

# Drivers of purpose in business

*A business level perspective discussion*



# Introduction and Background – Lindie

Previous Event Report

<https://deepteam.co.uk/pdo-event-1>

*(Includes links to recording, PAS 808 and BIG)*

Background on this session

<https://deepteam.co.uk/drivers-of-purpose-in-business-a-business-level-perspective-discussion>

# What will we cover today?

Introduction and Background – Lindie

Purpose Driven Organizations – Principle 2 (outline) – Victoria

Implications for Driving Purpose Driven – David

Engagement – Strategy, Line of Sight, priorities, accountability –  
polls and discussion – Panel

Key Components – think BIG – SIM, SOM, BOM

Conclusions / Final Questions / Call to Action



# Who are we?

[Linde Grebe](#) of the [Good Governance Academy](#)

[Victoria Hurth](#) - technical author of the British Standard in **Purpose Driven**

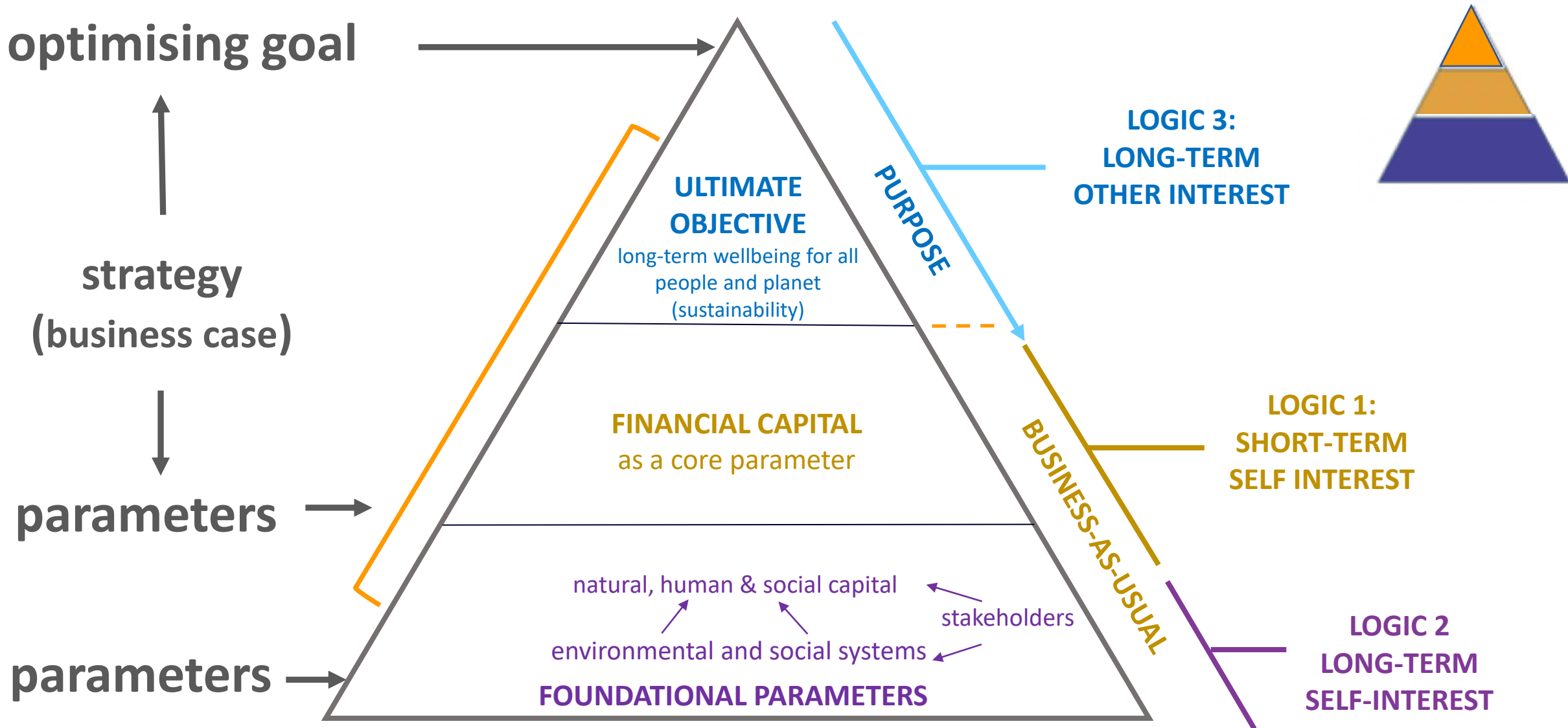
Organisations: [Background Reading here: PAS 808](#) - please also see [“Quality Governance ...will fix an un-sustainable world”](#)

[David Dunning](#) - lead author on **Business Integrated Governance** (BIG CIC, Deepteam and CPS): [Background reading: BIG Knowledge Outline](#)

[David Booth](#) - lead author on [Strategy Journeys](#). Background reading: [Strategy delivery – Where does it all go wrong?](#)

# PAS 808 Principle 2 - Victoria

# LOGIC 3: Purpose: drive long-term wellbeing for all + do no harm to it



## PDO worldviews

### Ends

Wellbeing is the ultimate objective  
Success is long term  
Equality, equity and citizenship are end goals

### Means

Humans are dependant and interconnected with nature  
Humans are inter-dependent

### Method

Ethical norms exist and should be applied with care  
Effective decisions are made with the whole system in mind  
Humans act best when treated as other-serving  
We need to innovate with urgency, creativity and prudence

## PDO principles

### Wellbeing ends

1. META-PURPOSE: Long-term wellbeing for all people and planet is the ultimate goal, and all people and planet are the ultimate beneficiaries
2. PURPOSE: The purpose, achieved in the right way (means and method), is the strategic and accountability anchor

### Healthy means

3. FOUNDATION: A fair and adequate contribution to the health of the means is non-negotiable
4. ENABLERS: The value network is understood, cared for, integrated with and aligned

