

Strategic Intent Formulation by Banks in India: A Comparative Study.

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Abstract

Purpose: Strategic Management acts as panacea for the success and failure for the organisation. In other words, the strategic management acts as back bone for managing the organisation operations in each and every sphere, where a team of experts always be ready for giving out the solution to every problem which the organisation faces. Post liberalization Indian banking industry has undergone a paradigm shift providing new services to customer and posing unique challenges with the fast changing business environment. With increasing competition, emerging customer demands, regulatory interventions, and technology led disruptions, and higher shareholder expectations, the organisations are being forced to constantly review and revisit their operating models along with change in the vision, mission and objectives as per the required change of the dynamic environmental forces. A number of studies have been conducted in India which examined the Advertisement Effectiveness, Strategy Formulation, Environmental Scanning, Product performance, Marketing Strategies of banking sector. But there is no descriptive study showing the strategic intent development by the banks is been conducted, which have a crucial role in deciding the course of action of the banks to achieve vision, mission and objectives in future and to pursue its team towards excellence. So the present paper makes insight on the Banks in India in order to make their management effective and efficient in formulation of Strategic Intent which ultimately decide the future course of action for the banks and pursue the teams to achieve their vision, mission and objectives of the organisation in the rapid changing business environment.

Research Type: Empirical

Findings: The vision of ICICI bank clearly indicates that the banks wants to attain top position in Indian banking industry and subsequently it aims to spread its wings in the global market also. Thus challenges involved in such an orientation are bound to foster risk taking. The vision statement of other two selected banks are more simplistic and addresses customers, technology etc. These may not guide accept too many challenges and take risk. With reference to discussion on mission statement, it is clear that there is strong need for PNB to make a relook and consideration on the various objectives like product and service, market, technology, concern for survival and growth in their mission statement. On the other hand it is completely surprising that none of the selected bank pays due attention to their employee aspect in mission statement. Hence there is strong need for all the selected banks to include employees in their objectives. However on the objective perspective there is strong need for the banks to define a time frame within which the objective has to achieve. And also there is need to correlate the objective so that the vision and mission achieve for the overall achievement of the organisation. And the objectives must be designed in such a way that these must cover every aspect which is essential to achieve mission and vision of the organisation.

Practical Implications: The management the banks may start adopting efficient and effective strategies for strategic intent development for the banks in order to improve their overall efficiency to achieve mission and objectives of the organisation which ultimately affects policy formulation, management practices, product management and controlling practices of the banks.

Research Limitations: The formulation of Strategic Vision, Mission and Objectives, as a part of strategic intent, more often than not is considered a routine matter. Hence for the managers it may be bit tough to reveal exact extent to which their bank indulges in formulation of strategic vision & mission statement along with objectives formulation. Further, confidentiality may prevent the managers to elaborate on the said issue.

Keywords: Banks, Strategic Intent, Strategic Vision, Mission, Objectives, Business Environment.

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I. Introduction

The mission, vision and values are more often established when the company or group is initially set up and the mission is incorporated into the organisation action plan or strategic plan. A vision and mission are critical and standard elements of a company's organizational strategy. Most established organisations develop organizational vision statements and mission statements, which acts as foundation in the establishment of

organisation objectives. The organisation then develops tactical and strategic plans for objectives. The vision of the organisation provides a common sense of purpose and identity, provide long-term direction and communicate internally and externally what their organisation is about. Establishing the mission, vision and values are also continues process of review to ensure that they are still relevant for the current challenges and environment. Many companies find it useful to review these at the start of their process of strategic planning. The Management of the organisation must ensure that the organisation operates in a way that is consistent with its mission, vision and values or ethical principles. This should be the basis for planning and monitoring, expenditures, reviewing all activities, decision-making and policies. Companies use a variety of ways to communicate why they exist in society, how they work and what it is they hope to achieve. The core purpose of the company is mostly defined in the strategic plan and the organisation governing documents. Companies are not legally permitted to execute operations which are not within the premises of their core purpose, as defined in their organisation governing documents. Vision statements are sometimes confused or used similar with mission statements. Vision statement should include a perspective of corporate values and offer more of a direction. A vision provides a direction for the organisation for the next five to ten years, while also a commitment to transparency, integrity, openness and other values.

