The Importance of Vision and Mission for Organisational Development and Growth

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1. Introduction

Although the boundary between the mission and vision of an organisation is considered somewhat unclear, both concepts differ significantly from one another in terms of meaning and impact on the organisational development.

While the vision explains the situation and the value of the organisation in the future, the mission provides us with the reasons for the existence of an organisation, which is not only in the competitive struggle for greater profits (Collins and Porras, 2008), but also in accepting the role of social responsibility and development of the social innovation (Roblek et al., 2018; Schimmenti, Galati & Borsellino, 2014). These new business models of social innovation, social entrepreneurship and innovative entrepreneurship are based on knowledge. Their purpose is to ensure successful further social development. In doing so, they are based on the creation of online platforms that enable the integration of individuals and organisations (both profit and non-profit) with the goal of connecting people, ideas and resources. In addition, they are based on research and development, deregulation, increased risk capital financing, modern derivatives (e.g. crowdfunding) and international protection of intellectual property. Social innovation can thus be understood as a "new solution to the social problem, which is a more effective, efficient, sustainable or only immediate solution" (Stanford Business School, 2017). The value created brings benefits primarily to society rather than to private individuals (Stanford Business School, 2017). An important fact about social innovation is that they pay attention to ideas and solutions that create social value.

The significance of the mission is evident from the words of Steve Jobs, which he pronounced in 1980 when he defined Apple's mission: "Man is the creator of change in the world. As such, it should be above all systems and structures, without being subordinate to them (thebalance, 2017).

Based on the analysis of the literature, in this paper, the authors will present the meaning of the mission and vision for organisations which have in the case of adaptation processes of innovation, takes into account both social and technological changes. According to the previously mentioned, and while taking into account the complexity of the changes in the organisational external environment.

2. The importance of the mission to develop and operate the organisation

The mission is the primary content basis of the organisation based on which it day-to-day operations and decision-making processes is designed and implemented. Therefore, it is important that the mission have to be precisely defined. Collins and Porras (2008) consider that the lack of clear concepts and tools for their implementation is the main reason why individual organisation missions are not effective. Contrary to an organisational vision that must be abstract enough to leave an impression on a sufficiently large number of people, the mission statement have to be clearly stated. The statement of mission must answer the following questions (Dess and Miller, 1998):

1. What is the reason for the organisation existence? What is the primary purpose?
2. What makes the organisation unique and represents its fundamental character, which separates it from competing organisations?
3. What will change in the organisation business in 3 to 5 years?
4. Who are, or who should be our primary customers or key market segments?
5. What are the primary products or services?
6. To which risk an organisation is exposed?

Based on the above questions, the entrepreneur can thus set out the key tasks, the fulfilment of which will be a condition for the existence and growth of the organisation. The entrepreneur must therefore determine the reason for the existence and the purpose of the organisation, and specificity the uniqueness of both, the organisation itself and its product or services. Looking at a concrete business case, this means that an organisation that produces LED road lights will offer a light market that will save more energy than competing LED road lights with the same or greater power of lighting. Thus, the organisation also includes increasing the benefits for stakeholders (e.g., reducing energy usage).
greenhouse gases, reducing light pollution, investing in socially responsible projects, etc.) and, based on successful business, they are taking care of the further development of staff and new employment. The organisation mission focuses on how can manage an organisation on a financially sustainable basis of profitable growth (Bertoncelj et al., 2016).

When leaders emphasize the importance of the mission and try to introduce its orientations in the business of the company, they should not forget to involve employees who need to understand the mission of their organisation and form their own relationship (Dimovski et al., 2009).

3. Mission and values

The mission often includes, besides the concrete goals and timing of implementation, an appeal to an individual's emotional awareness. Collins and Porras (2008) thus emphasize that the success of the mission often depends on its ability to challenge the emotional response between followers. If the ideas of the mission match the performances and expectations of the employees, they will be more committed to the organisation's ideals and more willing to act in the interests of the organisation (Daft, 2014). Conversely, if the planned tasks do not elicit the emotional commitment and employee, there is a strong possibility of cynicism and disillusionment among members of the organisation (Brečko, 2003). Thus, the leaders often try to find out how the values of the organisation are in line with the interests of the individual (Lipičnik, 1998). Only with the knowledge of a cross-section of organisational and individual values can result encourage mission development. Leaders can invest their best resources in the development and implementation of the mission, but the employees are those who carry out tasks outlined by the mission.

For organisational development, it is crucial that it has defined mission and values. MusekLešnik (2008) believes that the organisation can only survive and succeed if its mission and values are part of the strategic orientation of the organisation. Values must be coordinated within the organisation and to be defined in the Code of Ethics, which ensures the proper conduct of members of the organisation. Thus, we come to the significance of the development of an organisational culture, which significantly influences the formation of the mentality and the course of the framework of references, which in practice are defined as one of the many important hidden processes. The culture of the organisation contributes to the success and growth of the organisation, provided that it meets the requirements and at the same time enables workers to satisfy their individual needs (Lipičnik, 1998).

