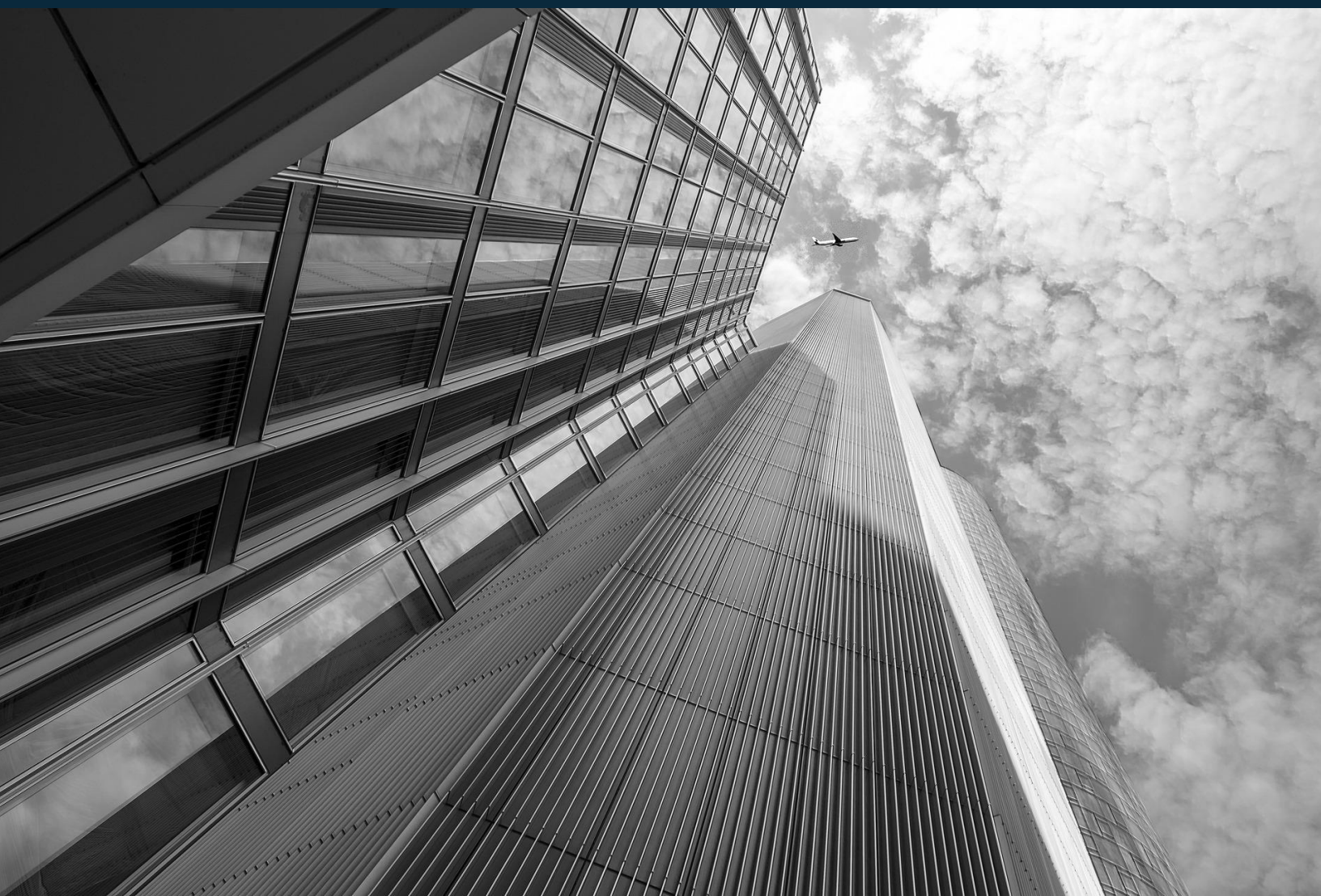# PURPOSE TRENDS REPORT

A selection of what has been published about Purpose in February 2023

