

CORPORATE PURPOSE REVISITED: RE-IMAGINING THE ECONOMIC AND SOCIAL VALUE OF STRATEGY

Guest Editors:

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Corporations are being increasingly challenged to reflect on their purpose. Indeed, the relentless pursuit of profit as the *raison d'être* for corporations has had detrimental implications for our planet, society, and even shareholders – calling corporations to identify with a purpose that enables sustainable development. Accordingly, an ever-louder chorus of industry leaders have been questioning the shareholder-centric approach to business conduct. Larry Fink, the CEO of BlackRock, for instance, recently called on firms to serve a broader societal purpose and shared value creation (Fink, 2018). Leading business consultants echo this view, suggesting that purpose could enable firms to create a deeper connection with employees, customers, and communities (e.g. Dimitracopoulos, 2020; Gast, Probst, & Simpson, 2020; O'Brien, Main, Kounkel, & Stephan, 2020). In parallel, scholarly attention to corporate purpose has resurged and editors have called for more research on purpose – its antecedents, consequences and boundary conditions (e.g. Hollensbe, Wookey, Hickey, George, & Nichols, 2014; Stoelhorst and Vishwanathan, in press).

This aforementioned evidence highlights a need for a nuanced logic and reinvigorated discourse around the purpose of the corporation. It is thus critical for the scholarly community to get engaged with corporate purpose through meaningful, rigorous, and impactful research that shapes our understanding of how firms and their key actors should act in a way to balance both organizational and societal welfare. Accordingly, this special issue seeks to challenge the scholarly community to get involved in the debate on corporate purpose through state-of-the-art perspectives, critiques, and robust evidence.

Conceptual background of special issue topic

The debate about corporate purpose is longstanding and relates to existing research on Corporate Social Responsibility (CSR) and corporate sustainability. There are two main perspectives on conceptualizing purpose (George, Haas, McGahan, Schillebeeckx, & Tracey, 2021). The *goal-based perspective* is normatively neutral (Morrison & Mota, 2021), and defines purpose as “a concrete goal or objective for the firm that reaches beyond profit maximization.” Accordingly, empirical work (Gartenberg, Prat, & Serafeim, 2019; Gartenberg & Serafeim, 2020) has measured corporate purpose by “the overall strength of employee beliefs in the degree to which their work is meaningful” (Gartenberg et al., 2019: 2). Similarly, George and colleagues (2021: 7) argued that purpose “provides a clear definition of the firm’s intent, creates the ability for stakeholders to identify with, and be inspired by, the firm’s mission, vision, and values, and establishes actionable pathways and an aspirational outcome for the firm’s actions” (George et al., 2021: 7). An alternative perspective is a *duty-based perspective* where firms adopt an explicitly pro-social purpose. According to Mayer (2021: 891), purpose is about

“finding ways of solving problems profitably where profits are defined net of the cost of avoiding and remedying problems.” Thus, purposeful firms solve, rather than profit from, problems of people and the planet (Mayer, 2021). Lynn (2021) refers to this idea as the convergence model where economic and social ends are harmonized.

Corporate purpose can further be distinguished from these concepts along three dimensions. First, corporate purpose is originally grounded in the corporate governance and strategic management literature (Bartlett & Ghoshal, 1994; Jordi, 2010; Stout, 2012). Bartlett and Ghoshal (1994) have long argued that the role of top managers is to design purposeful organizations, and recent developments in corporate governance research has rekindled this discussion (Stoelhorst & Vishwanathan, n.d.; Stout, 2012). Viewed from the lens that organizations are reflections of their key decision makers, setting a corporate purpose is an evolving process that occurs from the interactions among key decision makers – i.e., the firm’s strategic leaders (Georgakakis, Heyden, Oehmichen and Ekanayake, 2022). In contrast, the foundational theoretical paradigm of CSR research is business ethics, whereas corporate sustainability research is grounded in systems science (Bansal & Song, 2017).

