Impact of Organizational Mission and Vision and their Potential on the Performance of Employees

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ABSTRACT

The strategic management tools, like mission and vision, have always been limited to senior executives and managers of any organization. In most of the occasions in business organizations, the operational level employees are excluded for imbibing mission and vision statements. A mission and vision are standard and critical elements of a company's organizational strategy. Most established companies develop organizational mission and vision statements, which serve as foundational guides in the setting the goals and objectives of a company. It should help workers within the organization to know what decisions and tasks best align with the mission of the company. Some companies have profit-motivated missions; while others make customers a focal point and some are points out more altruistic intentions that ultimately lead to profits.

Keywords-- Mission and Vision Statements, Strategic Management, Software Organization, Professional Performance

I. INTRODUCTION

Over the period of time, organizations have failed to identify the factors of managing human resources and to maintain upward organizational performance. This led them to have greater concern about the performance management by the organizations. Further, while reaching corporate objectives, employees’ skills and competencies have become of prime importance. Therefore, organizations have considered that to improve the skills and competency of the employees is necessary. So far, while evaluating employees the evaluating systems that are used in the organizations are narrow and does not fitted with strategical perspective, but by nature and filled with limitedness in their application. Therefore, they are Required to have an approach of strategical, multidimensional, continuous and comprehensive appraisals.

Most of the MNCs are limiting themselves by having limited parameters in their tools without strategical perspective.

A mission and vision are standard and critical elements of a company's organizational strategy. Most established companies develop organizational mission statements and vision statements, which serve as foundational guides in the establishment of company objectives. A company's mission statement is essentially its statement of purpose to endure for a longer period. It serves as a guide for all of the company's decision-making. Shareholders, leaders and employees are generally the target of the mission. It should help workers within the organization know what decisions and tasks best align with the mission of the company. A mission statement offers insight into what company leader's view as the primary purpose for being in business. Some companies have profit-motivated missions, while others make customers a focal point. Other firms use a mission to point out more altruistic intentions that ultimately lead to profits.

Strategic planning is the process of developing company objectives, strategies and tactics to achieve the mission of the organization. The company generates short and long-term objectives using the mission statement. Objectives may include market-share targets, revenue or profit goals, customer satisfaction scores and improved brand awareness. Next, it develops strategies to accomplish objectives. For instance, better awareness. Next, it develops strategies to accomplish objectives. For instance, better training and monitoring of feedback scores are strategies to achieve higher customer satisfaction. Actionable steps or tactics are then developed. Hiring an outside training consultant for a series of service training sessions is a tactic tied to the customer satisfaction goal and the training strategy.
II. REVIEW OF LITERATURE

For all types of organizations mission and vision statements have been overwhelmingly accepted as an indispensable part of the strategic management process. It is widely believed that mission and vision statements impact on strategy and most aspects of organizational performance. Most of the corporate enterprises have mission and vision statements. In the worst cases, the mission and vision statements are implied implicitly. Supporting the above argument, Bart et al. (2001) posited that the mission statements had consistently been shown to be the top-rated management tool deployed by senior managers.

Mullane (2002) argued and supported it empirically that the mission and vision statements are useful for practical day to day operations, taking a contrary view to those who assert that they are archaic documents, which are typically exhibited as wall hangings. Further, (Campbell, 1997; Mullane 2002; Rigby, 1994; Matejka et al., 1993; Campbell and Yeung, 1991) have delineated how mission and vision statements can be used to build a common and shared sense of purpose and also serve as conduit through which employees focus are shaped. (Mullane, 2002; Collins and Poras, 1991; Daniel, 1992, Campbell, 1989; Ireland and Hitt, 1992, Klemm et al., 1991, Drucker 1959) believed that mission and vision statements tend to motivate, shape behaviors, cultivate high levels of commitment and ultimately influence positively on the employee performance.

Brown and Yoshioka (2003), mission statement has a significant and fundamental role in the management and leadership of organizations. The employees of the organizations perceive the mission and how these perceptions relate to other organizational attitudes, such as satisfaction and behaviours. (Bart and Tabone, 1998) their study suggests that mission and vision statements have a positive impact on profitability of the organizations and can increase shareholder equity. They also reported that almost 40 per cent of employees do not know or understand their company's mission and vision. Sufi and Lyons (2003) stated that mission and vision statements are conceptual and definitional issues and different organizations use different vocabularies to communicate strategy, to portray uniqueness, and not - withstanding (Thompson and Strickland 1992; Wheelen and Hunger, 1998; Lyles et al.1993). Mission statements are widely believed to be antecedents to any strategy formulation effort (Drucker, 1973). What is our business for? (Johnson et. al., 2008). What business are we in? “David; 1993). Mission statements have been reported as a broad overarching framework around which other strategic concerns, like vision, strategic intent and capabilities, goals, objectives, core values, behavioral standards, business models, etc., evolve (Campbell and Tawadrey, 1992; Lynch, 2000). Calfree (1993) and observed that mission and vision statements tend to reflect messages about growth and profitability.

