

Power of Purpose Symposium.

Does purpose impact stakeholder and shareholder value?



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→ Introduction: CEOs and Thought Leaders Explore the Power of Purpose

Does purpose impact stakeholder and shareholder value?

This was the compelling question explored at the joint symposium between the International Leadership Association and the Møller Institute on 20 and 21 April, 2017. The symposium was convened for corporate leaders and leadership scholars from around the world. In particular, they were charged to discuss the importance of company purpose in the context of the United Nations' Sustainable Development Goals.

The symposium provided an opportunity to explore the power of purpose in a practical sense, and provided a living example of bringing theory and practice together to expand the boundaries of thinking on the subject. It also allowed us to discover new ways leaders might develop their own workplaces and leadership research using the power of purpose.

CEOs and HR Directors from diverse organisations including DLA Piper, Unilever, AstraZeneca, Lidl UK, Marshall Group, Trustonic, Taylor Vinters, Friends of the Earth, Scandinavian Airlines, and the Babraham Institute joined in the discussion and drilled down with case studies from AstraZeneca and DLA Piper on their organisations' work on infusing their company with purpose.

Internationally renowned leadership scholars flew to Cambridge from the U.S., Denmark, New Zealand, Sweden, Mexico, Australia, and Scotland to share their newest research findings on purpose-driven organizations. Møller Leadership Scholar Georgia Sorenson was joined by Gill Robinson Hickman from the Jepson School of Leadership Studies, to explain the construct of their book *The Power of Invisible Leadership* and how people align with organisations that have a compelling and deeply held common purpose that inspires them to deliver their best work. Steve Kempster, coming a shorter distance from the University of Lancaster, and Brad Jackson, traveling from New Zealand's School of Government at the Victoria University of Wellington, explored leadership as purpose and its role in leadership

practice and discussed the implications of singularly focusing upon corporate purpose to the exclusion of societal purpose against the backdrop of the complex, competitive, and unpredictable world we now live in.

The CEOs, HRDs, and leadership scholars worked in facilitated discovery workshops to share valuable experiences and initiatives that they had found create momentum and engagement and to address what purpose meant to them individually and to their organizations. They also explored how purpose can generate value for a range of key stakeholders.

The following paper outlines their collective work. It begins with an Executive Summary of key findings from the symposium followed by an article by Georgia Sorenson on why today's leadership is about purpose-led companies. You then will get a glimpse into the process of the symposium before getting into the rich content and outcomes in the white paper. The document concludes with what more needs to be done.

We look forward to continuing this journey forward with our business and leadership scholar colleagues as we discover the extraordinary impact of purpose-led organizations.

Sincerely,

Gillian Secret, *CEO, Møller Institute*

Cynthia Cherrey, *CEO, International Leadership Association*

→ Key Findings – Key Symposium Themes & Stakeholder Impacts

Purpose as a Nexus of Theory and Practice

The symposium illuminated the critical role of purpose as a unifying factor for successful organizations, as well as individuals and leaders. Purpose offers a unique bridge between theory and practice, as it provides a theoretical model or frame by which business practice might be planned, completed, and assessed. This model also allows individuals to align their own core values to those of their organizations. On the macro level, purpose transforms organizations into leaders who are now able to align practice with conscious intent via determined value sets. As a result, leadership theories might be used to understand, improve, and interpret the conscious practice of organizations that currently have a vast array of theory at their disposal for the improvement of purpose-driven-leadership practice. This new reality bridges the boundary between theory and practice, and could allow purpose to establish itself as a nexus in this important relationship.

Leadership: Purpose Drives Every Leader

- ◆ Understanding purpose could offer a vital method for uncovering the truth about what allows great leaders to emerge.
- ◆ Organizations must define what their intended impact is in the long term.
- ◆ Leadership is about creating a sense of shared purpose and embracing the bigger picture, which a purpose-driven company will do in a driven and focused manner.
- ◆ Shared purpose implies shared leadership.
- ◆ Purpose needs to be sustainable beyond the tenure of a leader, and therefore must be shared across an organization.
- ◆ Purpose often originates in the vision of the founder. In other contexts, it may extend beyond that individual, and it will ultimately need to. It could even change and evolve with the introduction of a new leader.

Growth: Purpose Motivates Personal and Organizational Growth

- ◆ Purpose can offer a catalyst of organizational change to improve society as well as a return on investment for shareholders.
- ◆ Purpose focuses the mind and business practice, particularly in relation to thinking strategically.
- ◆ People often have a core calling, which may define their personal purpose. This will align with organizational choice.
- ◆ Results are particularly powerful when personal purpose is aligned with organizational purpose.

- ◆ In the public sector where resources are scarce, organizational purpose has a particularly motivating role.
- ◆ Purpose drives a sense of joint achievement that unites and motivates.
- ◆ Purpose can be seen as an example of expectancy theory, where people create a vision that they can identify with, and this provides a positive framework to attract people and pull them in.
- ◆ Purpose is a way of working collectively and creating engagement.
- ◆ Individuals can connect with organizational purpose at an intellectual and an emotional level – giving sense to purpose is therefore really important for clear understanding.

Employees: Purpose Can Unite the Workforce and Inspire Employee Engagement

- ◆ Personal and organizational purpose amounts to “why you do what you do, and to what end do you do it?”
- ◆ Purpose offers a new way of connecting many employees at all levels toward a communal goal and project.
- ◆ Purpose can be an emotional trigger that encourages people to bring their whole selves to work.
- ◆ Purpose can be translated across a global organization, even when located in different geographies.
- ◆ An effective purpose can provide the sense that all stakeholders are being served and valued.
- ◆ Purpose can provide a means of convergence between multiple stakeholders, even with differing priorities.

Investors and Shareholders: Purpose Increases Profit

- ◆ Driving a brand from a stance of strong purpose and values can also drive profit.
- ◆ The management of shareholder expectations is fundamental to the scale and effectiveness of purpose, and is particularly relevant to short, medium and long term planning, profit, and investment.
- ◆ Can purpose still stand when it comes up against commercial objectives?
- ◆ Getting purpose right can help improve companies’ chances of financial success, especially via employee engagement.

Community and Environment: Purpose Brings Societal Value and Impact

- ◆ Defining purpose is about defining one’s role in society.
- ◆ Purpose is bigger than any one individual and can be seen as creating a shared value in and for a community.
- ◆ A common purpose is often relied upon to try make the world a better place, and to preserve and benefit all aspects of it.
- ◆ Purpose can align a company around the Sustainable Development Goals.
- ◆ Organization purpose is values driven.
- ◆ A responsible purpose driven approach can increase profits via environmentally conscious innovation.



→ Leadership: Person or Purpose?

By Georgia Sorenson

Georgia Sorenson is a Møller By Fellow and Leadership Scholar at Churchill College, University of Cambridge, UK. She founded the James MacGregor Burns Academy of Leadership at the University of Maryland, US, where she was a Distinguished Research Professor. She is cofounder of the International Leadership Association and has also served as senior policy analyst in the Carter White House, and Inaugural Chair and Professor of Transformational Leadership of the US Army War College.

Forget about romanticized and heroic leaders. Today's leadership is all about purpose-led companies that are organized or branded around an idea.

Both the quest for the perfect leader – be it “the romance of the leader” followed shortly in the literature by “the romance of the follower” – have become nearly obsolete in today's business climate.

It is really not about leaders or followers anymore. It's bigger than that. In many ways, we have been looking for leadership in all the wrong places. Leadership involves people, yes, but ultimately transforming leadership is not about people – whether leaders or followers – but about values and ideas.

