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## The Purpose of Work Is to Work on Purpose

*Meaning makes money.*

—Joey Reiman,  
contemplating *The Story of Purpose*

**F**rom the Ten Commandments to David Letterman's Top 10 list, human beings have always enjoyed making lists. Guest lists, to-do lists, best-dressed lists, and best-seller lists are just a few entries on the laundry list of lists. But only one list keeps score of the capitalism race: the Fortune 500, the annual list that ranks the top 500 US companies by revenue.

Created in 1955 by *Fortune* magazine's editors as an internal resource for writers and columnists so that they'd know which companies to focus on, the Fortune 500 has been the list to get on and stay on. This list is supposed to highlight the changes and trends that are reshaping corporate America.

And that is precisely why the list is defunct.

The Fortune 500 was created in 1955, a time of prosperity and optimism in America. Business was in business for business and was putting shareholder value first. Revenue

and profit at any expense helped build companies like GM, Exxon Mobil, and Walmart—the only three companies to make the number 1 spot on the list.<sup>1</sup> The American dream promised that if you focused your business on the bottom line, you too could make the list.

Unfortunately, when you focus only on the bottom line, everyone races to the bottom. And apparently we are there. The Gallup-Healthways Well-Being Index, which has been polling more than 1,000 adults every day since 2008, shows that Americans feel worse about their jobs today than ever before. Gallup also reports that 71 percent of our workforce is disengaged and 25 percent of this group is what they call CAVE-dwellers,<sup>2</sup> an acronym for consistently against virtually everything. Add 10 percent unemployment, and we have the Greater Depression—a time where the majority of businesspeople have jobs too small for their spirits.

It's time for a new list, a new definition of *success*—and a new way to measure it. We need the Purpose 500, a catalog of companies that are doing well by doing good—because it will be these companies that bring back business for good.

Author Jim Collins was famous for his 1990s business manual and manifesto for greatness. If his book is *Good to Great*, this book could be called *Great to Goodness*, a story of companies that prosper for the goodness they bring to the world.

## How Packaged Goods Led to Packaging Good

A famous quote by philosopher Aristotle tells us that where one's distinctive talents intersect the needs of the world, there lies your vocation (from the Latin word *vocare*, which means “to call”<sup>3</sup>). The story of William Procter and James Gamble proves the Greek was right. Born in Herefordshire,

England, in 1801, William Procter worked as an apprentice learning to dip candles. At heart an entrepreneur, he began selling dry goods and eventually opened a store in London—only to be robbed shortly after. With a huge amount of debt but a larger amount of determination, he and his wife immigrated to the United States to rebuild. However, Procter's wife became sick and died shortly after their arrival in Cincinnati.

His dream now in the distance, William took a job at a bank. He quickly recognized a unique opportunity after learning that many of Cincinnati's candles were being shipped in from Philadelphia at great expense. With this insight and his earlier candle apprenticeship experience, he decided to start a candle business to pay off his debt. Cincinnati was a great place to make candles because of the fat and oil by-products from the city's huge meatpacking industry. After starting his business, William would soon marry a Cincinnati woman named Olivia Norris.

James Gamble was born in Graan, Ireland, in 1803, and his family immigrated to America in 1819 because of the widespread depression in the British Isles following the Napoleonic Wars. They were aiming for Shawneetown, Illinois, but 6-year-old James became very ill while sailing down the same river, so they took him ashore in Cincinnati and decided to settle there.

At 18 years of age, James began an apprenticeship with a soap maker and in 1828 opened his own shop. He then married none other than Elizabeth Ann Norris, sister of Olivia.

The girls' father, Alexander Norris, encouraged Gamble to form a joint venture with Procter. Both men were competing for the same meatpacking by-products to make their soap and candles, so they founded Procter & Gamble (P&G) in 1837.

Now comes the good part.

Working tirelessly, “burning the candle at both ends” (an expression that was coined much earlier, in the 1600s), the Englishman and Irishman built a pretty sweet business, and by 1859, they had reached \$1 million in sales.

During the Civil War, P&G won some Union Army contracts for candles and soap, which helped light the way for a growing business and exposed more people to the quality of P&G products. In a disparate world cloaked in darkness and disease, two men offered candles and soap. Whether this act was manufactured by money or meaning is irrelevant. The fact was, for James and William, taking care of business meant taking care of others. What’s more is that in the crucible of war, they found the alchemy of good—something that could create the presence of the positive.

