

# PURPOSE

SIMPLY GOOD BUSINESS

DO YOU MAKE  
QUARTERLY  
DECISIONS OR THE  
RIGHT DECISIONS?

THERE IS AN  
AUTHENTIC  
PURPOSE IN EVERY  
BUSINESS

STRATEGY STARTS IN  
EXECUTION. ACTION  
ALWAYS TRUMPS  
ATTITUDE

DO YOU HAVE A  
CONSTRUCTED  
BRAND PURPOSE  
OR IS THERE CLEAR  
DIRECTION?

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# CHAPTER 1

## INTRODUCTION

How we see it

# W

hen a company sets out to create meaningful change in the world in a balanced way, it ignites passion and creates the potential for generating wealth or realising desired values. People become inspired when they find greater meaning in their work and are provided with greater security. In these relatively affluent times, the search for meaning has intensified across all industries. This generates a healthy demand for quality and careful consideration of whatever you undertake.

A clear purpose speaks to the very existence and overarching drive of an organisation. A clear understanding of purpose helps to steer people through change, lift motivation and determine an ultimate focus for the whole organisation.

Purpose makes day-to-day execution effortless when everyone, regardless of

position, grasp what direction matters. The time has come for leading organisations authentically and tuning out the noise.

If you're a little suspicious or reluctant, we would like to refer you to the final pages of this book where you'll find a selection of data and documentation making the case for purpose. Even a small excerpt of the overwhelming documentation is pretty convincing. The value of being purpose-based is simple logic as the late Clay Christensen, one of the world's sharpest minds, concludes:

*If you're a little suspicious or reluctant, we would like to refer you to the final pages of this book where you'll find a selection of data and documentation making the case for purpose.*

# People who care about the game are naturally better at the game

**YOUR PURPOSE DOESN'T HAVE  
TO MAKE THE WORLD A BETTER  
PLACE. PURPOSE IS ABOUT  
FOCUS. AN AWARENESS OF WHY  
YOUR BUSINESS EXISTS!**

# HOW WE

We are incredibly inspired by the leaders, employees and businesses that have their attention in the real world. Those who understand the importance of creating meaning for everyone who works in, with and around the business. It's also these businesses that have the best chances of commercial success because everyone is aware of what they are working toward. The ability to say no, to make effective, clear decisions, create security and prioritise their purpose above political battles. Our recommendation is that your business needs to have a sharp, combined focus on purpose and business in everything you do. The belief that it's costly to be purpose-driven is an outdated concept. Research shows otherwise. That assumption typically builds on understanding purpose-driven activities in a CSR-perspective, where it doesn't arise. Purpose is really the whole commercial foundation. It's the focus, drive and ambition the business is clearly seeking. Therefore, we see Formula 1 teams and Sonos as purpose-driven on the same footing as more social-economic businesses and capital funds, such as Greenpeace, Doctors Without Borders and Save the Children.

What they all have in common is that they are very focused, passionate and clear about what they need to realise as a business or organisation. Without a doubt, purpose creates the optimal focus of an organisation



and it follows there are wins to be gained. Unfortunately there's a lot of noise out there and many fall for the fad of the day. For example, the exponential curve we've heard about for ten years which is reportedly wiping out every conceivable business.

We must constitute that it's unfortunately become a business in itself to perpetuate that kind of fear-based 'disruptive' inspiration and abstruse innovative conversion processes, rather than actually getting your hands dirty and making a real difference.

Naturally, you should follow ongoing innovation, even the radical stuff, and ensure it's not going faster outside than inside your business. But we recommend being highly critical of consultants, advertising agencies and communication people who are often part of that faction initiating new and often meaningless constructions and agendas. It's often not relevant inspiration, but manipulation, we view as downright deadly. All too often is it an invitation to derail. All too often there's a lot of talk, but the basic issues are not seriously addressed.

In reality, there aren't too many tricks to running a business. We experience that those who have a strong handle on the basic disciplines manage extremely well.

# THESE

# INNOVATION TODAY

**DON'T BE DISTURBED BY DISRUPTION.  
KEEP AN EYE ON INNOVATION.  
BE BROADLY INFORMED.**

When Volvo announced that around 50% of all their cars will be electric from 2025, it naturally created huge consequences in the market. Volvo is one of the globally leading car manufacturers and many others like Audi, BMW, Citroen etc. have of course, made the same announcements. In addition, there's a number of reserve parts suppliers that will soon be left with the wrong parts. When all Volvo needs is a battery and a computer, there will be broad repercussions. The question is, how relevant will petrol stations be in a few years time? Petrol stations sell 40% of all confectionery and soft drinks, 28% of all tobacco and 39% of all printed media. This is just one example of the consequences for businesses that don't have the slightest say on car manufacturers' strategy plans.

That's not disruption, just hardcore innovation that hits hard if you're not keeping track and have a plan for how it should influence your business.



SIMPLY GOOD BUSINESS

Businesses ought to demand more from external parties and ensure they purchase concrete results and a real execution of issues. If this isn't the case, businesses should try to solve issues internally or build up skills through new appointments of staff.

Time and time again we have seen a new director, or sales director, appointed with great fanfare and the first thing they do is call a consulting firm and ask for help to develop and implement a strategy. It looks like a recruiting mistake when they can't manage the task themselves, and therefore, are perhaps not the right one for the job.

The most inspiring leaders we've met along the way don't spend fortunes externally buying legitimacy for their decisions. They exhibit more self confidence, operating clearly in line with their organisation and ensuring the business' own ability to execute on its purpose.

In our line of work we are busy trying to cut the noise and constantly pointing out how we can all be better at simplifying complicated execution. Therefore, we're making a contribution here, trying to get closer to the operational business - where we're at ourselves. Our purpose is to help businesses be better at execution, building a healthy business and creating meaning in everything, for all their stakeholders, every day. A premise that can't be achieved without a purpose. We do this by offering inspiration on how you can best run your business' basic disciplines - balancing business and purpose to create the best commercial result.

### IT'S EASIER SAID THAN DONE...

Few businesses work consistently with their purpose because it's an uncomfortable truth serum that eliminates the noise and only leaves room for what the business was made for. At the same time, we find there are very few businesses that have a handle on their basic purpose. They've forgotten it along the way and been seduced by the balance sheet. In a pinch, they find it harder to argue for their existence, even though most businesses are established to solve a problem or address a challenge. We find that most have forgotten this foundation from which they were born. Others have never formulated a purpose that could be used by the organisation. Most organisations have a 'brand purpose' which is a half-hearted construction about their product or service and therefore, isn't authentically connected to their fundamental purpose.

A clear purpose backs up day to day execution 100%. Vice versa, those who have a clear purpose often don't address it in their behaviour internally as well as externally. Even though the majority of shareholders, owners and boards are in total agreement on a purpose-driven premise, we seldom see the same people following through the consequences that recognition of purpose engenders. Too often purpose ends up being used as a meaningless marketing construct or a superficial statement. That's despite the fact that purpose has the potential to be the most

important factor that binds a business' effectiveness and commercial success together, as we see with Orsted, Grundfos, Volvo and many others right now.

An authentic purpose simplifies the decision-making process everywhere in the business, at all levels. It's a condition for an optimal design of the business' different disciplines. How can a business that isn't actually aware of why it exists, be relevant in a market that screams for relevance and meaning?

### Every ambitious top leader today should be able to answer why their business exists and why their employees should show up every day

A clear purpose is an effective strategic tool to be able to reject certain choices and directions, which is the essence of any strategy.

One of the challenges many employees face is prioritising between many activities, projects, meetings and competing agendas each day. The individual employee risks being hugely ineffective and in the worst case, creating discord between staff rather than bringing them together. When purpose comes first, everyone has a legitimate chance to say 'no'. If something on your desk isn't helping to realise the company's purpose, should you keep spending time and resources on it?



Should we say yes to an order that will look good short term on the quarterly report, but that challenges or is directly against our purpose? In short, 'no'. If it doesn't threaten or impact the company's survival, you should always choose the long-term approach. Most organisations live longer than people. We are only employed for a time, and therefore, decisions should always be so long term that they can extend to an unlimited perspective.

Whatever you choose to do in these situations, you should be acutely aware that your choice will define your future of who you are as a business. It sends a clear signal to the external market where clients and collaborators form a picture of your business immediately. Finally, it also sends clear signals internally which is maybe even more important, as you will either improve trust and loyalty internally or

initiate mistrust if you say one thing and in reality, do something else when challenges arise. Purpose should therefore be the decisive filter for how you make decisions going forward. This will show everyone what your purpose is and what it looks like when you actively choose to use it each day. It shows which way you want to go moving forward. The bank scandals, with Danske Bank leading the charge, are a clear example of how short sighted profit motives have driven a lot of decisions with the consequence that businesses are left light years behind and surely will never resume the position they had built up over the last 100 years. In everything we do, we are primarily consumed by the 'how'. We make operational execution coexist with employees and managers. We of course recognise knowledge and experience, but would rather focus on authentic purpose which is an interesting way forward if

you should reorient your work laterally and create cohesion. It sounds easy, but is difficult to implement in reality. However, the upside is that the whole company transforms for the better in relation to workers' well-being, efficiency, relevance and therefore, the bottom line. To this end you need to be wary of making decisions on the basis of 'best practice'. We experience that companies and their organisation are unique, and the best solutions always result in a specific composition of competencies where it's difficult to overlay a 'best practice' model.



Consulting firms love to talk ‘best practice’. But it really means that they’re building on past circumstances. Companies ought to demand concrete execution and conditional effect.

# CHAPTER 2

## PURPOSE

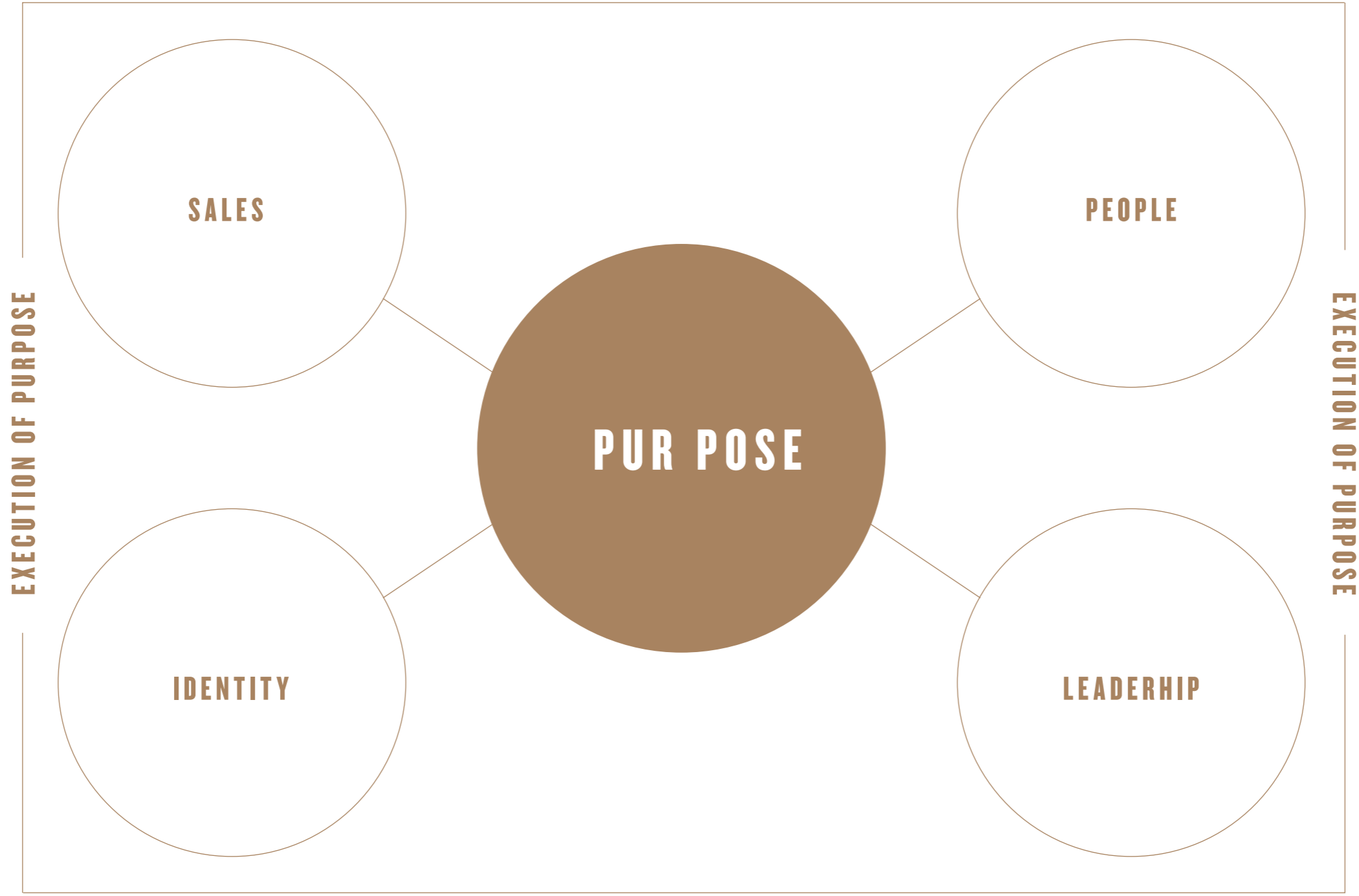
Your purpose should permeate everything

# YOUR PURPOSE SHOULD PERMEATE EVERYTHING



We have focused on four key areas that are decisive for adapting to a dynamic market where every successful business needs to stay relevant in order to survive. We find it's these areas that accrue the greatest value. Moreover, our approach to improving them all can be used as inspiration for how you can make decisions throughout the company. In all departments, an authentic and clear purpose is central, and a catalyst for simultaneous strategic decisions in the business. All areas are classic and well known disciplines, but they continue to cause major problems for most businesses. Very few businesses can really say that they have total control over

these very basic disciplines and it coincides with a reality where everyone says they have reinvented the wheel. The noise level is loudly increasing and again and again we see businesses running in the wrong direction, passionately motivated, instead of starting with getting a handle on the basic disciplines. It might not be as innovative or exciting, but it's foundational disciplines where the really big value-adding perspectives and often biggest potential for a business' own innovation lies. It's from there a clear purpose must emerge and it needs to have 100% authentic engagement.



**SALES**

The classic sales process has changed. Sales today is all about communication and is best achieved in cooperation with the customer. Never the less, for most, sales remain a construction that is defined by the imagined demand created by the user, instead of by clearly communicating your purpose to the market and finding those who believe the same things you do. Customers have become much more aware and emotional. This needs to be addressed in order to create interest in your product in a market where supply and transparency have exploded.

**PEOPLE**

People, and their culture, are often neglected even though they are essential to both well-being and execution. It's always been cheaper to hold onto talent and develop it, than to recruit new talent. In addition, the number of unclear and meaningless meetings, sick leave and 'difficult' decisions falls dramatically with a clearly defined purpose. All recruitment and talent development should begin with the business' purpose, to make sure that each individual employee is continually exercising maximum initiative, passion and creativity.

**LEADERSHIP**

No matter how good the plan, it's never better than execution. Many managers don't follow their own strategy to the death through ongoing motivation and data-driven purpose checks. A manager has the integral role of ensuring that people understand, get involved, feel included and equip employees to execute the strategy. Leadership is always about people first and financial results later.

**IDENTITY**

Most companies have a superficial identity that doesn't visually connect with the company's conduct. There needs to be a clear visual balance between identity and the purpose which motivates a company's behaviour. Typically when a business has developed in different directions, sections grow away from others, and individual departments take the reigns of an otherwise common goal. This calls even more for a strong identity which can plot a clear direction and connected expression which is constantly maintained.

Through the following pages we'll go into depth on each area. It's important to understand that it's not enough to be successful in one discipline. All four elements need to work together to streamline your business. Purpose needs to permeate the business every day, all the time, in all decisions, on all levels. We guarantee your business will do better than ever before if you can make this a reality.



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**Our purpose is to offer guests moving and extraordinary dining experiences.**

RASMUS MUNK

Rasmus Munk is founder of one of the world's most hyped restaurants, Alchemist. A purpose-driven project above and beyond ordinary where there are 7000 people on the waiting list to experience his unique and controversial kitchen.

# CHAPTER 3

## SALES

Sales are realised through communication

# SALES ARE REALISED THROUGH COMMUNICATION



*Nike's online sales rise 31% the day after Colin Kaepernick's announcement comes out.*

Sales methodologies have always been subject to transformation, which is very much the case today as a natural repercussion of the explosion in speed, availability and a wide range of sales channels.