II. Literature Review

The literature is inundated with those scholars who believe that before writing a mission statement, leaders in the organization essentially have an idea of what is in store for the future and thus the vision is the foundation for the mission statement. The vision provides a strategic direction, which is the springboard for the mission and related goals. Whilst this element of discussion exists, there is very intense consensus about the future orientation of a vision statement as opposed to that of a mission statement. Practically no organization wants to remain static; it is not uncommon to come across what is often referred to as a “dream” that a founder of a company has. A vision is meant to compelling mental images and evokes powerful commitments of the desired future states of their organizations. “Dreaming” and aspirations about tomorrow is a defining tenet of entrepreneurial organizations as well as those organizations whose strategy formulation process could be described as entrepreneurial according to **Mintzberg and Waters (1985)**. (**Sufi and Lyons, 2003**) Vision statements are supposed to be challenging and ambitious yet workable enough to evoke employee’s ingenuity as far as its realization is concerned. Core values are enduring principles, ideologies and worldviews that the founding fathers of organization hold in high esteem; these are sometimes referred to “organizational vision”. The unceasing nature of these core values according to **Sufi and Lyons (2003)** must provide the toast for a vision for that matter. Authors such as **Hussey (1998)** and **Mintzberg and Quinn (1996)** explained that the vision statement should include core values or core ideologies that distinguish one organization from another. Vision guides and perpetuates corporate existence. Vision is viewed as a mental picture of a compelling future situation. It originates from creative imagination, the act or power of perceiving imaginative mental images, sort of future planning (**A. Joachim, 2010**). Vision is a strong *integrator* (**Bratianu, Jianu and Vasilache, 2007**). People sharing together the same future image of their organization will strive to find best solutions to transform that vision into reality. Thus, vision integrates the individual contributions in intelligence, knowledge and values from all employees, and becomes a driving force for increasing the potential of the organizational intellectual capital. Vision is a greatest important ingredient in the success of any company. It provides the driving force that can get a company through the growing pains it will inevitably encounter. It is a basic “shape” of the company future; it expresses optimism, and hope about possibilities regarding the desired future (**M. Lipton, 2003**)

According to many scholars, senior managers must need to distinguish between “strong” and “weak” visions (**Rafferty and Griffin, 2004**), as well as “negative” and “positive” (**Senge, 1990**) visions to ensure their vision is effective. This is specifically important in geographically spread organizations where people down the line must share the same vision. Several studies (**Campbell, 1997; Mullane, 2002; Rigby, 1994; Campbell and Yeung, 1991**) have explained that how mission and vision statements can be used to build a common and shared sense of purpose and also serve as framework through which employees focus are created. Some schools of thought believe mission and vision statements tend to enhance motivation, shape attitude & behavior, cultivate high levels of commitment and ultimately impact positively on employee performance (**Mullane, 2002; Collins and Poras, 1991; Ireland and Hitt, 1992, Drucker 1959, Klemm et al., 1991**).

Mission statements are broadly believed to be base to any strategy formulation process (**Thompson and Strickland 1992; Wheelen and Hunger, 1998**). The mission of an organization represents the reason for existence and for creating value for society. It synthesizes the present law of the organization and explains its vision (**Bratianu, 2005**). More fundamentally, mission statements are supposed to move on the path of success as a purpose of an organization in line with the values and perception of stakeholders and should give answer the questions: “what business are we in?” (**Drucker, 1973**) and (**Johnson et al., 2008**) “what is our business for?” Mission statements are said to do a good job in capturing corporate level strategy in terms of scope,

boundaries and value creation (Johnson, 2008). Mission statements have been reported as a broad framework around which other strategic aspects like vision, strategic intent and capabilities, behavioral standards, goals, core values, objectives, business models etc evolve (Campbell and Tawadey, 1992).

III. Objectives

The major objectives of the study are as under:

- To know the extent to which the selected banks indulges in strategic intent formulation.
- To see which of the vision, mission and objective component influence the strategic intent of the selected banks more.
- To asses if the selected banks differ in their strategic intent development pursuit.

HYPOTHESIS

Keeping in mind the objectives of the study following hypothesis has been tested:

- The selected banks do not differ significantly in their strategic intent formulation pursuit.