My co-author and friend James MacGregor Burns, architect of the concept of transformational leadership, pointed the way to purpose-led leadership by introducing “values-added” to a marketplace focused on “value-added.”

Burns was a “values” man to the core and opened his classic book *Leadership* with this bold assertion: “...leadership occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality. Their purposes, which might have started out as separate but related, as in the case of transactional leadership, become fused. Power bases are linked not as counterweights but as mutual support for common purpose.” Leadership is meaningless, Burns said, without its connection to common purposes and collective needs.

Flash forward 40 years. The concept of purpose-led companies – companies organized or branded around an idea – has been at the forefront of debate about the new work force, the new consumer and, increasingly, the new investor.

Millennials in particular, as consumers, employees and citizens, are at the forefront of this focus. Mark Zuckerberg, CEO of Facebook and Time magazine's “most influential millennial” closed his recent Harvard commencement address saying: “To keep our society moving forward, we have a generational challenge – to not only create new jobs but also create a renewed sense of purpose.”

And he challenged the graduates: “Let's do big things, not only to create progress but to create purpose. So, taking on big meaningful projects is the first thing we can do to create a world where everyone has a sense of purpose.”

Zuckerberg joins other global innovators such as Bob Forrester, CEO of Newman's Own, which donates \$500 million a year to charities, and Jostein Solheim, CEO of Ben and Jerry's, on the purpose platform. These and other companies – Warby Parker's commitment to donate glasses to the poor and Unilever's “Making Sustainable Living Commonplace,” for example – are purpose-led from the outset.

Companies are increasingly migrating to purpose-led leadership, including long-standing entities such as Campbell's Soup, where CEO Denise Morrison is now leading the industry in ingredients transparency and promoting healthy communities.

The business revolution is shaking things up and business schools are scrambling to create curricula that reflect that change.

In an article this year by Mie Augier and Arjay Miller in AACSB International's *BizEd* magazine, the authors trace the trajectory and history of American business school curricula and make a compelling case that business schools need to do more than add stand-alone ethics, values and social responsibility courses to their curricula.

Arguing that the corporation of the future is interested in both profit and purpose, they state: “We know that it is easier to teach students how to make money than how to solve social problems. After all, problems such as climate change, education and healthcare are too complex for an algorithm to handle. But if schools can add dimensions of social consciousness to their existing core curricula, they can help students think through how they and their organizations can help address large social issues on a regional, national or global scale.”

Ulrich Hommel and Michel Osbaldeston's discussion in a recent issue of *Global Focus* magazine goes even further by suggesting that the accreditation process will help to keep business schools relevant and current.



The Møller Institute at Churchill College, University of Cambridge, in the UK and the International Leadership Association (ILA) share a common passion: to facilitate learning and practice that is designed to support practical leadership.

Cynthia Cherrey, President of ILA, summarizes her commitment to scholar-CEO dialogue: “There is a greater calling for businesses to be dedicated to a compelling and deeply held purpose for the greater good of individuals, communities and societies. Corporate learning and organizational purpose is at the nexus of theory and practice. Innovative thinking and new ways of working and leading occur by bringing together the best thought leaders – the CEOs and the leadership scholars – to generate a rich series of conversations, forward-thinking practices and concepts to inform the important work on purpose-led business organizations.”

To that end, Møller and ILA are sponsoring a series of Practical Leadership Symposiums on the Power of Purpose. The next symposium will be 13-14 December 2018 at the Møller Institute.

The first symposium this year brought together 70 business leaders and researchers and produced a white paper structured around two questions: “What does purpose mean to you in your organization/experience?” and “How does purpose generate value for all stakeholders?”

The symposium utilized our book (*The Power of Invisible Leadership: How a Compelling Common Purpose Inspires Exceptional Leadership*, Hickman, G R and Sorenson, G L. Thousand Oaks: Sage Publications 2013) and our earlier research.

My co-author, Gill Hickman, and I found that once a business or group is aligned under a common purpose, it can function as a unified whole. Our research, utilizing 21 companies selected from World Blue Award-winning companies, found that purpose-led companies attracted individuals inspired by its purpose, who stayed longer and were happier. And their companies were more successful and profitable than more traditional workplaces.

These findings were later replicated in a survey, titled *The Business Case for Purpose*, in which a team from Harvard Business Review Analytics and professional services firm EY’s Beacon institute concluded “...those companies able to harness the power of purpose to drive performance and profitability enjoy a distinct competitive advantage.”

The symposium used researcher Steve Kempster’s framework for stakeholders shaping the success of every purpose-led organization, including:

- ◆ Shareholders and investors
- ◆ Employees and unions
- ◆ Partners/suppliers/resources
- ◆ Customers
- ◆ Community
- ◆ The Environment (or what Kempster calls, “One Planet”)

In the words of social entrepreneur and symposium participant Béla Hatvany, in an aligned purpose-led organization each stakeholder must feel well served and well rewarded. Through a process he calls “inquiry,” Hatvany was an early pioneer in assuring that the sectors in his purpose-led companies were, as he says, “well nourished.”

In short, the recent symposium was a rich environment to explore the intersection between the research and practice of purpose-led businesses.

Gillian Secrett, CEO of the Møller Institute, concluded: “The symposium illuminated the critical role of purpose as a unifying factor for successful organizations, as well as individuals and leaders. Purpose offers a unique bridge between theory and practice as it provides a theoretical model or frame by which business practice might be planned, completed and assessed. This model also allows individuals to align their own core values to those of their organizations.

“On the macro level, purpose transforms organizations into leaders that are now able to align practice with conscious intent via determined value sets. As a result, leadership theories might be used to understand, improve and interpret the conscious practice of organizations that currently have a vast array of theory at their disposal for the improvement of purpose-driven leadership practice. This new reality bridges the boundary between theory and practice, and could allow purpose to establish itself as a nexus in this important relationship.”

Cambridge researcher Ali Jones, in a white paper at the first purpose symposium, ended her work by citing the college’s namesake: “As Winston Churchill once expressed it: ‘it is wonderful what great strides can be made when there is a resolute purpose behind them.’”

Whether in wartime or in business, we agree.

This article was originally published in EFMD’s Global Focus magazine and is reprinted with their permission.



→ The Process – Bringing Practitioners and Scholars Together

The process of bringing together international scholars and CEOs from major corporations, accompanied by their Human Resource Directors, sits naturally in this context and provides both the culture and environment for creative and productive debate. Scholars and practitioners convened for dinner to start the conversation in an informal way and were welcomed by the Master of Churchill College, Professor Dame Athene Donald. The following day the symposium was launched by ILA President and CEO, Cynthia Cherrey, and Møller CEO, Gillian Secrett, and was facilitated by Ruth Berry from the Møller team.

The ambition for the symposium was to learn from each other by considering relevant academic research as well as on the ground corporate practice. Short “words of wisdom” or WOW talks were presented and used to stimulate discussions on the important question of purpose. Delegates worked in ten-table groups of scholars and practitioners, each with a Møller facilitator and scribe. The agenda was structured around two meta questions, the first of which was posed in the morning: “What does purpose mean to you in your organization/ experience?” This discussion was coloured by two WOW talks.

The first WOW talk was given by Dr. Mene Pangalos, EVP of Innovative Medicines and Early Development at AstraZeneca. Pangalos focused on scientific partnership and the evolution of AstraZeneca’s culture after the company defined its purpose. This unifying goal was formulated as: “We push the boundaries of science to deliver life-changing medicines.” Pangalos reported CEO Pascal Soriot’s words that, “together, we can be confident that, by leading in science, we will transform the lives of patients around the world.” This case study provided a very powerful example demonstrating how engagement and success can be driven by purpose, as underpinned by a strong set of values that everyone can engage around.

