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RESEARCH ARTICLE

Bridging the understanding of corporate purpose with its effectiveness: A systematic literature review and research directions

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Abstract

The growing body of literature on corporate purpose has underscored its potential as a strategic driver for firms. However, its practical implementation remains challenging due to the concept's multifaceted and often abstract nature. By reviewing 118 articles, this systematic literature review develops a process framework on how corporate purpose can be translated into concrete organizational strategies across three dimensions: *antecedents, management*, and *consequences*. Specifically, we identify the foundational conditions that shape a purpose statement in firms, examine how purpose is embedded and shared within them, and assess the multilevel outcomes of an effective purpose. The review highlights actionable levers to align purpose with strategy and practice, discussing how firms can implement their 'reason why'. In doing so, the study provides contributions to better understand corporate purpose from both a theoretical and managerial perspective, within the broader field of strategic management.

Keywords: corporate purpose; antecedents; purpose management; consequences; strategic management; systematic literature review

Introduction

Corporate purpose is a crucial topic in the strategic management literature and has been intensely discussed and studied over the last few decades (Bartlett & Ghoshal, 1994; George, Haas, McGahan, Schillebeeckx & Tracey, 2023; Reyes & Kleiner, 1990; Warriner, 1965). In fact, the definition of a purpose is crucial for the existence and long-term strategy of an organization (Barnard, 1938; Duska, 1997), since its formulation and implementation represent essential executive functions (Basu, 1999; Campbell & Yeung, 1991). The need for the conceptualization of corporate purpose has motivated the work of management scholars, especially regarding the necessity of exploring what is really meant by 'purpose', how it can be described, and what kind of relationships exist between purpose and other organizational concepts (e.g., George et al, 2023; Kenny, 2014; Khalifa, 2012).

More specifically, corporate purpose has gained further interest in the last years, in connection with the rise of a variety of extremely serious global challenges (such as pandemics, climate change, economic and social inequalities), which have urgently called for a new role of business in society (Mayer, 2016; Patriotta, 2021; Waddock & Mcintosh, 2011). As a consequence, many contributions from various fields and contexts have recently underlined the importance for organizations to redefine their purpose (Hollensbe, Wookey, Hickey, George & Nichols, 2014; Mayer, 2020). However, although the literature on corporate purpose is often framed through the lenses of the theory of the firm (e.g., Gartenberg & Zenger, 2023), stakeholder theory (e.g., Freeman, Wicks & Parmar, 2004;

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Gulati & Wohlgezogen, 2023), or strategy theory (Campbell & Yeung, 1991; Rindova & Martins, 2023), the concept is frequently used in inconsistent and sometimes ambiguous ways (George et al, 2023). For example, it is claimed that it is not sufficiently clear whether corporate purpose is linked to innovation (Ferrigno & Cucino, 2021; Henderson, 2021b), sustainability (Gartenberg & Serafeim, 2023) or business ethics (Dacin, Harrison, Hess, Killian & Roloff, 2022; Hsieh, 2015; Liedtka, 1998) and how those perspectives intersect with the strategic management one (Chua, Miska, Mair & Stahl, 2024).

Corporate purpose has been traditionally defined in connection with organizations' existence and their priorities (Warriner, 1965). For instance, some scholars have stressed the importance of purpose as the guiding principle or the direction that drives businesses toward success (Basu, 1999), while others linked purpose to employee motivation and behavior (Pascarella & Frohman, 1989). However, more recently, some scholars have proposed purpose as the business tension to generate benefits for society at large (Mayer, 2016). Some other authors, broadening this second perspective, associate corporate purpose with the common good at a systemic level (Besharov & Mitzinneck, 2023; Ocasio, Kraatz & Chandler, 2023).

Within the recent proliferation of contributions around the concept of corporate purpose (Battilana, Obloj, Pache & Sengul, 2022; Besharov & Mitzinneck, 2023; Bhattacharya, Sen, Edinger-Schons & Neureiter, 2023; Gartenberg & Serafeim, 2023; Kaplan, 2023), definitional questions prevail. This has motivated recent reviews which have contributed to clarifying *what corporate purpose is* (George et al., 2023) and/or map the conceptual and disciplinary fragmentation of purpose research (Besharov & Mitzinneck, 2023; Chua et al., 2024). However, this same literature tends to treat the concept as static and normatively framed, offering only limited insight into *how purpose works* inside firms. That is, how it is defined, formalized, operationalized, and enacted 'from surface- to deep-level change strategies' (Besharov & Mitzinneck, 2023, p. 234). This is also evident in the need for research on antecedents, about which Chua et al. (2024, p. 10) argue that 'although there is scholarly interest in the antecedents of purpose, the strategy literature places its primarily focus on outcomes' (Chua et al., 2024, p. 10). Moreover, 'there is also much to learn about the drivers, implementation, and context of purpose' (George et al., 2023, p. 1857), considering the dimensions of purpose (i.e., who determines purpose, what purpose does for the organization, and how purpose is formalized through its processes and outcomes) as possible antecedents, outcomes, or processes (Chua et al., 2024). This requires moving beyond definitional discussions to explore actionable strategies that enable firms to operationalize their 'reason why' in practice (Durand, 2023; Mayer, 2021). Therefore, it is necessary to analyze and synthesize significant and scattered contributions regarding corporate purpose to reduce the fragmentation in the strategy and leadership literature streams (Chua et al., 2024).

This is why we conducted a systematic literature review (SLR) to reframe corporate purpose not merely as an ideal or construct, but as a *process*. For this reason, we identified and connected three interdependent dimensions, that is, *antecedents, management*, and *consequences*, to make purpose a tangible and effective element of firms.

