CONTENT ANALYSES ON MISSION STATEMENTS OF THE MOBILE NETWORK OPERATORS IN KYRGYZSTAN

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Abstract

Comparing the most popular management tools used by executives regardless of the geography over years, mission statement consistently remains in the top 10. Transition period from planning to market economy showed that Kyrgyzstan like other transition economies suffered from a lack of entrepreneurship experience. Especially crafting of mission statement for organization itself is relatively new experience for post-Soviet economies like Kyrgyzstan. This paper aims to study the contents of mission statements of mobile network operators (MNOs) in Kyrgyzstan and set up whether the mission statements of MNOs include eight components recommended by Pierce and David (1987). Mission statement components suggested by Pearce and David are still found to be the most popular and consistent. The corporate web sites of operators were screened to take out information about mission statements. This content analysis showed how MNOs are less successful and consistent in their mission statement. The Pierce and David’s components were partly included in mission statements of MNO in Kyrgyzstan.

Keywords: Strategic Management, Mission Statements, MNO, Corporate Image, Kyrgyzstan.

KIRGIZİSTAN'DA CEP OPERATÖRLERİNİN MİSYON BİLDİRİLERİ ÜZERİNDE İÇERİK ANALİZİ

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INTRODUCTION

The concept of mission gained popularity in strategy discussions 30 years ago (Pearce and David, 1987), and still has not lost an academic interest (Jung and Pompper, 2014; David et al. 2014). Since 1993 until 2015, mission statement is highly popular management tool (Top10), used by a large number of executives, regardless of the geography and the economic development level of the country where enterprises operates (Rigby and Bilodeau, 2015). This overview in light of information of in excess of thirteen thousand respondents from in excess of seventy nations in Europe, North America, Africa, Asia, Latin America and the Middle East. Most of the executives in emerging markets demonstrate high satisfaction levels from the effects of mission statements on the business performance. It is noteworthy that comparing the most popular management tools over a 10-year period, mission statement consistently remains in the top 10 along with strategic planning, benchmarking and outsourcing. Hereby, in the business context, the roots of mission statements can be traced back to Selznick’s Leadership in Administration (1957) and Drucker’s The Practice of Management (1954) (Kosmützky, 2012:60). Management guru Peter Drucker (1999) assumed mission as one of three parts of business theory, and shaped mission constrains the organization to methodically assess emerging trends, future changes in its environments, and present or rising social issues that might be transformed into opportunities.

Like Drucker, Hill and Jones (2010) contended that making the inquiry "What is our business? What will it be? What should it be?" is in the synonymous level when making the inquiry "What is our main goal or mission?" The responses guide the formulation of the mission, i.e. a business is defined by its mission.

Mission statements have been predominantly acknowledged as an essential component of the strategic management process for organizations of numerous kinds; be it public, not-for-profit, private, multinational or SME (Darbi, 2012:95). The organizations with a mission statement are expected to be more fruitful than those without one, and effectively finishing the statement of mission process shows that a firm be thoughtfully, design precisely, work cooperatively, and make informed
decisions (Williams, 2008:98). Much of studies and empirical researches on mission statement contents, usually attempt to bind these components to company performance (Pearce and David, 1987; Bart and Baetz, 1998; O’Gorman and Doran, 1999; Analoui and Karami, 2002), especially its financial performance (Williams, 2008; Jung and Pompper, 2014). The industrial or sectorial differentiation of researches on mission statements is pretty various: in case of education (Finley et al, 2001; Kibuuka, 2001; James and Huisman, 2009; Stemler, et al, 2011; Wilson, et al, 2011; Orozco, 2012; Kosmützky, 2012); electronic industry (Analoui and Karami, 2002); health and pharmaceutics (Bart and Tabone, 1999; Bolon, 2005; Azizi and Hosseinabadi, 2014); banks (Tuhin, 2014); mining (Garg, 2014); of confectionary industry (Marjanova and Fotov, 2014). This paper contributes to above literatures by studying the content of mission statements of MNO in Kyrgyzstan. From the one hand, mission statements as a part of strategic management is one of the niche and essential topics in transition economies like Kyrgyzstan, with the new and raw business practices. Transition period from planning to market economy showed that Kyrgyzstan like other transition economies suffered from a lack of entrepreneurship. Especially crafting of mission statement for organization itself is relatively new experience for post-Soviet economies like Kyrgyzstan. As Ageev et al. (1995) stated Soviet state had the only and legal authority to exploit economic freedom and creativity, and the Communist Party politically obtained exclusive control to manage the development course and other economic transformations. Soviet state was financially the main manager legitimately able to misuse monetary flexibility and innovativeness, and the Communist Party politically hoarded duty regarding administration improvement and other monetary changes. It means all regulations in Soviet period were adopted only by nomenklatura. Consequently, there were new market-oriented skills and knowledge gap. From the other hand, in spite of difficulties after independence period, MNO market whose contribution in GDP nowadays is about 9-10% is very dynamic, competitive and profitable in Kyrgyzstan.

