PURPOSE TRENDS REPORT

A selection of what has been published about Purpose in March 2024

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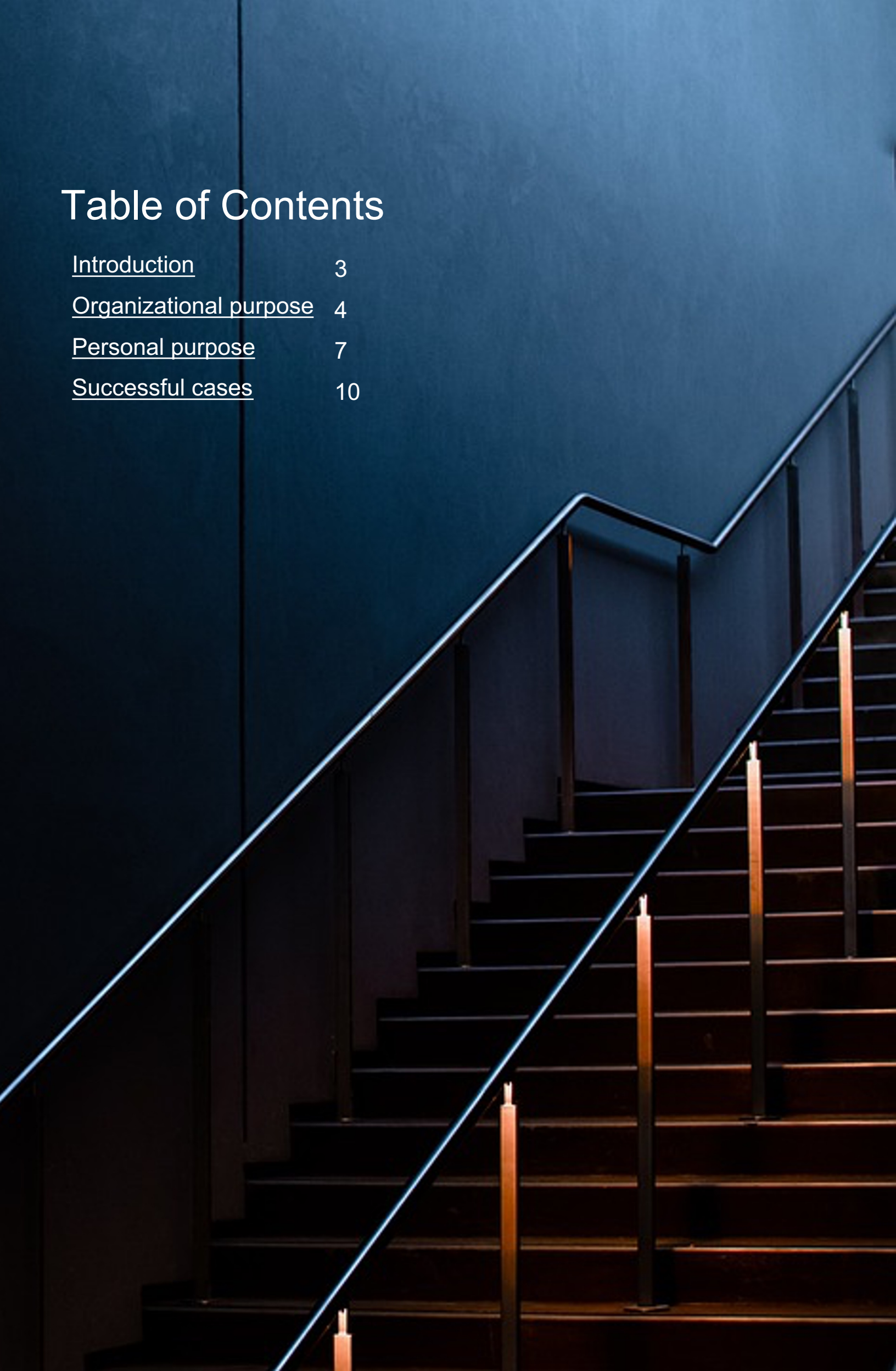# Table of Contents

INTRODUCTION

In this report, we want to synthesize the most relevant about corporate purpose published in March 2024. 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 and personal purpose. From January's 2024 report onwards, the "purpose alignment" category will be discontinued and incorporated into the "organizational purpose" category, as the differentiation is minimal. Also, we include successful cases that show how corporate purpose has been implemented. Bellow, we present statistics about the selected literature.

