

Embedding Purpose:

A Roadmap for Social Purpose Companies

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INTRODUCTION

Now that you have adopted a social purpose for your organization, how do you truly live it every day? As highlighted by [Corporate Knights' 2022 rating of social purpose companies](#), becoming an authentic purpose-led company is a journey. To be a deep purpose company, according to Harvard Business School professor, [Ranjay Gulati](#), you must avoid convenient purpose, purpose as a disguise, and purpose on the periphery.

Along the way, many questions arise:

- How do you engage staff on your purpose?
- How do you integrate purpose into your products, supply chains and customer relationships?
- How do you weave purpose into your corporate strategy?

To address these questions and more, United Way BC hosted a dialogue with three “Platinum”-rated social purpose business leaders according to Corporate Knights. They shared valuable insights on how to effectively implement purpose in business. You can watch the recording of the 2022 webinar, *Take the Purpose Plunge, Embedding Social Purpose into Your Company's DNA*, [here](#).

Read on to learn strategies for embedding your purpose in everything you do. By following these insights, you can foster trust in your business, attract and engage employees and partners, and become a greater force for good.

WHAT IS A SOCIAL PURPOSE BUSINESS?

First, let's explain what we mean by a Social Purpose Business. It is a business whose reason for being is to create a better world. Its purpose is to profitably solve the problems of people and planet and not profit from causing problems. It is the company's strategic optimal contribution to long-term well-being for all. Its growth is a positive force in society. For more information download: [Definition of a Social Purpose Business](#).

Report Highlights

- **Authenticity:** To be an authentic social purpose company it is essential to embed your purpose across the organization's operations, value chain and relationships.
- **Strategy:** Embedding purpose in the corporate strategy involves developing KPIs to bring your purpose to life. This is an ongoing, evolutionary process. Rather than aiming for perfection, focus on getting started and refine along the way.
- **Foundation:** It is important to create a strong foundation for purpose execution. Establish a cross-functional committee of decision-makers who will champion purpose across the organization and integrate social purpose into your corporate values and performance management systems.
- **Education:** In the early stages, provide comprehensive social purpose education to all staff. Engage different functions and business units to help them identify how they can contribute to the overall purpose of the organization.
- **Value Chain:** Ensure social purpose is integrated across the value chain. Engage your suppliers and customers on your social purpose through education and partnerships.
- **Success Factors:**
 - o Have a durable purpose, avoid changing it every year
 - o Dedicate resources to drive it forward
 - o Name someone responsible for it
 - o Regularly engage staff to maintain purpose alignment
 - o Lay the foundation (governance, values, strategy, performance management)
 - o Stay authentic and sustain momentum
 - o Continuously reinforce your purpose with stakeholders
- **Benefits:** An authentic social purpose opens doors to influential policy and strategy discussions. It supports customer and investor acquisition, attracts and retains talent, enhances organizational agility, and provides clarity on business goals. Additionally, it fosters collaboration with industry partners on shared purpose-driven goals and infuses the work with deeper meaning.



TAKE THE PURPOSE PLUNGE: EMBEDDING SOCIAL PURPOSE INTO YOUR COMPANY’S DNA

Becoming a social purpose company is a process that doesn’t follow a single, fixed roadmap. However, valuable lessons can be drawn from best-in-class companies – like Coast Capital, Hemlock Printers and Modo – that have successfully embedded purpose into their core.

These companies’ social purpose statements, highlighted in the text box, address various societal needs. One focuses on a social issue, another tackles an environmental challenge, and the third embraces a broader range of sustainability concerns. Social purpose companies span all sectors—from finance and transportation to manufacturing—and vary in size, from small startups to large corporations. Their markets also range from local to global.

CORPORATE KNIGHTS SOCIAL PURPOSE RATING

Corporate Knights assessed 34 Canadian social purpose companies on their social purpose implementation from Bronze to Platinum, and the results are outlined below. Click [here](#) to access the full report, *The Social Purpose Transition Pathway: Helping Companies Move from Say to Do*.

Three of these companies, Coast Capital, Hemlock Printers and Modo, were featured in the [Embedding Purpose Webinar](#). The following outlines how these organizations have successfully embedded purpose into their core operations and the key lessons they’ve learned along the way.

