

STUDY OF MISSION STATEMENT AS AN ANTECEDENT TO FINANCIAL PERFORMANCE OF DIGITAL FIRMS

Ramkrishna Dikkatwar^{1,*} and Tanmoy De²

Abstract

The purpose of this study was to conduct an investigation of the Forbes Top 100 digital companies' Mission statements (MS) and the impact they have on each firm's performance, as reflected by their rankings. For the purpose of study, the financial performance data of these companies has been taken from the 2019 Forbes list of Top 100 Digital Companies. The mission statements of these companies have been collected from their respective corporate websites, company documents, and their official social media handles. A positive correlation was observed between number of stakeholders covered through the MS and the firm's return on assets. Digital companies that mentioned 'employees' in their MS have performed significantly better than other firms. Additionally, digital firms which showed 'concern for societal benefits' through their MS also performed better. This research underlines the importance of incorporating words such as 'employees' as well as having 'societal orientations' while designing the MS in digital organizations.

Keywords: Mission Statement, Digital Companies, Financial performance, Return on Sales (ROS), Return on Assets (ROA)

BACKGROUND OF THE STUDY

Mission statements (MS) are said to provide a direction and sense of purpose. Failure of most organisations can be attributed to the lack of ability of the senior management in identifying and agreeing on what their organisation is actually attempting to achieve (Bart, 1997a). This results in confusion and distraction among employees, especially those who are part of top management. A well thought-out and well-articulated mission statement helps to overcome such drawbacks.

The exact nature and proper use of mission statements, continues to be a

debatable issue, years after its introduction in the corporate world. The appropriate name of these statements is a baffling concept. Mission statements have been identified differently by researchers and academics, such as "purpose", "creed", or "statement of principles or philosophy" (Graham & Havlick, 1994).

A Mission Statement is a formal written document that encapsulates and communicates the organisation's distinct purpose (Bart, 1997a). Most often, mission statements are described as a unique and enduring statement of purpose (Bart, 2007). To identify this unique and enduring purpose, an organisation must ask itself some tough

^{1,*} Dr. Ramkrishna Dikkatwar is currently working as Professor & Head of Department in the Faculty of Marketing Management of Pune Institute of Business Management, Pune, India. He obtained a Ph.D. in Marketing Management from Savitribai Phule Pune University, Pune, India and has an experience of more than two decades in industry, research, teaching and training. Email: ramkrishna.dikkatwar@pibm.in

² Dr. Tanmoy De is currently a member of the management faculty at Symbiosis International (Deemed University), working with Symbiosis Institute of Business Management - Hyderabad Campus in the Marketing and Strategy area. He has completed his doctoral program in Business Administration from Utkal University, India, and has a rich experience of more than 20 years in industry and academia.

questions such as “why do we exist” and “what is our purpose” (Bart, 1998; Bart & Tabone, 1998; Gibson, Newton, & Cochran, 1990; Klemm, Sanderson, & Luffman, 1991).

Many practitioners and researchers have examined mission & vision statements in the past, aiming to investigate the components of the statement (Pearce & David, 1987; David, 1989; Campbell & Tawadey, 1992; Peyrefitte & David, 2006). Other researchers have analysed the mission statement’s purpose, use and impact (Hooley, Cox, & Adams, 1992; Campbell, Shrives, & Bohmbach-Saager, 2001; Chun & Davies, 2001). The extant literature has adopted the components proposed by Pearce & David (1987) as a base and subsequently incorporated additional relevant MS components to generate a more holistic view. Notably, David’s (1989) & Peyrefitte and David’s (2006) components were adopted to gauge the institutional forces that would have an impact on the firm.

REVIEW OF LITERATURE

Researchers in the recent past have tried to identify the various characteristics that are being focused on by the organisations as reflected in their respective mission statements. Research has been conducted on wide ranging industries, such as Hospitality, Airlines, and Universities. This study included the MS of digital firms as the world economy is becoming increasingly digitalized. Since 2016, four out of the top five global brands consistently featured in the ‘Interbrand’ survey have been largely digital.

Research has not been conducted to identify the various characteristics related to the mission statements of the digital companies. Only content analysis has been used recently for identifying the characteristics related to language and to see whether these characteristics are related to the focus, size, status, and age band of the organisation (Sánchez, 2018).