February 2023

Florez-Jimenez, M.P. & Lleo, A.
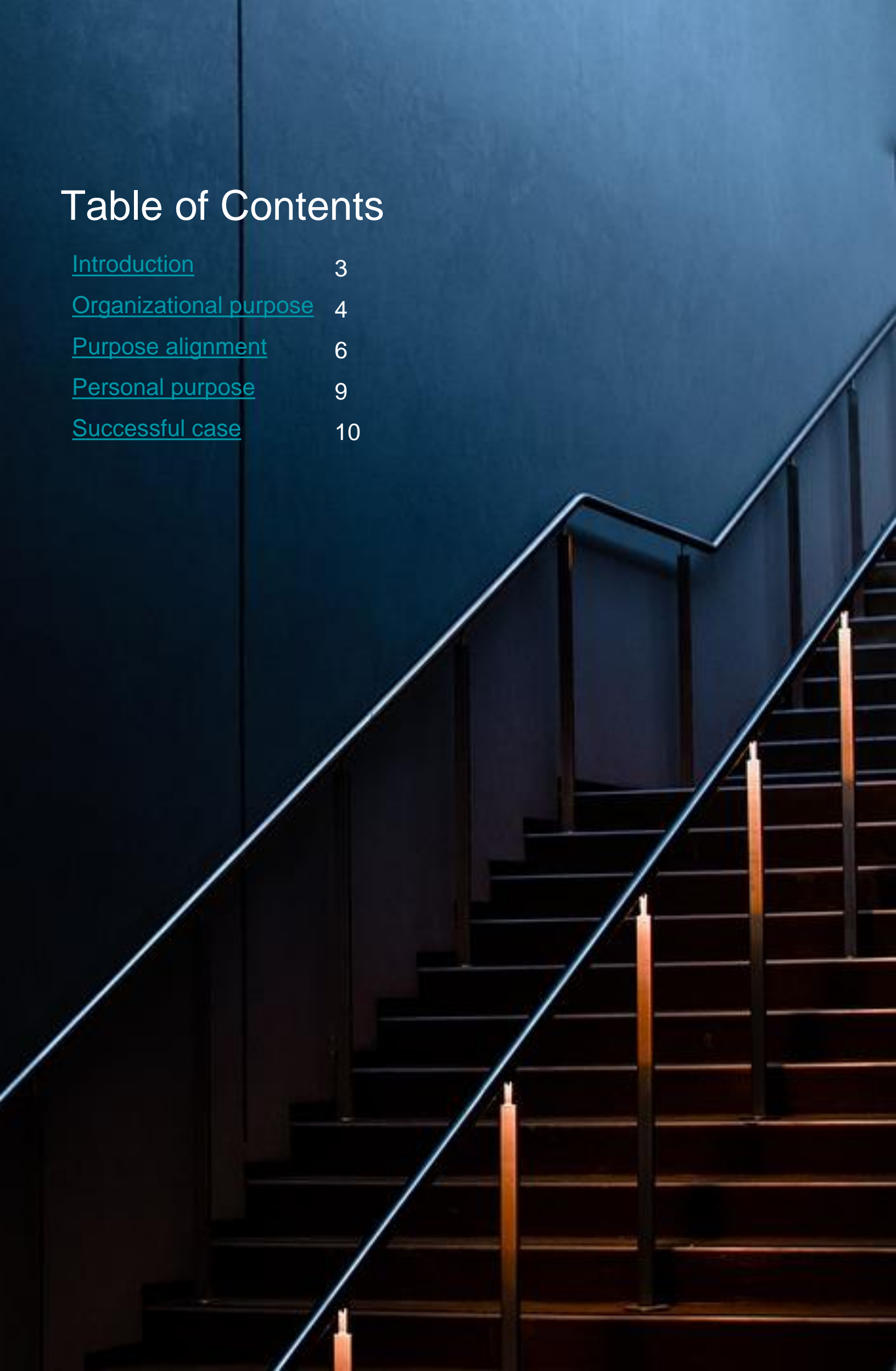School of Economics and Business. University of Navarra

