

# Purpose without total commitment is meaningless

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Image: Neil Gaught

[Prof. Ioannou's](#) latest article on sustainability and strategy in the [Harvard Business Review](#) confirms that companies can do well by doing good. "Our exploratory results confirm that the adoption of strategic sustainability practices is significantly and positively associated with both return on capital and market valuation multiples, even after accounting for the focal firm's past financial performance." This is good news but how should

companies react to this news? The article goes on to suggest that companies considering the adoption of sustainability practices are arriving at a cross roads that questions their motivation "are we doing this to survive or compete". Of course it is both. But there is a third and more important factor to consider that makes adopting sustainable practices in the hope of achieving either objective a fool's errand. That factor is commitment.

Unless the business is totally committed and motivated by a genuine human desire to contribute to a future that benefits all its stakeholders, any actions it takes will be seen as little more than a branding makeover whose real purpose is to gain either competitive advantage or a cynical attempt to survive by appearing to care. There are many examples but [ExxonMobil](#) is a case in point as highlighted by the [#ExxonKnew](#) campaign and The Economist's [recent article](#) on the oil industry and climate change. Only by defining or redefining the core purpose of the business and putting 'doing good' front and centre of its strategy, ensuring every single function of its operation is actively pursuing alignment with a cause that matters beyond making money, can a business truly demonstrate that it is worthy of the support and essential resources - think money, time, ideas - of its stakeholders.

In the final chapter of my book ['Core'](#) I tackled the need for commitment. To introduce the subject I quoted the acclaimed economist and strategist Pankaj Ghemawat whose 1991 book ['Commitment: The Dynamic of](#)

'Strategy' had helped shape my early thinking about the potential of Single Organizing Idea (SOI®)\*. He wrote:

*"Commitment is the only general explanation for sustained differences in the performance of organizations...What needs to be emphasised is that the degree of commitment in regard to choices ensures that they can lead to sustained differences rather than merely transient ones."*

For further reading [David Grayson](#), Chris Coulter and Mark Lee underline the need for total commitment in their aptly entitled 2017 book 'All In'. It's time businesses and business leaders made that commitment.

\* Single Organizing Idea (SOI®) is a management tool that makes purpose real. Identifying, defining and aligning your enterprise with a SOI® is proven way to define, align with and monitor the progress of a sustainable business strategy.

Neil Gaught is the author of [CORE: How a Single Organizing Idea can Change Business for Good](#) published by Routledge. CORE is available at Amazon and other stores in [paperback](#), [audio](#) and [Kindle](#). In the USA you can find it here - [paperback](#), [audio](#) and [Kindle](#).

CORE was a finalist at the 2018 Business Book Awards