Implications of Organisational Shared Vision in Private Tertiary Institutions in Gauteng Province, South Africa

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Abstract: Well-articulated vision and mission statements form an integral part of strategic management processes in organisations. They distinguish, differentiate and separate organisations. This article focuses on the importance of sharing organisational vision and mission statement with all the employees in the organisation. The article adopted the quantitative research methodology, and used frequency analysis, Pearson Correlation Analysis, Linear Regression Analysis and Analysis of Variance (ANOVA). The sample size of the study comprised of 1000 respondents drawn from the private tertiary institution top management, middle management and all the employees. The simple random sampling technique was employed in selecting the sample size of the study. The data obtained from the study was analysed using IBM SPSS 23 statistical programme. The study recommended that organisations need to formulate good vision and mission statements, which should be shared with all the employees for the organisations to perform well and satisfy the customers and other stakeholders.

Keywords: Mission statement; strategic direction; strategic management; vision and vision statement

1. Introduction

Kantabutra and Avery (2010) are of the view that organisational vision is precarious towards organisational performance. Unprecedented business changes affected by the market and technology are causing organisations to adjust their visions in order to cope with contemporary changes. There is a need to have satisfied employees if the organisation has to perform well, and this can only be achieved through the shared vision of the organisation with top management and the employees (Darbi, 2012). When employees are satisfied, they serve customers to their satisfaction and customer satisfaction ignites extraordinary organisational performance (Kantabutra & Avery, 2007). Slack, Orife and Anderson (2010) note that there is a dearth of studies in many countries including South Africa- reflecting top management’s aspirations of sharing organisational vision with all the organisational employees, with special reference to private tertiary institutions.

Research shows evidence that managers of private institutions in South Africa are disrupting the success of the organisations due to a lack of approaches that motivate the employees to work hard as they would be aspiring for a better and bright future. There is consensus according to literature that the organisational success achieved by the employees will be the driver towards an ideal future. Most South African researchers seem to forget that it is the prerogative of the leadership of the organisation to create such an opportunity for the employees through engaging them and ascertaining that they have a vision of what the organisation intends to achieve. Collective and common commitment of the employees is achieved through the shared vision of the organisation between the management and the employees. Shared vision strengthens the relationship between management and employees. It creates a sense of employee ownership and belongingness to the organisation. Employees own the organisation and become part of the organisation (Kent, 2006). All the employees need to aspire to achieve the same organisational objectives. There has to be a singleness of purpose. This can only be possible when all the employees have the shared vision in mind. Shared vision perpetuates employee satisfaction at work. Achievement of shared vision results from a charismatic type of leadership, which works towards employee engagement (Finkelstein, Harvey & Lawton, 2008).

Powers (2012) postulates that vision and mission statements have been under observation in strategic management literature for the past thirty years, and have been of significant importance in the strategic direction of organisations. Darbi (2012) notes that vision and mission statements are viewed as critical components of strategic management processes in different organisational setups such as private organisations, public organisations, profit or non-profit-making organisations as well as large or small and medium enterprises. The critical step in strategic management is the formulation of vision and mission statements to pave a way for the strategic direction of the organisation.

The success of the strategic management processes is mainly based upon the careful formulation and articulation of the vision and mission statements (Ozdem, 2011). Mullane (2002) noted that vision and mission statements can be effectively applied to create a shared sense of common purpose, meant to equip employees with the required knowledge to create teamwork and mould a corporate culture that is supported by all the employees. However, Papulova (2014) suggested in his presentations that many organisations do not have vision and mission statements in...
place and some of the organisations do not know the difference between a vision statement and a mission statement and how the two are defined.

