Elements of Mission can be understood as the **specific components that a good mission statement should contain**.

Elements of Mission

1. Purpose / Reason for Existence

Meaning:
A mission should clearly explain **why the organisation exists** and what basic purpose it wants to fulfil.

It answers the question: **“Why is the company in this business?”**

Example – Tata Group:
The Tata Group's philosophy places strong emphasis on creating value for society and stakeholders, not merely earning profits.

Example:
A college's mission may be: *“To provide quality education and develop responsible and employable citizens.”*
Here, **providing education and developing students** is the purpose.

2. Customers / Target Beneficiaries

Meaning:
A mission should identify **whom the organisation serves**.

It answers: **“Who are the customers or beneficiaries of the company?”**

A mission state **“For whom does the company exist?”**

A business may serve:

- Individual consumers
- Businesses
- Farmers
- Students
- Rural communities
- Government organisations, etc.

Indian Example – Amul:
Amul's philosophy focuses strongly on improving the economic condition of **milk producers/farmers** while providing quality dairy products to consumers.

3. Products / Services Offered

Meaning:
The mission should indicate **what the organisation provides** to its customers.

It answers: **“What does the company offer?”**

For example:

- Banking services
- Automobiles
- Food products
- Education
- Information technology services

Indian Example – Reliance Jio:
Jio's mission and positioning have centred around providing **digital connectivity and digital services** to a broad population.

4. Market / Area of Operation

Meaning:
A mission may indicate **where the organisation operates or intends to serve**. The mission gives an idea about **the geographical or market boundaries of the organisation**.

The market can be:

- Local
- Regional
- National
- International
- Rural
- Urban
- Global

Indian Example – ITC:
ITC operates across diverse businesses and serves markets in India as well as international markets.

5. Core Values / Philosophy

Meaning:
Mission should communicate the **beliefs, principles and values** that guide the organisation.

These may include:

- Integrity
- Quality
- Customer focus
- Sustainability
- Social responsibility
- Innovation

Thus, a mission will answer, “What does the company believe in?”

Indian Example – Infosys:
Infosys has historically emphasised **ethical conduct, transparency, customer value and excellence** as important aspects of its corporate philosophy.

6. Technology / Business Capability

Meaning:
A mission may indicate the **technology, expertise or distinctive capability** through which the organisation serves customers.

It answers:
“How does the company create and deliver value?”

For example:

- Digital technology
- Artificial Intelligence
- Advanced manufacturing
- Research and development
- Traditional craftsmanship

Indian Example – TCS:
TCS places strong emphasis on **technology, innovation and digital transformation** in delivering solutions to organisations.

7. Concern for Employees

Meaning:
Employees are an important stakeholder group. A good mission may recognise the organisation's commitment to **employee development, welfare, learning and growth**.

It answers:
“How does the company treat its people?”

Indian Example – Infosys:
Employee learning, skill development and professional growth have been important elements of Infosys's organisational philosophy.

8. Concern for Society / Social Responsibility

Meaning:
A mission may reflect the organisation's responsibility towards **society and the environment**, rather than focusing only on profit.

Areas may include:

- Education
- Healthcare
- Environment
- Rural development
- Community welfare
- Sustainability

Indian Example – Tata Group:
The Tata Group is an excellent Indian example because **social responsibility and community development have traditionally been closely associated with the group's philosophy.**

9. Concern for Growth and Survival

Meaning:
A business must survive, grow and remain financially sustainable. Therefore, its mission may reflect its commitment to **long-term growth, profitability and sustainability**.

It answers:
“How does a company remain successful in the long run?”

Indian Example – HDFC Bank:
Its mission and strategic orientation emphasise sustainable growth, customer service and creating long-term value.

Framework of Questions for easy understanding

Elements of Mission through questions:

Element	Question to Remember
Purpose	Why do we exist?
Customers	Whom do we serve?
Products/Services	What do we offer?
Market	Where do we operate?
Values/Philosophy	What do we believe in?
Technology/Capability	How do we create value?
Employees	How do we treat our people?
Society	What is our responsibility to society?
Growth & Survival	How will we remain successful?