Although organisational theorists draw attention to demographic diversity (gender, race, ethnicity of their employees), the 21st century has led to the diversity of values in the business environment (Helgesen, 2010). It is necessary to be aware that an individual organisation is composed of members coming from different social environments, ethical groups, countries, etc. and this affects the organisation's culture (Schein 2010), which is seen as an example of managing culture and limiting employee behaviour by sharing the same norms.

Although values can be explicitly stated in the mission, it is important that employees learn to interpret these values and that they can reconcile potentially conflicting values (for example, profits and contributions to corporate social responsibility). Employees should be given the opportunity to perceive other values themselves as foreseen in the mission. Thus, they are given the opportunity to influence the improvement of the content quality of the values of the organisational mission in interaction with the processes of social construction, where the organisational reality arises (Belak et al., 2010).

3. Mission and participants in the organisation

In the context of its mission and objectives, it is important that the strategy of their realization is defined based on an organisation's policy that corresponds to interests or interests' needs, desires and expectations of all its stakeholders. Stakeholders need to participate in the process of designing, shaping and choosing the organisation's policy in the processes of interest coordination (Belak, 2002).

The stakeholders in the organisation are divided according to the organisational environment. Thus, the internal organisational environment include the owners of the organisation, their proxies, managers and employees (Lipičnik, 2005). The importance of internal organisational representatives is to either formulate or decide on a mission based on mission, and it is possible both. Often is going for the executive management, because exactly the owners invest their assets in the organisation in order to enrich it (Duh, 2015).

The external stakeholders of the organisation are customers, suppliers, financiers, competitors, the public, holders of social infrastructure and public finances and other state institutions. For external participants it is characteristic that they are not the designers of the mission and do not directly influence and do not decide on the design and implementation of organisation policies. They influence the policy of the organisation indirectly or are adapting to it (Duh, 2015).
4. Vision

The organisational vision consists of two fundamental elements: (1) the idealized future organisation of the organisation, and (2) the direction for employees to follow (Kotter, 1982; Foust, 2007; Nelson and Gardent, 2011).

The vision of the organisation represents the vision of the organisation in the future. It is a vision of the image of companies in the future, which is all the time near and feasible. On the other hand, it is so far away from time to time that there is a challenge for its realization and enthusiasm for the innovations contained (Belak, 2010).

MusekLešnik (2007) defined the vision as a look ahead, into a desired future, which is feasible and credible. The author thinks this situation is in a way better than the current one. Musek thus understands the vision as a viable ideal for which an organisation decides to achieve it.

This is also evident from the concrete vision statements of General Motors Corporation, which reads: “GM's vision is to be the leading organisation in the world in the field of transport products and related services. We will be able to earn a profit based on the satisfaction and constant enthusiasm of our customers, which we will achieve through continuous improvement driven by integrity, teamwork and innovation of GM people” (GM, 2016).

As is evident from the organisation’s statement, their vision provides an ideal state of play (the “world leading organisation”) and general guidelines on key organisational principles (“integrity, teamwork and innovation”).

In his behavioural theory, Kantabutra (2009) thus defines the following characteristics of a good vision statement:

1. Shortness - the vision must be short but at the same time sufficiently specific;
2. Clarity - the vision must be clear and precise to be understood and accepted;
3. Stability - the vision must be abstract enough to withstand changes in the organisational environment;
4. Abstraction - The vision must be a general idea rather than a special achievement.

Vision, on the one hand, must be clear and precise, that employees can clearly see which way to go, on the other hand it should be short that it can be understood by every employee, regardless of his education. Dvir with his colleagues (2004) notes that leaders need to clearly articulate the vision if they want it to their vision is seen by colleagues.

Ambiguity, which allows the creation of different interpretations about the meaning of the vision, may be very useful for organisations because they can move interpretations for central metadata and encourage changes for the development of interpersonal relationships, (Eisenberg, 2007). From the viewpoint of organisational vision, a certain degree of confusion is beneficial because it allows some of the freedom within the framework of understanding for employees and can therefore be more appealing to most people (Thyssen, 2009). However, excessive ambiguity can become an obstacle that affects the vision (Nanus, 1992; Cole et al, 2006) or even leads employees to engage in illegal or unethical behaviour (Keyton, 2005). When a vision is vague or contradictory, it is necessary for employees to communicate their ambiguity to management in order to reduce confusion (Fairhurst, 1993). In other words, before everyone goes to work in the same direction, a general agreement have to be made between him and her. It is recommended that employees, due to the inherent uncertainties vision, working together in an interactions, in order to clarify the meaning and scope of vision.