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INTRODUCTION

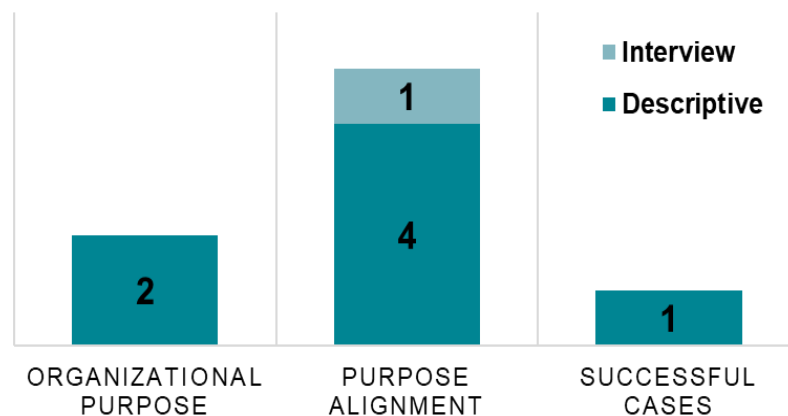*In this report, we want to synthesize the most relevant about corporate purpose published in February 2023. For this aim, we did a content search (using selected keywords) in Scopus and Google Scholar for academic publications; and diffusion magazines and other trusted sites for articles and reports. We selected relevant publications about organizational purpose, purpose alignment, and personal purpose. Also, we include a successful case that show how corporate purpose has been implemented. Bellow, we present statistics about the selected literature.*

ACADEMIC PUBLICATIONS - FEBRUARY 2023

■ Theoretical
■ Empirical

- ORGANIZATIONAL PURPOSE: 3
- PERSONAL PURPOSE: 1
- PURPOSE ALIGNMENT: 2 (Theoretical), 1 (Empirical)
- SUCCESSFUL CASES: 1 (Empirical)
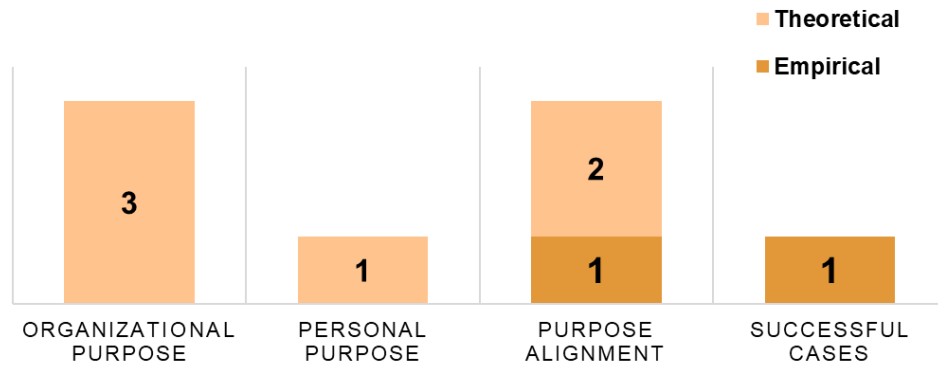
ARTICLES AND REPORTS - FEBRUARY 2023

■ Interview
■ Descriptive

- ORGANIZATIONAL PURPOSE: 2
- PURPOSE ALIGNMENT: 4 (Descriptive), 1 (Interview)
- SUCCESSFUL CASES: 1

Academic publications define a corporation's purpose as its raison dˆetre. They maintain that a purpose motivates and guides decisions, actions, and processes. Further, some academic publications argue that corporate purpose counteracts organizational "myopia" by helping executives see issues they may otherwise miss, sustain their focus on the most important signals, and build a sense of shared attention. Some articles say purpose-driven companies thrive to volatility because they have a solid foundation. Others argue that purpose-driven businesses, rather than focusing on just making money, create cultures and want to improve the world.

Academic publications distinguish between Inside-out purpose and outside-in purpose. The first refers to employees' passion and commitment to fulfilling stakeholder needs. Outside-in purpose refers to the calling on the organization to live up to its responsibilities. Some articles sustain that purpose-driven companies provide greater customer satisfaction and significantly reduce customer rotation.

Some academic publications sightline the leaders' role to make the organization a unified team through a shared purpose that impacts cohesion and collaboration and activates heads, hearts, and hands in the same direction without relying too heavily on extrinsic incentives. Complementary, some articles sustain that leading with purpose is about believing in what one is doing and communicating that belief to the team to inspire and motivate them to want to be a part of it.

Finally, this report presents the cases of Unilever and Kind World Collective, two organizations that have implemented corporate purposes.

