



Culture of purpose:  
A business imperative  
2013 core beliefs & culture survey



## Executive summary

What companies do for clients, people, communities and society are all interconnected. A culture of purpose ensures that management and employees alike see each as a reason to go to work every day.

Many forces are impacting the way companies conduct business, including globalization, regulation, shifting demographics, and geopolitics. As business strategies shift in response to these developments, corporate culture is increasingly becoming a critical anchor that underscores the importance of maintaining core beliefs and values.

Take a look at companies whose success is perennial. They sustain themselves by generating significant, positive impact for everyone their operations touch. They are keenly aware of the purpose they fulfill for clients, employees, community, and other groups — and they integrate goals to serve those groups into their business' core activities. Therefore, establishing a culture of purpose is important to a company's entire stakeholder universe. For successful organizations, creating meaningful impact beyond financial performance is becoming the new normal...a business imperative.

The 2013 Deloitte Core Beliefs & Culture survey explores this new context for business and found that the organizations that focus beyond profits and instill a sense of purpose among their employees are more likely to find long-term success. An overwhelming majority of

respondents who say their company has a strong sense of purpose also say their company has a history of strong financial performance (91 percent).

Further, the survey identified many activities that contribute to creating this sense of purpose at work. When asked what types of efforts they considered helpful in achieving a sense of purpose, employees and executives both recognize many activities as strong factors, such as products and services that make a positive impact on clients, employee development and mentorship, and volunteerism.

However, the majority of employees (68 percent) and executives (66 percent) believe businesses are not doing enough to create a sense of purpose and deliver meaningful impact. These findings suggest that the expectations for businesses are changing. People are increasingly looking to businesses to positively impact all of their stakeholders.

In addition, while the survey also identified many factors that contribute to creating a culture of purpose, executives believe these activities are integrated into their own businesses to a much greater degree than employees perceive them to be.

The results of the survey suggest that although many organizations have made great strides to strengthen their role as corporate citizens, much work remains.

Punit Renjen  
Chairman of the Board  
Deloitte LLP

# About this survey

The 2013 Deloitte Core Beliefs & Culture Survey is designed to explore the concept of workplace culture, as defined by a set of timeless core values and beliefs, as a business driver. This year's survey examines the connection between companies with a strong sense of purpose, and the impact this has on building and sustaining exceptional organizations. Punit Renjen, Deloitte LLP Chairman of the Board, sponsors this annual survey series.

Harris Interactive conducted the survey online on Deloitte's behalf between March 11-19 and April 17-26, 2013. Survey respondents were 1,310 US adults age 18+ employed full time in non-government, for-profit businesses with 100 employees or more. Of those professionals who qualified, 298 were classified as executives, and 1,012 were classified as non-executives based on job title and job role.

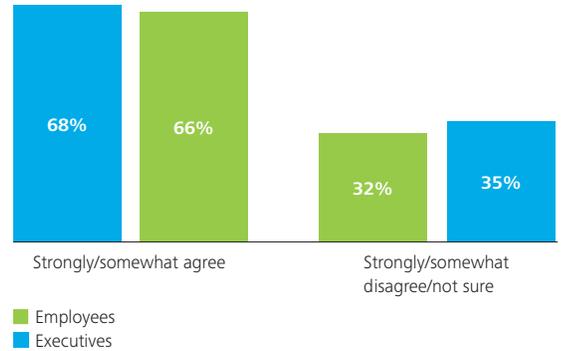
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Organizations that have a culture of purpose focus on delivering meaningful impact for all their stakeholders — customers, employees and communities. However, the survey responses suggest that there is still much more work to do, and *that* could have a positive long-term impact for companies that do so.

### Businesses are not doing enough to deliver meaningful impact to all stakeholders ...

- Both employees (68%) and executives (66%) agree that businesses do not do enough to instill in their culture a sense of purpose aimed at making a meaningful impact.

