

**Do Fortune 50 Companies Have Compelling Mission Statements?  
We will let you decide!**

James Ike Schaap, Ph.D.\*  
Adjunct (Associate) Professor  
College of Business  
California State University, Monterey Bay  
Seaside, CA 93955  
775-827-5709  
[jjschaap@charter.net](mailto:jjschaap@charter.net)  
(\*-Corresponding author)

Joshua Lawrence Schaap  
Graduate Student  
University of Texas, Dallas  
Richardson, TX 75080  
[jschaap23@gmail.com](mailto:jschaap23@gmail.com)

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## **BIOGRAPHY**

**James Ike Schaap**  
**Adjunct (Associate) Professor**  
[jjschaap@charter.net](mailto:jjschaap@charter.net)  
**Corresponding Author**

Dr. Schaap has over 40 years of university teaching experience. During this time, he has published numerous articles in the strategic management discipline. He was a cofounder and former board member at The Center for Logistics Management, College of Business, University of Nevada, Reno. Dr. Schaap is passionate about providing much-needed graduate education to working professionals who cannot attend traditional classroom educational programs as an adjunct associate professor at California State University, Monterey Bay.

## **BIOGRAPHY**

**Joshua Lawrence Schaap**  
**Graduate Student**

Mr. Schaap is a graduate student at the University of Texas, Dallas, where he is majoring in marketing. Joshua is currently the marketing campaign manager for all digital marketing activities at Server Technology Inc.—where he has worked for over ten years.

## ABSTRACT

The purpose of this study is to present a background that describes and explains organizational mission statements. From a design standpoint, the corporations selected, via the Internet, were listed on the 2019 Fortune 500 list. Of that list, we specifically looked at all the revenues, net profits (i.e., shown in percent), and mission statement word counts of the Fortune 500 companies—for 2019. We also looked at the mission statement word counts for all Fortune 500 companies who had a net profit, shown in percent, of equal to or greater than the top performing Fortune 10 companies—for 2019. Our findings showed that the top 10 of the Fortune 500 companies (i.e., as determined by net profit, shown in percent), have, on average, lower mission statement word counts than the rest of the Fortune 40 firms. These same 10 companies, have, on average, lower mission statement word counts than the other 39 Fortune 500 companies (i.e., who had a net profit, shown in percent, of equal to or greater than the top performing Fortune 10 companies—for 2019). We believe that the mission statement is an important tool for every organization. It should play a significant role in the operation of any business. A well-crafted mission statement can provide the focus and motivation you need to take your business to the next level. It should be easy to remember and it should inspire and motivate everyone.

*Keywords:* Compelling, goals, mission, mission statement, objectives, purpose, strategic intent

## **Do Fortune 50 Companies Have Compelling Mission Statements? We will let you decide!**

A mission statement is something that many companies fear. They are unsure of what to say and do not want to mess it up. To say the least, one experiences plenty of trepidation when writing a mission statement. Moreover, while you can read a lot of advice and study helpful examples, you eventually must dig in and get your hands dirty (Altman, 2016).

A business is not defined by its name, statutes, or articles of incorporation. We feel that it is defined by the business mission statement. Only a clear definition of the mission of the organization makes for clear and realistic business objectives (Drucker, 1973, p. 59). Further, the mission statement is quite popular in business circles as a tool that every manager and organization must have in its arsenal (Bolon, 2005). For years, it has been identified as the first step in the strategic planning process, superseding and providing a foundation for the development of strategies, plans, and programs (Leontiades, 1982).

Companies with core purposes and values enjoy enduring success, while their strategies and practices continuously adapt to the changing world (Collins & Porras, 1996). The idea or objective for the existence of an organization defines the mission of that organization. Most companies have a mission statement. It is a declaration of the organization's reason for being. It answers the question, "What business are we in?" (Khalifa, 2011, p. 25). Companies, as this paper will demonstrate, publish these statements on their websites and in the public domain. According to Ireland and Hitt (1992), the aim is to publicly declare the organization's purpose, goals, products, markets, and philosophical views. They assert that the mission statement can be a good source of motivation and inspiration to employees (Yadav & Sehgal, 2019). Importantly, however, certain elements of the mission statement have changed over time in terms of their ability to motivate employees.

Over the past decade, *purpose* has become a management watchword. Since 2010, the word purpose has appeared in the titles of more than 400 new business and leadership books and thousands of articles. And no wonder, many people—not just millennials—want to work for organizations whose *mission statements* resonate with them intellectually and emotionally. Yet, many enterprises struggle to clearly define, much less embody, their purpose (i.e., their mission). For example, use the Internet to search out various companies and locate and read their mission statements. In doing so, you will likely find generic goals such as "being the company of choice" and "maximizing shareholder value." Statements like these, according to Blount and Leinwand (2019), miss the heart of what drives a successful business. They do not speak to what the firm actually does or who its target customers are. In addition to generic goals, other mission statements include high-minded but vague aspirations. For example, phrases such as "inspiring people to put their best selves forward every day" and "spreading the power of optimism" also fail to answer the following questions: What is your precise reason for existing? What value are you giving your customers? Why is your firm uniquely capable of providing it?

A truly powerful mission statement is one that achieves two objectives: clearly articulating strategic goals and motivating the workforce—they are compelling and exciting. These objectives are important individually and synergistically. When employees understand and embrace an organization's mission, they are inspired to do work that is good—and sometimes great—while delivering on stated aims (Blount & Leinwand, 2019).

If we look at the literature on organizations and strategy, we find numerous terms for mission statements that are sometimes used synonymously, have partially overlapping meanings from time to time, and are occasionally intended to be totally distinct from each other. As one CEO told us:

I have come to believe that I need a mission to guide us, but I cannot seem to get my hands on what the mission is. I have heard lots of terms like mission, purpose, values, strategic intent, but no-one has given me a satisfactory way of looking at mission that will help me to sort out this morass of words. It is really frustrating (Collins & Porras, 1991, p. 30).

Most organizations respond to the need for vision by creating something they typically call a mission statement. While this is a step in the right direction, most mission statements are terribly ineffective as a compelling and guiding force. In fact, most corporate statements—whether they are called mission, purpose, philosophy, credo, or the company way—are of little value. They do not have the intended effect. They do not grab people in the gut and motivate them to work toward a common end. They do not focus attention of employees. They do not galvanize people to put forth their best efforts toward a compelling goal. They do not mean something to people all up and down the organization. In fact, they are usually nothing more than a boring stream of words. For example, below are some typical examples of mission statements from actual companies:

The Corporation is committed to providing innovative engineering solutions to specialized problems where technology and close attention to customer service can differentiate it from commodity of production or job shop operations.

We provide our customers with retail banking, real estate, finance, and corporate banking products which will meet their credit, investment, security and liquidity needs.

[The company] is in the business of applying micro-electronics and computer technology in two general areas: computer-related hardware; and computer enhancing services, which include computation, information, education, and finance (Collins & Porras, 1991, pp. 30-31).

What is wrong with these? They are long and not compelling, nor are they exciting. They are not clear, crisp, and gut-grabbing or hard-hitting. Like many poor guiding mission statements, they are nothing more than a description—and a bland one at that—of the operations of the company (Collins & Porras, 1991, p. 31).

### **Definitions of a Mission Statement**

To better understand the characterization and meaning of a mission statement, rather than reference one scholarly source, we wanted to present what a few authors and scholars have thought about this term over the last 20 years.

In 2001, Angelica (2001, p. 5-6) described the mission statement as a short, snappy statement of the purpose of the organization that would be capable of fitting at the bottom of the organization's letterhead or business card. Though brief, the mission statement must possess four important qualities: breadth, durability, challenge, and distinction.

According to C. William Pollard (2002), former Chairman of ServiceMaster Company, *On Mission and Leadership* (2002), this writer stated that:

The mission provides a reference point, an anchor, and a source of hope in times of change. When it connects with people's values, it brings purpose and meaning to those who are fulfilling the mission and provides the impetus for creativity, productivity, and quality in the work and in personal development (p. 53).

As stated by Johnson, Scholes, and Whittington (2009), the mission statement as a general expression of the organization's overall purpose is ideally in line with the values and expectations of major stakeholders and concerned with the organization's scope and boundaries. It is sometimes referred to in terms of the apparently simple but challenging question: "What business are we in?" (p. 9)

According to Powers (2012), the mission statement content should answer three key questions:

- 1) What are the opportunities or needs that we exist to address (the purpose of the organization)?
- 2) What are we doing to address these needs (the business of the organization)?
- 3) What principles or beliefs guide our work (the values of the organization)? (p. 283)

Simply stated, mission statements should identify the broad customer need(s) that an organization is going to satisfy. They indicate the organization's fundamental reason for existence. They must be realistic, achievable, and brief. An organization's mission statement should also be unique. It should portray the company's individuality. Finally, mission statements should be narrow enough to give direction and guidance to everyone in the company, yet flexible enough to allow the business to grow and realize its potential (Powers, 2012, p. 287).

As stated by Keffer (2014, p. 14), the mission statement is a short sentence that explains why we exist. The mission statement also describes the overarching purpose of the organization. In the simplest form, the mission statement answers three questions: a) why do we exist, b) who do we serve, and c) what do we produce?

In 2015, Rothaermel (2015, p. 31) outlined a mission as what an organization actually does—that is, the products and services it plans to provide, and the markets in which it will compete.

In the next year, David and David (2016, p. 43) defined the mission statement as a declaration of an organization’s reason for being. It answers the pivotal question, “What is our business?”

While there are many definitions of mission statements, Hagemann et al. (2017, p. 28) simply defined a mission as: Why are we here and why do we exist?

Thompson, Jr. (2020), in his most recent textbook, defined the mission statement as “who we are, what we do, and why we are here.” To be well worded, a company’s mission statement must employ language specific enough to distinguish its business makeup and purpose from those of other enterprises and give the firm its own identity. However, if a mission statement is largely a “collection of high-sounding words and (long) phrases” and fails to convey the essence of a company’s business activities and purpose, it has no clear utility (p. 18-19).

### **Review of the Current Literature**

The following review of the literature encompasses, for the most part, a condensed series of top-level scholarly efforts about the topics of mission statements. These works, certainly limited in nature, are presented chronologically, starting in 1996, to highlight the development of the thinking of various writers about this stimulating, debatable, and confrontational topic over the past 24 years although it certainly has some timeline gaps. Nevertheless, we chose this method instead of a content-oriented tactic so the reader can clearly understand the thinking of the various writers and researchers over this period of time.

In 1996, Collins and Porras scripted the ensuing information:

Truly great companies understand the difference between what should never change and what should be open for change, between what is genuinely sacred and what is not. This rare ability to manage continuity and change—requiring a consciously practiced discipline—is closely linked to the ability to develop a vision. Mission provides guidance about what core to preserve and what future to stimulate progress toward (p. 66).

Collins and Porras also found that visionary companies often use bold *missions* (i.e., big, hairy, audacious goals [BHAGS]) as a powerful way to stimulate progress. A true BHAG is clear and compelling. It serves as a unifying focal point of effort, and acts as a catalyst for team spirit. Finally, these researchers stated: “You must translate the mission (statement) from words to pictures with a vivid description of what it will be like to achieve your goal” (p. 74).

According to Bartkus, Glassman, and McAfee (2002), there are four key advantages for companies to have mission statements:

1. To communicate a sense of the firm's direction and purpose. By having a mission statement, a firm can develop coherent short- and long-range goals, objectives, and plans.
2. To serve as a control mechanism to keep the firm on track. They serve as boundary lines for making decisions.
3. To help in making a wide range of day-to-day decisions—steering employees in the right direction.
4. To inspire and motivate employees—they give meaning to work and provide a shared sense of purpose (p. 24).

Krattenmaker (2002) wrote that organizations ought to know what they are about and what they are doing. Further, if they do not have a well-thought-out mission statement, how can they have that clear sense of direction? Krattenmaker went on to state that the problem is that many mission statements do not actually reflect a real mission. Lofty or wordy statements crafted by a public relations department are likely to be sneered at or scoffed at internally and have little hope of guiding the actions of the firm and its employees.

This author goes on to state:

Use the mission statement. Print it, post it, preach it, and practice it. It is the successful execution of this final step—actually using the mission statement—that eludes most organizations. That said, if that is not what you intend to do with it, forget about it. You can find other ways to cheerlead (Krattenmaker, 2002, p. 3).

Williams (2008) stated, in her study, that: “Mission statements can serve some or all of these purposes. It provides a commonly accepted theoretical basis for expecting corporations with a mission statement to be more successful than those without one.” (p. 98) In addition to specific benefits that are said to accrue from having such a statement, successfully completing the mission statement process demonstrates that a firm can think reflectively, plan carefully, work collaboratively, and make informed decisions. Therefore, it is logical to conclude that this demonstrated expertise will contribute to the overall success of a corporation.

Roach (2009) specified that the mission statement has a specific function—it targets action. And every company's encounter is guided and evaluated by the degree to which it does or does not serve the mission. Simply stated, mission statements have to say who you are and what you do. On the other hand, mission statements that are written only to sound good are not functional, and functionality is the first priority.

According to Hellweg (2010), most companies, regardless of their sectors, have a mission statement, but most are awash in jargon and marble-mouthed pronouncements. Worse, these unintelligible statements are often forgotten by, misremembered, or flatly ignored by frontline employees. This author then asked: “How long is your company's mission statement? Do you think you could get it down to under *eight* words using the verb, target, outcome and format?” (n.p.) It is a good exercise to consider running, if only to start real conversation at your company about what you are doing, to and for whom, and toward what conclusion.

As stated by Pallotta (2011), a person or organization on a mission is inspiring. A mission statement, however, is an abstraction. Add to this disadvantage the fact that the writing of most statements is an exercise in compromise and equivocation, and now you have depressed people. Additionally, slap the title “Mission Statement” on companies and you have communicated a sense of missionlessness. That said, do not put mission statements first, establish a mission (i.e., to be the best company you can be), and the other things will follow, including the mission statement.

McKeown (2012), who reviewed more than 100 mission statements, noticed that the statements were grandiose but uninspiring. Most were lackluster. For example, one had the mission to “eliminate hunger in the world,” but with just five people in the organization, the mission felt like little more than empty words. In contrast, it was the slightly unexpected social entrepreneur and actor Brad Pitt who, appalled by the lack of progress in rebuilding New Orleans after hurricane Katrina, started *Make it Right* with the intent (i.e., the mission) “to build 150 affordable, green, storm-resistant homes for families living in the Lower 9<sup>th</sup> Ward.” That statement took the air out of the room. The concreteness and narrowness of the objective made it real. The realness made it inspiring, and it showed that a concrete strategic objective is better than a general mission statement, however grandiose. A powerful and convincing strategic intent inspires people partially because it answers the question, “How will we know when we are done?”

According to Starr (2012), mission statements are often the same kind of word-salad, but there is no common *raison d’être*. As investors, we do not want to wade through a bunch of verbiage about “empowerment,” “capacity-building,” and “sustainability”—we want to know exactly what you are trying to accomplish. We want to cut to the chase, and the tool that works for us is the eight-word mission statement. All we want is this: a verb, a target population, and an outcome that implies something to measure—and we want it in eight words or less.

As stated by Branson (2013, p. 24), most mission statements are full of trite truisms and are anything but inspirational and stimulating. A company’s employees do not really need to be told that “the mission of XYZ Widgets is to make the best widgets in the world while providing excellent service.” Such statements show that management lacks imagination and perhaps in some cases, direction. At the opposite end of the scale is the statement that fails through flowery waffling. Brevity is key. As such, make it unique to your company, make it memorable and, just for fun, imagine it on the bottom of a coat of arms.