Social Purpose Statements

Coast Capital: To build better futures together. (Co-operative financial institution, purpose adopted 2020)

Hemlock Printers: To create connections, build community, and inspire actions that safeguard the health of the world’s forests. (Family-owned printing company, purpose adopted 2020)

Modo: To transform communities by connecting people and places in a way that’s affordable, convenient, inclusive, and sustainable. (Car share co-op, purpose adopted 2016)



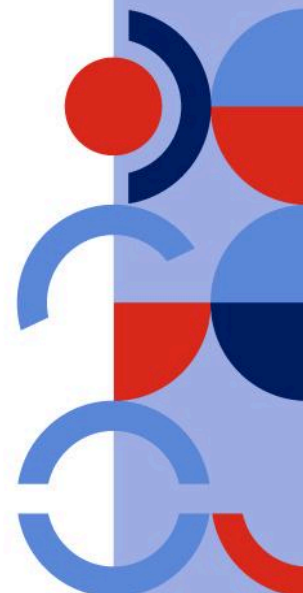
Assiniboine Credit Union*
BCLC (British Columbia Lottery Corporation)*
Chandos Construction*
Coast Capital Savings*
Co-operators*
Hemlock Printers Ltd*
LGM*
Modo*

Algonquin Power & Utilities Corp
BASF Canada
Fortis Inc
HSBC Bank Canada
Libro Credit Union*
Maple Leaf Foods
Microsoft
TELUS Corporation
Unilever



Bank of Montreal
BlackRock
Desjardins*
GE
Nutrien Ltd
SAP
SNC-Lavalin Group Inc
Toronto-Dominion Bank
Traction on Demand*

Cascades Inc
Finnig
High Liner Foods
Lululemon
McDonald’s
RBC
Stantec Inc
Starbucks Coffee



HOW COAST CAPITAL ORGANIZES TO ADVANCE ITS PURPOSE

When Coast Capital shifted from corporate social responsibility (CSR) to a broader social purpose, it recognized that CSR alone was insufficient. Typically positioned as a separate function, CSR did not integrate deeply into the company's core activities. Coast Capital sought to embed its purpose at the heart of its operations—from products and services to relationships with suppliers, partners, policies, and practices. The goal was to drive meaningful societal impacts while creating a clear path for growth.

To support this shift, Coast Capital dissolved its CSR department and established a dedicated Social Purpose Office. Within this office, a role was created to focus on social purpose business innovation, identifying products, services, and partnerships that align with the company's purpose. Additional roles were developed to manage and foster collaboration within the broader social purpose ecosystem, recognizing that societal impact requires partnerships and cannot be achieved alone, and a management position was introduced to oversee transparency and disclosures, to support the reporting of progress toward the company's purpose to stakeholders. Within these roles, they added business partner responsibilities to help the business lines across the company to integrate purpose into their operations. To provide oversight and internal purpose advocacy, Coast Capital created a Social Purpose Operating Committee, which includes cross-functional representation. The company is replacing its previous CSR policy with a new social purpose policy and has identified goals and metrics to guide its journey. These structural changes have been essential in advancing its purpose throughout the organization.

“It is important to lay a strong purpose foundation, including it in all the places where purpose needs to show up to support the execution. This includes the governance model, values, strategy, and performance objectives. The time we have taken on these things will help us build momentum to deliver on our purpose over the long-term.”

- Maureen Young, VP, Social Purpose, Coast Capital

HOW MODO EMBEDS ITS PURPOSE IN CORPORATE STRATEGY

Modo embedded its purpose into its corporate strategy by making the realization of purpose its primary business goal. While achieving satisfactory financial results is essential for long-term sustainability, it is not the company's core reason for existence. Modo invested time in understanding its purpose, carefully analyzing each element of its purpose and what the realization of that purpose looks like in practice.

As a car-sharing company, sustainability is interpreted through a focus on reducing greenhouse gas emissions. This focus has led to concrete actions, such as introducing zero-emission vehicles into the fleet and publicly committing to transition the entire fleet to zero emissions by 2030. Inclusion also became a core focus, prompting a deep dive into the membership, workforce, and leadership, including the board. This examination led to significant initiatives aimed at enhancing diversity and inclusion across the organization.

To measure the realization of its purpose, Modo developed key performance indicators (KPIs). This has been an evolutionary process over several years, with the KPIs reviewed annually and adjusted as needed—some being updated, removed, or replaced to better reflect the company's ongoing journey.



Finally, once the KPIs were well-established, Modo implemented a bonus structure for all employees tied to the realization of purpose. This bonus is the only one given within the company, ensuring that the pursuit of purpose is directly aligned with both the development and success of the business strategy. The realization of purpose and the development of the business strategy are closely intertwined.

“Purpose comes before strategy, and strategy comes before structure. Strategies come and go, and you have to keep evolving your strategy to deal with changing conditions. Your purpose, however, should be highly durable over time. It is important to invest in your purpose up front to get it right.”

- Patrick Nangle, former CEO, Modo

HOW HEMLOCK PRINTERS EMBEDS PURPOSE IN ITS SUPPLY CHAINS, PRODUCTS AND CUSTOMER RELATIONSHIPS

Hemlock Printers centers its purpose on protecting forests worldwide, which directly influences its supply chain, as paper is the largest input in the business. As a manufacturer that sources paper from around the world, Hemlock focuses on where it can make the most impact within the supply chain. The company works closely with supplier partners to influence the types of paper products available, advocating for more tree-free and sustainable options.

On the demand side, Hemlock also plays an educational role with its clients, helping them understand the sustainable alternatives available. As customers increasingly seek eco-friendly paper options, this demand drives further action within the supply chain, creating a virtuous feedback loop.

Sustainability is now a default in the products Hemlock offers. Purpose helps the company maintain a clear focus, driven by its concern for the world's forests and its role in mitigating climate change. This broad purpose gives Hemlock direction, guiding more specific initiatives within the supply chain and customer relationships. Moving forward, Hemlock is focused on scaling and collaborating within the industry and supply chain to elevate its purpose to the next level.

“Our purpose brings much deeper meaning to our work. It makes us feel we are using the power we have in our day to day working lives to work on solutions that are bigger than our own organization. It challenges us to do better and evolve on an ongoing basis.”

- Richard Kouwenhoven, President and CEO, Hemlock Printers Ltd.

HOW TO GAIN STAFF BUY-IN AND ENGAGEMENT ON SOCIAL PURPOSE

According to these companies, here are some ways to engage your team:

- **Communicate purpose clearly:** Once the purpose is established, share it with all staff, along with the business case and desired outcomes.
- **Offer purpose education:** Launch a “Social Purpose 101” course and encourage all employees to complete it.
- **Update corporate values:** Involve employees in updating the [company's values](#) to include social purpose.
- **Facilitate open conversations:** Introduce a “table talks” program to help employees understand the strategy and their role within it.



- **Host purpose-building sessions:** Organize a monthly “Lunch on Purpose” series to deepen purpose literacy and inspire employees to integrate it into their roles.
- **Incorporate purpose into performance:** Require employees to set social purpose goals as part of their performance objectives.
- **Link purpose to incentives:** Integrate purpose into the incentive and annual bonus programs.
- **Engage cross-functional teams:** Run workshops to engage employees across all functions in realizing the company’s purpose.
- **Embed purpose in recruitment:** Incorporate purpose into the hiring and onboarding process.
- **Align job descriptions with purpose:** Update job descriptions and postings to reflect the company’s purpose.
- **Integrate purpose into town halls:** Build social purpose into company-wide town hall meetings.
- **Collaborate on KPIs:** Involve employees in developing key performance indicators (KPIs) and tracking progress.
- **Use employee surveys for feedback:** Include [purpose-related questions](#) in the annual employee survey (e.g., “I understand and support the company’s purpose”).
- **Highlight benefits:** Showcase how the purpose drives business growth and brand success, as employees want to see the company thrive.
- **Embed in business unit mandates:** Integrate social purpose into the [core objectives and performance metrics of each business unit](#) to ensure ownership and accountability across the organization.

“Be ambitious in your purpose. Business is about entrepreneurship and big ideas, so connect your entrepreneurial spirit to the development of your purpose.”

- **Richard Kouwenhoven**, President and CEO, Hemlock Printers Ltd.

CRITICAL SUCCESS FACTORS

Key factors for success according to the webinar panelists include:

- **Integrate purpose into strategic planning:** Include social purpose in your annual and [strategic planning](#) and set clear 12-month and 3- or 5-year goals. This ensures it is discussed in monthly management meetings and tracked for progress.
- **Align vision and mission with purpose:** Update the corporate vision and mission to reflect and anchor the purpose at the core of the organization. This provides guidance and direction.
- **Build a strong foundation:** Establish the purpose early on so that it becomes embedded in the company’s daily operations and culture.
- **Make purpose enduring:** While strategies may evolve, the purpose should be durable and long-lasting.
- **Continuously reinforce purpose:** Regularly emphasize and communicate the purpose to both internal and external stakeholders.
- **Ensure leadership commitment:** Gain and maintain active [support from the board](#) and leadership to champion and reinforce the purpose.



“We think about purpose at a micro and macro level. For us, micro is household affordability and emission reductions. At a macro level, what does purpose mean about congestion, use of land for parking, etc. We are now in a collaboration with other shared mobility providers in the region, working collaboratively for a common purpose oriented to doing something transformational for the community. None of us are thinking about how to maximize our own situation. We entered it with a mindset focused on our purpose and our community. Personally, for me it has been very motivating.”

- **Patrick Nangle**, former CEO, Modo

BENEFITS OF SOCIAL PURPOSE IMPLEMENTATION

The panelists discussed the many benefits that companies experience when they authentically embrace their purpose.

Social purpose:

- Adds deeper meaning to work, empowering employees to contribute to solutions larger than the organization itself.
- Enhances employee attraction and retention by aligning values with purpose-driven work.
- Drives continuous improvement and evolution, challenging the organization to do better.
- Boosts employee engagement, as purpose motivates individuals to join and stay with the company.
- Strengthens agility by providing a clear focus for decision-making.
- Opens doors to new opportunities and influential networks.
- Inspires leadership to drive further innovation and progress.
- Enables the company to influence others in its industry.
- Clarifies the specific actions the business should take to achieve its purpose.

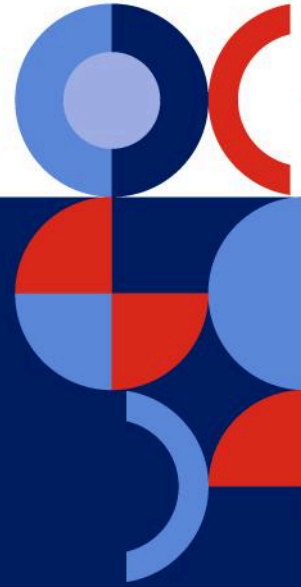
“Our social purpose should support our agility – we have built a decision lens tool to help us with the decision-making we need to make regarding new opportunities, partners, suppliers – our purpose is our North Star and will help us to be more agile in the execution of our strategy.”

- **Maureen Young**, VP Social Purpose, Coast Capital

CONCLUSION

Pioneering social purpose companies are charting the course for purpose-led business by embedding purpose into their corporate strategy, operations, and employee experience. These companies are engaging stakeholders as partners in purpose and are reaping numerous benefits as a result. Leaders play a pivotal role in setting the tone and driving purpose forward. While we are still in the early stages of purpose integration, these leaders are writing the playbook, helping shape a more purposeful future and a better world.





About the Canadian Purpose Economy Project

The Canadian Purpose Economy Project exists to accelerate the transition to the purpose economy. It engages national ecosystem actors to create an enabling environment for social purpose businesses to start, transition, thrive and grow. It convenes, connects, curates, and collaborates to drive the social purpose business movement in Canada toward an economy where social purpose business is the norm, attracting capital, talent, and partners. In this economy, businesses unlock all their assets, influence, reach and scale in collaboration with others to help Canada address its societal challenges and realize a flourishing future. We are grateful to Coast Capital, our Founding Purpose Champion, for their support.

Subscribe to our updates at www.purposeeconomy.ca and sign our Call to Purpose to help us advance social purpose in business.