

A DIFFERENT VIEW: EVALUATING CORPORATIONS MISSION STATEMENTS FROM
THE FRONT-LINE EMPLOYEE

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ABSTRACT

Mission statements are frequently touted as playing critical roles in driving employee behavior and, by extension, firm performance. Yet, scholars to date have been unable to underpin a clear relationship between mission statements and these outcomes. Prior work is further limited in that it often focuses on corporate executives' assessments of their own missions rather than other important stakeholders. In this thesis, I review the extant literature on corporate mission statements and propose that one reason for the insofar ambiguous effects on firm outcomes is that some critical stakeholders, namely front-line employees, have not been adequately considered. Using a qualitative, grounded-theory approach, I investigate the extent to which front-line employees understand their corporations' overarching mission statements and the extent to which these statements affect several pertinent outcomes, including employees' attraction to their organization and influences to their behaviors at work. Results suggest several implications for scholars and practitioners.

INTRODUCTION

Mission statements are ubiquitous across a wide variety of organizations, including educational institutions, religious groups, nonprofits, corporations, and even social organizations (e.g., fraternities, sororities, etc.). Moreover, they are often prominently displayed on websites, email signatures, and physical workspaces. Clearly, mission statements are either significant, or at least *perceived* as significant, in driving organized action. Organizational missions, in theory, bridge an organization's aspirations with employees' daily responsibilities in ways that foster meaning at work. Carton (2018), for example, used the analog of highly motivated lower-level NASA employees to capture this sentiment (e.g., "I'm not mopping the floor, I'm putting a man on the moon"; p. 323). Yet, in reality, the actual weight given to a mission statement appears to vary substantively, with some organizations seeming to hail all they have to their mission statement and others barely acknowledging its existence in their day-to-day activities. Moreover, some authors suggest that overarching mission statements, even when given due attention, may not be well suited for guiding positive employee action (Langelier, 1992; Locke & Latham, 2002; Schwarz & Bless, 1992).

A recent report from a high-profile consulting firm defines mission statements as an attempt to articulate "the company's business, its objectives, and its approach to reach those objectives" (Rigby, 2017: p. 44). To this end, a mission statement "tells two things about a company: who it is and what it does" (Falsey, 1989: p.3); it is a means for a company to portray and proclaim its purpose, or the "why" behind their business. Research suggests that mission statements "often address multiple audiences, or stakeholders, including a firm's management, employees, customers or clients, shareholders, and other residents of the communities, countries, and world where it does business" (Williams, 2008: p. 96).

Building from these views, there is an implied connection between mission statements and an organization's strategic planning initiatives and, by extension, firm performance. Yet, empirical investigations do not validate the practical merits of this assumption (Bart & Baetz, 1998). Indeed, prior work has insofar been unable to identify significant correlations between mission statement existence and/or content with actual firm performance. One possibility for the ambiguous findings is that mission statements may speak to multiple stakeholders either exclusively or concurrently, some of which have only tangential influence on actions that most potently guide firm performance. This possibility has not been directly accounted for in prior work.

In light of this apparent gap, I explore whether the strategic utility of mission statements can be enhanced by taking a more nuanced stakeholder view. Specifically, I examine how specific stakeholders relevant to firm performance, specifically entry-level front-line employees, interact with mission statements and, by extension, whether these statements have substantive effects on their individual actions. In doing so, my research aims to take an important step toward reconciling prior theoretical explanations and empirical non-findings in the literature related to mission statements. How can we expect mission statements to be linked to firm performance, better motivation, or any other positive externality without continuity throughout the organization, including the "least-desired" positions within the organization? In doing so, my research aims to take an important investigation into the relationship between front-line employees and mission statements.

To accomplish this aim, I employ a qualitative, grounded-theory approach that permits a broader, and potentially richer investigation into the phenomenon of mission statements. My study first contributes to past research by reviewing, analyzing, and synthesizing a multitude of

previous studies to better inform the possibility that different stakeholders of a mission statement matter and may have different viewpoints than top executives. This is a critical addition, as many of the most cited articles in this domain reference information that was completed in the C-Suite, which yields only a limited view given that these are likely the same people that created their mission statements. Results of this study may also enlighten opportunities for companies to better articulate their missions to front-line employees and attract future generations of top employees.

