

MISSION STATEMENT RESEARCH

A common characteristic of nearly all highly effective individuals and organizations is the existence of a powerful mission or vision. Current authors from Charles Garfield to Warren Bennis, in addition to our own materials here at the CLC, confirm the fact that a key to successful leadership in any respect is creating and living by a moving mission.

Mission statement as the basis for leadership

In an article entitled "Four Traits of Leadership", Warren Bennis describes three gaps which exist within our society and organizations. These gaps are in the areas of leadership, productivity, and commitment. All three of these gaps are currently being addressed by the use of quick fix concepts which deal with economic issues and bring limited results.

Supportive statistics given in the article included a survey of 1000 people, where only 23% of the people said they were working at full potential, and 75% of the people felt they could be significantly more effective.

In this article, Dr. Bennis asks the question "How can we empower the workforce and reap the harvest of human effort?" His answer is to provide "leadership of those organizations."

The starting point of effective leadership from both a personal and organizational perspective is the creation of a statement of purpose or mission. The creation of an organizational mission statement that answers the question "What are we about" or "What is the purpose of our business" and motivates individuals to action, accomplishes a number of objectives including the following:

- 1- Provides a basis for people to make decisions which are in the best interest of the company's overall objectives.
- 2- Provides an informal control system that tells people what is expected of them.
- 3- Provides a focal point for individuals to identify with the organizations purpose and direction.
- 4- Provides a basis for allocating resources.

Criteria for a good mission statement

In an article entitled "Down The Organization", David Drennan discusses a number of key criteria which need to be remembered when writing an organizational mission statement. These criteria are as follows:

- ***Make sure your strategy is clear and simple***
A mission statement should be short and concise so that everyone can easily read and understand it. This allows the mission to become a part of employees lives and through them be conveyed to the customer.
- ***The strategy needs to be understandable to all employees so they can each make their contribution to it.***
Expectations and outcomes should be clearly outlined to all levels of employees. This allows all people to not only know what is expected of them, but also know how their function contributes to the accomplishment of the overall company mission.
- ***The company must demonstrate its real commitment to its own strategy.***
The vision conveyed from top management will only be effective if it is reinforced by aligning day-to-day decisions with the company's vision or mission. Employees believe what they see, not just what they hear from top management.
- ***Keep strategic objectives constant.***
A target that is constantly moving leaves employees uncertain as to what to aim at. The mission of the company should be well planned out and generic enough to allow markets to change without having the company mission change significantly.
- ***Dramatic Action focuses employees attention on company strategy.***
Once a mission statement is developed, dramatic acts which support the company mission solidify in the minds of the employees, the seriousness of management in carrying out the mission.
- ***Management action must send out strong 'new era' signals.***
When making dramatic change within the organization, management must send out more new era signals than old era signals. This supports the verbal proposition that "Things really are changing around here".

Empowerment Through Vision and Principles

By Lex Watterson

Alignment with the "Stream"

A recent study by the Marketing Institute of Cambridge Massachusetts sought to identify the critical distinction between those companies which are highly successful and those which are less so. The conclusion of that study, not surprisingly, was that successful and profitable organizations are those which are delivering a product or service which is highly aligned with what might be called the "stream": They are providing the right things.

The stream is more than just the economic environment or market place; it also includes the social and political climate, the physical environment, competitors, capital markets, work force, etc. In other words, all of those forces which impact an organization.

An organization may be highly or not highly aligned with the stream, and alignment with the stream may be the result of a considered, concentrated effort, or it may just be an accident (for example, the personal computer industry is the result of a couple of college students tinkering in a garage).

One of the critical characteristics of the "stream" is that like a stream in nature, the currents of an organizational stream are constantly changing, and with an unpredictability which is more characteristic of the 'jet stream' than the currents of the Mississippi. Consequently, organizations must not only be able to identify the stream in its current state, they must be able to adapt to its frequent and often dramatic changes. This requires both adaptable strategic alignment with the external stream, and flexible internal alignment of products, structure, systems (processes), and people to the stream and the organizational strategy.

The saying "nothing fails like success" indicates that what is appropriate today may not be appropriate tomorrow. The very behaviors that made a transportation company wildly successful in 1890 (like being the best railroad company) may make it only modestly successful in 1990. Building the biggest automobiles with the most powerful engines was a good strategy in 1971 but not such a good strategy in 1981.