Mullane (2002) is of the view that vision and mission statements are designed for the day-to-day operations of the organisation. He supports that the vision and mission statements are relevant documents which are needed to motivate the employees, so that they know about the present and future status of the organisation. The dreams and hopes of the employees are sustained by the vision and mission statements. William (2012) notes that well-orchestrated vision and mission statements inculcate high levels of motivation and commitment to the employees. They make a positive contribution to the organisational culture by shaping behaviours and attitudes which contribute towards increased employee performance. Noor (2012), Dermol (2012) and William (2012) concur that vision and mission statements contribute towards the profitability of the organisation- by motivating employees, shaping behaviour and creating extraordinary levels of organisational commitment. Organisational vision and mission statements are assumed to be statements of purpose which reflect the products or services that the organisation is offering, as well as the customers, the culture and the philosophy of the organisation.

Williams (2008) posits that vision and mission statements in a normal scenario tend to reveal the direction in which top management is steering the organisation. Some tertiary institutions put the vision and mission statements in place for competitive advantage purposes, to enable them to gain the competitive edge over their rivals in the market. Competitive advantage is important from the strategic planning phase, which has segments such as vision, mission, strategy and the action that the organisation takes (Andrew, 2013). For competitive advantage purposes it is essential for vision and mission statements of organisations to be accurate and specific – to enable stakeholders to adopt and use these statements. Even though most of the private tertiary institutions in South Africa communicate their vision and mission statements by means of posters displayed in their offices, effective implementation is still questionable (Desmidt, Prinzi & Decramer, 2011). The private tertiary institutions can maintain their competitive advantage if they can effectively utilise their vision and mission statements. Institutions that have well-articulated vision and mission statements have performed far much better than those institutions that do not have these. Vision and mission statements that are collectively shared to all the employees have yielded better performance and commitment from the employees. The development of vision and mission statements has a significant impact on the survival and growth of the institutions (Gau, 2013).

Based on the above-mentioned views, it is apparent in the context of this research that there is a gap between employee performance and shared vision as part of the strategic management process in private tertiary institutions of South Africa. Taking this into consideration, it is the intention of this study to close the gap by reflecting the implications of shared vision as part of the strategic management process in private tertiary institutions in the Gauteng Province of South Africa, in order to solve the existing strategic management challenges.

2. Review of Related Literature

A shared vision depicts an organisation’s ability to meet the collective organisational objectives, employee aspirations as well as other stakeholders’ expectations (Oswald, Mossholder & Harris, 1994; Tsai & Ghoshal, 1998). The support of the shared vision by the top management of tertiary institutions supports organisational learning, employee creativity and innovativeness. Tertiary institutions that share their visions with the employees are in a better position to accumulate and harness the required resources and essential skills for the development of the organisations (Graafland, Van de Ven & Stoffele, 2003; Hart, 1995). Sharing the vision with all the employees enables an organisation to generate the internal pressure and enthusiasm necessary to innovate and change the organisation (Graafland et al., 2003; Hart, 1995). Creation of simple management structures and shorter lines of communication generally encourage the vision to be easily shared among all the employees of the organisation and this facilitates greater involvement by all the employees (Worthington, Ram & Jones, 2006). However, private tertiary institutions often lack the necessary managerial skills and resources to work effectively with all employees towards developing a sense of shared vision responsibility, in order to achieve the organisational objectives.

According to Oswald et al. (1994), shared vision is a capability that embodies the collective goals and aspirations of the members of a firm. Such a capability entails a common feeling that the firm’s objectives are important and that all members may contribute to defining them (Graafland et al.2003; Tsai & Ghoshal, 1998). Goal clarity and shared vision responsibility for achievement of the firm’s goals have been shown to affect organisational learning and employee creativity positively (Ramus & Stege, 2000).

Research suggests that firms that successfully develop a shared vision capability are able to accumulate and harness the resources and skills necessary for developing the SME organisation effectively, because tacit skill development through employee involvement is inherent to the capability (Hart, 1995).

As indicated by Jenkins (2006) and Worthington et al. (2006), the simple management structures and shorter lines of communication can facilitate greater involvement and participation in the affairs of the organisation by the employees. Tsai and Ghoshal (1998) postulate that a vision shared with all the employees acts as a bonding mechanism that facilitates fluid communication across functions and levels throughout the organisation, leading the SME organisation to economic gains in terms of improved product quality and safety.

