

Milan Džupina, PhD

Constantine the Philosopher University in Nitra, Slovakia

COMPANY VISION, MISSION AND VALUES IN THE PROCESS OF STRATEGIC PLANNING

The first of the series of steps, all of which form the process of strategic management, is the definition of corporate mission, vision of the company, as well as key business objectives. In terms of the hierarchy of company objectives, the vision and mission are at the top of the pyramid. The quality of company mission and vision is then the basis for formulating the quality of corporate strategy. The aim of this study was to find out whether at all and how business entities operating on the Slovak market formulate their corporate mission and vision, as well as to determine the relationship between the strategic documents and other variables.

Keywords: Vision, mission, corporate values, strategic planning.

Introduction

Business mission and vision are conceptually very close to strategic management. From the theoretical framework point of view, it is very difficult to define a clear boundary between where one of them ends and the other starts. Despite the fact that it is problematic to prove the relationship between the mission, vision and economic performance of an enterprise¹, it is indirectly possible to assume that a well-formulated and clearly articulated business mission, values, as well as the presence of a stable socially-oriented corporate culture, is the result of quality management work that drives the enterprise in such a way that it creates and gives value to shareholders and, on the other hand, gives value to other interest groups². In the literature, we can come across multiple approaches that try to define the essence of these notions. While the mission is often defined as a basic entrepreneurial principle or a core value³, the vision is considered to be more like motivation, general movement trend, image, which creates atmosphere and philosophy of running the entire organization⁴. Visions, as well as missions, are formulated more broadly than specific business goals. The mission, as stated by Steiner (1979), is essentially abstract and unloaded by details⁵. The mission, as well as the vision because of its being formulated at the highest level of the enterprise management and containing the core values and movement trends of the organization, positively influences the definition of corporate goals and the formulation of strategies⁶. It is essential for a firm to have a formulated mission and business vision because it⁷:

- strengthens the belief in organizational steps,
- makes sense of work; explains the sense of movement trends of the business and its existence,
- can serve as an important decision-making criterion for day-to-day decisions,
- inspires and motivates people,

¹ Klemm, M., Sanderson, S., Luffman, G. (1991). Mission statements: Selling corporate values to employees. *Long Range Planning*, vol. 24, is. 3, 73 - 78.

² Campbell, A., Yeung, S. (1991). Creating a Sense of Mission. *Long Range Planning*, vol. 24, is. 4, 10 - 20.

³ David, F.R. (1989). How Companies Define Their Mission. *Long Range Planning*, vol. 22, is. 1, 90 - 97.; Bart, C.K., Bontis, N., Taggar, S. (2001). A Model of the Impact of the Mission Statements on Firm Performance. *Management Decision*, ISSN 0025-1747, vol. 39, is. 1, 19 - 35.; David, F.R. (2011). *Strategic Management Concepts and Cases (13th ed.)*. New York: Prentice Hall.; Drucker, P.F. (1993). *Management: Tasks, Responsibilities, Practices*. New York: HarperBusiness.

⁴ King, D.L., Case, C.J., Premo, K.M. (2010). Current Mission Statement emphasis: Be Ethical and Go Global. *Academy of Strategic Management Journal*, vol. 9, is. 2, 73 - 90.

⁵ King, D.L., Case, C.J., Premo, K.M. (2010). Current Mission Statement emphasis: Be Ethical and Go Global. *Academy of Strategic Management Journal*, vol. 9, is. 2, 73 - 90.

⁶ David, F.R. (2011). *Strategic Management Concepts and Cases (13th ed.)*. New York: Prentice Hall.

⁷ Kemp, S., Dwyer, L. (2003). Mission Statements of International Airlines: Content Analysis. *Tourism Management*, is. 24, 635 - 637.; Bartkus, B., Glassman, M., McAfee, B. (2002). Do Large European, US and Japanese Firms Use Their Web Sites to Communicate Their Mission? *European Management Journal*, vol. 20, is. 4, 423 - 429.

- supports the achievement of consensus and thus the achievement of organization goals,
- serves as a control mechanism; it keeps the business in the desired movement trend.

