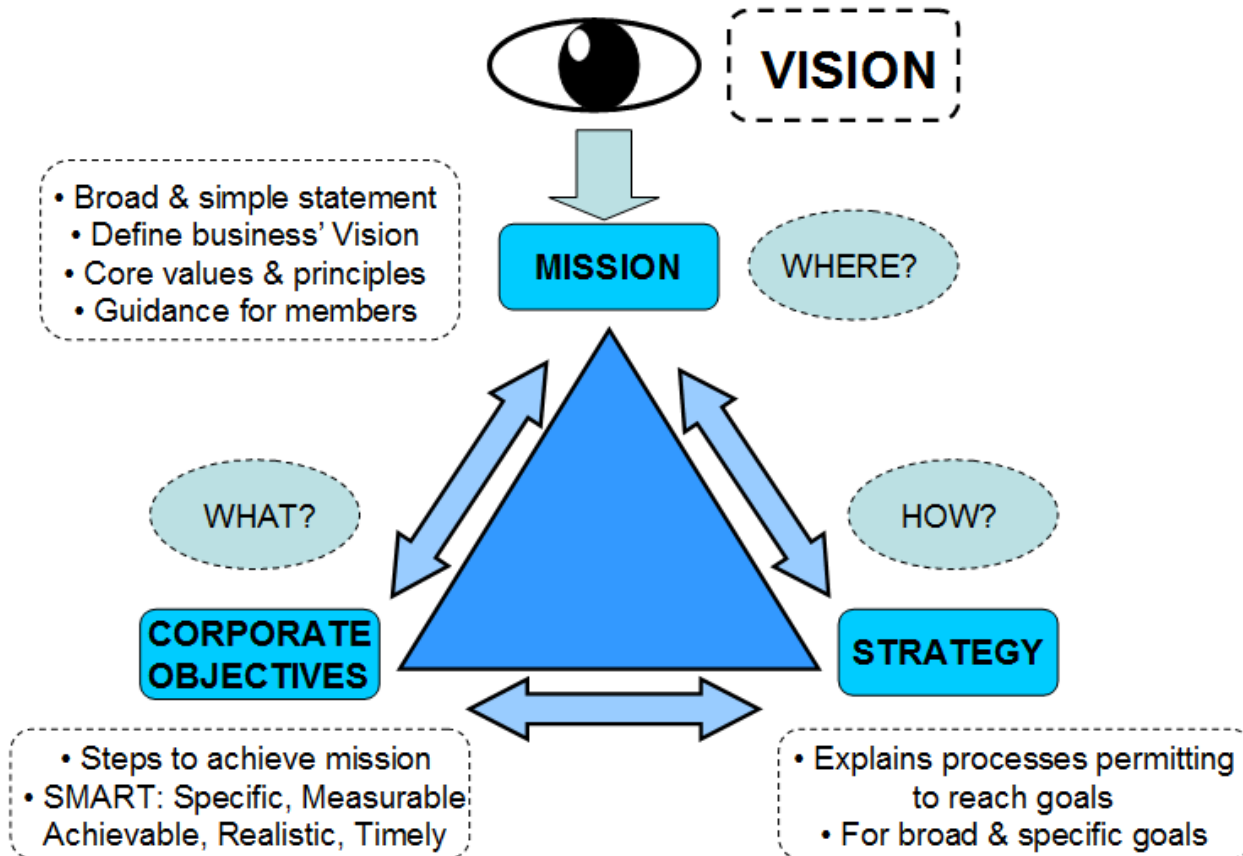
The Links between Mission, Corporate Objectives and Strategy

Multiple concepts used in business are commonly misunderstood by staff members involved in decisional processes due to incorrect or insufficient knowledge of semantics. While some terms can have the same meaning, others can seem similar while bearing a different definition. In the conduct of an enterprise, owners and managers need to be aware of the implications resulting from their choices. Incorrect use of terms could provoke communication issues which can alter the result intended for the better or the worst. To ensure a functioning, coherent and efficient management style, they pay close attention to the relationships between mission, corporate objectives and strategy.

