MGT599 Strategic Management

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Authors note

Critical Evaluation of the Vision, Mission Statement, Values, and Goals of PepsiCo

**Executive Summary**

PepsiCo Inc. was founded in 1965 when Frito-Lay Inc. merged with the Pepsi-Cola company. The merged firm experienced significant international developments and expansion and has become the second-largest food and Beverage Company across the globe. PepsiCo Inc. always ensures that its vision and mission statements are aligned with the prevailing commercial world. The company focuses on achieving coordination of its vision statement, mission statement, goals, and values with the current business situation (Kumari et al., 2016). This condition demonstrates the company's diversification in terms of its markets and product mix. The company ensures continuous satisfaction with the corresponding market requirements based on its mission and vision statements.

The mission statement of PepsiCo Inc. guides the firm to develop commodities and services that suit the global market demand (Eric et al., 2015). The corporate mission statement for any company identifies the appropriate commercial operations to achieve the enterprise vision (Haski-Leventhal, 2020). The mission statement of PepsiCo highlights the roles of the firm in international commercial operations. A company’s corporate vision statement identifies the direction of institutional development.

The core values of PepsiCo Inc. mirror the corporate stand on environmental and social issues in addition to what the company wants to gain publicity for (Kumari et al., 2016). The company's objective is to ensure continuous refining of its commodities to suit the varying consumer tastes and preferences by reducing saturated fat, sugars, and salt (Shara, 2018). PepsiCo's vision and mission statements complement each other effectively to enhance the firm's growth and expansion towards the top international commercial position.

**Introduction**

In the prevailing commercial world, any business institution's vision and mission statements serve as a means of strategic growth. They are used as critical elements of an enterprise strategy in formulating potential development goals (Haski-Leventhal, 2020). A business organization cannot successfully implement its strategic plans without a clear mission and vision statement (Kumari et al., 2016). A corporate vision statement is a phrase that creates a mental visualization of the future state that is optimally targeted for the firm. Therefore, an organization's vision statement can be defined as the set of objectives that an institution wants to achieve within a stipulated time plan (Hammonds, 2001). On the other hand, the mission statement highlights why the business enterprise exists by clearly outlining its purpose.

This paper explores the vision statement, mission statement, values, and goals of PepsiCo Inc. The company's mission statement outlines that they are focused on providing international consumers with delicious, affordable, convenient, and complimentary beverages and meals designed to suit particular times of the day (Shara, 2018). PepsiCo's vision statement highlights that they are committed to achieving commercial and financial success while having significant impacts on society.

The company has gained global recognition and a massive customer base across many nations in the world. Pepsi Company offers meals and beverages that consists of fun snacks and soft drinks (Haski-Leventhal, 2020). The firm has a precise and clear vision and mission statements. The following sections represent an analysis of PepsiCo's vision statement, mission statement, and core values.

**Company’s Mission Statement and Analysis**

The mission statement of PepsiCo Inc. for the year 2020 is outlined as follows: "creating more smiles with every sip and every bite." The company has subdivided the mission phrase into five broad groups, as discussed below.

**For the Consumer**

The Pepsi firm focuses on creating more than one million smiles for its customers every day by offering them unique and delicious commodities (Eric et al., 2015). The firm has strategic plans to provide the best quality meals and soft drinks according to its international consumers' tests and preferences (Shara, 2018). They seek to win consumers' loyalty and trust by ensuring they are contented with the quantity and quality of products and services.

**For Customers**

The company attempts to make its customers happy by becoming the best commercial partner. The company also tries to attain customer satisfaction by delivering unique commodities of premium quality that suit their tastes and preferences (Haski-Leventhal, 2020). These efforts benefit the firm and small-scale retail consumers who purchase PepsiCo commodities in bulk.

**For the Society and Acquaintances**

The Pepsi Company creates happiness for their acquaintances and the entire community by creating employment opportunities. Furthermore, the company gives individuals a chance to learn essential skills that may help them develop successful careers (Shara, 2018). PepsiCo Inc. promotes international diversity by ensuring their workplace is inclusive to anyone with appropriate skills regardless of their locality, gender, race, or religion (Kumari et al., 2016). Besides, the company applies such steps to give back to the community by promoting its members' living standards.

**For Shareholders**

The company brings smiles to its shareholders by delivering appropriate TSR (Total Shareholder Return) (Haski-Leventhal, 2020). Also, PepsiCo Inc. creates happiness for its shareholders by running its commercial operations based on ethical governance and the best corporate practices.

**For the World**

The Pepsi enterprise attempts to spread smiles across the globe by participating actively in environmental conservation. PepsiCo plays a significant role in protecting non-renewable energy sources and conserving the ecosystem to create a conducive business surrounding for income generation (Hammonds, 2001). Also, the company has strategized production methods to ensure minimal wastes and control the release of harmful gases into the atmosphere (Kumari et al., 2016). PepsiCo has well-established systems for waste disposal and plans to enhance the development of a green ecosystem.