Vision and mission are close to each other, but their focus and the area they are trying to communicate are relatively separate areas of business¹. While the business mission represents the current position of the enterprise and pillars and values it is anchored on, the vision presents the target direction the enterprise wants to reach in the future². The vision outlines, in the most general and conceptual terms, is the idea of the future trends and position of the enterprise. In its formulation, intuition, mental abilities, imagination, precision, sharp perception and foresight play a significant role. It requires the ability to compose a coherent image from a number of seemingly insignificant, unrelated and contradictory signals³. It expresses the highest target on the development way of the enterprise⁴. It depicts a complex target idea, designed in rough outlines, which are based on real possibilities and assumptions. The vision can be characterized as a courageous and attractive image of the enterprise in the future, and if the company has a good business vision⁵, then it:

- inspires and cheers employees,
- represents infinity and jump ahead,
- helps to create a common identity,
- is original and exceptional,
- supports experimentation and adequate risk,
- supports thinking in the long run,
- represents integrity, is truly honest.

The vision is like a star on the horizon which we are following forever, but we will never reach it. The goal set in such a way can be a source of inspiration for change. The fact that this goal can never be achieved means that the organization can never stop the change and progress⁶, it must clearly explain to employees what their obligations to the organization are and what steps they must take to achieve competitive advantages⁷. Stone (1996) defined the properties of the vision based on what the vision articulates and what is not its content⁸. The distinctive element of the mission is that it allows the public to join the sense, purpose, product, market and philosophical view of the company⁹. The subsequent relationship between mission and vision is such that the mission or the business mission articulates the way how the business wants to achieve the "materialization" of the vision¹⁰. Any kind of an organized activity, if it is to be purposeful, usually has some meaning or mission. Through missions and visions, business managements address various interest groups¹¹. From the point of view of internal interest groups, especially in relation to business employees, the mission and vision represent an internal marketing tool, as

¹ Džupina, M. (2012). *Aplikácia strategického riadenia v podmienkach vybraných slovenských podnikov*. Nitra: Univerzita Konštantína Filozofa v Nitre.

² Džupina, M. (2012). *Aplikácia strategického riadenia v podmienkach vybraných slovenských podnikov*. Nitra: Univerzita Konštantína Filozofa v Nitre.

³ Slávik, Š. (2005). *Strategický manažment*. Bratislava: Sprint vŕa.

⁴ Vácha, S. (1994). Získat lidi pro podnik znamená dát jim vizi. *Moderní řízení, is. 11*.

⁵ Parikh, J., Neubauer, F. (1993). Corporate Visioning. *International Review of Strategic Management, vol. 4*, 109 - 111.

⁶ Collins, J.C., Porras, J. (1996). Your Company's Vision. *Harvard Business Review, September-October*, 65 - 77.

⁷ Stone, N. (1996). The Value of Vision. *Harvard Business Review, vol. 74, is. 5, 7*.

⁸ Stone, N. (1996). The Value of Vision. *Harvard Business Review, vol. 74, is. 5, 7*.

⁹ Volberda, H., Morgan, R., Reinmoeller, P., Hitt, M.A., Ireland, D.R. (2011). *Strategic Management: Competitiveness & Globalisation: Concepts & Cases*. Hampshire, UK: Cengage Learning Business Press.; Pearce, J., Robinson, R. (2010). *Strategic Management*. New York, McGraw - Hill.; Falsey, T.A. (1989). *Corporate Philosophies and Mission Statements: A Survey and Guide for Corporate Communicators and Management*. Westport, CT: Greenwood Press.; Hill, C.W., Jones, G.R. (2006). *Strategic Management: An Integrated Approach*. Mason, OH: South - Western College Publishing.

¹⁰ Mallya, T. (2007). *Základy strategického řízení a rozhodování*. Praha: Grada Publishing.

¹¹ Amato, C.H., Amato, L.H. (2002). Corporate Commitment to Quality of Life: Evidence from Company Mission Statements. *Journal of Marketing Theory and Practice, vol. 10, is. 4*, 69 - 87.; King, D.L., Case, C.J., Premo, K.M. (2010). Current Mission Statement emphasis: Be Ethical and Go Global. *Academy of Strategic Management Journal, vol. 9, is. 2*, 73 - 90.

