

## Effect of Bold Display of Mission Statement on the Performance of Insurance Industry in Nigeria

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### ABSTRACT

Over the past 20 years mission statements have become one of the most popular management tools. Despite the enormous popularity of mission statements it has been plagued with some constraints. Some of which are wrong application of mission statement, poor organization structure, unethical attitudes of insurance practitioners and lack of conformity to the rules and standards by insurance organization's workers towards the actualization of strategic goals. This study examined the effect of mission statement on business performance in Nigerian insurance industry. The descriptive research design was used. Based on a survey of 120 staff, this paper explored staff's state of awareness of mission statements, perceptions about the bold display of mission statement and whether the organization's mission statements has effect on their performance. Findings indicated that there was a weak positive relationship between bold display of mission statement and organization's performance in aspect of profit making and also that there was a weak negative influence of mission statement on insurance business performance in Nigeria.

**Keywords:** Mission Statement, Insurance, Business Performance. Bold Display

### Introduction

Mission statement has to do with a meaningful statement of purpose and direction of a business. It also defines what organization is, why it exists, and the primary purpose of organization's existence. Managers consider mission statement as one of the most important managerial tools (Bart, Bontis & Tagger 2001; Bartkus, Barbara; Glassman, Myron; McAfee, Bruce. 2000). They are of the opinion that it gives focus and encourages strategy implementation, it improves organizational climate, internal and external communication, and it improves management and leadership in a company (Musek & Stallworth 2008). In spite of managers and researchers great expectations regarding the possible mission statements effects, there are quite some confusion and even contradictions in research focused on exploring the relationship between business performance and the existence of mission statement in a company.

Mission statements have increasingly become popular business tool among companies in explaining their respective business mission and purpose clearly (Amran, 2012). This popularity is mainly due to the needs of businesses to develop realistic business objectives and strategies that can be achieved within their capacity. The current trend shows that a number of companies published their mission statement. Bart (1998) stated that mission statement is an enduring statement of purpose that reveals an organization's product or service, markets, customers and philosophy. However, in practice each company may have its own definition or concept on mission statements. Warner (2000) looks at a mission as an organization's vision translated into written form. It makes concrete the leader's view of the direction and purpose of the organization. A mission statement serves as a reference point of directing the effort of the company. Mission statement should address the following issues: market scope, product scope, technology and social responsibility. Mission statement answers four basic questions; Who are we? What do we offer? Who do we serve? How do we serve? In practice, actual bank's mission statements tend to exhibit more concern with what our business is now' and what our business will be later (Oyebolu, 2012).

Mission statement have been overwhelmingly accepted as an indispensable part of the strategic management process for organizations of all types; be it public or private sector, for profit or not for profit, a multinational or a small and or a medium scale enterprise. It is widely believed that mission and vision statements impact on strategy and most aspects of organizational performance. A clear thoughtful mission statement provides a share sense of purpose, direction and opportunity. Most firms have mission statement. In the worst case scenario, mission and vision statements are implied implicitly. Supporting the above argument, Bart (2001) posited that mission statements had consistently been shown to be the top-rated management tool deployed by senior managers during each of the ten years prior to his study. Mullane (2002) argued and supported it empirically that mission statement is useful for practical day-to-day operations.

Mission is designed to help firms achieve competitive advantage. In the broadest sense, competitive advantage is what allows a firm gains an edge over its rivals. Competitive advantage enables a firm to achieve high performance over an extended period of time. Mission statement therefore is part of the contemporary managerial tool kits not only for dealing with the inevitable uncertainty in the management environment but also, for stimulating organizational performance.