IV. Research Methodology

This is an empirical study. Both primary and secondary data is used by the researcher to arrive at necessary conclusions. The primary data have been collected to assess the extent to which selected banks taken into consideration the various factors while developing the strategic intent. For this the researchers have used a structured questionnaire addressed to the managerial cadre of the respective Banks. The questionnaire has been designed by the researchers keeping in mind prominent component of a strategic vision. In all, 63 managers from SBI, 69 managers from PNB and 74 managers from ICICI Bank have been included in the sample. The choice of the sample has been governed by judgment and convenience of the researchers. The secondary data incorporated in the research is the outcome of literature reviewed on the said theme. The data so collected have been analysed with the help of SPSS software using various statistical techniques like mean, standard deviation, ANOVA, post hoc analysis etc. and presented with the help of appropriate statistical tables.

SCOPE OF THE STUDY

The present study aims at assessing the extent to which the various component of strategic intent is scanned by the selected banks while formulation of strategic intent. Three top banks of the country i.e. State Bank of India (SBI), Punjab National Bank (PNB), ICICI Bank have been included in the sample of the study. SBI is the largest Bank of the country and offering verities of product to serve its customer base. However, PNB is the 2nd largest public sector bank of the country. For a comparison purpose, ICICI Bank, being largest private sector bank is consider for the study.

THRUST OF THE STUDY:

The researchers, after reviewing literature on strategic intent (vision, mission and objectives) formulation by companies have devised their own dimensions concerning same to garner the views of the respondents. The thrust of this study is on the formulation of strategic intent by the selected banks.

ANALYSIS & INTERPRETATION:

An organisation strategic intent is the long term as well as the short term change it would likely to see if its work is successful. A strategic intent (vision, mission and objectives) should enable individual and motivate to see how their effort contributes to an overall inspirational purpose for the growth of organisation. A discussion on the perspective of strategic intent on the selected banks follows:

1) VISION ESSENTIALS:

While developing a vision statement some important aspects must be taken into consideration that all constitutes vision essential and discussed in detail in the subsequent part. Table 1 makes an insight on the strategic inclination of the banks toward inclusion of various components in their organisation's mission statement:

Table: 1- Key of Focus on Banks Vision.

Variable	Bank	Mean	S.D.	F-Value	Significance	Post Hoc Analysis			
						Bank	Mean Difference	Significance Value	
Clearly Defined and Well Crafted Vision.	SBI	4.83	0.383	0.343	0.710	SBI	PNB	0.057	0.422
							ICICI	0.042	0.553
	PNB	SBI	-0.057			0.422			
		ICICI	-0.016			0.819			
	ICICI	SBI	-0.042			0.553			
		PNB	0.016			0.819			
Inspiring Vision.	SBI	4.13	0.492	9.065	0.000*	SBI	PNB	0.098	0.343

						ICICI	-0.305	0.003*
	PNB	4.03	0.747			SBI	-0.098	0.343
						ICICI	-0.403	0.000*
	ICICI	4.43	0.499			SBI	0.305	0.003*
						PNB	0.403	0.000*
Permanent Guide.	SBI	3.70	0.816	35.85	0.000*	PNB	-0.099	0.382
						SBI	-0.842	0.000*
	PNB	3.80	0.608			SBI	0.099	0.382
						ICICI	-0.743	0.000*
	ICICI	4.54	0.502			SBI	0.842	0.000*
						PNB	0.743	0.000*
Competitive, Original and Unique.	SBI	4.19	1.09	2.324	0.100	PNB	-0.346	0.032*
						ICICI	-0.174	0.270
	PNB	4.54	0.901			SBI	0.346	0.032*
						ICICI	0.171	0.267
	ICICI	4.36	0.769			SBI	0.174	0.270
						PNB	-0.171	0.267
Fosters, Risk Taking and Experimentation.	SBI	3.52	0.737	0.619	0.540	PNB	-0.012	0.923
						ICICI	-0.125	0.323
	PNB	3.54	0.759			SBI	0.012	0.923
						ICICI	-0.112	0.362
	ICICI	3.65	0.711			SBI	0.125	0.323
						PNB	0.112	0.362

Source: Managers Survey.