“Touching lives and improving life” is P&G’s purpose today. The primary way P&G fulfills this purpose is through brands of superior quality and value. P&G brands are a part of people’s lives. They make everyday chores such as cleaning houses and bathrooms easier and even, on some occasions, enjoyable. They make literally billions of people look and feel better every day. As you will discover, the fruits are in the roots of every great brand and Purpose 500 company.

Fortune 500 companies are where money is made. Purpose 500 companies are where money goes—because people like doing business with people who care about them.

## Giving Care to the Caregiver

Graco, part of Newell Rubbermaid and headquartered in Atlanta, Georgia, is the world’s largest single brand of juvenile products. Their story of purpose actually defines what purpose is: an intention that creates a contribution. As we will learn, businesses without purpose might make a big profit, but brands with purpose make a big difference.

Graco's story begins on a summer night in 1955, when Mr. C. Rex Thomas watched his wife reading a book while their baby was in a swing on the front porch. His wife, who was seated in a chair, had ingeniously tied a string to the swing that rocked the baby back and forth, calming him while she read.

Mr. Thomas instantly recognized that his wife had developed a way to find a simultaneous moment of peace for herself and enjoyment for their child—and he set out to help her even more. He described his wife's innovation to his fellow tinkerer, Nate Saint, a mechanically gifted individual who figured out how to create a product that would do for Mrs. Thomas what she was trying to do for herself.

At the same time, a church friend named Robert Cone was looking for a proprietary product to build his company upon. He hired two men who he knew as tinkerers: Thomas and Saint. The three men met and created the mechanical version of Mrs. Thomas's handmade invention before the year was out. They called it the Swyngomatic.

Mothers called it a gift, since it gave them the time to read a book, eat a meal, or take a bath—that is, it gave them the opportunity indeed to take care of themselves so that they could take better care of their babies. The creation of the Swyngomatic gave birth to a new era of parenting, as it was the first product to give moms and dads some time back for themselves.

Graco was born on this simple idea—"cradle those who cradle them"—an idea that came from their origins, was conceived with intention, and made a contribution to the world. In addition, their purpose changed their customer base from babies to parents, a significantly larger market size, and refocused their acquisition strategy to parenting companies. Business increased almost 50 percent in 18 months. Today, the Graco brand is still rocking.

## Purpose Brings Joy to the World

The arch is an ancient symbol for a grand human achievement, a tall order for any organization, even for McDonald's Golden Arches. Add to that the challenge McDonald's, the world's most advertised brand, faced in 2008, when it was spending marketing dollars and losing share in the United States. Customers not only had other choices, but fast food was fast becoming a no-go for parents seeking better nutrition for their families.

McDonald's needed a new course of action. So they called BrightHouse.

I was granted an audience with McDonald's cofounder Fred Turner, who agreed to meet me in Las Vegas for 1 hour. Accompanied by Neil Golden, chief marketing officer of McDonald's in the United States, Turner (now in his 80s) greeted me with a 1954 playbill highlighting the jazz ensemble in which he played with McDonald's cofounder Ray Kroc and the woman Kroc would eventually marry. He said, "Joey, this might help you with your work. We began our careers together as jazz players."

Turner's offering is music to my ears, since I know that the place where one begins always holds the seeds for future growth.

Indeed, the early days of McDonald's had the exuberance of a jazz session. The company was the beat, the crew was the rhythm, and the counter was the stage for the surprise. "All of us were players that interacted with the audience," Turner recalls.

Turner's insight on jazz would ultimately lead to the realization that McDonald's had lost its mojo—that surprise factor often found in jazz where one member steps out to surprise the audience. To strike a new chord with its customers, our challenge was to bring back the joy that made McDonald's what it was: the surprise of great food, a smile, and a joyful meal. Like jazz musicians inspired by

the crowd and beat of the music, McDonald's started to jam with their customers again.

At the birth of every organization is an instructive spark of fire like the one we found at McDonald's. Ignited by its founders, this flame lights the way forward. This starting point is a key building block for discovering your organization's guiding purpose. If you can tune into this, the rest will naturally follow.