The Pepsi Company’s key sustainability metrics include climate action, in which the company attempts to shift to 100% renewable sources of energy (Haski-Leventhal, 2020). They also focus on achieving positive water effects since 2015; the company has attained a 9% improvement in water-use efficiency (Hammonds, 2001). PepsiCo also tries to expand its health-conscious products based on consumer needs and enhance equal prosperity among the community members by including anyone in their workplace (Eric et al., 2015). Lastly, the company tries to avoid utilizing the 67B single-use plastics by 2025 to extend the SodaStream business.

**Company’s Vision and Analysis**

The top executives of Pepsi Company embarked on a journey to design a vision phrase that they feel appropriate for the international organization. PepsiCo's vision statement outlines the following: "Be the global leader in convenient foods and beverages by winning with a purpose." The company aims to become faster, better, and stronger to advance its vision.

**Become an International Leader in Convenient Beverages and Meals**

The Pepsi Company holds that the hospitality industry shall remain in operation as long as human society continues to exist (Shara, 2018). Therefore, any investment in the development of the whole industry keeps PepsiCo at the forefront. This motive stimulates the long term success of the firm.

**Winning with Purpose**

PepsiCo Inc. believes that winning with purpose contributes significantly to attaining the best performance to achieve the set objective and goals. The company maintains that its previous success reflects its ambitions, contributing to the firm's expansion and growth (Haski-Leventhal, 2020). Pepsi firm has the vision to keep the aspirations flourishing so that the company is driven towards the highest levels of success globally.

**Faster**

The organization has strategic plans to become faster in its commercial engagements by concentrating on customers and expanding investment growth and a broad market share.

**Stronger**

PepsiCo plans to intensify its strength by enhancing a super business culture and building its abilities (Shara, 2018). It focuses on improving its core capacities and strengthens the brand by devising strategies that suit consumer needs.

**Better**

The company has plans to become better by incorporating its vision into commercial operations (Haski-Leventhal, 2020). Besides, the Pepsi Company focuses on giving back to the community in its efforts to create a long-lasting impact s of the firm on the world.

**Company’s Values and Analysis**

The values of the Pepsi Company reflect their stand on environmental and social issues. It also represents what the company wants to gain international recognition for (Shara, 2018). The statement guiding the firm states as follows: “PepsiCo is committed to delivering sustained growth by acting responsibly, empowering people, and building trust.” Analysis of the statement breaks it into three categories.

**Sustained Growth**

The company expects its workers to grasp and hold the vision of sustained growth. The sustained growth motive harnesses other skills, including determination, ambition, and innovation (Haski-Leventhal, 2020). PepsiCo believes that setting a long-term plan is the key to the achievement of long-term success. Also, employees have adopted the value of sustained growth not only for personal benefits but also for the entire company's growth.

**Empowering People**

The Pepsi Company is an institution that offers autonomy and freedom to its staff members, as long they are operating within the regulations of the company (Shara, 2018). The empowerment of employees is a key critical skill or tool for survival at PepsiCo Company. Pepsi values individuals who can conduct daily activities appropriately with minimal guidance.

**Responsibility and Trust**

The firm expects its workers to be trustworthy and responsible. PepsiCo believes that the two core values are the driving motive towards achieving the firm's growth (Eric et al., 2015). The entire team of employees is expected to perform all duties responsibly, bearing in mind that the firm's regulations, general rules, and policies (Shara, 2018). This culture builds the company’s trust in the employees.

**Alignment of Company’s Mission, Vision, Values, And Goals with Stakeholders’ Interests**

The Pepsi Company’s vision demonstrates the state at which the firm is geared to achieve financial and commercial success (Eric et al., 2015). Its vision creates an understanding of how the workers contribute to the achievement of the desired performance. The mission and vision statements are effective in enhancing the performance of employees (Haski-Leventhal, 2020). Every employee must fully comprehend the role he or she plays in the company to attain the desired business performance.

The vision and mission statements of PepsiCo operate together. One of the statements' greatest significances is strengthening the company's culture by spreading a uniform sense of purpose and goals (Shara, 2018). It boosts employee’s ability to make appropriate decisions when facing critical issues. However, an efficient mission, vision, values, and goals cannot impact employees' performance if not emphasized by an organization's top management.

**Recommended Changes**

PepsiCo should keep the product goal and develop refined foods and soft drinks that meet the ever-varying consumer needs by reducing added salt, sugars, and saturated fats (Hammonds, 2001). The company should also provide a broader portfolio of commodities choices by reaching native communities and consumers in rural areas. PepsiCo has to continue maintaining a precise and clear mission and vision statements to enhance its success opportunities (Kumari et al., 2016). Top executives should emphasize the effective application of the ideas to boost the performance of employees.

**Conclusion**

The vision statement, mission statement, core value, and objectives of the Pepsi Company serve effectively as stimulators of employee's performance. PepsiCo plays a significant role in protecting non-renewable energy sources and conserving the ecosystem to create a conducive business surrounding for income generation (Shara, 2018). The company has also strategized production methods to ensure minimal wastes and control the release of harmful gases into the atmosphere. The company expects its workers to grasp and hold the vision of sustained growth. The sustained growth motive harnesses other skills, including determination, ambition, and innovation (Eric et al., 2015). The statements' most tremendous significance is strengthening its culture by spreading a uniform sense of purpose and goals. It boosts employee's ability to make appropriate decisions when facing critical issues.

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