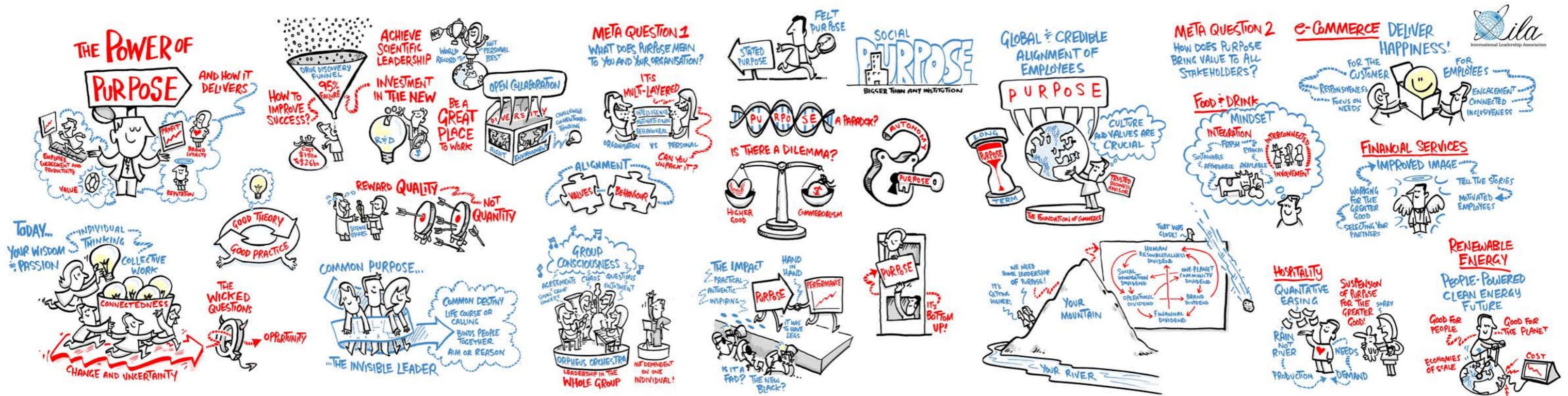
The second WOW talk was from ILA Lifetime Achievement Award Winners Professor [Georgia Sorenson](#) (also a Møller Leadership Scholar) and Professor [Gill Robinson Hickman](#). As presented in their book *The Power of Invisible Leadership* (2014), they shared the findings from their research question, “Can a common purpose actually inspire leadership?” Sorenson and Hickman tested this thesis in studies of 21 award-winning companies and discovered that, “the common purpose, rather than any particular individual, is the invisible leader that inspires leaders and followers to take action on its behalf.” Using a Factor Analysis they identified four significant factors underlying invisible leadership: Collective Capacity; Internalized Purpose; Role Flexibility; and Purpose Inspired Dedication and Accountability. Their advice to the organizational leaders present was to “cultivate purpose as a lived experience.”

The discussion that followed explored the current theory and practice experience of each group, and the key findings were fed back into the group.

The second meta question was posed in the afternoon: “How does purpose generate value for all stakeholders: customers; shareholders and investors; employees and unions; partners/ suppliers/resources; society and environment (one planet)?” Delegates re-grouped with each table representing one stakeholder group for discussion purposes. Each delegate assumed the role of one stakeholder group and conversations were stimulated by the introduction of WOW talk three: “How does purpose create value and engagement for employees?” This was presented by Simon Levine, Managing Partner and Global co-CEO of DLA Piper LLP, who focused on live case studies within his own organization.

WOW talk four was given by scholars Professor Steve Kempster and Professor Brad Jackson who built on Keith Grint’s framework of leadership as Person, Performance (Results), Position and Process (2005) through the addition of Place and Purpose. In the context of the U.N. Sustainable Development Goals, Kempster discussed the importance of “responsible leadership” for purpose oriented organizations. He posits that this can be facilitated via maximizing fiduciary duty through a system of six “good dividends” (Kempster 2016). Delegates then moved into groups comprising all stakeholders to consider the system as a whole, focusing on a particular corporate sector case to test if purpose really can drive value for all stakeholders.

→ Visual summary of key thoughts and ideas



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→ White Paper

Introduction

The Møller Institute at Churchill College and the ILA held a joint Practical Leadership Symposium, which brought together business leaders, academic researchers, and subject experts for a full day discussion of the Power of Purpose.

The concept of purpose-led companies has been at the forefront of debate about the new work force, the new consumer, and increasingly, the new investor (Sachs 2016). Mark Zuckerberg, CEO of Facebook, closed his 2017 commencement speech at Harvard University with the need to infuse purpose into our work and personal lives, declaring: 'Let's do big things, not only to create progress, but to create purpose' and also argued that 'taking on big meaningful projects is the first thing we can do to create a world where everyone has a sense of purpose.'

The symposium, held at the Møller Institute, Churchill College in the University of Cambridge, was structured around two meta questions, each of which was addressed by two presentations. The first set the tone for the day by relying on the practical knowledge present in the room by asking: 'What does purpose mean to you in your organisation/ experience?' The second then built on this accumulated expertise by applying this knowledge to new practice, investigating: 'How does purpose generate value for all stakeholders: customers; shareholders and investors; employees and unions; partners/ suppliers/resources; society and the environment?'

The participants were grouped in tables and were tasked with exploring these meta issues, both by relying on their own companies' experiences, as well as by proposing new ideas using the proposed framework of purpose. The symposium organisers established this model based on the leadership theory of James MacGregor Burns and presenters Gill Hickman, Brad Jackson, Steve Kempster, and Georgia Sorenson.

Building on this academic expertise and applying it to the practice knowledge-set in the room, the symposium brought together leadership theory and purpose-led practice to offer new insights on purpose-led alignment in organisations. Such newly aligned groups also embody the personality and identity of their purpose, almost as an individual leader might, allowing these groups to benefit from the application of transformational leadership practice.

Context

Purpose in business leadership is a largely understudied field. Early work by Hickman and Sorenson, (2001, 2004, 2013) found that once a business or group are aligned under a common purpose, they can function as a unified whole. Their research utilized 21 companies selected from WorldBlu award winning democratic companies, and they found that purpose-led companies attracted purpose-aligned individuals, who stayed longer, were happier. These companies were also more successful and profitable than more traditional workplaces (2013).

Steve Kempster's (2011) work is another of the few studies to recognize purpose as an important area in the study of management, in addition to a new application for traditional focuses on leadership. Another leadership scholar Keith Grint (2005) developed a useful heuristic identifying leadership as fourfold: Person, Process, Position, and Results. However, Kempster suggests adding Purpose as a fifth category, and offers a repurposed six-fold schema of: Position, Person, Performance, Process, Place and Purpose (2017). His work further places the importance of leadership and purpose in the context of the 2008 credit crunch, and argues against Friedman's (1967) vision that:

Business has only one social responsibility 'to use its resources to increase its profits so long as it stays within the rules of the game, which is to say that it engages in open and free competition without deception and fraud. In a sense, an amoral perspective in which there is no place for moral considerations in the corporate context. From this perspective all corporations relentlessly pursue maximum profits. A director cannot and may not allow himself moral standards.¹

In contrast, in light of the new business landscape after the 2008 recession, Kempster argues that the values of leadership are now more relevant than ever. In fact, the symposium found that the recession has refocused public and consumer opinion on the values of business, and that the accompanying public purpose plays an increasingly important role in consumer support. Even Forbes has noted this transition, and has argued that companies with clear moral codes will come to dominate the market share (Sachs 2016). Corporate purpose and personality are now intrinsic factors in economic decision making, and these driving value sets must be carefully crafted and established for businesses to continue prospering under these new conditions.