We learned over the next 16 weeks that McDonald's early days were all about delivering surprise to families with the promise of consistency. And like the sound of a jazz band, the theme of family and playing together became the primary goal. McDonald's is, in fact, a family, with members worldwide in 119 countries.

There's the family in the restaurant, and then there's the family behind the counter. Their job from this day forth would be to develop a truer, more modern version of their job on day 1 in 1955—to fill families with joy.

This is what would lead the organization to a joyful meal, one that would shift their focus from toys to joys. You see, the Happy Meal made McDonald's the largest distributor of toys. Then, in one of the boldest moves since the creation of the Happy Meal, McDonald's began to offer Fruit & Maple Oatmeal and the Fruit & Walnuts salads, making it the largest restaurant apple purchaser in the United States. By adding fruit to every Happy Meal, McDonald's turned purpose into practice.

By filling families with joy, McDonald's in the United States successfully moved from a brand that people just bought to a stand that people buy into. Joy has more dividends in profits and people. McDonald's stock had a meteoric increase and *Fortune* magazine put now-former chief executive officer (CEO) Jim Skinner on their executive “dream team.”

As their catchy tagline says, “i’m lovin’ it.”



## From Brand to Stand

Herders invented branding. By branding their cattle, cowboys would know what they owned. Until recently, marketing had not come much further. We were still telling consumers about the brands we owned and sold.

Media were consuming consumers. About 7,500 messages bombarded us daily with promises of health, wealth, and fame. These attacks come from what we call brands. A brand is the embodiment of all the information connected to the product serving to create associations and expectations around it. But brands are not real.

Until recently, brands were created by advertising agencies for homo consumens—those who want more and use more. But the people—organizations and those they serve—are now asking a question other than, “How much is it?” They are asking, “Why should I buy from you?” People have taken a stand. Hence, brands have followed with something extra—an authentic purpose.

Add purpose to a brand and it becomes a stand (see Figure 1.1). We no longer buy it, but rather we buy into it, because it stands for something greater. Its bar code carries a moral code, a point of view that shares a greater purpose. Stands are created from the place of origin, not from researching the marketplace for what might sell. Stands are distinctive, creating indispensability in a competitive world. As we all want to work in the company of something greater, employees take on the role of missionaries for what they stand for. Covenants, not contracts, promise people, not consumers, more ease, more care, and more love. Actions replace ads eliciting relationships between giver and receiver versus seller and buyer. The best brands, those with purpose, no longer buy media, as they have created digital communities.



**FIGURE 1.1** Brand versus Stand

Source: © BrightHouse. Illustration by David Paprocki.

Most exciting of all, purpose-inspired leaders are measured by their ability to transform their associates, their companies, and the world into a culture creating a place of positive presence.

These Purpose 500 companies make the world a better place. Their focus is not only sharing profit but also sharing the responsibility for a society that works better. This means acknowledging that everyone on Earth is an essential part of our collective purpose. In Martin Scorsese’s Academy Award–winning picture *Hugo*, the main character shares the following perspective with his friend Isabel in the clock tower of a 1930s Parisian train station: “I like to imagine that the world is one big machine. You know, machines never have any extra parts. They have the exact number and type of parts they need. So I figure if the entire world is a big machine, I have to be here for some reason. And that means you have to be here for some reason, too.”<sup>4</sup> Such are the human beings who make up companies of purpose.

*The Story of Purpose* ends a chapter for Fortune 500 companies and opens a new one for purposeful organizations that want to partner with society. “The game has changed,” said Rick Gilkey, Emory University professor involved in neuroscience research in the Department of Psychiatry—and a BrightHouse luminary. “People are not motivated by the bottom line. It’s about the human factor—and purpose is the driver. It’s what stirs our souls and inspires us to do great things over a sustained period of time.” Capitalism for these organizations capitalizes on human enterprise, not performance metrics. On people, not consumers. On relationships, not transactions. And on becoming the best company for the planet, not just on the planet.

### What Is the Purpose of This Chapter?

- The purpose of business is not just to create value but to add value to people’s lives. When we do so, our companies will profit in the short term, the next decade, and the world will profit in the long term, over the next century.
- Good and service are the new goods and services.
- Business is now part of every human endeavor.

### Purpose Pointers

- Move from a brand to a stand.
- Turn purpose into practice.
- When purpose leads, profit follows.