The key to adaptability and flexibility is for organizations and individuals to be guided by principles, rather than focused on practices. The big-car strategy was a practice. Providing a product consistent with customer wants and world

economic and environmental trends focuses on underlying principles.

Practices are the *what-to-do's*, the specific applications that fit specific circumstances.

Principles are the *why and how-to-do's*, the fundamental elements upon which applications or practices are built.

Principles are also natural laws, and they exist and operate independent of our awareness or ignorance of them. Gravity is an example of a principle that operates in the physical world. Whether or not we understand or believe in gravity, it continues to affect us. *We cannot violate the laws or principles of nature without consequence.* But as we come to understand the laws of nature, and the principles by which they operate, we can utilize them to our advantage, as airplane designers utilize the principles of gravity and aerodynamics to enhance transportation.

In addition to principles of nature, there also exist principles of *human nature*. Just as we cannot violate the laws of nature without consequence, we cannot violate the laws of human nature without consequence. We can, however, utilize them to empower our organizations and the individuals within them, and that empowerment is the key to sustained alignment with the stream and within our organizations. Empowerment is also the key to the ultimate and only sustainable competitive advantage – an empowered work force. Capital is accessible to all organizations, plants and machines can be built, strategies and products can be copied; but an empowered, high-quality culture is hardest to create, and therefore the rarest competitive advantage.

Empowerment Through Universal Leadership

We empower a work force by clarifying the objectives and principles which govern the organization's decisions. There are thousands of decisions made every day within an organization, each one with some impact, great or small, upon the corporation as a whole. If one individual could make all the decisions, then there would be unity and coordination throughout the whole. But no individual can make all of the decisions. There are too many to make, and no one person has the ability to comprehend all of the decisions, much less adequate specialized technical knowledge to

make them. But what if the criteria used for making each minor decision was the same ultimate criteria used by the chairman? Is that possible, and how is that possible?

When a manager dictates practices, his or her organization is limited to the possibilities of those practices. When all share a common understanding of the organization's identity (e.g.: We are a transportation firm), a common paradigm and a common understanding of the guiding principles (Here is how we do things: Our first priority is safety. We seek innovation. We value creativity. We value the empowerment of the individual.), then each individual makes small decisions which further the greater purposes.

In today's diverse, complex, and rapidly changing world, corporations can no longer afford a work force which waits to be told what to do, which waits for constant direction, constant leadership. That would be akin to Lewis and Clark being dependent upon maps. Today's territory is changing too rapidly. It is a wilderness of constant and rapid change. *There are no maps.* To operate in this wilderness of the unknown, we need another form of guidance. We need a compass. We need *universal leadership*. And principles are the compass which empowers universal leadership.

Not only do principles empower a work force, they empower organizations as well, because *eventually, the stream must also align with principles.*

No matter how smart we are, or perhaps how arrogant, eventually we must choose to be guided by principles, as a ship is navigated by the stars, or we may find ourselves dashed against the rocks. If the economic environment, the social and political climate, competitors, capital markets, work force, etc., are violating correct principles or the real laws of nature or human nature, they cannot avoid the consequences, or even postpone them, but they must bear those consequences in the form of paying the price for past wrongs, or by failing to realize the benefits from utilizing them to their advantage. Principles discipline the stream. And because principles discipline the stream, causing it to come into line, they can empower an organization to anticipate the stream.

We are currently in the midst of a great push for individuals and organizations to act in environmentally responsible ways. Organizations which have delayed complying with the laws of nature will eventually pay the price through the laws of society. (And societies laws are becoming increasingly aligned with the principles of the

environmental stream.) Many of those organizations will feel socially put upon, singled out, or punished. The 3M corporation is one which has taken a different approach.

In the 1970s 3M was one of the single largest polluters in the United States, and it found itself caught in a bind between several elements in the stream:

- The economic stream was in recession.
- The social-political stream had introduced environmental legislation which imposed severe penalties.
- The technical stream did not yet possess processes which could economically meet the legislative requirement.

3M Chairman Ray Herzog responded to the economic recession by requiring all managers to reduce their budgets. Joe Ling, who was responsible for environmental impact, responded by reminding the chairman that any money he cut would just be charged back in the form of government penalties, and asked him how he could meet both demands. Mr. Herzog replied, "You're the expert, that's what I hired you for." Mr. Ling set out to do just that.