Academic publications (3)

From the Boardroom: Making Purpose Research Relevant for Practice

Strategy Science, JCR Q2 see online

Abstract: This paper reflects on the burgeoning yet fragmented research on corporate purpose. Drawing on three actual situations I experienced, I point to three challenges of purpose research that require our scholarly attention to produce research relevant for practice: purpose justification, implementation, and evaluation

Seeing Beyond the Here and Now: How Corporate Purpose Combats Corporate Myopia

Strategy Science, JCR Q2 see online

Abstract: Corporations are currently confronting major, interlocking crises, including climate change, biodiversity loss, inequalities, and social isolation. When under threat, executives tend to focus inward and on the short term. This is particularly unfortunate because it is in such crises that executives need to see beyond the here and now in order to ride the storms. In this paper, we argue that corporate purpose helps organizations fight such myo- pia and offer four mechanisms through which this works: exposing new insights, seeing issues holistically, helping to sustain focus, and bringing unity and direction.

The New Stakeholder Theory on Organizational Purpose

Strategy Science, JCR Q2 see online

Abstract: The new stakeholder theory (NST) grapples with two canonical questions: Which stakeholders are enfranchised in organizations? How is the value created through stakeholder collaboration distributed and experienced by stakeholders? This paper first describes how the NST builds on original stakeholder theory to ask these two specific questions. The defining features of the NST are (i) a broad range of dependent variables, (ii) descriptiveness, (iii) formalized analysis, (iv) boundaries on stakeholder enfranchisement, and (v) analytic links to other established theories. The paper then assesses the assumptions and implications of this theory for understanding organizational purpose. A primary idea is that the NST conceptualizes purpose as originating in the goals, needs, and interests of stakeholders as complex, nuanced actors. Under the NST, the organization is conceived of as a tool—a functionalized construction—through which enfranchised stakeholders pursue a shared purpose that leads to experiences of stakeholder value in terms that are defined by the relevant stakeholders themselves. The survival and profitability of an organization depends on its effectiveness and efficiency as a tool for accomplishing mutual stakeholder aims, which are what define organizational purpose.

Greenbacks Versus Going Green—What's A Leader To Do?

Ginny Whitelaw, Forbes see online

It raises the question, "How do we balance purposeful work to go green and profits to stay in business?" It sustains that leaders have the challenge of holding and model that resolves the two sides. It argues that leaders should pay attention to the purpose as long as possible and maintain just enough profit to keep thriving. It proposes that, to achieve the above, leaders must embrace and value love, happiness, health, clean air, water, and healthy ecosystems.

How To Use Market Positioning As A Catalyst For Growth

Fran Biderman-Gross, Forbes see online

It sustains that consumers today look for companies that live their purpose and turn that into actions. Organizations that not just talk about the purpose but show customers something tangible they can believe in. It explains that purpose-driven companies provide greater customer satisfaction and significantly reduce customer churn. They also gain more market share and see more growth than their competition.

> " Consumers today look for authenticity. They also look for companies that share their values and remain true to their purpose. "

Academic publications (3)

Inside-out and Outside-in Perspectives on Corporate Purpose

Strategy Science, JCR Q2, _see online_

Abstract: Corporate purpose is receiving an extraordinary amount of attention from both scholars and practitioners. But do existing theories of management help us to understand this unexpected development? This study represents an effort to understand purpose better. I characterize inside-out and outside-in perspectives on purpose as distinct but connected phenomena related to different research traditions. Inside-out purpose is a channeling of the passion and commitment employees feel toward fulfilling stakeholder needs; outside-in purpose is society and external stakeholders urgently calling on the organization to live up to its responsibilities. I devote special attention to theories that best explain the present moment's unique awareness of corporate purpose. Among them is the work of Philip Selznick, emphasizing values, and the literature on the new institutionalism and institutional logics. I conclude with a section on how leaders can leverage the benefits of both perspectives while mitigating their risks. I also make recommendations for future research.

Moral Firms?

Daedalus, JCR Q1, _see online_

Abstract: Building a new political economy requires transforming our markets, our institutions, and our policy and regulatory regimes. In this essay, I argue that it also re- quires transforming the purpose of the firm: from a singular focus on maximizing financial returns to the recognition that firms exist to support human flourishing, with profits merely a means to an end. I suggest that this transformation is already under way and indeed that it may help support fundamental change in the wider society, but that significant shifts in law, policy, and in the social and normative con- text are almost certainly essential if this new model is to become the norm.