- Clearly Defined and Well Crafted Vision Statement:** Table 1 makes it clear that the managers of all the selected banks are quite sure that their banks have clearly defined and well crafted vision statement. The mean score obtained by banks have varied between 4.77 (PNB) to 4.83 (SBI). This small range has ensured that selected banks do not differ significantly as indicated by ANOVA and Post Hoc analysis also. The researcher has tried to assess the genuinity of high scores being given by the managers on this front. The same has been done by assessing the vision statement of the three banks. The vision statement of the SBI focuses on customer satisfaction while that of PNB on developing an institute of reckoning to serve as an infrastructure model with high-tech environment and state-of-the art systems. Similarly the core focus of ICICI banks vision is on becoming the leader in providing financial services in India and a major global bank. Thus all the banks apparently have worked on their vision statements. Hence the claims of their managers may not be exaggerated ones.
- Inspiring Vision:** Table 1 reveals that the banks have again got 4 plus mean score concerning how inspiring their vision is to the various stakeholders especially employees. In spite of the 4 plus mean score the banks have got, the same are less than what these got on their vision being clearly defined and well crafted. This means that respondents have somewhat restrained opinion about inspiring capabilities of their vision. This is especially true in case of SBI and PNB. ANOVA has indicated a significant difference among the banks. However the same has not been found to be significant in case SBI and PNB as indicated by Post Hoc. The vision of the organisation can be considered inspiring if and only if the same is considered so in totality by the employees. If the same is not the case the organisation should start making genuine effort to make it such that it further inspires the employees. The selected banks should not be an exception to it.
- Permanent Guide:** If we take clues from managers' score given to their respective banks on whether vision acts as a permanent guide to their bank then we may say with authenticity that the vision of the both SBI and PNB lacks somewhat in this endeavor. A below 4 mean score in case of both these public sector/nationalised banks convey that there are occasions when their decisions are not guided by their core vision. ICICI Bank, on the other hand with 4 and a half mean score is perhaps mostly guided by what is incorporated in its vision statement. Needless to say SBI and PNB on account of proximity in their scores are not detected to differ significantly by Post hoc. ICICI Bank, however differ significantly to these two public sector/nationalised banks.

The selected government owned banks must realize that the sole aim of vision is to guide present and future activities of the organisation. If the same is not guiding these, there is hardly any fun of having a vision statement. The two banks must look at their vision while planning something. If the vision is not conveying anything it means that there is some fault in its designing. Vision must be designed in way that it acts as permanent guide. Its good design must pave way for its recognition as a guiding force.
- Competitive, Original and Unique:** Table 1 reveals that the managers of the selected banks are more or less sure that their vision is original unique and competitive. All the banks have comfortably cross the barrier of mean score of 4 and are not found differ significantly.

There is no denying the fact that managers think highly of their vision on above fronts yet, its utility as a direction given must also be exploited to a desired extent. There is no point in having a well crafted, original and competitive vision statement which is not abided to by the organisation at the time of taking crucial decisions. The vision must not remain on papers only. Rather it should be a part and partial of everyday and strategic decisions.

- **Fosters, Risk Taking and Experimentation:** Table 1 once again indicates that vision of SBI and PNB somewhere lacks in fostering risk taking and experimentation. Once again a below 4 mean scores given by the managers of these two banks to their respective banks express their doubts in this regard.

2) **MISSION ESSENTIALS:**

Mission statements have been reported as a broad framework around which other strategic aspects like vision, strategic intent and capabilities, behavioral standards, goals, core values, objectives, business models etc evolve. The mission statement of the organisation does not include a single element rather it is a combination of the core values of the organisation on which organisation working on. To keep a wider focus the organisations gives due consideration to various stakeholders either insider or outsider like customers, product and services, market, technology, concern for survival, growth and profitability concern for social welfare and concern for employee. Researcher makes an endeavour to check whether these elements are the part of the mission statement of the banks. Table 2 makes an insight on the strategic inclination of the banks toward inclusion of various components in their organisation’s mission statement:

Table: 4.2: Key of Focus on Bank’s Mission.