Rehman, Nee, & Onn (2021) observed the importance of the significance of knowledge-oriented leadership in predicting organizational innovation in Malaysian

Digital Companies. A mission statement plays a vital role in conveying leadership orientation. The current study will help internal stakeholders in digital companies to plan a way forward.

Seo (2020) undertook a quantitative content analysis using a one-way ANOVA test, and Chi-square test on the mission statements of various airlines to identify the unique values linked to competitive advantage based on airline alliances. Apart from these, researchers have tried to gauge the impact of mission statements on the financial performance of companies. There are several conflicting opinions among researches in this field. Most of the research work has undertaken stakeholder analysis with a quantitative approach. Previous research has attempted to link the presence of the number of the various stakeholders with the financial performance of the organisation.

Significant debate occurs between the advocates of mission statements and the sceptics. Yet many major questions still remain unanswered. Whether mission statements are really a valuable tool for the companies or it’s just for customary display in the organization with no real purpose or benefit. Despite the presence of significant literature from these antagonists as well as the protagonists, there is no concrete evidence validating either point of view.

Claims have been made that the presence of mission statements produce many benefits for the organisation and further increase their financial performance (Weiss & Piderit, 1999). At the same time other studies have suggested that yielding such benefits in reality is not that easy a task, as illustrated by Bart (1997b) after enquiring from the senior management executives of around eighty-eight top North American companies. Further, Bart (1997b) observed that around 28% of the managers accepted that they were putting significant efforts towards the achievement of their mission statement, while just 8% of the managers were confident that their mission statement was entirely understood by the rest of the company. Significant studies observed that the

necessary organisational support and commitment required for the acceptance of the mission statement was not being met. Further, it is also not clear whether the presence of a mission statement in the organisation makes the members committed towards it or not. As pointed out by Vandijck, Desmidt, and Buelens (2007), the managers of not-for-profit healthcare organizations felt that their mission statements neither had any notable influence on organisational members' routine behavior, nor did it make members committed to achieving it.

Bartkus, Glassman and McAfee (2004) concluded that few firms' mission statements incorporated all stakeholders. Bartkus, Glassman and McAfee (2004) highlighted that the recommended objective was not met by most of the mission statements. This outcome indicated that Mission Statements (MS) usually fall short of satisfying the criteria of quality, advocated by the literature, despite observing regional differences. The paper's findings state that some similarities were observed in the three regions namely Europe, US and Japan. In all these regions, mission statements of the majority of the companies mentioned 'customers' and also included a 'future orientation' component. Apart from this, the paper also highlights the commonalities shared by European and US firms' mission statements. The paper further examined the MS based on the specific stakeholder-groups included, and specific components on the basis of achievement of specific objectives.

According to Bartkus, Glassman and McAfee (2006), there is insignificant evidence that suggests a relationship between the MS's elements and the performance of the firm. At the same time, the mission statements that incorporate the phrases generally regarded as 'business's fundamental rules' do have a strong relationship with firm performance. Prior studies indicate that some of the mission statement elements do not describe the company's goals and thus, don't help in the bottom line (Bartkus, Glassman, & McAfee, 2006). Furthermore, mission statements are being seen as a public relations

tool by many executives. Further, certain elements of mission statements can be seen as characteristics of the 'socially responsible company' which are significantly related with an organisation's financial performance.

Sanchez and Rivera (2019) found that a positive relationship does exist between a mission statement's readability and the financial performance of the respective organisation, using regression analysis. The quantitative analysis performed in this study determined a positive relationship among the readability statistics of the MS and the return on equity & return on assets. This study highlights the importance of the readability of a mission statement, as it has an impact on the organisation's financial performance. Moreover, the qualitative analysis found a similarity in the keywords of mission statements of firms in different countries. For Latin American firms, they also observed a trend in the keywords of the firms whose rankings climbed in 2012-13 due to sales variability, and who very often used words like, "customers/clients", "products", "quality" & "communities", as against firms whose rankings fell and used keywords such as "people" very often. Further, it highlights that a firm's explicit mention of "communities" rather than just "people" in their mission statements could be related to better performance (Cortes-Sanchez & Rivera, 2019).

In their study, Pearce and David (1987) focused on establishing the difference between the high performing and low performing Fortune 500 companies based on eight components developed by them. Evidently more of the high performing Fortune 500 Company's mission statements included at least three out of the total eight components, in contrast to the statements of the low performing companies (Pearce & David, 1987). They discovered a difference in the mean scores of the highest performing firms as against the lowest performing in six out of the total eight components. Pearce and David (1987) also stated that although many practitioners are of the belief that there lies a value in developing the mission statement, it is very difficult to prove that having a mission

statement would guarantee them direct financial gains; the research conducted by those practitioners could bring them a step closer to discovering some empirical evidence.