One important distinction

Characteristics of Mission = What a mission statement does / describe.
Elements of Mission = What a mission statement contains.

This distinction will make the two concepts much clearer.

Indian example:

Amul as a single case study:

Purpose → Support dairy farmers
Customers → Consumers of dairy products
Product → Milk and dairy products
Market → Indian and international markets
Values → Cooperative development and farmer welfare
Society → Rural economic development
Growth → Sustainable expansion of the dairy business

ROLE OF MISSION IN STRATEGIC MANAGEMENT

Mission plays a central role in strategic management. Its major roles are explained below.

1. Provides Organisational Purpose

The most fundamental role of a mission is to explain **why the organisation exists**.

It gives meaning to organisational activities and prevents employees from viewing their work as merely a collection of routine tasks.

Example

If a hospital's mission is to provide affordable and quality healthcare, its activities should ultimately contribute to that purpose.

---

2. Provides Direction for Strategy Formulation

Mission acts as a **starting point for strategic planning**.

Managers formulate strategies by asking:

"Will this strategy help us fulfil our mission?"

Thus, mission helps in selecting appropriate strategic alternatives.

Example

If the mission of an educational institution emphasises employability, it may develop strategies involving:

- industry interaction,
- internships,
- skill-development programmes,
- placement support, and
- professional certifications.

---

3. Guides Decision-Making

Managers frequently face several alternatives. Mission provides a framework for choosing among them.

For example, when considering a new product, managers can ask:

Does this product fit our mission?

If the answer is no, the organisation may reject the proposal even if it appears profitable in the short term.

Thus, mission acts as a **decision-making filter**.

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4. Defines the Scope of Business

Mission helps determine the **business boundaries** of an organisation.

It helps answer questions such as:

- What business are we in?
- Who are our customers?
- What needs do we satisfy?
- What products or services do we provide?
- What markets do we serve?

A clear mission prevents an organisation from entering unrelated areas without strategic justification.

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5. Creates Unity Among Employees

An organisation consists of individuals with different skills, backgrounds and personal objectives.

Mission creates a **common organisational purpose**.

Employees are more likely to work together when they understand what the organisation is trying to accomplish.

Thus, mission promotes:

Individual efforts → Common purpose → Organisational performance

---

6. Motivates Employees

A meaningful mission can provide employees with a sense that their work has a **larger purpose**.

For example, employees working for an organisation whose mission focuses on improving education, healthcare or environmental sustainability may feel that their work contributes to society.

Therefore, mission can become a source of **employee motivation and commitment**.

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7. Communicates Organisational Identity

Mission communicates the identity of the organisation to various stakeholders.

These include:

- Employees
- Customers
- Investors
- Suppliers
- Government
- Society
- Business partners

It tells stakeholders **what the organisation stands for and what it seeks to accomplish**.

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8. Helps in Allocation of Resources

Organisations have limited resources such as:

- money,
- human resources,
- technology,
- time, and
- managerial attention.

Mission helps managers decide **where resources should be concentrated**.

Resources should preferably be allocated to activities that contribute significantly to fulfilling the mission.

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9. Establishes a Basis for Goals and Objectives

Mission provides a broad foundation for developing:

Mission → Goals → Objectives → Strategies → Action Plans

For example:

Mission: Provide quality higher education.

↓

Goal: Improve student employability.

↓

Objective: Provide industry-oriented skill training to students.

↓

Strategy: Develop industry partnerships and internship programmes.

Thus, mission provides the foundation for more specific organisational targets.

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10. Helps Maintain Strategic Focus

Organisations can easily become distracted by short-term opportunities.

Mission reminds managers about the **core purpose of the organisation**.

This helps maintain strategic focus even when the external environment changes.

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11. Helps Evaluate Strategic Alternatives

Different strategic alternatives can be evaluated against the mission.

