PURPOSE TRENDS REPORT

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

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In this report, we want to synthesize the most relevant about corporate purpose published in February 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. Below, we present statistics about the selected literature.

**ACADEMIC PUBLICATIONS - FEBRUARY 2024**

- **Organizational Purpose**
  - Theoretical: 4
  - Empirical: 2

- **Personal Purpose**
  - Theoretical: 2

**ARTICLES AND REPORTS - FEBRUARY 2024**

- **Organizational Purpose**
  - Interview: 5
  - Descriptive: 1

- **Personal Purpose**
  - Interview: 2
  - Descriptive: 1

- **Successful Cases**
  - Interview: 2

Publications on corporate purpose explore the link with sustainability, resilience, governance, societal hybridization and diversity management. They stress the importance of integrating sustainability and resilience with a clear purpose to foster responsible behaviors and address societal challenges. Leadership's role in diversity management is discussed, along with challenges facing the purpose-driven business ecosystem, highlighting the need for alignment between societal, environmental, and commercial objectives for long-term sustainability. In addition, articles provide a practical and exemplified insight into the necessity of aligning purpose with stakeholders' interests.

Further, academic publications on personal purpose explore the importance of meaningful work. One delves into how HR managers perceive meaningfulness in their roles, highlighting critical incidents that shape their understanding, and the other finds that meaningful work buffers against academic burnout's negative impact on career choice satisfaction among counseling trainees. In the same vein, articles emphasize the importance of personal growth and purpose in leadership and well-being. They advocate for comprehensive leadership development programs accessible to employees at all levels, rooted in authenticity and continual learning, and highlight the significance of aligning personal values and authenticity with organizational goals, fostering loyalty, resilience, and positive change.

Finally, turning to real-world applications, successful cases showcase purpose-driven strategies. Etsy rediscovering its commitment to social and environmental sustainability and regaining trust with employees. Meanwhile, Best Buy changing its holistic strategy. Additionally, SheaMoisture meaningfully gave back while building its brand.
Academic publications (6)

Corporate sustainability, organizational resilience, and corporate purpose: a review of the academic traditions connecting them

Review of Managerial Science, JCR Q2 [see online]

Abstract: The increasing complexity of economic, environmental, and social systems causes crises, uncertainty and risk to become common global issues, and organizations that want to achieve long-term prosperity must pursue corporate sustainability, i.e., the joint pursuit of environmental, social, and economic goals, in order to successfully face the complex and uncertain environment in which these organizations find themselves. To achieve the above, organizational resilience would also seem to be critical, as it is a capacity which enables the organization to build a risk-aware culture that helps it better position itself to deal with the demands of high-impact events as well as to be able to find opportunities through uncertainty. Yet, both corporate sustainability and organizational resilience are organizational capabilities that can nourish (and/or be nurtured by) a corporate purpose that leads organizations to have a clear and inspiring sense of direction, fostering the development of strong responsible and adaptive behaviors. Nevertheless, the academic traditions that relate and explain “how” these concepts are related are non-existent. To bridge the above gap, we conducted a science mapping analysis and discovered that by 2022, a total of 34 documents had presented the relationship between sustainability, organizational resilience and corporate purpose. The analysis of these 34 papers yields five different academic traditions from which the relationship between these three concepts has been studied and reveals several gaps that future research should address to gain a holistic understanding of the interconnectedness of these three concepts to help organizations achieve long-term prosperity.

When a corporate purpose exists and is shared with the organization’s members, it creates strong relationships within the organization and with other stakeholders to make the purpose real.

Corporate purpose and early disaster response: Providing evidence of dynamic materiality?