LITERATURE REVIEW

Mission statements typically address multiple stakeholders and, at least occasionally, serve as a guiding mechanism during strategic planning. In the sections that follow, I discuss the prevalence of mission statements, their prospective benefits (and costs), and briefly discuss foundational content areas typically encompassed by mission statements.

Mission Statement Utilization

Though much has been written about mission statements over the past 50 years, thoughts and estimates regarding their utilization rates have varied somewhat. To this end, Bart (2001) noted that some of this variance stems from the fact that studies have been based on both objective data and largely vague or otherwise unsupported claims. Coats et al. (1991) and Collins et al. (1991), for instance, both suggested in their studies that mission statements are found in plenty of organizations – especially the “truly great ones”. In another study, Klemm et al. (1991) found that 67% of the sample collected from UK companies had mission statements. Similarly, Pearce and David’s (1987) seminal study concluded that 60% of firms in their sample from the US had a mission statement. Interestingly, two years later David (1989) concluded that only 59% of responding organizations did not have a mission statement. Three years after that, Ireland and

Hitt (1992) concluded that mission statements have not been largely developed or utilized. Thus, there seems to be substantive disagreement in academic literature on the actual utilization of mission statements.

Recent work may clarify this inconsistency to some extent. In a study of *Fortune* 1000 companies, researchers found that most “do have a mission statement (42 of 46, 91.3%), but only 16 (38.1%) of those firms use either “mission” or “mission statement as a heading” (Williams 2008; p. 111). Thus, it seems possible that many firms employ mission statements, though perhaps under the guise of a different label. This different label could be dubbed “our story” or “our history”, as occasionally these statements emphasize and portray similar elements that mission statements convey.

Academic Discourse in Relation to Mission Statements Usefulness

Throughout literature there have been plenty of differing benefits cited in relation to mission statements (O’Gorman, 1999), which include: developing a unity of a purpose within the organization (Campbell, Devine, & Young 1990); providing a guide to behaviors and decisions (Ledford, Wendenhof, & Strahley 1995; Falsey 1989); motivating staff (Collins & Porras 1991); communicating the corporate image (Gray & Smelzer 1985); reducing culpability when charged with “unethical” behavior (Fahrnam 1993); and enhancing performance (for example, Pearce and David, 1987). Beyond these benefits, Bain & Company (2017) outlined several other benefits that might uniquely affect internal and external stakeholders. These are reflected in Table 1.

Insert Table 1 About Here

Mission Statement may also act as a strategic tool. For example, Analoui (2000) conveyed that mission statements are a meaningful vehicle for vision articulation and communicating purpose to employees and managers. Analoui and Karami (2002) later conducted a survey of mission statement rationale and identified several prominent reasons, including: developing and planning business strategies; increasing profit and growth rate; promoting a sense of shared expectations between the entrepreneur and all employees; and providing clarity of direction for the employees and manager/entrepreneurs. Logically, mission statements are generally implemented with a long-term strategy in mind, thus, it is natural that these tools aid in the development and execution of a company's strategy.

While there have been plenty of opinions and thoughts that affirm mission statements and encourage companies to implement them, there are also skeptical views of their ultimate effectiveness. Klemm et al. (1999) claimed that diversified conglomerates should not have mission statements since there may not be consensus over the final product. Ireland and Hitt (1992) also noted several typical reactions that might limit mission statement effectiveness, including: "no one in the organization will read it; too much effort; impractical; an academic exercise; don't need it; would reveal too much confidential information; lack of generalist skills to develop; top management preoccupation with operational matters; and comfort with the status quo." Further, Sidhu (2003) suggested it may be time to eliminate mission statements. In his literature review, he mentions that the vision, competencies, business domain, and values dictate a more "complete" mission statement, presumably because these can be more explicitly tied to profitability and value. In a similar vein, Ackoff (1987) concluded that most mission statements "consist largely of pious platitudes" (p. 30). Simpson (1994) likewise lamented that mission statements are often uninspiring, such as "we love our customers, we love our shareholders, we