ACADEMIC PUBLICATIONS - MARCH 2024
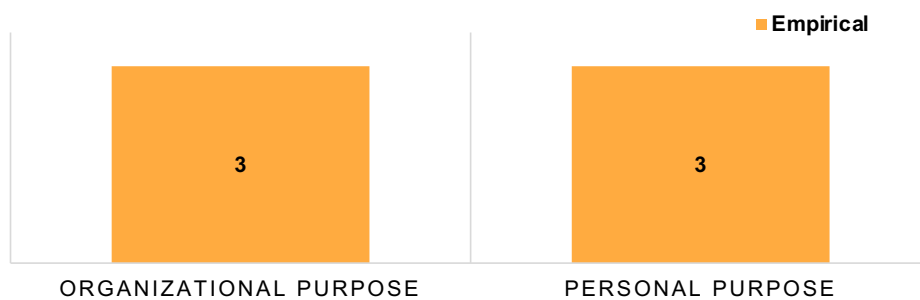
ARTICLES AND REPORTS - MARCH 2024

Academic research delves into the micro-foundations of corporate purpose, exploring its practical enactment within dynamic environments. By studying performance management systems (PMS), scholars uncover how these systems mobilize purpose at the management level, aligning organizational actions with global development needs. In parallel, articles investigate the implementation challenges of purpose-led strategies, proposing frameworks like the Growing Greatness Implementation Framework to bridge the gap between individual and organizational purpose. Understanding the interplay between mission, governance, and accountability becomes paramount in fostering purpose-driven cultures within organizations.

Further, studies shed light on the impact of positive meaningful work on vocational professionals' well-being, such as teachers facing evolving labor demands. Paternalistic leadership's influence on employee creativity in Chinese organizations underscores the significance of cultural context in shaping perceptions of meaningful work. Meanwhile, practical insights from articles offer guidance for new managers navigating their leadership roles, emphasizing the importance of fair compensation, fostering meaningful work experiences, and cultivating effective leadership practices to foster employee motivation and engagement.

Finally, successful organizations align purpose with strategic priorities, exemplified by creative agencies like StrawberryFrog helping financial institutions differentiate themselves. Companies like Organic Valley showcase the impact of aligning innovation with the mission of supporting small organic family farms. Bain & Company identifies methods to turn purpose statements into reality, emphasizing the importance of living up to promises.

Academic publications (3)

The micro-foundations of corporate purpose: Performance management in dynamic environments

Management Accounting Research, JCR Q1 see online

Abstract: This paper examines the micro-foundations of 'corporate purpose', that is the enduring reason for being of a corporation in relation to society. While the relevance of corporate purpose has been widely recognized, its practical enactment by managers at the operating level remains problematic, particularly in dynamic environments. By relying upon the field study of a leading Italian group in the food industry, and the literature on the micro-foundations of institutions, we explore the role of a performance management system (PMS) in mobilizing corporate purpose in specific practical situations at the management level, while the organization faces the demands coming from the external environment. We show that the PMS can be drawn upon by managers as a set of tools and practices through which purpose is situated at the micro-level into actions, decisions, and material artefacts that come together in a 'social situation'. Here, the PMS enables managers to recognize a 'situation' for enacting different aspects of purpose through interactions, filling it with evolving meanings, while sustaining its connections with global development needs.

A framework for transforming corporate purpose in to organisational culture

International Journal of Professional Business Review, SJR Q4
see online

Abstract: Purpose: One of the most powerful and talked about approaches in the management and leadership of modern business today is Organisational Purpose. When placed at the heart of strategy, it is said to increase employee engagement exponentially, resulting in the unlocking of human potential, lighting up passion and enthusiasm within people, and beating the line in financial performance through overservicing and delighting customers, by as much as 42% compared to the stock market. However, as much as Organisational Purpose is heralded as the core motivation behind the sustainable success of any organisation, 90% of these purpose-led strategies fail in implementation. The article investigates this phenomenon. Theoretical Framework: This study falls within the framework where leadership and strategy implementation meet. One of the most profound gaps identified during the literature reviewed for this article is that the purpose ('deep self') of an organisation cannot be defined or even implemented without defining the individual purposes ('deep self') of its leadership, in that an organisation can only ever be as conscious as its leader. Design/ methodology/ Approach: This study, therefore, sets out to create a framework that can guide leaders towards implementing corporate purpose into organisational culture through raising leadership and organisational consciousness and, in doing so, overcoming this persisting barrier to implementation. By choosing Action Design Research as the methodology for this research, the researchers co-create a potential solution with 14 Chief Executive Officers, each a market leader within their diverse industries. Findings: A solution that suggests that the successful transformation of corporate purpose into organisational culture lies at the intersection of the individual purpose of each executive leader, the purpose of the organisation, and the individual purpose of each of its employees. Against the plethora of existing frameworks, which are by and large said to be unsuccessful in the face of implementation failure, the framework presented as a product of this study offers an alternative solution. Research, Practical & Social Implications: A practical solution that puts the potential of people at its heart is offered as a framework for implementation. Originality/Value: The framework is called: 'The Growing Greatness Implementation Framework'. This presents a new and unique contribution to the current literature about Strategic Business Management.