**The time has past where you could just market your products and their function. Today you need to have a relevant origin story to be inspiring and captivating.**

Your product or service has become secondary in the sales process. What has become central is the ability to communicate the emotional aspects of your business' purpose. If you don't understand how to inspire and awaken, you're in trouble. Communication is the path to differentiating your business.

Using emotional elements in the sales process is nothing new. What is new is the need to master the emotional factors in the applicable market reality. The chronology of communication has also changed. The product or service lies absolutely last in the sales process. First, you have to create legitimacy to be allowed to take up people's time communicating with them. You also need to research whether they believe the same things you do. If they don't, you're about to take on the wrong customer, which is always bad for business.

Even though sales are essential to all businesses, very few businesses have really responded to the fact that the classic sales methods have now taken the form of a communication process. You should now make yourself worthy of attention, and you have to inspire your customers right into the store aisles, which by the way, are becoming more and more digital. Digital handling is without a doubt important, but never overshadows the essential trust which is established through the physical meeting of people.

Our experience is that most businesses have built their sales processes inappropriately, making it more difficult to reach their customers than it should be. In reality, many of the same elements still apply, but the whole sales process needs to be designed differently since fundamentally, you can't sell anything without having a developed awareness of why you're selling it and why it's relevant. This means you need to place your opinions and assumptions in perspective with the current market reality, and thereby, locate it in a greater context. It is difficult, if not impossible if you're not aware of why your company exists. Most businesses are lacking a relevant

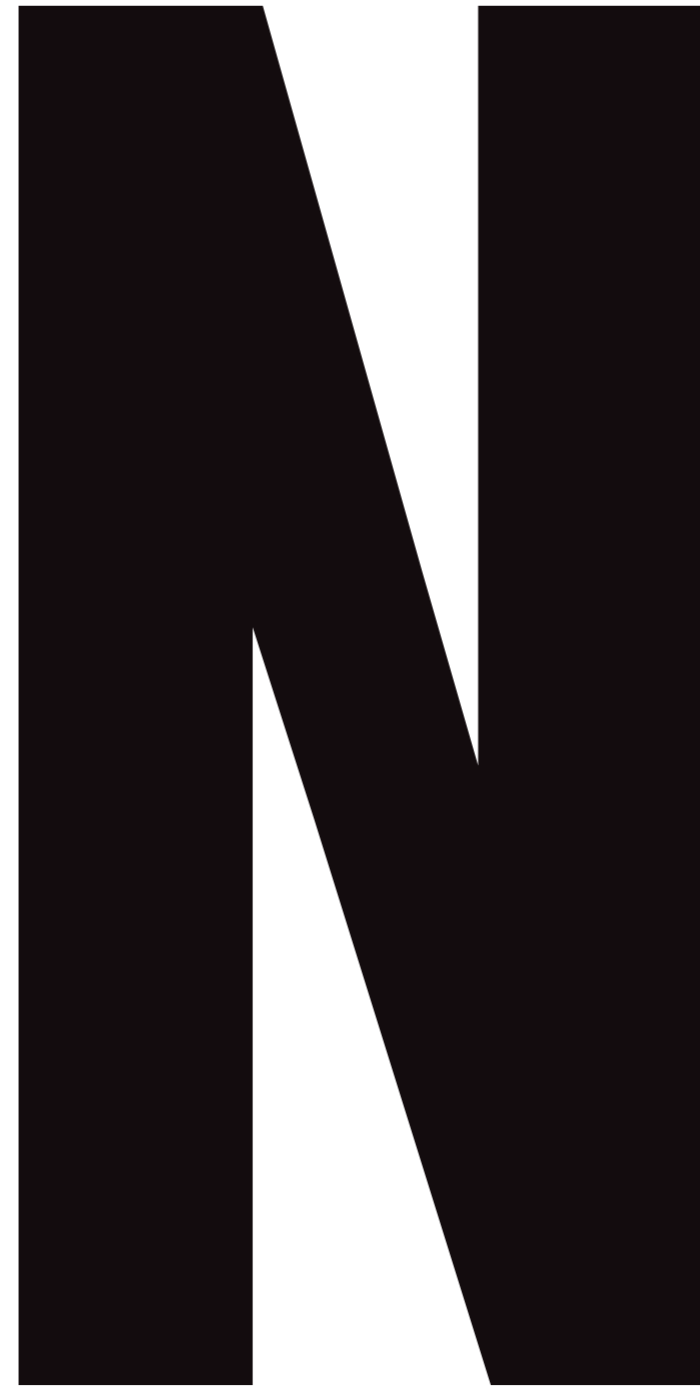
existential foundation in the sales process which means they lose integral awakening of emotion and interest in customers. That in itself will mean they want to hear more about your concrete product or service.

It's not enough that your business has written a check to a charity, chosen a couple of the UN's Sustainable Development Goals, or have taken a stance on a political or environmental agenda. You need to act on it, as the most inspiring companies do. Companies like Lush, The Body Shop, Patagonia, United By Blue, Volvo, Danish Toms or Tesla, who on principle, don't have a marketing budget. They not only increase awareness of why they exist, but invite interested parties into meaningful activities. They have an inspiring story in their sales process before they release a new product or service. They are very clear on their purpose and act transparently in their path to realising it. This makes them super relevant on every agenda they touch. Customers can also more easily identify them in the market since they are more open about what they believe in.

The Body Shop spends millions on active cooperation with a long list of organisations working on biodiversity around the world. At the same time, they create sustainable supply chains wherever possible. Volvo, whose purpose concerning safety is that no one dies in a Volvo in 2020, is moving just as inspiringly in the market, seeking to achieve this goal. Most recently, they have shared 45 years worth of research on safety with their competitors, putting it all out on the internet in the hope of speeding up the realisation of their purpose. Toms works transparently and displays great responsibility throughout their whole value chain, starting with 5000 cocoa farmers located all over the world. Cosmetic company, Lush, is involved in a load of global agendas in their work to improve the whole cosmetics industry. Patagonia, who are known for walking the talk, only make decisions where the interests of our planet are always ahead of commercial gains.

Common to all these companies is an ability to inspire. And they attract priceless attention for their positive commercial development.

# No one wants to hear how you build communities if you don't pay corporate tax.



umerous research shows (see page 80), that users have become much more emotional in their buying processes. They educate themselves about products, services and brands on the internet and make active choices, not necessarily motivated by price point. They are much more concerned with quality and more occupied by what's going on in the world around them, and consequently, how they identify with various brands. In short, users' increasingly value-based behaviour

means that a company's authentic purpose is a necessary condition to even be part of the game.

There needs to be a connection between your purpose and your conduct in order for sales to function optimally in your company. Nobody wants to hear about how you're building community if you're not paying corporate tax. Nobody wants to hear about your commitment to gender

equality if all your managers are men. Nobody wants to hear about how much you love the plant if your supply chain contributes to its demise. Operating your business properly from the foundation of a purpose, minimises the risk of critique as your intention will always be grounded and sincere. At the same time, you can always defend your actions with substantial, valid arguments. The biggest mistake a business can make is to confine your support for a cause to a simple promotion. It is critical you show you are truly invested in the causes you support.

Without a clearly defined purpose, you don't have the authenticity customers expect. Customers can sniff out fakers immediately and will either ignore you, or will purchase from a competitor who is more inspiring and authentic.

As everyone knows, the internet has created almost complete transparency where it's easy for consumers to inform themselves on businesses' conduct and sincerity. Businesses can no longer hide. The businesses that can't argue for their existence, or misbehave will be ignored and consumers will instead go for the businesses that can adapt to their wishes. Emotional sales call for a self-awareness and sincerity to stand by your actions as a company, at every level.

If you're successful in satisfying a customer, there's a serious bonus that in the future, that customer will buy into your purpose and what you're selling 110%.





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**People don't  
buy what you do;  
they buy why you do  
it. And what you do  
simply proves what  
you believe.**

**SIMON SINEK**

Simon Sinek is an optimist, teacher, author and international speaker. His first three books, *Start With Why*, *Leaders Eat Last*, and *Together is Better*, have been national and international bestsellers. His first TED-talk, that's based on *Start With Why*, has been seen by 37 million viewers.

**When purpose is the foundation of the business, you're automatically totally clear about why you sell what you sell.**

In the slipstream of the financial crisis where most experienced a significant drop in sales, a number of analyses conducted by Salesforce, the world's largest sales training provider, showed that some organisations across various segments had not experienced any fluctuation. Salesforce consequently revised their recommendations as to how you should approach the sales process, where they had previously prioritised relationship-based sales.

Two factors, in particular, were relevant for successful sellers. The first was that they had a clear understanding of why the business existed (their purpose). Secondly, each individual employee was able to constructively challenge the business and its customers.

To set up your sales process optimally in relation to your customers, you first need to line up a number of elements. You need to encompass the emotional part and create legitimacy for dialogue before you can sell products. Most businesses take a different approach. When purpose forms the foundation of the business, you're totally clear about why you're selling what you're selling. If you don't know that, it will be difficult for you to differentiate yourself in the market and pull at customer's heart strings.

# CHAPTER 4

## CULTURE

It's still all about people

# PEOPLE

IT'S STILL ALL ABOUT

Many have heard the slogan, *culture eats strategy for breakfast*. However, few have taken this lesson to heart. We find that for most, it's more fun to say rather than actually address the consequences. And this is even though the next generation are even more aware of how the business that employs them conducts itself in the world. It's not enough that a business functions like an ATM where you just withdraw your pay.

Younger generations want to be part of a project or ambition and expect constant inspiration. They have been raised on quick fixes and social media. They only navigate based on the methodologies they have grown up with. They want to actively participate in something bigger than themselves and give themselves fully if they can identify with the purpose. This creates some new dynamics in otherwise traditional businesses that are more used to

working insularly. They are a 'demanding' generation that quickly lose motivation if they don't feel their work has any meaning. We expect there'll be increased pressure in the future, for more transparent leadership styles since younger generations demand greater insight and understanding into why decisions are made.

**Today many decisions are not meaningful for employees since they are primarily focused on financial incentives which are solely of benefit to shareholders.**



It goes without saying that financial incentives alone don't generate initiative, passion or creativity for the individual employee, and therefore, businesses lose important staff resources if they are unable to unlock these elements for their staff. People and development functions should be included in a company's business plan and also act more business driven than before. And as a business manager, you should have a better understanding of what motivates, inspires and engages people. Businesses need to take great efforts to promote inner motivation which opens other opportunities and better results follow.

We've seen enough of top-down management, excessive spreadsheet management and limited leadership coupled with a lack of transparency in decision-making processes. It's a different kind of leader that will be chosen in the future, and all businesses will come to deeply examine whether they really think that the managers, and management culture they have today, will help them realise their desired future.



**Capacity and drive aren't powered by spreadsheets. A clear, inspired purpose, more than anything else, brings out people's initiative and creative riches.**

From now on, managers need to spend more time creating meaning, communicating and servicing. They need to help others focus on what's most important for the business and the customer, and not just what is most valuable to the managers themselves, or the department short-term. For managers, it's a substantial task in itself to ensure that employees know what their job is. Most staff think their work is defined by their job title. Actually, everyone needs to understand that their core function is not about what they are each doing individually, but instead is about realising the goal that is the foundation of the business' overall existence. It is clear that the demand for 'meaning' is increasing everywhere. It's not difficult to find a range of compelling reports that indicate directors don't have

'Shareholder Value' at the top of their priority list anymore. Today, decisions are optimally executed when balancing a company's returns with their own understanding of themselves, and consequently employees' understanding too. An important, obvious balance. There's a clear difference between those businesses that are living a clear purpose and those who aren't.

The foundation for taking decisions has clearly become much more complex as we're forced to address many more matters than earlier, but in turn, it's become more enriching. Therefore, the best decisions should always be rooted in the overall purpose of the business, thereby giving meaning for each employee. Everyone

**Financial incentives alone have eroded completely and are no longer attracting the best employees.**

knows they'll earn money as a result of the business' commercial success. A success which proves that the company as well as the employee, continually succeeded with their purpose. It is precisely purpose which emphasises the reason for success, the reason for going to work and the reason for justification. A business without a clear purpose will deal people and resources, whereas a stronger, purpose-driven business will mobilise and motivate. The difference is dramatic.

**YOU CAN'T EXPECT  
EXTRAORDINARY EFFORTS  
WITHOUT SOMETHING  
EXTRAORDINARY TO FIGHT FOR.**

**All organisations consist of people. The rest is desks, chairs and computers, which is why running a business is so closely connected to what drives people.**



Today many are working from the common, conventional, rational and economic logic where the basic assumption is that people should be measured and regulated to create value. A modern company's role is not to control and regulate managers and staff, but instead to identify and involve everyone in how we move forward. How can execution have the greatest effect both internally and externally? It's a never ending job and doesn't look like any of the other projects in your current business with a defined end date. Companies rarely have an end date. Instead it's a cultural task and there needs to be constant engagement to take your business, managers, staff and customers seriously at the same time as you dig deeper into the core of the business.

**Business managers should stop thinking that the P&D department is an entity separate from the 'real' business.**

There's no doubt that People and Development as a department has a substantial responsibility when it comes to activating the business' purpose through staff in relation to the business culture and

transfer many processes that People and Development typically handles. Giving purpose life through these processes such as recruiting, staff retention, reviews and professional development obtains relevance and meaning that goes far beyond, for example, CSR-thinking. It is in working with purpose and meaning that People and Development can realise an even greater balance in ensuring the business' understanding of meaning and motivation. This understanding is perhaps one of the most important elements in relation to lining up business and expected financial results. This said, we don't intend that the strategic responsibility to formulate and execute purpose should be anchored in People and Development. They are significant players, but in most companies, they should not own purpose. It's better divided between People and Development, finance and top management.

**There should be just as sharp KPIs on execution of purpose as there is on earnings.**

Business managers who can speak the same language as People and Development will be the new big CEOs. Because it's not just People and Development that should be more business-driven. It's also business managers that need to be far more People and Development-driven in order to develop a more successful business.



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**If you live for the weekends and vacations, your shit is broken.**

GARY VAYNERCHUCK

Gary Vaynerchuk Chairman of VaynerX, CEO of VaynerMedia, 5-Time New York Times Bestselling Author. Is involved in a multitude of businesses and has previously been an investor in Facebook, Twitter, Tumblr, Venmo and Uber.



# CHAPTER 5

## IDENTITY

Identity is controlled by customers

# IDENTITY IS CONTROLLED BY CUSTOMERS

A company's overall identity is the customers' perceptions of the company. Too many businesses today find themselves in a situation where their marketing, CSR-strategies and vision are lacklustre because they are not authentic. Alternatively, they haven't communicated the company's relevance and results effectively. If you're not in control of the business' purpose and your origin story, then you don't have control of your business' identity. Quite simply, the business cannot have a clear understanding of itself if it's employees don't know what they're working toward. We have found there's a frightful number of companies who just don't know who they are.

This is a real challenge since identity is one of the main commercial drivers in business' development. Since consumer choice has exploded with globalisation and rampant digitisation, a company needs a clear identity to be visible in the market. Besides increasing competition, businesses also need to employ numerous communication channels to attract attention to themselves. At the same time, you need to make yourself worthy of attention as it's become increasingly difficult to buy the right kind of attention. We've become practiced at ignoring advertising, and many people avoid ads completely either by paying to go ad free, or choosing the channels where they are only exposed to advertising of their choice.

Identity needs to be more than just appealing. If you want to attract customers and position your company, you have to interact and become part of the whole communication flow. Your identity is the market's perception of you, where you control of your own narrative. This is something particularly B2B businesses have difficulty with.

**Previously, it was enough to plan your origin story and then market it in a controlled form.**

Today you need to live your origin story and through it, your purpose, in real time. This means you go from traditional communication with paid advertising to attention which has been earned through constant communication of the business' purpose on all levels.

**Consumers orient themselves through your identity which springs from your authentic purpose. It is your purpose and the way you realise that purpose, that differentiates your business from all the others.**

The people who find your purpose relevant, are potential customers. They are less interested in what the company does, but rather buy into why the company does what it does. A compelling identity has simply become central and decisive in running a business. Classic marketing tricks are fighting to the death for their relevance. You can clearly see this in the current transformation in advertising where advertisers increasingly try to deliver unique content for an authentic origin story. Many of the challenges businesses face require them to be super skilled at communicating. Several experts go so far as to say that all businesses, to some extent, become media companies where it's necessary to document everything around the business' status. And at the same time, be able to communicate it in a market without traditional filters such as an army of spin doctors. The benefit of a clear, authentic purpose is that it's much

easier to navigate your own communication. However, it takes courage to deliver unfiltered, authentic communication, to change who you are as a

business and tell how you intend to realise this day to day. Winning is no longer about who can manipulate consumers most with creative campaigns. The winners are those who are most honest, inspiring and tell a crystal clear authentic story about themselves.

# W

With the internet as the primary communication channel, anarchy is complete. You can no longer control people or influence their behaviour to the same degree as pre-internet. There are simply too many channels and too much transparency for you to be able to control your communication. Everyone out there can comment, share, like or dislike 24/7. The numerous scandals that have arisen the last few years are proof of this. A tweet from left field can set off a gigantic crisis for any company. Therefore, it's more important than ever before to conduct yourself correctly, document and deliver authenticity, so you can always be on target and convey your company's conduct with the most integrity.

sounds so simple, but everyone knows the simplest things are often the most difficult to execute. Even though it's difficult for most, everyone needs to formulate the grounds for their existence so it can be applied in all dimensions of the business.

**Most businesses don't apply their purpose or reap the benefits from putting it into play.**

To be able to create a unique identity amongst the competition, you need to have a sharp picture of where you want to go. A goal that's within sight, but not yet within reach. Many companies shrink at the thought of formulating a clear purpose. It

There's nothing to prevent you from adjusting along the way as the business evolves. It's essential to keep in mind that purpose describes what the business ideally wants - it's ambition, not how the world will look in ten years time.

Purpose is a strategic tool for navigating the development of a company's identity.  
A beacon within sight, but out of reach.

# GRUNDFOS

**An inspiring balance  
between purpose and  
spreadsheets.**

**G**rundfos makes money- a lot of money, and they have just delivered their best results ever. They could maybe squeeze a few more percent out of the organisation, but seem to be making a conscious choice not to. They want to make money as a means to continue the pursuit of innovation, technological advancement and social responsibility. They have created a balance where they strategically conclude that if they do not devote significant resources to continuing being unique and innovative, then they cannot maintain their growth and position in the market. 'I am proud of the engagement we have around the world and our contribution to solving the global water and climate problems at the same time as running a profitable company,' says Mads Nipper (JV 5-9,2019)

They seem to be very aware that if they exclusively think about maximising profit and dividends to shareholders, there would be no opportunity for ensuring development and innovation, and in the end, the purpose of delivering what they promise to the world, if not very least their own employees.

'We contribute to global sustainability by pioneering technologies that improve quality of life for people and care for the planet' (inspired by the speech by Mads Nipper to IMD, Harvard and Stanford alumni at EY, December 2018). This clear and conscious strategy is long-term and inspiring. It is balanced and sustainable. It is made for people, not just funded and driven by a spreadsheet which people must adapt to.

Moreover, Mads Nipper is one of Denmark's most inspiring and coveted senior leaders today. He communicates exceptionally in every context, constantly able to convey Grundfos' purpose credibly. Grundfos, with its energy efficient products and solutions, is making a real difference for climate challenges and taking action and responsibility for how society is developing. Nipper also uses the emotional sales process (whether consciously or unconsciously) - he talks about changed relationships, an emotional solution and only lastly (if at all), discusses how Grundfos solves problems with their innovative and advanced pump solutions. This credible leadership style has also resulted in the Danish government's climate partnership for production companies selecting Mads Nipper as their chairman.



**An inspiring purpose undoubtedly creates a much better and more credible starting point.**

There are no Danske Bank or Nordea clients who have directly lost money on the money laundering cases or tax evasion. However, the banks have lost their integrity. These two banks lost around 83,000 clients in 2018 alone. Perhaps neither of these banks miss losing these customers, but as a fact, they have lost significantly in relation to brand, reputation and trust. The banks' identity has virtually been reset. As such, their behaviour stands in the way of sales for many years to come. Despite the expensive lesson, Danske Bank still doesn't have a purpose that reaches beyond their business. They're still sitting with a backward looking vision of 'being known as the most trusted financial partner'. It would have been more inspiring if they had laid an ambitious project on the table, for example how they would help the Danish business community achieve the best financial ecosystem in the world, or take Danish business to the next level. In all fairness, it should be said that in their 2025 strategy, Danske Bank express opinions that point in the direction of something more than an unbalanced focus on the bottom line. The question is just what those opinions will come to mean, concretely. Which concrete daily decisions will we see as a result of their position? Which unbalanced decisions that were made earlier, will we cease to see in the future? And what will take their place? What will the consequences be in terms of sales, identity, people and leadership? And maybe the most important question - what exactly is the bank's overall project? What is the core and essence of the bank's relevance? Right now, Danske Bank is having the biggest identity crisis in Denmark and they haven't yet formulated a project, ambition or purpose that can rally employees and take them further. An inspiring purpose with clear consequences and actions will undoubtedly create opportunities for strong and credible steps forward that are actually achievable.

# CHAPTER 6

**LEADERSHIP**

Leadership is execution

# LEADERSHIP IS EXECUTION

We see many businesses still working with 'vision and mission'. At the same time, we find these concepts often become intent which diffuses, and therefore can't be used actively in a strategic, managerial or developmental context. Active and strategic application of purpose means visualising the business' strategic direction through a 'purpose objective' that drives everything. Ultimately, strategic decisions should always be measured against why the business exists and not a political game about resources or who looks best. To a certain degree, purpose has a unique ability to protect businesses from being copied, because a business' purpose is authentic and all products, services, identity, staff, leadership and sales are bound by that purpose. That places great demands on everyone - shareholders, the board, leadership and staff. It demands that everyone buys the premise that employees, and thereby, the business, will manage better with a clearly communicated purpose that's in balance with the bottom line. The business strategy that follows should also have faith in and act in accordance with the declared purpose. Otherwise execution will be crooked in relation to the business' identity, self-understanding and sales.

**Most businesses make strategy plans. But many forget where they put them.**

Largely, the role of a leader is to ensure there is action behind words. That a business actually acts on what they convey, in everything they do. The interesting thing is that it's very difficult to find this expectation in many businesses' definition of good leadership. Think if extraordinary leadership for your business defined that you, as a leader, help your colleagues and staff daily to realise their and your, collective purpose. We've seen plenty of fancy powerpoints on leadership, but none address this expectation.

**Management as a discipline hasn't changed much in the last 100 years.**

The basic disciplines and tools that are often applied in management and leadership are more than 100 years old. They were made in, and for, another time. Yet we continue to apply them as givens. Reality has simply overtaken more traditional methods of leading people and it's no longer enough to just adapt and develop your business model to be competitive.

**The optimisation of business is naturally still essential, but no longer enough.**

The most ambitious and innovative businesses we've come across challenge the dogmas of the past about what management should be. They improve and develop not only their business model, but also leadership model and the way leadership is concretely exercised every day. For example, it means a shift in the balance of power and ensures greater mandate and autonomy in a business where the purpose is in place and therefore, everyone knows what their focus should be. When you bet on the development of your business' leadership model, you have a competitive advantage of enormous potential. It's because today there is minimal differentiation when it comes to leadership. Those who move on that agenda will reap the rewards and work will also become a much more relevant place to be.

When an employee is just ‘getting through the day’, the business is only tapping into a fraction of their potential. Both parties are losing out.

#### WHAT IS THE ROLE OF A LEADER IN A PURPOSE-DRIVEN BUSINESS?

Good leadership is about ensuring the daily alignment between who you want to be as a business, and what you're doing to bring that about. It's the intersection between thought and action. The individual leader should be able to solidly, clearly, and confidently answer the following question:

**What is the purpose of you leading this business and why should your staff show up for work tomorrow?**



*Håkan Samuelson | President and Chief Executive Officer, Volvo, Member of the Board of Directors, who through the principle, 'Build a leadership that provides clarity of thoughts for execution' for many years has been brilliant at executing purpose at Volvo.*

**An individual manager's opinion or ability to politically push through an agenda is significantly challenged since opinions are often irrelevant if they don't directly spring from a business' very existence.**

A part of purpose will of course be connected to what motivates and drives the leader. But this is not enough. Leadership and a managerial position should always be justified by something bigger than the leader themselves. Something beyond the individual since leadership is defined as leading others toward a goal and at the same time, doing something for others. Leadership should therefore be about the business' and employees' purpose and how a leader can help realise it. In other words, it's about keeping up motivation for the manager's own staff so they work together for a higher purpose. Some might say that sounds like soft people talk. We think of it as deeply commercial and essential to a business' power to execute.

#### EXECUTE YOUR STRATEGY

Good execution is when strategy hits the ground. When the right people do the right things. The classic analysis in strategy processes often comes with the disappointment that after three months work, nothing has happened. There is a risk that no actions are actually taken which either inform us on the choice prerequisites we have identified, or that quite simply bring us closer to the desired strategic outcomes. The businesses that take more action, quicker and smarter than their competitors, who build an execution model instead of an Excel and Powerpoint factory, are best armed for an unpredictable reality. This doesn't mean that the classic strategic analysis models don't work. They can be informative, but many businesses don't have the time, resources or competencies to translate analysis to strategy and most important of all, execution. You can definitely use the classic models going forward, but we suggest you use less time on them and more time on experimenting,

executing and looking at those models from a perspective of purpose where the strategic models are constantly held up against the business' purpose. Purpose is the ultimate argument for whether you should do one thing or another.

The result is a much more transparent strategy process that will save most businesses hours of work since many of the prerequisites for devising strategy and it's success criteria, are already within the description of purpose. You don't need to come up with anything new.

Further, leadership models typically don't create the same benefits of 'good sense' or prioritising action over words. It's never words that drive strategy ambitions forward, but rather concrete action in the real world undertaken by real people.



# ORSTED



**W**hen a business consistently allows its strategic decision making flow from the definition of their very existence, they affect both their people and the market. The ultimate test of whether decision making is connected to purpose is when money is involved.

Orsted are a fine example of a company who in their divestments of oil and gas, and conversion of their power plants, let strategic decisions directly correlate with their purpose, even though it would mean

good money to maintain the status quo. These decisions have not been easy and in the short term, have cost Orsted across many bottom lines, but it's a direct expression of what kind of company they want to be. Note their arguments for these strategic decisions always go back to the kind of business they wish to be and the values they want to embody. It's unlikely we'll see Orsted taking any decisions which undermines a world that runs entirely on green energy. Can you say the same about your company's purpose?

It's this ability to make decisions in a consistent way that can take many businesses to

the next level where their purpose make it dramatically simple. It will often seem difficult to analyse what's the right thing to do when faced with a strategic choice. The questions is often whether you're brave enough to put your money where your mouth is.

So if you take an honest look at your company's purpose and follow it consistently - which natural, business decisions should be made in the coming six months for you to really live up to your fine words?

# Purpose can and should act as an engine in the strategy process.

Many businesses and business leaders have discovered a meaningful strategy process where ambitious goals are set and energy levels increase with the prospect of growth and development. Just as many have discovered that strategy doesn't translate to operation, effort and action in the day to day. You often fall into old patterns of routine and day to day goals. A clear purpose can't exactly revolutionise work with strategy or its implementation. But purpose can and should act as an engine in the strategy process. You can do this by ensuring that purpose starts and ends all your strategy processes from today onwards. There shouldn't be elements or arguments in strategy that work against your business' purpose. That's just noise and should be left out.

Purpose is also an engine for action in that everyone in the business can contribute to. A clever realisation of purpose gives full mandate for execution, which in addition, is also really good business.

Further, purpose can secure a healthy balance between both formulation and execution of the business' strategy, which both earns money and realises what everything is about. This gives a constructive counterweight to balancing financial and short term decisions that don't always point in the desired direction, even though it seems valuable in the short term on the balance sheet.



“

**We like to believe we can break strategy down to Five Forces or Seven S's. But you can't. Strategy is extraordinarily emotional and demanding.**

GARY HAMEL

Gary Hamel is referred to as 'The world's reigning strategy guru' and Professor Peter Senge of MIT describes him as 'The most influential thinker of strategy in the modern world'.

# CHAPTER 7

**REALITY**

Reality always wins

# PURPOSE REALITY ALWAYS WINS

A lot of what we've said can seem overwhelming, but for most businesses, it's really just about tweaking a few things. Most business processes can continue as they are. Reality always comes first - new products need to be developed and produced, sent, sold, campaigns created, bills paid, board meetings held, coffee refilled and a long list of other well established procedures need to be negotiated. It's all part of natural development where processes and solutions are constantly being improved.

Just like everyone else, we battle with these daily processes and tasks each day and through our work with hundreds of businesses across multiple sectors, we have seen that it continues to be crucial for businesses to master the basic internal disciplines of sales, staff, identity and leadership. Our experience demonstrates that the most successful businesses are those that are most confidently in charge of their own 'household'. It always starts from the inside, and isn't the best place to start your true purpose - your reason for existing in the market? We think so, and have helped a mass of businesses get a handle on it. We have continually seen how things fall into place as soon as a purpose is clearly defined. Purpose doesn't take the traditional division of business departments into account and therefore, unravels the knot most businesses find themselves in when trying to engage cooperation across the organisation. Purpose quite simply, brings a business together. A purpose clearly outlines everyone's overall role in the company. Purpose doesn't address

individual roles or functional placement in the organisational diagram. Everyone in the business has a job that is anchored in purpose which ensures cohesion across the whole organisation.

**Your job is not what you do. Your job is realising your business' purpose.**

When you hold onto this sentiment, it will massively influence your business' culture. As a business you need to ask yourself the question, what should managers and staff primarily be spending their precious time on? Should it be particular local interests or a community with a clear direction? Should it be sub-optimisation or a battle between departments or something more inspiring and meaningful? All businesses should make a simple choice and follow through on execution without reservation.

**You can't expect extraordinary contributions if there's nothing extraordinary to fight for.**

We find, however, that purpose doesn't work as well as it has the potential to in most companies. A critical reason is that purpose becomes detached from strategy and the whole operational strategy process. When purpose is not the most important foundation in the strategy process, it won't drive business choices and decisions, and thereby, has no real bearing on a manager or employee's day. It becomes a coffee mug slogan, superficial chatter in the cafeteria or a new TV commercial instead of a decisive argument justifying why the company makes one choice instead of another.

From our perspective, there's no longer a middle ground. If you don't switch to purpose today, you'll be irrelevant tomorrow. It can happen suddenly, even though in reality, you will often see it coming for a long time. You'll be slowly overtaken by more capable, agile competitors that have something meaningful to offer that entices customers to lay down their cash and their loyalty, inspired by a purpose they feel reflects their identity. The businesses that have chosen to stand for something are those who manage to shift to a new reality. And reality always wins.

# START NOW

# PURPOSE

- Seize control of the business' purpose. Be clear about why you exist. Involve key players in your organisation in formulating your purpose. Your purpose should be
- Clear and simple
- Action-oriented
- Transformative
- Ambitious
- the next step is to revisit all parts of the business and complete a simple gap analysis of the difference between desired and actual performance and how execution stands against your purpose. The result of this study will help decide what activities you should continue to pursue, and which activities should be dropped immediately.
- Then complete a similar exercise focusing only on where there is compliance between activities and how they are executed. Examine where you're succeeding at executing your purpose and why it's been possible. In this way, you can scale progress and apply it to other parts of the organisation.
- Further, every business area should come with input as to how they will concretely comply with the company's purpose in a consistent way. What consequences will it have day to day and what they need to be able to realise the company's purpose.

# STRATEGY

- Make a purpose check-up of your strategy plan. Does the plan reflect the business you want to be or are there any potential imbalances?
- Is your business' purpose a central part of your strategy processes? Strategy implements the reasons for your existence. Therefore, a counterweight will often be needed to balance the power the marketing department often hold in relation to what can be sold. You can sell virtually anything, but you can easily come to do so in ways that directly compromise the business' purpose and existence. This can quickly become bad business.
- Work through the 'must win battles' which ensure stringent focus on how purpose should make a difference both inside and outside the organisation.

# LEADERSHIP

- Integrate purpose in all your development initiatives. Purpose should be a core element in leadership, staff and talent development and a substantial indicator of success in each initiative.
- Create a simple campaign where you ask all employees to briefly explain how they deliver on the business' purpose. Document it in the format of quotes, where there's only room for a short sentence, which will narrow the focus. Make a competition out of it, where everyone gets a prize once 1000 statements have been accumulated, for example.
- All managers should identify their own purpose. Help managers to get clear on their individual purpose as a leader in the organisation. Make sure there's alignment between what the business believes in, and what individual managers believe in. Make room for each manager to give nuance to the most central elements in their purpose.
- Help all managers to dig deeper from a description of purpose to formulating concrete values and

actions. With this formulation, you don't need to do anything more as this creates the framework for leaders to perform.

- Give your management model a service check and pay special attention to the ways in which management is implemented. Typically, there is more rooted in past leadership of the past than you actually want to continue with. Define a concrete area that's worth adjusting, and assign current and future leaders the challenge of redefining how this area should look in the future, starting today.
- We have met hundreds of management teams. There are only a few of them that can clearly state why they are a leadership team and what their overall purpose as a team is. This directly affects their way of working, not least their way of achieving results. All management teams should know why they are a team as this is the foundation for their performance.
- At departmental meetings, make it a habit to have an item on the agenda which focuses on how everyone's participation and communication has aligned with purpose. Not to check up on people, but to make staff more aware of how to behave and communicate in meetings in a way that helps the individual department and business live out a collectively agreed purpose.

# SALES

- Conduct training on purpose for everyone in the business who work with sales. They need to be completely anchored in the business'

purpose, the story behind it and depth therein. They must learn to communicate that authentically, and receive training in conducting meaningful dialogue with existing and potential clients from this foundation of purpose.

- Implement an emotional sales process as a cornerstone of your sales work. Train everyone to understand this process as well as be able to execute the various phases of the model easily. Build your sales training on this model to ensure a clear and consistent language internally which the market will certainly respond to positively.
- Go through your business' communication platforms examining the core story you're telling. Is it clear what is the overall project of the business, or is this message a bit foggy?
- Purpose should be part of your sales process and actively used by your salespeople and relevant third parties. Your product, service or offer flows from your purpose - it's the reason you exist. Actively use this story in dealing with potential clients and interested parties generally. Why does it make you capable, likeable, unique and trustworthy?

# HR

- Purpose should be a dimension of all recruitment from job post to selection of candidates, interview process to employment. There are only a few things that can create as much impact as an employee that believes in the same things the business does.
- All employees should naturally discuss their purpose of being in the organisation as well as concrete situations and activities where it comes into play. A crucial prerequisite for this to take place is that all managers are prepared to have this discussion in an effective and motivating way.

- All employees should have the opportunity to evaluate the extent to which the company actually practices what it preaches. Most businesses measure employees from the top down, but should do it from the bottom up, where employees hold the business accountable for purpose and where manager's rewards should be largely dependent on it.
- Experiment with organising the business more around purpose than classic departments. Employ a Chief Purpose Officer and give them greater mandate than the CFO to send a clear message that everyone's loyalty, first and foremost, should be to the very foundation of the business and not local special interests or internal political agendas.
- Give greater rewards and bonuses for contributing to communal business culture and purpose rather than individual achievements. To really create change, culture and structure need to follow one another. Here, it's very effective to put formal rewards in place. For example, if you have 'teamwork' as a formulated, strategic value, why do you most often evaluate and reward individual contributions and achievements?
- All new employees should go through purpose training so they understand it in depth and can discuss purpose and act on it. This is an important part of on-boarding and will quickly have potential to be a significant driver of motivation and performance.
- Look at essential People and Development processes from an employee's perspective (like an internal customer). Are they attractive processes? Is there an appealing product? Do they spark engagement? Are they inspiring? If they fulfil the most essential requirements, is that also the case seen from an employee's point of view? Do they reflect the business' purpose and are you consistently using purpose in these processes?

# LETS TALK AND DO

Our everyday life is consumed with practical details and functions because this is where the true challenge lies. This is where the interesting choices are made. This is where clear, authentic purpose lives.

# SOMETHING TOGETHER

We love criticism and interaction. We think it's inspiring talking things over. It makes us all wiser.

Our own purpose is to help more businesses establish clear, authentic purpose, and execute on it. This can only happen through constructive dialogue. It doesn't necessarily mean we should work together, but we can point you in the right direction, introduce you to the right collaborators or simply inspire you. You are more than

welcome to contact us. Our first meeting is always a two-way conversation where we firstly examine if there is a basis for creating something together.

We work with big and small companies. We are really most concerned with whether the people we work with are open to authentic purpose and are ready for a powerful leap ahead.

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A selection of carefully curated statistics and numbers which demonstrate the juicy rewards purpose driven businesses reap. Here's inspiration for the board member or top executives who are stuck in an outdated mindset.

# 01

## Consumers seek brands with purpose and are significantly more loyal!

- 64% of global consumers find brands that actively communicate their purpose more attractive. 62% want companies to take a stand on issues they are passionate about, and 52% say they are more attracted to buy from certain brands over others if these brands stand for something bigger than just the products and services it sells, which aligns with their personal values. (Accenture 2018)
- 64% of US adults say a company's "primary purpose" should be "making the world a better place". (New Paradigm Strategy Group & Fortune 2019)
- US consumers are more likely to have a positive image of (89%), trust in (86%) and be loyal (83%) to brands that

lead with purpose. Nearly eight-in-10 (79%) consumers surveyed say they feel a deeper personal connection to companies with values similar to their own. And 72% say they feel it is more important than ever to buy from companies that reflect their values. (Cone/Porter Novelli 2019)

- 70% of US consumers want to know what the brands they support are doing to address social and environmental issues and 46% pay close attention to a brand's social responsibility efforts when they buy a product. (Markstein & Certus Insights 2019)
- 74% of consumers believe companies can take actions that both boost profits and improve economic and social conditions for their local communities. (Edelman 2018)
- 79% of respondents in Cone/Porter Novelli's Purpose Study said they're more loyal to purpose brands, and 73% said they would defend them. Another 67% said they are more willing to forgive such a company for a mistake. 78% said they would tell others to buy from their companies and 73% would share content about that company. (Cone/Porter Novelli 2018)
- Globally, 67% of people agree that it has become more important that the brands they choose make a positive contribution to society, beyond just providing a good service or product. This is the majority view in virtually all countries surveyed. (Ipsos 2017)
- 72% of surveyed Gen Z in the US factor in a company's purpose when

shopping. 75% will do research to see if a company is walking the talk when it takes a stand on an issue. And 85% say that they will share their positive opinion about a company that is doing good. (Cone/Porter Novelli 2019)

- Among the Generation Z, as many as 48% base their brand purchasing decisions on a company's impact on the environment, while 44% make choices on their ethical stance, and 21% on the charity work undertaken by the brand. (KAM Media 2018)
- Gen Z is 3x more likely to say that the purpose of business is to "serve communities and society" rather than to simply "make good products and services," and they are more likely than all other generations to call on brands to make a difference by "using their voice to advocate or speak out" on the most pressing issues of our times. (BBMG & Globe Scan 2019)
- While in 2013, only 44% of respondents thought that corporations should stand up for their political beliefs, by 2018 that percentage had jumped to 81%. (Global Strategy Group 2018)
- 64% of people globally expect CEOs to lead on social change rather than waiting for government intervention. And a significant 84% expect CEOs to influence policy debates on social issues. (Edelman 2018)

# 02

## Purpose driven companies totally outperform the market!

- Brands with a purpose set on improving our quality of life outperform the stock market by 120%. (Interbrand 2017)
- According to Kantar's Purpose Study, purpose-led brands had seen their valuation surge by 175% over the past 12 years, versus a growth rate of just 70% for listless brands uncertain of their role. (Kantar 2018)
- In 2018, Unilever's Sustainable Living Brands grew 69% faster than the rest of the business, compared to 46% in 2017. (Unilever 2019)
- Babson professor and Whole Foods advisor, Raj Sisodia, studied 28 companies from 1996-2013 and concluded: purpose-driven enterprises

- grew by 1681% compared to the S&P 500 average of 118%. (Sisodia 2014)
- The Global Leadership Forecast 2018 by DDI World finds that purposeful companies outperform the market by 42% financially. (DDI World 2018)
- Researchers at the School of Management at SUNY Binghamton found that certified B Corps had an impressive 51% revenue growth rate during the 2008 financial crisis. (Yale 2018)
- Certified B Corps in the UK are growing 28 times faster than the national economic growth of 0.5%. Leading B Corp FMCG brands grew on average 21% in 2017, compared to a national average of 3% across their respective sectors. (B Corp 2018)

# 03

## Employees look for meaning, relevance and purpose if they are to compromise on income!

- The percentage of "engaged" workers in the U.S. - those who are involved in, enthusiastic about and committed to their work and workplace - is only 34%, with 53% being "not engaged" and 13% being "actively disengaged". (Gallup 2018)
- There is a rise in people's expressed importance to live life with a sense of purpose: 80% in 2016, 89% in 2017, 91% in 2018. (Enso 2018)
- LinkedIn members want jobs that offer a sense of purpose: 74% of members place a high value on finding work

that delivers on a sense of purpose. (Imperative & LinkedIn 2016)

- Only 28% of respondents in a PwC employee survey reported feeling fully connected to their company's purpose. Just 39% said they could clearly see the value they create, a mere 22% agreed that their jobs allow them to fully leverage their strengths, and more than half weren't even "somewhat" motivated, passionate, or excited about their jobs. (PwC 2019)
- At companies that have clearly defined and communicated how they create value, 63% of employees say they're motivated, versus 31% at other companies; 65% say they're passionate about their work, versus 32% at other companies. (PwC 2019)
- 83% of Gen Z in the US consider a company's purpose when deciding where to work. (Cone/Porter Novelli 2019)
- Four out of five US college graduates say it is very important (37%) or extremely important (43%) to derive a sense of purpose from their work, but only less than half of college graduates succeed in finding purposeful work. Those graduates are, however, almost 10x more likely to have high overall wellbeing. (Gallup & Bates College 2019)
- 67% of 6 to 9 year olds say that saving the planet will be the central mission of their careers in the future. (Wunderman Thompson Commerce)
- 84% of Millennials value meaning in day-to-day work (top priority for respondents), but only 53% of business leaders agree with that. (PwC 2016)
- Not only would 49% of Millennials quit their job within two years (a new high in this global survey), but also about 25% of the same respondents reported leaving an employer within the past two years. (Deloitte 2019)
- Compared to other generations, Gen Z is most likely to say they can make a difference by doing meaningful work through their career - 32% vs. 17% all other generational groups in the survey. (BBMG & Globe Scan 2019)
- Among US survey respondents aged 25 to 34, 80% say they want to work for "engaged companies". (New Paradigm Strategy Group & Fortune 2019)
- More than 9 out of 10 employees are willing to trade a percentage of their lifetime earnings for greater meaning at work. (Better Up 2018)
- 27% of managers in British companies would likely accept a salary cut to work for a company that has a clear purpose beyond profit. 32% would actually consider leaving their job if a greater purpose was unclear, while more than half (53%) would if their company's values and purpose didn't align with their own. (Danone/YouGov 2018)

## 04

**Purpose driven work increases productivity, job satisfaction and loyalty!**

- Employees who report that their job has a “special meaning: this is not ‘just a job’” are 4 times more likely to give extra, 11 times more committed to staying with their organisations and are 14 times more likely to look forward to coming to work than employees at peer companies. (Great Place to Work 2017)
- Research by Bain & Company concludes that if a satisfied employee’s productivity level is 100%, an engaged employee’s level is 144%, but the productivity level of an employee that is truly inspired by the purpose of their employer is a whopping 225%. (Bain & Company 2015)
- A global talent trends survey found that the highest-performing employees are 3x more likely to work for a company with a strong sense of purpose. Yet only 13% of the 7,600 respondents surveyed said that their organisation is differentiated by a “purpose-driven mission.” (Mercer 2018)
- If employees feel they are working towards a good cause, it can increase their productivity by up to 30%. (LMU Center for Economic Studies 2014)

## 05

**The most ambitious and professional business leaders acknowledge the value of being purpose driven!**

- Public discourse about “corporate/ organizational purpose” has increased fivefold since 1994, now trending at an exponential rate that surpasses the rate of public discourse about sustainability. (EY 2016)
- 94% of CEO’s feel a personal responsibility for laying out their company’s core purpose and role in society. (UN & Accenture 2019)
- 41% of Fortune 500 CEO’s say solving social problems should be “part of (their) core business strategy”. (SurveyMonkey & Fortune 2019)
- 9,913 companies from 160 countries are currently members of the UN Global Compact – an initiative launched to align businesses’ strategy with social goals, and to support the Sustainable Development Goals. (UN 2019)
- 79% of business leaders believe that an organization’s purpose is central to business success, yet 68% shared that purpose is not used as a guidepost in leadership decision making processes within their organization. (PwC 2016)
- 65% of CEOs think the main role of purpose is to connect with employees or customers. And 84% of executives strongly agree that business transformation efforts will have greater success if integrated with purpose but only 46% of executives think their organization has a strong sense of purpose. (Brandpie 2019)
- While 76% of marketing heads were of the belief that their own organisation had a defined sense of purpose, only a paltry one in 10 could produce a corporate purpose statement and plan to back-up these beliefs. (Kantar 2018)
- 66% of executives surveyed are profoundly rethinking their purpose as a result of disruption, and most of those (52%) are moving toward a human-centered, socially-engaged conception of purpose that seeks to create value for a broad set of stakeholders. 59% of business leaders see purpose as being very important to their own personal job satisfaction. (EY 2017)
- When asked which were the most critical factors when integrating purpose throughout their business, 93% of executives at purposeful companies cite the need to embed purpose in “our culture and behaviors, especially our leaders”, 93% also say purpose should be “clearly embedded into our goals, strategies and objectives”, and 92% say it should be “embedded in our governance and decision-making processes and systems.” (EY 2017)
- 89% of executives believe that a clear purpose is a good guide/inspiration to future innovation of products and services. And 84% of executives believe that business transformations will have greater success if integrated with purpose. (HBR & EY 2015)
- A strong majority of executives of purposeful companies — 75% — tell us that the integration of purpose creates value in the short term, as well as over the long run. 73% of business leaders say that having a well-integrated purpose helps their company navigate disruption. (EY 2017)



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**CHRISTOFFER RITZAU**

Christoffer is cofounder and partner in DNA, whose purpose is basically to help ambitious people realise commercial success.

Christoffer Ritzau has a commercial background from the private enterprise, Monday Morning House, and subsequently as Director of the jewellery industry in Denmark, (GL) and later as Director for the fashion industry (DM&T)

For the last 20 years, he’s worked with management, strategy and organisational development, identity, communication, sales and concept development in interaction with hundreds of businesses. He is a specialist in decoding and developing a business’ purpose as well as concrete implementation.

Co-author of the book, ‘Purpose - simply good business’.



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**FREDERIK PETERSEN**

Frederik is cofounder and partner in DNA, whose purpose is basically to help passionate people realise commercial success.

Frederik worked for the international design company, D Line, for more than 20 years, including more than 6 years in England and Germany. Frederik has broad international experience in management, sales, strategy, product management as well as organisational development. Frederik has a graduate degree in psychology and business economics as well as management qualifications from IMD.

Co-author of the book, ‘Purpose - simply good business’.



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**MARTIN DARRE**

Martin is the founder of Friday CPH, which makes purpose actionable by fighting bullshit.

Martin has more than 15 years experience with counselling and execution in businesses, in Denmark as well as internationally. Martin works in areas such as execution of purpose, leadership and talent development as well as corporate entrepreneurship and functions as a trusted advisor on all levels of management. He’s a specialist at connecting a business’ overall strategic intentions with concrete realisation. Author of the books, ‘Strategic talent development - realise your organisation’s potential’ (2014) and ‘It takes talent to develop talent’ (2020).

Co-author of the book, ‘Purpose - simply good business’.

# THE MOST COMMERCIAL DIRECTION YOU CAN OFFER YOUR BUSINESS IS TO BE PURPOSE DRIVEN.

You should know that..

The rewards of being purpose driven are not up for discussion. The value of being purpose driven has been explored in recent years in a long list of studies from the most respected institutions such as PWC, Deloitte, E&Y, McKinsey and Harvard University. They have all documented that purpose driven companies increase performance, create focus and meaning across all of the company's commercial parameters.

A mass of evidence on purpose driven companies and overwhelming number of studies show that businesses that have a handle on purpose, fare much better in critical business disciplines than their competitors. Despite the convincing, solid base of data, most companies still haven't bought this premise. They don't think their purpose is crucially commercial. But that's exactly what purpose can be if you consistently, authentically put it into play and apply it throughout your business.

We're speaking to those who think about purpose together with business. We're writing for those who want to be consistently focused and meaningful in their movements. To those who want to turn down the noise and turn up the volume on execution. Those who need to create real change and want to apply purpose steadily in order to achieve the most meaningful and commercial direction of their business.

A higher purpose sounds good but isn't enough in itself. It's crucial that purpose is sincere and permeates the whole business, in all its activities. As with anything else, it's easy to say you have a purpose, but it's more difficult to steadfastly enact it. There is so much rhetoric noise and when you cut back to the bare bones, the fact is that many activities in a business are totally irrelevant.

This book outlines why an authentic purpose is immensely effective in attaining commercial success and how it can strengthen your business enormously on all levels, in all departments, every day, all year round.

Our purpose for this book is therefore...

**WE MAKE BUSINESSES RELEVANT THROUGH  
THEIR AUTHENTIC PURPOSE AND REALISING IT  
CONSISTENTLY THROUGHOUT THE BUSINESS.**

Enjoy!