

Purpose must come before profit... and before anything else too

 By [Mike Freedman](#)

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Building a business or working in a job is meaningless unless it is done with purpose, knowing that making money is not the purpose, it is a result. Money is the fuel for the engine, not the reason for the journey. But what does it mean to operate with purpose, and how does a business identify whether it really knows what its purpose is?



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Purpose is the unifying force that cascades throughout the enterprise, from culture and strategy, through to brand and action. It responds to our innate desire to make a positive impact on the world we inhabit – regardless of whether the enterprise is non-profit, social, or a conventional business.

For example, Sam Walton didn't create Walmart to become a billionaire. His purpose was to create a place where 'ordinary folk had the chance to buy the same things as rich people.' Think of Microsoft's 1980 purpose, bearing in mind that it is a software company: 'to have a computer on every desk and in every home,' with this purpose evolving in 2015 to be 'to empower every person and every organisation on the planet to achieve more.' Not a word about software...

Identity your business purpose

For everyone who feels their remuneration is unfair, a pay-rise comes well before lofty principles. However, when people believe they are being paid fair value for their work, the offer of more money does little to inspire commitment. Yet, as soon as employees start doing something they believe in – something that has purpose – they are motivated and deliver better results.

Taking the time to identify your business purpose cannot be purely financially motivated, although a business with a clear purpose enjoys advantages of reduced costs and increased innovation.

Decision making in a purpose-led enterprise is quicker and truer because questions posed are quickly answered through a clearly defined lens. If the purpose is clear, hours, days, even months and years, spent debating and disagreeing on different world-views are far more productively spent pursuing new answers. Quick decision-making means that an enterprise can be agile, adapting at the pace of, or even anticipating, rapidly changing marketplace conditions.

Innovation is unleashed by purpose. New products and services, as well as changes in operations, are inspired and guided by referring to the core purpose of the enterprise. Purpose demands a deeper way of thinking to fulfil unmet needs for people, planet, prosperity and posterity. Having a clear purpose attracts and retains top millennial talent, too. This generation of skilled workers wants to know how their prospective employer plans to make the world a different and better place, and what their role might be in achieving that purpose.

No quick-fix formula

Being able to attract better people who are going to work harder and smarter with more passion, in an environment where clear decisions are made quickly with less collateral damage means new things happen more quickly and more profitably. In an age where technology evens out many long-held differentiators, enterprises with a shared sense of purpose grow a culture and brand that resonates with employees and customer alike. These are the businesses that will survive and thrive.

There's no quick-fix formula that finds a business's purpose and 'hey presto', everything is back on track. The hard work starts when the purpose is cascaded through the enterprise, identifying what must start to happen, what needs to stop, how priorities must change and how behaviours should shift.

This is purpose in action. The beginning starts with a deep understanding of who you are as an enterprise, the seeds of your future growth, and the obstacles in your way. This knowledge comes from staff and leaders, customers and shareholders, and a contextual understanding of the world around us. Purpose must come before profit because profit is a natural follower, but a harmful leader. Purpose is born to lead.

ABOUT MIKE FREEDMAN

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