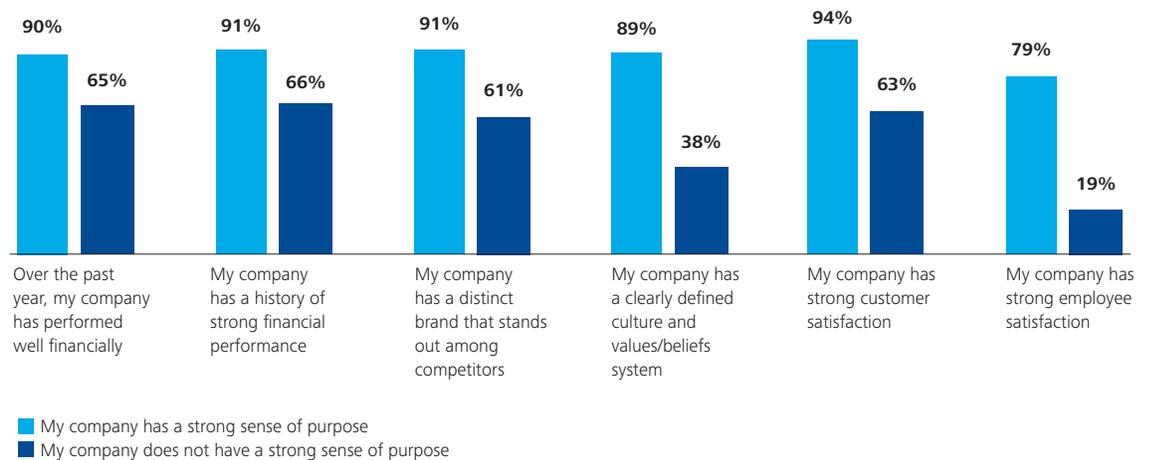
How much would you agree or disagree with the following statement? “Businesses do not do enough to create a sense of purpose and deliver meaningful impact.”



### ...yet sense of purpose is linked to long-term success

- Respondents who agree that their company has a strong sense of purpose also say their company performed well over the last year (90%) and has a history of strong financial performance (91%).
- They were also more likely to agree that their company has a distinct brand (91%), a clearly defined values/beliefs system (89%), strong customer satisfaction (94%) and employee satisfaction (79%).
- Conversely, of respondents who say their company does not have a strong purpose, far fewer say their company has performed well over the last year (65%) or has a history of strong financial performance (66%).
- They were also less likely to say their organization has a distinct brand (61%), a clearly defined values/beliefs system (38%), strong customer satisfaction (63%) or strong employee satisfaction (19%).

#### Summary of strongly/somewhat agree

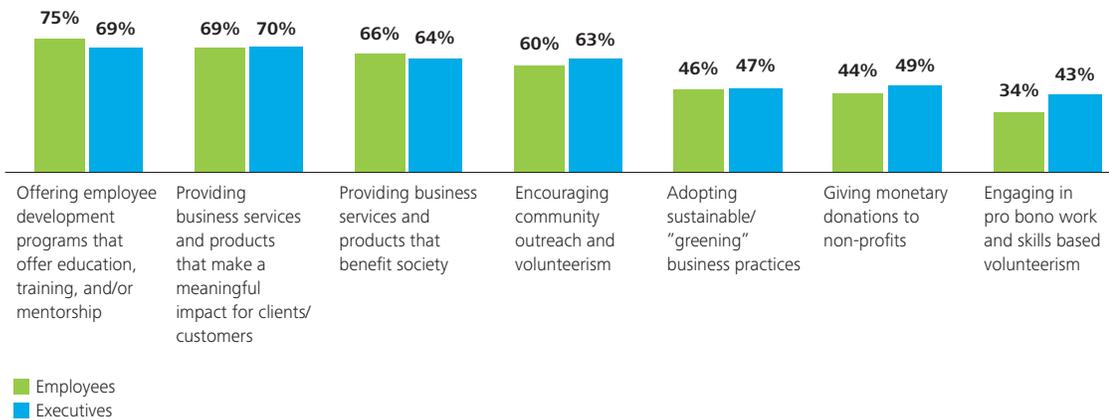


### Many activities contribute to creating a culture of purpose...

- Both employees and executives agree on the top three factors that can help achieve meaningful purpose:
  - Employee development programs: employees 75%; executives 69%
  - Services and products that make a meaningful impact for clients/customers: employees 69%; executives 70%
  - Services and products that benefit society: employees 66%; executives 64%

Many companies are missing an opportunity to more comprehensively integrate purpose-building activities into their core business strategies and operations.