love our employees” (p. 911) and lack connection with the true proficiencies and strengths of the organization. Finally, and perhaps most powerfully, Goett (1997) captured the cynics view as: “Every last one of them (mission statements) extols Mom, apple pie, quality and teamwork. Every last one of them is written in excruciatingly formal prose. And every last one of them, when reduced to essentials, simply states the obvious.”

Mission Statement Content

These divergent views may perhaps be explained by the variance in content addressed in mission statements (herein mission statement content). To date, there is disagreement in literature as to what should or should not be included in a corporate mission statement. A summary of notable prior work is provided in Table 2.

 Insert Table 2 About Here

Bart and Baetz (1996) provided one of the more rigorous attempts to mission statement content. Their research concluded that there was little to no consensus as to what should be included in a mission statement; they lamented that among past research there were as many as ten components or categories of content that mission statements typically contained.

Finally, Analoui and Karami (2002) surveyed CEOs of top firms to understand what they see as the major components that *must* be included in a mission statement. These findings include long-term profit/survival as the number one priority, with 74% of firms that include this component in their mission statement. Other top components are customer satisfaction, core technology, target market, and company philosophy/values. In sum, there does not seem to be any “right” or “perfect” type of content for mission statements that is clearly identified in the

academic literature. Because of this conclusion, firms tend to decide on any number of things when creating or maintaining their mission statement.

Mission Statement and Performance

As an obvious extension of the discussions above, several researchers have sought to explore empirical links between mission statements and firm performance. Pearce and David (1987) analyzed the nature and prevalence of a multitude of components and factors in a mission statement, then analyzed mission statement and firm performance in relation to the select components a mission statement contains. Their study delimited high performing companies and low performing companies and analyzed a selection of firms against certain components to observe whether or not certain components are valued in high performing or low performing companies. Their results indicated that higher performing firms have more comprehensive mission statements, clarifying that certain components like public image or self-concept should be included.

Bart (1998) advanced and tested several related hypotheses. These results are presented in summary in Table 3. His conclusion was that mission statements and firm performance were plausibly, but doubtfully related. Similar conclusions have been drawn in a narrower, industry-or culture-specific investigations (e.g., Holosko, Winkel, Crandall, & Briggs, 2015; Rajasekar, 2013).

Insert Table 3 About Here

Interestingly, Bart, Bontis, and Tagger (2001) published an article just three years later that concluded that there *was* a link between firm performance and mission statements. While

there were several provisos that this team recommended that mission statement include or utilize, their conclusions nevertheless offered a general affirmation linking mission statements and firm performance. One important factor is that this study was based on findings primarily driven by senior top executive reactions (which later initiated a curiosity into different stakeholder's views of mission statements). Taken together, scholars have yet to definitively establish any clear or consistent relationships between mission statements and performance.

In light of the mixed findings, summarizing the field, Williams (2008) noted that, “despite the scarcity of persuasive empirical data, mission statements continue to be developed, disseminated, and valued, and researchers continue to be interested in studying them.” A decade later, this notion continues to hold true. In an attempt to shed light on this phenomenon, I advance research questions surrounding the link between mission statements and a specific stakeholder set likely to be key in driving firm performance outcomes: front-line, customer-facing employees.

CURRENT STUDY

As mentioned previously, the goal of integrating a mission statement into a company is to have a guiding effect on different stakeholders. Yet, in prior studies some important stakeholder groups appear to be largely overlooked, including those that carry forward the organization's most fundamental product and customer interactions (i.e., front-line employees). Rather, most academic research seems to rely on outside observations or assessments from C-level employees (or, even more likely, their administrative assistants) to inform their research questions, which provides a potentially limited view (e.g., Bart & Baetz, 1998).