Einstein once said, "The significant problems we face cannot be solved at the same level of thinking we were at when we created them." In other words, we need a new way of looking at and thinking about things to arrive at new, significantly better solutions. We need a new paradigm. Mr. Ling examined 3M's paradigm about pollution.

The technology of the day was based upon cleaning up the pollution which resulted from the processes: filters on smokestacks, treatment of polluted waters, etc. He felt a new approach was needed to transcend the old processes, and he introduced a program which created a new paradigm based upon some simple principles.

The program was 3M's "3P Program: Pollution Prevention Pays." His view was very simple:

- It is possible to greatly reduce pollution, and eventually not pollute.
- It is cheaper, more efficient, and more effective to prevent pollution than to clean it up.

This represented a radically new paradigm.

The principles were equally simple. Prevent pollution by:

- Redesigning production processes.
- Recycling waste.
- Creating non-polluting end-user processes.

These principles have been utilized in many different ways at 3M.

MISSIONS THAT MOTIVATE

Effective leaders the power of missions that motivate.

One key principle of this program, and a theme that we repeat often, is integrity. We are effective only when we have integrity—when our actions are in line with our values.

Correct goal setting leads to integrity. It's a "top down" process, where we develop specific goals by working downward from the general values and principles of our mission statement. That process is usually never simple or straightforward. We try things, discover that they don't work, and try something else. Our actions, in other words, will vary continually. But when we are proactive, our values stay constant and our actions vary within them. Our values give consistency and integrity to our choices. When we set goals without considering our values, we may do things for short-range results and damage our long-range interests, or we may act falsely or disloyally, which

weakens us and our relationships. Acting from a strong sense of values, from a clear sense of purpose or mission, helps us avoid these pitfalls.

The elements of this habit—mission statements, roles, goals—all apply the same principle: visualization. We have a wide range of physical, mental, and emotional abilities. To mobilize them, we need only to give them a direction, a focus. When we hold a clear picture of what we want, that picture acts as an organizer to bring those abilities in line with a common purpose.

When our purpose is clear, our abilities are focused effectively. Conversely, when we doubt ourselves or lack clarity, our abilities are disorganized and remain largely untapped. That is why "Beginning with the End in Mind" is one of the first habits of effectiveness.

People sometimes get the mistaken impression that mission, roles, and

goals, once set, ought not to change, and that once thought, they become more or less permanent. But that is not correct. We develop them over time, they are ours, and we certainly may change them as we sense the need.

Mission statements apply organizationally as well as individually. Many texts on strategic management start by recommending that corporations create mission statements. Departments within corporations may have their own mission statements which support that of the corporation. Families can create mission statements, as can clubs, churches, or any other type of organization.

Mission statements give direction and clarify choices for organizations and individuals. By defining values and principles and making choices congruent with them, organizations, as well as individuals, can gain integrity. ▲

"I firmly believe that any organization, in order to survive and achieve success, must have a sound set of beliefs on which it premises all its policies and actions. Next, I believe that the most important single factor in corporate success is faithful adherence to these beliefs, and finally, I believe if an organization is to meet the challenge of a changing world, it must be prepared to change everything about itself except those beliefs as it moves through corporate life."

T. J. Watson

**Eight Key
Components of a
Corporate
Mission
Statement**

EIGHT KEY COMPONENTS OF MISSION STATEMENTS

1. The specification of target customers and markets.
2. The identification of principal products/services.
3. The specification of geographic domain.
4. The identification of core technologies.
5. The expression of commitment to survival, growth, and profitability.
6. The specification of key elements in the company philosophy.
7. The identification of the company self-concept.
8. The identification of the firm's desired public image.