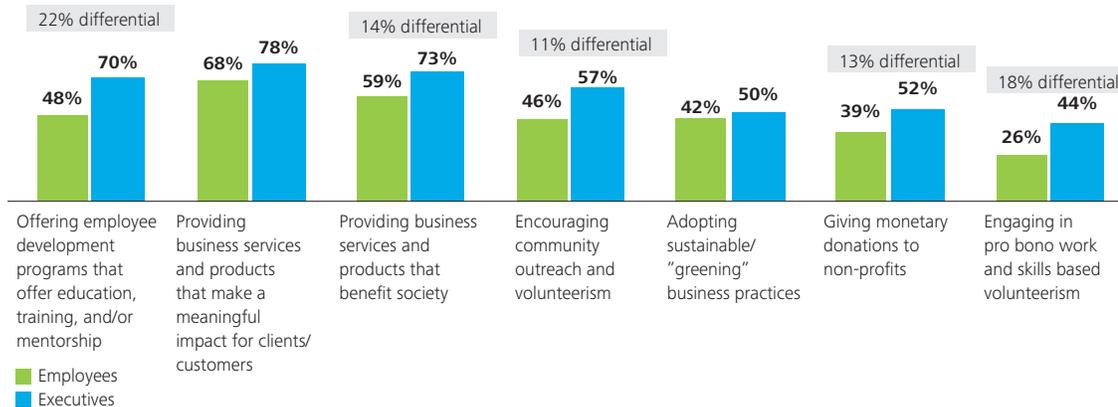
Which of the following, if any, do you consider to be helpful in achieving a sense of important purpose at a company?



### ...but businesses are not fully integrating them into their strategies

- Yet employees and executives disagree about how integrated many of these purpose-building activities are into the company's business and brand strategies — for example:
  - 70% of executives say employee development programs are integrated compared with only 48% of employees — a 22% difference.
  - 78% of executives say providing business services and products that make a meaningful impact on clients/customers are integrated, compared with only 68% of employees — a 10% difference.
  - 73% of executives say providing services and products that benefit society are integrated compared with only 59% of employees — a 14% difference.

To what degree are each of the following integrated into your company's business and brand strategy (summary of completely/very)?

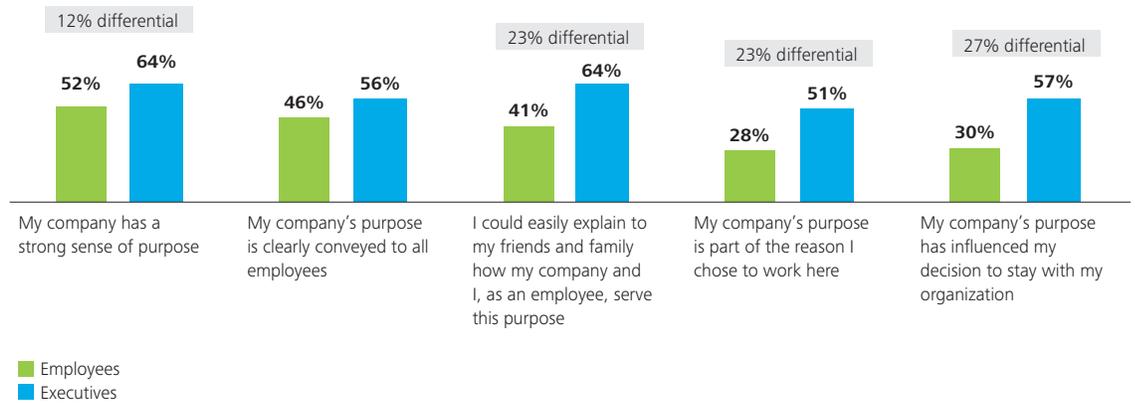


Measurements such as revenue and profit fail to capture the full picture.

### Business leaders need to change the conversation to focus on purpose...

- 64% of executives strongly agree that their company has a strong sense of purpose compared with 52% of employees.
- Executives are also more likely to strongly agree that this purpose was part of the reason they chose to work (51%) and stay (57%) with their organization.
- In comparison, a much smaller number of employees strongly agree that their company's purpose was part of the reason they chose to work (28%) and stay (30%) with their organization.

