



IT Management

Developing Worthwhile Vision Statements

Last updated Jul 9, 2004.

Many companies use a vision statement as a companion proclamation to their mission statements. This section begins with an introductory discussion of what a vision statement is, how it differs from a mission statement, some of the benefits a vision statement can provide, and some common characteristics of a worthwhile vision statement. I follow this up with an explanation of the steps that managers can use to develop an effective vision statement. The final portion shows several examples of vision statements used by a variety of organizations.

(This section should be inserted in 'Strategic Management'. It is an extension of the original section on Vision Statements. The first two parts (1.5.1 and 1.5.2 are the same as before. The part in 1.5.3 has been extended.)

Introduction To Vision Statements

A vision statement usually addresses one or more of the following three questions: where an organization wants to go; what an organization wants to become; or what an organization wants to accomplish. It differs from a mission statement in that a mission statement focuses on what an organization does, what business it is in, and what product or service it offers. A mission statement emphasizes the here and now, whereas a vision statement points to the future. The primary benefit of a vision statement is that it can focus an entire organization on a common goal, a worthwhile achievement, and the means of measuring when the objective has been reached.

The following list explains some common characteristics of a worthwhile vision statement. You may note that they are similar, but not identical, to those of an effective mission statement.

- a. clear (no complex words; no awkward wording)
- b. concise (the fewer words the better; less than 15 if possible)
- c. catchy (snappy sounding without using slang or colloquialisms)
- d. memorable (easy to recall; easy to explain)

Steps To Developing An Effective Vision Statement

The following steps are a proven method for developing an effective vision statement.

- a. **select** a representative group to brainstorm an initial draft
- b. **concur** on brainstorming ground rules
- c. **agree** upon Where We Want To Go, What We Want To Accomplish, and How We Plan to Measure Its Completion

- d. identify key phrases
- e. draft an initial vision statement using most all of the key phrases
- f. word-smith the initial draft to reduce words and redundancies
- g. digest initial draft for a day or two
- h. finalize the initial draft
- i. submit to appropriate authority for final approval

Sample Vision Statements

The following are actual vision statements used currently or in the past. They are excellent examples of effective statements that clearly present where an organization wants to go, what it wants to accomplish, and how it will measure its results. These are all taken from a variety of well-known American institutions and individuals. How many of these do you recognize, or could identify based solely on their vision statements? The answers will be given next month.

Over a month has now gone by, so now it's time to reveal the companies who are the owners of the following vision statements. How many of these did you identify correctly? Just in case you want to try one final time to determine the identity of these companies, I will list the answers at the very bottom of this section. So don't scroll ahead. For each answer listed, I will offer a brief comment about characteristics of the vision statement and its relationship to the organization it describes.

1. To be widely recognized as the premiere provider of innovative financial products and services.
2. Within the next 3 years grow our company into a \$40 million home products company specializing in manufacturing and distributing custom and replacement garden windows and skylights for the upscale home and baby-boomer markets.
3. Land a man on the moon and safely return him to earth by the end of this decade.
4. I have a dream that all men will be judged by the merit of their character, not by the color of their skin.
5. To become the premiere supplier of reliable, high-quality, complex military defense systems and commercial aerospace products.
6. To be the world's best in chemicals and electronic imaging.
7. To build the premiere financial services company in the U.S.
8. To be the lowest cost producer of aluminum & to outperform the average return on equity of the Standard & Poor's industrial stock index.
9. To become the most competitive enterprise in the world by being number one or number two in market share in every business the company is in.
10. To become a low-cost, medium-size gold producer, producing in excess of 125,000 ounces of gold a year and building gold reserves of 1,500,000.
11. To achieve return on equity at 20% or above, "real" earnings growth averaging 5% or better over time, be a leading marketer of strong consumer brands, and improve the profitability of low-return businesses or divest them.

The organizations or individuals who used the above entries as their vision statements are:

1. Option One Mortgage – The three adjectives of 'widely', 'premiere', and 'innovative' define this company's desired scope of recognition, its expected quality level as a provider, and how it hopes to delineate its products and services from its competitors.
2. Colorado Garden Windows Company – This is a good example of using very specific quantities in a vision statement. In this case it gives a precise timeframe, an exact sales level, and specific products and markets.
3. President John F. Kennedy – This is the famous challenge President Kennedy issues to NASA in 1961. Note the simple, specific task and timeframe.
4. Rev. Dr. Martin Luther King – This is an excerpt of the famous 'I Have a Dream' speech that Dr King gave at the conclusion of his Civil Rights march on Washington, D.C. While no timeframe is given, it is nonetheless very visionary in nature.
5. Northrop Grumman – The first part of this statement voices a common theme of wanting to become the premiere supplier of their products, but they distinguish themselves with their descriptors of 'reliable', 'high-quality', and 'complex'.
6. Eastman Kodak – Simple yet powerful vision to be the best. Compare 'to be the world's best' to just 'being recognized as being the world's best'.
7. Nations Bank – This company's statement is not 'to be the premiere company', or even to 'be recognized as the premiere company', but to 'build the premiere company' implying it is very much in a growth phase. This is an example of a company that will likely modify its vision statement in a few years after successful building has been accomplished.
8. Alcan – This statement has very specific financial visions, almost bordering on goals and objectives. Reducing average product costs, and improving on the average return on equity are easily measurable and understandable.
9. General Electric – This statement was the famous challenge that CEO Jack Welch issued to his division heads in the mid 1980s. Several divisions were shutdown as a result including the controversial RCA television division.
10. Atlas – This statement combines generic attributes as in 'low cost, medium-size' with specific goals for quantities of production and reserves.
11. Quaker Oats Company – This statement also combines specific financial goals for return on equity and average earnings growth, with the more generic characteristics of market leadership and improved profitability.

References

<http://www.onepagebusinessplan.com>, *Writing a Great Vision Statement*, 2003

© 2009 Pearson Education, Inc. Informit. All rights reserved.
800 East 96th Street Indianapolis, Indiana 46240