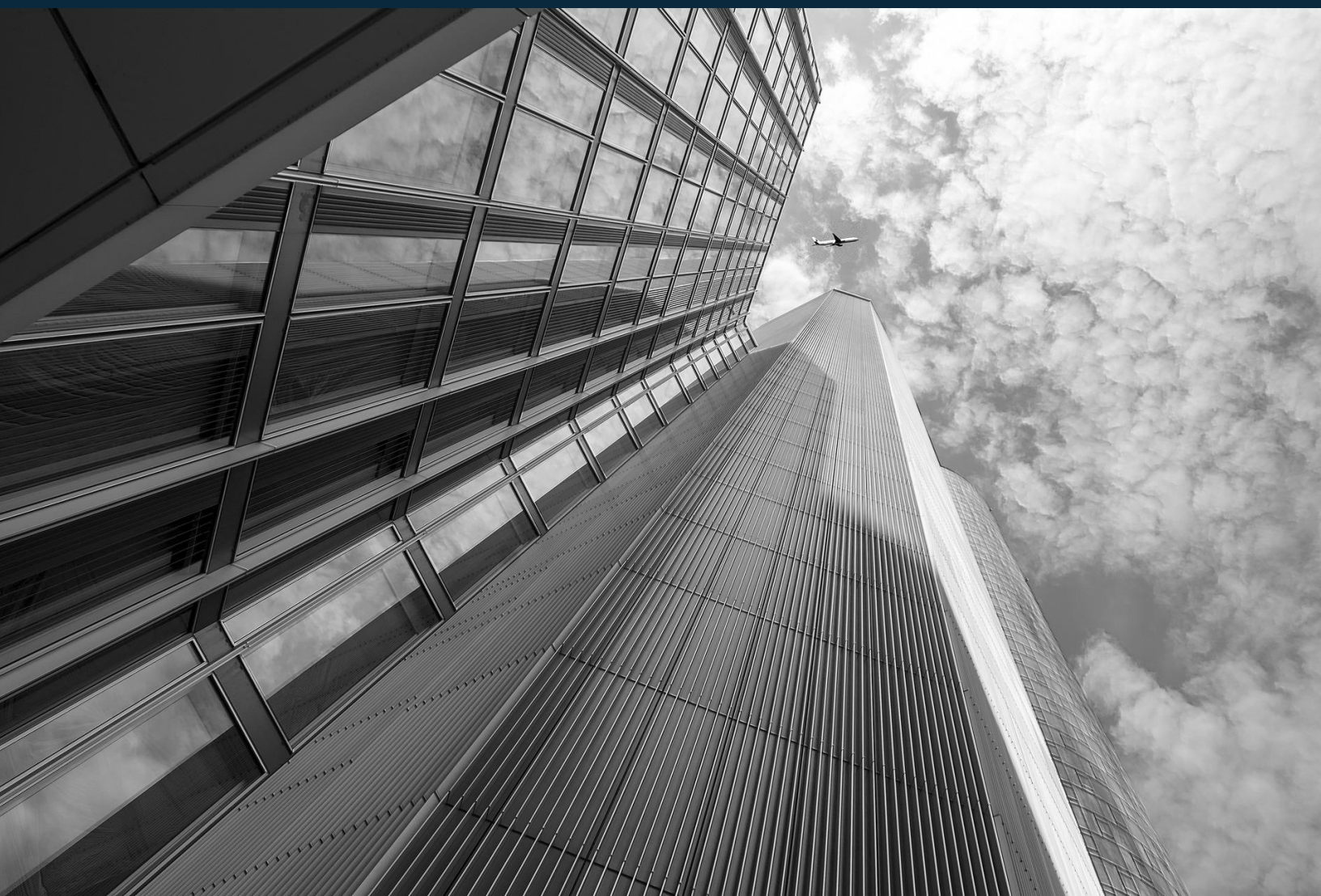


PURPOSE TRENDS REPORT

A selection of what has been published about Purpose in June 2022



June 2022

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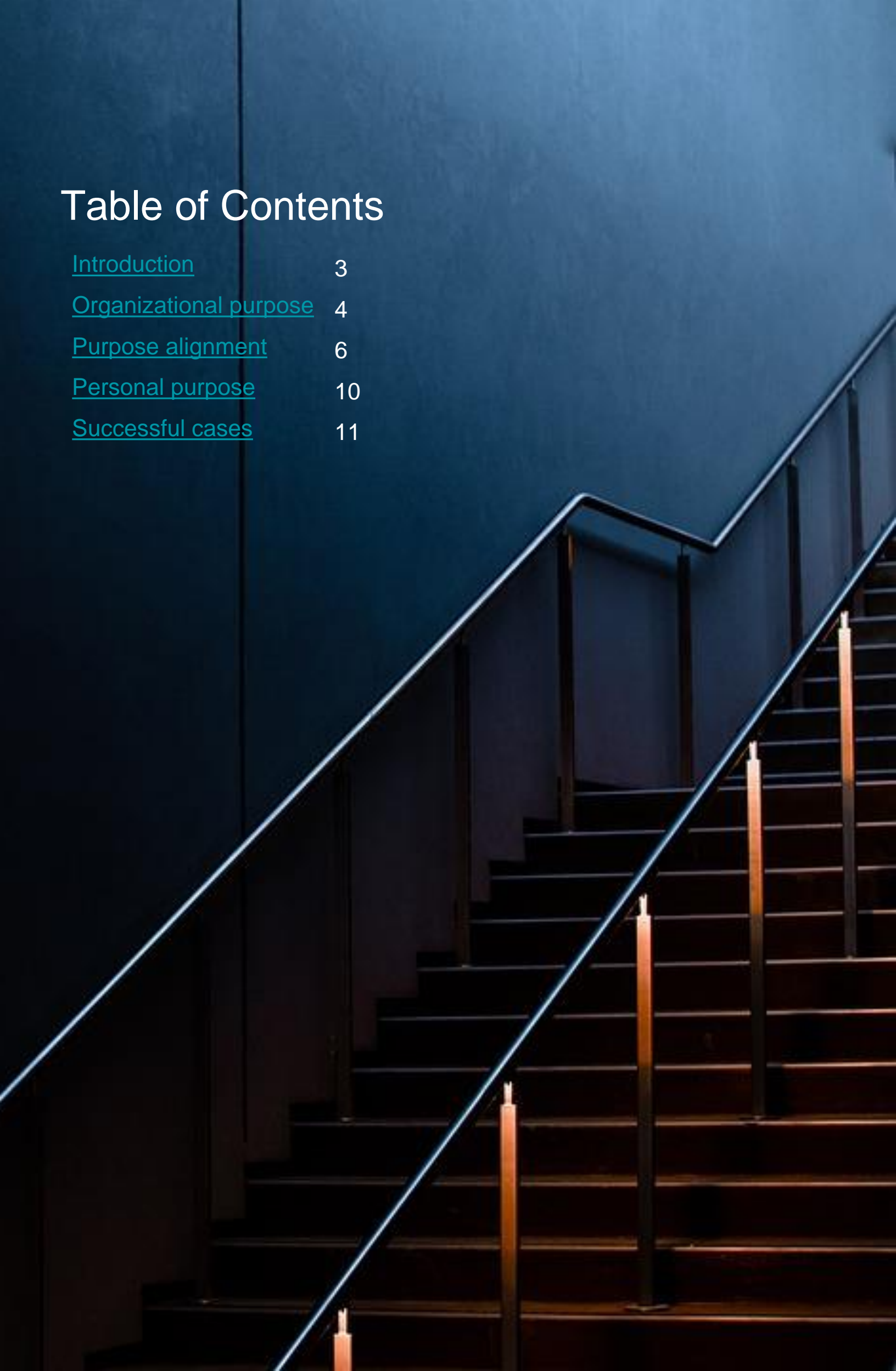