Business Ethics, the Environment and Responsibility, JCR Q2 [see online]

Abstract: This paper examines the relationship between corporate purpose and disaster response. To that aim, we use a unique dataset generated by Just Capital’s COVID-19 response tracker that characterizes the early responses of 928 companies included in the Russell 1000 Index generated by the COVID-19 pandemic. We marry this data to the Business Roundtable Statement on the Purpose of a Corporation (BRT-CPS) signatories list, which includes 210 firms that declared “a fundamental commitment to all stakeholders” as their corporate purpose. We estimate the differential impact of BRT-CPS signees on the rest. After controlling our results with financial indicators and environmental, social, and governance (ESG) data, we convey that BRT-CPS signees were more likely to develop strategies that benefited their surrounding communities and other stakeholders. Moreover, corporations with high ESG were less likely to have an early response that directly benefited stakeholders other than shareholders, except for layoffs and unpaid leave. Finally, we discuss the outcomes considering the symbolic management theory, corporate purpose literature, and its relation to stakeholder management.
Characterising and Changing Charitable Purposes: Theories of Organisational Purpose

Modern Law Review, JCR Q3 see online

Abstract: The last decade has witnessed material interest in the relevance of organisational purpose to organisational governance for both for-profit corporations and charities. A purpose-focus promises greater clarity for responsible person duties, as well as motivational benefits. However, despite its centrality, the nature of organisational purpose remains under-theorised. This article first explores theoretical understandings of organisational purpose to provide a robust base for purpose-based governance theories and to provide potential methods for identifying organisational purpose. This is a descriptive project. Second, it examines the extent to which that theoretical understanding is reflected in charity law. This is a mildly normative project – all else being equal, there are rule of law reasons (greater clarity and stability) for the law to reflect our best understanding of a phenomenon, such that theory may help guide choices between divergent legal approaches to matters like the relevance of organisational values and activities in characterising purpose. Third, the article employs organisational purpose theory to understand the duties applying to charity governors in the context of a change of purpose. This is a mildly normative step again – all else being equal, it would benefit the rule of law if governance obligations reflect our best understanding of organisational purpose.

Purpose-driven transformation: a holistic organization design framework for integrating societal goals into companies

Journal of Organization Design, SJR Q1 see online

Abstract: Companies today are increasingly called upon to address society’s issues, such as climate change and inequality, but traditional companies are not up to the task as they are designed primarily for profit maximization. Addressing society’s issues requires companies to societally hybridize, meaning introducing societal goals alongside profit goals thereby transitioning to a deeper societal impact commitment. However, extant literature predominantly considers born hybrid organizations and discusses specific design elements or types of hybrid design. Drawing on social–commercial hybrid organization and organization design literatures, this conceptual paper takes a dynamic view of social–commercial hybridity. This paper proposes a framework delineating four stages of societal hybridization based on the degree to which a traditional company re-aligns its design to pursue dual goals. The paper has practical and theoretical implications with contributions to social–commercial hybrid organization and organization design theories by demonstrating how redesign can enable a company to successfully integrate societal goals and improve multidimensional organizational performance.

Making sense of cultural diversity’s complexity: Addressing an emerging challenge for leadership

International Journal of Cross Cultural Management, SJR Q1 see online

Abstract: The growing complexity of cultural diversity within organizations’ workforce today requires leadership to find new organizational approaches to diversity management. Today’s workforce are seeking a different management approach where the staff experience inclusion and belonging whilst contributing to the organization’s purpose. The current organizational approaches to diversity management have not been successful in delivering on the promised outcomes (e.g., creativity and innovation) that leadership seeks. Leadership’s role is critical to developing organizational approaches to diversity management. Cultural inclusion offers leadership today’s approach of managing for inclusion. This paper proposes a conceptual framework that looks at leadership’s role in their organization’s diversity management approach. We identify three dimensions in our conceptual framework that influence leadership in their effort’s for effective diversity management: leadership’s accountability for diversity management; leadership’s approach to diversity management; and leadership’s focus of diversity management. This conceptual framework allows the leadership of organizations to identify their current diversity management approaches by mapping leadership position’s position with the three dimensions to identify leadership’s role in managing their culturally diverse organizations.
From “business as usual” to sustainable “purpose-driven business”: Challenges facing the purpose ecosystem in the United Kingdom and Australia

Abstract: Purpose-driven businesses have a stated objective to contribute to the welfare of society and the planet alongside generating shareholder value. As interest in purpose-driven businesses grows, an emerging “purpose ecosystem” of advisers, investors, and enablers offers different types of support for businesses wanting to transition to sustainability. This paper examines how the transition towards purpose-driven business in Australia and the United Kingdom requires addressing challenges facing this support ecosystem at three levels. First, at the individual level where support providers need to build the capabilities of managers who are experiencing tensions around integrating societal and environmental purpose while facing pressure for maximizing shareholder value. Second, the support providers working within the purpose ecosystem offering professional advice and finance face their own tensions between environmental or social objectives and commercial pressures. Third, there are challenges facing actors in the ecosystems aiming to change the wider policy and institutional environment but facing lobbying from those wanting to keep “business as usual.” We identify practical implications for those parts of the purpose-driven business ecosystem providing support. This includes building capabilities to combine social, environmental, and commercial purpose; coordination among support providers; and creating an institutional environment to avoid “purpose wash.”

