

WANT TO GROW YOUR BUSINESS?



CREATE THE FOUNDATION

By Lori L. Silverman

Changes in the marketplace are happening more frequently and with greater impact. No longer can a firm rely solely on putting out quality work and word of mouth referrals to stay in business.

Today, it is more important than ever to reflect on some basics: the mission, vision, market strategy, values, and guiding principles of your organization. These basics are the cornerstone of the development of a business plan which will take your organization into new areas of work and allow it to meet the needs of customers you would like to be yours in the future. They are also key to retaining good employees over time.

Where do you start? Begin with defining the mission of the organization. A mission statement is a single sentence that describes what your business is paid to do. It defines the organization's reason for existence—its purpose and its uniqueness—and does not contain any evaluative terms. It also may globally identify the geographic locations the firm covers and the customers it serves today.

Once the mission has been identified, then develop the organization's vision. A vision statement is a single sentence that describes what the firm needs to become in the next five to 10 years, in the eyes of current and future customers, in order to continue to stay in business for the long haul. It needs to be memorable, realistically attainable (even though it may be a stretch from today), and go beyond mere platitudes. It is not what the organization wants to become; it speaks to how the organization will benefit its customers and provide them with increasing value

in the future. Customer feedback and satisfaction data, along with where the future of the industry is moving, can often be valuable inputs to this work.

The organization's market strategy defines its position in the marketplace. This strategy statement may identify and describe a financial perspective—being a low cost provider, a quality perspective—providing defect free products and services, a unique feature perspective—being the only supplier of a particular product or service, and/or a niche perspective—serving a particular “need” for certain types of customers. More than one of these positions can be combined together into a market strategy as long as the organization is able to fulfill them. Market research information is often helpful in creating a market strategy position statement.

Rounding out the picture are the organization's values and guiding principles. Values are fundamental ideals that define the boundaries of acceptable behaviors and decisions. They are enduring over time. Examples include: honesty, integrity, and protecting the environment from harm. Guiding principles are beliefs that orient conduct. They may change over time as the business matures. Examples include: being customer responsive, never-ending improvement, and staying on the leading edge of research and development in the field.

Developing the organization's mission, vision, market strategy, values, and guiding principles cannot occur through the work of only one or two people (unless the business is this size!). Their creation needs to involve as many employees as feasible. Doing so helps to align the organization and increase the commitment of its members to its future.

These items are the foundation for growing a business. Without them the organization will not have the necessary focus and clarity for developing its operational plans or long-term strategic plans. Once in place, the business can also use them in its sales and marketing efforts, its recruitment initiatives, and as the core of its orientation and training programs.

Article appeared in the March 2000 issue (Vol. 4, No. 3) of *The Australasian Powder Coater Painter-Fabricator*. All uses, including reprints, require advance permission from the author.

Lori L. Silverman is the owner of Partners for Progress, a management consulting firm dedicated to helping organizations achieve and maintain a sustainable competitive advantage. She is also the co-author of *Critical SHIFT: The Future of Quality in Organizational Performance* and the upcoming book, *Stories Trainers Tell*. Lori can be reached by e-mail at lori@partnersforprogress.com.

For additional free articles, go to www.partnersforprogress.com.