they help to understand what the business is, and what its movement trends are. Thus it ensures the unity of management and it also sets the long-term intentions and trends¹ which create an emotional connection between the organization and the employees², combine the opposing views and thoughts in the company, and strengthen the unity of the activities, what is a significant factor for the success of the decision-making process. Through a well-articulated mission, an enterprise can communicate the values with which external stakeholders can be identified, thereby reinforcing the stated legitimacy. Thus, in addition to business management tools, business mission and vision is both a communication tool³ and may represent a distinctive aspect of differentiation from competitors⁴. The business mission closely corresponds to the mission of the company. Their meaning lies in the fact that together with the set of beliefs that are contained in ideology or organizational philosophy, they can serve as a guide and the way we deal with important uncontrollable or difficult issues⁵. "The values define the basic character of their organization, the attitude that distinguishes it from all other enterprises. In this way, they create a sense of identity for those who work in the organization, giving employees a sense of uniqueness. In addition, values are a reality in the minds of most people in the whole business, not just in the case of its executives. It is a feeling of coherence that makes the shared value an effective tool."⁶ The values of an enterprise can be communicated as stand-alone statements or as part of a corporate mission and vision⁷, which have a high communicative value from a strategic management point of view⁸. Communicating business values to interest groups allows to create so-called "organization face"⁹, which can be designated as an image or reputation. Business values can be spoken in the context of corporate culture, for which they form a central dimension on the basis of which one organization can be distinguished from the other¹⁰. Mathur and Kenyon (1997) conclude that enterprises have an explicit or implicit system of values that is part of their culture¹¹. When formulating the values, the person of the manager plays a significant role¹². Personal values are gained by people through family, school, and social education. Through personal experience, some values can be strengthened and others weakened, while playing an important role in the decision-making process¹³. Corporate values depend on the level of individual development as well as on personal characteristics. Harrison claims that the values of managers have a strong organizational orientation that

¹ Davies, S.W., Glaister, K.W. (1997). Business School Mission Statements - the Bland Leading the Bland? *Long Range Planning*, vol. 30, is. 4, 594 - 604.

² Campbell, A., Yeung, S. (1991). Creating a Sense of Mission. *Long Range Planning*, vol. 24, is. 4, 10 - 20.

³ Campbell, A. (1997). Mission Statements. *Long Range Planning*, vol. 30, is. 6, 931 - 932.; Rigby, R. (1998).

Mission Statements: the Good, the Bad and the Ugly. *Management Today*, 56 - 59.

⁴ Pearce, J., Robinson, R. (2010). *Strategic Management*. New York, McGraw - Hill.; Davies, S.W., Glaister, K.W. (1997). Business School Mission Statements - the Bland Leading the Bland? *Long Range Planning*, vol. 30, is. 4, 594 - 604.

⁵ Schein, E.H. (1996). *Organizational Culture and Leadership (2nd ed.)*. San Francisco: Jossey - Bass.

⁶ Deal, T.E., Kennedy, A.A. (2004). *Corporate Cultures: The Rites and Rituals of Corporate Life*. New York: Perseus Books Publishing, Inc.

⁷ Brătianu, C., Bălănescu, G.V. (2008). Vision, Mission and Corporate Values. A Comparative Analysis of the Top 50 U.S. Companies. *Journal of Management & Marketing*, vol. 3, is. 3, 19 - 38.

⁸ David, F.R. (2011). *Strategic Management Concepts and Cases (13th ed.)*. New York: Prentice Hall.; King, D.L., Case, C.J., Premo, K.M. (2010). Current Mission Statement emphasis: Be Ethical and Go Global. *Academy of Strategic Management Journal*, vol. 9, is. 2, 73 - 90.

⁹ Robin, D.P., Reidenbach, R.E. (1987). Social Responsibility, Ethics, and Marketing Strategy: Closing the Gap between Concept and Application. *Journal of Marketing*, vol. 51, is. 1, 44 - 58.

¹⁰ Alchian, A., Demsetz, H. (1972). Production, Information and Economic Organization. *American Economic Review*, is. 62, 777-795.

¹¹ Mathur, S.S., Kenyon, A. (1997). *Creating Value: Shaping Tomorrow's Business*. Oxford: Butterworth - Heinemann Ltd.

¹² Yozgat, U., Karataş, N. (2011). Going Green of Mission and Vision Statements: Ethical, Social, and Environmental Concerns across Organizations. *Procedia - Social and Behavioral Sciences*, vol. 24, 1359 - 1366.; Hunt, S.D., Wood, V.R., Chonko, L.B. (1989). Corporate Ethical Values and Organizational Commitment in Marketing. *Journal of Marketing*, vol. 53, is. 3, 79 - 90.

¹³ Brătianu, C., Bălănescu, G.V. (2008). Vision, Mission and Corporate Values. A Comparative Analysis of the Top 50 U.S. Companies. *Journal of Management & Marketing*, vol. 3, is. 3, 19 - 38.

affects the resolution of potential conflicts, and it is highly likely that managers ultimately align their personal values with the organization's needs¹, for the sake of demonstrating their loyalty to the employer². External stakeholders can learn about business values through missions and visions, which can be a significant means of influencing company image³. The relationship between business mission, vision and values is illustrated in Figure 1 where, based on a study of available literature, we have come to the conclusion that values, whether articulated explicitly, as a separate strategic area or as a part of a corporate mission, strategic management, significantly influence the whole process of strategic management.