For example, a company may have three possible investment opportunities. Instead of considering only financial returns, management can ask:

"Which alternative is most consistent with our mission?"

Therefore, mission becomes a **criterion for strategic evaluation**.

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12. Builds Stakeholder Confidence

A clear and credible mission communicates organisational commitment to stakeholders.

When the organisation's actions are consistent with its mission, it can build:

- trust,
- credibility,
- reputation, and
- stakeholder support.

However, merely publishing an attractive mission statement is not sufficient. **The organisation must demonstrate the mission through its actual behaviour.**

ROLE OF VISION IN STRATEGIC MANAGEMENT

1. Provides Future Direction

The most important role of vision is to provide a **clear picture of the future**.

It tells managers and employees:

"This is where we want to go."

Without a clear vision, organisational activities may become fragmented.

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2. Creates Long-Term Orientation

Vision encourages managers to think beyond immediate profits and short-term problems.

It promotes **long-term strategic thinking**.

For example, a company may invest today in:

- research and development,
- employee training,
- technology,
- sustainability, and
- new markets

because these investments contribute to its desired future position.

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3. Inspires Employees

A strong vision can motivate employees by giving them something meaningful to work towards.

Employees do not simply perform today's tasks; they become participants in building the organisation's future.

Therefore:

Vision → Inspiration → Commitment → Effort → Achievement

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4. Provides a Basis for Strategy Formulation

Strategies should help the organisation move from its **current position to its desired future position**.

Therefore, vision acts as an important foundation for strategy formulation.

Example

If a company has a vision of becoming a global leader in sustainable products, its strategies may include:

- green technology,
- sustainable production,
- international expansion,
- renewable energy use, and
- environmentally friendly product development.

---

5. Encourages Innovation

A challenging vision can encourage managers and employees to search for **new and better ways of doing things**.

For example, a vision of becoming a technology leader can encourage:

- research,
- innovation,
- digital transformation,
- automation, and
- development of new products.

Thus, vision can act as a stimulus for innovation.

---

6. Creates a Sense of Common Future

Employees may perform different jobs, but a shared vision gives them a **common destination**.

For example:

- Finance department manages funds.
- Marketing department develops markets.
- HR department develops employees.
- Production department produces goods.

Although their functions differ, they can work towards the same organisational vision.

---

7. Helps in Setting Goals and Objectives

Vision provides the broad destination from which specific goals and objectives can be developed.

For example:

Vision:
"To become the most trusted digital banking service provider."

↓

Goal: Improve digital banking experience.

↓

Objective: Increase digital customer adoption by a specified percentage.

↓

Strategy: Develop user-friendly mobile banking services.

Thus, vision provides the **strategic destination**.

---

8. Helps in Resource Prioritisation

Like mission, vision helps management decide where resources should be invested.

If the organisation wants to become a technology leader, it may prioritise investment in:

- R&D,
- technology infrastructure,
- skilled employees,
- digital platforms, and

- innovation.

---

9. Facilitates Organisational Change

Change can create resistance among employees.

A clear vision helps explain **why change is necessary** and what the organisation hopes to achieve through it.

For example, if an organisation wants to become a digitally enabled organisation, employees may better understand the need for:

- digital systems,
- automation,
- new skills, and
- revised work processes.

Thus, vision can act as a **guiding force during organisational transformation**.

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10. Creates Competitive Aspiration

Vision can encourage an organisation to seek a stronger position in its industry.

It can encourage management to ask:

"What kind of organisation do we want to be compared with our competitors?"

This encourages continuous improvement and competitive thinking.

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11. Provides a Basis for Measuring Progress

Vision represents the desired future position. Management can therefore compare:

Where we are today
with
Where we want to be

The gap between the two can help identify the need for:

- new strategies,
- additional resources,
- organisational changes, and
- improved performance.

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12. Builds Organisational Commitment

A vision that employees understand and believe in can create a stronger emotional connection with the organisation.

Employees are more likely to remain committed when they feel that they are contributing to a meaningful future.