Examining how mission statements affect front-line employees is critical given that this subset of stakeholders is often instrumental in the accomplishment of companies' internal (firm

performance, employee inspiration, or performance standard setting) and external goals (enlist external support, serve as a public relations tool, close linkages and better communication with customers and suppliers). Indeed, Calfee (1993) notes that “In order for the mission statement to fulfill its purpose, the CEO and senior managers must take this blueprint for success and ‘operationalize’ it...every employee must know that his or her objectives will in some way be driven by and reflected in appropriate performance rewards and that they in some way contribute to the overall goals of the company” (p. 56).

This study seeks to add to the literature on mission statements by exploring a subset of questions relating to how well front-line employees know and understand their mission statement, make connections between it and their daily tasks, and the extent to which mission statements affected their employment decisions. In doing so, this work intends to serve as a preliminary step toward understanding how, if at all, mission statement affect employee thinking and behavior, which may in turn lead to more fruitful investigations of the mission statement-firm performance relationship.

METHOD

To better understand how mission statements affect front-line stakeholders, I conducted a semi-structured interview study of employees in multiple American corporations. In line with the central research focus, subjects were selected based on their rank at or near the front-line of a corporation’s organizational chart; these include summer interns, analysts, associates, employees that have been at the job for 1-3 years. Interviews were conducted by phone and subjects were selected from around the country. Interviews were semi-structured due to the necessity to observe the most about certain questions when respondents potentially may not answer a question in a way that provides enough information. In these cases, follow-up questions that

were not originally written out would be asked, in the hopes that further information could be observed. Questions were all open-ended and aimed at gathering unabated insights. The main questions asked were:

- Does the company you work for or will work for have a mission statement?
- How well-published is this mission statement?
- When you think about this mission statement, who do you believe it is directed to?
- Do you see this mission statement as useful for external stakeholders (students recruiting on campus, shareholders, general public)?
- Are you motivated by this mission statement?
- In what ways does this mission statement guide your actions?
- Do you believe your company is aligned with your mission statement?

Additionally, I sought to investigate how mission statement changes might affect employee reactions. To initiate this discourse, I asked the subjects:

- In relation to mission statements changing, some people might have strong feelings on one side or another. One side claims that mission statements shouldn't change due to tradition and culture, etc. Another side would claim that the world and business environments are changing and companies should adapt. Where do you land?

RESULTS

Mission Statement Usage and Company Emphasis

Respondents indicated a very consistent utilization of mission statements across firms in the sample, as only one firm did not have a formal mission statement. Even still, the firm without a formal mission statement did have a specific vision statement with properties akin to a mission

statement. Interestingly, the vast majority (75%) of respondents could not remember exactly what their current/past employer's mission statement was and only 18% could recite the mission statement. A subset of responses includes:

- “To be honest I’m not entirely sure what the mission statement is, but I can look it up right now.”
- “I don’t exactly know what our mission statement is, let me check really quick. I am unsure if we even have one”
- “I know most of it, but I forget some of the parts”

Next, I sought to explore the extent of emphasis firms placed on mission statements. Not surprisingly, interview responses indicated a relationship between frequency of discussion of the mission and general knowledge about the statement. That is, if a respondent was confident in their mission statement and understood the statement well, this individual would likely then mention that this mission is easily observed throughout the company's meetings, conferences, and even physical walls. Naturally, the more frequent a mission statement was mentioned during the tenure an employee is at work, the more memorable and significant that statement is to each respective employee.

Interestingly, my observations suggested that a company's emphasis on their mission statement was also connected to an individual's thoughts on the recruiting process, daily work-life, and personal motivation. Thus, the foundational root of mission statement sentiments connects back to mission statement investment, or emphasis, by a company. According to some respondents, a key factor in how they evaluated mission statement emphasis stemmed from their experiences in the onboarding process and in typical team meetings. A subset of responses includes:

- “I know within my team when we have large team meetings we try to tie our projects back to the core values and mission statement...I think that my company has a large emphasis on the mission statement, we learn about it during the onboarding process and it really is a big part of the company.”
- “You would never likely see missions statements in a consulting office. To me, it is more of a values-based marketing. In some offices there will be reminders that we are working for the ‘clients first’. Even at my old firm, we didn’t even mention mission statements during the onboarding process, everything seemed to be pointing towards the clients first.”
- “Our mission is constantly utilized in the workplace- It’s what our company revolves around and thrives on. In our Sales Department it is our hook on why our company beats the competition – because we live by our mission.”

