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Increasing Workplace Intelligence

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Vision and Mission - What's the difference and why does it matter?

Unleash the power of your Vision and Mission.

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In a previous blog, I provided an overview of strategic planning processes, including six core elements essential to any successful strategic plan. The six core elements are as follows:

- Vision
- Mission
- Core Values
- Strategic Areas of Focus
- Strategic Goals
- Action Plans

For over 18 years, I have facilitated strategic planning initiatives with many diverse organizations. From my experience, I believe there is a lot of confusion regarding the difference between a Vision and Mission statement. I regularly see Vision statements that are actually Mission statements and vice versa -- from Fortune 500's, nonprofits, and government agencies. I also see well-intended Vision and Mission statements that are uninspiring, confusing, and so long that they are impossible for anyone to remember!

Why does it matter if there is confusion about Vision and Mission statements, or if they are written in a certain way? For the same reasons it is fundamental and valuable for any organization to have a strategic plan as a roadmap for success, it is important to develop a plan around a clearly defined and well written Vision and Mission. Both serve important, yet different roles as core elements of a strategic plan.

The absence of, or poorly written Vision and Mission statements are lost opportunities for:

- Attracting/engaging/retaining talent;
- Building organizational culture; and,
- Increasing productivity while leveraging all resources to successfully implement a strategic plan.

A study by Bain and Company indicated that organizations that have clearly defined Vision and Mission statements that are aligned with a strategic plan outperform those who do not.

In this blog, I will explain the difference between a Vision and Mission statement from an organizational development perspective, include real world examples, and expand on the benefits they bring to an organization.

What is a Vision Statement?

A Vision Statement:

- Defines the optimal desired future state - the mental picture - of what an organization wants to achieve over time;
- Provides guidance and inspiration as to what an organization is focused on achieving in five, ten, or more years;
- Functions as the "north star" - it is what all employees understand their work every day ultimately contributes towards accomplishing over the long term; and,
- Is written succinctly in an inspirational manner that makes it easy for all employees to repeat it at any given time.

Leaders may change, but a clearly established Vision encourages people to focus on what's important and better understand organization-wide change and alignment of resources.

Defining an organization's Vision is not always easy for senior leadership to do. James M. Kouzes and Barry Z. Posner wrote an article about this challenge for Harvard Business Review, "To Lead, Create a Shared Vision."

Kouzes and Posner, also creators of "The Leadership Practices Inventory," analyzed responses from over one million leaders about this. The data indicated that one of the things leaders struggle with the most is "communicating an image of the future that draws others in - that speaks to what others see and feel." Kouzes and Posner's research also indicated that "being forward-looking - envisioning exciting possibilities and enlisting others in a shared view of the future - is the attribute that most distinguishes leaders from non-leaders."

Examples of effective Vision statements include:

Alzheimer's Association: "Our Vision is a world without Alzheimer's disease."

Avon: "To be the company that best understands and satisfies the product, service and self-fulfillment needs of women - globally."

Norfolk Southern: "Be the safest, most customer-focused and successful transportation company in the world."

Microsoft: "Empower people through great software anytime, anyplace, and on any device."

Reston Association: "Leading the model community where all can live, work, and play."

What is a Mission Statement?

A Mission statement:

- Defines the present state or purpose of an organization;
- Answers three questions about why an organization exists –

WHAT it does;

WHO it does it for; and

HOW it does what it does.

- Is written succinctly in the form of a sentence or two, but for a shorter timeframe (one to three years) than a Vision statement; and,
- Is something that all employees should be able to articulate upon request.

Some businesses may refine their Mission statement based on changing economic realities or unexpected responses from consumers. For example, some companies are launched to provide specific products or services; yet, they may realize that changing **WHAT** they do, or **WHO** they do it for, or **HOW** they do what they do, will enable them to grow the business faster and more successfully. Understanding the Mission gives employees a better perspective on how their job contributes to achieving it, which can increase engagement, retention, and productivity.

Having a clearly defined Mission statement also helps employees better understand things like company-wide decisions, organizational changes, and resource allocation, thereby lessening resistance and work place conflicts.

Examples of effective Mission statements include:

Erie Insurance: "To provide our policyholders with as near perfect protection, as near perfect service as is humanly possible and to do so at the lowest possible cost."

NatureAir: "To offer travelers a reliable, innovative and fun airline to travel in Central America."

Nissan: "Nissan provides unique and innovative automotive products and services that deliver superior, measurable values to all stakeholders in alliance with Renault."

St. Paul Fire and Marine Insurance Company: "To lead the Canadian specialty commercial insurance industry through innovation, expertise and by providing products and services to satisfy the needs and exceed the expectations of our customers and business partners."

Target: "Our mission is to make Target the preferred shopping destination for our guests by delivering outstanding value, continuous innovation and an exceptional guest experience by consistently fulfilling our Expect More. Pay Less.® brand promise."

If there is no downside to having a clear Vision and Mission, why do some organizations not have them, or have poorly written ones on their websites, lobby walls, brochures, etc.? Some of the reasons I've heard are:

- "It takes too much time to develop them."
- "We will never reach consensus."
- "Our CEO wrote our Vision, which we know is more like a Mission statement with our values mixed in, but no one is going to question it."
- "Everyone that works here already knows what we do, so what is the benefit of writing a statement about it?"
- "We have our goals - who needs a Vision or Mission?"
- "It's expensive to take people away from their real job to focus on it."
- "Actually defining our Vision and Mission will mean changes in the organization - who has time to deal with more resistance to change?"

In my opinion, none of these reasons outweigh the benefits of having a well-written Vision and Mission statement. If an organization cannot define its "reason for existing (Mission) or "where it is going" (Vision), how can it align people, processes, products or services towards a successful future?

Not having a clearly defined Vision and Mission limits opportunities for the organization's success, and is a disservice to employees who show up for work every day. If an organization wants engaged and productive employees, it should make sure that they know how their work contributes to accomplishing the Mission (current state) and ultimately to the Vision (future state).

In addition to other benefits already mentioned, a clear Vision and Mission statement can:

- Strengthen culture through a unified sense of purpose;
- Improve decision-making with clarity about "big picture;" and,
- Enhance cross-functional relationships through a shared understanding of priorities.

It's never too late for an organization to define its Vision and Mission. Some even reinvent themselves through the strategic planning process, beginning with these two core elements.

Different approaches for developing a Vision and Mission range from online tools for self-directed work groups, to engaging a professional strategic planner to facilitate the group discussions and manage the development process over a period of several months.

Regardless of how an organization creates an effective Vision and Mission statement, it is important that they be embedded into the culture through clear and consistent communications from the highest levels of an organization.

As Jack Welch, Chairman, General Electric said, "Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion."

What about you and your organization? Do you know what your organization's Vision and Mission statements are? Can you articulate them? If so, how have they impacted the culture?