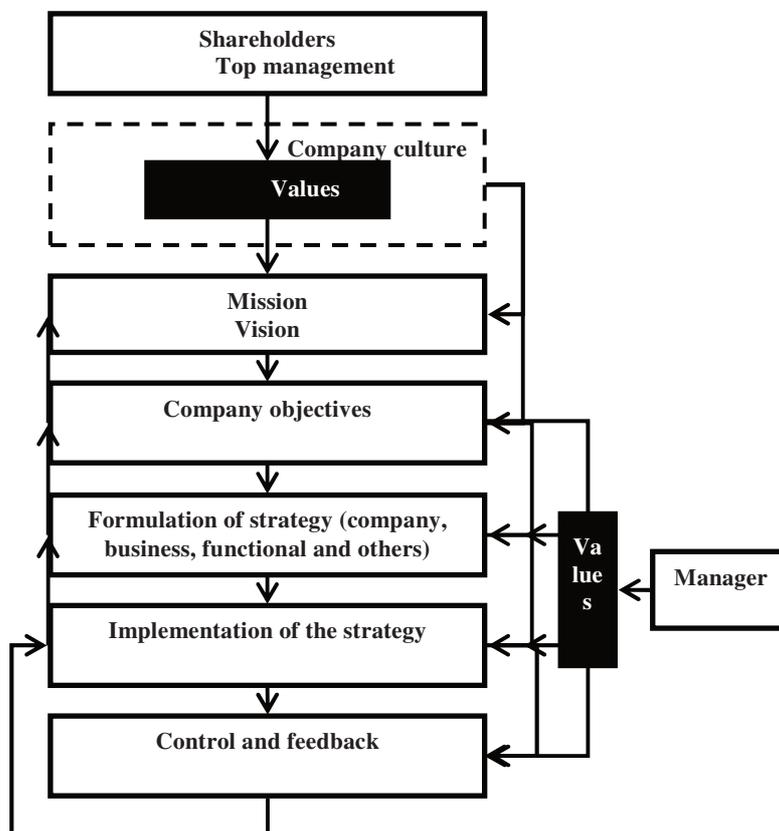


Figure 1 Relationship of values, missions and strategies

Source: Author

A particular interest of theoreticians and strategic management practitioners is to find out and confirm the relationship between the articulated mission and the performance of the company. Pearce and David (1987) demonstrated that the top enterprises incorporated three components in their business missions: basic philosophy, concept of self-perception, and interest in the public image of the enterprise (Pearce, David, 1987). Two studies that have combined corporate values and mission with their financial performance have found out that the most successful companies have stated other values than just profits. Less successful companies have focused almost exclusively on profitability⁴. Although, at first glance this

¹ Hemingway, C.A., Maclagan, P.W. (2004). Managers' Personal Values as Driver of Corporate Social Responsibility. *Journal of Business Ethics*, vol. 50, is. 1, 33 - 44.

² Sen, S., Bhattacharya, C.B. (2001). "Does Doing Good Always Lead to Doing Better?" Consumer Reactions to Corporate Social Responsibility. *Journal of Marketing Research*, vol. 38, is. 2, 225 - 244.

³ Amato, C.H., Amato, L.H. (2002). Corporate Commitment to Quality of Life: Evidence from Company Mission Statements. *Journal of Marketing Theory and Practice*, vol. 10, is. 4, 69 - 87.; King, D.L., Case, C.J., Premo, K.M. (2010). Current Mission Statement emphasis: Be Ethical and Go Global. *Academy of Strategic Management Journal*, vol. 9, is. 2, 73 - 90.

⁴ Dess, G., Lumpkin, G.T., Eisner, A., McNamara, G. (2011). *Strategic Management: Text and Cases* (6th ed.). New York: McGraw - Hill.

may seem as a matter of course, even today many organizations do not articulate their business mission, vision, or corporate values explicitly.