According to Fox (2014), Twitter Inc. has a perfectly respectable mission statement (i.e., To give everyone the power to create and share ideas and information, instantly, without barriers – 15 words). This raises the question: does it really matter if a company has a good mission statement? According to Fox, the answer is yes. Maybe not a mission statement per se, but a vision, a set of goals, a strategic intent that (1) goes beyond just making lots of money, and (2) is unique to the company.

As said by Lindberg (2016):

A mission statement is the tie that binds, the thing every single employee should aspire to helping make a reality—in every decision, in every minute of every meeting. Mission statements, if done right, can charge up an organization—give them a rallying cry! Give them something to be proud of (n.p.).

Lindberg (2016) continued that the mission statement should not be longer than 15 words. Fifteen words or less is more memorable. It should also be written in plain language—language that your grandmother can easily understand without have to ponder it. It must be rolled out with a bang and introduced as a guidepost for making decisions.

Brandall (2018), in a study of 200 company mission statements, with an equal number coming from Fortune 500 companies and from Inc. 500 firms, found that the average length of a mission statement, per company, was 29 words, with larger companies (i.e., we are assuming in revenue only) tending to choose longer mission statements.

Last, Maynard (2019) mentioned that in recent years mission statements have become watered down in the corporate world to the point where they are essentially meaningless and have negative connotations. In fact, in some circles, mission statements are received only slightly better than tax increases. Moreover, most marketers do not talk about your mission because they do not think it has anything to do with your brand or growth or day-to-day operations. This author goes on to state that they (i.e., marketers, etc.) are wrong. A mission statement defines the core purpose of your business. And a well-crafted short mission statement can provide the focus and motivation you need to take your business to the next level. It should be easy to remember. It should inspire and motivate everyone. It should guide people's actions. Most importantly, it should anchor your brand promise and value.

### **Purpose of the Study**

The purpose of this study is to present a background that describes and explains organizational mission statements and removes the so-called uncertainty encompassing the foci, while at the same time preserving the magic—the spark (i.e., net profit)—that is a necessary quality for a compelling mission statement.

### **Research Question**

Have the Fortune 50 companies developed, for their employees and their customers, compelling and/or convincing mission statements?

### **Hypothesis**

Based on the aforementioned question as well as a review of the current literature on this topic, we have developed two assumptions that we consider needs further investigation:

H1: The mission statements of *higher-performing* Fortune 50 firms have developed, on average, lower mission statement word counts than those of lower-performing Fortune 50 firms.

**Note:** Strictly from a definitional standpoint, the words “*higher-performing*” means net profit shown in a percentage format (i.e., regardless of what industry they are in – refer to Appendix 1). That said, and strictly from a hypothetical standpoint, if one Fortune 50 company has a net profit of 5% and another organization has a net profit of 2%, the firm that is making a net profit of 5% is “higher-performing” than the company that is making a net profit of 2%.

H2: The mission statements of *higher-performing* Fortune 500 firms have developed, on average, lower mission statement word counts than that of lower-performing Fortune 500 companies.

## **Design and Methods**

### **First Sample Size:**

The corporations selected for this study, via the Internet, were listed on the 2019 Fortune 500 list. Of that list, we specifically looked at all of the revenues, net profits (i.e., shown in percent), and mission statement word counts of the Fortune 50 companies—for 2019 (i.e., or 10% of the total list – refer to Appendix 1).

### **Second Sample Size:**

Next, we looked at the mission statement word counts for all Fortune 500 companies who had a net profit, shown in percent, of equal to or greater than the top-performing Fortune 10 companies—for 2019. This happened to be 39 companies (refer to Appendix 2).

### **Measures:**

First, the average net profit of the highest-performing Fortune 10 companies was 24.9% or greater. Additionally, these same 10 firms had an average mission statement word count of 16.3 (refer to Appendix 1).

Second, the average mission statement word count for the 39 Fortune 500 companies that had a net profit of 24.9% or greater was 17.9 (refer to Appendix 2).

## **Discussion of the Results**

In reviewing the literature about mission statements, it does not appear that there has been a study to compare, as we have done, the number of mission statement words for large (Fortune 50 and 500) companies and the relationship of those words, strictly in the form of a word count, to the financial success (i.e., net profit—shown in percent) of the same firms. However, this paper has examined this relationship in detail. In doing so, the reader can clearly see, as shown in Table 1, that, on average, the top 10 of the Fortune 50 companies (i.e., as determined by net profit, shown in percent), have, on average, lower mission statement word counts than the rest of the Fortune 40 firms. These same 10 companies, have, on average, lower

mission statement word counts than the other 39 Fortune 500 companies (i.e., who had a net profit of 24.9% or greater), as shown in Table 2.

Table 1

Fortune 50 Companies, by Net Profit, Shown in %	Average Number of Mission Statement Words	Average Net profit, Shown in %
1 – 10	16.3	0.248885
11 – 20	25.6	0.109284
21 – 30	22.0	0.054739
31 – 40	23.1	0.026307
41 - 50	18.7	-0.00345
1 – 50	21.1	0.087153

Table 2

Fortune 500 Companies, by Net Profit, Shown in %	Average Number of Mission Statement Words	Net Profit, Shown in %
25 to 496 – 39 companies	17.9	0.249 to 0.588

As the reader can clearly see, the top 10 Fortune 50 companies average net profit, as shown in a percent format and compared with the other four categories (i.e., 11 – 20, 21 – 30, 31, 40, and 41 – 50), with an average mission statement word count of much less than the other 40 companies, significantly out-performs the other organizations—strictly based on a net profit, shown in percent, basis. What is more, Fortune 500 companies, specifically those with a net profit of 24.9% or greater, also have a lower average mission statement word count than the other 40 Fortune 50 companies. Therefore, one can conclude that lower mission statement word counts are substantially better than higher mission statement word counts.

### Concluding Remarks

As mentioned earlier in this study, the mission statement defines the core purpose of the business. That said, a well-crafted mission statement can provide the focus and motivation one needs to take one’s business to the next level. It should be easy to remember. It should inspire and motivate everyone, and it should be compelling. The mission statement should also anchor the company’s brand promise and value. Knowing this, we believe that the mission statement is an important tool for every organization. Additionally, it should be used every day, and it should play a significant role in the operation of the business. Moreover, it should be used for strategic planning, in problem solving, in day-to-day decision-making, and in promoting the objectives of the organization. The mission statement should be well distributed and visible. Finally, everyone in the organization should know about the mission statement and understand it as well (O’Hallaron & O’Hallaron, 1999).

In reviewing the literature about the development of mission statements, it appears that some researchers like the idea that the length of a mission statement should be eight words or fewer. Taking this information into account and looking at the Fortune 50 list of mission

statements, only two firms have mission statement word counts at eight words or fewer—Phillips 66 and Wells Fargo (refer to Appendix 1) – ranked 23 and 29, respectively, as shown by their net profit in percent. Besides, in the Fortune 500 list of mission statements, as determined by companies with a net profit of 24.9% or greater, in 2019 (i.e., 39 companies), only four firms had mission statement word counts at eight words or fewer—Broadcom, Simon Property Group, Biogen, and Celgene (refer to Appendix 2).

We also conclude that, in reviewing our hypotheses (i.e., specifically H1): mission statements of higher-performing Fortune 50 firms have developed, on average, lower mission statement word counts than those of lower-performing Fortune 50 firms—as shown in Appendix 1. What is more, in further reviewing H2, the mission statements of the higher-performing Fortune 500 companies (i.e., 39 companies—as shown in Appendix 2) have developed, on average, lower mission statement word counts than that of lower-performing Fortune 500 firms. Therefore, we assume that, without any specific statistical analysis, the higher-performing Fortune 500 companies all have, on average, lower mission statement word counts than the lower-performing firms.

While this study is not about how long a mission statement sentence should be, we do feel it worthwhile to call attention to sentence length. According to Wylie (2009), the longer the sentence (i.e., mission statement) is, the less the employee, customer, or reader will understand it.<sup>1</sup> Wylie’s study shows the following:

- When the average sentence length in a piece was fewer than eight words long, readers understood 100% of the story.
- Even at 14 words, they (i.e., the reader) could comprehend more than 90% of the information.
- However, 43-word sentences, comprehension dropped below 10. Bottom line: break sentences up into shorter sentences—condense them.

According to Nirmaldasan’s (2012) research, first published in the *Vidura*, October-December 2011 (i.e., *Journal of the Press Institute of India*), if a sentence is, on average, eight words or less, the sentence is very easy to read. If it is 11 words, the sentence is easy to read. If the sentence is 14 words, it is fairly easy to read. If the sentence is 17 words, it is a standard sentence. However, if the sentence is 21 words, it is fairly difficult to read. If it is 25 words, it is difficult to read. And, if the sentence is 29 words or more, it is very difficult to read.

Using Nirmaldasan’s (2012) data, the following mission statement word count, as shown in Table 3, can be extrapolated from our study:

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<sup>1</sup> Ann Wylie runs a company called Wylie Communications Incorporated where she works with communicators who want to reach more readers and with organizations that want to get the word out. Ann Wylie is the author of more than a dozen learning tools that help people improve their communication skills, including [RevUpReadership.com](http://RevUpReadership.com), a toolbox for writers. Her manual *Planning Powerful Publications*, published by the International Association of

Business Communicators (IABC), has been called “the bible” of publication planning. Before starting her firm, Ann was editor of the Hallmark Cards’ employee magazine, *CROWN*. Under her leadership, *CROWN* was named the best publication of its kind in the nation by Women in Communications (WIC) and best of its kind in the world by IABC.

Table 3

Fortune 50 Companies, by Net profit, Shown in Percent	Average Number of Mission Statement Words per Fortune 50 Company	Ranking – Ability to Read
1 – 10	16.3	Fairly easy
11 – 20	25.6	Difficult
21 – 30	22.0	Fairly difficult
31 – 40	23.1	Fairly difficult
41 - 50	18.7	Standard
1 – 50	21.1	Fairly difficult

Taking into account Nirmaldasan’s (2012) data, we suggest that the mission statement should be fairly short in length—eight to 18 words. It should use, lively, inspiring, and thought-provoking words. Furthermore, it should describe your purpose using unusual, colorful verbs, and adjectives to spice up the statement. Ensure that it feels really good when you read it and say it. It should be clearly and easily understood, and commonly shared among all your employees. Knowing your mission will accelerate your brand like nothing else can (Maynard, 2010). Additionally, your mission statement should always be on the minds of your employees and understood by the rest of the world. If it is too long or complicated, it will be hard to remember and support (Leslie, 2018).

Last, according to the Public Works and Government Services of Canada (2020), without realizing it, we write long and complicated sentences, strung together with commas and other punctuation marks. If you really want to write for your reader(s), you need to write shorter and simpler sentences. A target to aim for is 15 – 20 words. That is usually long enough to get your (mission statement) point across without losing your reader. Sentences of more than 25 words are often difficult to understand on a first reading. Even the most seasoned reader will struggle to make sense of sentences longer than 30 words.

### **Limitations**

The results of this study must be interpreted with certain caveats in mind. First, data (i.e., that we gleaned strictly from the Internet) are prone to errors of leniency, acquiescence, and halo effects (Brownell, 1995). Biases related to such errors may certainly be present in the data. Second, the Fortune 50 of the Fortune 500 list were not randomly selected. They were selected strictly out of convenience and based on net profit, shown in a percent format. Third, even though the results are interesting, we only selected 50 Fortune companies, 10% of the Fortune 500 companies list—the top 10 percent, as determined by net profit, shown in percent. Because this was a small amount, we decided to look at the entire Fortune 500 list of companies that had a net profit in 2019, of 24.9% or better (i.e., the average net profit for the top 10 high-performing companies). This made for a total of 89 Fortune 500 firms or 17.8% studied of the total list.

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**APPENDIX 1**  
**Fortune 50 Companies**  
**(Rank is Shown in Net Profit Percent Order – as of 2019)**

<b>Rank Company</b>	<b>Current Mission Statement</b>	<b>No. of Words</b>	<b>Net profit ↓ in %    Ranking</b>
1. Microsoft	To empower every person and every organization on the planet to achieve more.	13	.355564 (26)
2. Berkshire Hathaway	To deliver the right parts exactly on time, exceed our internal and external customer requirements through continuous improvement, and provide a place for hardworking, dedicated, knowledgeable and ethical people who believe in the company.	34	.319760 (4)
3. Intel	Delight our customers, employees, and shareholders by relentlessly delivering the platform and technology advancements that become essential to the way we work and live.	24	.297157 (43)
4. JP Morgan Chase	To be the best financial services company in the world.	10	.263610 (18)
5. Bank of America	To help make financial lives better through the power of every connection.	12	.254530 (25)
6. Alphabet	To make the world around you universally accessible and useful.	10	.251010 (15)
7. Apple	To bring the best user experience to its customers through its innovative hardware, software, and services.	16	.212381 (3)
8. Citigroup	To serve as a trusted partner to our clients by responsibly providing financial services that enable growth and economic progress.	20	.187098 (30)
9. Johnson & Johnson	Our credo stems from a belief that consumers, employees And the community are all equally important.	16	.185325 (37)
10. Wells Fargo	Helping customers succeed financially.	4	.177499 (29)
11. Verizon	We deliver the promise of the digital world to our customers. We make their innovative lifestyles possible. We do it all through the most reliable network and the latest technology.	30	.014722 (19)
12. Comcast	To create incredible technology and entertainment that connects millions of people to the moments and experiences that matter most.	19	.138159 (32)
13. IBM	To lead in the creation, development, and manufacture of the industry's most advanced information technologies, including computer systems, software, networking systems, storage devices, and microelectronics.	25	.118493 (38)
14. Fannie Mae	We help our partners house America and create opportunities		

	for people to buy, refinance, or rent a home.	18	.118230 (22)
15. PepsiCo	To provide consumers around the world with delicious, affordable, convenient and complementary foods and beverages from wholesome breakfasts to healthy and fun daytime snacks and beverages to evening treats.	29	.113113 (48)
16. Freddie Mac	To provide liquidity, stability, and affordability to the U.S. housing market in all economic conditions extends to all communities from coast to coast.	23	.105981 (40)
17. Home Depot	To provide the highest level of service, the broadest selection of products and the most competitive prices.	17	.102779 (27)
18. MetLife	To provide high quality insurance products and services in accordance with the latest international standards and best practices and to provide value to our customers throughout the Kingdom as well as establishing and maintaining those long lasting relationships.	38	.084205 (44)
19. United Technologies	We're a company driven by ideas, innovation and excellence. As a worldwide leader in the building and aerospace industries, we constantly seek talented individuals to create innovative products and solutions for our customers.	33	.083262 (46)
20. AT&T	To exploit technical innovations for the benefit of AT&T and its customers by implementing next-generation technologies and network advancements in AT&T's services and operations.	24	.081400 (9)
21. State Farm Insurance	To help people manage the risks of everyday life, recover from the unexpected, and realize their dreams.	17	.068517 (36)
22. Prudential Financial	To help our customers achieve financial prosperity and peace of mind.	11	.066453 (50)
23. United Parcel Service	Grow our global business by serving the logistics needs of customers, offering excellence and value in all that we do.	20	.061786 (41)
24. UnitedHealth Group	To help people live healthier lives and to help make the health system work better for everyone. We seek to enhance the performance of the health system and improve the overall health and well-being of the people we serve and their communities.	42	.061170 (6)
25. Procter & Gamble	We will provide branded products and services of superior quality and value that improve the lives of the world's consumers, now and for generations to come.	26	.054375 (45)
26. Anthem	To improve the health of the people we serve.	9	.052190 (33)
27. Amazon	To serve consumers through online and physical stores and focus on selection, price, and convenience.	15	.041310 (5)
28. Exxon Mobile	To safely market and distribute energy and petrochemical products while offering innovative value-added services.	15	.054126 (2)

29. General Motors	To earn customers for life by building brands that inspire passion and loyalty through not only breakthrough technologies but also by serving and improving the communities in which we live and work around the world.	35	.044750 (13)
30. Target	To make Target the preferred shopping destination for our guests by delivering outstanding value, continuous innovation and exceptional guest experience by consistently fulfilling our Expect More. Pay Less. Brand Promise.	30	.038975 (39)
31. CVS Health	To improve the lives of the patients by providing them with innovative and high quality health and pharmacy services for better care of their health and all that at an affordable rate.	32	.034090 (8)
32. Lowe's	Together, deliver the right home improvement products, with the best service and value, across every channel and community we serve.	20	.032352 (42)
33. Walgreens	To be the first choice for pharmacy, well-being and beauty, caring for people and communities around the world.	18	.030270 (17)
34. Marathon Petroleum	To provide innovative commercial expertise and strategic business solutions that support our business partners and maximize shareholder value.	18	.027157 (31)
35. Phillips 66	To provide energy in ways that improve lives.	8	.026930 (23)
36. Costco	To continually provide our members with quality goods and services at the lowest possible prices.	15	.025840 (14)
37. Kroeger	To end hunger in the communities we call home and eliminate waste across our company by 2025.	17	.025670 (20)
38. Valero	As a leading refiner and marketer, we are committed to following these guiding principles to achieve excellence in our business, our industry, and our relationships with our employees and communities.	30	.021740 (24)
39. ADM	To unlock the potential of nature to improve the quality of life. ... <b>ADM</b> also makes the food we all enjoy more available and affordable, enhancing the quality of life.	29	.021433 (49)
40. Chevron	Our Company's foundation is built on our values, which distinguish us and guide our actions. We conduct our business in a socially responsible and ethical manner. We respect the law, support universal human rights, protect the environment, and benefit the communities where we work.	44	.017580 (11)
41. Walmart	To save people money so they can live better.	9	.012966 (1)
42. Cardinal Health	For those tasked with navigating the complexities of healthcare, Cardinal Health brings scaled solutions that help our customers thrive in a changing world. ... We are tenacious in fulfilling our commitments to customers. We are accountable for high performance and to each other.	42	.009960 (16)

43. FedEx	FedEx Corporation will produce superior financial returns for its shareowners by providing high value-added logistics, transportation, and related business services through focused operating companies.	24	.008251 (47)
44. Dupont	DuPont puts science to work by creating sustainable solutions essential to a better, safer, healthier life for people everywhere.	19	.005792 (35)
45. Amerisource Bergen	To build shareholder value by delivering pharmaceutical and healthcare products, services and solutions in innovative and cost-effective ways.	18	.005090 (10)
46. Ford Motors	To make people's lives better by making mobility accessible and affordable.	11	.000290 (12)
47. McKesson	To provide comprehensive pharmacy solutions that improve productivity, profitability and result in superior patient care and satisfaction.	17	.000160 (7)
48. Boeing	People working together as a global enterprise for aerospace industry leadership.	11	-.006290 (28)
49. Dell Technologies	To be the most successful computer company in the world at delivering the best customer experience in markets we serve.	20	-.025491 (34)
50. General Electric	To usher in the next industrial era and to build, move, power, and cure the world.	16	-.045200 (21)

**Details:**

- Rank of the Fortune 50 companies shown in net profit percent order (i.e., highest to lowest).
- Ranking is determined by revenue order (i.e., highest to lowest).
- Average number of mission statement words for 1 – 10, by net profit in percent, Fortune 50 companies: 16.3
- Average number of mission statement words for 11 – 20, by net profit in percent, Fortune 50 companies: 25.6
- Average number of mission statement words for 21 – 30, by net profit in percent, Fortune 50 companies: 22.0
- Average number of mission statement words for 31 – 40, by net profit in percent, Fortune 50 companies: 23.1
- Average number of mission statement words for 41 – 50, by net profit in percent, Fortune 50 companies: 18.7
- Average number of mission statement words for 1 – 50, by net profit in percent, Fortune 50 companies: 21.1

**Notes:**

- Fortune 50 U.S. companies current mission statements, as provided by the Internet.
- Fortune 50 U.S. companies (2019), by net profit, (shown in billions).
- Fortune 50 U.S. companies (2019), by revenue (shown in billions) – source: [https://en.wikipedia.org/wiki/List\\_of\\_largest\\_companies\\_in\\_the\\_United\\_States\\_by\\_revenue](https://en.wikipedia.org/wiki/List_of_largest_companies_in_the_United_States_by_revenue).
- Fortune 50 U.S. companies (2019), by net profit, (shown in billions) – source: [https://www.macrotrends.net/stocks/charts/name\\_of\\_the\\_company](https://www.macrotrends.net/stocks/charts/name_of_the_company).

**APPENDIX 2**  
**39 of the Fortune 500 Companies with Net Profits of 24.9% or Better**  
**(Shown in Net Profit Percent Order – as of 2019)**

<b>Rank</b>	<b>Company</b>	<b>Co. Ranking</b>	<b>Current Mission Statement</b>	<b>Net Profit (in %)</b>	<b>No. of Words</b>
1.	Broadcom	150	To be the world's leading communications semiconductor company.	58.8	8
2.	VISA	153	We are a global payments technology company working to enable consumers, businesses, banks and governments to use digital currency.	50.0	19
3.	Micron Technology	105	To be a global leader in memory and storage solutions.	46.5	10
4.	Simon Property Group	496	At Simon, our goal is your business's success.	43.1	8
5.	Fortive	422	Essential technology for the people who accelerate progress.	40.5	8
6.	NextEra Energy	184	To be the largest and most capable clean energy provider in North America.	39.7	13
7.	Facebook	57	To give people the power to share and make the world more open and connected.	39.6	15
8.	Mastercard	210	Every day, everywhere, we use our technology and expertise to make payments safe, simple and smart.	39.2	16
9.	Regeneron Pharmaceuticals	450	To discover and develop new medicines, which allows us to deliver greater value to our patients, employees and communities.	36.4	19
10.	Altria Group	162	To own and develop financially disciplined businesses that are leaders in responsibly providing adult tobacco and wine consumers with superior branded products.	35.5	22
11.	Texas Instruments	199	Texas Instruments is a global analog and digital semiconductor IC design and manufacturing company.	35.4	14
12.	Amgen	129	To serve patients by transforming the promise of science and biotechnology into therapies that have the power to restore health or save lives.	35.3	23
13.	Nvidia	268	To provide the latest NVIDIA news on products, technologies, and events. To highlight and engage with our fans.	35.3	18

14.	Biogen	235	We are pioneers in neuroscience.	32.9	5
15.	Charles Schwab	289	To empower individual investors to take control of their financial lives, free from the high costs and conflicts of traditional brokerage firms.	31.9	22
16.	Intercontinental Exchange	469	Provide safe and sound central counterparty services to reduce systemic risk in an efficient and compliant Manner while generating positive returns for shareholders	31.7	23
17.	S&P Global	470	S&P Global Platts provides critical information for the commodities & energy markets to make physical commodity markets more transparent and efficient.	31.3	21
18.	Constellation Brands	403	Constellation Brands has lived by a set of values that has shaped our culture and the way we do business.	30.6	20
19.	BlackRock	221	To create a better financial future for our clients.	30.3	9
20.	M&T Bank Corp.	462	Career development is an ongoing mission. We're committed to finding the best talent, cultivating it, and ultimately helping our employees reach their career goals.	29.7	24
21.	Intel	43	To utilize the power of Moore's Law to bring smart, connected devices to every person on earth while serving as a role model for how companies should operate.	29.7	24
22.	Adobe	339	To move the Web forward while also giving Web designers and developers the best tools and services in the world.	28.7	20
23.	Devon Energy	297	Devon Energy is a results-oriented oil and gas company that builds value for its shareholders through its employees by creating an atmosphere of optimism, teamwork, creativity, resourcefulness and by dealing with everyone in an open and ethical manner.	28.5	38
24.	McDonald's	149	To be our customers' favorite place and way to eat and drink.	28.2	12
25.	U.S. Bankcorp	117	To meet our customers' business and personal banking needs with competitive products and services, convenient access to their accounts, and proven stability backed by industry-leading financial metrics.	27.5	27
26.	Booking Holdings	216	To make it easier for everyone to experience the world.	27.5	10
27.	Fifth Third Bancorp	384	To improving lives in all the markets we serve.	27.5	9

28.	Yum Brands	494	To build the world's most loved, trusted and fastest growing restaurant brands.	27.1	12
29.	CSX	260	To capitalize on the efficiency of rail transportation to serve America.	27.0	11
30.	Philip Morris International	110	To be environmentally and socially responsible. We are dedicated to fighting the illegal cigarette trade. And we proudly support the communities where we source tobacco and where our employees live and work.	26.7	32
31.	SunTrust Banks	304	To be recognized as being among the best financial service providers in developing a diverse employee base that successfully meets the needs of our clients within our designated geographies.	26.6	29
32.	PNC Financial Services	159	To provide our clients with great service and powerful financial expertise to help them meet their financial goals.	26.5	18
33.	Celgene	207	Committed to improving the lives of patients worldwide.	26.5	8
34.	Union Pacific	134	Union Pacific works for the good of our customers, shareholders, communities and one another.	26.1	14
35.	Stryker	233	Together with our customers, we are driven to make healthcare better.	26.1	11
36.	Regions Financial	447	To achieve superior economic value for our shareholders over time by making life better for our customers, our associates and our communities and creating shared value as we help them meet their financial goals and aspirations.	26.0	36
37.	Bank of America	25	To help make financial lives better through the power of every connection.	25.5	12
38.	KeyCorp	413	To empower its clients, communities and employees to thrive.	25.2	9
39.	BB&T Corp.	246	Helping our clients achieve economic success and financial security creating a place where our employees can learn, grow and be fulfilled in their work making the communities in which we work better places to be optimizing the long-term return to our shareholders, while providing a safe and sound investment.	24.9	49

**Details:**

1. Rank of Fortune 500 companies shown in net profit percent order (i.e., highest to lowest).
2. Average number of mission statement words per Fortune 500 company (39 companies): 17.9

**Notes:**

3. Fortune 500 U.S. companies current mission statements, as provided by the Internet.
4. Fortune 500 U.S. companies (2019), by revenue (shown in billions) – source:  
[https://en.wikipedia.org/wiki/List\\_of\\_largest\\_companies\\_in\\_the\\_United\\_States\\_by\\_revenue](https://en.wikipedia.org/wiki/List_of_largest_companies_in_the_United_States_by_revenue)
5. Fortune 500 U.S. companies (2019), by Net profit, (shown in billions) – source:  
[https://www.macrotrends.net/stocks/charts/name\\_of\\_the\\_company](https://www.macrotrends.net/stocks/charts/name_of_the_company).