Variable	Name of the Bank	Mean	S.D.	F-Value	Significance	Post Hoc Analysis			
						Bank	Mean Difference	Significance Value	
Customers	SBI	4.62	0.75	0.895	0.410	SBI	PNB	0.025	0.852
							ICICI	0.16	0.223
	PNB	SBI	-0.025			0.852			
		ICICI	0.135			0.292			
	ICICI	SBI	-0.16			0.223			
		PNB	-0.135			0.292			
Product and Services.	SBI	4.30	0.557	38.08	0.000*	SBI	PNB	0.939	0.000*
							ICICI	-0.009	0.942
	PNB	SBI	-0.939			0.000*			
		ICICI	-0.948			0.000*			
	ICICI	SBI	0.009			0.942			
		PNB	0.948			0.000*			
Market.	SBI	4.38	0.521	203.129	0.000*	SBI	PNB	1.743	0.000*
							ICICI	-0.16	0.133
	PNB	SBI	-1.743			0.000*			
		ICICI	-1.903			0.000*			
	ICICI	SBI	0.16			0.133			
		PNB	1.903			0.000*			
Technology	SBI	4.38	0.521	158.354	0.000*	SBI	PNB	2.019	0.000*
							ICICI	0.854	0.000*
	PNB	SBI	-2.019			0.000*			
		ICICI	-1.165			0.000*			
	ICICI	SBI	-0.854			0.000*			
		PNB	1.165			0.000*			
Concern for Survival Growth & Profitability.	SBI	3.73	0.723	21.164	0.000*	SBI	PNB	0.266	0.045*
							ICICI	-0.54	0.000*
	PNB	SBI	-0.266			0.045*			
		ICICI	-0.807			0.000*			
	ICICI	SBI	0.54			0.000			
		PNB	0.807			0.000*			
Concern for Social Welfare.	SBI	4.42	0.633	21.847	0.000*	SBI	PNB	0.424	0.001*
							ICICI	-0.371	0.003*
	PNB	SBI	-0.424			0.001*			
		ICICI	-0.796			0.000*			
	ICICI	SBI	0.371			0.003*			
		PNB	0.796			0.000*			
Concern for Employee	SBI	2.29	0.607	0.514	0.599	SBI	PNB	-0.062	0.605
							ICICI	-0.12	0.312
	PNB	SBI	0.062			0.605			
		ICICI	-0.058			0.618			
	ICICI	SBI	0.12			0.312			
		PNB	0.058			0.618			

Source: Manager Survey.

- **Customers:** Table 2 indicates that with a mean score ranging between 4.46 (ICICI Bank) to 4.62 (SBI), the selected banks perhaps always keep their customers in mission statement. As all the banks have got extremely high scores, these do not differ significantly with each other. In order to authenticate the claims of the managers the researcher scanned the mission statement of the banks and found that SBI makes an endeavour to be prompt, polite and proactive with its customers. PNB seeks to bring in unbanked customer in its kitty while ICICI Bank aims at becoming the first choice for banking customers. Thus, the banks under study have kept customers as prime focus for their mission statements. This is in fact on expected lines as customers are real king of today's market and deserve special attention. Such an attention can be given to them only if they become a part of company's mission.
- **Product and Services:** Table 2 indicates product and services are considered in mission statements of SBI and ICICI Bank while PNB's manager's have some doubt in this regard. There is not much to chose between SBI and ICICI Bank and have not been detected to be differ significantly by Post Hoc. PNB, with a rather lower than expected score of 3.36 has been found to be differ significantly to other two selected banks. Once again, SBI has its mission of creating product and services as per the requirement of the customers. ICICI Bank too preaches delivering high quality and world class products and services to its customers. The mission statement of PNB is more or less mum on product and services. This may perhaps be the reason why PNB's managers have resisted from giving the banks an extremely high score.
- **Market:** Once again the managers of SBI and ICICI Bank have stressed on the point that their mission focuses on the market. The two banks have got the mean scores of 4.38 and 4.54 respectively and thus are not significantly different. It is PNB once again that is not opined to be focusing on markets in its mission statement. With an extremely low mean score of 2.64, it differ significantly to other two banks. This is rather surprising as it is the market (present or prospective) which is served by the organisation and the same always remain in its scheme of things. It is on account of this that SBI preaches to serve even remotest part of the country to global market in its mission statement even ICICI bank has endeavoured to serve global markets in its statement. This is high time for PNB to make its mission broad and more vibrant one. This is how it can contribute to the growth of the bank.
- **Technology:** Table 2 indicates that SBI and to a lesser extent ICICI Bank also focuses on technology in their mission. PNB, as usual also flatters in it. The managers of SBI also claimed that their bank has kept the mission of imbibing state of the art technology to drive excellence. The managers of ICICI bank claimed that technology is directly not focused in the mission of the bank but indirectly its role is made clear to all. The managers of PNB once again kept mum on the issue. The mission of PNB should be such that it gives a chance to its managers to speak out.
- **Concern for Survival, Growth and Profitability:** Table 2 indicates that with a mean score of 4.27 ICICI Bank has a keen focus on survival, growth and profitability. Its managers claimed that the mission of the bank incorporates maintaining a healthy financial profile and diversify earnings across businesses and geographies. Being a private sector bank such a concern is quite obvious for ICICI bank. The managers of SBI and PNB, meanwhile admitted that these issues are not directly a part of their mission statement but indirectly these remains a concern for them. That's why the banks have got neither high nor very low score on this front. Post-Hoc has indicated that SBI and PNB have not differed significantly to each other but they do differ significantly to ICICI Bank.
- **Concern for Social Welfare:** Table 2 indicates that public sector/ nationalised banks score over their private counterparts on focusing of social welfare in mission statement. SBI and PNB have got mean ratings of 4.42 and 4.05 respectively while ICICI has got 4 below mean rating. Both SBI and PNB claimed that their mission statement keeps an eye on underprivileged people as well as remote areas. The managers of ICICI Bank could not narrate any such on orientation on further investigation by the researcher. If this is the scenario, even the score of 3.6 seems an exaggerate one for ICICI Bank. Anova has indicated a significant difference among the banks.
- **Concern for Employee:** It is ironical to see that none of the selected banks under study keeps a focus on the employees in their mission statement. All the banks have got a miserable low mean score of less than 2.5 on this front. This is not the right kind of strategy to go ahead in service sector. It is so because customers in service sector are directly served by the employees only. If the employees are not satisfied, they can never satisfy the customers. Employees, in turn are focused upon by the organisations if they figure in mission. It is so because organisations are guided by their vision and mission. It can thus be said that present mission focus of the banks concerning employees needs to have a relook.