I. Mission Vs Objectives

While this course is focused around mission, corporate objectives and strategy, it is essential to point out the importance of vision. As shown in the following representation, an organisation's mission derives from its vision – i.e. an ideal state of things from its own perspectives.

The links between Mission, Corporate Objectives & Strategy



1. The mission statement

The mission statement of an organisation is a broad and simple declaration about its way and vision. The way is the manner of conducting its affairs and the vision is the big picture of its dreams and aspirations; in the process of strategic planning, they should be preceding anything else. The mission statement helps to put these concepts into words and shows a clearer direction for the organisation's members. Also, the mission statement sets its structural foundations for the organisation's core values and the ethical behaviour of its member. As a result, employees benefit

from a common set of principles permitting them to act coherently and diligently. Although it can vary sometimes, they should be:

- Concise – longer than the vision statement, a mission statement should remain short – i.e. one to three phrases maximum;
- Result-oriented – a mission statement should illustrate the desired results the organisation is trying to obtain;
- Inclusive – a mission statement should also take into account the big picture; efficient mission statements include more than the organisation's community and attempts to involve external components/individuals.

2. Corporate objectives

The company's objectives are steps the company needs to climb in order to attain its mission. Each step on the stairs leading to its final goal is paved with obstacles. These steps – i.e. objectives – are attainable and easily measurable. There are often many steps and obstacles on the way to success – i.e. achieving the mission statement. They can differ in the degrees of difficulty (small vs large steps) and it can take more or less time to go through. There are 3 main categories of objectives:

- Behavioural objectives – aimed at influencing people's behaviours and the actions resulting from these behaviours;
- Community-oriented objectives – target a community or group of individual's collective behaviour;
- Process objectives – these objectives promote the activities permitting to achieve other objectives.

3. Differences between mission & objectives

While the mission statement of an organisation and its objectives seem to be interchangeable, there are many subtleties which permit to differentiate them. On one hand, the mission statement evokes the organisation's broader view(s), and on the other hand, the objectives are less subject to interpretation and are realistically more feasible than the mission statement. Efficient mission statements are SMART, that is:

- Specific – clear and concise definition of the goals/aims;
- Measurable – can be quantitatively measured and can be sometimes used/compared on a scale;
- Attainable – they can be completed
- Realistic – they are achievable under reasonable assumptions;
- Timely – they can and should be time bound;

Also, it can be remarked that without objectives, a mission statement cannot be achieved, and that without a mission statement, objectives are pointless. Due to the complexity of all the elements involved in a mission statement – implicitly and explicitly, – it is very hard to measure and compare while objectives can and should be specific, measurable, attainable, realistic and timely (SMART). Objectives cannot, however, provide with the company's broad vision, it is the duty of the mission statement and the vision associated to it.

II. Strategy Vs Mission & Corporate Objectives

An organisation's strategy reflects the ways and means it decides to move toward objectives and goals. Strategies explain in plain details the actions to be done along with the resources and skills necessary to conduct them in the most efficient manner. Like objectives, strategies can be measured

and provide with clear deadlines to make sure objectives are reached on time. In order to better understand the connections between strategy, mission and corporate objectives, it is important to discuss the terms permitting to connect coherently these concepts.

1. Strategic planning vs strategic thinking

Strategic planning is the process by which an organisation defines its strategy and allocates its resources to implement it. In medium to large sized enterprises, strategic planning is often designed by strategic planners – also called strategists – through analytical research and synthesis of the company and the exchanges it has with the environment in which it operates. The process requires the setting of goals, the identification of the actions to be taken to achieve these goals and the allocation of the resources considered necessary to perform the strategy. It shows how the objectives (end result) will be achieved by the resources (means).