MISSION STATEMENT: DEFINITIONS

Varied definitions on mission statement have been introduced by the scholars. Nevertheless the mission is predominantly accepted as the raison d’être of a company or organization (Виханский, 1998; Akgemci, 2007; Thompson and Strickland, 2006; Hill and Jones, 2010). It reflects back the reason or basis for existence of any organization. According to Ritson (2008) mission is a formal commitment to the vision that incorporates the company’s strategy (Ritson, 2008). Mission is a continuing statement of purpose uncovering an company’s markets, service or product, clients and philosophy in whole (Pearce and David, 1987:109). In general, mission statement should include the basic function or tasks of an organization, particularly why it exists, the nature of the businesses it is in (Ritson, 2008). Moreover, uniqueness of mission statement differentiates and distinguishes one organization from other similar institution (David and David, 2003:11; Bolon,
Mission is for the most part accepted as essential mission statement and course, which characterizes the place of the organization within its environment (Виханский, 1998; Morden, 2007:177). Tanković, (2013:333) expected mission as a rule mirrors the values and needs of strategic decisions and contours of the vision and organization’s direction in future. As well it may reflect the values and culture of founder and decision-makers as these have evolved over the life of the organization (Morden, 2007:177). Specifically, the mission set up the long-term view of the organizations with regard to the place to go and the market to serve (Dobson et al. 2004:10). Bart and Tabone (1998:19) determined a mission statement as a formal written document attempting to emphasize an organization’s out-and-out purposes. In addition, mission statements can emerge from internal preferences and as regulations to pressures from environment or challenges (Bolon, 2005:23). Besides not all organizations employ the term ‘mission statement’, but might in place of mention to their ‘core values’, ‘philosophy’, ‘credo’, or ‘main principles’ (Blair-Loy, et al, 2011:429). Forenamed statements often address stakeholders, including shareholders, management, employees, customers, and society.

BENEFITS OF MISSION STATEMENTS

According to Bolon, (2005) the mission statement is very prominent in business environment as an instrument that every manager and organization must have. Why do organizations use a mission statement as one of the most popular management tool? To find an answer to this question many researchers approach miscellaneously. Bart and Tabone (1998:19) expressed a mission statement as a key to management and consequently it fills two primary needs: to give a manual for decision-making and encourage human resources toward common goals. The motivational role of mission statements in guiding and focusing staff, and impressing them to perform better echo back in other studies (Blair-Loy, et al, 2011:429; Rajasekar, 2013:132). Specifically, created mission statement may nurture a common value system, teamwork, a center on shared goals, guidelines, and enthusiastic responsibility regarding the organization (Mullane, 20002:449). Top management must feel dedication to the mission crafting process, and other members should be engaged to shape a mission that will call emotional commitment (David et al, 2002:449). In addition the mission statements stand to inform a public image of the organization to its essential stakeholders (Germain and Cooper, 1990). Morden (2007:177) suggests using a mission statement to identify the range of the companies referring to their location and positioning; market strategies; approach to employee and customers; production management, quality policy, and product or service. Well-established mission statement can design a purpose, sense of value, and common expectations, and should state products and services (David and David, 2003:11). The mission statement promotes decision-making, planning, creating strategies, and setting of short and long-term policies (Rajasekar, 2013:132).
Desmidt and Heene (2003:7) stressed on not just listing of values with the only purpose of decorating the annual report or organizational website. In authors’ opinion, mission statements must reflect back those values that are included in the corporate culture. A mission statement gives an opportunity to the organizations to combine a strong vision among its employees and managers (Analoui and Karami, 2002:14). Nowadays, mission statements still remain as corporate reporting tools (Williams, 2008). Finally mission can play a role of building block for a corporate strategy and healthy basis for strong corporate culture.

COMPONENTS OF MISSION STATEMENT

A lot of resources have been gathered to help organizations in crafting the effective mission statement. It is very important to develop the mission statement very carefully and comprehensively. For instance, Hamel and Prahalad (1994:133) used “a sense of mission”, “strategic intent” and “sense of destiny” interchangeably, and focused on pathos and passion as main components in mission statement. They focused on making a real difference in the lives of customers. David and David (2003) stated that the mission statement needs to be longer than one sentence or expression, but not a two-page formal text, it should not be too much specific; it should not show money equivalents or percentages, numbers and strategies. Too many details can be a reason of distancing from mission and put down creativity.