Impact on Recruiting

In order to more deeply investigate the most recent effects of a mission statement on this stakeholder group, I sought to assess the extent to which mission statement affected the focal individual’s recruiting experiences. This stakeholder most recently was affected by recruitment efforts, thus, their feedback in relation to recruitment likely is the most up-to-date. This question (how a mission statement has impacted your recruiting for your future/current employer) received a large variety of responses, as some respondents claimed that this was a large reason why they were interested in the company while others believed that this did not play into the decision at all. In total, however, a majority of respondents (75%) did suggest the mission statement affected their evaluation of the company as a prospective employer. Some examples of responses include:

- “This was a big deal to me...after researching the company, it was obvious that this was more than just a tech company.”
- “The message to continuously improve oneself and innovate really is attractive and valuable. I wasn't originally interested in going to the corporate world but this attracted me. This was something that swayed me into thinking about corporate jobs.”
- “A mission helps bring a firm together. Consulting naturally recruits really similar people. Missions didn't help me distinguish between firms in the management consulting industry.”
- “The mission was really inspiring, made me interested in the firm”

Impact on Daily Work-Life

An obvious and fundamental research question was whether mission statements impacted front-line employee's daily performance and daily task completion. Thoughts for this were mixed, as some respondents believed that a mission statement played a big role in working for a certain corporation, while others believed that missions were unimportant when work was on the table. Around 60% of the respondents believed that when it comes to work, a mission statement is a great way to evaluate if an employee is providing value to the company or if they are simply wasting time. However, the other 40% of respondents believe that their company's mission is not influential in their day to day work. Some examples of quotes that respondents discussed include:

- “I haven't been at the company yet, but I have heard stories from current employers and friends that work there and I think that they are very oriented to this mission, incorporating it into their daily work.”

- “The way we do our evaluations. What you did for the betterment of the company and how you empowered others is evaluated. Not only is your work based on your production, it’s also on how you influence others which is directly aligned with the mission statement... This helps keep the company focused. Other companies can do a large variety of work but we are narrow and solely focused on our mission.”
- “Our mission/vision helps your approach towards work but also it is really your approach towards life. I think I am a better person than I used to be. I’m constantly trying to challenge myself now.”

Mission Statement Audience

The nature of this thesis was derived from a curiosity about a lower-level stakeholder’s view of corporate mission statements. Thus, I asked respondents “who do you think this statement is speaking to”. Some notable responses were:

- “In consulting, this mission statement is speaking to clients. It is more useful for clients and how they hire consulting firms, which is typically based on awareness and consideration. The mission then is more of an outsider focused statement to represent the firm. If a client likes it, they will inquire for their services.”
- “The mission statement is designed for people outside of the company but it is lived out by the people within the company. This is what we are saying to the rest of the world about who we are.”
- “I would say that the mission statement is speaking to everyone. I think that the C-Suite can’t achieve this if the whole company doesn’t believe in it.”

Mission Statement Change

Alongside the primary goal of this thesis, I was curious about mission statement changes due to a similarity I drew to corporate logo change. In short, corporations typically view their brand as their name, logo, and slogan. Thus, after observing that mission statements can be utilized as a strategic tool, I also speculated that missions could potentially be considered part of a corporate brand (or underlying identity). To provide preliminary research on this topic, respondents were asked whether they believed that missions should stay constant throughout time or should change due to business/political/environmental change. This topic typically caused respondents to reflect on whether they believed that similar to logos, companies should change their mission statements as the business environment/company change or if a company should hold onto their “roots/culture”. Here are some of the responses:

- “Today’s business world and political atmosphere are completely different and continue to change. In order to stay up to date and current to the world it seems reasonable to tweak a mission statement. Obviously, you should try and keep the mission statement as consistent as possible but small tweaks seem to be okay.”
- “I think if your mission statement is easily outdated then it isn't good. I think it needs to be broad enough so that the environment could change but the actions you're trying to do should stay the same. If your mission is changing your company is changing, which isn't a bad thing but it is important to reflect on.”
- “Mission statements needs to be broad because the world is bound to change and you have no idea about it. It needs to be somewhat philosophical which is the motivator for this company. There definitely needs to be some foundation though, you can be floating around and constantly changing, it's necessary to have some grounding to it. So yes, it is

adaptable to new age and disruptions in this world but also it needs to be concrete and something you can fall back on.”

DISCUSSION

This study sought to explore the opinions, thoughts, and beliefs, of front-line employees regarding corporate mission statements, with the aim of adding clarity and insight to the insofar ambiguous findings in the academic literature. Though preliminary, this work has several theoretical and practical implications.

Scholarly Implications

Mission statements have been, and likely will continue to be, a popular topic of study in the strategic management and organizational behavior literatures. Up to this point, the literature has been disjointed and produced inconclusive results regarding the impact of mission statements on myriad performance factors. To this end, one obvious scholarly contribution of this study is the effort to link together this literature in a comprehensive and cogent manner. In addition to taking stock of prior views, however, my study also advanced a new and potentially valuable stakeholder perspective. Specifically, this new view focused primarily on how mission statements affect an otherwise neglected stakeholder group relevant to firm performance: front-line employees.

In contrast to some of the implied arguments based on studies that have examined upper management’s views on mission statement, the present study suggests front-line employees may vary substantively in their general awareness of mission statement and their valuation of missions. In this regard, it is possible that the effect of mission statements on firm performance outcomes is complex, and perhaps jointly explained by the firm’s emphasis on communicating the mission and the fit between employees with the mission (e.g., some employees may be more

inclined than others to invest in particular missions). In some ways, this conclusion parallels similar arguments conveyed in prior organizational scholarship, including the importance of “line of sight” for lower level employees (Boswell & Boudreaux, 2001) and more interactional views of strategic human resource management (Delery & Doty, 1996). Yet, the exclusive focus on mission statements adds a unique wrinkle to this domain, as organizations may often be attempting to send multifaceted messages to myriad stakeholder groups when constructing a public mission statement.

Practical Implications

The findings of this study also suggest several key take-aways for managers. First, the insights regarding the relationship between corporate recruiting and mission statements represent a potentially untapped, or at least *under*-tapped, source of value for human resource managers. Namely, results indicated that 75% of front-line employee respondents believed that a company’s mission statements influenced their recruitment decision to some extent. Thus, organizations may be able to convert more targets to actual employees by placing more emphasis on the inclusion of mission statements throughout recruitment procedures. Related recommendations consist of but are not limited to: including a variety of mission statement related questions in interviews, ensuring that an applicant is well-aligned with the mission of the corporation, ensuring that a company’s mission is well-known and easily accessible, providing potential recruits with a presentation or pamphlet that educates new recruits about the history of the company and the mission. Even more, while companies are on university campuses engaging students, recruiters may benefit from drawing connections between the university’s mission and the company’s mission, providing potential new recruits with an opportunity to bridge these two entities together. Moreover, given that newcomers can be a potentially valuable source of

creative ideas even early on in their tenure (Harris, Li, Boswell, Zhang & Xie, 2014), instilling the overarching mission from the onset may help direct their fresh approaches toward more organizationally beneficial avenues.