Vision and mission statements are specifically designed to guide the strategic planning processes and elucidate what organisations want to achieve and who specifically they are to serve (Ozdem, 2011). Organisational vision and mission statements are formulated in line with organisational values
and expectations of the shareholders. The vision and mission statements should be crafted in such a way that they guide as to what the motives and intentions of the business are and what the business intents to achieve (Johnson, Scholes & Whittington, 2008). Erkan (2008) notes that the purpose of vision and mission statements is to spell out the purpose of the existence of the business and bring synergies within the organisation and to produce a strategic positioning for the entire business.

Mission statements should be explicit, concise and unequivocal. The purpose of the vision is to focus on the unknown and to identify the future that is combined with current factors as well as intentions of the organisation, strengths, weaknesses, threats and opportunities, and aspirations of the organisation. Organisational vision focuses on the future aspirations of the organisation and how it intends to achieve its future desires. This should be well communicated (Ozdem, 2011). A strong and well-articulated vision positions the organisation to take care of future events, prepare for the necessary changes that might be needed and prepare the employees in order to meet customer demands (Powers, 2012). A strong vision helps a business to guess future events, prepare for changes and innovations, and be courageous in facing the future, forecast changes in the demand of customers and boost employee efficiency (Powers, 2012). A strong, well-orchestrated vision statement should have the prerogative of separating the organisation from other organisations and become eligible to manage the internal and external environments of the organisation (Ozdem, 2011).

Akeem, Edwin and Fatai (2016) suggest that an active mission statement should incorporate nine essential elements which are: customers; products or services; markets; technology; concern for organisational survival, growth and profitability; philosophy; self-concept; concern for organisational image; and concern for employees. David and David (2014) state that for the sake of survival, growth, and profitability the organisation has to be dedicated to grow and secure financial security. The organisation has to be technologically sound in order to be capable to produce and to render effective services to the clients. There is a need to have accessible markets. There is a need to identify the geographical positions of the markets that the organisation is serving. The philosophy of the organisation, which entails the beliefs, values, objectives and business ethics of the organisation, play a critical role. Employees are the most important asset of the organisation; it is therefore essential to prioritise the employee concerns. There is a need to establish who the customers of the organisation are. There is also a need to establish self-concept, through the establishment of organisational competencies that distinguish the organisation from other organisations. The organisation should have a concern to maintain its public image, by taking care of the community and the external environment.

<table>
<thead>
<tr>
<th>Table 1: Differences between vision and mission statements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Item</strong></td>
</tr>
<tr>
<td>About</td>
</tr>
<tr>
<td>Answer</td>
</tr>
<tr>
<td>Time function</td>
</tr>
<tr>
<td>Change</td>
</tr>
<tr>
<td>Developing a statement</td>
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<tr>
<td>Features of an effective statement</td>
</tr>
</tbody>
</table>


Mission statements guide all the strategic planning processes and spell out the intentions of organisations, what they want to become and whom they serve (Ozdem, 2011). Mission statements flow from the vision. However, in some instances the establishment of organisations was based upon the immediate opportunities that had occurred. The mission statement is, however, supposed to be precise in order to enable the stakeholders to know what the organisation stands for and to link the organisation to its intentions. Papulova (2014); Akeem et al. (2016) and Oghojafar, Olayemi and Okonji (2011) noted that mission statements deal with the present status of the organisation and show stakeholders the organisational level of performance. It is also a motivator to the employees as it guides the employees on what course of action and decisions to take in line with the organisational objectives.

The employees who need to be rated the best in the organisation need to familiarise themselves with the vision and mission statement of the organisation. This facilitates employee performance in various areas of speciality (Ezekwe & Onwe, 2014). It is highly essential to ensure that
Vision and mission statements are unveiled and continuous and constant awareness is maintained to ensure that the employees are fully aware of their organisation’s vision and mission statements. This will help to ensure that the employees will be able to treat and assist those who visit the organisation in a well-informed and versatile manner (Ezekwe & Onwe, 2014). Employees need to be fully aware of their organisation’s vision and mission statements in order for them to be committed and motivated to perform well, as they will be knitted to the organisational philosophies and values. It is easier to manage employees who know the purpose of their existence at work, and who also value the importance of the organisation which they work for.

