

Words to grow by

A MISSION STATEMENT CAN DO WONDERS FOR YOUR BOTTOM LINE—OR BE A BIG WASTE OF TIME. TEST YOURS BY ASKING THESE FOUR QUESTIONS

BY CHRIS BART

THINK FAST! What's your company's mission statement? Can you recite it? Can your employees? Do you even have one?

Twenty-four years of studying business success and failure has taught me that it's imperative for every company to be able to properly articulate its mission. Why? Because your mission statement is the cornerstone of what your firm stands for. While your vision statement is about your ultimate destination—such as “To be the No. 1 executive recruiter in B.C.”—your mission statement is about how you plan to get there. It should describe your company's unique and enduring reason for being, making it clear why anyone would want to do business with you rather than your rivals.

Done right, a mission statement will guide and inspire your staff, help you decide how to allocate scarce resources and create shared values to turn your company into a competitive force. Unfortunately, too many firms do it wrong.

Take Exxon's mission statement at the time of the infamous *Exxon Valdez* oil-tanker spill: “To provide our shareholders with a superior return on investment.” This disastrous directive had a major influence on some of the unfortunate decisions that led to the ensuing environmental and public-relations nightmare. Exxon has since rewritten its mission to avoid confusion about how it expects employees to balance its obligations to shareholders, customers, workers and, especially, society at large. Yet the previous version drives home the point that not all mission statements are created equal. Some are great, others are brutal.

One of the best is from Southwest Airlines, North America's most successful and continuously profitable domestic airline—which, though fully unionized, has the lowest costs and best labour relations in the industry. Its mission statement sets clear expectations for staff. Just as important, it spells out the relationship the firm wishes to have with

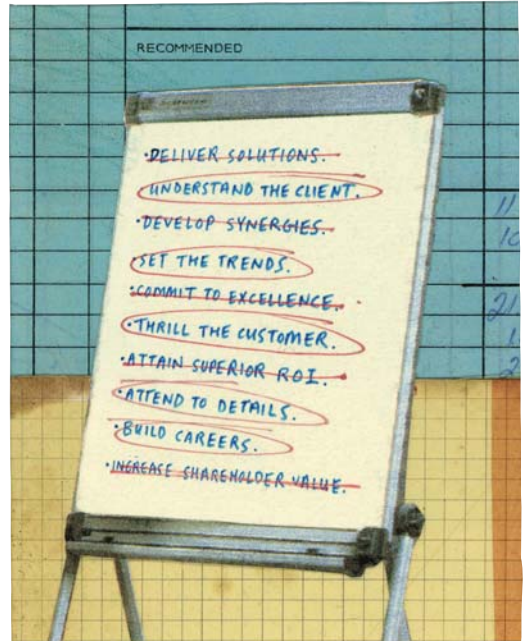
them: “The mission of Southwest Airlines is dedication to the highest quality of customer service delivered with a sense of warmth, friendliness, individual pride and company spirit. To our employees: We are committed to provide a stable work environment with equal opportunity for learning and personal growth. Creativity and innovation are encouraged for improving the effectiveness of Southwest Airlines. Above all, employees will be provided the same concern, respect and caring attitude within the organization that they are expected to share externally with every Southwest customer.”

Armed with this, Southwest staff have for more than 30 years known exactly what to do to help it achieve its purpose. Particularly laudable about this mission is that it recognizes staff's essential role in making customers loyal. Also note that the section on employees is longer—and doesn't mention money! In effect, it's a social contract with employees to achieve the mission of superb customer service.

Most missions fall well short of this. They may get the wording wrong by failing to say the right things—or, worse, by saying the wrong things, such as “our employees are our most important asset.” (Memo to management: slavery was outlawed a long time ago!) Even if the words are right, they may never be translated into action. If you answer “no” to any of these questions, you're making a classic mission mistake and missing out on the benefits of being a mission-driven firm.

DID A CROSS-SECTION OF KEY STAKEHOLDERS HELP DEVELOP THE MISSION STATEMENT?

An employee lament I've heard repeatedly is this: “They keep saying it's our



mission, and then the guys at the top wonder why it doesn't succeed. The answer is simple. It's not my mission, because I wasn't included in creating it—and neither were any of my peers.”

In crafting a mission, the more people involved, the merrier. Of course, you can't have 100 people try to write one. But a small cross-section of employees can do so, provided they float one or two draft versions to the entire staff to give them a chance to put their fingerprints on it. That turns it into their mission, not just the committee's—or yours. You can also use surveys or focus groups to get feedback from other stakeholders.

DOES IT CLEARLY AND SUCCINCTLY STATE WHAT IT WILL OFFER CUSTOMERS AND EMPLOYEES?

My research shows a “killer mission” focuses almost exclusively on customers and staff, presenting a vivid picture of what your firm will do for both. Most mission statements fail miserably at this.

Often this is because there's too much detail, or too little. Although there's no absolute rule about length, many good ones run 60 to 80 words. Go too short, and you won't provide enough guidance. Go too long, and you'll saddle yourself

MANY MISSION STATEMENTS ARE LISTS OF “PRIORITIES” TOO NUMEROUS TO IMPLEMENT

ILLUSTRATION: MARTIN O'NEILL

with a list of “priorities” too long to implement effectively. Limiting the word count forces you to decide what truly differentiates your firm for stakeholders.

One of my favourites comes from Salty’s Seafood Grills of Seattle: “A legendary, unbridled passion for perfection. We dedicate ourselves to creating a truly outstanding service and entertainment business, recognized as a great restaurant company to do business with and a great place to work. We are an outstanding restaurant company. We exceed our guests’ expectations through empowered people, guided by shared values and commitments. This requires: a consistent guest focus for our company, which all of our people understand and feel passionate about, recognizing that a happy guest is the cornerstone of our success; and an empowered restaurant organization which is both motivated and supported to satisfy guests to the fullest extent of our capabilities.”

IS IT KNOWN AND UNDERSTOOD BY ALL KEY EMPLOYEES?

If you already have a mission statement, try writing it out without looking. Then

ask a new employee to do the same. Familiarity is the first step in successful implementation. If you can’t say it, how can you live it?

But even knowing the mission isn’t enough if you don’t translate it into specific actions. That’s why the managers of St. Joseph’s Hospital in Hamilton developed “I make a difference,” in which all employees met in a small group with their supervisors and facilitators to discuss the specific behaviours needed to execute the mission in their jobs. Today, the hospital is renowned for the care it offers patients and the innovative medical research it performs.

IS IT A DAILY PART OF YOUR COMPANY’S LIFE?

How often do you refer to your mission statement in staff meetings? Do your managers have to relate their plans and budgets to it? Do you use it as the basis for training, recruitment, promotion, reward and disciplinary programs? Does your management-information system track progress against the mission?

It’s well known that you can’t manage what you don’t measure, and that what

gets rewarded gets done. But many companies that claim to be mission-driven don’t measure their progress against their mission and fail to reward staff for helping make it a reality. I know of one firm that urged staff to deliver world-class customer service, yet rewarded its customer complaints department for “ending the call within four minutes.” Small wonder many customers found themselves hearing a dial tone halfway through the call.

The true worth of an organization’s mission comes from the extent to which it is religiously practised, not just professed. The payoff from getting it right, from aligning your mission with your firm’s resources, is a juggernaut organization that will roll over competitors that have not developed the same degree of focus and commitment. \$

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