5. Vision and orientations of the organisation in the future

One aspect of the organisation’s vision proposed by James (1994) referred to a “futuristically dimension” which is offered by insight into the future and include a description of the ideal representations of the organisation. By doing so, the vision acts as a kind of entrepreneurial vestibule: it deals with one of the most powerful human fears - uncertainty about the future. In shaping a futuristic vision, both vision visionary generally play a human curiosity about the future.

An example of the vision of the organisation A1 Slovenia is, "We create unique experiences in the digital world" (A1 Slovenia, 2017). Not only does the organisation have the opportunity to become an organisation in the regional market (from Austria to Macedonia), one of the major players has therefore a range of specific measures: people, partnership and efficiency. Nevertheless, a simple definition of the desired future state of the organisation is not enough.

As we can see from A1 example, Slovenia, the vision for the future is the idea of the desired first place on the market that is in the making and designing. The vision also speaks of the type of business that it needs to reach the goal.

Filion (1993) classifies visions into three groups. It begins with emerging visions, of which the central one is
formed and then followed by *secondary visions*. Emerging visions are formed based on ideas and concepts about products or services that the organisation wishes to send on the market in the future. In the first stage, the leader faces a greater number of vision concepts before deciding on what will become the central vision. The process of choosing between these conceptual concepts of visions ends with the choice of a particular product or service around which a central vision is formed. This central vision can be the result of a single emerging vision, or it is a combination of several emerging visions. The central vision includes not only products or services, but also the market or customer characteristics. It is based on two components. Thus, the component of the external vision focuses on the position that the leader wants to achieve with his products on the market. The component of the inner vision focuses on the kind of organisation that needs to be shaped in order to achieve the intended vision. The characteristic of the central vision is that it offers a realistic, credible and possible view of the organisation's position on the market with its products and the form of the organisation that the manager must develop to achieve the desired position. In the context of its own development, the central vision is supported by numerous other visions that offer support for the development of the central vision. *Secondary visions* are expressed as a goal-oriented vision: the vision states when the future situation will be achieved; hateful vision: states that the organisation will be under-competition; role-oriented vision: it is used by fast-growing companies and highlights the characteristics of such an organisation that serves as an example to others; to change-oriented vision: this form is used by mature and larger companies when they start with the introduction of processes of organisational change.

The organisation needs such a foundation and development vision. It defines activity as well as market effects, geographical dimensions, desired market position, and attitudes towards business participants (Bass, 1990).

### 6. Vision and values

The characteristic of the vision is not only that it is oriented towards the future; it also contains important information about the present. Organisation visions provide a framework for understanding, the meaning of the core values. Subsequently, successful companies are trying to integrate values into all aspects of their life. They do this by including them in various guidance and training programs (Schermerhorn, 2002).

One of the central tasks of any organisation is the need to reconcile the behaviour of individuals with different goals and interests. Skills can serve the employees' internal motivation to act in the interests of the organisation (Armstrong, 2009). Organisational values often come from leaders. Research shows that the values of the leader have a strong influence on the value of these employees (DuBrin, 2004; Schermerhorn, 2002).

It is important that employees take and share these common values. In this way, the organisation can operate smoothly as a single force. When the managerial values are clear, employees can expect from the organisation you higher degree of motivation and dignity to employees, which leads to better performance (Lipton, 1996). Because the organisation produces and reproduces in interaction with its own employees, they should be personal values of members in line with organisational values (Keyton, 2005).

Just as individual values serve as a guide to the intentions and actions of a person, including systems of organisational values, which provide guidelines for organisational goals, policies and strategy. The nature of values is a key factor in the impact of culture on organisational effectiveness. Culture is an important tool in the organisation, in the case that the prevailing values support the right goals and strategies (Lipičnik, 1998; Musek-Lešnik, 2008).

Research on matching organisational values among employees by showing that there is a greater likelihood that employees who share the value note with your own organisation participants in decision-making, which in turn shows in greater organisational success (Biloslav, 2008). Since the adoption of organisational values of employees is of key importance, many organisations invest a lot of time and resources in the processes of implementing values. For recruitment, for example, a number of patents are trying to identify and compile those candidates who share the core values. Subsequently, successful companies are trying to integrate values into all aspects of their life. They do this by including them in various guidance and training programs (Schermerhorn, 2002).

