INNOVATION AND STRATEGY: HOW DID YOU DEFINE YOUR COMPANY'S VISION?

We live in times when the trivialization of the potential of artificial intelligence tools allows for the rapid creation of beautiful and inspiring texts. Several companies have resorted to this option to create their MISSION, VISION, and VALUES statements, often without understanding the real importance and influence of these strategic drivers on innovation, culture, competitive positioning, and even the strategic planning of their companies. Some simply compile the best texts found on search engines, creating their own patchwork, often without even knowing what the text really means.

In this text, we will focus solely on VISION, leaving Mission and Values for other opportunities. This choice is not random, since a company's Vision is built based on its medium-term strategic plans, which have a more tactical focus, looking ahead 1 to 5 years, and long-term plans, which are entirely strategic and focused on periods of more than 5 years. In summary, this text seeks to shed light on the importance of correctly and responsibly shaping a company's Vision, and also to show its leading role in strategic planning and in the future of business, innovation, and sustainability of an organization.

When we take a technically responsible look at modeling an organization's vision, we understand once and for all that the poster on the wall of some companies with texts on vision, mission, and values, if not deeply aligned with the culture, purpose, and growth plans, it serves no purpose other than to provide pleasant and superficially inspiring reading for those willing to read its beautiful words, but definitely has no practical effect on the strategy or results of that company.

To give an example of the potential of a well-defined vision, when a company states in its Vision that it wants to “be a benchmark for quality and excellence in its segment in the southeast region of Brazil and be recognized as a great place to work, which values the well-being of its stakeholders,” the terms of this “promise” become strategic objectives, which require performance indicators and quantifiable goals, which in turn will guide all actions and decisions that will help in choosing the innovations to be implemented.

To better understand this, let's separate the two promises of this Vision: In the first part, the company declares its desire to be “a benchmark for quality and excellence in the southeast region” and, to achieve this, it will need to be among the 10 largest and best in its segment in this region. This means having goals for innovation, revenue, customer base, business volume, brand strength and value, branch expansion, and other growth and results goals equivalent to those of the top 10. These indicators chosen for the objectives outlined in the vision must be divided into goals and sub-goals, which will be arranged on a timeline so that, in the medium to long term, the company achieves financial and institutional results equivalent to the 10 largest in its segment. All of this must be quantifiable, evident, and comparable to the results of its competitors.

In the second part, the promise of “being recognized as a great place to work” needs to be evidenced and measured quantitatively, for example, through organizational climate surveys with progressively positive indices that show the growing satisfaction of employees not only in being part of the company but also in their adherence to the culture and values of the organization, reduction in turnover, absenteeism, and presenteeism rates, and increased talent retention. Also in the second part, when the company commits to also being a reference in “valuing the well-being of its stakeholders,” it engages in a commitment with the entire chain of partners linked to the company, which includes suppliers, business partners, investors, and in some cases even the community around the company, not to mention the employees' families, who are part of the entire chain involving the company, its processes, and other aspects related to its business model. All of this needs to be quantifiable, measurable, and distributed in objectives and goals that are easy for everyone to understand and, even more so, it must be possible to demonstrate the fulfillment of the proposed objectives.

Paying attention to and taking seriously the creation, management, and archiving of evidence that truly attests to the fact that the company's vision is being applied and put into practice is essential for it to have structured strategic planning, to the extent that the topics outlined in its vision become guidelines for its development goals and, most importantly, that this vision is being used by the company's strategic leadership in such a way that it continues to serve as the basis for the implementation of its strategic planning.

And you, do you remember what your company's Vision is without having to read any information? And is your company's strategic leadership using this Vision to guide its strategic planning?

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Further reading:

Jeff Gold & Ollie Jones (2023) Finding innovation opportunities in SMEs through futures and foresight learning: an action learning approach, **Action Learning: Research and Practice**, 20:2, 132-148, DOI: 10.1080/14767333.2023.2217085