Material and methods

The enterprise population is made up of organizations that were included in the Trend magazine rating in its special issue Trend TOP. This ranking categorizes businesses based on a number of indicators. The research sample consisted of private and state-owned enterprises, of various sizes and legal forms of business. Our sample of companies covers seventeen sectors of the national economy, ranging from industry to service sector. In each of the sectors, we monitored the presence of declared vision, mission and business values in ten enterprises (five top ones and five with the lowest economic performance). Considering the sample size of 169 enterprises, we used their websites as a source of information. We supposed that the top companies that were included in the magazine evaluation would communicate their strategic and value orientation either separately or through corporate mission or vision, because in some cases these notions are confused. We were interested in the relationship between the presence of these statements and other parameters such as the size of the enterprise, the ownership of production factors (domestic or foreign) and the legal form. The presented research is based on a more comprehensive research carried out at the department. We are aware of the fact that some conclusions need to be seen in a broader context as strategic management is a complex process whose outcome is influenced by a number of factors. Nevertheless, we came up to several inspirational findings that can serve as a basis for further expanding research. Statistical evaluations were processed in the IBM SPSS 21.0 program, using both basic descriptive statistics, as well as statistical dependency detection through a correlation analysis, based on the following facts:

		r	<	0.3	low tightness
0.3	≤	r	<	0.5	slight tightness
0.5	≤	r	<	0.7	significant tightness
0.7	≤	r	<	0.9	high tightness
0.9	≤	r			very high tightness

Analysis and interpretation of results

In the research, the companies active on the Slovak market in various sectors of the national economy were included. We analyzed 169 entities of different sizes and different legal forms. The structure of the population of enterprises, from the point of view of their legal form, is explained in the Table 1. Out of the 169 analyzed enterprises, 86 companies were Slovak (50.89%) which subsequently enabled us to determine the level of dependence between domestic and foreign subjects in relation to their presented statement of vision, mission and corporate values.

Table 1

Structure of the selected sample in terms of their legal form

Legal form	Code	Number	Percentage
Joint-stock companies	1	82	48.52%
Society	2	2	1.2%
Natural person	3	1	0.6%
Foreign entity	4	1	0.6%
Limited Liability Company	5	79	46.8%
State enterprise	6	2	1.2%
Public company	7	2	1.2%

Source: Author (processed in the program SPSS 21.0)

Similarly, as it is in the national economy, the most represented legal forms of companies were joint-stock companies (48.52%) and limited liability companies (46.75%). The structure was largely influenced by the data source (the Trend Top 2012 ranking), which included the most powerful companies on the Slovak market, which, to a certain extent, may have distorted the real representation of such forms of business as traders (natural persons) in the extent of 0.59%, possibly societies (1.18%). On the other

hand, there is a realistic assumption that in the current turbulent environment in which business entities are located, there will be no real differences between different legal forms in terms of formulating their vision, mission, and corporate values. The complexity of the current changes and the market volatility presence require a greater effort from corporate management in the planning and systematization of decision-making processes.

In the context of strategic planning and management, the legal form of business equally as the size of the business entity ceases to be important today. Small and medium-sized enterprises just like large enterprises, if they wish to be managed systematically and at the appropriate scientific level, must respect the general rules of strategic management, a certain hierarchy and the sequence of steps. Otherwise, they are at a high risk of endangering their own existence as a result of intensive competitive forces. Based on the selection consisting of the first and the last five enterprises of each sector ranked on the basis of their economic outcomes, the selected sample of companies in terms of their size is listed in Table 2. The classification criterion was the number of employees as follows:

- small enterprise 1-25,
- medium-sized enterprise 26-499,
- large enterprise 500+

Table 2

Structure of the selected sample in terms of their size

Enterprise size	Code	Number	Percentage
Small	1	12	7.1%
Medium-sized	2	81	47.9%
Large	3	76	45.0%

Source: Author

As in the previous case, as the result of the information source, the structure of enterprises was mostly made up of medium-sized and large enterprises (92.90%), out of which 44.97% were the large ones and 47.93% medium-sized. On the other hand, entities with up to 25 employees made up only 7.10%.

Strategic business management is a process that results in a well-formulated and implemented strategy. What is contained in the mission and vision consequently finds its image in the strategies that are being implemented in the company. On the other hand, it should be noted that a strategy is not just what the business intends to do in the future, but it is primarily what the business does and performs currently¹. However, it should be noted that if an enterprise has its mission statement and vision, there is a higher likelihood that managers will not lose out of their sight the long-term movement trend, even in crisis situations. Business managers often commit errors that we might call the lack of managerial persistence, which is reflected in frequent changes in company movement trends².