Several works Campbell, (1997); Mullane (2002); Rigby, (1994); Matejka ,Kurke & Gregory (1993); Campbell & Yeung, (1991) have delineated how mission and vision statements can be used to build a common and shared sense of purpose and also serve as conduit through which employees focus are shaped. Other schools of thought believe mission statement tend to motivate, shape behaviors, cultivate high levels of commitment and ultimately impact positively on employee performance (Mullane, 2002; Collins & Poras, 1991; Daniel, 1992; Campbell, 1989; Ireland & Hitt, 1992; Klemm, Sanderson, & Luffman, 1991; Drucker 1959). Having accepted at least notionally the potential strategic role of mission statements, managers, researchers and academics have tried to explore empirically the importance, especially in terms of how the components impact on organizational performance since 1987 when the first attempt to investigate the relationship was made. Yet most of the earlier empirical works have concentrated on senior executives and managers; if not investigating how they formulate their mission statement then it is about how comprehensive their mission statements are and how they impact on performance. The perspective of the employee and, therefore, the larger work force has remained relatively neglected. Nevertheless, the performance of an insurance industry depends on the extent to which the use of strategic planning is put in place in order to accomplish the set objectives and mission statement of that organization (Alaka; Tijani & Abass, 2011).

This popularity is mainly due to the needs of businesses to develop realistic business objectives and Mission statements have increasingly become a popular business tool among companies in explaining their respective business mission and purpose clearly strategies that can be achieved within their capacity. The current trend shows that a number of companies published their mission statement. According to Bart (1998), mission statement is an enduring statement of purpose that reveals an organization's product or service, markets, customers and philosophy. According to Schendel (1999), strategic planning is a vital instrument in an organizational setting. It is defined as the process of determining the future of overall goal or objective of a business. Planning therefore bridges the gap between where we are, and where we want to go (Adeleke, 2001).

Planning can be a very difficult exercise because it requires that we consciously determine a course of action and base our decisions on hope, purpose, and knowledge on estimates. For instance despite the mission's significant and fundamental role in the management and leadership of organizations, we know relatively little about how employees perceive the missions and how these perceptions relate to other organizational attitudes such as satisfaction and behaviors i.e. turnover (Brown & Yoshioka, 2003). While studies suggest that mission statement have a positive impact on profitability and can increase shareholders equity, they also reported that almost 40 percent of employees do not know or understand their company's mission (Bart & Tabone, 1998).

### **Statement of the Problem**

Despite the fact that mission statement has brought far reaching revolution which has tremendously transformed most business landscape, it is still plagued with some constraints in the insurance industry. Some of these constraints include wrong application of mission statement by insurance companies, unethical attitude and conduct of insurance practitioners, poor organizational structure in the Nigerian insurance industry and non-conformity of the rules and standards by the workers of the insurance companies towards actualization of the strategic goals. A study by Rigby (1994), rated mission statements second of all used tools particularly because they believe it is a useful ingredient in organisational integration which gets everyone focused on objectives and working together to pull in the same direction.

**Research Objectives:** Evaluate whether bold display of mission statement has improved insurance organisational performance.

**Research Hypothesis:** Ho: Bold display of mission statement in organisation has not improved insurance organisational performance.

## **LITERATURE REVIEW**

### **Mission Statement**

Mission statement answers two basic questions stakeholders might ask about a company: who the company is and what the company does (Falsey, 1989). It defines the scope of company's operations and distinguishes the company from similar ones (David, 1993). But as Stallworth (2008) notes, there are more issues which might be

addressed in a mission statement. In literature, for example, mission statement is referred to also as a credo “philosophy” or even company’s core values. Sufi & Lyons (2003) state that mission statement may convey a company’s reason for being, outlining where it is headed and planning, how it will get there.

Drucker (1973) links mission statement to business objectives and defines it as a precursor to clear and realistic business objectives. Sufi & Lyons (2003) note that historically a company is regarded as an economic entity with profit maximization as the key business objective. This objective is tightly related to interests of company’s owners. On the other hand, the stakeholder theory (Freeman, 1994) claims that business objectives should be configured to account interests of other stakeholders as well. As some researchers argue, company mission statement should also address interests of “management, employees, customers or clients, shareholders, and other residents of the communities, countries, and world where it does business” (Stallworth, 2008). Nevertheless, some authors think that the best mission statements simply define company’s business and suggest future products and market objectives (Bartkus et al., 2000). Even though strategic management distinguishes between vision and mission statements, many companies confuse them and put them together in the same statement (Sufi & Lyons, 2003).