Second, findings indicate that only 17% of respondents could recite their company's mission. This is a surprising and somewhat disheartening statistic, as it suggests that only a small portion of front-line employees may be familiar enough with their company's mission statement to inform their daily work behaviors and articulate the overall mission to outsiders, including customers. An important factor for mission statements to be successful is corporate emphasis from leaders of the organization. Indeed, HR scholars have lamented that line of sight to a manager's actions is important for the continuity of an organization's culture and ideals to succeed (Paarlberg, 2010). Thus, working through multiple channels, including upper-level managers and mid-level managers, to provide a more direct line of sight to overall company missions for front-line employees may be a worthwhile effort (Boswell & Boudreaux, 2001). Efforts to introduce this information during the formative newcomer socialization efforts (e.g., onboarding) may likewise be fruitful endeavors (Bauer, 2011). The point here is an intuitive one: If a front-line employee is taught that a company's mission is crucial to the company's success, and is likewise encouraged to understand that mission comprehensively, then s/he would be more likely to take it seriously and incorporate it into her/his daily work behaviors. Assessing the extent to which this is a pressing need also seems relatively simple and low-cost. HR managers, for example, may be able to incorporate an additional question into routine assessment efforts (e.g., engagement surveys) or even performance reviews. Of course, even informal interviews may yield useful information regarding employees' understanding of corporate mission statements.

Third, while the primary objective of the study was to evaluate front-line employees, a subsidiary observation emerged in relation to industry differences. Namely, supplementary analyses suggested that respondents in the consulting industry did not believe that missions should be a critical factor in driving someone to join a particular company, as it is generally known that you work for the client with goals that are largely idiosyncratic. In the healthcare industry, however, mission statements were a more powerful influence on recruiting. Though preliminary, this seems to suggest that professional service firms (e.g., financial, consulting) have the least faith in mission's as a driver of firm outcomes, while other industries—namely those with more direct and traditional consumers—have more faith in them. Thus, managers are encouraged to make industry-specific considerations when evaluating which efforts are most appropriate for enhancing mission statement buy-in from front-line employees.

Lastly, results suggest that the implied mission audience has the most variance out of any of the targeted research areas. While respondents on average concluded that mission statements are usually directed towards either internal employees, even respondents within the same industries occasionally disagreed. This is an interesting observation as there seems to be plenty of discourse within the idea of who a company's mission statement is, and moreover *should be*, directed toward. If there continues to be disagreement concerning who mission statements are aimed at, it could be more difficult for mission statements to garner support as stakeholders could view these statements as unimportant or not applicable for their own stakeholder classification. If managers believe that their mission applies to a variety of stakeholders, then they should place clear emphasis on each in non-ambiguous ways. Similarly, and very much related to above, education efforts may also prove beneficial.

Limitations

While considering front-line employees represents a relatively overlooked stakeholder group to corporate mission statements, a broader view of varying stakeholders (e.g., mid-level managers, customers, etc.) may yield even more insight. Similarly, a larger sample would enhance the confidence, and likely clarity, of this study's answers to the focal research questions. For future studies, it would be advantageous to set aside time every week to ideally interview 50-75 respondents in each stakeholder group to more rigorously identify correlations and similarities within the data. Furthermore, the selection of respondents should be randomized to include an appropriate proportion of respondents from a variety of locations, industries, ages, and backgrounds.

While the respondents used in this study were extremely willing to participate and share their thoughts, one potential limitation is that they had previous connections with the author and, thus, could have exhibited potential bias toward the research questions. Yet, given the variance in responses observed, it does not appear this potential bias manifested in a particularly systematic fashion (if at all). Additionally, while a qualitative study provided opportunities to draw insights from interviews and individualize the research process, additional quantitative work could increase the veracity of the main implications to the broader academic community.

As Gioia, Corley, and Hamilton (2012) state:

“Qualitative research has a long and venerable history, especially in terms of its ability to be revelatory (Lincoln & Guba, 1985). Qualitative research also has a long history of suffering the (often well-deserved) criticism that it does not adequately justify its assertions, leading to some troubling skepticism about whether qualitative researchers are engaging in creative theorizing on the basis of rather thin evidence. Most reviewers of qualitative research

intended for publication in our journals have an overriding concern with getting a satisfactory answer to the question, ‘How do I know that you know (what you are claiming)?’ or more simply, ‘Where is the evidence for your assertions?’” (p. 18)

A suggestion for potential quantitative studies is to ensure that surveys and data collection tools allow for even the slightest of variability in order to glean the most insight from respondents.