In the narrow sense of the mission statement, it just contains texts embodying organizational tasks, organizational goals and purposes and distinct organizational images (Kosmützky (2012:69). To the wide extent, a mission statement is something comprehensive and in-depth. One of the most-cited authors Pearce and David (1987) argued that high-performance companies have exhaustive mission statements containing eight key components, as follows: identification of principal products and/or services, specification of target customers and markets, identification of core technology, identification of geographic domain, expression of commitment to growth, survival and profitability, specification of key philosophy, identification of the company’s self-concept, and identification of the company’s hoped-for public image. Afterwards Bart and Baetz (1998) identified nine main components of mission statements, a list that is modified somewhat: purpose/raison d’etre, values/beliefs/philosophy, business strategy/distinctive competence/competitive position, behavior standards and policies, corporate level aims/goals, self-concept/identity, public image, location, technology, anxiety for existence. In 1999, Bart and Tabone enlarged this list to 23 components appending financial an nonfinancial objectives, specific customers served, product/services offered, concern for satisfying customers, concern for employees, concern for suppliers, concern for society, concern for shareholders, statement of vision. At the same time O’Gorman and Doran (1999) specified eleven main characteristics for a successful mission: care for survival, product or service, anxiety for customer, company philosophy, geographic location, anxiety for quality, self-concept, public prestige, care for
suppliers, customer/market, and technology. According to Analoui and Karami (2002) a typical mission statement contains long-term profit, survival and growth; customer satisfaction; core technology; market; philosophy and values; product image; geographic domain; self-concept; and concern for suppliers.

In addition to readability and availability of mission statement Desmidt and Heene (2003:9) suggested following prerequisites must be fulfilled in order to have effective mission statement: a) well-conceived, it should mirror the topical values of the organization; b) well-communicated, employees ought to be aware of the existence of the mission statement; c) well-comprehended, all members should make out the mission statement; d) well-supported, it ought to be installed in the policies, systems and procedures of the organization. Dobson et al. (2004:10) discussed on a good mission statement components and recommended following: the purpose of the organization – a statement of the essential activities of a organization; its principal business goals – its mission refer to the position it aims to reach in its chosen way; the core values and main beliefs of the company; statement on who are the key stakeholders; the guiding rules and principles that set up the code of conduct. Indisputably a good mission statement can provide the source for designing and shaping of corporate goals that the organization tries to reach.

RESEARCH METHODOLOGY

This paper aims to study the content of mission statements of MNO in Kyrgyzstan. The main objective of this study is to identify whether the mission statements of operators contain components suggested Pierce and David (1987). Mission statement components suggested by Pearce and David are still found to be the most popular and consistent in the related literature. Data was based on content analysis of the mission statements and other related statements found on mobile operators’ web sites. As it is known content analysis is a research technique for making reproducible and valid implications from text materials (or other meaningful way) to the contexts of their use and ease (Krippendorff, 2004:18). Content analysis can be used to define the intentions and different characteristics of the communicator; uncover the focal point of individual, group, institutional, or societal attention; and reflect cultural models of groups, institutions, or societies (Weber, 1990:10). Azizi and Hosseinabadi (2014) argued the content analysis method can be used for studying the character of the mission statement that is a prominent and credible process for studying the relevance of the mission statement.

As Marjanova and Fotov (2014:180) emphasized that the formulation of highly comprehensive mission statement is proportional and depends on the size of enterprises. Namely, it is more likely that large-scale companies would create highly comprehensive mission statements than small and medium – sized companies. In addition, taking into consideration that Kyrgyzstan is still in transition period Kyrgyz
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companies have comparatively little market-oriented experience. According to these assumptions, there were developed following research question:

*Do Kyrgyz MNOs have comprehensive mission statements or are must-have components fully included in Kyrgyz MNOs mission statements?*

**Research Sampling**

The research sample consists of a total of three companies serving in mobile market in Kyrgyzstan. As above-mentioned corporate websites were the main tool employed for data collection. It is known it is hard to ensure that qualitative research is accurate or correct; therefore websites for each of these companies was thoroughly screened to find the mission, vision, values or related statements. The main cause for choosing all of them was that many organizations use the terms mission, approach, vision, principles, values and goals interchangeably (Garg, 2014:307). Information given on web-sites was mostly in Russian and Kyrgyz. Credibility and dependability of this research can be reached by the fact that all information was taken from corporate web-sites, i.e. from open sources.