3) OBJECTIVE:

Objectives are specific results that a organisation aims to achieve within a time frame and available resources. These are more specific and easier to measure than goals. These are basic tools that underline all planning and strategic activities. They serve as the basis for creating policy and evaluating performance.

Objectives Essentials:

There are several objectives for the organisations which must be attain in order to achieve overall organisation mission and vision. The following section, table 3, makes an insight on the essentials of the objectives which must be kept in mind by the management while setting up of objectives:

Table - 3: Key Focus of Bank’s on Objectives Essentials.

Variable	Key Focus of Bank’s on Objectives Essentials.								
	Name of the Bank	Mean	S.D.	F-Value	Significance	Post Hoc Analysis			
						Bank	Mean Difference	Significance Value	
Management by Objectives.	SBI	4.67	0.475	6.397	0.002*	SBI	PNB	0.304	0.000*
							ICICI	0.153	0.069
	PNB	SBI	-0.304			0.000*			
		ICICI	-0.151			0.066			
	ICICI	SBI	-0.153			0.069			
		PNB	0.151			0.066			
Understandable	SBI	4.27	0.545	0.800	0.451	SBI	PNB	0.067	0.455
							ICICI	-0.041	0.642
	PNB	SBI	-0.067			0.455			
		ICICI	-0.108			0.210			
	ICICI	SBI	0.041			0.642			
		PNB	0.108			0.210			
Concrete and Specific.	SBI	4.30	0.557	2.215	0.112	SBI	PNB	0.026	0.805
							ICICI	-0.171	0.103
	PNB	SBI	-0.026			0.805			
		ICICI	-0.198			0.054*			
	ICICI	SBI	0.171			0.103			
		PNB	0.198			0.054*			
Always related to time frame.	SBI	3.06	1.318	1.280	0.280	SBI	PNB	-0.328	0.176
							ICICI	-0.342	0.152
	PNB	SBI	0.328			0.176			
		ICICI	-0.014			0.952			
	ICICI	SBI	0.342			0.152			
		PNB	0.014			0.952			
Measurable and controllable.	SBI	4.25	0.647	3.555	0.030*	SBI	PNB	-0.239	0.017*
							ICICI	0.219	0.026*
	PNB	SBI	0.239			0.017*			
		ICICI	0.020			0.836			
	ICICI	SBI	0.219			0.026*			
		PNB	-0.020			0.836			
Challenging.	SBI	4.22	0.552	4.767	0.009*	SBI	PNB	0.309	0.006*
							ICICI	0.033	0.764
	PNB	SBI	-0.309			0.006*			
		ICICI	-0.276			0.011*			
	ICICI	SBI	-0.033			0.764			
		PNB	0.276			0.011*			
Correlate with each other.	SBI	3.51	0.693	0.186	0.831	SBI	PNB	0.073	0.571
							ICICI	0.062	0.625
	PNB	SBI	-0.073			0.571			
		ICICI	-0.011			0.928			
	ICICI	SBI	-0.062			0.625			
		PNB	0.011			0.928			
Set within the constraints.	SBI	3.98	0.833	3.167	0.044*	SBI	PNB	-0.146	0.207
							ICICI	-0.286	0.013*
	PNB	SBI	0.146			0.207			
		ICICI	-0.140			0.209			
	ICICI	SBI	0.286			0.013*			
		PNB	0.140			0.209			
Provide the standards for performance appraisal.	SBI	4.19	0.800	16.464	0.000*	SBI	PNB	0.306	0.011*
							ICICI	-0.350	0.003*
	PNB	SBI	-0.306			0.011*			
		ICICI	-0.656			0.000*			
	ICICI	SBI	0.350			0.003*			
		PNB	0.656			0.000*			
Provide the basis for strategic decision making.	SBI	4.59	0.586	1.061	0.348	SBI	PNB	-0.137	0.148
							ICICI	-0.061	0.511
	PNB	SBI	0.137			0.148			
		ICICI	0.076			0.404			
	ICICI	SBI	0.061			0.511			
		SBI	0.061			0.511			

							PNB	-0.076	0.404
Helps it in pursuing its vision and mission.	SBI	4.60	0.708	2.123	0.122	SBI	PNB	0.212	0.168
							ICICI	0.306	0.044*
	PNB	4.39	0.927			PNB	SBI	-0.212	0.168
							ICICI	0.094	0.524
	ICICI	4.30	0.961			ICICI	SBI	-0.306	0.044*
							PNB	-0.094	0.524

Source: Manager Survey.

- **Organisation believes in Management by Objectives:** Table 3 reveals that managers of the selected banks gave a very high score for management by objectives. This clears that the managers of the selected banks are quite sure that their banks management makes the use of management by objectives. The mean score obtained by banks varies between 4.36 (PNB) to 4.67 (SBI). ANOVA has indicated a significant difference among the banks. However the same has not been found to be significant in case SBI and ICICI as indicated by Post Hoc. The researcher has tries to assess the genuinity of high scores being given by the managers on this front and in discussion with managers he found that each bank has their own framework of set objective which they have to achieve in timely manner. And thus all the banks have worked on their objectives. Hence the claims of their managers may not be exaggerated one.