“Boards of directors play a role as ‘trustees of purpose’ and ensuring the business is delivering its objectives.”
Leading With Purpose In Turbulent Times
Randall S. Peterson, Forbes see online
The article highlights today's volatile world, where leaders face frequent political and climate shifts, rendering plans obsolete. Organizations grapple with complex, cross-national issues amid turbulence. Teams tend to revert to familiar methods due to the threat-rigidity effect, focusing more on outcomes. Successful organizations foster experimentation and prioritize process over outcomes, even amid uncertainty.

Harnessing Corporate Purpose to Navigate the ESG Landscape
Jonathan H. Westover, Human Capital Innovations see online
The article explains how companies can utilize organizational purpose as a guiding principle amidst growing ESG expectations. It defends the notion that purpose, when authentically integrated into operations, enhances resilience and fuels long-term growth. Corporate purpose significantly outperforms financially, and the piece outlines five practices for aligning operations with purpose. Case study Salesforce exemplifies purpose-driven innovation, showcasing the transformative power of embracing corporate purpose amid ESG turbulence.

4 Reasons Universities Should Practice Institutional Neutrality
Daniel Diermeier, Forbes see online
The article discusses institutional neutrality in universities, essential for fostering free speech. It presents four reasons supporting neutrality, including relieving pressure on universities to comment on every issue and preventing politicization. Emphasizing the importance of expertise and academic inquiry, it concludes by stressing the need for consistent neutrality to maintain universities' missions and public legitimacy.

How Business Can Avoid The Traps On The Way To Finding Purpose
Roger Trapp, Forbes see online
The article discusses The Body Shop's collapse, highlighting the challenge of aligning business values with investor demands. It delves into the evolving role of businesses in society, noting a shift towards social problem-solving. It introduces "New Stakeholder Theory" as a response to these complexities. The upcoming book, "Higher Ground," by Alison Taylor, offers practical insights for businesses navigating ESG goals, emphasizing focused action and holistic alignment across functions for genuine impact and accountability.

Corporate Advocacy in a Time of Social Outrage
Alison Taylor, HBR see online
Today's employees, particularly young ones, expect their employers to speak out about the social, political, and environmental issues they care about. Many organizations have complied, only to find themselves locked into a cycle of perpetual statement-making that is often tangential to their organizational priorities or runs against their political spending. Companies would be wise to reconsider how they determine what to prioritize and discuss internally and externally — and perhaps most important, how to involve employees early in the process.
Academic publications (2)

How do human resource managers make sense of their work? A study of changing work meaningfulness using the critical incident technique

Human Resource Development International, JCR Q1 see online

Abstract: Despite the meaningfulness of one’s work being of crucial professional and personal importance, in HRD, it remains understudied. Employing narrative interviews, this research retrospectively explores the formation and transformation of the process of work’s meaningfulness. A sensemaking approach and the critical incident technique were applied. The data, collected during interviews with 16 HR managers, consisted of 37 critical incidents. This research contributes to the understanding of the dilemma of meaningfulness’ dual nature by showing how work meaningfulness can change through an exploration of the role of meaning mechanisms in the experience and dynamic formation of meaningful work. Furthermore, it augments our knowledge about how ambivalent, complex, and critical situations affect their work as meaningful. It presents possible scenarios and phases of this process. It also shows how a critical situation can lead to a re-evaluation of the sources of meaningfulness. It explores how the ambivalence and ambiguity inherent in HR managers’ role affects the meaningfulness of their work. The practical implication of the findings emphasises HRD professionals’ responsibility to monitor the extent to which employees experience their work to be meaningful and to intervene as needed, while the methodological implication is a further distinction between sensemaking and meaningfulness-making processes.