Studies conducted in the field of effectiveness of mission statements have tried to determine the relationship between mission statements and the financial performance of the respective firms but results differ. Also, a question arises as to whether the indicators of firm's performance are suited to the function of assessing the mission statement's effectiveness (Desmidt, Prinzie, & Decramer, 2011).

In their meta-analysis, Desmidt, Prinzie, & Decramer (2011) have unearthed the fact that most researchers have attempted to link a specific element of the mission statement to an indicator of financial performance. They also raised the possibility that the company might use the mission statements primarily for establishing their technology or quality leadership which would place financial performance in a subtle role. A study conducted by Anthony (2012) affirms that mission and vision statements do have positive effects upon the effectiveness of an organisation, highlighting that this effect might not be evident in a shorter period of time. To have content pertaining to aspiration to grow as well as to possess the attributes that were suggested in the leadership literature, the mission and vision statements are important (Anthony, 2012). The study also observed that the companies that didn't possess mission and vision statements, performed poorly compared to those who had these statements.

Campbell and Nash (1992) highlighted that there is a possibility that organisations might use their mission statements as a tool to secure or increase the commitment of members of the organisation, which in turn would help these organisations to translate such commitment into motivation to achieve more. The question remains that whether such commitments and motivation would result in higher financial performance.

Previous studies have focused on frequency analysis to give an idea of the components of mission statements that are

used in practice. Of late, studies have also focused on identifying the characteristics that would yield an impact on the performance of the organisation. The conclusion of such studies note that all statements are not created equal (Bart, 2007). He confirmed that the study conducted on secular and faith-based hospitals, would have implications for all organisations. His findings confirmed that the mission statement does have a relative impact on the performance of the organisation.

There was a positive relation between the process chosen for developing the mission statements and the company's performance as well as the satisfaction of managers with the mission statement and the company's performance. A question still remains as to "whether the mission statements matter?" (Bart & Baetz, 1998). Thus, for the purpose of this research the inclusion of stakeholders and presence of components suggested by Bartkus, Glassman, & McAfee (2004), and Bartkus, Glassman, & McAfee (2006) were defined as elements of a quality Mission Statement.

OBJECTIVES OF THE STUDY

After reviewing the various studies done in this field and the research on different industries and discussing the same with the research guide, the study formed a clear direction. The study (Refer figure 1) was designed in such a way as the gaps identified by the previous studies were taken into consideration.

Following are the objectives that were identified for study:

- To find the correlation between the numbers of stakeholders (such as employees, customers, suppliers, investors, society, human rights) addressed in the MS and select financial indicators of digital firms.
- To examine whether there is any significant correlation between the number of components incorporated in the MS and select financial performance indicators
- To analyse whether there is any significant relation between the quality of the MS and select financial indicators.