This recent societal change is in fact not a surprise, but rather only represents the latest in a historical generational value shift. Sociologist Ronald Inglehart (1977) famously argues that post-war generations have adopted a 'post-materialist' value set. He explains that

¹ Kaptein and Wempe, 2002: 116, in Steve Kempster, Brad Jackson, and Mervyn Conroy, 'Leadership as purpose: Exploring the role of purpose in leadership practice', *Leadership*, 7(3) pp. 317–334, 2011.



the priority earlier placed on 'material' goods and economic stability, as demonstrated by many wartime adults, has ultimately fostered a new generation raised in relative economic security, free from the deprivations of wartime generations. Thus, they no longer share their parents' need to prioritize economic security to the exclusion of a deeper consideration of the environment, working conditions, and personal fulfilment. This new generation therefore values these 'post-material' or moral and ethical goods more than financial gains or physical possessions. This generational clash can be further witnessed in what are today known as 'millennials' – a term that fails to consider the gradual shift in societal values towards post-materialism since at least 1968. These new value sets parallel economic changes from industrial production to knowledge-based, marketing, or other 'soft' industries, especially after the deregulation and relocation of mining and other hard industries under the Thatcher regime. As businesses transform away from producing 'hard' material goods and towards 'soft' identity grounded concepts and services, such as advertising, consulting, marketing, etc., many consumers now are primarily interested in the identity and purpose of a company. This identity includes what a business stands for, who they are, how they are a positive and responsible member of society, where their goods come from, and other sustainability factors.

Symposium participants suggested that this value-set can also be thought about as a business' *personality*, which is demonstrated through its *purpose*. New consumers care about the experience of doing business with someone almost as much as they do about the final product received. They will choose to interact with the business with the most compatible personality, for the best consumer experience. This can include things like customer service, but also returns policies, front line staff's attitudes, a small environmental footprint, as well as the clearly communicated values of an organization.

The example of the Body Shop was provided by one symposium participant as a company with a clear purpose. Another suggestion was a spa-hotel, whose staff paid extra care to make guests feel pampered and welcome. These extra touches demonstrate both the personality of the organizations, as well as the purpose – be it animal-testing-free products or the experience of ultimate relaxation. A fast food restaurant with unpleasant staff would provide an opposing example, and it would be difficult to imagine going to such a place to be pampered or to relax. The decision to do business with a set of clients can also demonstrate an organisation's personality, as demonstrated by the hypothetical case study raised at the symposium where a wealthy client is not taken on by a law firm because of questionable ethical behaviours, support for illegal arms trading, or a record of environmental pollution. This idea is supported by other researchers, such as Simon Sinek (2009) who found that 'People do business with those who believe what they believe. People don't buy what you do; they buy why you do it.' So compatible personalities, and therefore purposes, are economically critical.

At the symposium lawyer Simon Levine posed this same idea, suggesting that lawyers had become the last place most people would go for a friendly personality and trusted confidant. He argued that the legal industry needed to regain the trust of the public, and to return 'the lawyer' to a historical position of being a member of a community. He suggested that this might be possible once the law firm's purpose was more clearly apparent, which would allow it to operate on a more individual level with clients. This paper will build upon this argument: that businesses *as* leaders are seeking positions of trust and belonging in society. Such a goal could be achieved via a clear purpose and alignment of the organisation, which will allow the personality to be demonstrated clearly in each interaction. This would help re-categorize a law firm away from its steely current reputation, and make it a more approachable and understandable partner in a new, more personal interaction. Once its identity and purpose are well defined, the firm might find that it begins to attract likeminded clients, and returns to a more neighbourly, community oriented position.

Traditionally, this company personality or brand is most evident in the personality of the founder or leader of a business. In fact, until recently most leadership theory and practice has focused primarily upon the individual who makes decisions about driving change and crafting new focus. In some cases, it is still a strategic leader who drives change. During the symposium, Dr Menelas N. Pangalos of AstraZeneca demonstrated how CEO Pascal Soriot's new focus on 'leading the world in science' transformed the formerly lagging company into a leader in research and development. One significant aspect of this change was not only in determining what the company was, but also what it was not. For example, the company refocused upon becoming global leaders in research on oncology, cardiovascular and metabolic, and respiratory. By narrowing their areas of expertise, AstraZeneca may have reduced their focus on certain medical issues, such as obesity, for example, but in doing so they also created a clearly identified set of priorities. This clearly defined personality and set of values allowed them to define themselves as an organisation, and align staff around scientific research in those key areas.²

In terms of leadership, CEO Soriot was the driving force behind this rapid turnaround. However, his own ability to identify and manifest purpose was communicated clearly through the company. This allowed his organisation to unite with a coherent strategy behind an identity and set of values. Employees were therefore able to align to this new purpose. Shareholders and customers were also immediately aware of who this group was, what they stood for, and what values they held, and could choose to do business with them, allowing profits to soar.

² For a broader discussion, see David Cook, Dearg Brown, Robert Alexander, Ruth March, Paul Morgan, Gemma Satterthwaite & Menelas N. Pangalos, *Nature Reviews Drug Discovery*, 13, pp. 419–431 (2014), doi:10.1038/nrd4309, Published online 16 May 2014



This paper maintains that this alignment represents not only a success for the leader and his or her vision, but *also* allows employees to integrate that purpose into their own actions. This new aligned personality effectively makes each member of the group a leader, as they operate in a cohesive united fashion. It therefore means, in this example, that leadership theory can be applied not only to CEO Soriot's actions, but to the actions of the aligned organisation as well.

In a new global situation of corporate personhood, leadership theory and purpose become more relevant than ever before in ensuring that organisations adhere to an ethically defensible model. If such organisations seek to be accepted members of a community, it is imperative that they identify their purposes, so that the 'lawyer' whom Levine envisages as a trusted legal advisor can once again become a trusted member of society. Leadership theory and purpose therefore offer an imperative opportunity for businesses to identify their personalities and values, in order to conduct commerce in their communities as a trusted partner.

Transformational Leadership Theory

Leadership has traditionally been the study of leaders (Rost 1991, Sorenson 2007). It has looked at their attributes, behaviours, motivations, and aspirations; celebrated their abilities and analysed their failings. However, it was only during the last fifty years that leadership became seen as an interaction or process between leaders and followers, with notable work by psychologist Ed Hollander (1978), Kelley (1988) and Chaleff (1995). The symposium therefore goes beyond traditional conception of top-led leadership in order to demonstrate how the power of purpose can allow it to percolate throughout an organisation.

James MacGregor Burns (1978) pointed the way to our new conception of purpose-led leadership, by introducing 'values-added' to a marketplace focused on 'value-added'. In his seminal work *Leadership* (1978) he described two leader-follower dynamics, which he called transformational and transactional. He defined *transactional* as: 'one person takes the initiative in making contact with others for the purpose of an exchange of valued things.' In other words, he saw it as the day-to-day bargaining and dealing between people. For example, legislators might say: 'If I agree to your legislation supporting lead-paint removal, will you support my bill on veterans' educational benefits?' In such an exchange, one party offers the other his or her assurance to uphold the agreement, with the effect that trust is earned over time.