Out of 169 enterprises up to 86 enterprises (50.89%) explicitly did not articulate any of the above-mentioned documents. It is questionable, how in today's turbulent times, businesses with no apparent long-term orientation can exist. The mission, defined as the meaning of the existence of the enterprise, was stated by 19 entities (11.24%). The vision, as a general picture of the future movement of the enterprise, which shows the movement trend of the enterprise in basic features, is present in five statements of enterprises (2.96%) and only 16 (9.47%) of the entities communicated their values. In the case in question, there were no statistically significant differences between whether it was a Slovak enterprise or an enterprise with foreign participation and whether the management of the enterprise formulated their business mission (-.063) or vision (-.154). The slight tightness of the relationship is between the country of origin of the business entity and explicit identification of corporate values (-.300).

From the above mentioned facts it follows that in comparison with Slovak enterprises, foreign entities in more cases communicated corporate values (40.74%, Slovak enterprises – only 15.12%) as the basis of a corporate culture which establishes the rules for enterprise strategic management process³.

¹ Mintzberg, H. (1983). The Case for Corporate Social Responsibility. *Journal of Business Strategy*, vol. 4, is. 2, 3 - 16.

² Kotler, P., Caslione, J.A. (2009). *Chaotika*. Brno: Computer Press.

³ Digman, L.A. (1990). *Strategic Management: Concepts, Decisions, Cases* (2nd ed.). Honweywood: Richard D. Irwin.

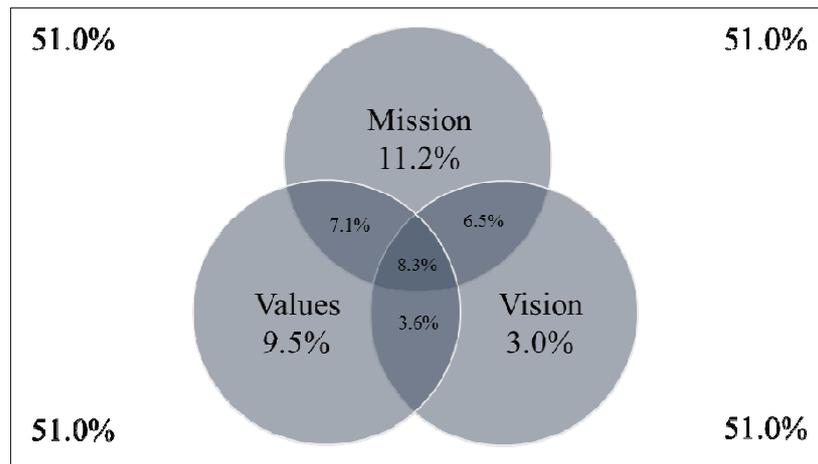


Figure 2 Formulation of business vision, mission and values (N=169)

Source: Author

Table 3

Analysis of dependence among variables mission, vision and values

		Slovak	Values	Mission	Vision
Slovak	Pearson Correlation				
	Sig. (2-tailed)		.000	.417	.046
	N	169	169	169	169
Values	Pearson Correlation	-.300**	1	.281**	.313**
	Sig. (2-tailed)	.000		.000	.000
	N	169	169	169	169
Mission	Pearson Correlation	-.063	.281**	1	.401**
	Sig. (2-tailed)	.417	.000		.000
	N	169	169	169	169
Vision	Pearson Correlation	-.154*	.313**	.401**	1
	Sig. (2-tailed)	.046	.000	.000	
	N	169	169	169	169

Source: Author (processed in the program SPSS 21.0)

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

At the relevant level of significance, there was a difference between whether a business entity had a domestic or foreign origin. Along with the vision, businesses have often articulated their mission (correlation coefficient .401), which illustrates the fact that in many cases there is an overlap, or identification of the essence of corporate mission with its vision. They are often perceived as identical notions or statements that are very closely interlinked. The same it was also in the case of corporate vision and business values communication for which the sample shows statistical dependence (.313). The slight dependence is between whether a business entity articulated its mission and vision (.401). Therefore, in the case of business vision and mission, no clear boundary between what is mission and what is vision can be seen. Likewise, in our sample it also was about the most commonly communicated documents in which the relevant business managers communicated the sense of their business, as well as the future movement trends and strategic orientation of their entities. Looking more closely at the entities with majority foreign participation, we can find that 12 (14.46%) of the foreign entities have directly presented all of their strategic documents (vision, mission and values). On the other hand, up to 35 companies (42.17%) either

did not communicate their basic strategic orientation at all or they communicated it very poorly. In some cases, it is possible to identify the future movement of an enterprise only on the basis of the vague expressions of the management itself or, business owners about what the enterprise as such means or what they plan to implement in the future. The absence of a formalized strategic document thus reduces the potential of an active business performance and puts them in a significant strategic disadvantage in relation to their competitors and the flexibility of their strategic decisions.