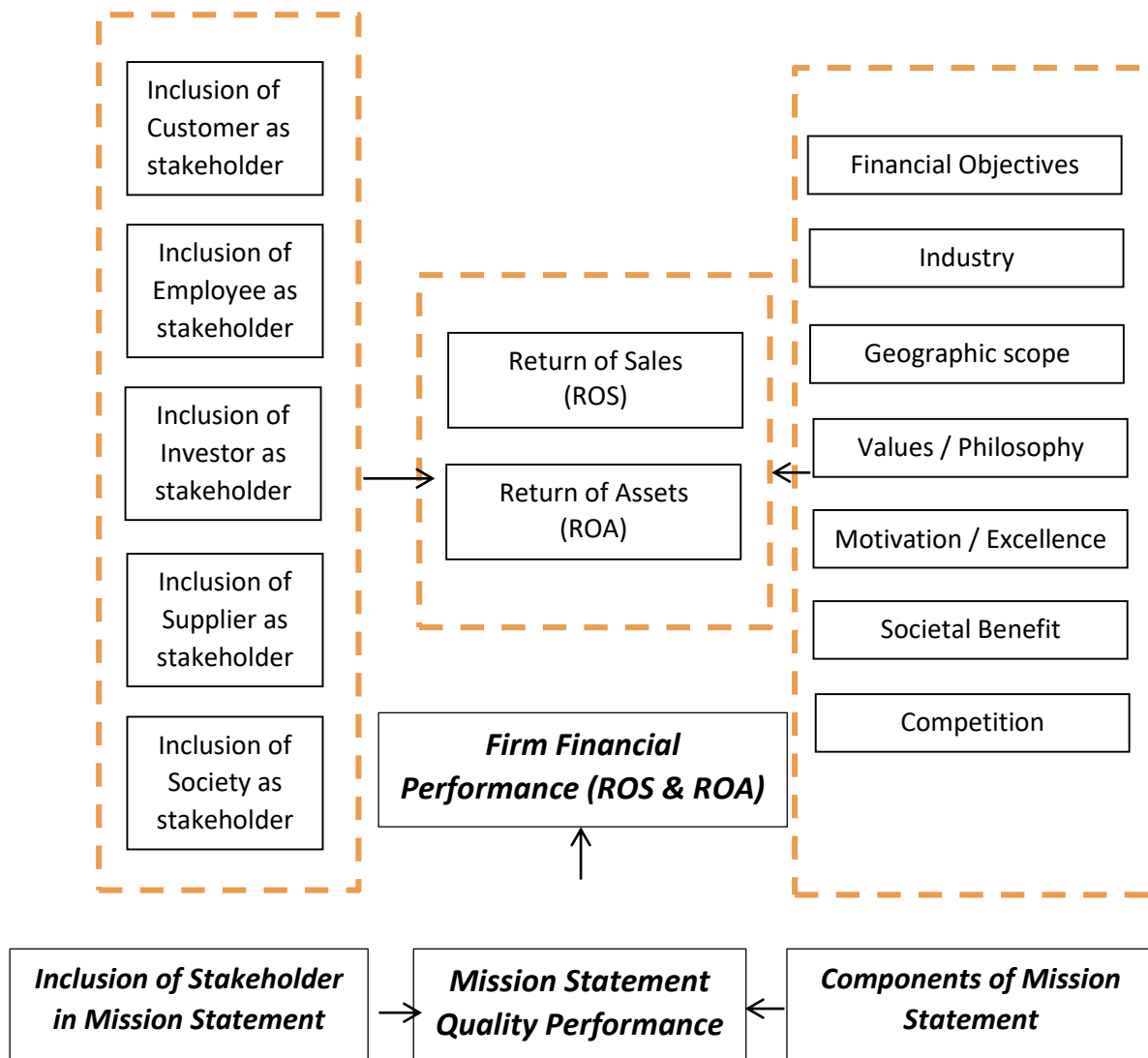


Figure 1 Conceptual Framework of Study

RESEARCH METHODOLOGY

The study considered the MS and financial performance of 100 Digital Companies. The list of companies was taken from the 2019 Forbes list titled “Top 100 Digital Companies”. Since 2018, Forbes has established a list of top 100 digital companies. These are the top publicly traded corporations that are defining the digital economy. These companies are from various sectors of the digital economy.

As per the estimation of The World Bank, the digital economy contributes to more than 15% of global gross domestic product (GDP), while it has been growing at

two and a half times faster than the physical world GDP in the past decade (Digital trust: How to unleash the trillion-dollar opportunity for our global economy, 2022). The importance of digital firms in the world economy motivated the researchers to undertake this study.

For compiling the top 100 list, Forbes considered digital retail, media, telecommunication, and technology firms, which had managed to secure place in the Forbes 2019 Global 2000 list. Those companies were graded on criteria such as revenue, asset growth, profits, and stock performance. All four metrics are then used to rank these digital companies. The scores of each of these

metrics are put together to get a composite score which is then used to rank them. As a whole, the top 100 digital companies represent the listed digital firms in terms of revenue and profitability.

The list published by Forbes contained information such as the country where the headquarters of the company is located, the industry to which these digital companies belong, year of incorporation, number of employees and various financial data such as revenue, profits, asset figures etc.

To collect the MS, the websites of the companies in the list were visited. Many a times, the MS were not mentioned explicitly on the website. In a few cases, the MS of the companies were not given on their website, those were then collected from various corporate documents, presentations or official social media handles of the respective companies. Sometimes, the MS were being mentioned with some other terminology such as “aim”, “purpose”, “creed”, “statement of principles”, “objectives” etc. (Levin, 2000; Leuthesser & Kohli, 1997; David, 1989). Further, only the statements which focused on the long-term outlook were considered, and thus any such material that gave information which was useful for a brief period of time, such as news, was overlooked. Cady, Wheeler, DeWolf, & Brodke’s (2011) study came in handy for identifying the mission, vision, and core values, from different terminologies. For certain companies data could not be considered due to usage of native language. Thus, to maintain the language standardisation, these statements were not considered.

Method for Performing Stakeholder & Component Analysis

The first step was to gauge the quality of the mission statements. This was done by studying the number of stakeholders addressed as well as the number of components incorporated in the MS. Using content analysis, these variables were identified. Moreover, to avoid rater’s bias and subjectivity, specific terms and keywords were identified before-

hand.

The major question that arose was, who are the stakeholders of the company? This would be the foremost measure of the quality of the mission statements. Frederick, Davis, & Post (1988) identified various stakeholders such employees, shareholders, suppliers, creditors, distributors, competitors, mass media, and local communities. For the purpose of this study, only key internal and external stakeholders were considered.

The keywords that were used to identify the stakeholders are listed below.

- 1) Keywords like “client(s)”, “customer(s)” or “consumer(s)” were used to identify the customers.
- 2) Terms such as “employee(s)”, “workforce”, “our people” were used to identify whether there was any reference to employees.
- 3) The words “investor(s)”, “shareholder(s)”, or “owner(s)” were used to identify any reference to the stakeholder group of investors.
- 4) A reference to suppliers was operationalised as “supplier(s)” or “partner(s)”.
- 5) The terms “society”, “social goals”, “environment”, “national economies”, “planet”, “everyone”, “every-person”, “universe”, “opportunities of life”, “human”, “people”, “ecosystem”, “sustainable world”, “cleaner air”, “healthier lives”, “community”, “world”, “global” and “quality of life” were used to identify the stakeholder group of society.
- 6) For identifying human rights, the United Nation’s ‘Universal Declaration of Human Rights’ document was referred to. This list contains 30 articles which talk about various human rights. The rights mentioned in this list are considered to be fundamental human rights which must be protected universally. Human rights have been taken as one of the stakeholders as per Nimwegen et al. (2008). This addresses various matters such as child labour or employee’s working conditions or the various human rights of the stakeholders.

Therefore, the internal stakeholders were

the “customers”, “employees” and “investors” and the external stakeholders were “society” and “human rights”. Moreover, the former could also be regarded as the resource providing stakeholders whereas the society and human rights would be the non-resource providing stakeholders. The components selected were based on the prior study of Bartkus, Glassman, & McAfee (2006) which were established in the research conducted by various researchers (Bart, 1997b; Pearce & David, 1987; Botterill, 1990). The components incorporated in the list were: financial objectives, geographic scope, industry, philosophy/values, societal benefit, unique competency, motivational message of excellence, and future orientation. Therefore, all mission statements were analysed to understand whether they conveyed information about the above selected components.

Various terms were used for identifying components of financial objectives which were as following: “growth”, “profit”, “create value”, “returns”, “financial strength”, “financial performance”, “economic development”, “top-line”, “bottom-line”, “sustained revenue” and “earnings growth”. The geographic scope here referred to the location of the customers on whom the firm focused or the region being served by the organisation. A reference to the geographic scope was made if the company had made any mention such as “Europe”, “Asia”, “worldwide”, “global”, or “universal” in their mission statement.

For determining the industry component, terms related to the standard industry names such as automotive, banking, steel, finance, oil etc. were used. The study aimed to gauge whether each company referred to the industry in its mission statement or not. A reference to the philosophy/values was also determined by looking for words such as “fair”, “honesty”, “harmony”, “well-being”, “empower”, “reliable”, “trust”, “diversity”, “ambition”, “care”, “passion”, “commitment”, “courtesy”, “sharing”, “sustainable”, “progress”, “reliable”, “respect” and “integrity”.

Keeping in mind the cultural differences as highlighted by Pearce and Roth (1988), the

motivational messages were bifurcated into two-parts. The first involves motivating employees to be a member of an organisation that aims to benefit the society; this was identified with words such as “community”, “society”, “planet”, “Earth”, “human”, “people”, “population”, “sustainable-world”, “safe”, “enrich life”, “cleaner air”, “healthier lives”, “ecosystem”, “better tomorrow”, “nation” and “giving back”. The second kind of motivation for the employees encourages them to be a member of an organisation that aims for competitive superiority or excellence; this was identified with the usage of words such as “best”, “leading”, “premier”, “top”, “world-class” and “outstanding”.