Counseling trainees’ academic burnout, meaningful work, and career choice satisfaction: A resilience framework

Career Development Quarterly, JCR Q2 see online

Abstract: This study focused on examining counseling trainees’ perceptions of meaningful work as a resilience factor against decreased career choice satisfaction, which is related to burnout experience. As a result of latent moderated structural equation modeling, academic burnout and meaningful work were significantly related to career choice satisfaction. Furthermore, meaningful work significantly buffered the negative relationship between academic burnout and career choice satisfaction. Our findings suggest that meaningful work plays both compensatory and protective roles against the negative effect of academic burnout on career choice satisfaction. We provided implications for counselor training and preparation.
Why It’s Time For Companies To Prioritize Meaningful, Purposeful Leadership Development

Will Gaines, Forbes [see online](#)

The article delves into a disconcerting revelation from a recent DDI study, which indicates a significant downturn in perceived leadership quality. It argues against the prevailing notion that leadership development initiatives are reserved solely for senior management, advocating for comprehensive programs accessible to employees at all organizational levels. Emphasizing the necessity of personalized strategies endorsed by senior leaders, rooted in authenticity and continual learning, it asserts that such initiatives not only facilitate employee growth but also foster loyalty and organizational resilience amid evolving challenges and uncertainties.

Financial Success And Happiness For Business Leaders

Nell Derick Debevoise, Forbes [see online](#)

The article examines the multifaceted concept of happiness, highlighting discrepancies between externally validated pursuits and internally satisfying endeavors in the quest for genuine well-being. It explores Martin Seligman’s PERMA framework, which encompasses positive emotions, engagement, relationships, meaning, and achievement as elements of happiness. By contrasting hedonic pleasures with eudaimonic fulfillment, it underscores the distinction between immediate gratification and a purpose-driven life. Through a two-by-two framework, it advocates for intentional choices to cultivate sustainable happiness aligned with personal values and authenticity.

“So many people have gotten so disconnected from their own voices that they have no idea what a sense of purpose even looks like.”

Crafting Your Purpose-Driven Leadership Vision

Sara Muender & Leticia DeSuze, Legal Talk Network [see online](#)

Business coaches Sara Muender and Leticia DeSuze offer a thought-provoking exploration of meaningful leadership, where purpose becomes the compass guiding leaders towards a brighter future for themselves and those they serve. This episode inspires on your leadership journey as they uncover the transformative potential of purposeful leadership for law firm owners, driving positive change and fostering a brighter future for themselves and their teams.
Articles (3)

How Etsy Became Profitable — Without Sacrificing Its Purpose
Brian Kenny & Ranjay Gulati, HBR  see online
In this episode, Harvard Business School professor Ranjay Gulati discusses his case, “Etsy: Crafting a Turnaround to Save the Business and Its Soul,” which explores how CEO Josh Silverman made Etsy profitable by rediscovering the company’s commitment to social and environmental sustainability. Gulati discusses the difficult choices Silverman made in the early days of his tenure, like laying off employees for the first time ever at Etsy, and how he worked to regain trust with employees. He also explains why Silverman prioritized improving the user experience for buyers on Etsy’s website.

Best Buy’s Hubert Joly on Redefining Your Company’s Purpose
Alison Beard & Hubert Joly, HBR  see online
When Hubert Joly became CEO of Best Buy in 2012, online retailers like Amazon were exploding in popularity, and Best Buy was facing a sea change. But Joly famously turned around the struggling electronics retailer by changing the organization’s holistic strategy. He prioritized fair pay for workers, opportunities for employees to advance, and working with consumers, the larger community, and even competitors. In this episode, you’ll learn how Joly re-defined Best Buy’s purpose and aligned incentives with that larger strategy.

SheaMoisture’s Playbook for Being a Purpose-Driven Brand
Faye Brookman, CO— see online
SheaMoisture, a purpose-driven brand, champions social impact while aiming for commercial success. Founded by Richelieu Dennis in 1991, its ethos of giving back continues after being acquired by Unilever. Initiatives like the Next Black Millionaires Fund support Black entrepreneurs, providing funding, mentorship, and retail opportunities. SheaMoisture bridges the racial wealth gap and empowers underserved communities.