Collective Value Co-creation and Accountability in Purpose-Driven Place-based Companies: Theory and Practice

Palgrave Studies in Sustainable Business in Association with Future Earth, (Book Chapter) see online

Abstract: This chapter aims to answer the research question: "How does the 'collective' value co-creation process develop and is represented in place-based purpose-driven companies?" To answer the research question, the research design involves an interdisciplinary approach that connects Management, Business Strategy and Accountability. In consideration of the opportunity to grasp not only the essential elements of the physiognomy of a business model, but also the relationships between them, to verify their consistency, it may be useful to use the Mission-Governance-Accountability framework. As regards methodology, the qualitative approach of the place-based purpose-driven case study is particularly suited to the needs of understanding a complex phenomenon such as that of corporate behavior through empirical method, even in the case of evaluative research.

> " Purpose in the for-profit firm captures the essence of an organization's existence by explaining what value it seeks to create for its stakeholders. "

Articles (3)

For Start-Ups Seeking Talent, a Lofty Purpose Can Backfire

Amy Meeker, HBR see online

The article examines the impact of communicating a social vision on job seekers' decisions to apply to start-ups. Contrary to expectations, start-ups emphasizing social missions received 46% fewer applications than others. The findings suggest that while individuals express interest in socially minded companies, their actions may differ. The article underscores the importance of career advancement opportunities in applicants' decisions and suggests strategies for attracting talent without compromising social missions, such as offering competitive salaries and leveraging personal networks for recruitment. Additionally, it explores potential differences in job seekers' priorities across cultures and employment types, highlighting avenues for future research.

> " When companies embrace thought leadership without fully integrating their stated purposes into their operations, they risk creating a "purpose gap" that may lead to inconsistent messaging. "

Thought Leadership Strategy: How Companies Can Bridge The Purpose Gap

Yogesh Shah, Forbes see online

The article underscores the rising consumer preference for purpose-driven brands and warns against the "purpose gap" when companies fail to integrate their stated purposes into operations. It advocates for aligning actions with communicated values for credibility and trust, urging thought leadership marketers to incorporate authentic purpose into messaging to resonate with consumers. Strategies include integrating purpose into content creation and engaging with the audience to bridge the purpose gap effectively, enhancing credibility and brand loyalty.

The CEO's secret to successful leadership: CEO Excellence revisited

Scott Keller, Carolyn Dewar, Vikram Malhotra, McKinsey & Company see online

McKinsey's senior partners Carolyn Dewar, Scott Keller, and Vikram Malhotra authored "CEO Excellence: The Six Mindsets That Distinguish the Best Leaders from the Rest," which explores successful leadership traits. Based on interviews with 67 CEOs, they identified six core CEO roles: setting direction, aligning the organization, mobilizing leaders, working with the board, connecting with stakeholders, and managing personal effectiveness. The book resonated globally, appealing not only to CEOs but also to aspiring leaders and students. In today's fast-paced environment, leaders must make quick decisions, engage with diverse stakeholders, and convey complex ideas with elegant simplicity.

Academic publications (3)

Beyond occupational exhaustion: exploring the influence of positive meaningful work on teachers' psychoemotional well-being in the digital age

Humanities and Social Sciences Communications, JCR Q1 see online

Abstract: The teaching profession, intrinsically vocational, bestows upon its practitioners a deep sense of meaning and personal dedication. However, this personal commitment can be affected by the constant evolution of labour demands, exacerbated by the increasing technification of education. Both these needs, at a personal and organisational level, can lead to the development of emotional exhaustion, a psychological state manifesting with increased frequency in the educational sector. In this context, and referencing the job demands-resources model, we propose a model focused on the examination of the role according to the positive meaning in modulating emotional exhaustion. The research was conducted with a sample of 213 secondary school teachers in southern Spain, using a survey methodology. All data were analysed throughout the SPSS and Smart PLS statistical programs. The obtained results indicate that the presence of positive meaningful work has a negative impact on emotional exhaustion, technocomplexity and work-family conflict. Furthermore, the negative effect of positive meaning work on work-family conflict was stronger for teachers with greater experience. This study enhances the understanding of teacher well-being, suggesting the update of theoretical models to reflect current labour complexities, promoting managerial strategies and flexible policies to mitigate emotional exhaustion and foster a healthy working environment.