Organizational capabilities and strengths were regarded as distinctive competencies for the purpose of this study. The competencies were determined with the usage of keywords such as “low cost”, “innovation”, “superior”, “customer-centricity/ customer-focus”, “efficient” and “high quality”. In order to determine whether the mission statements had any reference to the future such as their potential in the coming years or future objectives, terms such as “will be”, “to be”, “for years to come”, “seek to”, “committed to”, “aim to”, “to exceed”, “potential”, “tomorrow”, “create”, “future”, “anticipated”, “dedicate”, and “dedicated” were used, while any particular reference to a future year was also taken into consideration.

After mapping the stakeholders and the components company-wise, the financial impact of the companies and stakeholders was assessed using SPSS. A Correlation test and t-test were conducted to analyse whether any significant relationship existed between the variables.

ANALYSIS OF DATA

The descriptive and correlations statistics are shown in Table 1a & 1b, while Table 2 and 3 showcase the results obtained from the t-tests for the mean comparison between the two groups i.e.

- a) The digital firms that incorporated particular stakeholders or components in their

- MS and
- b) The digital firms that did not incorporate particular stakeholders or components in their MS

In Table 1a, the descriptive statistics indicate the mean and standard deviation of the MS and firm's financial services. As shown in Table 1b, it was found that the correlation between the two performance measures, that is Return on Sales (ROS) and Return on Assets (ROA) are positively associated as the correlation coefficient is 0.718 at the 0.01 significance level. This indicates that higher ROS leads to greater ROA.

ROS is a measure of operating profit and sales revenue whereas ROA is a measure of net profit and average assets. Net profit is derived after deducting tax, interest and depreciation. Table 1b also illustrates that there is a positive and significant relationship between the number of stakeholders addressed and the number of components incorporated which means that companies that included a greater number of stakeholders in the mission statements, also incorporate a greater number of components.

Table 1b indicates that the greater the number of stakeholders addressed in the mission statement, the greater the ROA will be as the correlation is significant. Thus, a positive and significant ($r = 0.270$, $p < 0.01$) correlation is found between ROA and the number of stakeholders addressed in the MS. The table indicates that there is positive and significant correlation between the ROA & the number of incorporated components in the MS. This means that the more components are incorporated in the MS, the greater the ROA will be.

From Table 1b, it is evident that there is no significant relationship between the ROS and the number of stakeholders addressed in the MS, nor between ROS and the number of components incorporated in the MS.

From Table 2, it can be inferred there was no significant relationship between the Return on Sales (ROS) and the inclusion of any of the stakeholders in the mission statement. Moreover, no relation could be observed between the incorporation of any of the components in the mission statement and the ROS of the company.

Table 1a – Descriptive Statistics

MS & firms financial performance Parameters	Mean	Std. Dev.
Number of stakeholders	1.25	1.071
Number of Components	2.23	1.353
Return on Sales	16.430	21.714
Return on Assets	9.252	8.005

Table 1b – Correlations of Continuous Variables

	Number of stakeholders	Number of Components	Return on Sales (ROS)	Return on Assets (ROA)
Number of stakeholders	1			
Number of Components	0.281**	1		
Return on Sales	0.051	0.189	1	
Return on Assets	0.270**	0.217*	0.718**	1

** Correlation is significant at the 0.01 level (two tailed)

*Correlation is significant at the 0.05 level (two tailed)

Table 2 Return on Sales (T-Test Results)

	Mission statements that excluded the variable			Mission statements that included the variable			<i>t - Value</i>
	N	Mean	Standard Deviation	N	Mean	Standard Deviation	
Stakeholder							
Customers	65	18.586	25.205	33	13.081	12.401	1.449
Employees	87	16.293	27.72	11	20.202	12.206	-0.885
Investors	92	16.488	22.421	6	20.476	8.945	-0.314
Suppliers	92	16.657	22.467	6	17.886	7.669	-0.314
Society	37	12.784	12.516	61	19.127	25.713	-1.634
Human Rights	94	16.537	22.105	4	21.312	15.336	-0.597
Components							
Financial Objectives	87	14.925	12.414	11	31.025	55.182	-0.965
Industry	90	16.535	22.564	8	18.950	11.202	-0.523
Geographic Scope	56	14.796	12.349	42	19.313	30.186	-0.914
Values Philosophy	72	16.431	24.631	26	17.585	11.200	-0.312
Motivation: Excellence	74	16.453	24.532	24	17.593	9.956	-0.326
Motivation: Societal Benefit	49	13.797	12.466	49	19.667	28.111	-1.336
Competency	75	17.312	24.527	23	14.842	8.552	0.738
Future Orientation	62	13.769	12.458	36	21.835	15.667	-1.126