### Wise and ethical method

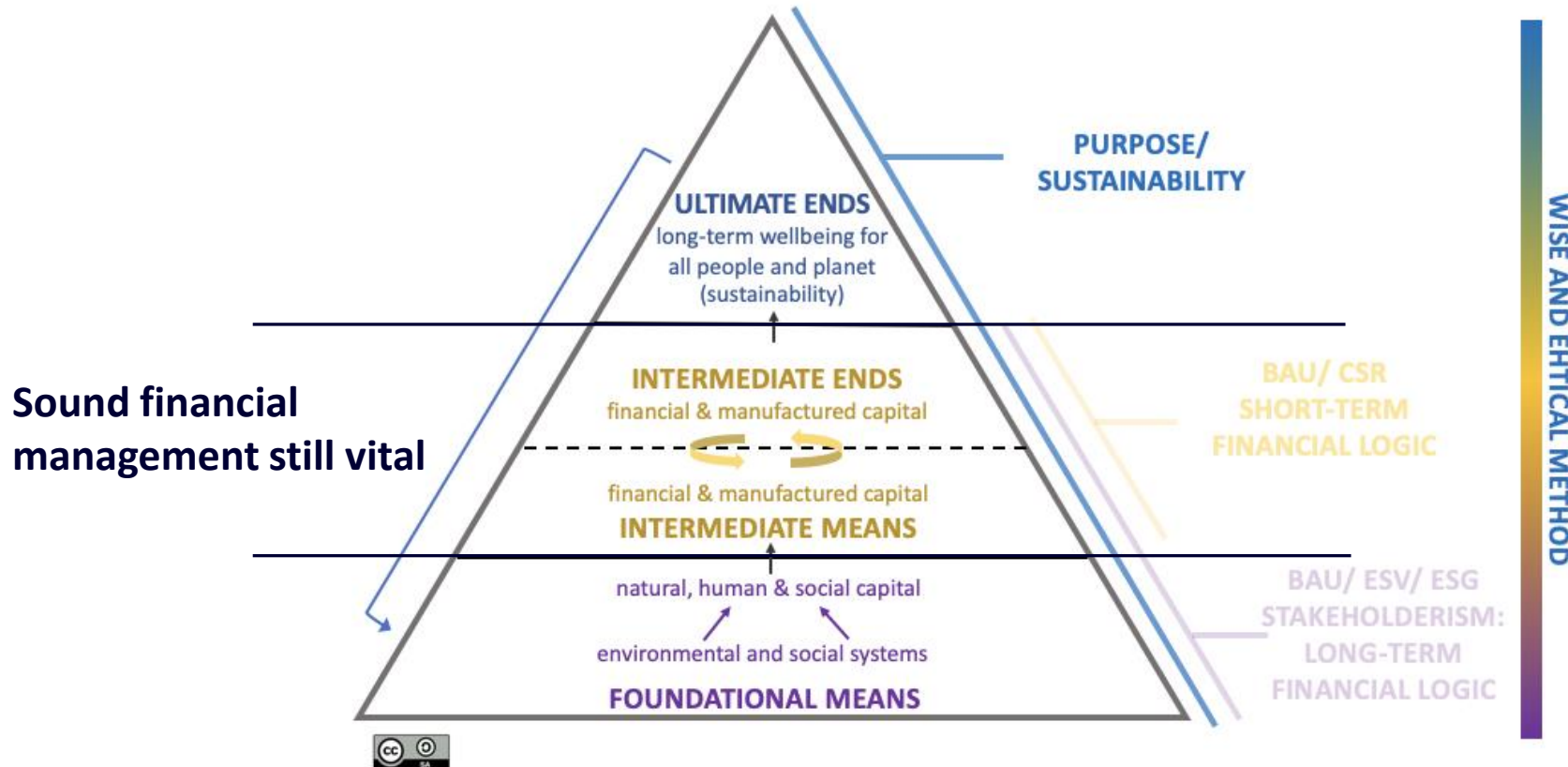
5. VALUES: Stated values are authentic, legitimate and lived
6. INNOVATION: There is boldness towards the ends and precaution towards the means
7. KNOWLEDGE: The best evidence is sought and relied on

## PDO behaviours

Behaviours that the governing body and executive managers should enact and ensure for the organization as a whole in line with the principles and worldviews

# PAS 808: 2022. The 7 Principles

- ENDS:**
- 1: Set the purpose to align with long-term wellbeing for all people and planet
  - 2: **Ensure the purpose drives all strategy, oversight and accountability**



## METHODS:

- 5: Values are authentic, legitimate and lived
- 6: Innovate boldly towards the ends and cautiously towards the means
- 7: Systematically rely on the best evidence

- MEANS:**
- 3: Operate within all thresholds
  - 4: Activate and align the value network

# Principle 2:

The purpose, achieved in the right way (means and method), is the strategic and accountability anchor

## Behaviours:

1. **Articulate, elaborate and act in ways that consistently commit to the purpose** (justify, elaborate, embody)
2. **Align strategy and policy to achieving the purpose** (aligning all strategy and policy to ends, means and method)
3. **Align interests and decision-making to the purpose** (accountability; oversight; risk; align powerful stakeholders)
4. **Align the culture to achieve the purpose** (hardware and software)
5. **Align rewards and incentives to achieve the purpose** (senior leaders and all employees)
6. **(Align) financ(ing with) the purpose** (giving away power; form and duration of investment; true profit; profitability and cross subsidizing, levels and distribution of residual financial capital).
7. **Assess, measure and report against the purpose** (measure what matters and will result in action, use existing measures where possible, disclose to stakeholders, monitor, measure profits what they mean properly)

# Implications for “Driving” Purpose Driven – David

Formulate Strategy

## Principle 2:

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Achieve Line of Sight

Prioritise

Control

# Poll 1: What are the challenges of strategy delivery that we already know about?

*Do people believe their strategy delivery capability is already fit for purpose?*

## The pains of strategy delivery

*We don't have a clue what the corporate strategy is - I just crack on with what the sponsor asks*

*Poorly constructed strategy at odds with competing strategies.*

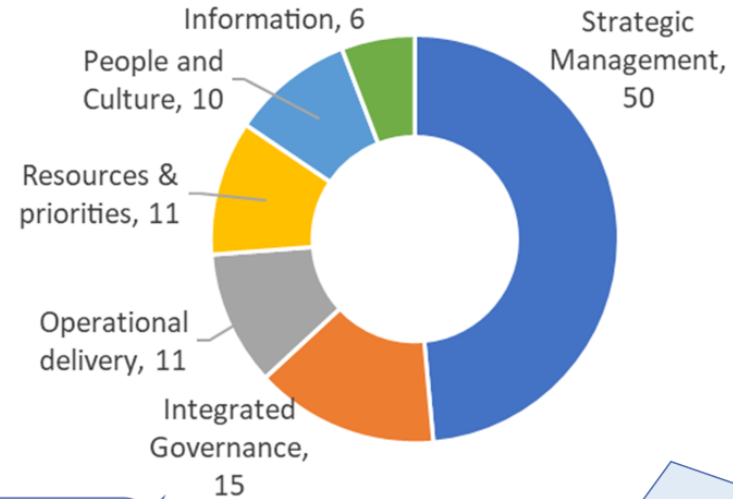
*Great strategy, but not prioritised in the delivery space.*

*Left hand, right hand, competing objectives*

*Poor flow of information and insights... Better transparency and joined-up reach needed throughout the organisation*

*Directorates with local priorities and competing strategies...*

Strategy delivery pains

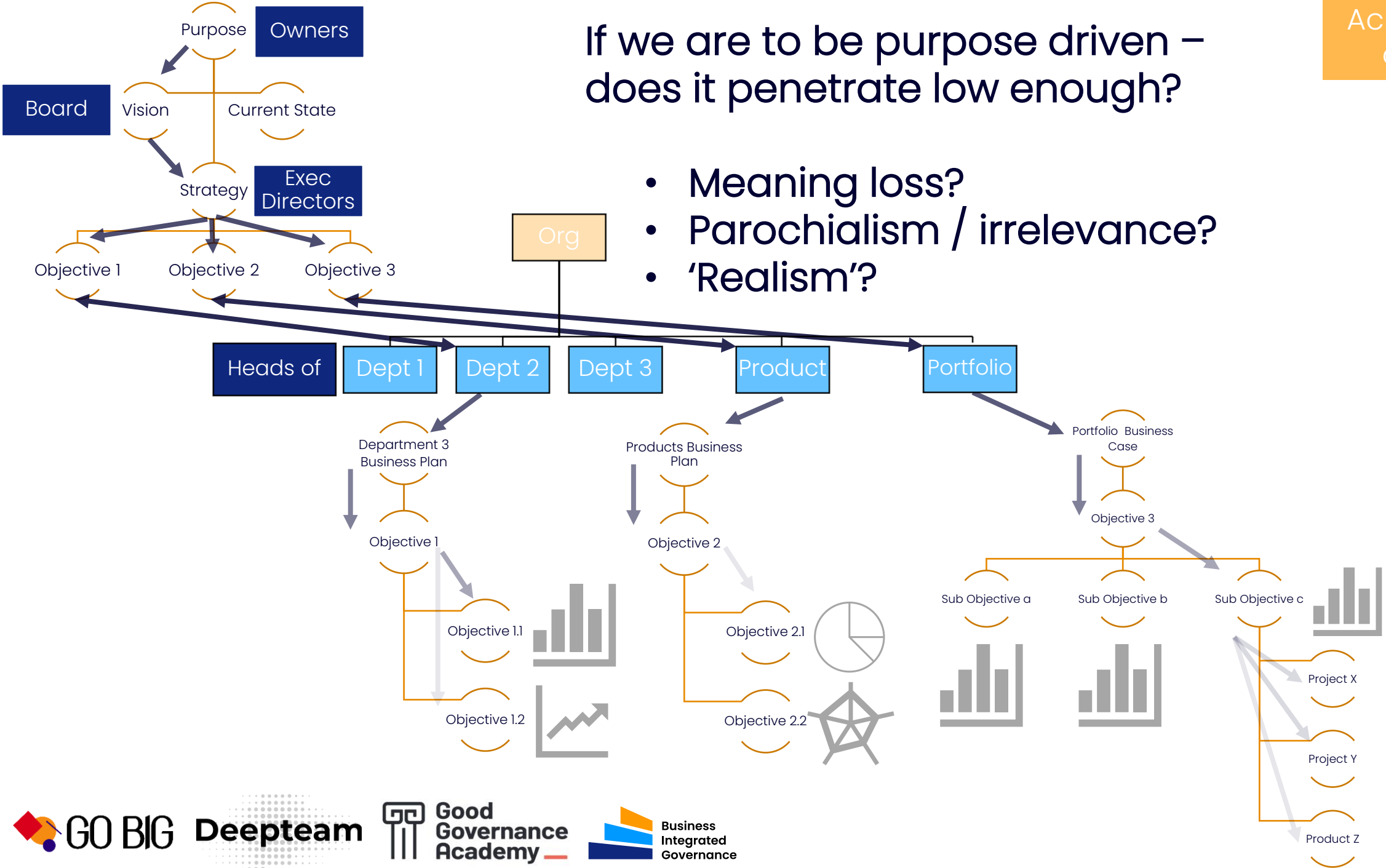


# What are the challenges of strategy delivery we already know about?

What are the challenges of strategy delivery we already know about?	Answer
No clear purpose They may believe it is but is it actually fit?	Leadership - Address clarity of purpose with owners / board Assurance - do we 'red team' our strategy?
No. Lack of transparency and trust make it very difficult	Governance and Accountability - These sound like issues of clarity, communication and accountability.
No clear coherent and relatable data to underpin strategic performance governance and delivery	Information and Data, Accountability. The requirement is addressed with proper Strategy Information / Operating Models, Business Integrated Governance and enabling Information / Data.
Buy in and Tone from the top	Leadership and Organisation
Strategy is not shared in sufficient detail with employees. The senior leaders go through the process but then the rest of the company is told the headline	These sound like issues of clarity, communication and accountability.
Strategies generally include platitudes and the main numbers to be remembered are revenue and profit growth. All the "soft" stuff generally is never mentioned after the expensive/ consultant driven development and roll-out.	Leadership, Assurance, Governance - Address clarity of purpose with owners / board. Is the soft stuff central or add on?
No appropriate setting of priorities between strategy and BAU	Strategy must involve BAU, Change and Value Creation - and priorities across those. Creating priorities, delegating and deploying in accordance, then control. This is Governance operation with effective Business Support and Assurance
Strategic Management seems unable to translate strategic goals to operational goals for clarity and execution.	These sound like issues of clarity, communication and delegation - is a matter for effective setting of Accountability and Governance
Volatile context with high uncertainties	Leadership - Sounds like the strategy should be to develop and exploit agility - or move to markets with more manageable uncertainties.

If we are to be purpose driven – does it penetrate low enough?

- Meaning loss?
- Parochialism / irrelevance?
- 'Realism'?

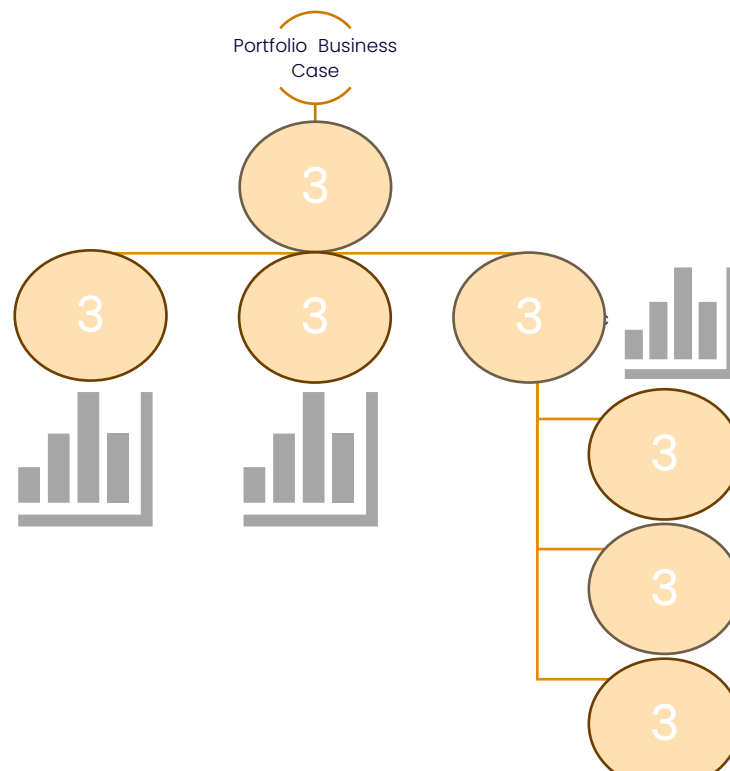
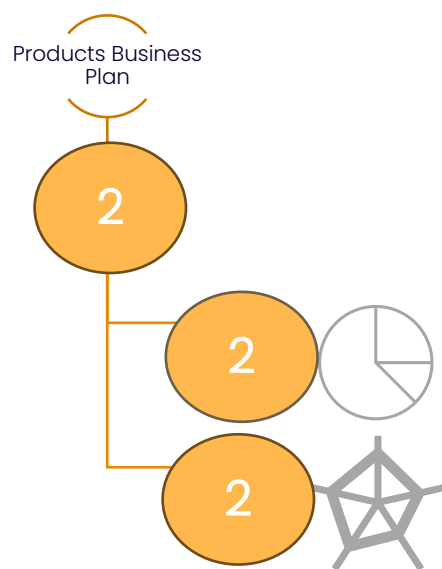
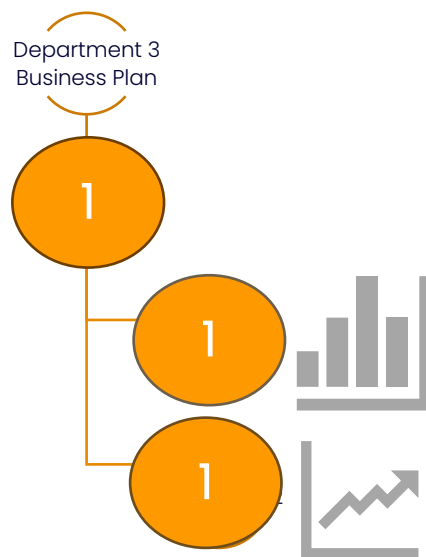
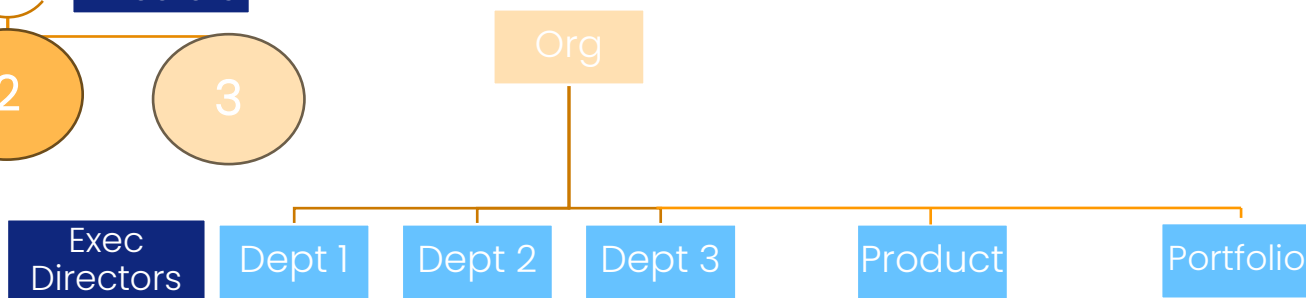
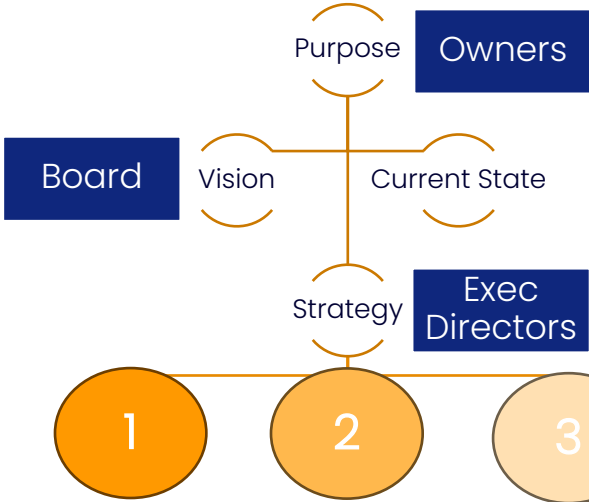


# How far down into the organisation is there clear line of sight?

How far down into the organisation is there clear line of sight?	Answer
<p>Executive team must give it to all</p> <p>Direct Reports to Executive Team are generally aware of the details of strategy. Rarely do they bother to spend the time to discuss the details with their own teams. So 90% of people only hear about strategy in twice yearly executive updates. Hardly anyone reads the CEO newsletters that mention this stuff, let alone listen to CEO podcasts. Stop anyone in the corridor and ask them to mention one key strategic metric and you'll get a blank stare.</p>	<p><b>Governance and Accountability</b> – These sound like issues of clarity, communication and accountability.</p> <p><b>Governance and Accountability</b> – These sound like issues of clarity, communication and accountability.</p>
<p>If people have a common purpose they also have a sound basis for the required common connection and communication</p>	<p>I think the 2 do not automatically follow. Having a common purpose does not mean that the connection and communication is fit for purpose.</p>
<p>We lose the data connection at department lead level.</p>	<p><b>Governance and Accountability</b> – This is an issue of communication / delegation, accountability, and support, assurance and governance.</p>
<p>Should be that purpose is the heart of what people do at every level and why they do it. I think this is rare currently</p>	<p><b>Governance and Accountability</b> – This is about cascade of the Strategy Information Model. Will be hard to drive purpose driven with that starting point.</p>
<p>Purpose must go to the Frontline and across the full breath of the organization</p>	<p><b>Governance and Accountability</b> – This is about cascade of the Strategy Information Model.</p>
<p>At Department lead level, not heads off.</p>	<p>?</p>

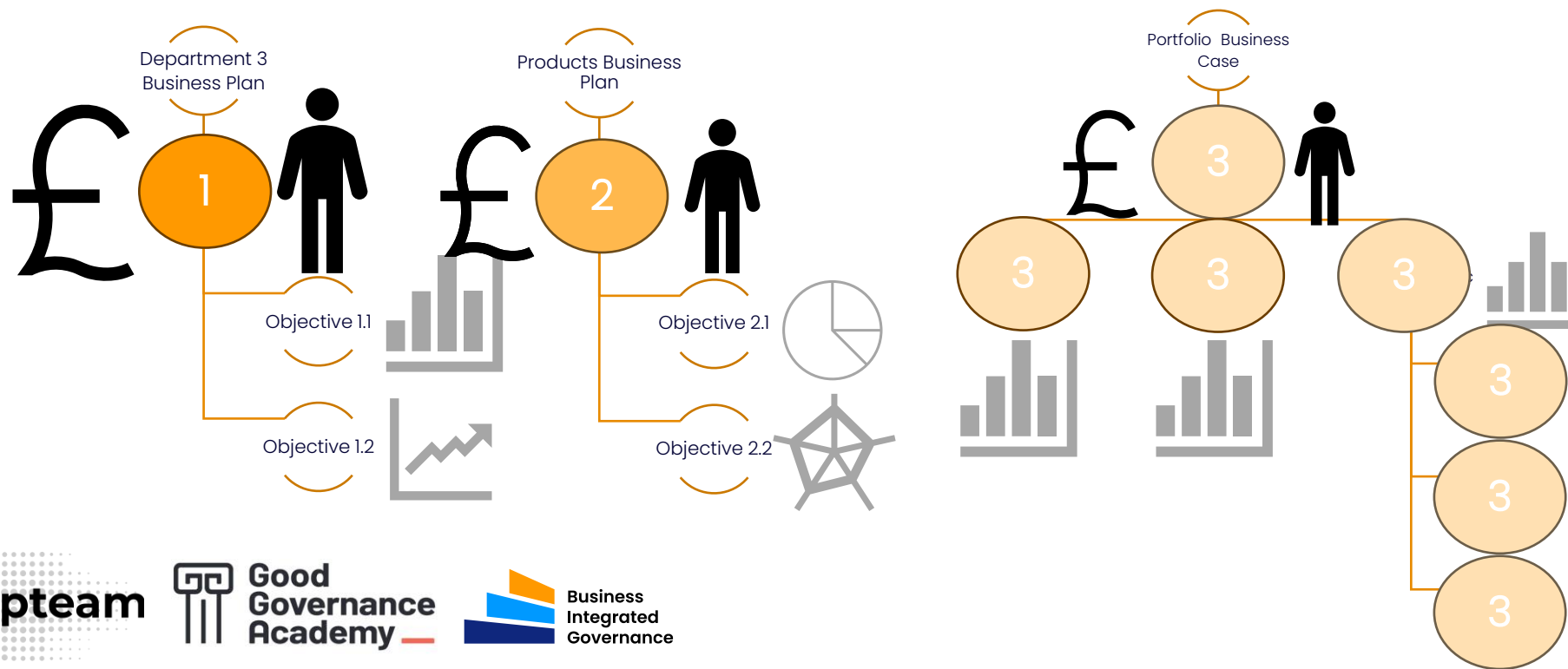
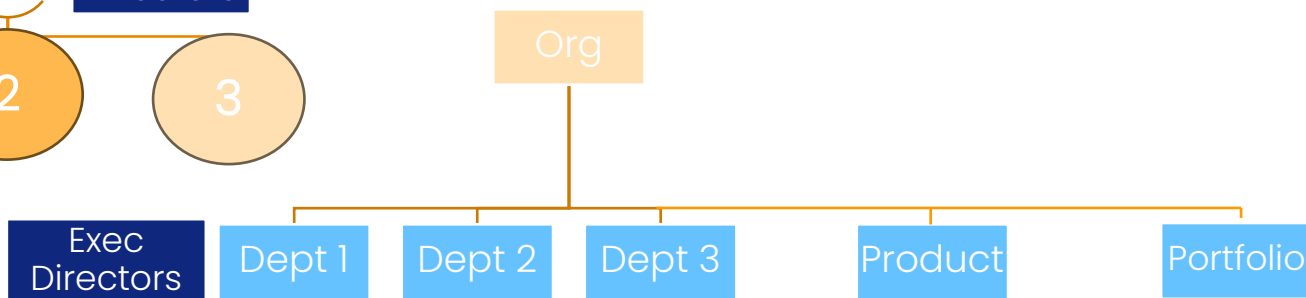
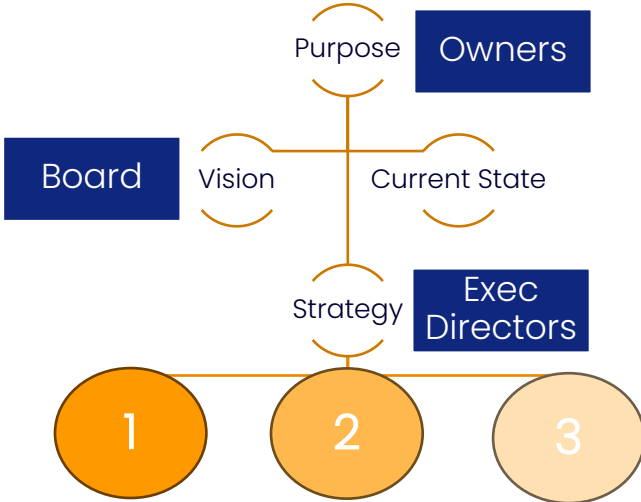
This is post-event analysis of the points that were raised in the session.

# Strategically – we know what is important – but is that agreed and how to people act?



# Strategically – we know what is important

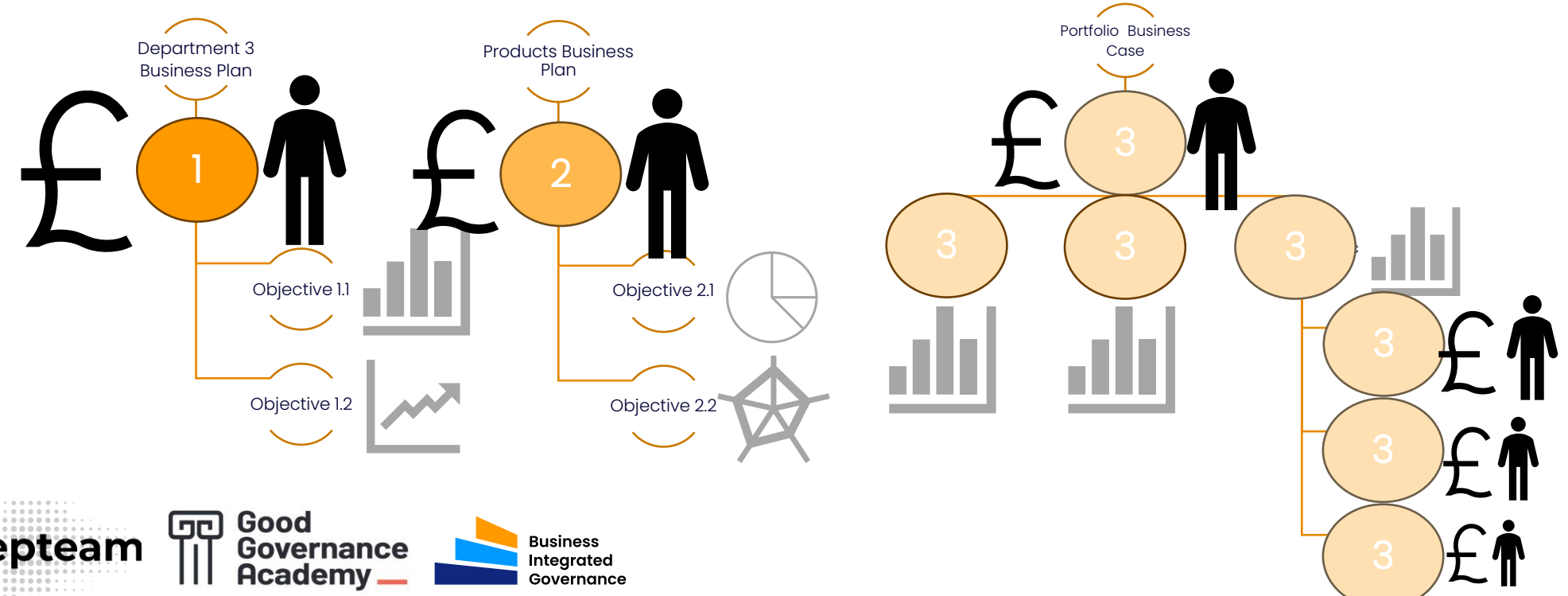
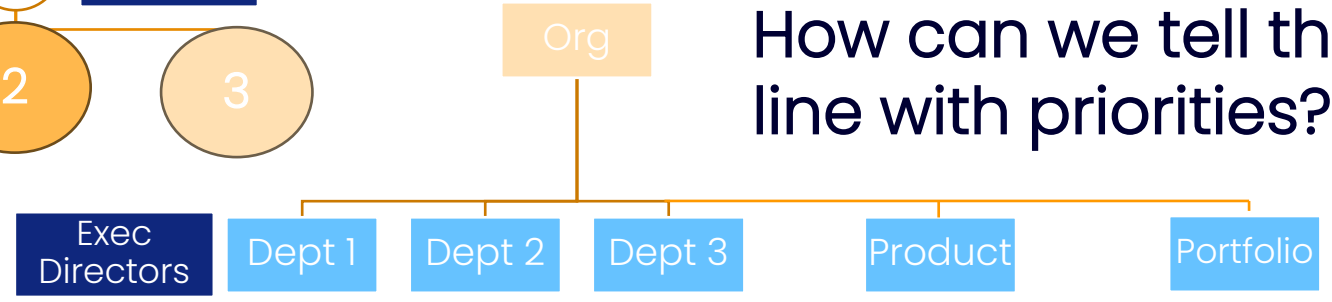
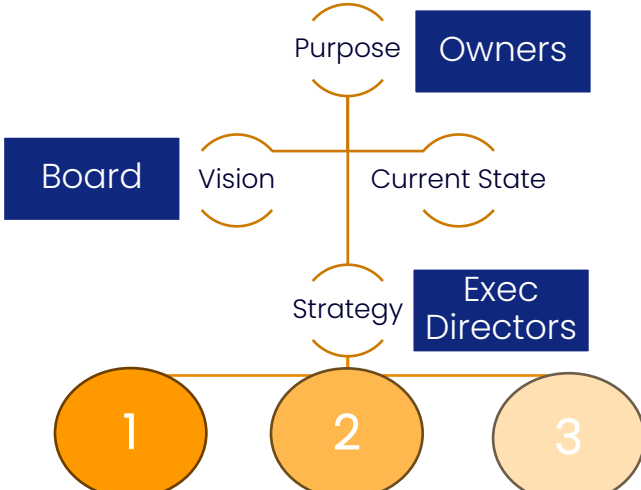
## But we deploy leadership time, funds and resources



# Strategically – we know what is important

## But we deploy leadership time, funds and resources

### How can we tell that we have deployed in line with priorities?



# How much do funds and resources demonstrably follow prioritisation to enable people to be accountable?

How far down into the organisation is there clear line of sight?	Answer
<p>The danger is when it comes to the crunch, financial outcomes will be prioritised. And the tone is in a wider sense, set by governments. If business sees that certain elements of the government agenda is not supported in actuality ( eg CO2 emissions reduction ), then business is less likely to continue to support their own efforts within that jurisdiction</p>	<p>So - based on all the statements we can come up with - action build down to the prioritisation process - creation, implementation and management of it.</p>
<p>Governance strategy should cover all departements but including all views , strategy, implementatuon and operated</p>	<p>This is the ethos of Business Integrated Governance</p>
<p>ESG Projects go through structured business case funnels and classified at P 1 to lower priority levels. The projects going through the funnel are reviewed regularly to ensure delivery to achieve goal outcomes</p>	<p>This is about management of Accountability for ESG projects, and Governance to prioritise across them and between BAU, Value Creation and Change.</p>
<p>Many organisations use Balanced scorecard and PPM systems to help with this but they still face challenges aligning this with operations driven budgets and reactionary allocations</p>	<p>The issue is that PPM systems prioritise projects, but in reality objectives need to be prioritised - then resources, funds and leadership time deployed in accordance - to whatever point of accountability - change, BAU or Value Creation.</p>

This is post-event analysis of the points that were raised in the session.

# If you want Purpose Driven – first look again at how you achieve ‘Driven’ today?

## 3 Implications

- Strategy Information Model
- Strategy Operating Model
- Integrated Governance and Enablers

# Key Concepts

<https://big-cic.org.uk/body-of-knowledge/knowledge-outline/#1698074570698-d41b8e70-0748>

...by means of... **BIG Operating Model**

## Organisation



Board

Purpose

CEO

Vision

CxOs

Mission & Strategy

Strategy plan

Managers

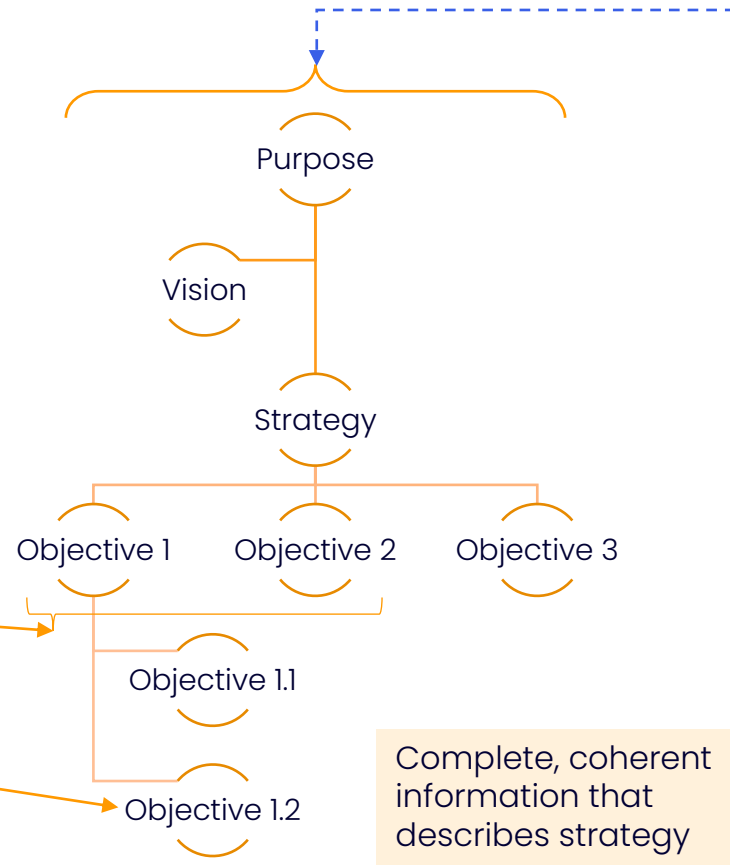
Operations plan

Business plan

Business cases

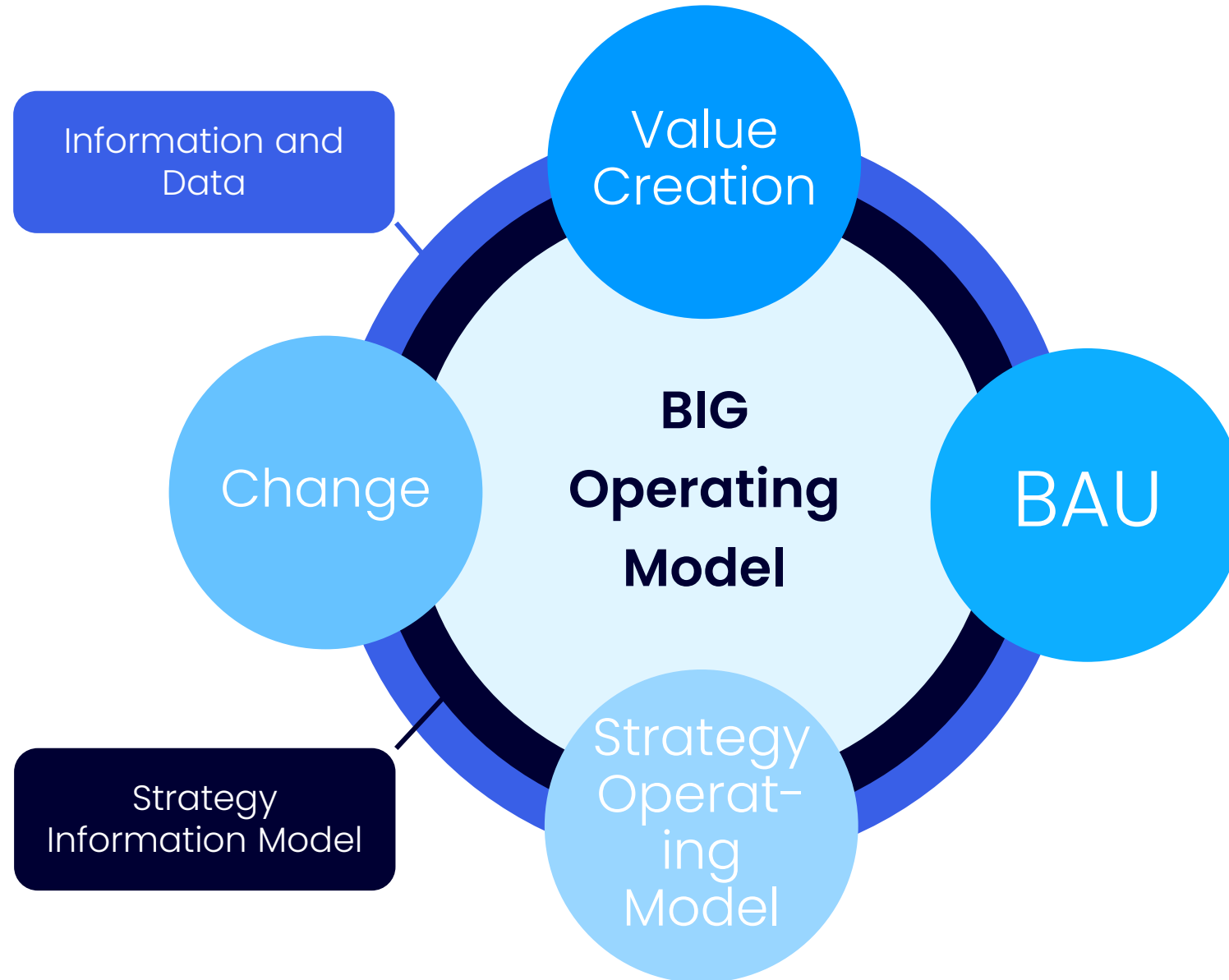
## Strategic Processes

develop and sustain...



## Strategy Information Model

## Strategy Operating Model



# Think BIG!

Unite stakeholders through a Vision of the **Business Integrated Governance Capability** needed to achieve greater **Strategy Delivery** through **Strategy Information** and **Operating models, Components and Enablers**.

## Strategy



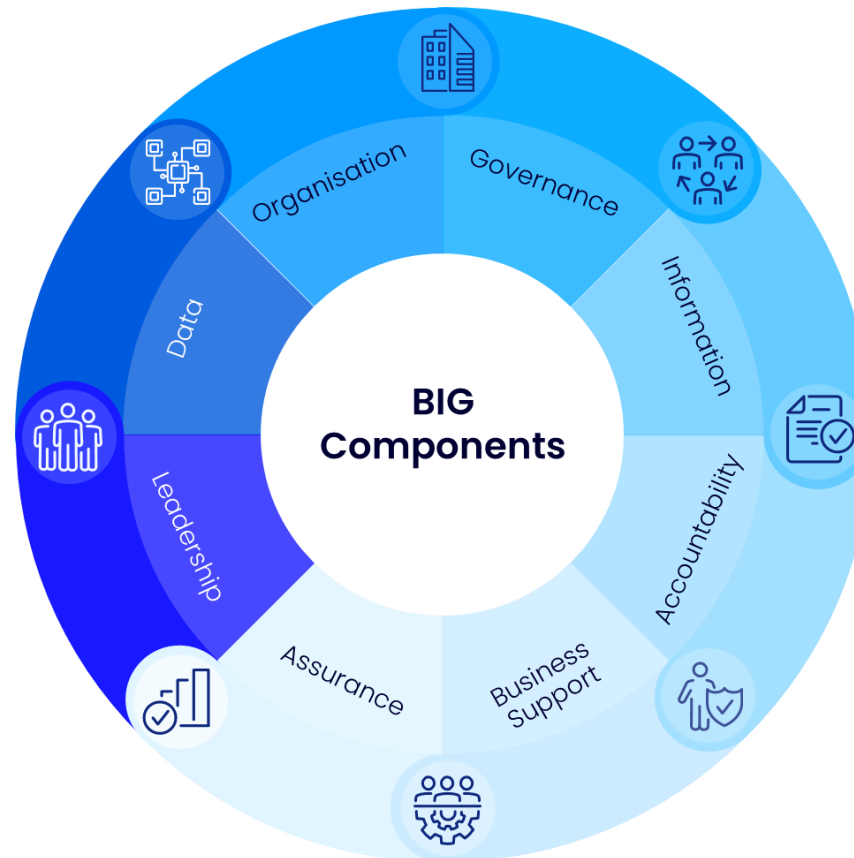
### Strategy information model

Complete, coherent information that describes strategy

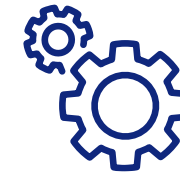


### Strategy operating model

Processes, skills, tools and governance to sustain and update strategy



## Enablers



### Processes, e.g.

- Benefits
- Change
- Performance
- Portfolio
- Resource
- Risk...

### Tools, e.g.

- OKR / KPI
- PPM
- Finance
- Prioritisation
- MI tools
- Data & Integration...

<https://big-cic.org.uk/body-of-knowledge/knowledge-outline/>

# Conclusions

- ✓ People recognise the benefit / necessity of PAS 808, and ISO 37000
- ✓ People recognise implementing principles of purpose-driven organisations requires change
- ✓ Cascading and connecting purpose and purposes is not easy

Business Integrated Governance provides a model for greater Operational Integration to provide Strategic Integration to systematically balance across all workloads.