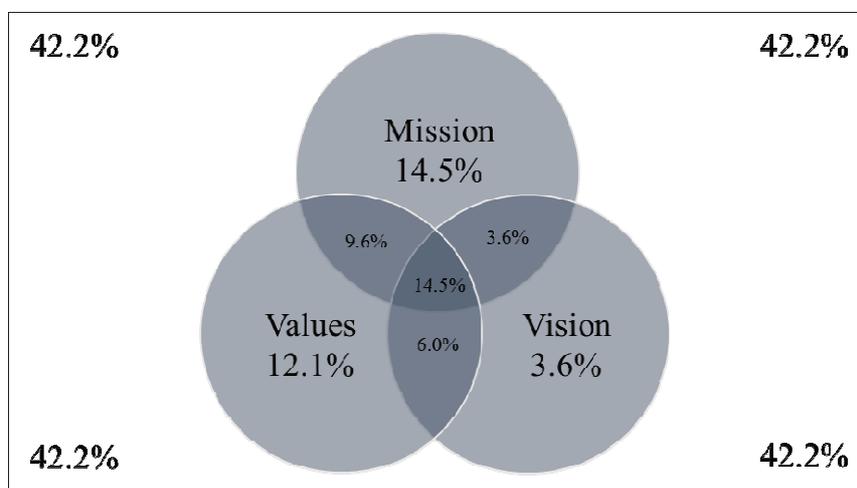


Figure 3 Formulation of vision, mission and business values in the group of foreign business entities (N=83)

Source: Author

If we look more closely at foreign business entities operating on the Slovak market, up to 42.17% of them did not explicitly formulate any of the strategic documents. In some cases, Slovak business managers referred to their parent (foreign) companies, where missions and visions, or even values, were articulated. Due to the focus of the work, we have included these statements in the business evaluation, even though we are aware of the fact that it is necessary, especially in view of the relevant corporate values, to undertake a critical analysis of the parent company values in relation to the values or cultural differences of the Slovak business environment. The largest number of the statements was related to the mission (8.43%) and corporate values (12.05%). The mission and values were communicated as special documents in a quarter of all the cases.

Table 4

Analysis of dependence among variables mission, vision and values in the group of foreign business entities (N=83)

		Mission	Vision	Values
Mission	Pearson Correlation	1	.375**	.373**
	Sig. (2-tailed)		.000	.001
	N	83	83	83
Vision	Pearson Correlation	.375**	1	.398**
	Sig. (2-tailed)	.000		.000
	N	83	83	83
Values	Pearson Correlation	.373**	.398**	1
	Sig. (2-tailed)	.001	.000	
	N	83	83	83

Source: Author (processed in the program SPSS 21.0)

** Correlation is significant at the 0.01 level (2-tailed).

In the group of foreign business entities, all monitored statements (mission, vision, values) were relatively often present and business managements defined them separately.

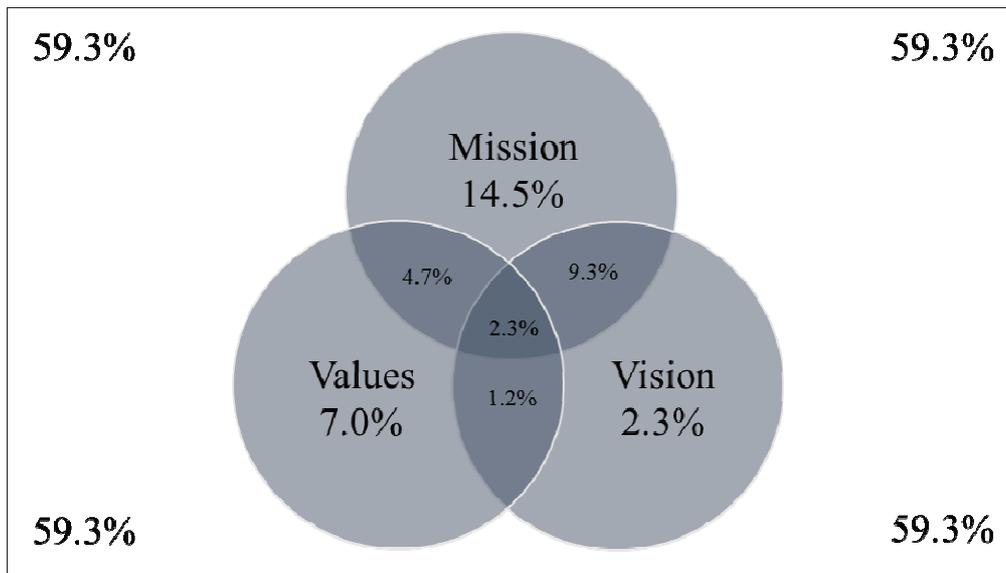


Figure 4 Formulation of vision, mission and business values in the group of Slovak business entities (N=86)