Transactional leadership is codified in business through contracts and other legal mechanisms, with interpersonal trust left to the lawyers. We all engage in transactional leadership many times a day, even at home. For example, a parent might say: 'Clean up your room, and you can go to the movies,' or 'If you finish reading Chapter 5, I will take you to dinner.'

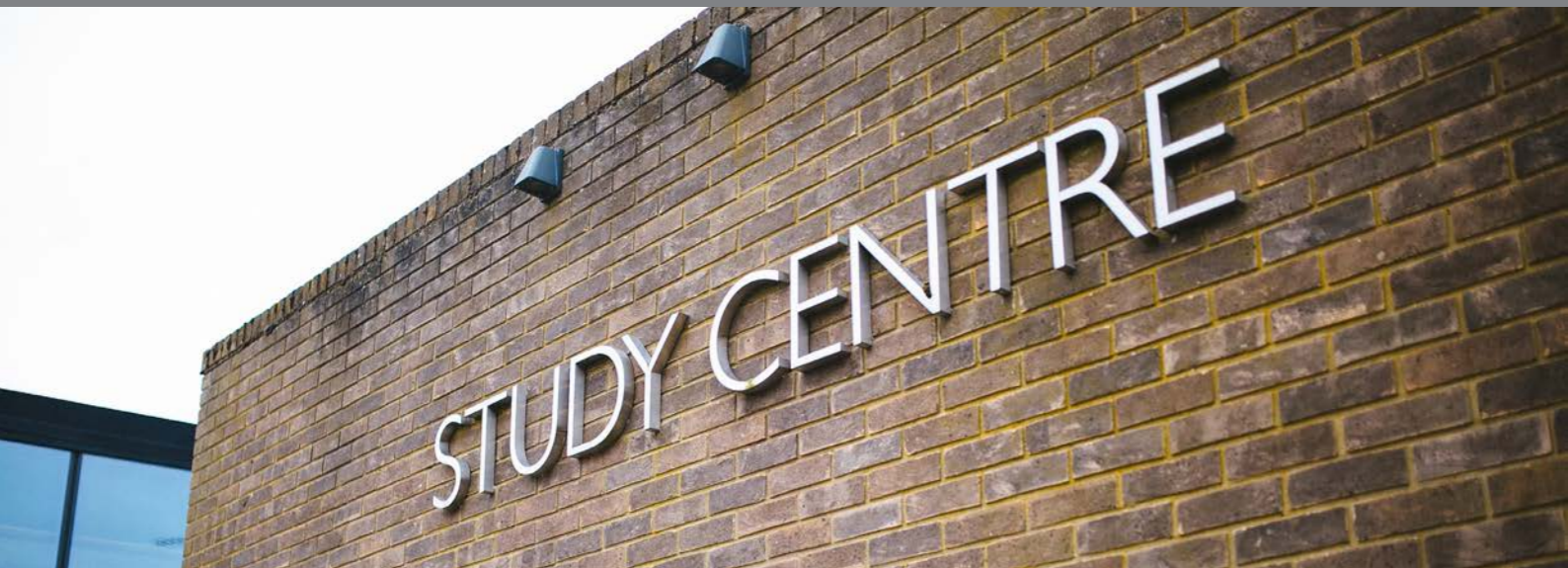
Burns envisioned *transformational* leadership as a higher order of leadership involving a relational approach between the moral and ethical aspirations of leaders and followers. This kind of leadership 'raised the level of human conduct and ethical aspiration of both the leader and led, and thus it has a transforming effect on both' (Burns 1978) He opened his book with this bold assertion:

Such leadership occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality. Their purposes, which might have started out as separate but related, as in the case of transactional leadership, become fused. Power bases are linked not as counterweights but as mutual support for common purpose...The relationship can be moralistic, of course. But transforming leadership ultimately becomes moral in that it raises the level of human conduct and ethical aspiration of both leader and led, and thus it has transforming effect on both (p. 20).

Leadership is meaningless, Burns maintains, without its connection to common purposes and collective needs.³

Burns was also interested in the dyadic nature of leaders and followers, which the symposium addressed in terms of sectors, identified by presenter Kempster and participant Hatvany. What is important to note is that what Burns called 'followers' the symposium addressed as participants, arguing alongside Hickman and Sorenson that leadership is not only a top-down process, but rather can emanate from every level of an organization. Building on Burns' 1978 book *Leadership*, both 'Invisible Leadership' presented by Hickman and Sorenson (2017) and 'The Good Dividends' by Jackson and Kempster (2017) bring leadership from the top of an organization and allow it to infiltrate down into every stakeholder group. Critical to note, of course, is that purpose is the factor by which each stakeholder can be aligned to this invisible or pervasive leadership. This paper will examine these sectors, or stakeholders, in the following section.

³ For a summary of the text, please see Scott London, (2008) 'Leadership by James MacGregor Burns, available online at <http://www.scottlondon.com/reviews/burns.html>



Stakeholders

By identifying six stakeholder groups with an organisation, the symposium sought to further ground and establish this new model of purpose-led practice, and demonstrate how it might bring leadership theory and business practice together in the identity of a newly aligned organisation. The symposium presented two parallel models of stakeholders, which worked synergistically to structure the day's discussions. They will be summarised below.

1. Kempster's 'The Good Dividends'

Steve Kempster presented his work on the 'Good Dividends' (2017), which are the benefits accrued by parts of an organisation via purpose led leadership. These dividends include increased:

- 1) Returns to owners/shareholders
- 2) Returns from responsible utilization of resources
- 3) Returns from/for employees
- 4) Returns from/for innovation
- 5) Returns for community and for 'one planet'
- 6) Returns from brand values

Each of the dividends is connected, and promotes reciprocal increases in other areas. For example, Kempster argues that 'responsible leadership will yield greater returns from employees, including increased commitment, curiosity, engagement and responsibility. – hallmarks of "good work". These employees will then be more innovative, and use resources more responsibly, thus benefiting profits, innovation, and the planet. Kempster's forthcoming work extrapolates these complex and interconnected synergies, and outlines the importance of responsible corporate leadership in order to attain these multi-layered benefits.

2. Six Stakeholders

Working in parallel, the symposium crafted a similar and slightly varied approach, building on the thinking of participant and social entrepreneur Béla Hatvany. It proposed a model of six stakeholders actively shaping the success of every organisation, including:

- 1) Shareholders and investors
- 2) Employees and Unions
- 3) Partners/Suppliers/Resources
- 4) Customers
- 5) Community
- 6) The Environment or One Planet

The second half of the symposium was dedicated to approaching the situations from one of these perspectives, and participants were then asked to take one position in order to apply purpose to a specific scenario. This will be further explained in the case study below.

To better understand the holistic nature of this approach, the values and challenges of each category will be briefly summarized here:

1. Shareholders and investors

Shareholders and investors are of course interested in financial return, and one prevailing criticism of purpose-led business is that it does not appeal directly to short term economic gain. However, Hickman and Sorenson (2014, 2017) and Kempster (2016) have all found that purpose-led corporations in fact do have a competitive advantage. In study of 274 CEOs, 63% believed that purpose contributed to positive revenue growth, as opposed to 4% who thought it detracted (Sviokla and Kelly 2017). Indeed, innovation and purpose driven businesses go hand in hand, since both are focused on change and market value. According to an article in The Economist (2014) 'people do not just buy something because it provides the most efficient solution to a problem. They buy it because it provides aesthetic satisfaction...' Happiness results from doing something that makes us feel a sense of purpose.