#### How much would you agree or disagree with each of the following statements (summary of strongly agree)?



### ...and demonstrate impact

- 50% of executives say their organization has a major positive impact on the clients and markets it serves, compared with 39% of employees — an 11% difference.
- Additionally, executives (37%) and employees (25%) disagree on the major positive impact their organization has on the career of their employees — a 12% difference.

#### Summary of major impact/extremely supportive

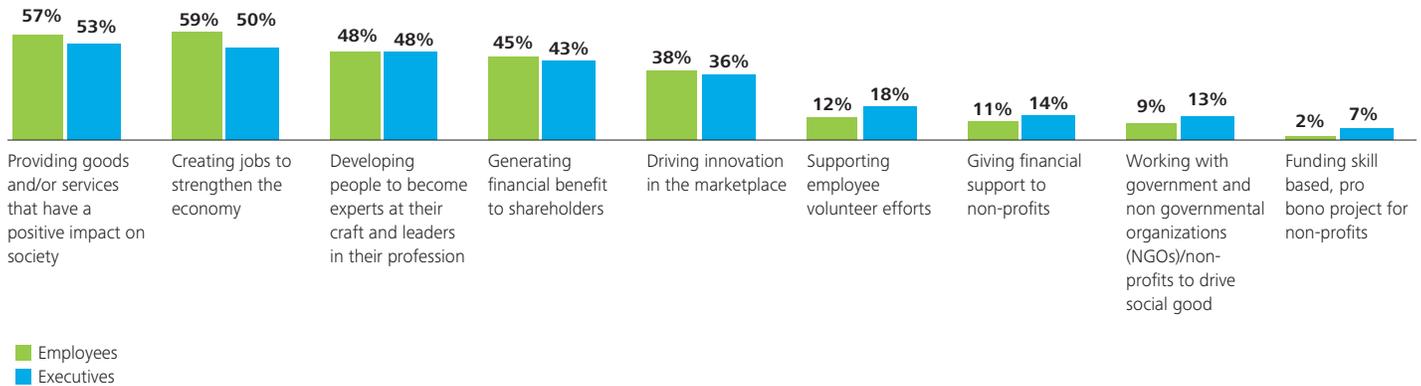


### Businesses have many responsibilities...

- Both executives and employees agree on the top three responsibilities for business:
  - Providing goods and services that positively impact society: employees 57%; executives 53%
  - Creating jobs: employees 59%; executives 50%
  - Developing people to become experts and leaders: employees 48%; executives 48%

Having a positive impact on the lives of employees is a vital component of being a good corporate citizen.

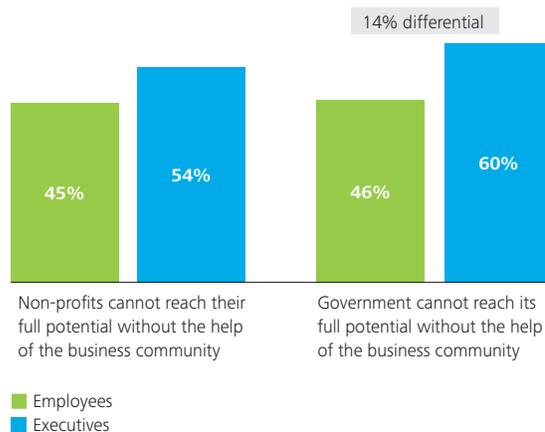
#### Which of the following would you rank as the top three responsibilities for a company?



### ...including helping government and non-profits reach their full potential

- Employees and executives agree that non-profits cannot reach their full potential without the help of the business community, though executives more strongly agree (employees 45%; executives 54%).
- Similarly, both groups agree that government cannot reach its full potential without the help of the business community, and again, executives more strongly agree (60% compared with 46% of employees).

#### How much would you agree or disagree with each of the following statements? (summary of strongly agree)



Business is a key part of the equation in driving social good. Skills-based and pro-bono volunteering was ranked among the lowest in terms of engagement across the board. Yet skills-based volunteering provides an opportunity for businesses to drive meaningful impact by doing what each business does best.

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