After the review of earlier studies, it can be said that there is an impact of mission and vision statements of organizations, whether they are outspoken or silent. Against this background, an attempt is made in this paper to conduct a study on the level of knowledge, clarity and comprehensive awareness of mission and vision of the organization among the IT professionals in a unique organization, i.e., Indian software industry. It is orientated to ascertain their perspectives on whether the institution’s mission and vision statements have an impact or could potentially influence their performance. More specifically, the research paper examined:

III. METHODOLOGY

Objectives of the Paper
(i) To present the comprehension of mission and vision statements of IT professionals.
(ii) To know the level of knowledge, clarity and awareness of mission and vision of the organization among the selected professionals.
(iii) To outline the planning process of organizational practices of the IT professionals.

Hypotheses of the study
(i) The comprehension and imbibe of mission and vision statements would influence the performance of IT professionals.
(ii) The clarity and direction of strategies would influence the performance of IT professionals.
(iii) The communication of organizational practices would influence the performance of IT professionals.
(iv) The systematic planning perspective would influence the performance of IT professionals.

Sample Selection
TCS Software Company has been taken for the study having offices across the globe with more than one lakh IT professionals.

Due to the practical constraints to go for census study, a select study on Bangalore offices (5) has been taken for the study.

This institution was chosen based on feasibility of the study and significant sample size that is employed purposively.

More specifically, a stratified sampling technique employed from 2-10 years of experienced IT professionals from the selected IT Company. The employees were stratified based on their experience within the software organization. A total number of employees between 2-10 years were taken and 145 employees were selected for the study. All these selected IT professionals were divided into three categories, viz., software engineers with an experience between (1- 4 years), senior software engineers (4-7 years) and team leads (7-10 years). These professionals were chosen as per their availability, sparing
of their time to attend my request to fill the questionnaire, etc. convenient sample method was used. The following is the composition and size of the sample for the collection of data.

Table: 1. Structure and Composition of the selected Sample IT professionals

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents</th>
<th>% of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software Engineer (SE)</td>
<td>68</td>
<td>46</td>
</tr>
<tr>
<td>Sr. Software Engineer (SSE)</td>
<td>62</td>
<td>43</td>
</tr>
<tr>
<td>Team Leads (TL)</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>145</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: compiled from collected data through survey)

(ii) Data Collection

The survey instrument, i.e., questionnaire was personally distributed among the participants with the assistance of some supporting staff of the selected software organization. A cover letter which explained the aims and motives of the research and also assurances of confidentiality of information and their sources accompanied the questionnaire. The research instrument employed was a questionnaire including both open and closed questions circulated among the selected sample employees.

Primarily, a pilot test was conducted personally to elucidate the problems in answering the questions and those were rectified by the researcher. The closed questions were primarily in the form of five-point Likert’s scale, whilst the open-ended left blank spaces for additional comments from the respondents. These allowed for a mix-up of quantitative and qualitative information which was used for analysis. Chi-square and weighted scores are applied to analyze the responses.

(iii) Data Analysis and Interpretation

Table-2 presents the data on mission and vision statements perspective of IT professions in the select organization. It can be observed from the data in table-2 that the majority of the respondents were having known that the institution has mission and vision statements. Further, they were asked to score on a five-point scale (strongly disagree = (-2); disagree = (-1); neutral = 0; agree = 1; strongly agree = 2) whether their awareness of the mission and vision statements were as a result of the fact that institution of that caliber surely would have mission and vision statements or whether they have firsthand knowledge at the other extreme. As it should be expected some of the IT professionals, the institute should have mission and vision statements, hence their awareness is by default. However, a greater proportion of the respondents clearly has either seen or has firsthand knowledge of the mission and vision statements contrary to observations (Bart and Tabone, 1998). It can be said from the data that almost 40 per cent of employees did not know their company’s mission and vision. On the other hand, the reason for this observation might be the fact that the majority of respondents had higher levels of business and management education and thus have some knowledge of the place of mission and vision statements in organizations. Almost all respondents operationalised the company’s mission and vision statements, which can be seen in table-2.