As company’s vision statement may describe desirable and possible future state or long term aims of a company and is also a backdrop of a purpose and company’s strategy, it affects key priorities and behavioral standards in a company. So it seems that besides key priorities, a mission statement may address values and beliefs as well (Falsey, 1989; Collins & Porras, 1991; Ireland & Hitt, 1992). Organizational values, which are often included in a vision or mission statement (Hussey, 1998), are “small sets of general and guiding principles that are not to be confused with the specific cultural or operating practices” (Sufi & Lyons, 2003).

Stallworth (2008) adds that values often stem from company’s founders. Sufi & Lyons (2003), relating to their literature analysis, conclude that mission statements include broader elements like purpose, strategy, value and behavioral standards. Purpose together with organizational values define philosophy or core ideology of a company, which can be defined as a rich system of values and beliefs about a company, shared by its members, that distinguishes it from other companies (Mintzberg & Quinn, 1996). Campbell & Tawadey (1992, in Sufi & Lyons, 2003) note that “mission statement is made real only when it affects the behaviour and guides the peoples’ actions”. In accordance with this, Bartkus et al. (2000) narrow the focus of a mission statement and see it only as a communication tool. They are of an opinion that the companies should narrow the purpose of a mission statement to that of realistically communicating product and market objectives to stakeholders. This results in development of behavioral standards, which are company’s rule of a thumb – “the way we do things around here” (Sufi & Lyons, 2003). Stewart (1979) defined mission statement as organization’s long run vision of what of what it is trying to become, the unique aim distinguishing it from other similar organizations. Mission statement provides direction for the entire organization. An effective mission statement focuses on market, client, and customers’ needs. It motivates employees by providing shared sense of purpose outside the activities performed within the organization. An effective mission statement is achievable and realistic. Mission statement is viewed in terms of efficiency as revenue generation from strategic utilization of assets which is the independent variable.

According to Drucker, often called the father of modern management, a mission is the primary guidance in creating plans, strategies or making daily decisions. It is an important communication tool that conveys information about organization’s products, services, targeted customers, geographic markets, philosophies, values and plans for future growth to all of its stakeholders. In other words, every major reason why company exists must be reflected in its mission so any employee, supplier, customer or community would understand the driving force behind organization’s operations. There are two types of mission statement;

- a. Customer oriented mission:** they define organization’s purpose in terms of meeting customer needs or providing solutions for them. They provide more flexibility than product-oriented mission and can be easily adapted to changing environment.
- b. Product oriented mission:** product oriented mission focus on what products or services to serve rather than what solutions to provide for customers. These statements provide less flexibility for the company because most products have short life cycle and offer limited market expansion. The company that defines its business as providing best health insurance products may struggle to grow to other insurance product categories.

For a mission to be effective, it must include the following 9 components;

- i. Customers: Who are your customers? How do you benefit them?
- ii. Products or services: What are the main products or services the that you offer?

- iii. Markets: In which geographical markets do you operate?
- iv. Technology: What is the firm's basic technology?
- v. Concern for survival: Is the firm committed to growth and financial soundness?
- vi. Philosophy: What are the basic beliefs, values and philosophies that guide an organization?
- vii. Self-concept: What are the firm's strengths, competencies or competitive advantages?
- viii. Concern for public image: Is the firm socially responsible and environmentally friendly?
- ix. Concern for employees: How does a company treat its employees?

Mission statements must mirror those values that are embedded in the organizational culture. Statements that are merely window dressing will evoke cynical reactions and lose all credibility (Bartkus, 2000). Once the implicit organizational values are made explicit an effort must be made to disperse them throughout the organization. Once all employees are aware of the core values of the organization a second delicate process, which forms the cornerstone of the proposed conceptual model, emerges. According to Campbell (1997), the values and behaviour standards contained in mission statements can evoke three kind of response: (i) the yawn of boredom. The mission statement is a bland motherhood and apple pie – statement impossible to appeal. (ii) Emotional resistance. The expressed organizational values differ from the values held high by the individual employee. Value-conflicts arise and will have a negative influence on the organization – employee relation. (iii) Emotional support. “The reader recognizes the values and feels uplifted by being associated with them. It brings an emotional applause.