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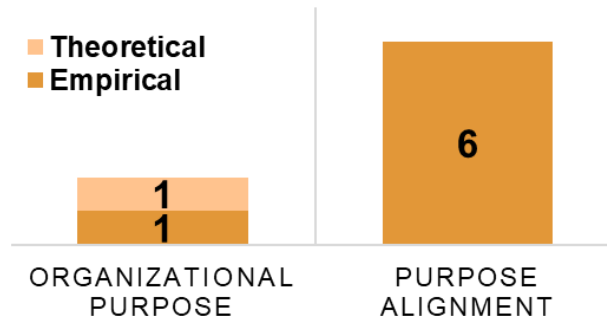
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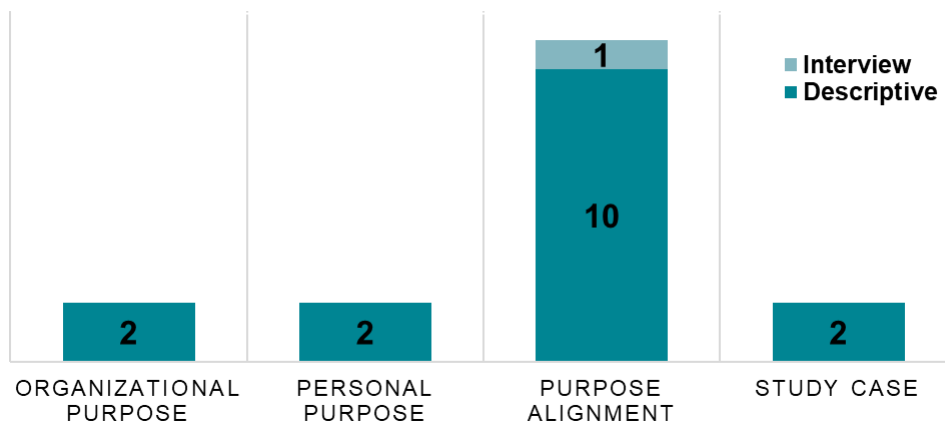
INTRODUCTION

