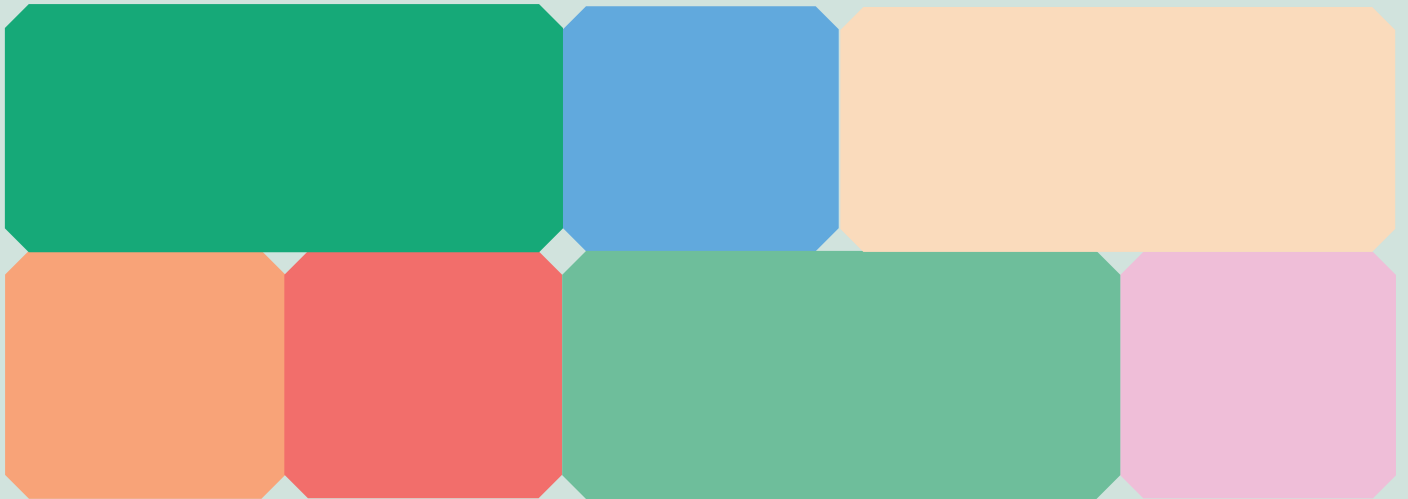


Purpose in Business

A guide to profitability,
people and planet



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Contents

1.	Introduction	04
2.	What is purpose in business?	06
3.	Why take a purpose-in-business approach?	08
4.	Putting purpose into practice	10
	4.1. Developing your purpose	11
	4.2. Implementing purpose: Three fundamental pillars	14
	4.3. Leading with purpose	23
5.	Moving forward	26
6.	Authors and Contributors	29
7.	References	30

1

Introduction

This Purpose in Business guide provides practical steps to define and embed purpose in your business. Drawing on research from the University of Glasgow on the purpose journeys of five Scottish businesses (see the table on page 5), it offers real-life insights into the benefits of a purpose-led approach. Whether you are exploring what purpose means for your organisation or you already have a clearly defined purpose and want to embed it further across your business, this guide can help.

Purpose in business connects commercial success with positive impact for people and the planet. It's about creating value through solutions that benefit society and the world we live in. A clear purpose can boost efficiency, strengthen the market position and reputation of the business, drive innovation and enhance resilience.

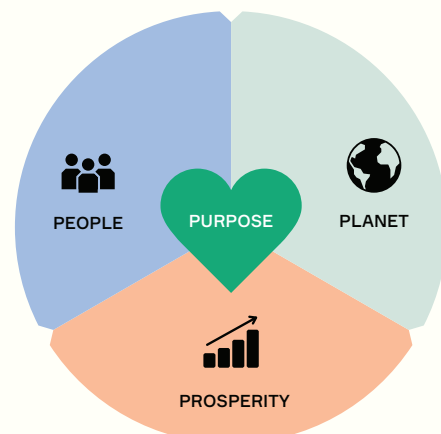
Having a clear purpose is increasingly viewed by businesses as the best way to operate and to remain sustainable in a competitive environment. It responds to increasing demand from customers for ethical business practices, and higher numbers of employees (particularly young people) seeking out purpose-led businesses, and it helps to future-proof the business against market changes. Government also recognises purpose-led business as pivotal for driving prosperity in a more inclusive way.

“As a business... it is all about the people and the planet... we pay the real living wage... we’re not exploiting people in other countries or people [in our own community]. We’re not exploiting the environment, our working conditions are second to none.”

Senior team member, Company A

“As a business, we’re obviously there to transmit electricity to where it’s needed... But also, we have a wider purpose... [to] reduce emissions, reduce impact to the environment... also generate jobs for the local economy. To minimise our impact but also leave a lasting benefit.”

Senior manager, Company B



Participating Businesses

5

Scottish businesses

80

interviews with founders, leadership, management, production, operative and support roles

5

workshops with participating companies to validate findings

Company A

is a circular fashion infrastructure provider delivering sustainable garment rental, repair, resale, renewal and advanced textile processing at scale. Founded in 1997, it accelerated its 'Close-the-Loop' sustainability strategy in 2019, including investing in innovative textile care technologies. A certified B Corp with 150 employees, it champions environmental sustainability, employee welfare and circular industry transformation.

