

**Are the Vision Statements of Fortune 50 Companies Convincing?
You Can Make That Decision.**

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ABSTRACT

The purpose of the study is to provide a background for describing and explaining organizational vision statements. The corporations selected were on the 2019 Fortune 500 list. Of that list, the researchers specifically looked at all revenues, net profits (as percentages), and vision statement word counts for the Fortune 50 companies—for 2019. The study also looked at the vision statement word counts for all Fortune 500 companies whose net profits were equal to or greater than the top performing Fortune 10 companies—for 2019. The findings show that the top 10 of the Fortune 50 companies have, on average, lower vision statement word counts than the rest of the firms—except for one segment (31 – 40). These same 10 companies, had, on average, lower vision statement word counts than the other 39 Fortune 500 companies studied (i.e., who had a net profit of equal to or greater than the top performing Fortune 10 companies—for 2019). The researchers believe that a vision statement is an important tool for every organization, and it should play a significant role in the long-term operation of any business. A well-crafted vision statement can provide the focus and motivation to take your business to the next level—it should be easy to remember and it should inspire and motivate everyone.

Keywords: Convincing, goals, objectives, purpose, strategic intent, vision, vision statement(s)

INTRODUCTION

The concept of vision statements can be confusing (Ward, 2020). However, management expert Dr. Peter Senge neatly sums up a vision statement as a shared picture of the future of a company (Kirkpatrick, 2016, p. 1).

Historically, according to Schreim (2020), visions are related to spiritual or supernatural encounters in religious diegeses (e.g., the Bible) that provide insight into future events. However, vision statements did not become prominent in business literature until the 1970s and 1980s. The researchers, however, feel that vision statements are difficult to write. They must be short, clear, vivid, inspiring, and concise without complicated jargon, words, or concepts. Moreover, successful vision statements must be convincing, memorable, and engaging. They should also be powerful and compelling and tell the reader what a company will look like in the future.

Vision statements can have a large impact for a company if they demonstrate the right characteristics and are successfully communicated and implemented. Even a great vision statement will be ineffective if not implemented properly. As such, all aspects of the company must align with the vision statement for maximum effectiveness (Kirkpatrick, 2016, p. 143). That said, Shallenberger and Shallenberger (2019) wrote: “Whether leading a team or their own life, great leaders first focus on what they want to create (the vision) and then figure out the real issue standing between their current reality and that vision” (p. 2).

A business is not defined by its name, statutes, or articles of incorporation. The researchers feel that it is defined by the business’s vision statement. Only a clear definition of that vision makes for clear and realistic business objectives (Drucker, 1973, p. 59). The vision statement is a tool that every manager and organization must have in their 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 a changing world (Collins & Porras, 1996). The idea or objective for the existence of an organization defines its vision. Most companies have a vision 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 demonstrates, publish these statements for the public on their websites. According to Ireland and Hitt (1992), the aim is to publicly declare the organization’s purpose, goals, products, markets, and philosophical views. Yadav & Sehgal (2019) asserted that the vision statement can be a good source of motivation and inspiration to employees. Importantly, however, certain elements of the vision statement should change over time to motivate employees.

Over the past decade, *purpose* has become a strategic management watchword. Since 2010, the word purpose has appeared in the titles of more than 400 new business and leadership books and thousands of business-related articles. And no wonder, many people—not just millennials—want to work for organizations whose *vision statements* resonate with them intellectually and emotionally. Yet, many enterprises struggle to clearly define, much less

embody, their purpose (i.e., their vision). For example, many companies have vision statements that include generic goals such as “being the company of choice” and “maximizing shareholder value.” Statements like these, according to Blount and Leinwand (2019), miss the mark 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 vision 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” 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 powerful vision statement is one that achieves two objectives: clearly articulating strategic goals and motivating the workforce—it is convincing and exciting. These objectives are important individually and synergistically. When employees understand and embrace an organization’s vision, they are inspired to do work that is good—and sometimes great—while delivering on stated aims (Blount & Leinwand, 2019).

In the literature on organizations and strategy, numerous terms in vision statements are sometimes used synonymously and have partially overlapping meanings but are occasionally intended to be totally distinct from one another. As one CEO put it:

I have come to believe that I need a vision to guide us, but I cannot seem to get my hands on what the vision is. I have heard lots of terms like vision, purpose, values, strategic intent, but no-one has given me a satisfactory way of looking at vision 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 foresight by creating something they typically call a vision statement. While this is a step in the right direction, most vision statements are terribly ineffective as a convincing and guiding force. In fact, most corporate statements—whether they are called a vision statement, purpose, philosophy, credo, or the company way—are of little value and do not have the intended effect. They do not focus the attention of employees and motivate them to work toward a common goal. In fact, they are usually nothing more than a boring stream of meaningless words. For example, below are some typical examples of vision 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, un compelling, and boring. They are not clear, crisp, or hard-hitting. Like many poor guiding vision statements, they are nothing more than exaggerated descriptions—and bland ones at that—of the operations of companies (Collins & Porras, 1991, p. 31).

VARIOUS DEFINITIONS OF A VISION STATEMENT

To better understand the characterization and meaning of vision statements, rather than reference just one scholarly source, the researchers wanted to present what more than a dozen leading strategic management textbook authors and scholars have thought about this term over the past 12 years.

As per Carpenter and Sanders (2009), a (simple) vision statement is where an organization is going—it is forward-looking and identifies the organization's desired long-term status. Vision statements can be very brief, even just a couple of words or sentences. Because a strategy is difficult to execute, firms with clearly and widely understood visions make strategic decisions easier (pp. 46-47).

Baldoni (2012, p. 7) wrote that the vision is the lodestar that shines in the distance and serves as a guiding light—where you want to go. Moreover, vision is the process of becoming; organizationally, it is like saying what you want to be when you grow up. It is aspirational in nature.

According to Hill and Jones (2012, p. 31), the vision of the company lays out some desired future state—it articulates, in bold terms, what the organization would like to achieve.

In keeping with Hitt et al. (2013, p. 17), these authors view a vision as a picture of what a firm wants to be and, in broad terms, what it wants to ultimately achieve.

As stated by Keffer (2014, pp. 15-16), the vision statement sets a long-term goal for the organization. It is a very short phrase or sentence that sets a motivating tone for planning the future of the organization. More so, it is the organization's shared hopes, dreams, and image of the future. The vision statements answers what an organization wants to become.

Rothaermel (2015, pp. 30-31) outlined a vision as what an organization wants to accomplish—it captures the company's forward-looking and inspired aspirations. Additionally, an effective vision pervades an organization with a sense of winning and motivates employees, at all levels, to aim for the same goals.

Gamble et al. (2015) defined the vision statement as “where we are going—the course and direction management has chartered and the company's future product-customer-market-technology focus” (p. 17). Further, they stated that: Well-conceived visions are distinctive and specific to a particular organization; they avoid generic, feel-good statements like “We will become a global lead leader and the first choice of customer in every market we choose to serve”—which could apply to any of hundreds of organizations” (p. 17).

Kirkpatrick (2016, p. 2) stated that a vision statement includes three key features: a future state that a leader wants to achieve, a long-term future, and the organization's future state. Furthermore, a vision statement tells employees why the company is in business. And to be considered a "statement," it must be shared with others in the organization (p. 4).

In keeping with David and David (2016, p. 43), a vision statement should answer the basic question – "What do we want to become?" Further, the vision statement should be short, preferably one sentence.

Consistent with Stark and Kelly (2016, pp. 6-7), a vision instills a sense of purpose. They also said that a vision keeps us on track. And, finally, a vision guides communication, decisions, and feedback between managers and employees. In addition, Stark and Kelly (2016, p. 8) indicated that visions should be short, clear, concise, and compelling. They should outline where a company wants to be.

Hagemann et al. (2017, p. 20) defined a vision as a clear picture of a positive future state designed to provide people with a compelling reason to make progress toward that state and accomplish an organization's goals. The vision answers, indirectly, where the company is going. Vision statements need to be simple, but they also need to be rich, adaptable, and able to fit in any context (p. 116).

As stated by Wheelen et al. (2018), the vision statement simply describes what the organization would like to become (p. 17).

Shallenberger and Shallenberger (2019) stated that the vision is the high-level desired outcome. The vision is not a goal because it does not need to be specific or measurable (that comes later). The vision is a focus beyond the obstacles and doubts and seeing where a company wants to be in the future. That is precisely why a vision can be exciting. It drives you, and it gets other people involved and aligned (p. 28).

According to West (2020), vision, sometimes referred to as the statement of purpose, is the process of laying out a compelling, overarching focal image guiding everyone in an organization in the long-term. It incorporates foresight, provides event horizon, connects with current capabilities, incorporates enduring values, "is short," and memorable (p. 89).

Thompson et al. (2020) described a (strategic) vision as management's aspirations for the company's future and the course and direction charted to achieve it (p. 23).

And, lastly, Northouse (2021) stated that a vision is a mental model of an ideal future state—with positive outcomes that are attractive and inspiring. It can be generated by an individual leader or crafted by a team working together (pp. 161-162).

REVIEW OF THE LITERATURE

The following literature review, for the most part, condenses top-level scholarly explorations of vision statements. These works, certainly limited in nature, are presented chronologically, starting in 1991, to highlight how the past 29 years various writers' thinking has developed regarding this stimulating, debatable, and confrontational topic although there definitely are timeline gaps. Nevertheless, the researchers chose this method instead of a content-oriented tactic so the reader can clearly understand the thinking of various writers and researchers.

In 1991, Collins and Porras wrote the following information:

The few truly great companies have known for years—in some cases, for over a hundred years—the importance of having a vision. Recently, a wider range of companies (those who want to attain greatness) have come to believe in the importance of this elusive, yet vitally important, component of corporate success.

Most organizations respond to the need for a vision by creating something they typically call a mission statement. In fact, most corporate statements we have encountered—be they called mission, vision, 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. 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 (pp. 30-31).

And, again, in 2002, Collins and Porras wrote the following material about the word vision:

Vision has become one of the most overused—and least understood—words in the English language. The word *vision* conjures up all kinds of images. We think of outstanding achievement. We think of deeply held values that bond people in a society together. We even think of audacious, exhilarating goals that galvanize people. We think of something that reaches inside us and pulls out our best efforts. We think of dreams of what we want to be. And therein lies a problem. All of us know vision is important, but what exactly is it? (p. 219)

As Cottrell (2006) has stated, the problem with vision statements is that they are just that – statements. Sometimes they are aspirational, but typically they are disconnected from those they are meant to inspire. But vision itself is hugely powerful (p. 189).

Özdem (2011) stated that a good vision statement should emphasize a unique characteristic of the organization that differentiates it from others and take the internal and external environment of the company into consideration. The vision also must be clearly understood and shared by all stakeholders of the organization (p. 189).

Hitt et al. (2013) specified that most vision statements are too vague or too broad in scope, or that they are riddled with superlatives. Clearly, vision statements that are poorly developed do not provide the direction a firm needs to take appropriate strategic actions (p. 19).

According to Gamble et al. (2015, p. 17), an effective vision statement has seven key characteristics:

- a) Graphic – Paints a picture of the kind of company that management is trying to create and market position(s) the firms is striving to stake out.
- b) Directional – Is forward-looking.
- c) Focused – Is specific enough to provide leaders with guidance in making decisions and allocating resources.
- d) Flexible – Is not so focused that it makes it difficult for leadership to adjust to changing circumstances.
- e) Feasible – Is within the realm of what the organization can reasonably expect to achieve.
- f) Desirable – Indicates why the directional path makes good business sense.
- g) Easy to Communicate – Is explainable in 5 minutes and, ideally, can be reduced to a simple, memorable “slogan”.

Hagemann et al. (2017) felt that a vision must be visual—it needs to be something people can see in their mind’s eye. It must be something in which employees can believe in. They have to desire it. They have to feel connected to the vision in a very personal way (pp.7-8). The vision itself is important, but so is the way it is communicated. As a leader, it will, at some point, be your responsibility to stand up and take ownership of the vision through a speech or presentation to others (p. 162).

Amato and Macchi (2018, p. 109) stated that the purpose of a vision statement is to create an aligned organization where everyone is working together toward the same desired ends. Additionally, an effective vision statement has to include three main elements: significant purpose, a picture of the future, and clear values (Blanchard & Stoner, 2004). Amato and Macchi (2018, p. 113-114) also stated that to be powerful, a vision statement must possess eight specific characteristics:

- a) It must be short – no more than one phrase;
- b) it must contain a prime goal to be achieved;
- c) it can encompass all organizational interests;
- d) it is not a one-time, specific goal that can be met, and then discarded;
- e) it provides a source of motivation for employees to do their best by including a degree of difficulty or stretch;
- f) it offers a long-term perspective for the organization and indicates the future environment in which it will function;
- g) it is unlikely to be changed by market or technology changes;
- h) and, it is viewed as desirable by all the shareholders and stakeholders.

Gamble et al. (2021) wrote that well-conceived visions are distinctive and specific to a particular organization and help steer the energies of company personnel in a common direction (p.17).

Finally, Northouse (2021) mentioned that vision statements should use words and symbols that motivate and inspire. A vision must be affirming, uplifting, hopeful, and must describe in a way that underscores its worth (p. 167).

PURPOSE OF THE STUDY

The purpose of this study was to present a background that describes and explains organizational vision statements and removes the so-called uncertainty encompassing the foci, while at the same time preserving the magic—the spark—that is necessary for a compelling vision statement.

RESEARCH QUESTION

Have the top-performing Fortune 500 companies (i.e., Fortune 50) developed, for both their employees and customers, persuasive and/or convincing vision statements?

HYPOTHESES

Based on the research question as well as on a review of the current literature on this topic, the researchers developed two hypotheses:

*H*₁: The vision statements of *higher-performing* Fortune 50 firms have developed, on average, lower 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 (this is, regardless of what industry they are in – see Appendix 1). That said, strictly from a hypothetical standpoint, if one Fortune 50 company has a net profit of 5% and another company has a net profit of 2%, the company that is making a net profit of 5% is “higher-performing” than the company that is making a net profit of 2%.

*H*₂: The vision statements of *higher-performing* Fortune 500 firms, with a net income of 24.9% or higher, have developed, on average, lower word counts than those of lower-performing Fortune 50 companies.

DESIGN AND METHODS

First Sample Size:

The corporations selected for this study were listed on the 2019 Fortune 500 list. Of that list, this study specifically looked at all the revenues, net profits (in percent), and vision statement word counts of Fortune 50 companies (see Appendix 1).

Second Sample Size:

Next, the researchers looked at the vision statement word counts for all Fortune 500 companies that had a net profit, percentagewise of 24.9% and greater, of equal to or greater than the 10 top-performing Fortune 50 companies (Fortune 10). This happened to be 39 companies (see Appendix 2).

Measures:

The average net profit of the highest-performing Fortune 10 companies was 24.9 % or greater. Additionally, these same 10 firms had an average vision statement word count of 19.9 (see Appendix 1). Lastly, the average vision statement word count for the second sample was 23.1 (see Appendix 2).

DISCUSSION OF RESULTS

What do John F. Kennedy and Mahatma Gandhi have in common? They both had an inimitable vision and went on a mission to steer and unite the public towards their particular goals and objectives. When articulated properly, vision statements can be powerful tools and can be used as strategic roadmaps to steer and unite organizations, employees, and stakeholders towards a common purpose. In addition, vision statements can help corporations define their long-term purpose and establish a unique identity (Schreim, 2020).

A review of the literature about vision statements suggests that there has not been a study to explore, as these researchers have done, the relationship between vision statement word counts for large companies (i.e., Fortune 500) and their financial success (i.e., net profit). That said, a similar study was performed by Schaap and Schaap (2020). However, that paper only looked at mission statements. The current researchers found that the Fortune 10 companies had an average mission statement word count of 16.3 or an 18.0% lower vision statement word count than the 19.9 vision statement word count for the other Fortune 50 companies. However, this report examined this relationship in detail. By doing so, the reader can clearly see, as shown in Table 1, that, on average, the Fortune 10 companies had, on average, lower vision statement word counts than the rest of the other Fortune 50 firms, excluding 31 – 40. These same 10 companies had, on average, lower vision statement word counts than the other 39 Fortune 500 companies (i.e. that also had a net profit of 24.9% or greater), as shown in Table 2.

Table 1 Vision statement word counts and net profits of Fortune 50 companies

Fortune 50 companies, ranked by net profit	Average number of vision statement words	Average net profit, in %
1 – 10	19.9	0.248885
11 – 20	27.1	0.109284
21 – 30	24.1	0.054739
31 – 40	18.8	0.026307
41 - 50	23.7	-0.003450
1 – 50	22.6	0.087153

Table 2 Vision statement word counts and net profits of Fortune 500 companies

Fortune 500 companies, ranked by net profit	Average number of vision statement words	Net profit, in %
25 to 496 – 39 companies	23.1	0.249 to 0.588

As the reader can clearly see, the Fortune 10 companies average net profit, in percent, compared with three other Fortune 50 categories (11 – 20, 21 – 30, and 41 – 50), had on average vision statement word count of much less than the other Fortune 50 companies, and significantly out-performed the other organizations—in terms of net profit. Moreover, Fortune 500 companies with a net profit of 24.9% or greater (39 companies – see Appendix 2), also had a lower average vision statement word count than some Fortune 50 companies. Therefore, one can conclude that lower word counts are substantially better for profits (as hypothesized in H_1 and H_2).

And finally, our analysis showed that five of the Fortune 50 companies had exactly the same word count for both mission and vision statements (even though the mission and vision statements differed) – Alphabet—10 words, PepsiCo—29 words, United Technologies—33 words, United Health Group—42 words, and Anthem—9 words. Twenty-four of the Fortune 50 companies had lower word counts for their vision statements than for their mission statements, whereas 20 had higher word counts for their vision statements. Unfortunately, the researchers could not find the vision statement for one of the Fortune 50 companies (MetLife).

CONCLUDING REMARKS

Ask yourself, what are you deeply passionate about? What can you be the best in the world at? More important, what drives your economic engine (Collins, 2001, p. 203)?

Unlike a mission statement, which articulates a company’s purpose and reason for existence now, a vision statement is internal-facing and is based upon the future state of an organization—usually within 3 to 5 years. It should be larger than life. It should include what it would look like for a company to dominate the market, expand products and services, and perhaps acquire other businesses. It is the driving force for your leaders and all employees (Villareal, 2017, p. 42). Schreim (2020, p. 27) identifies the vision by answering four key questions:

- a) What do you want your company to be (down the road)?
- b) How can your company be superior to your competitors?
- c) How does your company want to be perceived?
- d) What enables your company to achieve a competitive advantage?

As mentioned earlier, the vision statement defines what an organization wants to accomplish in the future. That said, a well-crafted vision statement can provide the focus and motivation to take a business to the next level. It should be easy to remember. It should inspire, arouse, and convince everyone. The vision statement should also anchor the company’s brand promise and value. Knowing this, the current researchers believe that a vision statement is an

important tool for every organization. A vision statement should play a significant and important role in the future operation of a business. Moreover, it should be used for strategic planning, in problem solving, and promoting the long-term objectives of the organization. The vision statement should be well distributed and visible. Finally, everyone in the organization should know about the vision statement and understand it (O'Hallaron & O'Hallaron, 1999).

A surprising number of vision statements found on company websites and in annual reports are vague and unrevealing, saying little about the company's future product-market-customer-technology focus. In fact, many read like a public relations statement—lofty words created because it is fashionable for companies to have an official vision statement (Gamble, et al., 2021, p. 18).

Further review of the literature on the development of vision statements shows that some researchers like the idea that a vision statement should be short (i.e., eight words or fewer). Taking this information into account and looking at the Fortune 50 list of vision statements, only three firms have vision statement word counts at eight words or fewer—Bank of America, Fannie Mae, and CVS Health (refer to Appendix 1) – ranked 6, 14, and 31, respectively, in terms of net profit. In our opinion, all three companies had very convincing vision testimonials. In terms of the Fortune 500 companies with a net profit of 24.9% or greater, in 2019 (39 companies), six firms had vision statement word counts of eight words or fewer—Simon Property Group, Fortive, Regeneron Pharmaceuticals, Biogen, Bank of America, and BB&T Corporation (see Appendix 2).

In reviewing our hypotheses (i.e., specifically H_1): we found that vision statements for higher-performing Fortune 50 firms developed, on average, lower word counts than those for lower-performing Fortune 50 firms—see Appendix 1. What is more, in further reviewing H_2 , the vision statements of higher-performing Fortune 500 companies (39 companies—see Appendix 2) developed, on average, lower vision statement word counts than those for lower-performing Fortune 500 firms.

Although this study is not about how long a sentence in a vision statement should be, the researchers do feel it is worthwhile to call attention to sentence length. According to Wylie (2009), the longer the sentence (i.e., vision statement) is, the less the employee, customer, or reader will understand it.¹ 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.

¹ 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 that help people improve their communication skills, including 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.

- Even at 14 words, they (i.e., the readers) could comprehend more than 90% of the information.
- However, with sentences of 43 or more words, comprehension dropped below 10%.
- The bottom line is that sentences should be broken up into shorter sentences or condensed.

According to Nirmaldasan’s (2012) research, first published in *Vidura*, October-December 2011 (a.k.a. *Journal of the Press Institute of India*), if a sentence is 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 of standard readability. 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, Table 3 shows the readability of the Fortune 50 vision statements, in terms of word count.

Table 3 Readability of vision statements

Fortune 50 companies, ranked by net profit	Average number of vision statement words	Readability ranking
1 – 10	19.9	Standard
11 – 20	27.1	Difficult
21 – 30	24.1	Fairly difficult
31 – 40	18.8	Standard
41 - 50	23.7	Fairly difficult
1 – 50	22.6	Fairly difficult

Additionally, further applying Nirmaldasan’s (2012) data with data extrapolated from Schaap and Schaap’s (2020) findings, the vision statement word counts are higher (as shown in Table 3), by at least 10% or more, in five categories.

Considering Nirmaldasan’s (2012) data, the study suggests that a vision statement should be fairly short in length—eight to 19 words. It should use, lively, inspiring, and thought-provoking expressions. Furthermore, it should describe a company’s long-term purpose using unusual, colorful verbs, and adjectives. It should feel really good when you read it and say it. It should be clearly and easily understood, and commonly shared among all employees. Additionally, your vision 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).

According to Kirkpatrick (2016, p. 38), the key characteristics of a vision statement includes brevity, uniqueness, and a definition of success. If a vision statement is unclear, employees will not understand the company’s intentions or be able to implement the company’s

vision. Kirkpatrick (2016) went on to say that clarity (i.e., simplicity) and brevity (i.e., shortness) are the most essential characteristics of a vision statement. Succinct vision statements that are easy for employees to understand and remember. Unfortunately, many companies, typically well-established organizations have extremely long and unclear vision statements (p. 49).

Last, according to the Public Works and Government Services of Canada (2020), without realizing it, long and complicated sentences in vision statements, strung together with commas and other punctuation marks are common. If you really want to write for your reader, 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 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 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. Third, even though the results are interesting, only 50 Fortune 500 companies were selected, just 10% of the Fortune 500. Because this was a small number, the researchers 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%.

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

<u>Rank</u>	<u>Company</u>	<u>Current Vision Statement</u>	<u>No. of Words</u>	<u>Net profit in %</u>	<u>Ranking</u>
1.	Microsoft	To help people and businesses throughout the world realize their full potential.	12	.355564	(26)
2.	Berkshire Hathaway	To be the provider of choice in our communities for comprehensive real estate and financial solutions.	16	.319760	(4)
3.	Intel	We are on a journey to be the trusted performance leader that unleashes the potential of data.	17	.297157	(43)
4.	JP Morgan Chase	We want to be the best financial services company in the world. Because of our great heritage and excellent platform, we believe this is within our reach.	27	.263610	(18)
5.	Alphabet	To provide access to the world's information in one click.	10	.251010	(15)
6.	Bank of America	To be the world's finest financial services company.	8	.235097	(25)
7.	Apple	To make the best products on earth, and to leave the world better than we found it.	17	.212381	(3)
8.	Citigroup	We believe that excellence in consulting requires client advocacy and stewardship, a passion for leading-edge investment solutions and the delivery of experienced consulting services in a way that helps us exceed our clients expectations every day.	36	.187098	(30)
9.	Johnson & Johnson	Today, as the world's largest and most broadly based healthcare company, we are committed to using our reach and size for good. We strive to improve access and affordability, create healthier communities, and put a healthy mind, body and environment within reach of everyone, everywhere.	45	.185325	(37)
10.	Wells Fargo	To satisfy our customers' financial needs and help them succeed financially.	11	.177499	(29)
11.	Verizon	To inspire tomorrow's creators to use technology to build brighter futures for themselves, their families and the world.	18	.014722	(19)
12.	Comcast	As Comcast evolves, we continue to look to the future – seeking out new communications technology, new opportunities, and more choices. We want to continue to provide people with the communications products and services that connect them to what's important in their lives.	42	.138159	(32)
13.	IBM	IBMers believe in progress—that the application of intelligence, reason and science can improve business, society, and the human condition.	20	.118493	(38)

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14. Fannie Mae	To be America's most valued housing partner.	7	.118230 (22)
15. PepsiCo	Be the global leader in convenient foods and beverages by winning with purpose.	13	.113113 (48)
16. Freddie Mac	We remain focused on building a world-class company that is meeting the needs of our customers while advancing the industry.	20	.105981 (40)
17. Home Depot	To create a company that would keep alive the values that were important to us. Values like respect among all people, excellent customer service and giving back to communities and society.	31	.102779 (27)
18. MetLife	Not available		.084205 (44)
19. United Technologies	We ensure UTC's technological advantage in the market and solve the toughest scientific challenges for our business unit customers. We are an engaged, diverse and empowered team working collaboratively toward our shared vision.	33	.083262 (46)
20. AT&T	We aspire to be the most admired and valuable company in the world. Our goal is to enrich our customers' personal lives and to make their businesses more successful by bringing to market exciting and useful communications services, building shareowner value in the process.	44	.081400 (9)
21. State Farm Insurance	To be the customer's first and best choice in the products and services we provide. We will continue to be the leader in the insurance industry and we will become a leader in the financial services arena. Our customers' needs will determine our path. Our values will guide us.	49	.068517 (36)
22. Prudential Financial	To distinguish Prudential as an admired multinational financial services leader, trusted partner, and provider of innovative solutions for growing and protecting wealth.	22	.066453 (50)
23. United Parcel Service	Helping customers pioneer more sustainable solutions, delivering packages more efficiently, creating more connections around the world and finding more ways to take action and give back.	26	.061786 (41)
24. UnitedHealth Group	We are committed to diversity and inclusion. Our five core values are integrity, compassion, relationships, innovation and performance. These core values are embedded into our greater mission of helping people live healthier lives and making the health system work better for everyone.	42	.061170 (6)
25. Procter & Gamble	Be, and be recognized as, the best consumer products and services company in the world.	15	.054375 (45)
26. Anthem	To be the most innovative, valuable, and inclusive partner.	9	.052190 (33)

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27. Amazon	To be Earth's most customer-centric company, where customers can find and discover anything they might want to buy online, and endeavors to offer its customers the lowest possible prices.	29	.041310 (5)
28. Exxon Mobile	Exxon Mobil Corporation is committed to being the world's premier petroleum and petrochemical company.	14	.054126 (2)
29. General Motors	To create a future of zero crashes, zero emissions, and zero congestion, and we have committed ourselves to leading the way toward this future.	24	.044750 (13)
30. Target	Guided commitments to great value, the community, diversity, and the environment.	11	.038975 (39)
31. CVS Health	Help people to live longer, healthier, happier lives.	8	.034090 (8)
32. Lowe's	We will provide customer-valued solutions with the best prices, products and services to make Lowe's the first choice for home improvement.	21	.032352 (42)
33. Walgreens	Be the first choice for pharmacy, well-being and beauty – caring for people and communities around the world.	17	.030270 (17)
34. Marathon Petroleum	We will be recognized as a trustworthy, high performing team by our internal business partners; be respected by our suppliers; be admired by our competitors; and be considered the employer of choice by our employees.	35	.027157 (31)
35. Phillips 66	To provide energy and improve lives, and we back that up with core company values of safety, honor, and commitment.	20	.026930 (23)
36. Costco	A place where efficient buying and operating practices give members access to unmatched savings.	14	.025840 (14)
37. Kroeger	To be a leader in the distribution and merchandising of food, pharmacy, health, and personal care items, seasonal merchandise, and related products and services.	24	.025670 (20)
38. Valero	The world needs reliable, affordable and sustainable energy. We are advancing the future of energy through innovation, Ingenuity, and unmatched execution.	21	.021740 (24)
39. ADM	ADM exists to unlock the power of nature to enrich the quality of life.	14	.021433 (49)
40. Chevron	To be the global energy company most admired for its people, partnership and performance.	14	.017580 (11)
41. Walmart	Be the destination for customers to save money, no matter how they want to shop.	15	.012966 (1)

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42. Cardinal Health	To be healthcare's most trusted partner by building upon our scale and heritage in distribution, products and solutions, while driving growth in evolving areas of healthcare through customer insights, data and analytics, and focusing our resources on what matters most.	40	.009960 (16)
43. FedEx	Being a dynamic and progressive courier services firm that leverages of technology and impact the lives of all people.	19	.008251 (47)
44. Dupont	We are committed to providing all of our patients with the highest level of care.	15	.005792 (35)
45. Amerisource Bergen	AmerisourceBergen is the leader in healthcare distribution, services and solutions.	10	.005090 (10)
46. Ford Motors	To become the world's most trusted company, designing smart smart vehicles for a smart world.	15	.000290 (12)
47. McKesson	To improve care in every setting — one product, one partner, one patient at a time.	15	.000160 (7)
48. Boeing	Designed to inspire and focus all employees on a shared future and to reaffirm that, together, we can meet the challenges that lie ahead.	24	-.006290 (28)
49. Dell Technologies	It's the way we do business. It's the way we interact with the community. It's the way we interpret the world around us—our customers' needs, the future of technology, and the global business climate. Whatever changes the future may bring our vision — Dell Vision — will be our guiding force. So Dell needs full customer satisfaction. In order to become the most successful computer company, they need the newest technology and loyal customers.	73	-.025491 (34)
50. General Electric	We rise to the challenge of building a world that works.	11	-.045200 (21)

Details:

1. Rank of the Fortune 50 companies shown in net profit percent order (highest to lowest).
2. Ranking is determined by revenue order (highest to lowest).
3. Average number of vision statement words for 1 – 10, by net profit in percent, Fortune 50 companies: 19.9
4. Average number of vision statement words for 11 – 20, by net profit in percent, Fortune 50 companies: 27.1
5. Average number of vision statement words for 21 – 30, by net profit in percent, Fortune 50 companies: 24.1
6. Average number of vision statement words for 31 – 40, by net profit in percent, Fortune 50 companies: 18.8
7. Average number of vision statement words for 41 – 50, by net profit in percent, Fortune 50 companies: 23.7
8. Average number of vision statement words for 1 – 50, by net profit in percent, Fortune 50 companies: 22.6

Notes:

9. Fortune 50 U.S. companies current vision statements, as on their web sites.
10. Fortune 50 U.S. companies (2019), by net profit, (in billions).
11. Fortune 50 U.S. companies (2019), by revenue (in billions) – source: https://en.wikipedia.org/wiki/List_of_largest_companies_in_the_United_States_by_revenue.
12. Fortune 50 U.S. companies (2019), by net profit, (in billions) – source: 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)

<u>Rank</u>	<u>Company</u>	<u>Co. Ranking</u>	<u>Current Vision Statement</u>	↓ <u>Net Profit (in %)</u>	<u>No. of Words</u>
1.	Broadcom	150	Broadcom Inc. combines global scale, engineering depth, broad product portfolio diversity and superior execution and operational focus to deliver category-leading connectivity products so its customers can build and grow successful businesses today and in the future.	58.8	37
2.	VISA	153	To be the best way to pay and be paid, for everyone, everywhere.	50.0	13
3.	Micron Technology	105	We are a world leader in innovative memory solutions that transform how the world uses information. For over 40 years, our company has been instrumental to the world's most significant technology advancements, delivering optimal memory and storage systems for a broad range of applications.	46.5	44
4.	Simon Property Group	496	Innovating the future of the shopping experience.	43.1	7
5.	Fortive	422	Essential technology for the people who accelerate progress.	40.5	8
6.	NextEra Energy	184	Be North America's leader in the generation and delivery of clean energy.	39.7	12
7.	Facebook	57	People use Facebook to stay connected with friends and family, to discover what's going on in the world, and to share and express what matters to them.	39.6	27
8.	Mastercard	210	Mastercard is a growth company with a constant commitment and dedication to delivering value to consumers, businesses and shareholders.	39.2	19
9.	Regeneron Pharmaceuticals	450	Push the bounds of science. Make life-changing medicines.	36.4	8
10.	Altria Group	162	Responsibly lead the transition of adult smokers to a non-combustible future.	35.5	11
11.	Texas Instruments	199	Our culture is driven by our core values of integrity, innovation and commitment. These values have been at the heart of who we are and how we behave for decades, dating back to our founders and their vision for TI at its inception in 1930.	35.4	45

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12.	Amgen	129	Amgen strives to serve patients by transforming the promise of science and biotechnology into therapies that have the power to restore health or save lives. In everything we do, we aim to fulfill our mission to serve patients.	35.3	38
13.	Nvidia	268	We're one team solving the world's visual computing challenges.	35.3	9
14.	Biogen	235	Caring deeply. Working fearlessly. Changing lives.	32.9	6
15.	Charles Schwab	289	To be the most trusted leader in investment services.	31.9	9
16.	Intercontinental Exchange	469	We engineer technology, exchanges and clearing houses that connect companies around the world to global capital and derivative markets.	31.7	19
17.	S&P Global	470	We accelerate progress in the world by providing intelligence that is essential for companies, governments and individuals to make decisions with conviction.	31.3	22
18.	Constellation Brands	403	Worth reaching for: We push boundaries with a passion that allows us to provide more for consumers, shareholders, employees and the communities where we live and work.	30.6	27
19.	BlackRock	221	BlackRock's purpose is to help more and more people experience financial well-being.	30.3	12
20.	M&T Bank Corp.	462	We strive to be the best company our employees ever work for, the best bank our customers ever do business with, and the best investment our shareholders ever make.	29.7	29
21.	Intel	43	We are on a journey to be the trusted performance leader that unleashes the potential of data.	29.7	17
22.	Adobe	339	Defining the future of digital media and digital experiences.	28.7	9
23.	Devon Energy	297	To be the premier independent oil and natural gas company in North America.	28.5	13
24.	McDonald's	149	To move with velocity to drive profitable growth and become an even better McDonald's serving more customers delicious food each day around the world.	28.2	24

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25.	U.S. Bancorp	117	Our relationships are built on trust that we build every day through every interaction. Our employees are empowered to do the right thing to ensure they share our customers' vision for success. We work as a partner to provide financial products and services that make banking safe, simple and convenient. We're here to help navigate important milestones and strengthen futures together. We do the right thing.	27.5	66
26.	Booking Holdings	216	We are committed to offering an informative, user-friendly website with the best rates guaranteed. Our goal is to provide business and leisure travelers worldwide with a pleasant, efficient and cost-effective way to book hotel accommodations.	27.5	36
27.	Fifth Third Bancorp	384	To be the one bank people most value and trust.	27.5	10
28.	Yum Brands	494	Yum Brands is committed to continuing the success realized during our first ten years. Our success has only just begun as we look forward to the future, one which promises a long runway for growth, especially on an international level.	27.1	40
29.	CSX	260	To be the best run railroad in North America.	27.0	9
30.	Philip Morris International	110	We will be far more than a leading cigarette company. We're building PMI's future on smoke-free products that are a much better choice than cigarette smoking. Indeed, our vision – for all of us at PMI – is that these products will one day replace cigarettes.	26.7	44
31.	SunTrust Banks	304	A legacy of financial expertise, right down to our roots. We are an organization driven by purpose and one of the nation's largest and strongest financial services companies.	26.6	28
32.	PNC Financial Services	159	We are proud of our longstanding history of building strong communities that create financial opportunities for individuals, families and businesses. The commitment to creating a differentiated experience for our customers is driven by our commitment to doing the same for our employees.	26.5	44
33.	Celgene	207	To be the world's leading biopharma company that transforms patients' lives through science.	26.5	13
34.	Union Pacific	134	Build America for all generations by connecting our nation's businesses and communities to each other and the world.	26.1	18

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35.	Stryker	233	By focusing on four key values, we are able to offer a diverse array of innovative products and services in orthopaedics, medical and surgical, and neurotechnology and spine that help improve patient outcomes.	26.1	33
36.	Regions Financial	447	Regions aims to be the premier regional financial institution in America through being deeply embedded in its communities, operating as one team with the highest integrity, providing unique and extraordinary service to all of its customers, and offering an unparalleled opportunity for professional growth for its associates.	26.0	47
37.	Bank of America	25	To be the world's finest financial services company.	25.5	8
38.	KeyCorp	413	N/A	25.2	N/A
39.	BB&T Corp.	246	To create the best financial institution possible.	24.9	7

Details:

- Rank of Fortune 500 companies shown in net profit percent order (highest to lowest).
- Average number of vision statement words per Fortune 500 company (39 companies): 23.1

Notes:

- Fortune 500 U.S. companies current vision statements, as provided online.
- Fortune 500 U.S. companies (2019), by revenue (in billions) – source: https://en.wikipedia.org/wiki/List_of_largest_companies_in_the_United_States_by_revenue
- Fortune 500 U.S. companies (2019), by net profit, (in billions) – source: https://www.macrotrends.net/stocks/charts/name_of_the_company.