Furthermore, businesses with clearly defined values and identities attract a certain type of talent, (Hickman and Sorenson, 2014) which produce greater resilience, lower turnover, and higher commitment to the group. Fund managers would also be attracted to companies with purpose, as it entails the stable retention of top talent, even during difficult periods.

Corporate Social Responsibility is now part of the index by which corporations are assessed, and as businesses adapt to a new market climate, it remains to be seen whether actual adherence to a tightly defined purpose comes into play in future audits, especially regarding the actual physical delivery on promised values. It is important to note that the United Nations Sustainability Goals are now included in audit processes and Secrett (2017) has argued that the achievement and implementation of purpose should also become part of future financial audits.



2. Employees and Unions

There is a clear connection between this category and purpose, especially in terms of the emotional and inspirational connection an employee has to a clearly defined purpose. The intrinsic motivation of working towards a goal or cherished cause appeals directly to human psychology, and employee personal fulfilment is one of the most important outcomes of purpose aligned organisations. Hickman and Sorenson's (2014) research measured the degree to which company purpose is aligned with an employee's personal commitments. In their study of 21 companies on World Blu's list of most democratic workplaces, 87% of employees responding to a survey on purpose indicated that they accepted the company's purpose as their own. The same percentage indicated that this purpose inspired them to do their best work (2017). Symposium participants brought this up when they referred to the story of NASA's janitor, who, when asked by President Kennedy what he did for a living, replied 'I helped put a man on the moon'. Such alignment needs to be experienced in daily working life, in order to benefit employees' morale, as well as to enthuse them to work for the benefit of the group.

Important criticisms to be considered in terms of this stakeholder group include the distinction between personal and professional motivation, and whether employees might not associate with their work as much as they do with, for example, family or hobbies. A second potential critique could inquire how employees relate to an unappealing purpose, such as sewage removal or a prison, or to support a corporation that does harm to society. It could be proposed that such organisations will have to involve employees in the creation of purpose statements, in order to create the sense of personal belonging and identity that might otherwise be easier to achieve in other sectors. More work is required to understand how even distasteful positions are aligned to a motivational ideal that employees feel personally connected to.

3. Partners/Suppliers/Resources

The relationship between a supplier and a corporation is often built on trust, as in between individuals. In the past this might be seen as contractual or transactional, according to Burns (1978). Most business dealings and legislative processes, he would argue, are transactional in nature. 'I will do this, if you do that.' However, having a clear purpose allows a business to engage in this trust building conversation with an easily identifiable personality or identity. This should accelerate the evaluation of trust, and quickly determine whether a deal is even possible. For example, a company with a purpose explicitly dedicated to saving the rain forest would not engage in a trade deal involving unsustainably sourced palm oil. Sustainability and the environment will in fact likely remain important elements of this conversation, especially since finite resources and the repercussions of their extraction are always a consideration in economic transactions.

However, important criticisms could include a potential short-term value loss. Measuring supplies and materials against their adherence to a gradient rather than its purely economic cost might result in less short-term profit, before the long-term benefits of purpose begin to manifest. As one symposium participant explained: 'how can you maintain the humanity in the relationship' rather than falling back upon 'financial deliverables or the speed of deliverables?' Like personal relationships, the personality of a purpose driven organisation plays a far greater role in purposed-based transactions. The values inherently assumed in this higher standard might affect profits until better aligned suppliers and resources are found. Thus, longevity and loyalty could be replaced by alignment and sustainability practices, for example.

4. Community

Businesses have an increasingly important function in communities. As austerity reduces traditional social services, many responsible corporations have assumed the roles previously held by governments. It is important that businesses be a part of and engage with the community, rather than decide for them which services to provide. A reciprocal conversation is required, where community voices are heard and taken into consideration. These approaches must be individually and locally focused, rather than using a broad brushstroke that might not be appropriate for all contexts. Symposium participants indicated the importance of these acts of corporate responsibility, while also acknowledging that industries were really only able to effectively contribute in their own areas of expertise. For example, some banks might send volunteers to schools to teach children about effective saving strategies. The time invested pro bono by the bank employees would benefit the community by transferring financial expertise.

However, some corporate community engagement can counterproductively increase cynicism if they are perceived to be inauthentic, or only used strategically as public relations stunts. For example, a soft drink company that simultaneously advertises sugary drinks in schools whilst offering weight loss programs for those same customers, or an oil company that donates a small fraction of proceeds to a charity dedicated to cleaning up oil spills. Such companies can appear to be using corporate social responsibility as a marketing strategy, rather than from an authentic desire to be a part of a community. This contradictory and strategic misuse of purpose can pose a significant problem, which only further underlines the importance of a genuine concern and involvement in the wider community.

Another major obstacle that the symposium identified was that some corporations will never be community minded. Participants suggested alcohol producers, gambling centres or cigarette companies are three industries that cannot be described as oriented to community benefit, regardless of their outreach or community service campaigns. The



situation can be further complicated when these same industries invest profit in programs that communities need and benefit from, such as cigarette companies that sponsor symphony orchestras, theatres, schools, parks, cancer research, etc, or casinos used to fund school programs. These nonetheless valuable projects might be genuinely intended to help the community, or, more cynically, might be relatively inexpensive ways for a large company to improve their community public relations image. Regardless, they pose a challenge to purpose in terms of community benefit, and further research is required to untangle this complex situation.

5. 'One Planet'

As a globally connected ecosystem, the environment and the planet are perhaps the most obvious stakeholders to benefit from purpose. Sustainable business development has been listed by the United Nations as a sustainability key initiative,⁴ and responsibility to the environment as a critical stakeholder has begun to permeate the awareness of all organisations. Environmental protection and sustainability are therefore obvious applications of purpose, and are foremost in the values of purpose-led organisations. However, the symposium extended the concept of environment to what Kempster (2017) calls 'one planet'. This includes not only the physical environment, but also the social community around the planet. Organisations must therefore find ways to improve society and offer new opportunities, while also protecting the planet and making cleaner business choices. By creating a values-led system, businesses can not only benefit environmental sustainability, but also improve social mobility, and establish a healthy economy that can continue to flourish in a holistic manner. This 'holistic' approach is in fact critical, as its premise is that a healthy system will benefit all parties, and must be structured carefully to survive over the long term, with room for future adaptations and growth. In this way, the values of sustainability also apply to corporations, and considerable innovation in investment opportunities can be found by applying the 'one planet' lens to an organisation.

One challenge faced by this environmental and social community, or 'One Planet' stakeholder, is short term profit versus long term sustainability. Holistic long term profits may be slower to show returns, and some investors may prefer a short term economic benefit, despite the environmental detriments and loss of long-term profit possibilities. A clear purpose can help alleviate this problem, as awareness of an organisation's purpose should only attract those investors who wish to align themselves to it, and are willing to assume the longer term investment and risk.

⁴ For more information, see the UN Sustainable Development Goals see website at <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Another challenge of short term profit vs long term benefit arises on the consumer side, as some customers might prefer cheaper goods that are not sustainably produced. This might be alleviated when consumers become aware of the values chosen in making those products, as this would help consumers decide which values align with their own, and therefore which to support. For example, goods at The Body Shop might be slightly more expensive, but consumers know that their money will never be used for animal testing. Clearly communicated purpose, done correctly, should allow consumers to financially support products produced by companies matching their values, to a certain price point. More research is required to determine what this limit is, and how it might be used to benefit the planet as well as fulfilling a company's fiduciary duty.