- **Objectives are understandable:** Table 3 reveals that the banks have again got 4 plus mean score concerning how objectives are understandable to the organisation. Needless to say the selected banks on account of proximity in their scores are not detected to differ significantly by ANOVA and Pot Hoc. The objectives must not remain on papers only. Rather it should be a part and partial of everyday and strategic decisions.
- **Objectives are concrete and specific:** Table 3 indicates that with a mean score ranging between 4.28 (PNB) to 4.47 (ICICI), the selected banks perhaps always keep their objectives concrete and specific. As all the banks have got extremely high scores, these do not differ significantly with each other. In discussion with the managers of SBI and ICICI bank researcher found that the banks were having strict attitude towards concrete and specific objectives whereas the same is missing with the managers of PNB. Hence we may say that the high score given by the managers of PNB may be exaggerated one.
- **Objectives always related to time frame:** It is ironical to see that none of the selected banks under study keep focus on the achievement of objective with in specified time frame. This is not the way to set objective which are not achievable in timely manner. And if the objectives are not achieved in timely manner then there is no means to achieve mission and vision of the organisation. It is so because organisations are guided by their vision and mission. It can thus be said that objectives of the banks must be achieved in a pre defined time frame.
- **Objectives are measurable and controllable:** Table 3 clears the picture that the selected banks got very good mean rating that the objectives of the organisations are measurable and controllable. The manager of PNB claimed that the objectives are designed in such a way that they are measurable and controllable. The score given by the mangers of the PNB seems to be exaggerated as the same is not in line with the objectives are related to time frame.
- **Objectives are challenging:** Table 3 reveals that the managers of SBI and ICICI Bank have stressed on the point that their objectives are challenging. The two banks are got the mean score of 4.22 (SBI) and 4.19 (ICICI). It is once again PNB that is not opined to be focusing on challenging objectives. With a low mean score of 3 point nine one it differ significantly to other two banks. The managers of the PNB in discussion with researcher remains mum on the perspective of challenging objectives. This may perhaps be the reason why PNB’s manager resisted from giving the banks an extremely high score.
- **Different objectives correlate with each other:** Table 3 again reveals that none of the selected bank agrees upon that objective are correlate with each other. All of the selected banks got low mean score on this perspective. This is not the right kind of strategy to go ahead in order to achieve mission and vision of the organisation. If the objectives are not correlate with each other they can never be helpful in achieving vision and mission of the organisation. Objectives in turn are correlated by the banks. It can thus be said that objectives of the banks concerning correlate to each other needs to have a relook.
- **Objectives are set within the constraints:** Table 3 indicates that PNB and ICICI Bank set their objectives within the constraint whereas SBI is lagging behind the other two banks on this aspect, as indicated by the scores given by the managers of the respective bank. Both PNB and ICICI in discussion with researcher claimed that their objectives are set within constraints whereas the managers of SBI could not narrate any such orientation on further investigation. Post Hoc has indicated that SBI and PNB have not differed significantly to each other but SBI is do differ significantly to ICICI Bank.
- **Objectives provide the standards for performance appraisal:** Table 4.3 indicates that objectives provide standard for performance appraisal for SBI and ICICI bank while PNB’s managers have some doubt in this