In this report, we want to synthesize the most relevant about corporate purpose published in June 2022. 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. We selected relevant publications about organizational purpose, purpose alignment, and personal purpose. Also, we include some successful cases that show how corporate purpose has been implemented. Below, we present statistics about the selected literature.

ACADEMIC PUBLICATIONS - JUNE 2022



ARTICLES - JUNE 2022



Some academic publications and articles sustain the corporate purpose has become an essential element of business since organizations are interested in working to bridge the gap between doing well and doing good. They define corporate purpose as a company's reason for being in addition to profits that guides its business growth and positive impact on society.

Some articles highlight that it is necessary that purpose, strategy, and culture are tightly connected and aligned, reinforcing each other. Purpose only makes a difference in organizations when it changes how people operate. In this way, they sustain that a company's purpose is only fully realized if employees are not only inspired by the goal but also equipped to reach it. They sustain that companies with a fully activated Purpose will be rewarded with a loyal workforce that is fully committed to the direction and success of the organization.

Some academic publications sustain that through corporate purpose, the stakeholders find societal value; they do not just see the company as merely a set of revenue-generating assets. Additionally, argue that the solid internal corporate identification with the corporate culture and the maintenance of employees' social identity helps to avoid individualism and enhances human solidarity and well-being

This report presents the #EmpresasConPropósito initiative. Finally, it describes two successful cases of organizations that have implemented corporate purposes: Ferrer and Deloitte.

Academic publications (2)

Values and Inequality: Prosocial Jobs and the College Wage Premium

American Sociological Review, JCR Q1 [see online](#)

Abstract: Employers often recruit workers by invoking corporate social responsibility, organizational purpose, or other claims to a prosocial mission. In an era of substantial labor market inequality, commentators typically dismiss these claims as hypocritical: prosocial employers often turn out to be no more generous with low-wage workers than are other employers. In this article, we argue that prosocial commitments in fact inadvertently reduce earnings inequality, but through a different channel than generosity. Building on research on job values, we hypothesize that college graduates are more willing than nongraduates to sacrifice pay for prosocial impact. When employers appeal to prosocial values, they can thus disproportionately reduce pay for higher-educated workers. We test this theory with data on online U.S. job postings. We find that prosocial jobs requiring a college degree post lower pay than do standard postings with exactly the same job requirements; prosocial jobs that do not require a college degree, however, pay no differently from other low-education jobs. This gap reduces the aggregate college wage premium by around 5 percent. We present a variety of supplementary evidence using labor market data, worker survey responses, and a vignette experiment with hiring managers. The findings reveal an unintended consequence of employers' embrace of prosocial values: it offsets macro-level inequality.

What is Wrong with Corporate Law? The Purpose of Law and the Law of Purpose

SSRN, [see online](#)

Abstract: This article argues that corporate purpose should be put at the heart of corporate law. It addresses the objections to this that there is little that corporate law prevents firms from doing in determining their corporate purposes, and, even if they were given greater latitude, companies would do little more than they do at present in formulating their purposes.

The claim of the article is twofold. First that the critics of the law of corporate purpose have failed to recognize the role that purpose can play in addressing the primary defect of the current system – namely the divergence of the private interests of the corporation from the public interests of society and the natural world. That derives from the disconnect that currently exists between the private incentives of the pursuit of profit from the public interest in human and natural world flourishing and prosperity.

The second claim is that not only can the law address that defect through requiring the adoption of appropriately formulated corporate purposes, but it also provides an essential means of commitment to the delivery of long-term prosperity. At present, the law does not permit of commitment to objectives beyond the pursuit of the success of the company for the benefit of its members and it thereby fails to protect companies which seek to create long-term prosperity through committing to the interests of others.

The law can and should both ensure the alignment of the corporation's incentives with individual, societal, and planetary interests and promote the resolution of their problems by enabling one of the most powerful institutional entities that we have created to date, namely the firm, to commit credibly to their resolution. Its failings on both counts have been the source of intensifying crises. We need to acknowledge this and recognize the potential to provide a remedy for the cause of them – namely the laws that have created the corporation.

Articles (2)

Deep Purpose: The Key To A Better World

Dan Pontefract, Forbes, [see online](#)

It sustains that purpose is an intention to accomplish something that is meaningful to the self and consequential for the world beyond the self. It presents four key benefits of purpose-driven organizations outlined as directional, motivational, relational and reputational.

“

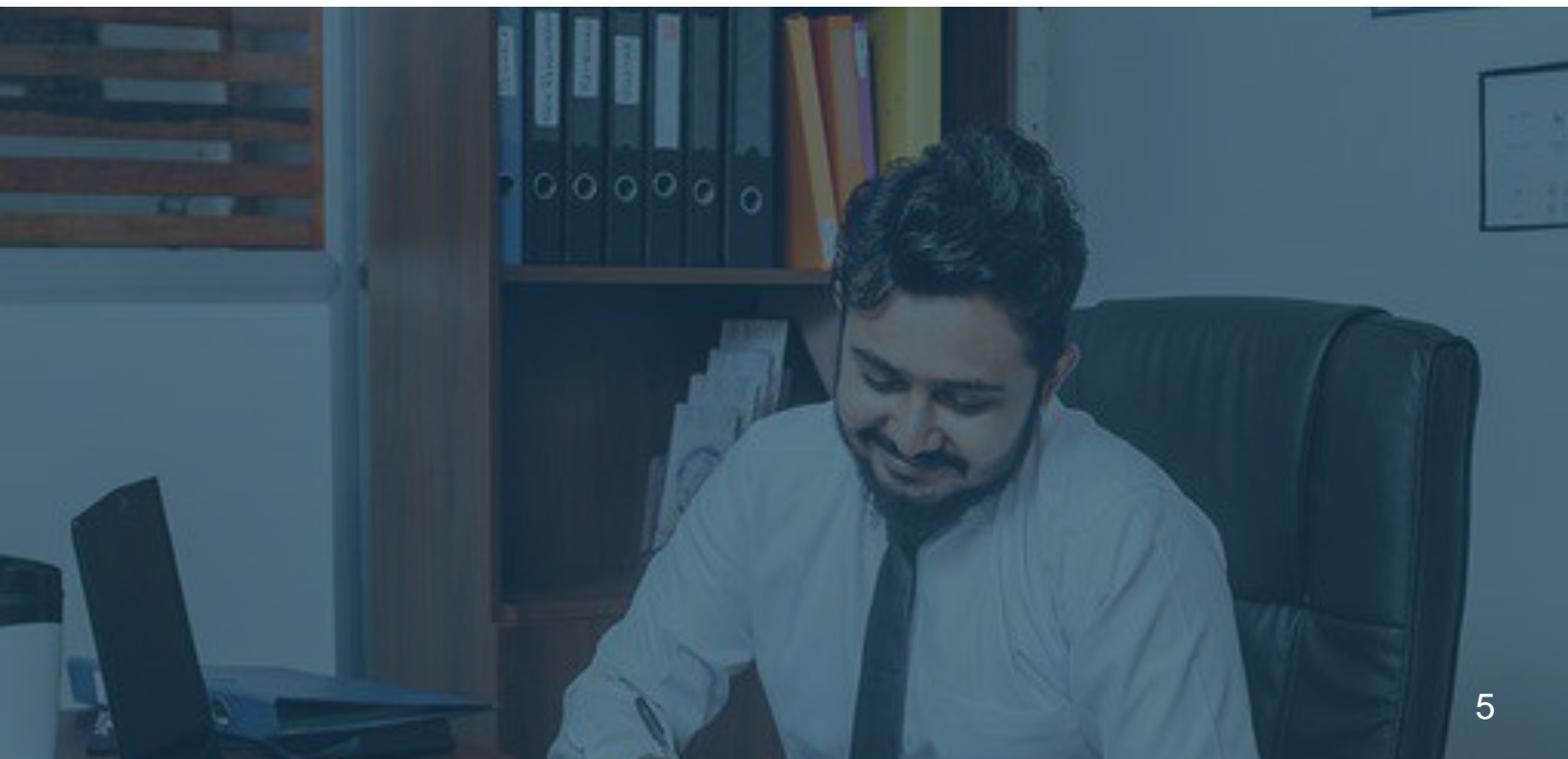
If senior leaders were to operate with deep purpose—leading as poets who motivate and inspire employees to act with meaning and selflessness—the organization and society would become positive beneficiaries

”

How Companies Are Bridging The Gap Between Profitability & Purpose

Serenity Gibbons, Forbes, [see online](#)

It sustains that some business leaders are working to bridge the gap between doing well and doing good. It shows four examples of how world-class companies put purpose on par with profits.



Academic publications (6)

Does social media usage evoke employees' spirituality? A cross-level moderation model of inclusive leadership

Information Technology and People, JCR Q1, [see online](#)

Abstract: Purpose: The purpose of this study is to investigate the impact of social media usage (SMU) and relational energy on employees' workplace spirituality within an organization from a psychological perspective. Design/methodology/approach: This study proposes a research model based on self-determination theory. This research model was tested using a cross-level hierarchical regression analysis. Data were collected from 276 knowledge workers on 39 teams in 37 enterprises in China. Findings: SMU has a significant positive impact on employees' relational energy and workplace spirituality. Relational energy partially mediates the relationships of cognitive usage and social usage of social media with workplace spirituality and fully mediates the relationship between hedonic usage of social media and workplace spirituality. Inclusive leadership positively affects workplace spirituality and acts as a negative cross-level moderating variable on the relationship between hedonic usage and workplace spirituality. Practical implications: This work suggested that with appropriate SMU implications, enterprises might be able to integrate spirituality into human resource management practices to improve employees' meaningful life experiences within organizations. Originality/value: The authors' findings not only help to theoretically clarify the relationship between SMU and workplace spirituality but also enrich the relevant research on SMU in enterprises to improve employees' spiritual life within the organization.

Technological knowledge coupling and green innovation in manufacturing firms: Moderating roles of mimetic pressure and environmental identity

International Journal of Production Economics, JCR Q1, [see online](#)

Abstract: In the prevailing low-carbon economy, the green innovation of manufacturing firms is to follow the inherent requirements of sustainable development and the responsibility of actively responding to environmental challenges. The process of green innovation heavily relies on technological knowledge; nevertheless, the impact of changes in the knowledge base on green innovation still lacks clarity. This article integrates knowledge-based, organizational identity, and new institutional theories, we use panel data of 247 A-share listed manufacturing firms in China from 2009 to 2019 to explore the impacting mechanism and boundary conditions of technological knowledge coupling on green innovation in manufacturing firms. By constructing a theoretical framework for the impact of the dynamic changes of the knowledge base on green innovation from the perspective of technological knowledge coupling, this study reveals a non-linear relationship mechanism between different technological knowledge coupling and green innovation. The results show an inverted U-shaped nonlinear relationship between existing technological knowledge coupling and green innovation, new and existing technological knowledge coupling and green innovation of manufacturing firms. Mimetic pressure and environmental identity have positive moderating effects on the relationships. The conclusions enrich the knowledge management and green innovation research fields and expand the application of organizational identity theory and new institutional theory in green innovation. Meanwhile, it provides a theoretical reference for manufacturing firms to choose appropriate knowledge coupling methods to implement green innovation under external mimetic pressure and internal environmental identity contexts

People as Our Most Important Asset: A Critical Exploration of Agility and Employee Commitment

Project Management Journal, JCR Q2, [see online](#)

Abstract: In this article, we examine how employees experience different types of work commitment at an IT consultancy company using agility to give staff greater autonomy and decision-making latitude. We analyze its agile practices through an in-depth case study comprising interviews and non-participative observation of managers and employees, concluding that the company aims to increase autonomy and decision-making latitude by introducing agile approaches to project management, but thereby risks eroding its employees' commitment. Indeed, the new social dynamics engender new professional insecurities and decision-making passivity and appear to lack a clear organizational purpose, thus challenging certain aspects of employee commitment.

Conceptualisation and Validation of Multidimensional Measure of Workplace Spirituality

South Asian Journal of Human Resources Management, JCR Q4, [see online](#)

Abstract: Workplace spirituality (WPS) has gained acknowledgement as a significant discipline in the corporate world. The dynamic environment leaves all the organisations in a quandary as to how to manage and take relevant and ethical decisions at the same time. However, despite the unprecedented challenges, organisations need to continuously stay agile, innovate for self-development and growth, and ultimately augment the wealth of the nation. It is at this time that WPS acquires utmost importance for the leaders. The research article intends to develop a scale and add new dimensions to the literature for measuring WPS from the point of view of the existing bank employees. We conducted two studies for testing the scale. For conducting Study 1, we applied exploratory factor analysis (EFA) with varimax rotation, and for Study 2, we applied second-order confirmatory factor analysis (CFA). Statistics were drawn from 406 employees from banks in Delhi National Capital Region (NCR). The results showed that WPS has seven dimensions, namely, meaningfulness, compassion, gratitude, authenticity, embracing diversity, resilience and inner peace, and others' orientation. It may be useful for managers to analyse these dimensions in detail in order to identify their impact on employee work attitudes and job outcomes. We believe that this is a pioneering wherein WPS has been represented as a second-order factor. The concluding part of this paper contains an incisive discussion on future developments in the spirituality domain.

Exploring Linkages Between Workplace Spirituality and Occupational Stress Among Indian Police Personnel

South Asian Journal of Human Resources Management, JCR Q4, [see online](#)

Abstract: The inclusion of spirituality at workplaces has yielded significant advantages for the employees and the organisations. The present study probes the optimistic facet of workplace spirituality (WPS) to identify its linkages with one of the most daunting issues for organisations, occupational stress (OS). Police officers from Himachal Pradesh, a hilly state in Northern India, were approached and responses were collected from 385 participants. The study utilises the three-dimensional WPS measure conceptualised by Milliman et al. (2003). Sense of community and value alignment was found to be explaining significant variance in occupational stress. The findings demonstrate the importance of embracing WPS as an effective tool for alleviating OS, thereby augmenting the performance and morale and guiding strategy formulation of future human resource development activities.

Purpose Claims and Capacity-Based Credibility: Evidence from the Labor Market

SSRN, [see online](#)

Abstract: Organizational scholars have long recognized the importance of corporate purpose, defined as a goal beyond profit maximization, meant to galvanizeworkers in the firm. Increasingly, however, companies are making claims about corporate purpose to external audiences, and we have little understanding how these claims may be perceived. A key question is credibility; under what conditions are these claims believed by audiences? We argue that purpose claims can attract external stakeholders, and that the ambition and future-orientation of these claims makes firm capacity a key source of credibility. We examine these issues in the labor market context, where employers make claims of corporate purpose in recruitment efforts. In our first study, with job posting and application data from an online job board, we develop a novel measure of purpose claim language and examine its effect on application likelihood. We then examine the moderating effect of firm size, as a proxy for capacity. We find that high purpose job posts receive approximately 52% more applications than low purpose job posts when the firm has more than 1,000 employees, but only receive a 13% increase when the firm has fewer than 50 employees. In a second study, we use an online experiment to test whether differences in firm size are interpreted as differing degrees of capacity to realize purpose claims, and whether these different perceptions of capacity impact application likelihood. Our results confirm that perceptions of capacity help to explain the relationship between corporate purpose claims, firm size, and job attraction.

15 Ways To Be A Community Builder At Work

Vince Molinaro, Forbes, [see online](#)

It relates the word “community” with the ability of leaders to build strong relationships and create a sense of purpose, meaning, and belonging with their colleagues. It proposes 15 ways to be a community builder as a leader at an individual, team, and organizational level.

““ *People who work for a purpose-driven company feel much more connected and engaged than people who cannot identify a tangible purpose in their work.*””

Changemaker Interview: Carol Cone, CEO Of Carol Cone On Purpose

David Hessekiel, Forbes, [see online](#)

It sustains that every organization wants top talent, and an authentic purpose attracts that talent. It argues that the company’s purpose makes employees feel they are in the right place to enhance the ongoing challenges.

Deliberate Job Design And How You Can Craft More Purpose Into Your Work

Jonathan H. Westover, Ph.D, Forbes, [see online](#)

It presents five factors that have been shown repeatedly to increase meaning and purpose at work, employees’ experience of ownership and responsibility for the outcomes of their work and their knowledge of the work results. It argues that these factors drive ongoing development.

Does Your Company’s Culture Reinforce Its Strategy and Purpose?

Hubert Joly, Harvard Business Review [see online](#)

It argues that purpose is the north star and inspiration meant to orient all company activities. It sightlines that purpose, strategy, and culture must be connected and aligned. Consequently, employees will be willing to support the company's purpose.

Employees Demanding More Meaning from Their Work Than Pre-Pandemic

Sustainable Brands, Sustainable Brands, [see online](#)

It defines purpose as the reason a company exists in addition to making money. It states that purpose drives employees’ decision-making. Nevertheless, sightlines that many organizations have an inconsistent commitment to their purpose, lessening its impact.

Employees Want Purpose At Work: How To Deliver On This Priority

Michael McFall, Forbes, [see online](#)

It sustains that giving attention to an employee's purpose is an opportunity to support people and build a better business; it is not an obligation. It presents three steps to help people recognize and live out their purpose at work.

Five Ways To Thread Purpose Throughout Your Organization

Ashu Goel, Forbes, [see online](#)

It sustains that a company's purpose is only fully realized if employees are not only inspired by the goal but also equipped to reach it. It proposes five ways to thread purpose throughout an organization.

How To Get Remote Employees To Buy Into The Company's Purpose

Expert Panel, Forbes, [see online](#)

It sustains that a purpose-driven brand pursues adding value for others, not just self success to itself. It shares recommendations to help organizations build and align their purpose-driven brand, motivate employees, and potential the power of your organization.

The Great Reshuffle Won't Increase Job Satisfaction Unless Companies Do This

Kathy Miller Perkins, Forbes, [see online](#)

It sustains the importance of companies addressing the disconnect between company purpose and employees' jobs. A company's purpose statement is authentic if incorporated into the culture and demonstrated through decisions and actions.

Unlock the Power of Purpose

Álvaro Lleó de Nalda, Alex Montaner, Amy C. Edmondson, and Phil Sotok, MIT Sloan Management Review, [see online](#)

It sustains that purpose is held commitment shared throughout an organization and motivates action. It argues that purpose only makes a difference when it changes how people operate. It sightlines the importance that leaders identify, operationalize and measure it.

Why We Don't Talk About Meaning at Work

Marjolein Lips-Wiersma, Catherine Bailey, Adrian Madden, and Lani Morris, MIT Sloan Management Review, [see online](#)

It sustains that an authentic sense of purpose should not be imposed; it should be discovered. It argues that it could backfire to present only the environmental, social, and financial reasons to employees to find meaning. To find meaning, it is necessary engaging in dialogue.



Articles (2)

Being Stuck Vs. Getting Unstuck: Using Purpose For Guidance, Energy And Traction

Svetlana Whitener, Forbes, [see online](#)