Strategic thinking differs in the fact that it is a more creative process applied in order to achieve a task or goal – cognitive process. In business, it implies the use of unique insights and ideas in order to gain a competitive advantage for a company in an industry or market. Often done in small groups by the organisation’s key members, it can also be achieved individually. Brainstorming groups became increasingly popular among large corporations as their members’ exchanges allow them to be more creative and productive than the sum of each one of them working on his/her side.

2. Executions & Tactics

Executions in business terms are performances to realise in order to complete and synchronise a strategy; they are a “what” and not a “how” – as opposed to strategies which are a “how.” They could be printed ads, televised commercials, internet sites and so on, which are created based on mission and strategy statements. Even though executions are more oriented toward doing something than reasoning, they are still crucial elements that permit to perform strategies and reach objectives.

Commonly mixed up, tactics differ from strategies in several ways. While smaller in comparison, they are like executions, a “what” and not a “how.” They permit to complete a strategy by making smaller actions and movements. Executions, tactics and strategies are often confused due to the close relationship they have to each other.

3. Considerations

The most successful businesses are often very consistent in terms of mission, corporate objectives and the strategies adopted to achieve them. Amazon for instance is one of the best known and trusted online retailers; it is famous for selling almost any kind of product on the internet with an impressive rapidity and reliability. Its revenues in 2014 were reaching more than \$80 billion while it was founded in 1994. Achieving those results took vision, meticulous planning, high quality standards and extremely motivated staff-members.

As seen in this course, mission, corporate objectives and strategies are all parts of the big puzzle constituting an organisation. Using them as isolated parts could be counter-productive as they need to be interacting with the whole structure in order to function at their fullest potential. A strong mission statement is quite useless without a corresponding strategy, and a strategy requires objectives to be conducted properly – to be consistent, the whole needs small and interactive components. For these reasons, managers and owners need to be aware of the subtleties and interactions of the different parts of a business in order to conduct it properly.

Multiple Choice Questions

1. What is the definition an organisation's vision?
 - a. Its main objective;
 - b. The broad view of its dreams and aspirations;
 - c. The result of careful planning;
 - d. a. & c.

2. What is a mission statement?
 - a. Broad & simple statement defining the business' vision;
 - b. A guide for organisational members;
 - c. Defines Core values & principles;
 - d. All the above.

3. What are corporate objectives?
 - a. Goals aimed at improving revenues;
 - b. Steps to achieve the mission statement;
 - c. Aims to achieve corporate strategy;
 - d. All incorrect.

4. Which statement is false?
 - a. The mission statement and objectives are not interchangeable;
 - b. The mission statement and objectives are interchangeable;
 - c. A mission statement could be achieved without objectives;

d. b. & c.

5. What does the acronym SMART stand for?

- a. Short, measurable, attainable, realistic and timely;
- b. Specific, measurable, attainable, realistic and trivial;
- c. Specific, measurable, attainable, realistic and timely;
- d. Specific, maximum, attainable, realistic and timely.

6. What are executions?

- a. Processes terminating a strategy;
- b. Performances to realise in order to complete and synchronise a strategy;
- c. Task realisable through completion of major corporate goals;
- d. a. & c.

7. Which statement is correct?

- a. An objective is a “what;”
- b. A strategy is a “how;”
- c. An execution is a “what;”
- d. All true.

8. What is strategic planning?

- a. A process by which an organisation defines its objectives and allocates its resources to implement it;
- b. A creative process applied in order to achieve a task or goal;
- c. A process by which an organisation defines its strategy and allocates its resources to implement it;

d. a. & b.

9. What is the main difference between strategies and tactics?

- a. Tactics complete a strategy by making smaller actions and movements;
- b. Tactics are larger than strategies;
- c. Strategies complete a tactic by making smaller actions and movements;

d. b. & c.

10. What is strategic thinking?

- a. A process by which an organisation defines its strategy and allocates its resources to implement it;
- b. A creative process applied in order to achieve a task or goal;
- c. A way of thinking in business terms;

d. a. & b.

Answers

1: b; 2: d; 3: b; 4: d; 5: c; 6: b; 7: d; 8: c; 9: a; 10: b;