regard. All the banks found differ significantly to each other by ANOVA and Post Hoc. In discussion with the managers of SBI and ICICI bank researcher found that the achievement of objective as individual and as a team target acts as a standard for performance appraisal whereas managers of PNB mum on the statement.

- **Objectives provide the basis for strategic decision making:** Again table 3 indicates that with a mean score ranging between 4.59 (SBI) to 4.72 (PNB), the selected banks perhaps always consider that their objectives helpful in strategic decision making. In order to authenticate the score, researcher in discussion with the managers of the public sector banks found that objectives not always but occasionally helpful in strategic decision making, but in case of ICICI Bank, manager's reveals that objectives always provide basis for strategic decision making. Hence score given by the managers of public sector bank can be exaggerated one.
- **Objective of the organisation helps it in pursuing its vision and mission:** Table 3 indicates that managers of the selected banks agree upon that objective helps in pursuing vision and mission statement of the respective bank. All the selected banks got a very high mean score in range between 4.30 (ICICI) to 4.60 (SBI). Needless to say on account of close approximation of the mean value score no significant difference is observed between SBI and ICICI bank with the application of Post Hoc by ANOVA.

V. Conclusion

The vision of ICICI bank clearly indicates that the banks wants to attain top position in Indian banking industry and subsequently it aims to spread its wings in the global market also. Thus challenges involved in such an orientation are bound to foster risk taking. The vision statement of other two selected banks, meanwhile are more simplistic and addresses customers, technology etc. These may not guide accept too many challenges and take risk. The scores given by the managers are on the expected lines.

With reference to discussion on mission statement, it is clear that there is strong need for PNB to make a relook and consideration on the various objectives like product and service, market, technology, concern for survival and growth in their mission statement. Until these are not become the integral part of the organizational objective, the achievement of vision and mission become a bit difficult task. On the other hand it is completely surprising that none of the selected bank pays due attention to their employee. In service sector these are the employee which make the production and operation process live to the customers. Hence there is strong need for all the selected banks to include employees in their objectives.

From the discussed points on the objective essential, we may say that objectives provide basis for various aspects to the selected banks, which are crucial for them in order to achieve mission and vision of the organisation. Above discussion reveals that there is strong need for the banks to define a time frame within which the objective has to achieve. And also there is need to correlate the objective so that the vision and mission achieve for the overall achievement of the organisation. And the objectives must be designed in such a way that these must cover every aspect which is essential to achieve mission and vision of the organisation.

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