However, it is possible that some consumers will always prefer a lower price point over value-aligned purpose. A 'one planet' possible solution to this situation, raised by symposium participants, was that suppliers can be selected more specifically and intentionally than consumers. A corporation can choose to do business with only the certain suppliers who meet their values, thus ensuring that sustainability and 'one planet' oriented goals are met before the goods are even offered to consumers. One example includes fairly traded chocolate or coffee beans, which many stores and markets now exclusively sell. When purchased in such large quantities, such as the global reach of Starbucks, for example, the fairly traded goods can become affordable enough for price conscious consumers, and in the absence of an unethical competing product, consumers will be encouraged to buy sustainable, responsible goods at a price they can afford.

6. Customers

In any business, the customer will be one of the most important stakeholders of success, and serves as a visible measure of successful purpose. In a post-materialist age when a new generation of consumers increasingly care as much about an item's 'footprint' as about its cost, an organisation's identity will play a significant role in attracting these customers. One study found that business authenticity to purpose 'inspires loyalty that no lip service will create' (Hakimi 2015). Just as economic 'friendships' only form between corporate 'personalities' and compatible stakeholders, customers will be attracted to the business whose identity matches their own values. They will seek to interact with the personality they find most compatible, which is why it is so important that an entire business remain aligned around a crafted purposed identity.

This personality also brings challenges, and symposium participants explained that if a CEO espouses a set of values, but the actual employee behind the counter does not embody them, disconnect can emerge that customers will immediately perceive. Consumers also



have a strong sense of emotional intelligence, and will be able to ascertain the difference between a genuinely purpose-led team and an artificial front or unaligned workforce. Therefore, considering the needs of employees and involving them in purpose is of the utmost importance, as they will be the front-line representation of those values to consumers.

This Study

This study relies on the unique data set created after a full day of thought experiments, discussions, and consequent sample business models proposed by seventy academics, business leaders, and practitioners in the field. The symposium built on the idea that a dedicated leader will likely be the first to introduce the idea of purpose to an organisation. This leader will also encourage purpose to develop throughout the organisation, fostering alignment and invisible leadership from below. While purpose will ultimately resound throughout every layer of an aligned organisation, its initiation will likely come from the top. Therefore, the reflections, work and insights of the business leaders and executives attending the symposium can be used as a practical new set of data about this initiation process, upon which this study will build.

The day's event was structured around five major industries, and business executives rotated through various roles to address the challenge of creating purpose from a variety of perspectives. The five industries addressed included: 1) Renewable Energy, 2) E-commerce, 3) Hospitality, 4) Food and Drink Manufacturing, 5) Financial Services. Executives were asked to first offer their experience on purpose in leadership, before applying this knowledge to a study of how purpose might generate value for the stakeholders described in depth above:

- 1) **Shareholders and investors**
- 2) **Employees and Unions**
- 3) **Partners/Suppliers/Resources**
- 4) **Customers**
- 5) **Community**
- 6) **The Environment or One Planet**

It is important that value is created for all stakeholders, and that purpose does not necessarily equate to merely charity or only ethics at the expense of economic success. Rather, the entire symposium emphasized the power of purpose for not only uniting a company and creating a cohesive atmosphere, but also in increasing shareholder value in the process.

This report will offer three short examples of the power of purpose applied to businesses, as discussed during the symposium. The first involves a business that has already adopted a strong purpose and is using it successfully to redirect their international growth. The second will address unexpected purpose: in business that one does not expect to adhere to a purpose, yet which do, and in businesses that should be able to utilize purpose well, since they are in a field that is very conducive to value and purpose. However, their focus on short term results has left much room for improvement, and ultimately resulted in the lack of an inspiring and unifying purpose. The third will offer an example of how purpose can be practically and successfully applied. It therefore presents the case of a hypothetical sustainable energy business that actual shareholders and investors at the symposium indicated they would not invest in. However, symposium participants then applied purpose to approach the business idea from a new angle, and were ultimately able to craft a business idea that was attractive to the investors.

1. Case Study: A Successful Use of Purpose

One example of the successful use of purpose to reinvigorate a company was offered by Lidl, the discount grocery store chain that some may have associated with rushed checkout service and stacked pallets in the past. However, Nan Gibson, the HR Director of Lidl clarified that, after years of rapid expansion, the company is now in the process of redefining its purpose as an established company. While hectic global expansion led to over 10,000 stores worldwide, the company now feels it is necessary to bring employees, and customers into the new Lidl, having unified this next chapter under the purpose of 'helping customers to lead more active and healthy lifestyles'. Rather than sheer growth, this purpose not only appeals to employees, who feel they are working towards a noble purpose of promoting healthier living, but it also resonates with customers. For example, one recent commitment that Lidl has made is to remove all sweets and chocolate from all their checkouts, becoming the first British supermarket to do so. Now they only contain snacks with a higher nutritional value such as nuts, seeds, protein and fruit bars and fruit juices. In this way, Lidl is reinventing itself from a low cost food warehouse to a visionary in the healthy food revolution.



2. Case Study: Industries that Could Benefit from More Purpose

It might seem obvious to exemplify industries ripe for purpose, such as renewable energy, universities, or hospitals, as they have a high level of societal and cultural capital, and are custom built for a higher societal benefit. However, the symposium also revealed the effects of purpose in less obvious fields. Executives from Taylor Vinters law firm explained their use of purpose to build the character of their firm, and to choose their clients based on character compatibility. As a result, even a high powered and profitable law firm can directly embody specific values and recreate a unique personality, in order to attract likeminded customers and shareholders.

Conversely, some institutions otherwise perfectly designed to rally around a purpose can fail to grasp the character of such a tool. One university executive described her business school, whose stated purpose was to reach a certain position in global rankings. While a university is an ideal example of an institution designed for a noble, societal purpose, this lacklustre and unoriginal motto demonstrates the importance of articulating a purpose beyond mere economic or technical performance. Purpose should rather unite all stakeholders, leading to increased engagement and employee and customer satisfaction while striving towards that unifying value.

However, this does not always have to entail curing cancer or educating minds for the future – it could be something quite commercial, so long as it offers a uniting principle. One symposium participant example was the company 'Rockwool', whose purpose was simply to 'release the natural power of stone to engage modern living'. This purpose clearly offers the value of natural stone and enhanced modern living, and offers employees and customers both an idea around which to coalesce, and demonstrates the wide variety possible in purpose.

3. Case Study: 'Creating a People Powered Clean Energy Future'

To better elucidate this unique process, this report will summarize one symposium table's discussion and conclusions on a hypothetical renewable energy company. The purpose of choosing a renewable energy source was fairly self-evident for a 'one planet' focused group. However, investors at the table pointed out that, after the UK government removed subsidies for investing in renewable energy, it was more economically beneficial to their shareholders over the short and mid-term to simply continue investing in fossil fuels. Even the environmental degradation at stake was not enough to convince the wary investor of assuming the short-term loss, or risking a new, untried new business model. Even the value of renewable energy being 'clean' was not sufficient for him to agree to create a new and profitable business plan that would increase shareholder value while adhering to a unifying purpose.

From a financial perspective, renewable energy is a long-term investment, which sees initial high capital expenditure, but then yields yearly returns with little additional cost. However, without government support or grants to help small users invest in solar power, the initial cost prohibits the eventual predictable profits, and leaves the industry unstable and closed to smaller companies. Similarly, citizens and small communities may wish to invest in solar power, for example, but are prevented from doing so by two elements: 1) the high initial cost, and 2) the excessive administrative, bureaucratic and legislative impediments, as well as the steep learning curve of investing, purchasing, and installing solar equipment. The group also identified a high redundancy of efforts, as each small community or business must undergo this learning curve for each small project, thus effectively reinventing the wheel and repeating labour and energy needlessly.