**Research Findings**

Information given on web-sites was mostly in Russian and Kyrgyz. Afterwards findings were translated into English. The results of this study are given in Table 1. It manifest that all (8) number of components is not incorporated in the mission statements of mobile operators. The statement on the concern for survival, growth, and profit was not specified by any company. It is curiously that namely this statement was one of popular component in the mission statement in USA (Pierce and David, 1987). Seven of all components was included in the statements of two leading company (A operator and B operator). C operator included 5 components from the list.
Table 1. A Comparison of MNO Mission Statements Components

<table>
<thead>
<tr>
<th>Mission Statement Components</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer: Who are the target customers?</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Products or Services: What are the principal products or services?</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Geographically, where does the company compete?</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Core technology: What technology does company use in current?</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Care for survival, growth, and profit: Is the company focused in terms of financial success and future being?</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Philosophy/Values What are the main views, beliefs, desires, and ethical priorities of the company?</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Self-concept: What are the main competitive advantages of the company?</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Concern for public image: Is the company sensitive to the well-being of society, community and environment?</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
</tbody>
</table>

✓ indicates that the mobile operators have mentioned this component in their mission statements.

Further it is presented detailed cases from corporate mission statements and exemplary textual statements as well.

1. Customer: Who are the target customers? Mission statements of all three respondents do not address to certain customer segment.

2. Products or Services: What are the principal products or services? As MNO are service companies, in their statements they focused on their cellular services. All respondents are more definitely in specifying their services. Exemplary statement including this component was by C operator: “… a full range of mobile
telecommunications services, from the simple use of voice, messaging and mobile Internet, to high-tech solutions for calls and corporate accounts”.

3. Geographic location / markets: Geographically, where does the company compete? A operator shares that it provides mobile network services to 98% of the country and B operator notices it provides mobile services to 90% of the population. Focusing on fact that since 2010, B operator is part of bigger group, geography of opportunities of B operator is more effective than others. C operator shows it provides mobile network services of GSM standard just in the territory of the Kyrgyz Republic without any concrete information.

4. Core technology: What technology does company use in current? MNOs are more technology-driven industries. Core technology component was specified more in details by both A operator and B operator. C operator made enough superficial reference to their technology.

5. Care for survival, growth, and profit: Is the company concerned in terms of financial welfare and future being? No one of the respondents mentioned in their statements their concern on profitability and financial success.

6. Philosophy/Values: What are the primary views, beliefs, desires, and ethical priorities of the company? Two respondents (A operator and B operator) included in their statements clear expressions of their philosophy, values, and ethical priorities. Some excerpts from respondents’ web-sites. A operator sets out their values in following:

“Time (awareness of precious time and events that bring people together); Freedom of choice (if you have the right to choose to be the only and best choice for all); A responsibility (Focus only on the excellent results of the tasks and decisions taken); Expertise (Job loyalty, mastering and respect for the traditions of mentoring); The progress and excellence drive (Improving the present, opening up new possibilities and create the basis for a better future)”.

B operator stated more on business principle stressing on social responsibility, transparency, openness, consistency, ethics, high quality service, mobile literacy etc.

7. Self-concept: What are the key competitive advantages of the company? Two respondents (A operator and B operator) included in their statements more detailed information about their strengths and distinctive competences. For instance, A operator stated following: “The company tops the list of the largest taxpayers in the telecommunications sector and is one of the largest employers of the Kyrgyz Republic. It is the first and only mobile network operator in the Kyrgyz Republic passed the international quality management system certification version of ISO 9001: 2008; the holder of a diploma of the International Prize of the CIS countries for achievements in quality field (2014-2016); it has more than 7,000 retail outlets”. B operator stated following: “The company first in the market launched 3G network in Kyrgyzstan in 2012, expanding it almost in all territory of the country. The company serves 70
thousand customers in 6 languages”. C operator stated following: “We offer our customers to take advantage of the free in charge services that are unrivaled in the mobile communication market of Kyrgyzstan and services that make mobile communications easy, clear and simple.

8. Concern for public image: Is the company sensitive to the well-being of society, community and environment? Two respondents (A operator and B operator) included in their statements more comprehensive information about their concern on well-being of society, community and environment. A operator stated following: “…we are actively promoting the sport in Kyrgyzstan, as a general partner of various sports tournaments, as well as the national team of Kyrgyzstan at the Olympics-2016. Our charitable and social activities are regular”. B operator is more in-depth in its component. It shared their activities and concern on supporting education and for socially vulnerable segments of society; respect for the natural resources and participate in the environment-friendly activities, study on cellular effects on human health, respect and promotion of national values”. Mission statement of C operator did not include any expressions on their concern on well-being of society, community issues and environment.