### **Business Performance.**

In view of the time and effort that is spent on developing and communicating mission statements, it is reasonable to ask whether these statements are of any real value to investors. When considering potential investment opportunities, it would be useful for investors to know whether mission statements provide a source of relevant information. In particular, it would be useful for them to know whether mission statements offer any insights to financial performance. There is still no consensus among business practitioners and academics on how to measure business performance (Tang & Zhang 2005; Pun & White, 2005). Business is the work, that is, part of your job. More so, it is the activity of making, buying, selling, or supplying goods or services for money (Daniel & Tilahun 2013). The performance of any business firm not only plays the role to improve the market value of that specific firm but also leads towards the growth of the whole sector which ultimately leads towards the overall prosperity of the economy.

However, several researchers tend to agree that organizations can generally use the objective rather than subject measures to assess their success, provided that accurate information is provided (Chow & Van der Stede, 2006; Panigyrakis & Theodoridis, 2009). The objective business performance measures, consist of the financial records that include actual profit, turnover, return on investment, return on capital employed, and inventory turnover. Critics of objective measures of business performance report that objective measures are inaccessible, confidential, incomplete and often inaccurate (Chong 2008). Performance is defined by Curristine (2005) as the yield or result of activities carried out in relation to the purpose to be pursued. Performance measurement in the banking industry should include both financial and non financial parameters. In order to measure bank's performance, qualitative (non financial) and quantitative (financial) factors should be considered (Oyebolu, 2012). Profit figures are subjected to manipulations, which make comparisons among different sectors difficult. In a similar vein, Chow & Van der Stede (2006), Atkinson & Brown (2001) argue that objective measures are unreliable because they are too aggregated and backward looking rather than forward looking; stressing the short-term future of the organization instead of the long term benefits. Managers (owners) are therefore, unable to understand the root causes of performance problems and make cross-functional decisions in order to survive in turbulent business environments.

### **Empirical Framework**

William (2011), study of mission and vision statements and their potential impact on employee behaviour and attitudes indicated that most employees have first-hand knowledge of the mission and vision statements though they do not frequently come across them; also the level of knowledge of the components/contents and perceptions about ownership are low. Employees see ownership as a prerequisite for the statements to impact on their behaviours and attitudes. Although empirical evidence supporting the presumed positive relationship between mission statement and organization performance is scarce and results are very mixed, the most commonly assumed benefits from mission statements are: (i) enhanced resource allocation, (ii) strengthened legitimization and (iii) reinforced shared expectations/values. Enhanced resource allocation and strengthened legitimization congruous with the strategic view on mission statements. By clarifying the unique purpose of the organization, its principal stakeholders and how to satisfy their needs, the organization constructs a strategic

framework that serves as a guideline for decision-making. By specifying the philosophy that will guide the company it is hoped that stakeholders will accept, trust and support the organization with the required resources (Heene, 2001). Promoting shared expectations / values refers to the cultural glue that can tie individuals together, creating a common identity.

As mentioned above empirical evidence underpinning the assumed benefits of a well-defined mission statement is rather scarce and fragmented (Baetz 1996; David 1989; Klemm 1991 & Wilson, 1992). The limited attempts made at linking a performance indicator (mostly of a financial nature) with an organization's mission statement found no significant difference in performance (Baetz, 1996, David, 1989, Klemm, 1991 & Wilson, 1992). However when performance is measured in terms of impact on desired employee behaviour Bart & Baetz (1996) found in different research settings consistently strong positive relationships indicating that various mission statement components (e.g. presence of values) have the ability to influence employee behaviour (Baetz 1996; Bart 1996 & Bart, 1996). The scarce quantitative research thus seems to support the assumptions of the psychological school (Coulson-Thomas, 1992). By providing employees a clear image of desired behaviour and esteemed values, the concept of shared values and beliefs can influence in a powerful way the behaviour of employees (Calfée 1993).