3. Research Methodology

The research is empirical in nature and cross sectional, with sharing of vision to all the employees as the independent variable and the dependent variable of the study being fully aware of strategic management practices. The quantitative research methodology was adopted in the write up of this article in order to come up with a scientific study that is empirical in nature. The sample size of the study was 1000 respondents comprising of principals, heads of department, lecturers, and all support staff drawn from private tertiary institutions selected from the Gauteng Province using the simple random sampling technique. The simple random sampling technique was incorporated in this study as it is the basic probability sampling technique that is ideal for this quantitative study. Data was collected through the close-ended Likert scale research instrument, which was designed to collect data. The data collected was analysed with the aid of the IBM 23 SPSS statistical programme. Frequency analysis, Pearson correlation analysis, linear regression analysis and analysis of variance (ANOVA) were carried out.

4. Discussion of Results

The frequency results in Table 2 below indicate that 4% of the respondents strongly disagreed that the vision was shared with all the employees; 34% disagreed; 56% were neutral; and only 6% of the respondents agreed that the vision was shared with all employees. The results indicate the reason why some of these tertiary institutions are not performing beyond the expectations, as the organisational visions are not shared with all the employees- hence lack of proper coordination and harmony within these institutions.

Table 2: Shared vision with all the employees

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
<th>Valid %</th>
<th>Cumulative %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>40</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Disagree</td>
<td>340</td>
<td>34</td>
<td>34</td>
</tr>
<tr>
<td>Neutral</td>
<td>560</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td>Agree</td>
<td>60</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>1000</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data

Table 3 below indicates that independent variable: shared vision with all employees was not shared with all the employees. The results indicate that (\( M = 2.62, SD = .659 \)). Shared vision with all the employees was non-normally distributed, with skewness of .600 and Kurtosis of 1.90.

Table 3: Mean scores

<table>
<thead>
<tr>
<th>N</th>
<th>Mean</th>
<th>Std. deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared vision</td>
<td>1 000</td>
<td>2.6180</td>
<td>.65917</td>
<td>.600</td>
</tr>
</tbody>
</table>

Source: Primary data

4.1 Correlations

A Pearson correlation analysis was carried out and it was established that:

There is a strong, positive correlation between vision shared with all employees and identification of strengths, weaknesses, opportunities and threats \( r(998)=.79, p < .01 \).

4.2 Linear regression analysis

Table 4 above reflects that the R is .869, adjusted R\(^2\) of the model is .753 with the R = .755. The linear regression statistic results are in support of the fitness of the model: sharing of the vision with all the employees in the private tertiary institutions in Gauteng.

Table 4: Model summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.869</td>
<td>.755</td>
<td>.753</td>
<td>.32776</td>
</tr>
</tbody>
</table>

Source: Primary data

Table 5 above reflects that there was a significant effect of independent variable: vision shared with all employees, on dependent variable: fully aware of strategic management practices, at the p < .05 level \( F(4, 995) = 81.95, p < .01 \). The result implies the need for private tertiary institutions to embrace shared vision with all the institutions’ employees for the employees to be aware of the direction that their institution is taking, and be able to work in line with the vision and mission of the organisation.

H01 stating that: “Vision is shared with all the employees.” The null hypothesis was rejected since (p < .01). This implies that the private tertiary institutions are not sharing the vision and mission statements with their employees.

4.3 Regression coefficient

Table 6 below reflects that vision shared with all employees significantly predicted awareness of strategic management practices in tertiary institutions \( \beta = -.15, t(.03) = -.49, p < .01 \). The results imply that sharing of the vision with all the employees is a critical strategic management tool which management should use in order to bring awareness of the organisation is coming from and where the organisation is going.
5. Discussion of Results

It is a prerequisite to share the organisational vision and mission statements with all the employees. Ingenhoff and Fuhrer (2010) viewed that organisational vision and mission statements are linked to the organisational position in the market place. They also advised that the vision and mission statements should be aligned to the market and should be brief and specific; to the point. Inspiring vision and mission statements help to inspire the employees and reduce staff turnover. Employees will be motivated and inclined to stay rather than to leave the organisation.