Second, in line with its strategic management foundations, the desired end state of purposeful organizations is to successfully integrate a social purpose into a viable business strategy that accounts for the multiple facets of stakeholder requirements and expectations, and provides to the firm sustainable advantages (Lynn, 2021; Mayer, 2021). In CSR, the desired outcome is that organizations and managers live up to their social and moral responsibility, and in corporate sustainability it is to achieve balance between ecological, societal, and political systems (Bansal & Song, 2017). The complexity and breadth of stakeholder requirements and expectations is also determined by internationalization of the firm, whereby multinational enterprises (MNEs) need to attend multiple purposes to meet stakeholder needs in different geographic locations (Kolk, 2016).

Third, since corporate purpose is about why a firm exists (Bartlett & Ghoshal, 1994; Mayer, 2021; Morrison & Mota, 2021), it is concerned primarily with a firm's core business. CSR, on the other hand, is a broad term that captures any firm activity that furthers some social good (McWilliams & Siegel, 2001) including those that belong to the periphery such as corporate philanthropy (e.g. Brammer & Millington, 2005; Godfrey, Merrill, & Hansen, 2009). Corporate sustainability is concerned primarily with those activities that impact the natural environment (Bansal & Song, 2017) irrespective of whether they are core or peripheral.

Aims & scope of special issue

Building on the conceptual uniqueness of corporate purpose, this Special Issue Call for Papers seeks to advance a firm-level, managerial understanding of corporate purpose. More specifically, it will explore the antecedents and consequences of different implementations of corporate purpose in firms. We invite submissions across the whole theoretical, paradigmatic, and methodological traditions of *Long Range Planning*. Interdisciplinary submissions are particularly encouraged. We invite submissions that investigate research questions such as, but not limited to:

- What is the impact of a goal-based vs. a duty-based purpose on organizational outcomes such as employee productivity, innovativeness, and financial performance?

- Which types of firms are more likely to adopt a goal-based vs. a duty-based purpose?
- What are the strategic practices of purpose-driven firms and how does their strategy process differ from less-purpose-driven firms?
- How do purpose-driven firms create strategies that deliver economic as well as social value?
- How do strategic leaders (including CEOs, Top Managers and Boards of Directors) of established firms go about implementing a transformation or renewal of their corporate purpose?
- How MNEs respond to the diverse and often conflicting purposes and stakeholder demands across geographic locations?
- How does purpose enable or inhibit obtaining commitment and support from boards, shareholders, and internal stakeholders?
- How do advancements in digital technology influence the firm's ability to develop and attend its purpose?
- What are the internal and external drivers that trigger firms to implement a purpose-driven strategy?
- What are the consequences, if any, of a decoupled or symbolic implementation of corporate purpose?
- What are the different ways in which firms implement a pro-social purpose into their business models?

Submission Process

The deadline for submission to this special issue is December 18, 2023, with expected publication date in 2025. Submissions should be prepared in accordance with Long Range Planning's author guidelines available at: <https://www.elsevier.com/journals/long-range-planning/0024-6301/guide-for-authors>. Submissions are to be made online via Long Range Planning's EVISE submission system at <https://www.evise.com/profile/#/LRP/login>. To ensure that all manuscripts are correctly identified for consideration for this Special Issue, it is important that authors select **SI: Corporate Purpose** when they reach the "Article Type" step in the submission process. All submitted manuscripts will be subject to Long Range Planning's double blind review process.

Supporting activities for authors

A paper development workshop will be held at the Amsterdam Business School, University of Amsterdam to support promising papers that have the potential to be included in this special issue. Moreover, the special issue will be advertised at the Academy of Management (panel session on Corporate Purpose), Strategic Management Society, Academy of International Business, European Academy of Management (Track on Corporate Purpose), the European Group of Organization Studies (EGOS), the European Academy of Management (EURAM) and the British Academy of Management (BAM). It will also be advertised at the workshop for Top Management Teams and Business Elites 2023 organized by the University of Leeds and EIASM.

Research Data

Research data forms the backbone of research articles and provides the foundation on which knowledge is built. Researchers are increasingly encouraged, or even mandated, to make research data available, accessible, discoverable and usable. Although not mandatory, the journal encourages authors to submit their data at the same time as their drafts of the full manuscript. Further information can be found at: <https://www.elsevier.com/authors/author-services/research-data>

Guest Editor Team

The team of guest editors has extensive editorial experience, having edited special issues in several top journals such as Journal of International Business Studies, Long Range Planning, Organization Science, Organization Studies, and Research Policy.