> **"** He who has a why to live can bear almost any how. **"**
>
> *Friedrich Nietzsche*

Linking paternalistic leadership to employee creativity: a meaning-based perspective

Leadership and Organization Development Journal, JCR Q2 see online

Abstract: Purpose: Integrating the pathway model of meaningful work and the intrinsic motivation principle of creativity, the authors investigate why, when and how paternalistic leadership relates to employee creativity in the Chinese organizational context. The authors suggest that the meaning of work (MOW) mediates the relationship between paternalistic leadership and employee creativity. The authors further identify perspective taking as a moderator in the mediated relationship for the path from MOW to creativity. Design/methodology/approach: The authors relied on a sample of 340 employee-supervisor dyads collected from multiple organizations located in Eastern China to test the study hypotheses. Findings: Results indicated that MOW mediated the positive relationships between the benevolence and morality dimensions of paternalistic leadership and employee creativity, and the negative relationship between the authoritarianism dimension of paternalistic leadership and employee creativity. Further, the indirect relationships between the three dimensions of paternalistic leadership (i.e. authoritarianism, benevolence and morality) and employee creativity through MOW were more pronounced when perspective taking was higher rather than lower. Originality/value: Through a meaning-based perspective, the authors demonstrate that a culture-specific managerial philosophy (i.e. paternalistic leadership) shapes Chinese employees' perceptions of meaningful work and their subsequent creative performance. This paper complements the dominant focus on Western leadership in the creativity literature and denotes that paternalistic leadership matters for employee creativity in Chinese organizations.

Workplace Well-being From Development of Consciousness Through Purposeful Leadership

Journal of Management, Spirituality and Religion, SJR Q1 _see online_

Abstract: This paper constructs a model for enhancing workplace well-being (WB) from development of consciousness (DC), through purpose driven leadership (PL). A morally higher and ethical organizational purpose can help facilitate the accomplishment of higher purposes of the individuals, leading to greater engagement, fulfilment, and well-being in the organization. This paper reviews 20 theories of leadership based on the inner domain of leaders, 10 scales of WB, and five perspectives on PL, and relates them all to DC. It also describes V-theory of transcendence to support DC through multiple practices and help the leadership in developing their higher purpose. The paper finally presents some propositions for future research on the model, and implications for practice.

Articles (3)

What It Takes to Create an Engaging Work Environment

Joe Mull, HBR _see online_

The article explores the challenges faced by new managers stepping into their first leadership roles and aims to provide guidance on how to create a motivating work environment. It emphasizes three key components: ideal job, meaningful work, and being a great boss. The ideal job involves fair compensation, manageable workloads, and flexibility. Meaningful work is defined by purpose, strengths alignment, and belonging. Being a great boss entails coaching, building trust, and advocating for employees. The article offers practical advice and actionable steps for new managers to foster employee motivation and engagement.

> " The next generation of workers need to believe their work matters and that their employer stands for something more than just profit in order to feel motivated. "

Three Things to Know About the Workplace Generation Gap

Cynthia E. Clark, MIT Management Sloan Review <u>see online</u>

The article explores shifting perspectives on the role of business in society, drawing from a survey by Bentley University and Gallup. It reveals that younger generations, particularly Gen Z, prioritize meaningful work and expect businesses to take public stances on social issues like climate change and racial equality. Additionally, there is widespread support across all ages for a four-day workweek, indicating a growing emphasis on employee well-being. Despite some skepticism from CEOs, companies experimenting with shorter workweeks have seen positive results, suggesting a potential recruitment advantage for those adapting to meet evolving employee expectations.

Wise Leaders Focus On What Matters: Here Is How

Kathy Miller Perkins, Forbes <u>see online</u>

The article emphasizes the importance of wisdom in leadership amidst a deluge of information. It underscores the need for leaders to distill knowledge from data, act with purpose and values, and reflect on experiences to make wise decisions. It outlines strategies for gaining wisdom, including selecting relevant and reliable information, analyzing and synthesizing knowledge, and considering context. It also highlights the collaborative nature of wisdom and the role of communication and empathy in leadership. Ultimately, it suggests that true leadership lies in finding wisdom amid the complexities of the modern world.

Articles (3)

Purpose Matters: Unleashing the power of brand purpose and leadership in financial services with StrawberryFrog

Zachary Miller, Tearsheet see online

In the competitive world of financial services, a powerful way to stand out is by ascribing a brand's purpose to something employees, customers, and partners can get behind. StrawberryFrog, a creative marketing, innovations, and transformation company, has done this impactful type of work with Truist, First Abu Dhabi Bank, Walmart, and others too.

What Successful Purpose Statements Do Differently

Darrell Rigby, Dane Smith, Zach First, & Anna Cochemé, HBR see online

Sadly, purpose statements at all too many organizations are just empty words. The companies that issue them don't live up to their lofty promises. But research by Bain & Company identified some companies that are the exceptions. They employ four methods to turn their statements into reality.

How to thrive in a mature category through purpose

Jeff Frank, Fast Company see online

Organic Valley, a cooperative supporting small organic family farms, underwent a transformation led by a new CEO. They prioritized innovation while staying true to their mission of protecting family farms. By fostering collaboration, addressing sustainability concerns, and achieving positive outcomes like profit turnaround and increased farmer pay, Organic Valley demonstrates the importance of aligning values with strategic priorities for long-term success.