



The Vision and Mission Statement: Two Core Components of Integrated Reporting

The first question that needs to be solved by the directors of any company when attempting to determine the content of their integrated report is: What does the company do and what are the circumstances under which it operates? In providing guidance as to what considerations are necessary to solve such a question the Integrated Reporting Framework (IRF) recommends that an integrated report identify the company's mission and vision. A generally accepted manner in which this is done is for a company to disclose its vision and mission statement. In trying to understand why the IRF advocates such disclosure one must appreciate what a vision and mission statement in essence really are. A vision statement should be able to explain or communicate what the company is and what it does. While a vision statement looks into the future; a mission statement looks to the present.

Both inform as to what the company does and how it does it. How the vision is to be achieved is explained in the mission. Therefore the by disclosing its vision and mission statement the company is able to solve the first question and as a result disclose the required information.

Most vision and mission statements appear as "one liners" in integrated reports. While the IRF requires conciseness – "one liners" are not sufficient, as the IRF requires sufficient context to understand the organization's strategy, governance, performance and prospects.

Here is some advice and guidance when determining how a vision and mission statement should be written to be included in the integrated report:

	Mission Statement	Vision Statement
About	A Mission statement talks about HOW you will get to where you want to be. Defines the purpose and primary objectives related to your customer needs and team values.	A Vision statement outlines WHERE you want to be. Communicates both the purpose and values of your business.
Answer	It answers the question, "What do we do? What makes us different?"	It answers the question, "Where do we aim to be?"
Time	A mission statement talks about the present leading to its future.	A vision statement talks about your future.
Function	It lists the broad goals for which the organization is formed. Its prime function is internal; to define the key measure or measures of the organization's success and its prime audience is the leadership, team and stockholders.	It lists where you see yourself some years from now. It inspires you to give your best. It shapes your understanding of why you are working here.
Change	Your mission statement may change, but it should still tie back to your core values, customer needs and vision.	As your organization evolves, you might feel tempted to change your vision. However, mission or vision statements explain your organization's foundation, so change should be kept to a minimum.

