



BUSINESS FIGHTS POVERTY ONLINE 2020: REBUILD BETTER

# FIVE INSIGHTS: HOW CAN WE EMBED PURPOSE INTO BUSINESS AS WE REBUILD BETTER?

DATE: **MONDAY 13/07**

THEME: **PURPOSE**

FORMAT: **WEBINAR**

## SPEAKERS

■ **Tom Adlam**, Team Leader,  
*DFID Impact Programme*

■ **Robert Eccles**, Visiting  
Professor of Management  
Practice, Saïd Business  
School, *University of Oxford*

■ **Martha Herrera Gonzalez**,  
Global Director of  
Responsible Business and  
Shared Value, *CEMEX*

■ **Beth Hurvitz**, Senior  
Vice President, Social  
Impact, *Visa Inc*

■ **Dr Myriam Sidibe**, Founder,  
Brands on a Mission, Fellow  
at the Mossavar-Rahmani  
Center for Business and  
Government, *Harvard  
Kennedy School*

■ **Dhananjayan  
Sriskandarajah**,  
CEO, *Oxfam GB*

**Moderator:** *Katie Hyson*,  
Director of Thought Leadership  
at *Business Fights Poverty*

IN THIS SESSION, OUR PANELLISTS DISCUSSED THE THEME OF THE DAY, PURPOSE, IN RELATION TO REBUILDING BETTER AS WE GET OUT OF THE PANDEMIC. OUR SPEAKERS TOUCHED ON TOPICS RELATED TO RESILIENCE AND SUSTAINABILITY; THE IMPORTANCE OF PARTNERSHIPS IN THE ECONOMY AND OF TRANSFORMING PURPOSE INTO A MISSION; AND HOW TO TRANSFORM BUSINESS MODELS FOR THE BETTER.

## KEY INSIGHTS

### REBUILDING BETTER PRESENTS THE OPPORTUNITY TO EMBED PURPOSE MEANINGFULLY INTO BUSINESS

As we start moving away from the height of the pandemic in some countries, the rebuilding phase will increasingly demand that large companies not only monitor and measure their social and environmental impacts, but also that they commit to bring a positive return for their communities and stakeholders. As Martha Herrera Gonzalez explained: “we need to embed purpose in the strategy, in the operations and in the culture... And measure in a cohesive way the positive social and environmental impacts that you are delivering”. Beth Hurvitz talked about programmes that offer financial support for black female business owners and business education for less privileged groups.

### WHILE PROGRESS HAS BEEN MADE ON EMBEDDING PURPOSE, MORE NEEDS TO BE DONE

For Robert Eccles, the fundamentals of corporations and their relationship with society need to move away from a shareholder-driven model if we really want to make our economies work for everyone. One practical way to drive this, he argues, is for Boards of companies to issue a Statement of Purpose—a commitment to pursue corporate targets that go beyond making profits. Although we have been seeing more and more companies creating their Statements of Purpose, they continue to be a relatively small group. For Professor Eccles, this indicates that businesses are still not doing enough.

## **WE NEED TO EXPLORE NEW PURPOSE-DRIVEN BUSINESS MODELS**

Building a new normal will require governments, civil society, and companies to overcome the traditional models of business organisations, which today are supposedly either for-profit or non-profit. There is some welcome shape-shifting going on, as argued by Dhananjayan Sriskandarajah. Importantly, there is demand in society for new business models that take stakeholders' preferences and environmental impact seriously. In the words of Dr Myriam Sidibe, "if we do not embed moral values into your business model you are not going to live much longer as a business."

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## **THE INVESTMENT COMMUNITY CAN BE A POWERFUL DRIVER FOR EMBEDDING PURPOSE**

Tom Adlam argued that impact investors strongly support businesses with purpose. They understand that it is possible, and very much desirable, to combine economic growth with substantive social and environmental protections. For instance, ESG investing is increasingly becoming mainstream. Moreover, there are examples of initiatives in companies, in their foundations, and within the partnerships that they are part of to bring about a positive systemic change.

## **REBUILDING BETTER MEANS BUILDING NEW COLLABORATIVE APPROACHES**

Companies must understand partnerships in a broader way and take into account their relationships with their business partners in supply chains, their employees, clients, and other stakeholders. Collective problems, like climate change, demand collective solutions; businesses must be prepared to work in cross-sector collaborations as well as peer-to-peer partnerships. As Dr Myriam Sidibe argued, building a more sustainable economy and a more resilient future will require companies to see purpose as a mission and to build up collaborative initiatives that offer social protection to everyone in their supply chains while preserving the natural environment of their host communities.

## **RESOURCES**

- **Business Roundtable Redefines the Purpose of a Corporation to Promote 'An Economy That Serves All Americans':** <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>
- **Mossavar-Rahmani Center for Business and Government:** <https://www.hks.harvard.edu/centers/mrcbg>
- **DFID IMPACT Programme:** <http://www.theimpactprogramme.org.uk>
- **Brands On A Mission:** <https://brandsonamission.com>
- **Brands For Good:** <https://sbbrandsforgood.com>
- **Make My Money Matter:** <https://makemymoneymatter.co.uk>
- **Female Fund Managers:** <https://100women.org/female-fund-managers>
- **Enterprise Development Programme:** <https://www.enterprisedevelopmentprogramme.org.uk>
- **3 Ways to Put Your Corporate Purpose into Action:** <https://hbr.org/2020/05/3-ways-to-put-your-corporate-purpose-into-action>
- **Embedding Purpose Discussion Paper:** [https://snipbfp.org/Purpose\\_Paper](https://snipbfp.org/Purpose_Paper)