CHARACTERISTICS OF EFFECTIVE VISIONS

- *Challenging, inspiring, energizing*
- *Creates purpose, direction, and commitment*
- *Goes beyond individual self-interest*
- *Becomes an integral part of the culture*
- *Is uncomplicated, concise, easy to understand, simple to communicate*

VISIONS

- *A vision should be challenging enough to motivate people to stretch and be creative, yet not be so challenging that it cannot be accomplished.*
- *It aspires to a condition that is better than what currently exists.*
- *It gives meaning to day-to-day tasks.*
- *It engenders a sense of identity and commitment.*
- *It provides direction, but is flexible.*
- *It is perceived as good, desirable, and beneficial.*
- *It endures beyond current leaders.*

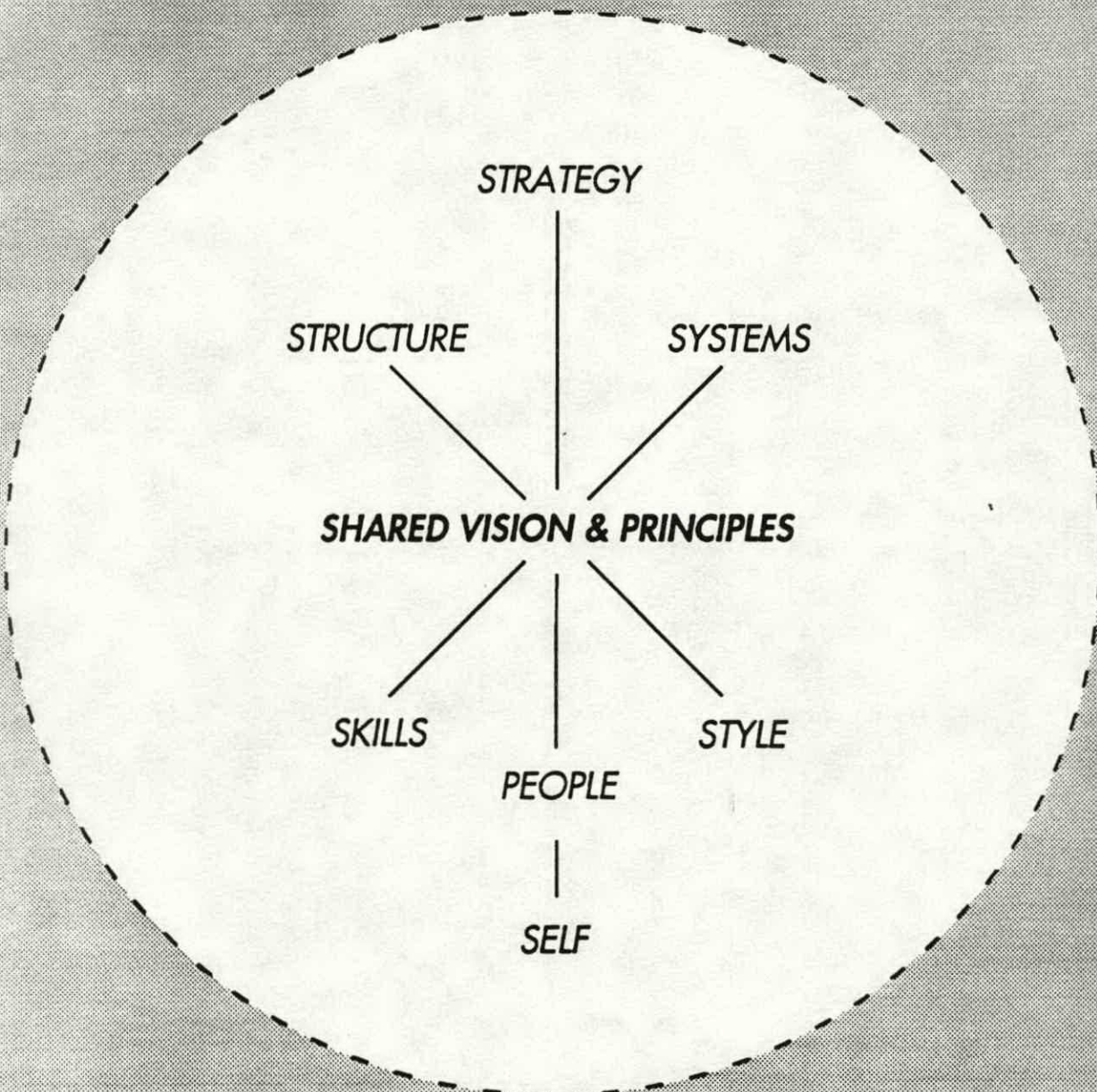
Operationalizing Values

On this sheet of paper, record the following information about your values as they relate to your business. This is important as you develop your teachable point of view and prepare to teach others.