Table 3 Return on Assets (T-Test Results)

	Mission statements that excluded the variable			Mission statements that included the variable			t - Value
	N	Mean	Standard Deviation	N	Mean	Standard Deviation	
Stakeholder							
Customers	65	9.094	7.831	33	9.996	8.463	-0.511
Employees	87	8.726	7.445	11	14.706	10.581	-1.818^
Investors	92	9.008	7.655	6	15.368	11.619	-1.322
Suppliers	92	9.075	7.684	6	14.336	7.452	-1.669
Society	37	8.146	6.769	61	10.156	8.653	-1.280
Human Rights	94	9.216	7.876	4	13.655	11.404	-0.771
Components							
Financial Objectives	87	9.456	7.774	11	8.932	10.173	0.165
Industry	90	9.072	7.836	8	13.061	9.657	-1.135
Geographic Scope	56	9.776	7.928	42	8.893	8.204	0.535
Values Philosophy	72	8.598	7.711	26	11.611	8.579	-1.575
Motivation: Excellence	74	8.818	7.705	24	11.186	8.846	-1.175
Motivation: Societal Benefit	49	7.777	6.325	49	11.018	9.194	-2.033*
Competency	75	9.122	8.433	23	10.296	6.565	-0.698
Future Orientation	62	8.998	7.896	36	10.086	8.288	-0.637

* P<0.05

[^] P<0.10

A positive relationship was observed between the MS's quality which is computed by the incorporation of particular stakeholder groups and the organisation's financial performance. Table 3 presents that a marginally significant relationship exists between the Return on Assets (ROA) and the incorporation of the company stakeholder "employees" ($t = -1.818$, $p < 0.10$).

A relationship was observed between the incorporation of motivational messages regarding societal benefits ($t = -2.033$, $p < 0.05$). This means that with the incorporation of societal benefit in the mission statement, there is a positive effect on the ROA of the company.

DISCUSSION

Most of the previous research has concentrated on a single measure of the quality of an organisation's mission statement and only for a particular country i.e., United States (Bartkus, Glassman, & McAfee, 2006). This study, on the other hand, explored the mission statement content of various digital companies belonging to different countries spread over five continents in terms of quality criteria such as "number of stakeholders" addressed in the MS and the number of components incorporated. The study attempted to discover whether these quality measures are related with the organisation's performance in terms of two financial performance criteria i.e. ROS and ROA.

The study unveils that ROS and ROA are strongly correlated but their relationship with stakeholder inclusion in MS and MS components (MS Quality) varies. Though MS quality and ROA is correlated, the relationship is not significant. One probable reason could be ROS is more to do with consumer's willingness to pay a price or price premium. ROA being a holistic measure of cost, revenue and investment has a significant relationship with inclusion of employees as a stakeholder and the "societal benefit" component.

The results suggest those organisations that are successful in terms of having a greater return on assets are likely to state

"employees" in their mission statement. This result is in coherence with that of Bart's (1997b) findings, where it was determined that there is a positive relationship between an organisation's financial performance and the incorporation of "employees" in its mission statement. In line with the study by Bartkus et al. (2006), this also backs up the point of view of FedEx's CEO, Frederick Smith that "Put people first and they will provide the highest possible service. Profits will follow" (Baldwin & Danielson, 2000). Moreover, this explains the result that the ROA and inclusion of employees are significantly related, as the employees are the ones who manage the assets of the organisation. A positive relationship indicates that as the employees are included in the mission statement, it motivates them to put in their best efforts, using the assets of the company to generate profits.

It is interesting to know that the mission statements that addressed the customers didn't have any impact on the financial performance of the organisation. The same results were found in the research done by Bartkus et al. (2006). There could be a possibility that the inclusion of customer as a stakeholder group might not be related to customer satisfaction and is just for the sake of public relations.

Also, stakeholder groups such society, suppliers, investors and human rights, had no significant relation to the organisation's performance. The finding of no relationship between the stakeholder group of society and the entity's performance is in contrast to the findings of Bartkus et al. (2006).

