



## YOU WIN WHEN EVERYONE KNOWS YOUR PURPOSE

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This is one of a series of +points on The Journey – a route map designed to help you build a business that people value. Check out other +points on [www.smallbusinessjourney.com](http://www.smallbusinessjourney.com)

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### WHAT'S THE POINT?

You CAN give your company a clear sense of purpose that keeps you focused, inspires your employees and attracts customers.

### WHY?

- If you look at your business in a wider context you will see the full contribution you make to society, and how you can differentiate yourself from your competitors.
- Having a clear purpose helps you convince the world that it is richer with you than without you, which in turn helps build your reputation.
- A business that knows why it exists, instead of just what it produces, can take a long term view, spot risks and seize opportunities.

### EXTRA BENEFIT TO YOUR COMPANY

- Being clear about why you are in business makes it easier to attract customers and investors.
- If employees share the vision of your company, they will be more motivated in their work.
- Having a purpose keeps you focused on what's important and stops you getting sidetracked.
- If you know why you are in business it's easier to create a focused marketing strategy.

## LIVING PROOF

### Adnams

Adnams is a brewer that runs its own pubs, hotels and wine shops from Southwold on the Suffolk coast. Adnams management believe its Southwold connections are of fundamental importance to its authenticity as a niche brand. They ensure that the brand is associated with the tradition, tranquil landscape and sense of community that the town offers. Indeed, its stated values – presented under headings such as community, pride, quality and integrity – reflect this, and the performance of all staff is measured against value-related objectives to ensure the company's vision is embedded in every part of the organisation.

### THE RESULTS

An employee survey in 2003, with an 80% response rate, revealed that nearly 90% of respondents were motivated or extremely motivated to work for Adnams. A similar proportion was proud or extremely proud to be part of the company. Increased sales and profits have been driven by the strength of the brand, staff motivation and the company's determination to express its values in everything it does. Adnams was named Business of the Year at the 2002 Anglian Business Awards and was the first small company to win top honours in Business in the Community's annual Awards for Excellence – the 2003 Impact on Society Award.

### WHO ELSE IS MAKING A POINT?

Many successful companies throughout the UK understand the real business benefits that can be gained by making sure their brand is understood and acted on by everyone.

- Based in Richmond, North Yorkshire, **The Industrial Building Company** offers 'quality work for quality people'. Unhappy with how construction subcontractors were perceived, this specialist structural steelwork and cladding company wanted to bring good standards, ethics and integrity back into the building business and has made an emphasis on quality and trustworthiness its main selling point. The company name was chosen as a very obvious description of what the company does, demonstrating a commitment to openness and integrity.

The results: Over the past five years the staff has increased by 200%, with turnover and profit up by 1000%. There is no shortage of quality subcontractors waiting to work for the company and they have had to move to larger premises. The company believes its success reflects its commitment to the core values of

the business. The company won the national British Small Business Champions Awards 2003 run by the Federation of Small Businesses, Lloyds TSB Group plc and Business in the Community.

- **Chelsfield MH Investments** has a team of 218 staff that runs a shopping centre, Merry Hill, west of Birmingham. The company has established a vision, mission and values against which it sets business objectives. The company places a strong emphasis on its role in the community: providing long-term work and a place for people to meet. All employees work to targets that link directly with the company's vision, helping everyone understand the purpose of their work.

The results: Running community events results in extensive positive publicity for Merry Hill – essential for attracting customers – and marks it out from other shopping centres. Each activity offers development opportunities for employees and helps to create a more focused workforce.

#### **WHY IS THIS IMPORTANT?**

- Only 29% of staff understand and support their employer's goal. And two thirds of employees are either knowingly or unknowingly sabotaging the organisation's business and its brand and have little or no emotional commitment to it.  
Source: Enterprise IG survey of 55,000 people
- Staff with high levels of commitment and understanding are more likely to say it greatly improves their performance.  
Source: The Buy-in Benchmark: a survey
- A study in Sheffield identified a positive relationship between employee attitudes, organisational culture, human resource management and company performance – and concluded that employee commitment and a satisfied workforce are essential to improving performance.  
Source: Human Capital and Performance: A Literature Review, Accounting For People, Government Task Force, 2003

#### **HOW TO GET STARTED IN A SMALL WAY**

- Think about why you are in business. How does what you do matter?
- Who benefits from your company's success?
- Talk to your employees – what do they understand is the purpose of your business?
- It's a good idea to put your ideas into words. Make the words as relevant as possible to your work.
- Think about how to incorporate your purpose into your marketing strategy, recruitment and other strands of the business.
- Consider working on a structured analysis of your business such as the Business Excellence Model which provides an opportunity to match your purpose to structured targets.

## **WHO CAN HELP YOU TO GO FURTHER?**

Strengthening the performance of your business in this way is really just a matter of common sense. But if you are committed to achieving major business benefits, then it often helps to get help.

### **National Help**

EFQM helps European businesses make better products and deliver improved services through the effective use of management practices such as the EFQM Business Excellence Model. See SME links at [www.efqm.org](http://www.efqm.org). National partners in the UK are the British Quality Foundation at [www.qualityfoundation.co.uk/](http://www.qualityfoundation.co.uk/) and Quality Scotland at [www.qualityscotland.co.uk](http://www.qualityscotland.co.uk).

The Institute of Directors provides advice on branding and marketing through its members' information service. It runs a course on effective marketing strategies, and has factsheets available on [www.iod.com](http://www.iod.com).

### **Local Help**

Check with your local Chamber of Commerce or Business Link organisation for business networks in your area. These will give you an opportunity to talk to companies who have been through this process. [www.chamberonline.co.uk](http://www.chamberonline.co.uk) (click "find your chamber") or [www.businesslink.gov.uk](http://www.businesslink.gov.uk) (England) [www.bgateway.com](http://www.bgateway.com) (Scotland) [www.busesseye.org.uk](http://www.busesseye.org.uk) (Wales) [www.investni.com](http://www.investni.com) (Northern Ireland).

### **Online Help**

[www.allaboutbranding.com](http://www.allaboutbranding.com) - this website has articles, opinion, a glossary – everything you need to know about branding. It includes a free self-assessment questionnaire on how effective your brand is and whether you have successfully embedded it into all parts of your company.

[www.cim.co.uk](http://www.cim.co.uk) - The Chartered Institute of Marketing has a free online guide to producing a mission statement. It helps you think through what your business does and guides you in how to create a statement that is unique to you and your business.

## **IT'S COMMON SENSE**

This briefing paper is one in a series of +points that make up The Journey – a route map designed to help you build a business that people value. You need only do one if you like. It's your journey. It doesn't have to be time consuming or complicated. It's basically common sense.

## SMALL BUSINESS CONSORTIUM MEMBERS:

The Small Business Consortium is a group of organisations who share a common goal:

