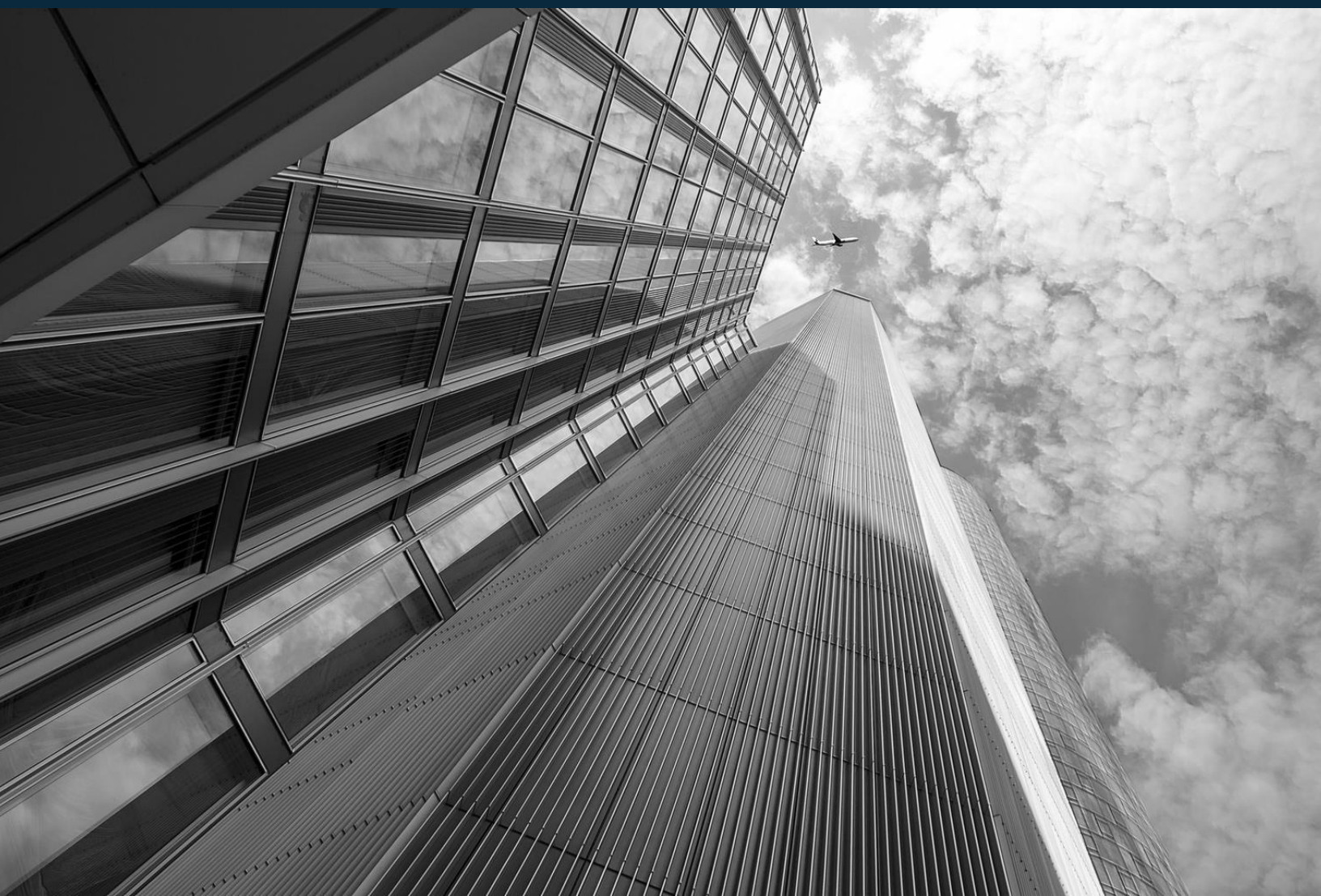# PURPOSE TRENDS REPORT

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

September 2023

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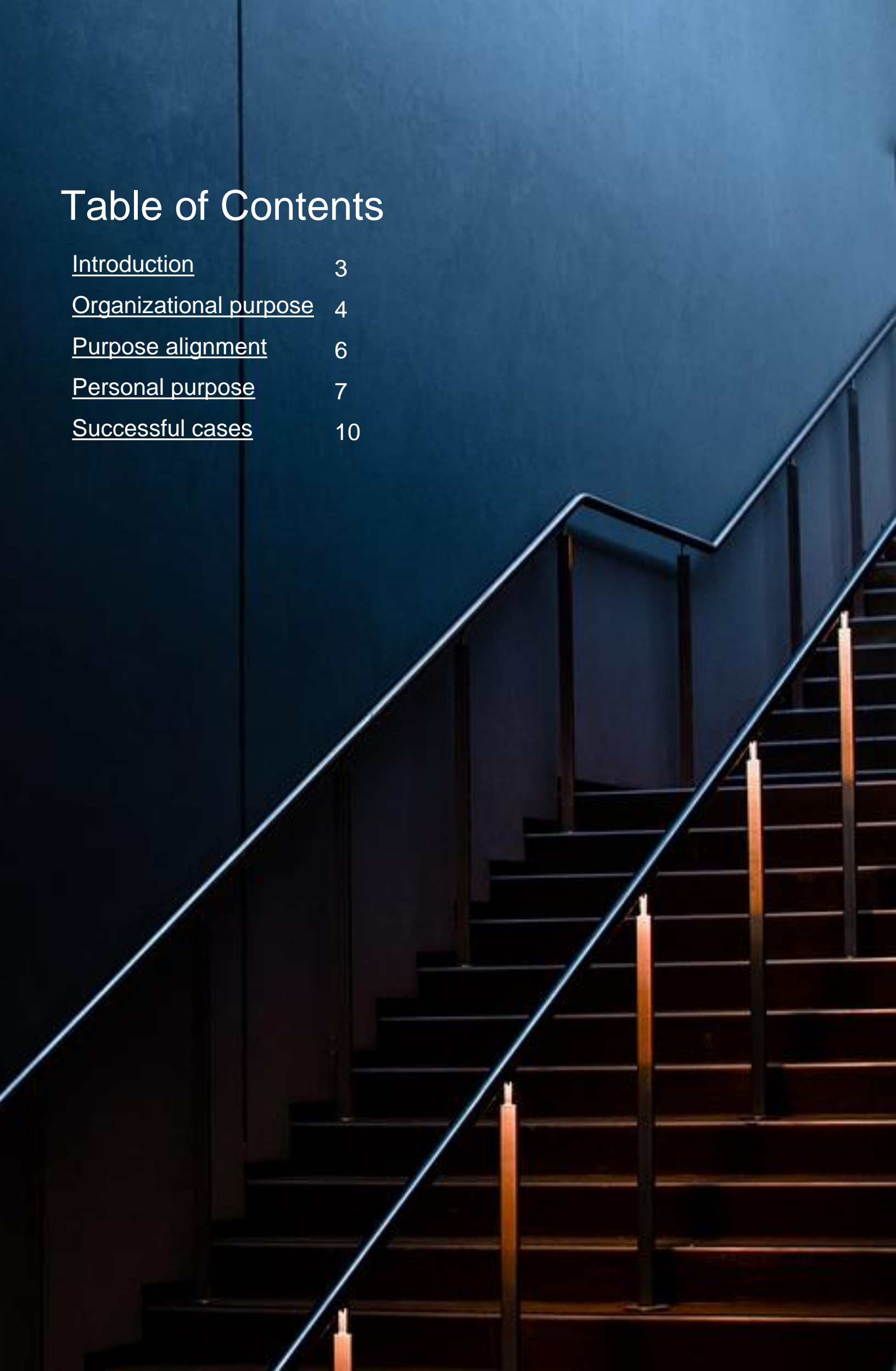School of Economics and Business. University of Navarra

Universidad de Navarra

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INTRODUCTION

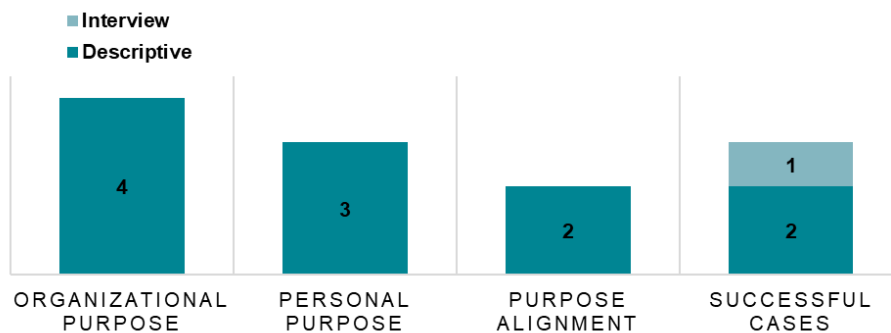*In this report, we want to synthesize the most relevant about corporate purpose published in September 2023. For this aim, we did a content search (using selected keywords) in Scopus and Google Scholar for academic publications; and diffusion magazines and other trusted sites for articles and reports.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

ACADEMIC PUBLICATIONS - SEPTEMBER 2023

Legend: ■ Theoretical ■ Empirical

Category	Empirical	Theoretical
ORGANIZATIONAL PURPOSE	3	
PERSONAL PURPOSE	3	1
PURPOSE ALIGNMENT		1
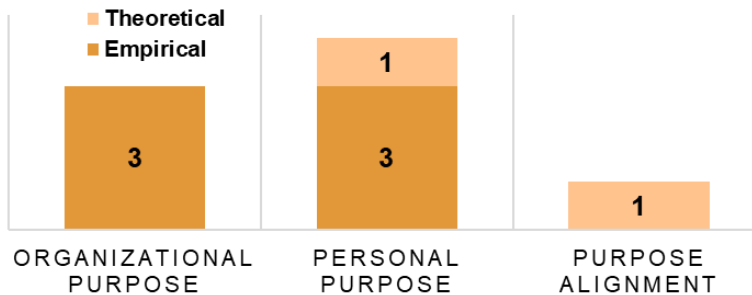
ARTICLES AND REPORTS - SEPTEMBER 2023

Legend: ■ Interview ■ Descriptive

Category	Descriptive	Interview
ORGANIZATIONAL PURPOSE	4	
PERSONAL PURPOSE	3	
PURPOSE ALIGNMENT	2	
SUCCESSFUL CASES	2	1

Some academic publications argue that corporate social purpose statements can significantly influence employee perceptions about their CEOs and corporations when these statements align with tangible actions. These findings correlate with articles highlighting the need for crafting impactful corporate purpose statements that effectively address societal, environmental, or human issues.

In a related academic study, purpose is recognized as a potent driver of change agency within organizations, echoing the broader concept advocated in articles: translating business purpose into tangible actions, aligning leadership with purpose, embedding it in organizational culture, effective external communication, and harnessing purpose for substantial change.

Numerous articles discuss the significance of aligning values with corporate purpose and the transformative impact of shared values. Academic publications complement this notion by examining how corporate governance practices and directorial characteristics influence the adoption of a pro-social purpose (SP) in for-profit firms.

Academic publications delve into the ethical antecedents and outcomes of meaningful work. They advocate that meaningful work instills a sense of obligation toward the organization, promoting ethical behavior. This parallels articles highlighting the importance of finding one's purpose in organizing life, enhancing mental health and resilience, and aligning personal growth with organizational purpose for Gen-Z in the workplace.

Finally, some articles provide real-world illustrations of how purpose-driven CEOs and brands are making a tangible impact. Brands like Tony's Chocolonely and Veggie Grill demonstrated that aligning purpose with actions could create a substantial and positive impact, not only on their bottom lines but also on society and the environment.

Academic publications (3)

Corporate social purpose statements and employee perceptions about the CEO and the corporation: A large sample natural experiment

Journal of Business Research, JCR Q1 _see online_

Abstract: On August 19, 2019, about 200 CEOs of large U.S. corporations signed the "Purpose of a Corporation" statement announcing that their corporations will assume a greater social purpose and serve the interests not only of shareholders but also of employees, customers, suppliers, and communities. We use this statement as a natural experiment which allows us to examine the effects of such social purpose statements on employee perceptions about the CEO and the corporation. Our results show that corporate social purpose statements that directly involve employee interests positively affect employee perceptions about the CEO and, to a lesser extent, the corporation. Moreover, this positive impact is stronger when these statements are coupled with corresponding corporate actions and practices, i.e., actual investments in employees and employee-perceived benefits, including the perceived benefit of working from home. Finally, we discuss this study's research and practical implications and suggest interesting future research opportunities.

Learning From Collaborative Action Research in Three Organizations: How Purpose Activates Change Agency

The Journal of Applied Behavioral Science, JCR Q2 _see online_

Abstract: Based on a 2-year collaborative study, this paper explores purpose as an enabler for change agency during the integration of new organizational concepts. We followed three organizations that attempted to actively use purpose to motivate and negotiate innovation-based change initiatives in their respective organizations. Data were gathered through a set of interviews and collaborative inquiry workshops, conducted individually with each organization and collectively with all three. Based on the data, the paper systematically analyzes five ways of how purpose may activate change agency. Moreover, the paper suggests that activation of distributed change agency can support the management of contextual ambidexterity. This study also points toward how other organizations can use the acquired knowledge, both from the study and the collaborative inquiry process.

Adopting a social purpose in for-profit firms: the role of the board of directors

International Entrepreneurship and Management Journal, JCR Q2 _see online_

Abstract: The debate on the purpose of corporations has intensified over the past decade, compelling businesses to reassess their societal roles. To effectively integrate sustainability into corporate strategies, for-profit firms are increasingly encouraged to adopt a pro-social purpose (SP). However, adopting and integrating an SP is a substantial shift that necessitates an internal push from corporate actors. In particular, due to its function of strategic decision-making, the board of directors represents a pivotal player in promoting the adoption of an SP. This research delves into the impact of board characteristics on the likelihood of adopting an SP in for-profit firms. We examined 580 European firms employing propensity score matching and logistic regression methodologies. Our findings offer initial insights on the effect of the board composition on adopting an SP. In particular, we found that cultivating the directors' network with employees, fostering gender and age diversity, and welcoming highly qualified directors on board are key factors in facilitating the adoption and implementation of an SP in EU for-profit firms. Our study represents the first attempt to quantitatively examine the relationship between the board and SP. By doing so, we contribute to the theoretical advancement of the complementarity of corporate governance and corporate purpose. Moreover, we encourage practitioners to accrue awareness of the board characteristics that facilitate the adoption of an SP within their firms.

What Makes a Great Corporate Purpose Statement

Catherine Bailey, Catherine Tilley, & Anna Lelia Sandoghdar, HBR see online

The article emphasizes the importance of crafting genuine and concise corporate purpose statements using the SABRE framework, which includes five key dimensions: Societal, Authentic, Believable, Relevant beneficiaries, and Engaging. It underscores that such statements should clearly address societal, environmental, or human issues and be aligned with a company's core ambitions. The text provides examples from companies like Philips, BlackRock, and Novo Nordisk to illustrate these principles.

5 Steps that Move Corporate Purpose From Words to Action

MaryLee Sachs, HBR see online

The article underscores the necessity of translating business purpose into real-world actions. It asserts that many organizations struggle to make their purpose meaningful and effective. To address this challenge, it provides a multi-faceted strategy: crafting a purpose that is actionable and inspiring, aligning leadership with the purpose, internalizing it within the organization's culture, effectively communicating it to external stakeholders, and utilizing purpose to drive meaningful change. In essence, the text advocates for the transformation of purpose from mere words to impactful deeds.

The Power Of Purpose: Infusing Meaning Into Marketing For Business Success

Lindsey Viscomi, Forbes see online

The article emphasizes infusing purpose into marketing for business success. It defines purpose as a company's reason for existence beyond profits. Purpose should guide decision-making by addressing global needs, employee motivation, and unique strengths. Purpose-driven brands like Dove motivate employees, foster innovation, and drive growth across various industries.

> " Defining the purpose of your organization is the intersection of what the world needs and what you can uniquely bring to the world. "

Shared Purpose As A Key Enabler Of Organizational Success

Irma Becerra, Forbes see online

The article underscores the significance of purpose-driven leadership in today's evolving landscape. It highlights how determination and education have shaped the author's purpose. Pursuing passion is not straightforward but nurtures a deeper understanding of purpose. Four key benefits of purpose-driven leadership are outlined: fostering engagement, trust, and collaboration; inspiring organizational resilience; attracting top talent; and cultivating innovation. The article concludes by offering steps for implementing purpose-driven leadership and emphasizes its role in shaping a future where organizational success and positive impact are intertwined.

PURPOSE ALIGNMENT

Academic publications (1)

Can Firms Act Morally?

Daedalus, JCR Q3 see online

Abstract: The firm is a critical actor in the formation of a new moral political economy, but firm structure, culture, and profits can be an obstacle to change. The case of the American technology industry demonstrates the limits of relying on firms to change from within. The widespread practice of awarding stock ties white-collar compensation to corporate performance and curtails employee activism. The high-tech venture capital model measures success using rapid return on investment and acquisition of market share. Corporate governance practices and dual-class shares give founder-CEOs outsized control and entrench existing business models, even when they have damaging downstream consequences. The trajectory of these purportedly purpose-driven companies indicates that, as in the past, regulation may be the most effective path to meaningful corporate reform.

## *Articles (2)*

For Whose Purpose Do We Measure Efficiency?

Charles Towers-Clark, Forbes see online

Amid increasing automation and efficiency measurement, the text questions the alignment of organizational purpose and stakeholders. It argues that prioritizing a single stakeholder group can motivate all stakeholders in the long term. Additionally, it emphasizes the need for evaluation alongside measurement to safeguard against losing vital human interactions and knowledge.

Why Being Purpose-Driven Can Be Painful...And Why The Alternative Is Even Worse

Dev Patnaik, Forbes see online

The article examines corporate purpose-driven strategies, emphasizing the growing importance of shared values for customers and employees. It highlights research indicating that genuinely purpose-driven companies outperform their peers in stock market returns. The text also debunks common misconceptions about purpose-driven approaches, emphasizing the need for a clear guiding purpose.
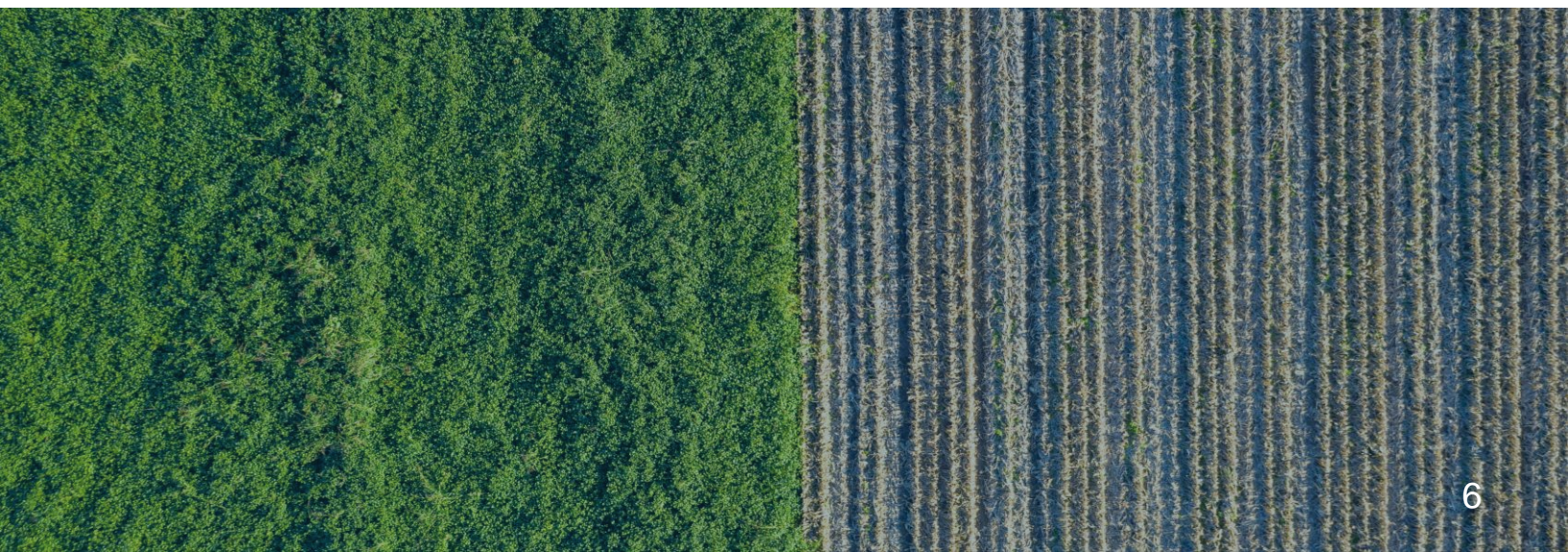
Academic publications (4)

Meaningful work from ethics perspective: Examination of ethical antecedents and outcomes of meaningful work

Journal of Business Research, JCR Q1 see online

Abstract: Meaningful work is a fundamental motivator of employee behavior. Our research approaches meaningful work as an ethical phenomenon and examines a serial mediation model that delineates the ethical antecedents and outcomes of meaningful work. We propose that an ethical (independence and caring) climate fit can foster work meaningfulness. Meaningful work can instill a sense of obligation (duty orientation) and ownership (moral ownership) toward the organization, which, in turn, promotes ethical behavior (ethical voice) and limits unethical behavior (unethical pro-organizational behavior and time theft). Across two studies based on four-wave data collected from Indian managerial employees (Study 1: N = 231; Study 2: N = 190), we found support for our prediction. This research enhances our understanding of ethical value congruence as an important precursor of meaningful work and affirms the motivational power of meaningful work in fostering employees' ethical and limiting unethical behaviors via the mechanisms of duty and ownership.

> " When employees experience compatibility between their personal ethical values and those of the organization, they are more likely to experience fulfilment, authenticity, moral autonomy, and a greater sense of prosocial impact. "

Enabling the Phronetically Enacted Self: A Path toward Spiritual Knowledge Management

Sustainability (Switzerland), JCR Q2 see online

Abstract: The role of spirituality in organizations has received increasing attention over recent years. The purpose of this conceptual paper is to take up this shift and develop the foundations for an alternative approach to knowledge management: Spiritual Knowledge Management. A key question in spirituality concerns the unfolding of the identity (of an organization) or the self toward a "higher end" or purpose. We propose the concept of the phronetically enacted self (understood here both in an individual and an organizational sense) that helps us conceive of how this unfolding can be achieved in a thriving and sustainable manner. The self is conceptualized as a highly dynamic and emergent "entity" that is grounded in a continuous process of becoming and of transitions transforming a state of potentiality into a state of actuality and fulfillment. Insights from the theory of spirituality, enactive cognitive science, the theory of potentials/possibility studies, phronetic organizations, and resonance theory lead us to a novel understanding of knowledge-driven organizations embodying a spirituality-based and, as a consequence, (regenerative) sustainable approach. Finally, we will develop the basic characteristics and leverage points for transformative shifts toward sustainability in organizations.

Protecting Police Officers Against Burnout: Overcoming a Fragmented Research Field

Journal of Police and Criminal Psychology, SJR Q1 see online

Abstract: This study aims to identify the determinants of burnout in police officers. We considered a wide range of psychosocial risk factors, individual variables that have been previously found to be associated with burnout in police officers (affective and cognitive empathy, self-care), and variables whose unique impact on burnout of police officers needs further clarification (organizational justice and organizational identification). The study was conducted in Portugal, and the sample was constituted by 573 members of the National Republican Guard (GNR—Guarda Nacional Republicana). The participants were invited to answer an online anonymous survey, which included previously validated measures of the following variables: burnout (exhaustion and disengagement), psychosocial risk factors, self-care, empathy (cognitive and affective), organizational justice, and organizational identification. Furthermore, we controlled for the potential impact of demographic variables (age, gender, years of professional experience, religiosity, political orientation, and income). Multiple regression analysis showed that when taken together, only a few of the variables associated with burnout had a unique impact on both exhaustion and disengagement: quantitative demands and affective empathy were burnout risk factors; meaningful work, organizational justice (distributive justice, procedural justice, and interactional justice), and organizational identification were burnout protective factors. Our results highlight the importance of developing theoretical models and planning interventions to prevent burnout in police officers, focusing mainly on the above-mentioned variables.

A Person-Centered Analysis of Meaning in Life, Purpose Orientations, and Attitudes toward Life among Chinese Youth

Behavioral Sciences, JCR Q2 see online

Abstract: Background: Meaning in life, purpose orientations, and attitudes toward life have a significant impact on youths' well-being. The purpose of this study is to investigate the developmental trends of youths' meaning in life, purpose orientations, and attitudes toward life. Methods: The sample consisted of 94,219 students aged 13 to 23 years (M = 16.67, SD = 2.70). Person-centered analysis, MANOVA, and an independent sample t-test were used to analyze the data. Results: Most youths were in the "search" or "presence" type in terms of meaning in life status. Fewer students were identified as being in the "ruminative exploration" or "diffusion" type. Very few were in the "precontemplation" or "foreclosure" stages. The status of the sense of meaning did not change significantly with age. Second, in terms of purpose orientations, Chinese youths consider family well-being and personal growth to be the most important goals, whereas personal well-being and social promotion are less important. Third, in terms of attitudes toward life, most young people take an active, accepting, and optimistic view of their lives, seeing life as an experience or process, rather than a good or bad result. Fourthly, the age of 16 was found to be a significant turning point. More emerging adults were in the "presence" state than adolescents, but their attitudes toward life were not as positive as those of adolescents. Conclusions: This study reveals that Chinese youth consider the question of meaning in life as early as age 13. Most of them were in the state of "searching for meaning". Therefore, education about meaning in life should be integrated into the primary school context. Family well-being is emphasized by Chinese youth because of the collectivist culture. Family well-being and personal growth should be recognized, and social promotion should be enhanced in guidance of Chinese youth's meaning acquisition.

> " The pursuit of socially oriented purposes can promote positive adolescent development, whereas self-oriented purposes are associated with lower levels of happiness. "

How to Find Your Purpose
Ayse Yemiscigil, Melis Sena Yılmaz, & Matthew T. Lee, HBR see online

The article discusses the importance of finding one's purpose, emphasizing its role in organizing life and enhancing mental health and resilience. It highlights three critical actions for purpose discovery: diverse life engagement, reflection on experiences, and seeking feedback through conversations. Achieving a balance between these actions leads to the ideal "discovery-of-purpose" zone. The text underscores that discovering and living one's purpose is a lifelong journey, guiding individuals towards meaningful and impactful lives.

Purpose Plummets: How To Bring Back What Matters Most
Tracy Brower, Forbes see online

The article emphasizes the importance of purpose in work, linking it to fulfillment and positive outcomes. It suggests ways for organizations to enhance purpose, such as connecting employees to a broader mission, providing influence, and supporting career growth while ensuring work-life balance. It also encourages individuals to seek meaningful work, cultivate positive connections, and show appreciation to boost their sense of purpose.

Managing Gen-Z: Aligning Personal Growth With Organizational Purpose
Jean-Marc Chanoine, Forbes see online

The article offers insights on managing Gen-Z in the workplace. It suggests a different management approach, emphasizing personal growth and individual purpose linked to organizational success. It states that clear, collaborative communication and celebrating achievements are key to engaging Gen-Z, who highly value recognition and appreciate bosses who show appreciation.

> " Gen-Z employees are looking for an understanding of the "why" behind their tasks leading to a clear sense of purpose and ownership. "

Articles (3)

The Modern Philanthropist: How Today's CEOs Make Change Happen

Alexander Puutio, Forbes <u>see online</u>

Purpose-driven CEOs, including Marc Benioff of Salesforce, Hamdi Ulukaya of Chobani, and Richard Branson of Virgin Group, exemplify the vital role of philanthropy and social responsibility in business. Their commitment to purpose has transformed charitable gestures into institutionalized programs, inspiring brands that connect with communities and create lasting change.

How Tony's Chocolonely Created a Purpose-Driven (and Profitable) Supply Chain

Frans Pannekoek, Thomas Breugem, & Luk N. Van Wassenhove, HBR <u>see online</u>

Tony's Chocolonely, a Dutch chocolate brand, successfully created a purpose-driven and profitable supply chain for slavery-free chocolate. By fostering relationships among supply chain partners, Tony's created a new paradigm where all players take responsibility for social impact. They implemented five sourcing principles, and their transparency and collaboration significantly reduced child labor and poverty among farmers. This collaborative approach highlights the need for industry-wide cooperation in addressing common social issues in supply chains, like child labor.

> " *To sell 100% slavery-free chocolate.* "

Veggie Grill: Shrinking But Building A Path To Success

Gary Stern, Forbes <u>see online</u>

Veggie Grill, as a purpose-driven brand, prioritizes transparency and positively impacting American food culture. CEO T.K. Pillan acknowledges challenges and closures while remaining dedicated to its loyal customers and promoting plant-based eating for health and the environment. The company innovates its menu, plans franchising, and targets markets with growing demand for plant-based options. Veggie Grill's core purpose is to provide accessible plant-based food, advocating for sustainable and healthier eating choices.

> " *To make plant-based food accessible.* "