Valerij (2012) study to investigate the relationship between mission statement and company performance recognize statistically significant difference between the companies with implicitly or explicitly stated missions and companies without them with the regard to only one measure of a company performance. All other relationships between the existence of mission statement and other measures of company performance are weak and statistically non-significant. There is a lack of empirical evidence for the acclaimed and assumed positive effects of mission statements (Piercy & Morgan, 1984). A few studies have lent to empirical support that mission statements are valuable and contribute to higher profits (Rarick & Vitton, 1995; Klemm et al., 1991; Germain & Cooper, 1990; Falsey, 1989; Pearce & David, 1987).

Gharleghi, Nikbakht & Bahar (2011) found that flexibility of mission statement had most impact on the organizational performance and the perfectness of the mission statement had the least impact on organizational performance. Rarick & Vitton (1995) concluded that having a mission statement significantly increases shareholder equity.

Noor (2012), study examines on the company mission statement components of mission statement and company performance. The sample for his study consists of 429 companies in Bursa Malaysia. The study found that very few Malaysian companies concern on disclosing their mission statement. However, the disclosed mission statements contained almost all the key components that have been addressed. Findings from this study also show a consistent result with the previous works in term of ranking of key components by degree of importance. It was found that some of the mission statement components are related to one or two companies' performance indicators, and companies that disclose their mission statements are significantly different than those who do not, in terms of company performance. Such situation was seemed to be congruence with the signalling theory. Malaysian companies have included the key components of mission statement as suggested by Bart (2001) in the company annual report but published in the company website.

Do mission statement matter? Piercy & Morgan (1994); are amongst the many who questioned the usefulness and benefits of mission statements. A careful look at the literature however presents an interesting dichotomy of arguments. There are those strategists who question the need at all for mission and vision statements on one hand and those who believe creating one is good, but using it is even better. Sharing a thought in these arguments, Mullane (2002), explained that it is not the contents of the mission statements that stirs debate, rather it is the process used to prepare the document and how the finished document is employed in the organization that comes to question. Most often than not mission and vision statements are thought of as a creation of senior management largely reflecting a mandatory formal process which product is either an obscured document that only is mentioned in annual reports or tacked up as a wall hanging that almost immediately gets forgotten about. Goett (1997) was one of the authors who critiqued the pro-mission and vision statement arguments based on some observations.

Onikoyi & Awolusi (2015), study aimed to investigate whether there is positive relationship between the mission statement and banks performance. The mission related variable was found to be positively correlated to the performance related variable. While the relationships were discovered to be statistically significant, they were relatively weak. Generally, it is concluded that the completeness of an organization's mission statement does not positively impact Banks' performance.

The body of literature and research supporting the relevance of mission statements to organizations however far outweighs the opposing view. Probably there is a considerable attempt by academics and practitioners to legitimize a tradition long established. This crusade has triggered in its wake empirical studies of all forms to make a case for the need and relevance of mission statements. A study by Rigby (1994), rated mission statements second of all used tools particularly because they believe it is a useful ingredient in organizational integration which gets everyone focused on objectives and working together to pull in the same direction.

## **METHODOLOGY**

### **Research Design**

The descriptive survey research design was adopted in this study as it involves the usage of a self-designed questionnaire in the collection of data. This was to be able to make reference to phenomena as they exist. This design was accepted because it gives room for accurate description, recording, analysis and interpretation of the existing conditions as far as the identified impact of mission statement and bold display of mission statement on insurance organization's performance are concerned. The survey design was adopted in this study as most information required in a project of this nature is to be available within the organizations selected.

The Likert-type rating scale from which the respondents were to indicate their level of agreement. It has the following; Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly Disagree (SD). A cover letter which explained the aims and motives of the research and also assurances of confidentiality of information and their sources accompanied the questionnaire. To generate interest and encourage participation, participants were told the potential benefits of the results of the research to them.