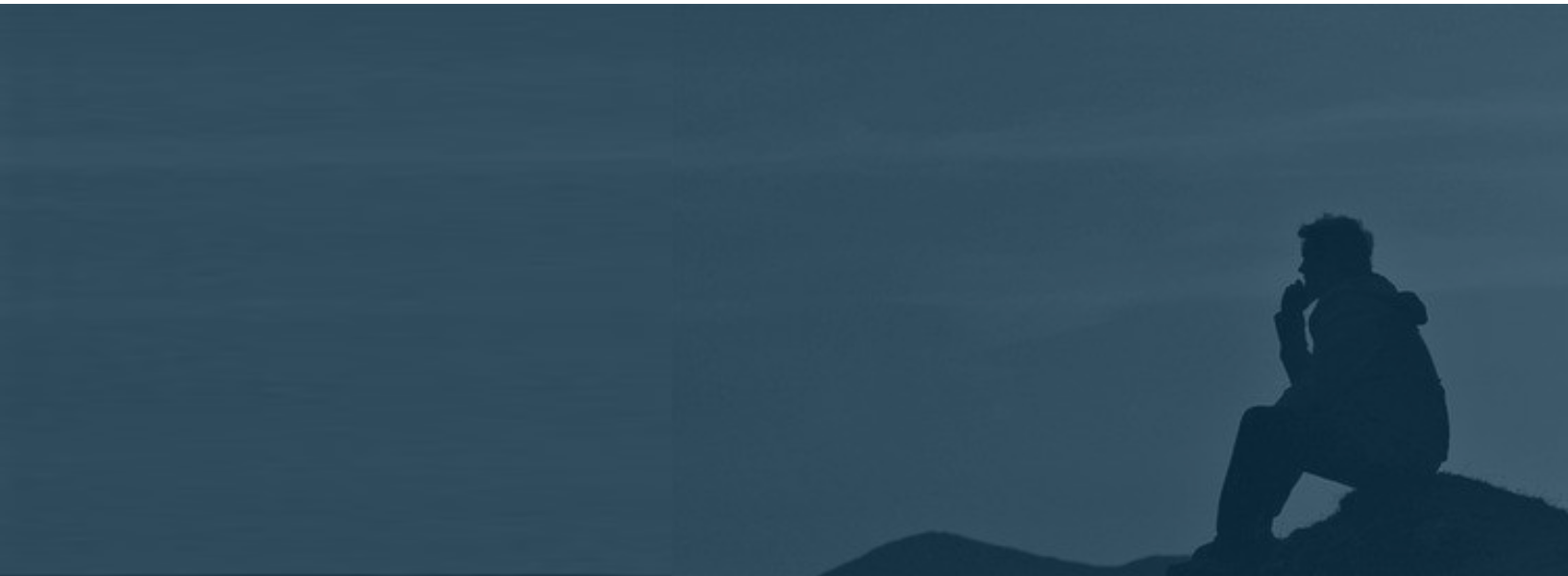
It argues that some people get stuck because they have not been authentic; they have lived to fulfill others' purposes. It highlights the importance that people spend time determining their personal purpose in life and deciding what they need to do to live in accord with that purpose.

“
Your purpose is an essential part of the antidote to being stuck. It's the mission statement that gets you out of bed.
”

How To Build Employee Purpose As An Organizational Leader

Lisa Caprelli, Forbes, [see online](#)

It states how, since the pandemic, many employees have been redefining their values and priorities in favor of purpose. It proposes five ways to build employee purpose and induce loyalty, motivation, and better long-term results.



Articles (2)

Consenso político para la creación de la nueva figura jurídica que reconozca las Empresas con Propósito

Compromiso RSE, [see online](#)

B Lab Spain, a non-profit organization that promotes the B Corp movement in Spain, has coordinated the #EmpresasConPropósito initiative to request their legal recognition as Common Benefit and Interest Companies. The companies with this specific legal recognition will be those whose statutes include the triple objective of generating economic, social, and environmental value while transparently demonstrating their performance in all of them. The bill's advancement helps more businesses to focus on purpose and do good.

Ferrer destina más del 60% de sus beneficios netos a causas sociales y medioambientales

Compromiso RSE, [see online](#)

“Generar un impacto positivo en la sociedad”

Ferrer's strategy currently revolves around people and their talent development, protecting the planet, and fighting for a fairer and more equitable society. The company develops innovative therapeutic solutions capable of transforming the lives of patients suffering from severe and debilitating diseases. It is a company with the capacity to operate with the highest standards of quality and safety, transparency, ethics, and honesty. It is committed to achieving a culture focused on people based on trust and responsibility.



Embedding ESG Metrics: A Time For Companies To Stand Up And Be Counted

Forbes, [see online](#)

“To make an impact that matters”

Deloitte sustains that its purpose guides decision-making across the organization and provides clarity. The organization makes itself questions like how this decision will impact our various stakeholder groups? What approach will create the most value?

One corporation initiative is virtual home care in rural communities for those with mild to moderate COVID-19 to recover at home. The Deloitte professionals see these initiatives as their organization living its purpose.