Source: Author

Considering the specific functions that they perform in the company, this is highly positive, because the company's employees know what (vision), why (mission) and how (values) they should do (Džupina, 2012). The closest relationship has been identified between business values and vision (.398), which suggests that corporate management often articulates vision at the highest level of the business as a basis for future movement trends, and business values, or principles by which the enterprise and, thus, also its running is operated. In the case of the group of Slovak subjects, the situation was similar. The most frequently communicated was the vision (30.23%). The mission (14.46%) and corporate values (15.11%) were communicated by the subjects almost identically. In comparison with foreign entities, there is, however, higher number of those entrepreneurs and companies that do not attach adequate emphasis to what, why and how their businesses do. Almost 50% of businesses do not have a formally defined vision or mission, or business values. Then, the question again is how it is possible to manage an enterprise without the apparent knowledge of its current position (mission) and movement trends (vision). An enterprise without unambiguous strategic orientation is like a ship without a rudder that floats around¹, or a wanderer who has no place to go to². Obviously the absence of vision and mission reflects negatively in the overall management of the enterprise, which thus becomes more random and intuitive than systematic and well planned.

We have identified a minor dependence between companies' visions and missions (.429). Business managements specifically communicated the basic, general movement trends and the sense of the enterprise existence. On the other hand, only in exceptional cases we encountered such cases that entrepreneurs or business managers would communicate missions and values separately (.146). From the above mentioned it can be assumed that the mission is often used in enterprises as a tool to communicate both the sense of the enterprise existence as well as the core business values. From the Figure 4, it can be clearly seen that these enterprises form 23.76% out of all the Slovak business entities that we have included into our research sample.

¹ Slávik, Š. (2005). *Strategický manažment*. Bratislava: Sprint vfra.

² Kami, J.E., Ross, M.J. (1973). *Corporate Management in Crisis, Why the Mighty Fall*. Englewood: Praentice-Hall.

**Analysis of dependence among variables mission, vision and values
in the group of Slovak business entities (N=86)**

		Mission	Vision	Values
Mission	Pearson Correlation	1	.429**	.146
	Sig. (2-tailed)		.000	.179
	N	86	86	86
Vision	Pearson Correlation	.429**	1	.094
	Sig. (2-tailed)	.000		.390
	N	86	86	86
Values	Pearson Correlation	.146	.094	1
	Sig. (2-tailed)	.179	.390	
	N	86	86	86

Source: Author (processed in the program SPSS 21.0)

** Correlation is significant at the 0.01 level (2-tailed).

Conclusion

Vision and mission can be perceived at multiple levels. At the level of communication, where a company, through a well-formulated mission and vision, can successfully communicate its basic movement trends as well as core values into both its interior and surroundings. In relation to employees, as a significant group of stakeholders, these strategic documents fulfill the non-negligible role of a stabilizer and integrator of various goals. The stabilization function is that the vision provides a clearly defined goal in terms of long-term business trends which ensures that management at any level of the company cannot lose fundamental, long-term movement. The integration function is based on the existence of different goals at different levels of management. All of them should be articulated and subsequently implemented in such a way that they do not divert the movement trend of the business from the set vision. The second, relatively separate area is the area of mission, or business values that are often part of it. Business mission can be perceived as a guideline, or a manual that explains why the business does what it does. It clarifies the meaning of its existence, and thus, saying it figuratively, it gives meaning to the work of employees. In case of the absence of vision and mission, it is hard to imagine that an enterprise can be managed systematically and on the basis of certain rules that are part of the corporate culture. If business managers are not aware of the future image of the business, they do not know how to achieve it or how to get closer to that image. As the result, different decisions may be taken at both strategic and tactical levels, which are rather random and ad hoc than systematic and thoughtful, what is very dangerous for further business movement and its survival in the current turbulent times. We can assume that also in the future further market and sectoral clean-ups will continue, which will happen especially with the businesses lacking basic strategic orientation.

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