### **Population of the Study**

The target population of this study comprised of all employees in Niger insurance plc, IGI insurance plc and Leadway assurance Ltd operating within the Lagos metropolis who have spent at least months in the institute. The choice of Lagos was due to the fact that it serves as the commercial nerve center of the country. Over 95% headquarters of Insurance Companies are situated in Lagos State. Respondents were selected from various departments in the enterprise irrespective of their levels, categories and skills. Respondents were both male and females. From the employees' total population of 200, 500 and 500 in Niger insurance plc, IGI insurance plc and Leadway assurance ltd, 10% each of the population was used.

### **Sample and Sampling Technique**

The descriptive survey method was used for collection of data. Data were collected through primary source. The study population comprises of the staff of Niger Insurance Plc, IGI Insurance Plc, and Leadway Assurance Ltd. The sample size of 120 respondents was drawn from the staff population of the companies by simple random sampling technique. Participants were asked to complete a self-administered questionnaire. It was emphasized that they have no time limit and the participants were advised to provide the answer which they think is right. Quota and random sampling techniques were used to select respondents based on the population and without bias.

This involves the collection of information from the population without bias up to a certain number. The questionnaire was a Likert-type rating scale from which the respondents were to indicate their level of agreement. It has the following; Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly Disagree (SD). A cover letter which explained the aims and motives of the research and also assurances of confidentiality of information and their sources accompanied the questionnaire. To generate interest and encourage participation, participants were told the potential benefits of the results of the research to them.

### **Research Instrument**

The Likert-type rating scale was adopted from the present study which is five-point scale structure, participants responded to questions by selecting the rating which best describes the current states in the organization. The method used to collect the primary data was method of communication, which involved the use of interview and questionnaire for obtaining data. The interview was subjected mainly to top managers concerning how their mission statements have helped the organization. The questionnaire was designed for the respondent in the selected institution in two sections; section A and B. Section A which carries the first five questions on personal information from the respondent which includes; sex, age, educational qualification, present position and length of service. Section B carries questions on bold display of mission statement as its affects business performance and whether mission statement has impact on business performance. As earlier mentioned, the instrument was structured on the Likert-type rating scale from which the respondents were to indicate their level of agreement. It has the following; Strongly Agree (SA), Agree (A), Undecided (U), Disagree (D) and Strongly Disagree (SD).

### Method of Data Analysis

The responses to the questions on the questionnaire were analyzed using tables and simple percentage method. The research hypotheses stated earlier was tested using the ANOVA and Regression analysis with the aid of SPSS (Statistical Package for Social Sciences).

### Hypothesis

**H<sub>0</sub>:** Bold display of mission statement in an organization has not improved most insurance organization performance.

**Table 1: Standardized Regression Analysis of Bold display of mission statement in an organization and insurance organization performance**

Null Hypothesis (H <sub>0</sub> )	R Square	F	Sig.	Decision
Bold display of mission statement in an organization has not improved most insurance organizational performance.	.036	4.415	.038 <sup>a</sup>	Reject H <sub>0</sub>
ANOVA	Beta Coefficients	T	Sig.	Std. Error
Bold display of mission statement	.190	2.101	.038	1.251

Source: Author computation (2015).

Table 1 shows positive influence with coefficient of standardized beta value of (.190) for bold display of Mission Statement. Variable bold display of mission statement is not statistically significant at 99% confident limits. Also, R<sup>2</sup> value of .036 in the table above shows that there is weak positive relationship between the variable measured (bold display of mission statement) and organisation performance. Since the P < 0.01 Sig (.038) and the F – Statistics giving 4.415 depicts that there are still lot of variables that can possibly affect organizational performance apart from the bold display of mission statement, therefore reject Null hypothesis (H<sub>0</sub>) and accept the Alternate Hypotheses (H<sub>1</sub>) and the study concludes that there is weak positive impact between bold display of mission statement and insurance organization’s performance.

