



Perspective



Vision and Mission Statements

Vision and mission statements are meant to help people and guide the business, not to look in a particular direction for earning money only.

Vision statements and mission statements are very different. A vision statement for a small or middle-class firm spells out goals at a high level and should coincide with the founder's goals for the business. Simply put, the vision should state what the founder ultimately envisions the business to be, in terms of growth, values, employees, contributions to society, and the like; therefore, self-reflection by the founder is a vital activity if a meaningful vision is to be developed. As a founder, once you have defined your vision, you can begin to develop strategies for moving the organization toward that vision. Part of this includes the development of a company mission.

The mission statement should be a concise statement of business strategy and developed from the customer's perspective and it should fit with the vision for the business. The mission should answer three questions:

What do we do? This question should not be answered in terms of what is physically delivered to customers, but by the real and/or psychological needs that are fulfilled when customers buy your products or services. Customers make purchase decisions for many reasons including economical, logistical, and emotional factors like long-term relationships also.

An excellent illustration of this is the **Savitri Group**. We are involved in manufacturing activities employing below-poverty-line people with an aim of their skill development.

New movement in India has a different story for manufacturing sector where users are shaking up their old attachment with the branded products and leaning toward other quality-products from our type of small manufacturers, which are well competing with branded products. This is an important distinction and answers this question from the customer's perspective which will help you to answer the other two following questions effectively.

How do we do it? This question captures more technical elements of the business. Your answer should encompass the physical product or service and how it is sold and

delivered to customers and it should fit with the need that the customer fulfills with its purchase.

In the example above, we originally defined our manufacturing criteria and started attempting to sell it to public and private sector units but with little success. We realized that we needed to deliver the story to our customers along with the product. Savitri Group has been striving to move ahead in the sphere of business with a clear vision of serving the nation through employment generation, skill development, increasing productivity, and environment protection.

For whom do we do it? The answer to this question is also vital as it will help us focus our marketing efforts. Though many small business owners would like to believe otherwise, not everyone is a potential/sensible customer, as customers will almost always have both demographic and geographic limitations. When starting out, it is generally a good idea to define the demographic characteristics of customers who are likely to buy and then define a geographic area in which business can gain presence. As we grow, we can add new customer groups and expand our geographic focus.

An additional consideration with mission statements is that most businesses will have multiple customer groups that purchase for different reasons. In these cases, one mission statement can be written to answer each of the three questions for each customer group or multiple mission statements can be developed. Also, as a final thought, it has to be remembered that vision and mission statements are meant to help people and guide the business, not to look in a particular direction for earning money only.

As the company grows and as the competitive environment changes, the mission may require upgradation/change to include additional or different needs fulfilled, delivery systems, or customer groups. With this in mind, our vision and mission has to be revisited periodically to determine whether modifications are desirable. ■

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