Table: 2: Mission and Vision perspective among the selected IT professionals

<table>
<thead>
<tr>
<th>Component</th>
<th>Positive responses</th>
<th>% of responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehension of mission and vision</td>
<td>61</td>
<td>42.06</td>
</tr>
<tr>
<td>Imbibing of mission and vision</td>
<td>45</td>
<td>31.03</td>
</tr>
<tr>
<td>Clarity of mission and vision</td>
<td>23</td>
<td>15.66</td>
</tr>
<tr>
<td>Strategic direction of mission and vision</td>
<td>58</td>
<td>40.00</td>
</tr>
<tr>
<td>Communication of mission and vision</td>
<td>62</td>
<td>42.75</td>
</tr>
<tr>
<td>Planning through mission and vision</td>
<td>52</td>
<td>35.86</td>
</tr>
</tbody>
</table>

(Source: Compiled from collected data)

Table-3: Mission and vision factors and Performance of IT Professionals Statistical Values (at 5 % level of significance)

<table>
<thead>
<tr>
<th>S/N</th>
<th>Mission and Vision Factors Vs. Performance</th>
<th>DF</th>
<th>Table Value (t)</th>
<th>Calculate d value (t)</th>
<th>Hi</th>
<th>Weighted Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Comprehension</td>
<td>4</td>
<td>9.35</td>
<td>34.21</td>
<td>H</td>
<td>0.19</td>
</tr>
<tr>
<td>2</td>
<td>Imbibing</td>
<td>4</td>
<td>9.35</td>
<td>15.46</td>
<td>H</td>
<td>0.12</td>
</tr>
<tr>
<td>3</td>
<td>Clarity</td>
<td>4</td>
<td>9.35</td>
<td>12.36</td>
<td>H</td>
<td>0.11</td>
</tr>
<tr>
<td>4</td>
<td>Strategic direction</td>
<td>4</td>
<td>9.35</td>
<td>14.36</td>
<td>H</td>
<td>0.18</td>
</tr>
<tr>
<td>5</td>
<td>Communication</td>
<td>4</td>
<td>9.35</td>
<td>13.22</td>
<td>H</td>
<td>0.09</td>
</tr>
<tr>
<td>6</td>
<td>Planning</td>
<td>4</td>
<td>9.35</td>
<td>11.26</td>
<td>H</td>
<td>0.05</td>
</tr>
</tbody>
</table>

(Source: Computed from the collected data in survey)

From the data in Table-3, it can be seen that all the factors, viz., process of comprehension, imbibing, clarity, strategic direction, communication and planning factors got frequency with organizational mission and vision. Further, the weighted scores representing them are
having mission and vision got relationship with performance of IT professionals in their day to day job-life. From the foregoing analysis, it can be suggested that the top management of IT organization should give particular thought to the places, where these statements would be posted like, wall hangings/displays on institute every corner and open places. So that they have the necessary impact every individual performance in the organization. The mission and vision statements must be discussed and to be communicated constantly as a reference at various meetings and gatherings and explored to augment the traditional ones.

The clarity about the mission and vision statements got frequency with IT professional performance. Lack of clarity leads to leads to organizational intervention in that aspect it has to congruence at all levels of IT professionals, because most of the IT professionals do not have clarity in the IT organization. Therefore, it is proposed that the components of mission and vision statements should be broken as pieces and proxies of desired level of outcomes at each level defined and should determine. This activity would be helpful to get remarkable and substantial development in the performance of IT professionals, since they are working knocking dates. The mission and vision components possess strategic direction that speaks about the purpose of employee in the organization and to achieve goals and objectives. Planning perspective got frequency with IT professional performance, all the planning activities must be linked with mission and vision of the organization.

IV. CONCLUSION

This paper has examined the IT professionals understanding, knowledge and awareness level about mission and vision statements of their company (TCS) and it has so much of relevance with strategic management tools that can have influence on IT professionals performance. The descriptive statistical values in the form of variables have been outlined in table-3. Further, the weighted scores disclosed have positively got association with the performance of the IT professionals in the selected organization.

Comprehending and imbibing the company mission and vision statements will endure the organization over the period of time. From the foregoing analysis it is identified that quite a good number of IT professionals have seen it but not familiar with those statements. However, not only top management of the organization but all levels of IT professionals should be acquainted with mission and vision statements on more frequently. This will help to achieve targets and goals on time by all the levels of IT professionals.

REFERENCES