Based on traditional financial logic, renewable energy appeared to be economically unprofitable, and while clean energy is a noble purpose, it would not offer increased value to all shareholders. However, the group of symposium executives decided to create a purpose statement that would approach the problem from a new angle. The statement: 'Creating a people powered clean energy future' was chosen to encapsulate the importance of uniting a workforce and community behind a shared purpose, which could nonetheless create financial profits. When approached from this perspective of putting people first, the executives quickly identified a business opportunity for a company to support those small groups of people in multiple communities who sought to create clean energy jobs, but were unable to do so as individuals. The executives proposed a company that would standardize the application, investment, and installation processes of small solar power farms. The proposed company could offer staff, resources, expertise, in house financing, and templates



for overcoming administrative and financial challenges, and even act as the middleman for purchasing the correct equipment in bulk. In exchange, they could enjoy the resale of bulk-ordered equipment at market value, initial shares in the new power company, to produce profits over the long term, as well as an initial consulting fee.

When considering the five stakeholder groups, this new business model offered positive outcomes for everyone.

- 1) Customers would be able to install clean energy on a small scale, and enjoy significant savings over fossil fuels.
- 2) Shareholders and Investors would see continued profits, with mediated initial cost due to bulk purchase and many small simultaneous investments.
- 3) Partners and Suppliers would see innovation in energy sources, driven by increased demand, as well as financially: long-term contracts, constantly increasing scale and growth, and increased product efficiency over time.
- 4) The Community would benefit from increased employment opportunities and a new industry. Socially the project would result in community cohesion around a shared project and purpose, without the risks of investing alone without any mentorship in a challenging administrative landscape. Community members would also be able to choose environmental power supplies, and have increased say over their own consumption and energy sources.
- 5) Society and the Environment would benefit from affordable, clean energy and a turn away from non-renewable resources and pollution.
- 6) Employees would be able to choose meaningful work that appeals to their own values, as well as an improved sense of purpose and achievement at effectively creating their own workplaces.

The project of establishing a green energy producer would also offer new training and learning opportunities, and increased career possibilities if these new, highly specialised employee skill sets were brought elsewhere. Overall, the purpose driven clean energy business created profit in all areas, for all stakeholders, in a field otherwise considered unprofitable for investors without the power of purpose.

Conclusion

While leadership has been established as a critical component of business management, change and inspiration cannot be driven only by the top of an organisation. Rather, as research by Hickman, Sorenson, Kempster and others has begun to show, purpose offers another vital element for success. Purpose fosters alignment around values and identity at every level of a business, allowing that organisation to present a clear and coherent personality with which to approach a new generation of consumers. It also impacts relations with the six key stakeholders of each economic exchange, and brings each of these groups into a harmonious orbit with the values and direction of the business. As extensive studies have shown, this alignment results in increased profits, better employee retention, stability of leadership, and customer satisfaction. As such, it is a factor that cannot be ignored by innovative companies looking to excel in present and future markets.

The Power of Purpose Symposium at the Møller Institute brought this critical element to seventy business leaders, academics, investors and subject experts. After a full day of thought experiments, discussions, group challenges and case-study exercises, the symposium was able to identify the value of purpose not only for all stakeholders, but also for the environment, the community, and society. As this paper has demonstrated, Purpose can offer the difference between a failed business proposal and a successful one, and can be the key factor differentiating highly successful companies such as Lidl, AstraZeneca, and Taylor Vinters. As these companies have demonstrated, aligning an organisation around a shared purpose allows an organisation to move coherently, flexibly, and successfully forward as a unified whole, enabling growth, innovation and profits in a value-led, directed manner.

As Winston Churchill once explained, 'it is wonderful what great strides can be made when there is a resolute purpose behind them.' These great strides by aligned companies are only beginning to be understood, but as giants such as Google and Facebook have demonstrated, a purpose-led organisation has the vision and capacity to take tremendous first steps.

Ali Jones, Churchill College, University of Cambridge



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→ Going Forward – Further Research and Practice Avenues

Gillian Secrett and Cynthia Cherrey

The symposium itself raised as many questions as it did answers, and this indicates the exciting avenue of research, theory, and practice that lies ahead. Some of the most important challenges and contradictions that arose include:

Challenges and Further Conversations About Purpose

- ♦ Is there a difference between purpose and organizational culture?
- ♦ How can purpose and values be balanced against profit and expansion?
- ♦ Can purpose be independently justified or is it only a luxury?
- ♦ How can purpose be maintained when external stakeholders and investors may not hold the same values?
- ♦ How does an organization effectively educate others about a common purpose?
- ♦ How does an organization navigate between stated purpose and lived purpose?
- ♦ How can differing individual and organizational purposes be reconciled?
- ♦ What responsibility do individuals have in delivering an organization's purpose?
- ♦ Is purpose a matrix of success, a tool for success, or something to be achieved for its own merit?

Another critical practice-based issue that this symposium highlighted and that must also be raised briefly here is how companies can be held to account for their stated purposes. For example:

- ♦ Could the delivery of a stated purpose be measured as part of an audit process?
- ♦ What other methods can be developed for confirming that organizations engage in actions according to their purpose and values?
- ♦ How might clients and stakeholders ensure that companies keep their promises about purpose-led actions?
- ♦ Could the delivery of this purpose become an element of the measure of success and profits, to be given equal value as financial gain?
- ♦ Furthermore, could the achievement of purpose become a tangible measure beyond fiscal reward, to which companies could be held to account?

More research and practical investigations are required in order to address these important considerations. However, the symposium's preliminary findings indicated that a well thought through purpose can provide a means of convergence between multiple stakeholders, and offer a fruitful way in which to align vision and focus to create a positive impact for all.

Gillian Secrett, *CEO, Møller Institute*

Cynthia Cherrey, *CEO, International Leadership Association*



→ The Møller Institute and the ILA:

Our Partnership Georgia Sorenson, Ph.D.

The partnership of the Møller Institute at Churchill College, University of Cambridge, and the International Leadership Association brings together two complementary dynamic organizations committed to leadership and transformational change.

With the intellectual resources of the Møller Institute at a great university and the International Leadership Association's robust community of scholars, business and world leaders, this collaboration is uniquely positioned to lead the conversation on purpose-led businesses and organizations.

"This leadership event was a powerful session with some important takeaways and I would like to thank all those who invested their time to share compelling stories demonstrating that organizations with a significant company purpose can create demonstrable advantage for stakeholders including employees, customers, investors, and ultimately our planet."

Gillian Secrett, CEO of the Møller Institute

"The synergy that occurred by bringing together leadership scholars and CEOs working at the nexus of theory and practice generated a rich and productive series of conversations and next steps pertaining to this important topic of purpose."

Cynthia Cherrey, President and CEO of the International Leadership Association

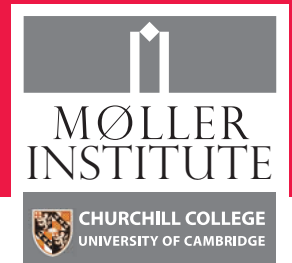
"You rarely get the time to stop and think about purpose in its broadest sense. The Møller Institute/ ILA Leadership Symposium enabled me to do just that, as well as benefit from the invaluable insight shared by fellow CEOs from different industry sectors and preeminent leadership scholars."

Simon Levine, DLA Piper, As the CEO of one of the world's largest law firms

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