Henk W. Volberda (h.w.volberda@uva.nl) is Professor of Strategy & Innovation at Amsterdam Business School of the University of Amsterdam. Moreover, he is Director of the Amsterdam Centre for Business Innovation. He has been a visiting scholar at the Wharton School at the University of Pennsylvania, Duke University's Fuqua School of Business and City University's Bayes Business School in London. Volberda holds various executive and advisory positions such as member of the supervisory board of NXP Semiconductors Netherlands and Apollo Tyres Europe, expert member of the World Economic Forum and fellow of the European Academy of Management. His research on technological disruption, digital transformation, coevolution, new business models, strategic renewal, strategic flexibility, and management innovation has led to an extensive number of publications in peer-reviewed journals including the Academy of Management Journal, Journal of Management, Journal of Management Studies, Management Science, Organization Science, and Strategic Management Journal. Moreover, he received numerous awards, including the Erasmus Research Award, the SAP Strategy Award, the EURAM best book award for Reinventing Business Models: How Firms Cope with Disruption (OUP, 2018) and the prestigious Igor Ansoff Strategic Management Award.

Mariano (Pitosh) Heyden (pitosh.heyden@monash.edu) is Professor of Strategy & International Business at the Monash Business School in Australia, where he also serves as Director of PhD Degrees in the Department of Management. His research tackles the characteristics of senior business leaders that enable innovation and change, appearing in leading scholarly journals such as Journal of Management, Journal of Applied Psychology, Research Policy, Organization Studies, Journal of Management Studies, The Leadership Quarterly, Human Resource Management, and Long Range Planning. He serves on numerous editorial review boards, such as Journal of Management, Journal of Management Studies, and Corporate Governance: An International Review. Prof Heyden is a Trustee of the Society for the Advancement of Management Studies (UK), a Representative-at-Large of the Strategic Management Society (US), and previously served on the Scientific Board of the European

Academy of Management as well as the Membership Engagement Committee of the STR Division of the Academy of Management (US). His thought leadership on topic issues has been covered by ABC News, The Australian, Business Insider, Harvard Business Review, MIT Sloan Management Review, The Conversation, Sydney Morning Herald, Manage Magazine, and the World Economic Forum. He has received over AU\$700k in international and domestic research funding, including the prestigious Australian Research Council's Discovery Early Career Research Award (DECRA-17).

Pushpika Vishwanathan (P.Vishwanathan@uva.nl) Pushpika is an Assistant Professor at the Amsterdam Business School, University of Amsterdam. She received her PhD at the Rotterdam School of Management, Erasmus University. Her research centers on the interplay between strategy and ethics, with a particular focus on stakeholder theory, corporate governance, corporate social responsibility, and corporate purpose. Pushpika's research has been published in the Academy of Management Review, Journal of Management Studies, Organization Studies, and Business & Society. She serves on the editorial review board of Journal of Management Studies and Business & Society and is a Representative-at-Large at the Social Issues in Management (SIM) Division of the Academy of Management. Her research and contributions as a reviewer have been recognized by awards from organizations including Academy of Management, European Academy of Management, and Strategic Management Society.

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Dimitrios Georgakakis (dimitrios.georgakakis@york.ac.uk) is Professor and Chair in Strategy and International Business at the University of York (United Kingdom). He has held permanent positions at the University of St.Gallen (Switzerland) and has acted as a visiting fellow at Texas A&M University (United States). His research has been published or is forthcoming in several academic outlets, including *Journal of Management*, *Journal of International Business Studies*,

Journal of Management Studies, *Journal of World Business*, *The Leadership Quarterly*, *Academy of Management Discoveries*, and *Long Range Planning*. His research interests include the role of strategic leaders in multinational enterprises, the effects of board diversity on organizations, the CEO-Top management interface, the antecedents of executive compensation. He serves at the editorial review board of the *Journal of Management Studies* and *Corporate Governance: An International Review*. His work has received several awards from international academic organizations – such as the Latsis Foundation’s Prestigious Latsis Prize, the Academy of Management, the Academy of International Business, the Strategic Management Society, and the European Academy of Management. He holds experience at the interface with the industry and has worked on research and impact projects with several large organizations such as Credit Suisse, Swisscom, Helvetia Group, Raiffeisen Bank, and several others.

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