Unleashing the power of purpose

Five practical steps for putting purpose into practice, achieving higher levels of motivation, commitment, engagement and fulfillment in your company.



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Purpose is a word we're going to hear more and more in the business world. Growing ranks of corporate leaders and experts believe that a strong sense of purpose can help businesses

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meet the big new challenges they face and transform their organizations.

As BlackRock CEO Larry Fink put it in an open letter to CEOs: "Society is demanding that companies, both public and private, serve a social purpose. To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."

That this was said by the head of the world's largest asset manager, in an industry known for its bottom-line singlemindedness, likely explains why it grabbed so many headlines. For many, it was further evidence of a growing trend that some of us have been writing about: the diffusion of socially responsible investing or investment with a purpose.

While this prosocial trend may be a reaction to the financial crisis of 2008, it is by no means limited to the financial sector. Looking around in 2018, we see signs of a new social contract being drawn up between corporations, investors and society, one that is very different from Milton Friedman's provocative assertion 50 years ago that a corporation's only social responsibility was "to make as much money for the stockholders as possible."

We see it in the generational shift in values. Recent surveys of millennials by IESE's Guido Stein suggest that many younger workers are looking for purpose-driven companies — socially responsible workplaces where money isn't everything; they care more about trying to improve the world. And if they don't find that reflected in their current workplace, they'll look for it in another. As Unilever's Maisie-Rose Byrne explained it, "Millennials won't accept slotting into a faceless corporate environment. For them, it's all about passion, purpose and values: these have to line up, both in their roles at work and beyond."

But be warned: a superficial rebranding exercise will not suffice. To capture the real power of purpose, a genuine, rigorous effort must be made to define, or redefine, what it is that makes your organization tick.

As Raj Sisodia, co-author of the book *Conscious Capitalism*, wrote in an article for *IESE Insight*, purpose is so important because it gives energy and relevance to a company and its brand. "It's the glue that holds it together, the amniotic fluid that nourishes the life-force of the organization."

This article aims to help companies find that glue and apply it in the best way possible. It is about creating more motivated, committed, engaged and fulfilled workers — and that ultimately depends on having a higher purpose for your business.

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