Company B

was established in 2000 and is responsible for managing the electricity transmission network for a large UK region. With around 2,500 staff, it is playing a key role in reaching Scotland's net-zero targets. Its environmental focus underpins its purpose which also informs its approach to collaborating with stakeholders, investing in local communities, and supporting its workforce.

Company C

is a coffee roaster. Founded in 2011, this 11-employee, certified B Corp produces high-quality, ethically sourced coffee. Its purpose centres on reducing its environmental impact, fostering supportive long-term partnerships with global growers and suppliers, actively contributing to its local community and treating employees fairly.

Company D

is a 15-employee vehicle conversion company specialising in high-quality, bespoke products. Founded in 2006, the business became employee-owned in 2018, reflecting and reinforcing its longstanding commitment to fair workplace practices, community engagement, and excellent customer service.

Company E

is a social enterprise established in 1983, and with around 500 staff operating across Scotland and the north of England. Its purpose is to lift people out of poverty and create lasting social and economic change through employment, mentoring, energy advice, and wellbeing support.

Notes

In line with ethical research standards, the business names in this guide have been replaced with generic identifiers.

What is purpose in business?

“The idea and practice of purpose in business is to produce profitable solutions to the problems of people and the planet.”

Mayer, 2018¹

Purpose is at the heart of good business, because it brings together business success with positive social and environmental outcomes. Many businesses operate in Scotland today with a purpose approach including John Lewis Partnership, Brewgooder and Collective Architecture. The idea of purpose in business has grown in recent years, alongside wider efforts – such as B Corp certification and fair work practices – to build ethical and responsible businesses.

Purpose is integral to a business’s practices and guides its activities. It is shaped by the business’s history, culture, values, and strategic goals. It connects to environmental factors, financial requirements, market demands, leadership and workforce considerations, and relationships with stakeholders. The authenticity of a business’s commitment to purpose is demonstrated in its working practices and through the decisions and actions of its leaders, who can inspire and motivate employees and stakeholders.

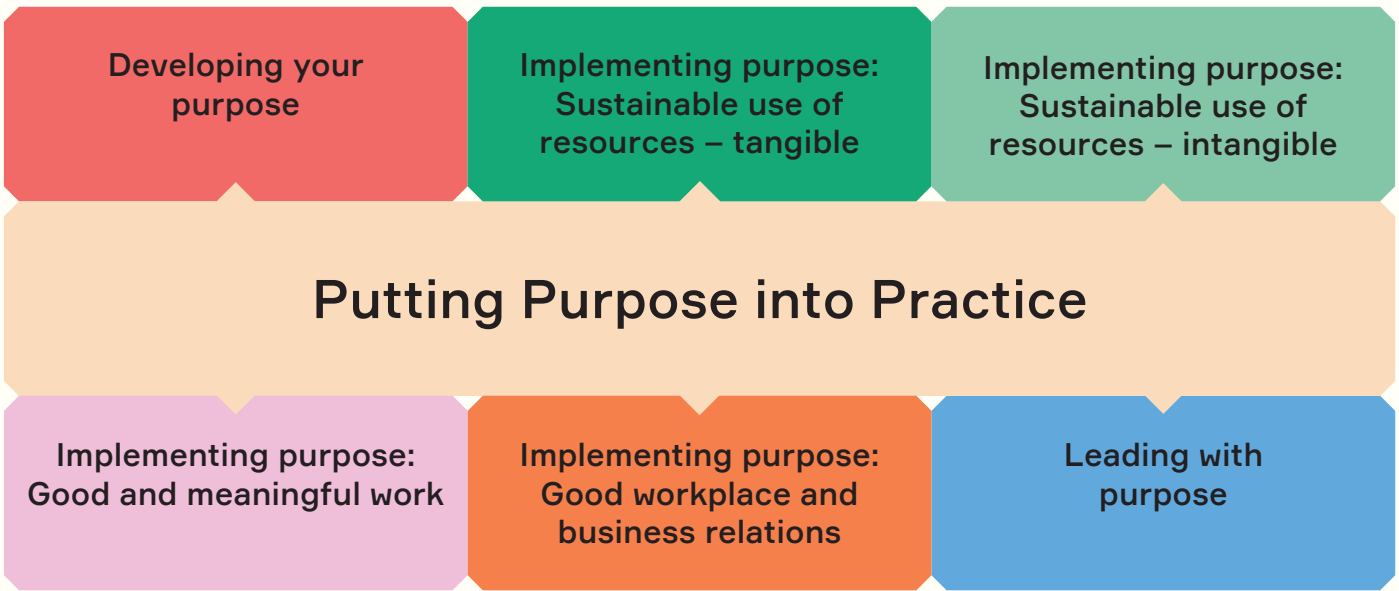
A purpose-in-business approach is relevant to all types and models of business. The steps you take to embrace it will differ depending on the size, sector, and stage of development of your business.

There are different starting points and different ways to develop purpose – you don’t need to have everything sorted at the outset. Defining your purpose and embedding it in your business activities can be a gradual process of reflection and adaptation to business conditions and changing circumstances. Use the Putting Purpose into Practice table, summarised opposite and expanded on page 27, to help you.

Consider...

- What are your aspirations for the business?
- What impact might they have on people and planet?
- How might you ensure that you are authentically delivering on your purpose?
- How can you ensure purpose is recognised across the whole business?

¹Mayer, C. (2018) *Prosperity: Better Business Makes the Greater Good*. Oxford: Oxford University Press



3

Why take a purpose-in-business approach?

Taking a purpose-led approach can lead to business efficiencies, enhance innovation capability and business performance, and create long-term sustainable value for the business, society and the environment. Purpose is useful in:

- Guiding leaders as they reflect on challenges or opportunities
- Informing decisions at different levels within the business and with external stakeholders
- Contributing to efficient use and management of resources
- Strengthening relationships with employees, local communities and external stakeholders
- Supporting profit generation

Foundational pillars for putting purpose into practice

There are three foundational pillars in a purpose-led approach:

- Pillar 1: Sustainable use of resources
- Pillar 2: Good and meaningful work
- Pillar 3: Good business relations

How these pillars benefit your business is summarised in the table opposite and expanded in section 4.

Effective leadership and a strategic vision that embrace these pillars can support you to implement purpose and deliver beneficial outcomes.

Consider...

- What are your drivers for taking a purpose-led approach?
- How can you minimise your environmental impact?
- What does good and meaningful work look like in your business?
- How can you maximise business relations inside and outside of the business?

Foundational Pillars & Benefits

Pillar 1: Sustainable use of resources

Sustainable use of resources means using as few resources as possible and minimising your impact on the environment.

It can lead to business efficiencies in:

- Resource use – as you get the best outcome out of the fewest possible resources
- Processes and working practices – through technology, recycling practices and waste management
- Accessing ethical supply chains that align with your purpose

Pillar 2: Good and meaningful work

Providing good and meaningful work involves building a workplace culture rooted in respect and care, with opportunities for work that feels fulfilling and meaningful, supported by clear leadership and reliable working practices.

It can lead to business benefits including:

- Strengthening staff recruitment and retention
- Increasing staff motivation and engagement
- Empowering staff to enhance business activities through innovative skills development
- Reduced costs associated with staff turnover and recruitment

Pillar 3: Good business relations

Nurturing good business relations is achieved by having clear values and working practices that are shared with external stakeholders.

This can benefit the business through:

- Enhanced relationships with suppliers, collaborators and other external stakeholders
- Valued connections with local communities
- Increased employee commitment
- Attracting investment

4

Putting purpose into practice

Purpose is best seen as a journey that supports the goals of the business. You can approach your purpose journey from different starting points, depending on your needs and resources. Some changes may be straightforward to introduce, while others may require investment in tools, technology, staff development, or relationships with customers and suppliers.

Purpose can be developed and evolve over time, in a way that suits the circumstances of your business. There is no sequential pathway to follow – start at any point that suits you best. The visual overview below connects to the Putting Purpose into Practice table on page 27 and shows the key themes and sub-themes that you might choose to focus on. In putting your business purpose into practice, the following sections will guide you in developing, implementing and leading with purpose.



4.1

Developing your purpose

Your business purpose is shaped through a combination of factors including the core values and culture of your business, financial imperatives, environmental considerations, and connections with your internal team and external stakeholders.

There are many drivers in taking a purpose approach. The businesses referenced in this guide used purpose to leverage their positions including to:

- Establish themselves as leaders in sustainability and working practices in their sector
- Embed community engagement as their ethical approach to embracing sustainability
- Develop socially impactful programmes to address poverty
- Develop ethical supply chains to enhance sustainability
- Address commercial pressures and the need to reduce costs
- Secure investment

For Company A, embedding purpose in the business started as an unintentional response to external pressures. They introduced more sustainable practices including recycling, reducing landfill, and switching to LED lights, to reduce costs.

In addition, changes in the rental-wear market initiated a move towards recycling and repurposing clothing, and to adopting a circular business approach. The shift in strategic focus led to financial investment via a “debt-to-equity” swap from creditors that ensured the sustainability of the business.

Business succession was a key driver in shaping purpose for Company D, whose owner has a longstanding commitment to fairness, employee welfare, and caring for the local community. These values and the impending retirement of the owner came together, resulting in a shift to employee ownership. The core values have been strengthened through the move to becoming employee-owned, reinforcing a culture where employees feel respected and invested in the company, and securing the company’s future as the founder withdraws.

Work with your core values

A useful starting point for shaping and driving purpose is to clarify your values. Core values are the fundamental principles that guide a business's actions, shape its culture and aid decision-making. Applying purpose and values when addressing opportunities can keep you on track and true to your goals. Company E turned down a lucrative business opportunity as the funding did not align clearly with its purpose and values.

“...any projects we wanted to take on would absolutely have to fit with our values... [and have] social, economic and cultural alignment with us... We wouldn't go and bid for a project that was completely misaligned with who we are...”

Senior team member, Company E

Company A and Company B use their values to ensure they are recruiting like-minded people.

“If your values and beliefs don't align with the purpose, then you're probably not going to be happy in this workplace... So it's important... when people look to join us... we're very clear around 'why work here' – this is why. Then within the organisation itself we are working to do the same thing... it helps us having a set of common values.”

Senior team member, Company B

Core values should be relevant to your activities and business sector and complement other brand components such as your vision and mission. Consider how your values fit with social, economic and environmental factors. You may want to review your business values and update them in light of these influences. It is beneficial to involve employees and other stakeholders in shaping your values, so they feel relevant, inspiring, and connected with your purpose.

Aligning values with purpose provides strategic focus and, when clearly defined and consistently demonstrated, this purpose then supports business performance. It does this by creating a coherent workplace culture that helps employees understand business goals; enabling customers to make values-based choices; and attracting suppliers who want to work with a purpose-led business.

Consider...

- Purpose = why the business exists
- Vision = where you want to get to, your aspiration for the future
- Mission = how you will achieve your goal and who will benefit
- Values = underlying principles that shape behaviours and culture

Steps you can take to develop your purpose	→ Benefits
Clearly define the business purpose in relation to people, planet and profit in a way that suits your business and sector	→ Shared understanding of the reasons for the business's existence – beyond profit
Use the purpose to guide the hiring of employees at all levels	→ Employee values are in line with the purpose, making them a good fit for the business
Ensure the senior team leads by example and demonstrates a clear commitment to purpose and belief in it, through communications and decision-making	→ Purpose is enacted at a strategic level as senior leaders act with purpose in their decision-making style and behaviour
Use purpose to guide strategic decisions such as the products you use, who you collaborate with, and how resources are managed	→ Employees, external stakeholders and customers view your business as having integrity, nurturing a coherent work culture and positively impacting brand
Consider involving employees and other key stakeholders in creating new values or reviewing existing ones	→ Employees buy into the values as they have co-created them, rather than values being transmitted top-down

Your business challenges can be a starting point for defining your purpose. How might you...

- Deliver a bespoke customer experience?
- Foster a motivated and committed workforce?
- Maintain trust with employees, customers, communities and other stakeholders, to achieve social outcomes?
- Ensure efficient and sustainable use of resources?
- Manage global supply chains?

4.2

Implementing Purpose: Three fundamental pillars

There are three essential pillars that can support you to implement purpose. They can be used to keep you on track to achieve your goal in an authentic way.

Pillar 1: Sustainable use of resources

Using resources more sustainably is a key part of putting your purpose into practice. You can demonstrate your business's commitment to this by its management of tangible resources, for example, reducing waste and emissions. Using eco-friendly materials, introducing recycling, and investing in systems to manage waste or generate energy can also motivate employees, as these are visible, everyday actions that connect their work to wider sustainability goals.

At Company A, staff shared how the recycling practices and water reuse systems they used in their work helped them feel part of delivering a sustainable business. They viewed the company as authentic and as leading the way in its sector, which was motivating. Similarly at Company D, the employees, from the office to the workshop, took pride in minimising waste and recycling or reusing where possible.

“So they’re not using constant water, they’re reusing the water, which I think is phenomenal... the fact that they’re doing this [at] an industrial level, maybe other companies should listen to what they’re doing, and watch... and take that on board.”

Employee, Company A

Consider...

- What eco-friendly resources could you introduce?
- What reduce, recycle, reuse approaches would benefit your business?
- How might you improve resource efficiency?
- How might you make a shift to renewable energy sources?

Steps you can take for sustainable use of resources – tangible	→ Benefits
Recycle plastics and other materials and reduce waste from going to landfill	→ Reduces costs and shows concern for the planet
Introduce recycling practices such as water reuse systems	→ Lowers operating costs and shows commitment to eco-friendly practices
Use environmentally friendly cleaning chemicals and materials	→ Builds employees' sense of pride in sustainability practices
Use renewable energy sources such as solar panels and wind turbines, and lower-energy technologies such as air-source heat pumps	→ Reduces emissions and provides energy security
Extend the life of products through repairing, reselling, and repurposing items	→ Shows commitment to purpose-led practices
Build quality products with longevity	→ Nurtures pride in quality outputs
Develop a net-zero strategy to deliver net zero goals	→ Employees feel they are contributing to a positive future for their families

Just as taking care over tangible resources – materials, water, energy – can be hugely beneficial, investing in and giving careful consideration to intangible resources such as the workforce and business connections can also help ensure the long-term success of the business. It can highlight your approach to innovation and place you ahead of competitors, attracting new talent and suppliers who share your values. There are three areas to consider when developing your intangible resources:

- Workforce development
- ▲ Wellbeing at work
- Managing workloads

Examples of investing in each of these areas, and the benefits experienced, are shown in the table on page 17.

Consider...

- How might you best support employees to develop their potential?
- What might you do to support staff wellbeing?
- What might you put in place to ensure that staff workloads are manageable?

Steps you can take for sustainable use of resources –intangible	→ Benefits
Provide opportunities for relevant accredited training programmes and practical skills	→ Builds the talent pipeline
Nurture kindness by encouraging and supporting employees to resolve issues without management intervention	→ Employees are motivated and empowered to support and look after each other
Provide wellbeing activities such as yoga, gym classes and access to a counsellor	→ Employees feel cared for and valued
Build strong relations with clients, suppliers or partners who share your values	→ Secures good external relations and supports ethical supply chains
Involve communities impacted by your work	→ Business is seen to be genuinely invested in the local community

Developing Intangible Resources

● Workforce development

Providing workforce development opportunities can give your employees the knowledge and skills required for the future. Company A and Company B, for example, invest in developing employees – including older staff – through a range of opportunities for learning and professional development. These measures were experienced as supportive by employees and built their loyalty and commitment to the business.

“Our view of sustainability also includes people... most people think sustainability is energy, it’s carbon emissions – but we also look at it from a softer side. [We offer] vocational training for people who aren’t going down the academic route, and building up their skills to make them employable... So that kind of training is a big point.”

Senior manager, Company A

▲ Wellbeing at work

Wellbeing at work means supporting employees through a range of health and welfare-related schemes and support. These can be configured in different ways to enhance employees’ mental and physical wellbeing. This helps build a healthy workforce and enables staff to do their best – nurturing loyalty and appreciation. Company E, for example, has a variety of services, classes and working practices that support employee wellbeing.

“We have yoga, gym classes... We have free access to counselling... colleagues are always given the flexibility to do these things because we know that’s how we’re going to get the best out of them, when they feel their best.”

Manager, Company E

■ Managing workloads

Managing workloads ensures employees can work at their best and helps them to avoid burn-out. Company E shows understanding and offers support when employees face difficult times or complex personal situations. Company D also focuses on workloads and recognises that giving staff the time they need to deliver quality work ensures customers have the best experience, and employees stay motivated.

“[Employees] would much rather feel valued and like they’re doing a good job and be allowed to do a good job... to have time and not feel too stressed out... all these things are as important as getting that... bonus at the end of the year.”

Senior manager, Company D

Pillar 2: Good and meaningful work

Providing good work plays a central role in shaping employee motivation and commitment. Across the businesses referenced in this guide, good work was understood in practical terms, including secure and predictable working hours, payment of the Real Living Wage, flexible working arrangements, and workplace cultures based on respect, care, and employee voices being heard. These practices helped employees feel valued and supported, benefiting both employees and businesses.

Businesses found that security of employment and flexible working were particularly important in supporting employee autonomy, commitment, and work-life balance. For some employees at Company B, flexibility and recognition of individual circumstances were a deciding factor in where they chose to work.

“Being able to work flexibly, recognising individuals as individuals... not everybody is as suited to a nine-to-five structure... accommodating a home-life balance is, for me personally, an absolute primary factor in where I work.”

Senior team member, Company B

At Company D, employees described feeling supported to manage family responsibilities, which fostered a sense of loyalty and commitment to the business. One employee reflected on how this translated into feeling valued at work.

“I am always supported if there’s anything to do with my family... I feel valued... I feel loyal to them because they are really kind and considerate towards me.”

Employee, Company D

Good work was also closely linked to work feeling meaningful. When employees understood how their everyday tasks connected to the wider purpose of the organisation, they were more motivated and committed. At Company B, the “Golden Thread” approach was used as a way of monitoring performance by measuring the impact of work undertaken. It links day-to-day tasks and individual and team goals to the organisation’s broader sustainability purpose.

“We have a monthly session where... all of our objectives feed up to our line manager who feeds up to her line manager, and they all are based on the goals of [the organisation]... We review our objectives... so you don’t lose sight of [them]... you always remember, okay, this is what this is about, and this is why we’re doing this.”

Manager, Company B

“[The purpose] allows you to see where you fit and where other people fit. It’s not just going through the motions of turning up, doing a job and leaving. You can see how what you do makes a difference.”

Manager, Company E

These practices helped make everyday work feel purposeful. By supporting good working conditions and helping employees see the value of their contribution, businesses strengthened motivation and commitment, and encouraged discretionary effort, with positive implications for both employees and the businesses.

Steps you can take to embed good and meaningful work	→ Benefits
Provide employees with fair pay and security in their role, including knowing the hours they will work	→ Employees can more easily focus on work with reduced stress, and feel respected
Provide flexible, remote and hybrid working options	→ A committed workforce and more diverse talent pool – particularly attracting those with caring duties, disabilities and young people
Provide employees with opportunities for development and mentoring for career growth	→ Employees feel valued and mentors motivated as they support others
Deliver workshops and activities that centre on respectful behaviours and nurture a supportive working environment	→ Strengthens the business culture with everyone clear on the purpose
Attract and support young employees through apprenticeships and graduate programmes	→ Creates a talent pipeline ensuring new generations have skills and experience to thrive within the business
Invest in skilling and retaining existing staff, including older employees	→ Encourages loyalty and commitment
Use management techniques and workplace practices that help employees see how their work contributes to the wider purpose	→ Adds extra value to employee's daily work, increasing motivation and commitment

Consider...

- What might you do to ensure good work for your staff?
- How might you motivate staff by ensuring work feels secure and meaningful?
- How might you ensure that staff understand that their role is valued and where it fits in meeting the organisation's purpose?

Pillar 3: Good business relations

Working relations that are centred on social and environmental priorities can lead to more efficient and effective outcomes and enhance the reputation and performance of the business. The following three aspects of purpose-driven relations combine to underpin and secure the long-term success of the business.

1. Consistently delivering on purpose. This demonstrates integrity and nurtures trust with employees, customers and other stakeholders – critical for building positive working relationships and loyalty among employees.
2. Delivering on purpose with integrity. This is attractive to suppliers and collaborators, and develops trust.
3. Clearly demonstrating purpose. This creates goodwill and trust with local communities as well as wider national and international communities.

At Company C, employees were confident in the authenticity of the business's purpose because it was evident across the breadth of relationships including suppliers, farmers and café staff. A manager described a clear intention to challenge exploitative practices within the coffee supply chain and local community.

“[We want to] make sure the company is having a positive impact on the people we interact with throughout the cost cycle... across the coffee supply chain and here in our local community.”

Manager, Company C

Purpose was also put into practice through working relationships. This was recognised by employees at Company D, who valued senior team members for being present on the shop floor and readily available to speak with, nurturing a culture of openness and trust.

“I know a lot of companies talk about open-door policy, but... at [Company D] it genuinely is... Anybody can come to anybody in the office and ask a question about how we're doing something or why we're doing something.”

Manager, Company D

Positive relationships with local communities also grow when purpose is put into practice. Employees described how their businesses contributed positively to the places in which they operated by supporting employment and community activities, caring for the local environment, and helping other businesses. Company A shared that providing work and training opportunities encourages staff retention, builds loyalty among employees, and positively contributes to the local community.

“Our wider connections with the local community are really important to us... we work in one of the areas [of highest deprivation] in Scotland, so we're providing a real living wage to people in this area. [Through] the modern apprenticeship programmes... people are able to earn a real living wage while still learning as well. So I think there's a lot to be said on our community impact.”

Manager, Company A

At Company D, activities such as environmental clean-ups of a local beach and offering building skills to support a local care home helped employees feel connected to both their local area and to each other.

“They want to be integrated into the community... gardening... or picking litter off the beach... trying to walk the line between business and being empathetic... part of a system, a community.”

Employee, Company D

Steps you can take to embed good business relations	→	Benefits
Select suppliers and collaborators who share your values	→	Delivers on your purpose and supports purpose-driven businesses to flourish
Create opportunities in the local area with local suppliers, community groups, schools	→	Strengthens local economy and provides security for local people
Employ people from under-represented groups – for example, long-term unemployed, ex-offenders, people with disabilities and refugees	→	Widens the pool of employees and creates opportunities for people facing barriers to employment
Employ people from the local community – particularly where there are few employment opportunities	→	The reputation of the business is strengthened as it provides security and contributes to improving the lives of local people
Involve employees in decision-making, setting targets and in nurturing positive working relationships	→	Enhances opportunities for innovation as employees can share their ideas and contribute to the development of the business

At Company C, employees saw their employer's commitment to the local area as genuine, demonstrated through actions such as donating a coffee machine to the community cinema, and hosting community groups on site. This strengthened their belief in the purpose and commitment to the business.

“Their focus is really trying to help lift up this community... there's something about the company you work for really trying, not... pretending... it's very impressive.”

Manager, Company C

Another aspect of purpose is fostering good relations with customers. At Company C, employees valued sharing their passion for Company C's coffee and its sustainability practices with customers, and building long-term relationships with regulars. This added to the communal feel of the business and gave added value to employee's work, making them feel more fulfilled and committed to the business.

These examples show how, when purpose becomes part of everyday working relations, it can shape how people connect with colleagues, customers and communities. When these practices are genuine and consistent, they strengthen trust, support meaningful work and add to internal and external relationships – with benefits to employees and businesses.

Consider...

- What action can you take to nurture good business relations with customers?
- How might you create opportunities with external stakeholders who share your values?
- How might you involve staff in nurturing a positive workplace culture?

4.3

Leading with purpose

Embedding purpose requires effective leadership and communication that can motivate the workforce and lead to a more productive and resilient business. Purpose must be presented and demonstrated in a consistent and clear way to ensure it is viewed as authentic, embraced internally and understood externally. This can foster trust, inspire employees and strengthen stakeholder relationships.

Leaders – strategic leadership

Senior leaders who show genuine commitment to purpose through their decisions, actions, and language can build confidence in the authenticity of the business. This can motivate employees to follow their example. Employees in Company B were enthused by the passion and commitment of the organisation's leader.

“Our managing director... talks... with such passion... he really believes in it [purpose], and that just filters down.”

Employee, Company B

Leaders who communicate how purpose contributes to business success, and who are visible and accessible across the organisation, can foster a sense of belonging and help employees feel

valued. This was evident at Company B and Company E, where senior leaders were described as approachable, accessible and ready to engage with employee ideas.

“So to have a director that listens to someone that's just come into the business at the training level... I felt comfortable enough to voice it because that was... the culture and environment that was created.”

Employee, Company B

“There's nobody that isn't contactable within the enterprise... there's no hierarchy... there is in terms of job roles and escalation, but... nobody's unapproachable.”

Manager, Company E

Management – operational leadership

Managers have a vital role in putting purpose into operation. Integrating purpose into their leadership approach can enthuse employees and support them to put purpose into practice themselves. Company B and Company C identified that allowing employees to take ownership of tasks set for them, supporting them

to try new things and to learn from mistakes, builds trust and feelings of being valued and respected. It can also create opportunities for new ideas to be explored, driving innovation.

“In other companies I’ve worked... they go, you do this, this, this, this, and then that’s it and you’ve done that. But here they go, this is what we’re aiming for, have you got any ideas about how we can do it? So you feel more relaxed about trying new things and exploring different unexplored bits.”

Employee, Company C

Consider...

- How might leaders embed purpose to nurture a positive workplace culture?
- How can managers be supported to lead with purpose?
- What action can managers take to put purpose into action?
- What communication approaches can support leading with purpose?

Communication supports leading with purpose

There are many ways to keep employees informed and feeling valued for their contributions by reinforcing and celebrating purpose. Company E uses monthly newsletters to build a culture of recognition. Sharing success stories, learning and team impacts helps employees feel connected to achieving business goals. The organisation also introduced “Feel-good Fridays” as a way of sharing weekly accomplishments in an informal way.

Proactive leadership through sharing challenges as well as achievements ensures that teams know about important updates and information, and that no one is left behind.

“The core value is to make sure that everybody feels engaged... everybody's honest with each other... if we're having a downturn in business and things are starting to look a bit more tricky, get everybody together and just explain the situation... being very transparent with all employees, and customers, and being respectful of everyone.”

Senior team member, Company D

Steps you can take to lead with purpose	→ Benefits
Senior leaders are visible, approachable and accessible to employees at all levels including the factory floor	→ Fosters respect for senior team members and enhances employee satisfaction and motivation
Purpose is notable in day-to-day managerial practices including decision-making, and in managers' interactions with teams, external suppliers, customers, etc	→ Managers work with a sharp focus as purpose is practiced at a strategic and operational level, permeating all aspects of the business
Create routes for employees to feed back to the senior team through events such as all-team meetings and roadshows	→ Enhances innovation and improves ways of working; employees feel valued as their ideas are heard
Create communications strategies and events to ensure all staff are kept informed through, for example, newsletters, in-person meetings, recognition and reward	→ Employees feel informed, involved and valued for their contribution to the purpose

What to look out for

Purpose can be compromised when:

- Employees do not feel well supported by the senior team when addressing challenging situations or issues
- Employees are micro-managed, reducing their autonomy and control over their work and leading to feelings of being under-valued
- There is a lack of support, leading to reduced morale among employees
- There is a lack of trust or respect from senior leaders or managers leading employees to feel under-valued and disempowered
- Information shared digitally does not reach all staff who need to know it, for instance when working remotely or in a factory setting
- Employees have incomplete information when senior leaders rely on information “trickling down the system”
- Purpose is not put into practice and is viewed as empty words
- Senior leadership is not aligned, as this can negatively impact on how purpose is communicated

5

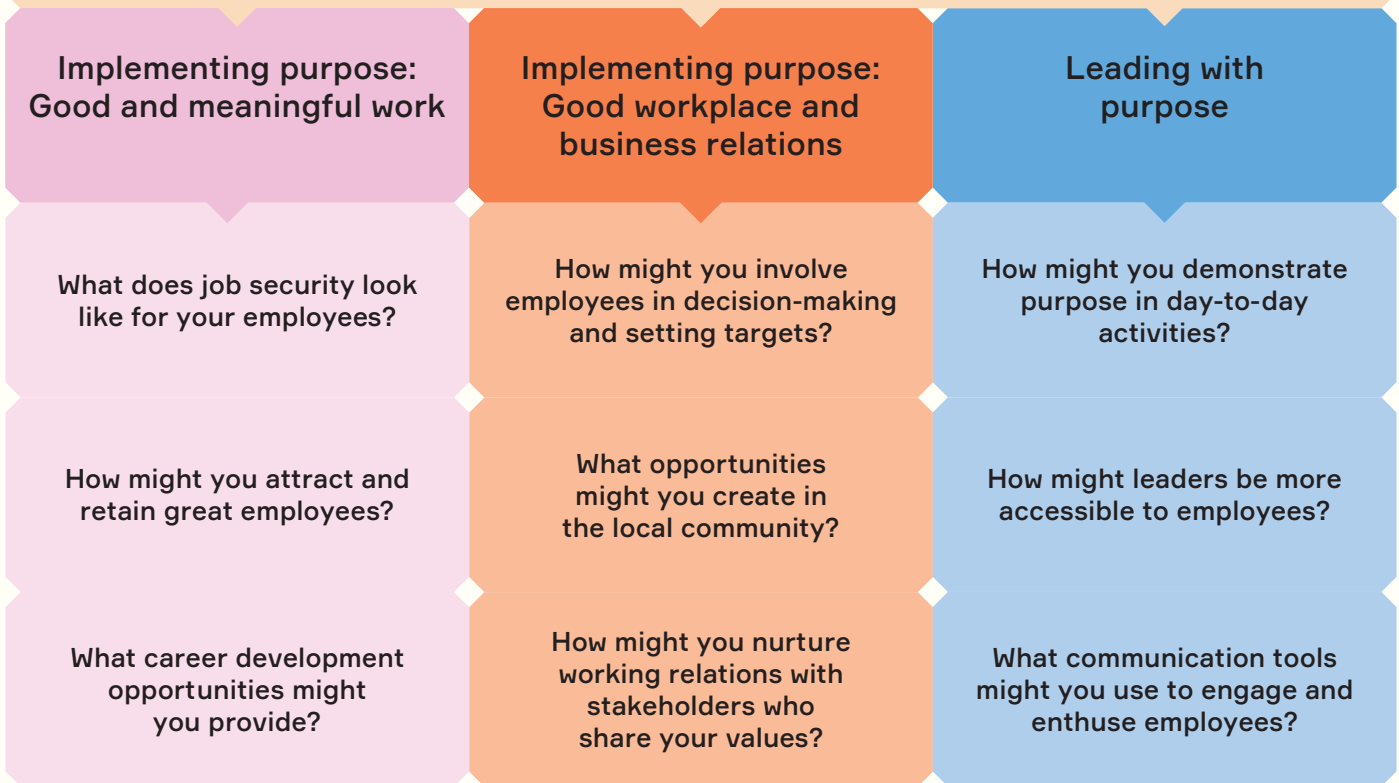
Moving forward

Use the 'Putting Purpose into Practice' table on page 27 to begin your purpose journey. The Checklist on page 28 can help you identify actions, while the 'Steps you can take' prompts and 'Consider' boxes will guide you in creating an action plan to explore and develop your purpose.

It is vital to stay true to your ultimate goal, including reflecting on challenges and opportunities and responding appropriately, so consider reviewing your purpose on a regular basis to ensure its relevance. In this way, putting business purpose into practice is a journey.



Putting Purpose into Practice



Putting Purpose into Practice Checklist

Developing your purpose	Yes ✓	No →	What action will you take? Consider who will do it, when, and what resources are needed.
Core values are clearly defined and understood			
We have clear vision and mission statements			
Our purpose connects people, planet and profit			
Implementing purpose	✓	→	
We use sustainable resources			
We support employees to develop their full potential			
Employees recognise their work as good and meaningful			
We have good business relations with customers and other stakeholders			
Leading with purpose	✓	→	
Leaders are passionate about purpose			
Managers lead with purpose and embed it across the organisation			
Staff feel valued for their role and how it connects to our purpose			

6

Authors and Contributors

This practical guide is generated by the Scotland Forum of The Productivity Institute. It was developed by Catherine Docherty (Journey Associates) in collaboration with Bridgette Wessels and Anna Clover, both of the University of Glasgow. The guide is based on research funded by the Productivity Institute: 'Purpose in business: empowering employees and enhancing productivity'.

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References

You might find the following references helpful on your purpose journey:

- B Corp offers a range of measures and guidance to keep the organisation on track: <https://bcorporation.uk/b-corp-certification/>
- For inspiration on business values, watch Doing Core Values by Bob Keiller: <https://www.youtube.com/watch?v=ulWkN0kOMVE>
- The Fair Work Framework: <https://fairworkconvention.scot/the-fair-work-framework/>
- The Good Work Framework: <https://www.weforum.org/publications/the-good-work-framework-a-new-business-agenda-for-the-future-of-work/>
- The Purpose Magazine, published by Medium: <https://medium.com/purposomagazine/>
- Purpose: A Practical Guide by LinkedIn: <https://business.linkedin.com/content/dam/me/business/en-us/talent-solutions/resources/pdfs/Practical-Guide-to-Purpose-at-Work.pdf>
- Portraits of Purpose Companies Practical tips to hire and engage talent with purpose by LinkedIn: <https://business.linkedin.com/content/dam/me/business/en-us/talent-solutions/resources/pdfs/linkedin-purpose-case-study.pdf>
- Scottish Enterprise advice for developing business sustainability: <https://www.scottish-enterprise.com/insights-and-events/insights/5-tips-for-achieving-business-sustainability>
- The full report on which this guide is based “Business, Purpose and Productivity” by Anna Clover and Bridgette Wessels: https://www.productivity.ac.uk/wp-content/uploads/2025/09/Business-Purpose-Productivity_TPI_Prospers_UoG_MAY25.pdf
- The Productivity Institute: <https://www.productivity.ac.uk/>