Several opportunities remain for scholars seeking to build from this study and expand their stakeholder views. Namely, considering more stakeholders will permit a more complete understanding of the nomological network of variables, relationships, and theoretical mechanisms relevant to mission statement effectiveness. Though challenging, these endeavors may lead to powerful connections between the strategy, human resources, and organizational behavior disciplines.

CONCLUSION

Overall, this study provides a variety of implications for readers. Academically, this study integrated a disjointed literature that is inconclusive on mission statements’ effects on important organizational outcomes. As a result of this review, a potential gap was highlighted in relation to how mission statement effects are theorized. Specifically, an omission of how unique stakeholders, including front-line employees, are affected by mission statements. For organizations and managers, this study suggests that mission statements can impact employee views and attitudes, though only when they are salient and sufficiently emphasized by the organization. If utilized properly, a mission statements seems to hold some clout, as the majority of respondents said that missions matter in relation to their recruitment to a company. Additionally, this study gleans preliminary insight into the differences between industries and the variation and similarity that industries have concerning mission statements. Moving forward,

more specific investigations of how mission statements align with various stakeholders may yield promising breakthroughs for scholars and practitioners, further providing academia with a holistic and comprehensive view of mission statements and their impact on society.

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Table 1

| <i>Internal Benefits</i> | <i>External Benefits</i> |
|--|--|
| Guide management's thinking on strategic issues, especially during times of significant change | Create closer linkages and better communication with customers, suppliers, and alliance partners |
| Help define performance standards | Serve as a public relations tool |
| Inspire employees to work more productively by providing focus and common goals | Enlist external support |
| Guide employee's decision making | |
| Help establish a framework for ethical behavior | |

Table 2

| Components of a Mission Statement | Drucker (1974) | Want (1986) | Pearce and David (1987) | Campbell and Yeung (1991) | Collins and Porras (1991) | Coats et al. (1991) | Klemm et al. (1991) | Ireland and Hitt (1992) | Baetz and Bart (1996) | O'Gorman and Doran (1999) | Bart, Bontis, and Taggar (2001) | Bartkus et al. (2006) |
|--|----------------|-------------|-------------------------|---------------------------|---------------------------|---------------------|---------------------|-------------------------|---|---------------------------|---------------------------------|---|
| Purpose | X | X | | X | | | X | X | X | X | | Motivational appeal is negative to performance |
| Values/Beliefs | | X | X | X | | | | X | X | X | | X |
| Business Strategy/Competitive Position | X | | | X | | | X | X | No effect (related to performance) | | | Mention Employee/Society |
| Behavioral Standards | | X | | X | | | | | | | | |
| Corporate Goals | | X | | | X | X | X | | Negative correlation with performance (financial goals) | | X | Not related to performance (financial objectives) |
| Identity/Self-Concept | | X | X | | | | | | | X | | |
| Public Image | | | X | | | | | | | X | | |
| Location | | | X | | | | | | | X | | Not related to performance |
| Technology | | | X | | | | | | | X | | |
| Concern for Survival | | | X | | | | | | | X | | |

Table 3

| Hypothesis | Result |
|---|---|
| H1: Significantly higher performance will be associated with those firms that have a formal written mission statement | No performance differences between firms with a mission statement and without one. |
| H2: Performance will be positively correlated with the degree of mission statement satisfaction | Weak support |
| H3: Performance will be positively correlated with the degree of satisfaction concerning the mission development process | Weak support |
| H4: Performance will be positively correlated with the level of involvement by internal stakeholders in the mission development process | Marginal support. Middle managers involvement impacts financial performance. |
| H5: Performance will be positively correlated with the degree to which a firm's performance evaluation system is perceived to be aligned with its mission statement | Strong correlation. |
| H6: In relation to mission content and performance... a – financial goals b – values c – organizational purpose d – business strategy e – length | a – negative correlation b – supported c – weak support d – no support e – longer length = negative correlation |