Slack et al. (2010) observed the relationship that exists between understanding of organisational vision and mission statements and employee satisfaction. They concluded that the more the employees have an appreciation of the organisational vision and mission statements, the more satisfied they become. The more satisfied the employees become, the more the employees perform as they will be assured of the future of the organisation. If employees are rest assured that the future of the organisation is bright, there is a need for them to commit themselves to the organisation and have a sense of belonging. They become devoted to the organisation. Top management’s commitment to the organisational vision stimulates employee satisfaction and hence leads to increased organisational performance.

Darbi (2012) viewed the association between the level of staff awareness and understanding of the organisational vision and mission statements and concluded that employee satisfaction is derived from having knowledge and appreciation of the vision and mission statements of the institutions. Ideally, tertiary institution employees need to be fully aware of their organisational vision and mission statements in order for them to increase their performance. The prevailing situation is not good enough—only 6% of the respondents indicated that the vision is shared with all the employees. This response is coming from management, signifying that all the other employees are not fully aware of the vision and mission statements of their organisations. This translates to a recipe of failure as the tertiary institutions would eventually fail to satisfy the needs of their customers, the students, parents and other stakeholders. There is a need for top management to formulate vision and mission statements which are shared and understood by all the employees in order to increase employee satisfaction and performance. The directional null hypotheses stating that “Vision is shared with all the employees” was rejected since the p value is less than .01 (p < .01).

6. Recommendations

The results obtained from the study reflected that only 6% of the tertiary institutions shared their vision with all the employees. It becomes very difficult for the employees to tow in line with the organisational vision when they are not fully aware of where the organisation is coming from and where it is going. There is therefore a need for all employees to have knowledge of the vision of their organisation to enable them to participate, have a sense of belonging in the organisation and go beyond the expected.

The major findings emanating from this study are as follows:

- The majority of the respondents (constituting 94% of the tertiary institution employees) are not aware of their organisational vision and mission statements. The results also reflected that these organisations do not have vision and mission statements in place, and those that have the vision and mission statements are not well crafted to spell out the organisational intentions and strategic directions.

This paper recommends the following:

- Top management needs to communicate the vision and mission statements to all the employees. All the organisational employees in private tertiary institutions need to know the importance of their organisational vision and mission statements, so that they would implement the vision and mission in order to achieve the organisational objectives.

- There is also a need for the top management to involve all the employees in strategic planning, through their various heads of department, and solicit for ideas from the employees. If the employees become part and parcel of the strategy, they will embrace and own it and that strategy is bound to succeed. The bottom-to-top approach of strategic planning is very effective nowadays as compared to the top-to-bottom approach which is much more of a directive approach characterised by policies. With this type of planning it becomes very difficult for employees to participate as top management dictates what the employees have to do, and most of the time employees just do what they do not understand.

- Since customer satisfaction can only be achieved through sharing of the vision and mission statements with all the employees, there is a need for top management to ensure that the organisational vision and mission statements are shared with all the employees – with the view to satisfy the students, parents and other stakeholders.

- It is essential that it becomes an organisational culture to share the organisational vision and mission statements with all the employees. Levels of understanding might be different; however, time must be taken to equip the slow learners. Once all the employees become aware of the vision and mission of statements of their organisations, their commitment and service productivity automatically changes.

7. Conclusion

It has been noted that it is essential to share the
organisational vision and mission statements with all the employees, whether they hold a managerial position or a junior position. All employees need to know the vision and mission of their organisation. It has been observed that employees are motivated when they know the vision and mission statement of their organisation. They also become committed and this increases their productivity. Private tertiary institutions need to prioritise the formulation of vision and mission statements and ensure that they make this available to all their employees in order to reap the benefits of commitment and increased performance by the employees.

References