Value	Why is it important?	Positive Behavior	Negative Behavior	Paradoxes
1.				
2.				
3.				
4.				
5.				

PS PARADIGM

STREAMS



CONNECTION PROCESS FOR ORGANIZATIONAL VISION, MISSION, AND PRINCIPLES



ORGANIZATIONAL ACTION PLANNING

Learning Outcomes

1. Each participant will identify a specific, current organizational issue that is within their circle of influence.
2. Each participant will create an action plan for utilizing principle-centered leadership to deal with the issues.
3. Each participant will present an organizational action plan to their coach, receive feedback, and revise the plan as needed.

Primary Principles

1. We can only have impact on issues within our circle of influence.
2. Our power increases as we focus on our circle of influence.
3. The best way to influence the organization is to increase our own effectiveness by balancing courage with consideration in dealing with current issues.
4. Available resources include you, the principles taught in this program, printed and mediated learning materials, the three person teaching process, AT&T training and development experiences and programs and AT&T specialists.

4. Which aspects of the problem are within your Circle of Influence?

5. Which aspects of the problem are outside your Circle of Influence?

6. What primary restraining forces will resist your attempts to change things?

7. What driving forces can you mobilize to help make the change?

8. How, where, and with whom will you begin?

9. How will you exercise legitimate power to influence others to work with you to make these changes?

Unit 13
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THE MAKING OF A MISSION STATEMENT

FROM THE BOOK *EVERYTHING I WANTED TO KNOW
I LEARNED IN KINDERGARTEN*, BY ROBERT FULGHAM

Each spring, for many years, I have set myself the task of writing a personal statement of belief: a Credo. When I was younger, the statement ran for many pages, trying to cover every base, with no loose ends. It sounded like a Supreme Court brief, as if words could resolve all conflicts about the meaning of existence.

The Credo has grown shorter in recent years—sometimes cynical, sometimes comical, sometimes bland—but I keep working at it. Recently I set out to get the statement of personal belief down to one page in simple terms, fully understanding the naive idealism that implied.

The inspiration for brevity came to me at a gasoline station. I managed to fill an old car's tank with super-deluxe high-octane go-juice. My old hoopy couldn't handle it and got the willies—kept sputtering out at intersections and belching going downhill. I understood. My mind and my spirit felt like that from time to time. Too much high-content information, and I get the existential willies—keep sputtering out at intersections where life choices must be made and I either know too much or not enough. The examined life is no picnic.

I realized then that I already know most of what's necessary to live a meaningful life—that it isn't all that complicated. I know it. And have known it for a long, long time. Living it—well, that's another matter, yes? Here's my Credo:

ALL I REALLY NEED TO KNOW about how to live and what to do and how to be, I learned in kindergarten. Wisdom was not at the top of the graduate-school mountain, but there in the sandpile at Sunday School. These are the things I learned:

- Share everything.
- Play fair.
- Don't hit people.
- Put things back where you found them.
- Clean up your own mess.
- Don't take things that aren't yours.
- Say you're sorry when you hurt somebody.
- Wash your hands before you eat.
- Flush.
- Warm cookies and cold milk are good for you.
- Live a balanced life—learn some and think some and draw and paint and sing and dance and play and work every day some.
- Take a nap every afternoon.
- When you go out into the world, watch out for traffic, hold hands, and stick together.

- Be aware of wonder. Remember the little seed in the styrofoam cup: The roots go down and the plant goes up and nobody really knows how or why, but we are all like that.
- Goldfish and hamsters and white mice and even the little seed in the styrofoam cup—they all die. So do we.
- And then remember the Dick-and-Jane books and the first word you learned—the biggest word of all—LOOK.

Everything you need to know is in there somewhere. The Golden Rule and love and basic sanitation. Ecology and politics and equality and sane living.

Take any one of those items and extrapolate it into sophisticated adult terms and apply it to your family life or your work or your government or your world and it holds true and clear and firm. Think what a better world it would be if we all—the whole world—had cookies and milk about three o'clock every afternoon and then lay down with our blankies for a nap. Or if all governments had as a basic policy to always put things back where they found them and to clean up their own mess.

And it is still true, no matter how old you are—when you go out into the world, it is best to hold hands and stick together.