An emphasis on motivational messages in the MS might help the employees to improve the society. This gives the sense that the companies are focusing on social responsibility which would help them to portray themselves as a good corporate citizens. Another reason for the focus of the companies on this component could be due to the reason that today firms are responsible for generating significant waste which is harmful for society. In the case of the digital firms the same could be said of e-waste. Thus, the inclusion of

societal benefits in the mission statement could be used as a tactic to improve the corporate and brand image. In other words, the inclusion of the aim of improving society could be green washing, which corporations use to take customers' attention away from the harm that the firm is doing to the society and environment.

Further, a significant relationship between the societal benefit component and firm performance could be due to publicly mentioning societal benefits in the firm's mission statement, as this could encourage stakeholder groups, especially the employees, to work towards achieving such intended benefits by improving the society.

There exists an insignificant relationship between the financial performance and the components of geographic scope, industry, financial objectives, motivational messages of excellence, distinct competency, and future orientation. This may be due to the desire to pursue financial objectives i.e., profits, revenue, and growth, in both sales and earnings, as well as the need to thrive. Furthermore, in contrast to Bartkus et al. (2006), this study did not find any significant relationship between the ROS and the employees, or society. No significant relationship was observed between the incorporation of the values/philosophy component in the MS and ROS or ROA. This, could be due to the fact that whether or not a company specifies its values in the mission statement, this doesn't have any impact on their financial performance. However, companies state these values to distinguish their corporate identity. These values although stated in the mission statements are not stressed upon and communicated in an impactful way by the management.

CONCLUSION

The study found no significant correlation between the number of stakeholders addressed in the MS and the ROS, therefore, the null hypotheses that no correlation lies between them is accepted. The study didn't find any significant relationship between the

individual stakeholder groups addressed and the ROS of the corporate entity. It was found that the higher the number of stakeholders incorporated in the MS, the greater the ROA as the correlation is significant. Therefore, it is concluded that there is a significant relationship between the number of stakeholders addressed and the ROA of the corporate entity.

During the individual stakeholder analysis, it was found that a marginally significant relationship exists between the ROA and the incorporation of the company stakeholder "employees". Therefore, the null hypotheses is rejected for this stakeholder group while the remaining hypotheses are accepted. In the Component Analysis for measuring the impact on financial performance, no relationship could be established between the number of components incorporated and the ROS. The study found that there is a significant correlation between the number of components incorporated and the ROA. A significant relationship also exists between an individual component i.e. "Motivational Message of Societal Benefit" and the ROA.

From the content analysis of the Mission Statements, it can be understood that the companies do pursue different themes based on the industry, while they frame statements that would help them guide employees to achieve the organizational goals.

From the component analysis, it can be concluded that the societal benefits in the mission statements encourage the stakeholder groups, especially employees, to work towards achieving the intended benefits by improving the society. This would motivate the stakeholders to look at the organisation as more than a wealth collecting machine, and thus, helping the organisation to differentiate itself from others by doing good for the society. Further, stating the societal benefits in the mission statement would help the firm to allure socially motivated employees and encourage them to work with passion to achieve the mission of the organisation that is intended not only to benefit the company but also the society.

In today's world, customers are more

attracted towards a company that is socially responsible and focused on giving back to the society and community. This is due to the enlightenment among customers, that the firms today use the resources of the society and thus, have a moral responsibility to work towards the improvement of the society by giving something in return. This is especially observed among the younger generation, who are more inclined towards companies that are socially responsible.

From Stakeholder Analysis, researchers concluded that the organisations successful in terms of having greater return on assets are likely to state “employees” in their mission statement, as employees are important internal stakeholders. The result that the ROA and inclusion of employees is significantly related can be easily explained, as the employees are the ones that manage the assets of the organisation. A positive relationship means that the incorporation of terms related to employees in the mission statement motivates employees to put in their best efforts and effectively use the assets of the company to generate profits.

Therefore, qualitative and quantitative analysis helped us to understand the importance of Mission Statements and the differences it entails on the rankings of the companies. This study examined the myths related to the idea that customers are of utmost importance in the mission statements of companies as this will attract them and in turn increase the financial performance. The study also put forward the elements that should be focused on in the MS highlighting them throughout the study. A similar kind of research focusing on other sectors would be insightful. Future research using various research methods such as case study, sentiment analysis, or regression analysis would provide further enrichment. Future studies focussing upon readability or communicability of the MS would offer actionable insights to professionals.

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