The components suggested by Pierce and David (1987) were partly included in mission statements of MNOs in Kyrgyzstan. Accordingly, research question on “Do Kyrgyz MNOs have comprehensive mission statements or are must-have components fully included in Kyrgyz MNOs mission statements?” is replied partly in positive way. Two leaders in this market (B operator and A operator) are more consistent in their mission statement. Perhaps their relatively long-term business experience tracks on mission practices. Third company (C operator) is less unequivocal and more superficial in their mission statement.

CONCLUSION AND DISCUSSION

MNOs in Kyrgyzstan are the fastest growing industry to date. In addition the situation has developed so that the number of mobile subscribers today exceeds the population of the country as a whole. The mobile market in Kyrgyzstan is very saturated. Operators are already struggling not for attracting new customers, but for existing customers who at the same time buy the services of competitors. In order to have competitive advantage MNO should use new and existing management tools to attract new customers, qualified staff and, not less important, partners and investors. This study was designed in order to explore mission statements of MNOs in Kyrgyzstan.

The analysis from Table 1 shows that customers as one of the most significant stakeholders was included in mission statements of MNOs in Kyrgyzstan. These findings are similar with the findings of Biloslavo (2004), Akbulut and Bayram, (2011) and Garg (2014). King et al. (2014) analyzed the mission statements in 10 countries like U.S., France, Canada, United Kingdom, Australia, Germany,
As research findings showed statement of product or service as one of the most popular mission statement components was included in all MNOs similar to researches of Biloslavo (2004); James and Huisman (2009); Tanković (2013) and Marjanova and Fotov (2014).

The situation changes drastically in the statement of concern for survival, growth and profit with the result that none of the MNOs did not include this component. It can be explained by the research results of Altay (2003) where he stated that culturally Kyrgyz employees are less anxious on future and of Najimudinova (2013) where author stated that employees in Kyrgyz industrial sector are more short-term oriented. It can explain why MNO in Kyrgyzstan are less sensitive to this component. They are thought to be less concerned on future existence and growth.

Statement of values is more popular in Kyrgyz MNO, although in other transition economies like Slovenia (Biloslavo, 2004), Croatia (Tanković, 2013), and Macedonia (Marjanova and Fotov, 2014), this component is less popular.

Statement of core technology was included in all three MNOs in Kyrgyzstan. As known MNOs are more technology-driven organizations. These findings are similar with the findings in US (Williams, 2008) and Bangladesh (Tuhin, 2014). Nevertheless, this component is less popular, for example, in Slovenia (Biloslavo, 2004), in Turkey (Akbulut and Bayram, 2011), in South Africa (Garg, 2014), in United States, France, Germany, Japan, and China (King et al, 2012).

The statement of self-concept was included in all three cases. This component was more emphasized in studies by Köseoglu (2008), Garg (2014), Williams (2008) and less emphasized in studies by Biloslavo (2004), Tuhin (2014).

Both yesterday and today the mission statement is pretty popular management tool. As literature review shows mission statement is something unique that differentiates one organization from another. It is statement of purpose and direction, which defines the place of the organization within its environment. Mission statement is raison d’être of any organization and it must be addressed toward both internal and external stakeholders. Perhaps there is no ready formula for crafting mission statement and finding best expresses for collective purpose and values of organization. In addition, a mission statement can be used in wrong way, and hence stay obsolete, incapable, or even absurd (Mullane, 2002:454). Nevertheless there are some theoretical helpful instruments successfully implemented in other cultures and industries. One of them (Pierce and David components) was used as scaling in this research. This tool can be especially useful for organizations in transition economies. Of course, every organization will craft and design their mission statements regarding to their background, corporate culture, experience, collective mentality etc. A properly designed mission statement
including all components discussed in this study pretends to become one of the most important strategic tools. All respondents mirror their mission statements in their corporate sites. Only one component “concern for survival, growth, and profit” was not included in mission statements of respondents. Two of respondents are more successful in specifying other seven components. They are more consistent in their mission statements. Third respondent is less unequivocal and more superficial in their mission statement.

In the future this study can throw fresh light on researches on other dynamically emerging industries in Kyrgyzstan and to make relationship between good mission statements and the performance of MNOs. This conclusion can open further doors for analyzing the relation between mission and vision of companies.

RESEARCH LIMITATIONS

As the limitations of this study is that it include only one country and definite sector like MNOs. Another limitation can be related with the sample size and research scale. The number of the respondents (organizations) of analysis in this study is dictated by their number in the market. In spite of popularity in usage of Pierce and David (1987) scale, there are other scales developed later. The scope of the study can be enlarged by covering other sectors like manufacturing, banking, hotels or universities.

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