Common values are important for their own ability to create a sense of identity and awareness that man is part of the system that belongs to it (Lipičnik, 2005). Scott, Cormann and Cheney (1998) consider that identity is a structure that characterises a person's perceived membership in a social collective. It acts in a set of rules and resources that allow and limit certain behavioural forms, thereby creating and reproducing the whole system of the organisation. The theories of social identity presuppose that identity is a part of an individual's self-image, based
on the knowledge of this individual about his membership in a social group, as well as the value and significance of the one that brings him membership (Ule, 2002). It is important for managers to be aware that, o the employee accepts the fact that a member of the organisation, as a member, does not accept and only adheres to the rules that prescribe his behaviour in the organisation, but also takes into account in his behaviour the experience acquired in other organisations. In the decision-making process, the person will identify with the group if it perceives that the values or interests of the group are relevant to decision-making (Scott et al., 1998).

To the equation or identification of the individual with the organisation often occurs in the case when the groups come to provide an important sense of individual employees to be connected and the organisation of (Biloslavo, 2008). The equation also serves as a means of unobtrusive supervision in cases where employees are happy to take decisions that promote the interests of the organisation (Mihelič, Ruter and Lipičnik, 2010).

Lipičnik (2005) gave attention to the emergence of a close connection between the basic values of the organisation and its vision, because when speaking about goals and visions, it is essential that we talk about values as well. In the case of the ethical dimension of a vision, it is to refer to the values defined in a vision that go beyond the own interests of the authors of the vision and the direct interests of those who are closely associated with it. Thus, they represent the core values of organisation X integrity, teamwork and innovation, on the other; they include the priorities of organisation Y, people, partnership and efficiency (Dimovski, Penger and Žnidaršič, 2005).

Visions must be able to declare values that can be used to unify a large number of people to whom you refer. If values attract audiences, then they may have a positive opinion about the organisation with their lips, which also has an impact on the process of equating employees with the organisation.

It should be remembered that vision communicate “official” values of the organisation, i.e. values that leaders hope will serve as guidelines for employees. However, employees do not always take into account the proposed values. From the past, there are many examples of visions that have caused scepticism, sarcasm, or even straight rejection in employees (Rozman and Kovač, 2012).

7. The importance of the leader to the emergence of a vision

The vision can arise as a joint product of several authors, but in practice it often carries the trail of a strong leader (usually the founder of the organisation), who outlined his view of the desired form of organisation, its relation to the environment and the sources and direction of future development (Rozman and Kovač, 2012). The content of the vision is often based on intuition and is based on ideas for the organisation of a powerful individual, serving as a powerful inspiration and incentive for the crowds of followers. This example can be seen on the example of Apple, where the influential individual and founder of the organisation outlined the organisation’s vision, which followers closely follow and understand Apple and its founder as a myth (Yoffie and Cusumano, 2015). This trust and admiration of both the stakeholders of the organisation and employees significantly influences the faster and stronger recognition of the employees with the organisation, because the level of trust between the leaders and their followers is often connected with the possibility of the success of the vision (Mihelic, Ruter and Lipičnik, 2010).

Since relationship between a leader and a subordinate can affect the perception of mission and vision by employees, it is important for managers to know how employees interpret the vision. It is also worthwhile for managers to invite employees to co-create a vision (Daft, 2014).

Employees want to perceive their leaders as visionaries, which is possible only with the fact that leaders themselves believe in the vision and act accordingly (Lipton, 1996). In this case, employees will recognize their leaders as trustworthy and charismatic personalities who will trust them. This will result in them committing themselves to accepting and being committed to the development of the organisation in accordance with the vision outlined (Armstrong, 2009; Belak, 2010).

When planning a vision, leaders need to go beyond their own interests and focus on the interests of all members of the organisation as well as external stakeholders (Bertoccelj et al., 2015). This will ensure that employees understand that the vision is based on respecting and integrating members of the organisation into future organisational processes. The vision is to ensure that employees perceive that they can trust their superiors. In this case, they will see the vision as more acceptable and ready to accept it. However, in the event that followers are critical of the author of the vision, they will be less enthusiastic about it and will result in them not wanting to follow his vision (Schermherhorn, 2002).

It should also be noted that managers would invite employees to participate in the co-authorship of the vision to significantly influence their awareness to make a significant contribution to shaping the vision. In this way, employees will also be more motivated to carry out their work and tasks (Keyton, 2005).

8. Conclusion
In the paper, our purpose was to define the meaning of the mission and vision of leaders, employees and organisation supporters. Authors found out that the development and growth of the organisation depends on various factors, among which are the contents of the mission and vision, the form of expression, the charism of the leader and communication.

It is important for employees to understand the importance of the organisation and its development path. This will make it easier to build fidelity to the organisation and act in accordance with organisational interests. The organisation therefore offers employees’ rules and procedures on behaviour in the organisation and offers them education so that employees can more easily unify their goals with the goals of the organisation. Both leaders and employees must follow ethical codes, which are also part of the mission and vision.

In the event that employees understand the mission and vision differently from leaders, they take decisions that destroy organisational culture. This results in a distorted image of the organisation in public and is detrimental to the good name of the organisation.

References: