

Purpose Qualifications for a CEO

Leading a social purpose company requires a CEO who can put purpose at the heart of strategy and decision-making, mobilize the organization and its partners around it, and deliver strong business performance and stakeholder value. This requires qualities, experience and leadership capabilities that go beyond conventional executive capabilities.

Personal Qualities and Mindset

- **Purpose-driven:** Fundamentally purpose-driven and personally committed to the organization's social purpose and to being a role model for purpose leadership.
- **Courageous:** Willing to take a stand, make difficult decisions and uphold the purpose when it is challenged or when competing pressures arise.
- **Collaborative:** Values co-creation and partnership, seeks and considers stakeholder perspectives, and works across organizational and sector boundaries to achieve broader purpose-driven outcomes.

Purpose Knowledge and Experience

- Understands what it means to lead a social purpose company and the implications of purpose for strategy, operations, culture and decision-making.
- Has demonstrated or transferable experience aligning business strategy and commercial performance with social purpose.
- Understands the societal and environmental context in which the organization operates and how these issues affect the business and its purpose.
- Uses systems thinking to see the bigger picture and understand how the organization, its purpose and the world around it are connected.
- Demonstrates the strategic acumen and agility required to realize the company's purpose.

Purpose Leadership Capabilities

Lead through purpose

- Uses the organization's purpose as a guide for strategy, priorities, resource allocation and decision-making.
- Partners with the board to steward the organization's purpose, ensuring it remains central to strategy, major decisions and the organization's long-term direction.
- Ensures business opportunities and growth strategies align with the organization's social purpose.
- Maintains commitment to purpose over the long term, including when there are pressures to compromise it.

Translate purpose into strategy and execution

- Connects purpose to corporate strategy and translates it into clear goals, priorities, actions and accountabilities.
- Ensures purpose outcomes and long-term organizational performance reinforce one another, strengthening the organization's resilience and its capacity to fulfill its purpose over time.
- Ensures the organization has the structures, systems, processes, capabilities and resources required to fulfill its purpose.

- Tracks progress against purpose goals and uses results to inform future decisions and priorities.

Mobilize people around purpose

- Communicates a compelling picture of the organization's purpose and why it matters.
- Helps employees understand how their work contributes to the purpose and mobilizes them to help fulfill the purpose.
- Builds a culture in which purpose is reflected in everyday behaviours and decisions.
- Models the purpose personally and sets the tone for purpose leadership throughout the organization.

Engage and influence externally

- Builds trusted relationships with key stakeholders, engaging them in the organization's purpose and drawing on their perspectives, knowledge and capabilities to help advance it.
- Advocates for the organization's purpose, including engaging governments, policymakers, and industry and other external leaders on the systemic conditions and public policies needed to advance it.

CEO Accountability for Purpose

The CEO should be explicitly accountable for fulfilling the organization's purpose.

Purpose-related responsibilities and competencies should be incorporated into the CEO role profile and reflected in CEO selection and succession planning. Performance goals, objectives and incentive compensation should also reflect the CEO's responsibility for advancing the organization's purpose.

This ensures that purpose is embedded in how the CEO is selected, evaluated, rewarded and developed.

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. We are grateful to Coast Capital, our Founding Purpose Champion, for their support. The Canadian Purpose Economy Project is a program of Canadian Business for Social Responsibility Education Foundation. Subscribe for updates at: <http://www.purposeeconomy.ca> and sign our [Call to Purpose](#) to help advance social purpose in business.