Understanding safety culture and safety citizenship through the lens of social identity theory

Safety Science, JCR Q1, _see online_

Abstract: There is considerable overlap between the concepts of culture and social identity. Here, in the context of organisational safety culture, we investigate the extent to which social identity processes can inform our understanding of organisational culture on safety citizenship behaviour. We test this relationship via two different social identity processes: (1) individuals' organisational identity (a classically individual-level conceptualisation of social identity); and (2) individuals' perceptions of others' organisational identities (meta-identity; a social identity framing of culture). Safety culture survey data from 1,427 air traffic workers were analyses using a simple holdout cross-validation approach for model testing. We find that both identity processes mediate the link between safety culture and safety behaviour. The data also demonstrate that the strength of indirect effect of safety culture on safety citizenship via meta-identity is stronger with increasing levels of organisational identity. Moving forward, safety culture research and interventions may benefit from taking a social identity lens to understanding their culture (e.g. developing identity for safety and safe practice), which has implications for safety behaviour. Consideration of meta-identity has implications for behaviour change initiatives, as individuals who perceive strong group commitment in other group members may be more influenced by interventions that leverage group norms.

4 Ways To Thrive Amid Economic Uncertainty By Creating A Purpose-Driven Organization

Ashu Goel, Forbes see online

It sustains that purpose-driven companies thrive to volatility because their foundation is solid. It argues that purpose-driven businesses, rather than focusing on making money, create cultures and want to change the world for the better. It presents four suggestions to help management create a purpose-driven organization.

A Call For Purpose-Driven Leadership In 2023 And Beyond

Susan Hobson, Forbes see online

It sustains that most professionals consider the work a key component of defining their purpose, so they are most likely to choose organizations with a sense of purpose. It also explains that purpose is the number one driver of employee engagement and the most significant predictor of talent retention and optimization.

From Messages to Painted Pictures: How Storytelling Drives Social Purpose

Christian Yonkers, Sustainable Brands see online

It sustains that stating a social purpose is not enough. Purpose has to live in the hearts and minds of the people responsible for it to make a difference. It explains that having a social purpose reinforces customer commitment, increases social capital, and drives innovation. It is essential to attracting and retaining top talent in the 21st century.

Leading With Purpose And Vision: How To Inspire And Motivate Your Team

Chris Kille, Forbes see online

It argues leading with purpose is about believing in what one is doing and communicating that belief to the team to inspire and motivate them to want to be a part of it. It presents some suggestions to lead with purpose. It also sightlines leading with purpose rewards with a motivated team that cares about your company, knows their work matters and believes in what they do.

> " Leading with purpose and vision is so much more than having a mission statement or a corporate-approved set of values. It's about truly believing in what you're doing and communicating that belief to your team in a way that inspires and motivates them to want to be a part of it. "
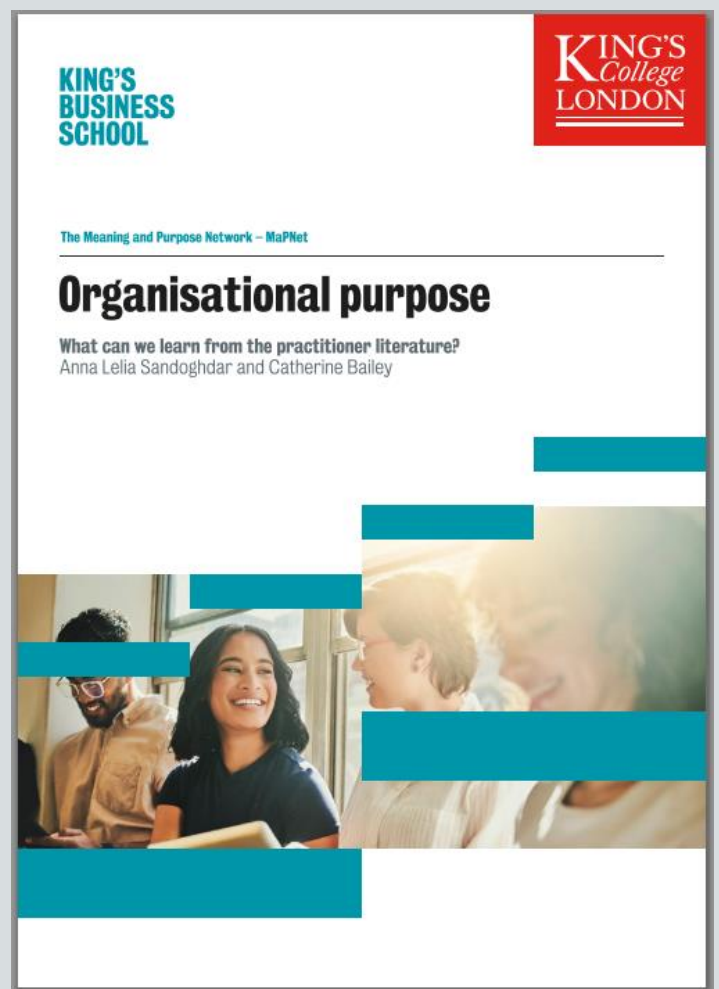
Organisational purpose: What can we learn from the practitioner literature?

