

Why start with purpose?

By Chris Humphrey

Business most importantly is about listening, not just talking. I hurried across Westminster Bridge from presenting on brand purpose, and my role was reversed as the audience member of an event at the Royal Society of Arts to commemorate the tenth anniversary of The International Exchange (TIE). TIE arranges short-term placements for professionals in developed countries, to help non-profits or social initiatives in the emerging world. TIE has a strong sense of vocation, so decided to gather together four eminent practitioners to answer 'Does Purpose Pay?'

Purpose is a much more strategic idea than corporate social responsibility

Charlie Dawson, Founder and Partner of The Foundation, and keynote speaker, said to me afterwards that 'so much language in the area has become polluted by misuse'. I had the overriding impression that most of the speakers supposed that purpose is always preceded by 'social'. Purpose is a much more strategic idea than corporate social responsibility, but many businesses are jumping onto it simply to cement their philanthropic credentials.

A well-designed brand purpose should succinctly articulate the customer's 'job to be done'. If we think about our own experiences, when we buy a product or service we fundamentally hire it to help us do a job. If it does the job well, the next time we are faced with the same job we use the firm again. The job is shorthand for what a customer is really seeking to accomplish, and as pioneering academic Clayton Christensen says, 'jobs are never simply about function – they have powerful social and emotional dimensions.'

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A well-designed purpose acts like a strong founder, focusing everybody on customers

A brand purpose should unite everybody inside the organisation around a common understanding of what value customers want the firm to deliver, so only has a 'social' dimension when it conveys why that organisation really exists. Purpose drives organisational effectiveness, commercial performance, and stakeholder value, so must not, as Mark Ritson puts it, have 'departed from consumer reality and entered the kind of aspirational emotion zone that only ad agencies and the most deluded brand manager actually inhabit.'

Premier Inn is an example of an effective purpose. Making guests 'feel brilliant through a great night's

sleep' gives the British budget hotel chain the self-assurance to excel in areas that customers value, such as Hypnos beds, good quality showers and a hearty breakfast, but not gyms, luggage porters or fine dining. A universally understood purpose ensures countless decisions are consistent and single-minded and, although Premier Inn is decidedly commercial, everybody can still be bound together by doing something valuable for customers.

A purpose can act in the same way as a strong founder or effective leader, driving direction and decision making, and resolutely focusing everybody internally on the customer. Many organisations, besides falling into the trap of designing a purpose that lacks operational precision, also think that it is sufficient simply to have a purpose. A purpose needs more detail to make it operational throughout the entire organisation and it needs to be permeated throughout the entire business system. It is simply not enough to ask staff in increasingly complex and fragmented organisations to "make people feel brilliant".

HR intentionally permeates the purpose-led framework across the organisation

In 1955 Walt Disney decided that his command and control leadership style would no longer serve his business or safeguard his legacy, so he designed a purpose-led framework to hardwire customer expectations into the heart of his business. Central to Disney's customer experience and commercial success is a small set of standards and behaviours that give the next level of detail about a customer's 'job to be done'. At Disney everything is run through the same lens, so when decisions conflict, safety trumps courtesy, and courtesy and show are prioritised over efficiency. If you have to shout at someone to prevent an unsafe situation, you do.

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To achieve a customer-led ethos, it is crucial to use each and every HR mechanism to reinforce it. All too often, human resources focus only on hygiene factors: working conditions, management practices, pay and conditions, and so on. Certainly these are essential to ensure that employees are happy, because unhappy employees undeniably create unhappy customers. A purpose-led framework transcends the narrow interests of people's functional responsibilities, so human resources must intentionally and relentlessly reinforce the right behaviours if a customer-led culture is to result.

A framework gives staff the direction to stay consistently on-purpose, but at the same time empowers and trusts them to be flexible, creative and individual about how they actually deliver value to customers. A purpose-led framework that is firmly rooted in 'jobs to be done' will bind a people together across millions of fleeting and varied customer interactions. Clarity helps employees act freely when the unexpected happens, knowing that as long as they are working within the clear boundaries of the framework they will be backed by management for doing their best.

A purpose-led framework has been likened to a riverbank: without banks a river would be ill defined and hard to navigate; with banks it is crystal clear and flows swiftly, with plenty of space between the banks for individual creative expression, flexibility and personalisation.