### Discussion of Findings.

The study revealed that there was a weak positive impact between bold display of mission statement and organization performance in the aspect of profit making. Mission statement must stand out from the rest of organization’s content ie. big and boldly displayed. Study in Nigeria found that the use of mission statements not only as mere “slogans” but open the employees eyes to see their daily tasks and roles in the mission so that to attain business objectives (Oghojafor, Olayemi & Okonji, 2011). Also the finding shown that mission statement impact insurance company’s performance negatively. Although empirical evidence supporting the presumed positive relationship between mission statement and organization performance are scarce and results are very mixed (Heene 2001). Valerij (2012) study to investigate the relationship between mission statement and company performance recognize statistically significant difference between the companies with implicitly or explicitly stated missions and companies without them with the regard to only one measure of a company performance.

All other relationships between the existence of mission statement and other measures of company performance are weak and statistically non-significant. There is a lack of empirical evidence for the acclaimed and assumed positive effects of mission statements (Piercy & Morgan, 1984). This result has also been supported by the study of Bart & Baetz (1998) which found no difference in financial performance between companies with and without mission statements. David (1989) did not find any correlation between performance and mission statement presence.

Onikoyi & Awolusi (2015), study concerning the relationship between Mission Statement and Bank Performance in Nigerian Banking Industry revealed that there was no significant relationship between Mission Statement and Bank performance it was concluded that the completeness of an organization's mission statement does not positively impact Banks’ performance. The relative weakness of the relationship, however, indicates that other independent variables should be considered.

## Conclusion

It is worthy to note that mission statement is highly valued and applied by the most successful and best managed insurance organizations in Nigeria. For example, Niger Insurance plc has been one of the top four best insurance companies in Nigeria which they believed that having a conducive environment to do business, being a customer oriented organization, making use of well-motivated employees that are technologically oriented will result in creating a long term value for their shareholders through returns and investment. Similarly, IGI Insurance organization is to be a professional insurance company that leads in the provision of the highest standard of financial protection and risk management services through the help of a group of well-trained and highly motivated professionals in service delivery, achieving customers' satisfaction and creating wealth for National development.

As well as Leadway Assurance Ltd is to be a service provider of choice, bringing insurance as a risk management tool to the consciousness of all, adding value to our clients and other stakeholders in an efficient and reliable manner. The central dynamic of this concept is the conviction that, the uncertainty and pace of change can help on its mission. It is hoped that if properly implemented, mission statement will improve insurance companies' profitability, sales volume and reduced market cost, client satisfaction, staff moral and financial strength. A study by Rigby (1994), rated mission statements second of all used tools particularly because they believe it is a useful ingredient in organizational integration which gets everyone focused on objectives and working together to pull in the same direction. However management needs to put in measures to get them acquainted with it on a more frequent basis. Regardless of the label, a mission statement specifies the fundamental reason why an organization exists (Amran, 2012).

## Recommendations

The study recommended that management of insurance companies should push for better performance by finding ways to improve the existing mission and how it is being executed. Where an organization has no outstanding competencies and performance, it still must shape its mission to suit its particular skills and available resources and emerging economic activities. Insurance companies in Nigeria need to understand the 'prons and cons' of mission statement and to be skilled in it formulation, mission statement analysis and methods of mission execution is a basic aspect that all managers should always take into consideration. Most visitors are looking for information, not a hunt by making your mission stand out from the rest of your content (big and bold).

Mission statement should be easy to find. The companies should have a well-conceived mission that can prepare the company for the future, establish long-term direction and indicate the company's intent to stake out a particular business position. Orienting employees about the organization's mission statement so as to coordinate all efforts towards actualizing the stated organizational objectives must also be considered. Putting together a strong management team with the right personnel and mix of skills should be taken into consideration in implementing mission statement. Serious attention should be given to the identified problem areas of "orientation, implementation and evaluation" with particular reference to resource allocation (human and materials) and reviewing bases of mission, thereby ensuring the needed improvement. Campbell & Tawadey (1992) note that "mission statement is made real only when it affects the behaviour and guides the peoples' actions.

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