Anna Lelia Sandoghdar & Catherine Bailey, King's Business School, see online

It sustains that routine communications, HR practices such as career development plans and recruitment processes, and leadership practices Foster a feeling of shared ownership over the purpose and ensure integration into employees' daily work. It sightlines that organizations with incongruence between their statements and practices do not become a force for good and could be criticized for purpose-washing.

> " One of the biggest differentiators between companies whose purpose has become deeply embedded in all parts of the business and those whose purpose is superficial is the extent to which employees have internalised the purpose. "

KING'S BUSINESS SCHOOL

KING'S College LONDON

The Meaning and Purpose Network – MaPNet

Organisational purpose

What can we learn from the practitioner literature?
Anna Lelia Sandoghdar and Catherine Bailey

PERSONAL PURPOSE

Academic publications (1)

Hope and work: From the pandemic to possibility, purpose, and resilience

Current Opinion in Psychology, JCR Q1, <u>see online</u>

Abstract: The global pandemic shifted the relationship between workers and workplaces. This paper explores the role that hope might be playing in phenomena like the Great Resignation. Peer reviewed literature on hope and work published since 2020 reveal two key themes (across cultures): (a) hope is a special ingredient in thriving workplaces, and (b) hope acts as an important source of resilience during crisis and challenge. Taken together, we suggest that the pandemic spurred more individuals to generate hope in their working lives by setting positive, personally meaningful, valued goals, by marshalling their willpower, and by generating multiple pathways to their goals, with too many organizations missing the opportunity to co-create hopeful workplaces where workers can perform as well as thrive.

> " COVID-19 prompted many workers to question the why of their work, encouraged them to connect to more meaning and purpose, and forged hopeful, resilient individuals who were not only able to withstand the pressures of the pandemic, but make significant, lasting changes to their working lives. "

Academic publications (1)

How to build a conscientious corporate brand together with business partners: A case study of Unilever

Industrial Marketing Management, JCR Q1, see online

Abstract: Although a few scholars have suggested that the strategic alignment of the corporate brand's business partner network is essential to bring the corporate brand conscience to life, there remains limited research about the process of creating a conscientious corporate brand together with such a business partner network. Thus, this paper aims to investigate how a conscientious corporate brand is built together with its business partners. To address this research objective, we conduct a single case study of Unilever, comprising interviews with its managers and business partners. Findings show how Unilever: drives business and business relationships around a corporate brand purpose; embraces balanced stakeholder and temporal perspectives; promotes strategic co-creation initiatives; and reinforces the strategic alignment of its ecosystem of business partners. The findings contribute to the literature by identifying the elements and describing the process of conscientious corporate brand building with business partners.

" To make sustainable living commonplace."

Articles (1)

How Kind World Collective Is Championing Purpose-Driven Recruiting To Build A Better World

see online & see online

It maintains that the Kind World Collective company came into existence to assist purpose-driven organizations in connecting with mission-driven employees, as well as aiding individuals in discovering a motivating workplace where they can follow their "North star."

" We exist to match mission-driven companies with purpose-driven talent."