Specifically, in this study, we first explain the motives behind our research and describe the methodology adopted to conduct the literature review. Then, we provide a comprehensive process framework of antecedents, management, and consequences of corporate purpose, adding suggestions for a future agenda for research and practice. Finally, we assess the theoretical, practical, and social implications of our study, as well as the limitations and concluding remarks of our SLR.

Theoretical background

Corporate purpose is considered essential for creating an effective corporate strategy (Bartlett & Ghoshal, 1994; Basu, 1999), and we have found that most research has focused on defining 'what corporate purpose is' (George et al., 2023), making significant contributions to the theoretical foundations of this topic and the ongoing debates about it (e.g., Chua et al., 2024; Morrison & Mota, 2023). In the initial phase of our research, we identified three main perspectives on corporate purpose. The

first perspective defines corporate purpose within business' boundaries. Within this first perspective, the first subgroup views purpose as a directional force that provides orientation and sets the goals that guide corporate activity, ensuring strategic alignment across the organization (Kenny, 2014; Lankoski & Smith, 2018). A second subgroup emphasizes instead the effects of purpose on organizational vitality, portraying it as a source of energy that inspires stakeholders, fosters creativity, and strengthens employee commitment (Bartlett & Ghoshal, 1994; Morrison & Mota, 2023). The difference between these subgroups concerns their primary focus: the former defines purpose as a necessary constitutive element of the firm's raison d'être, whereas the latter focuses on its positive internal outcomes.

The second perspective extends corporate purpose beyond business' boundaries, with a strong focus on societal impact. It challenges the focus on profit maximization and endorse solutions that align business goals with societal progress. Within this second perspective, a first subgroup offers general definitions of purpose aimed at social wealth, while a second one focuses on addressing specific societal needs. This approach emphasizes the value and impact of corporate purpose. A second subgroup goes further by framing purpose as a dynamic and evolving concept that responds to specific societal needs over time, as a driver for rethinking capitalism and redefining the role of business in society (Mayer, 2016).

A third perspective situates corporate purpose toward the common good. This introduces a more ethical and societal-oriented view. Within this third perspective, one subgroup interprets purpose as a means of reconciling the inherent tensions between economic, social, ethical, and environmental dimensions of business activity, thereby advancing a more balanced and responsible conception of corporate conduct (Abela, 2001; Battilana et al., 2022). A second subgroup considers firms as 'agents of change' capable of driving systemic change and addressing major global challenges (see Table A1 for more details).

However, according to the existing literature, realizing the potential of corporate purpose, that si, the ability to generate positive consequences, is particularly challenging, as it is frequently confused with its operationalization, which has historically been achieved through mission statements (Alegre, Berbegal-Mirabent, Guerrero & Mas-Machuca, 2018). Indeed, on one side, the mission has been authoritatively described as the fundamental purpose of business (Drucker, 1974); on the other side, purpose has also been defined as the core mission of a business (Bartkus & Glassman, 2008). The debate around these issues also includes the concept of vision, which can be considered as an expression of purpose (Carton & Lucas, 2018), with a long-term view and a future-oriented perspective (Dacin et al., 2022; Kim & Scheller-Wolf, 2019). George et al. (2023, p. 3) discussed the characteristics of purpose, mission and vision, and proposed a clear distinction among them that helps our management mechanism of coherent operationalization. According to these scholars, mission drives the business to develop a 'unified expression of purpose', focusing on how purpose is framed; vision helps purpose to be embedded in the business' routines. Table 1 synthesizes their key distinctions across five analytical dimensions: core question, scope, temporal orientation, focus, and organizational function. While corporate purpose addresses the foundational question 'Why do we exist?' (Bartlett & Ghoshal, 1994), mission is concerned with 'What is our business?' (Drucker, 1974), and vision articulates 'Where are we going?' (Barby et al., 2021). These constructs differ significantly in scope: purpose is broad and foundational, defining the organization's overarching societal role (Mayer, 2016); mission is operational and specific, delineating current activities and strategic positioning (Fitzsimmons et al., 2022); vision is aspirational and holistic, projecting the desired future trajectory of the firm (Khalifa, 2012). Temporally, purpose is enduring and timeless (Collins & Porras, 1991), mission is oriented toward the present (Campbell & Yeung, 1991), and vision is explicitly future-focused (Collins & Porras, 1996). In terms of focus, purpose integrates normative and strategic rationales, combining duty-based and goal-based logics (George et al., 2023); mission is factual and pragmatic (Alegre et al., 2018); and vision is directional and motivational, intended to inspire and guide future alignment (Carton et al., 2018). Accordingly, their organizational functions diverge: purpose anchors and legitimizes both mission and vision by defining identity and long-term direction (Chua et al., 2024); mission translates purpose into actionable strategies and drives day-to-day

Table 1. Main differences between corporate purpose, mission and vision

Dimension	Corporate purpose	Mission	Vision
Core Question	Why do we exist? (Bartlett & Ghoshal, 1994)	What is our business? (Drucker, 1974)	Where are we going? (Barby et al., 2021)
Scope	Foundational and broad; it defines the organization's role in society and its overarching raison d'être (Mayer, 2016)	Operational and specific; it outlines current activities, markets, and value delivery (Fitzsimmons et al., 2022)	Aspirational and holistic; it envisions the future trajectory of the firm and its desired position (Khalifa, 2012)
Temporal Orientation	Enduring and timeless; stable across time and guiding long-term orientation (Collins & Porras, 1991)	Present-oriented; focused on the organization's immediate operations and strategic priorities (Campbell & Yeung, 1991)	Future-oriented; projects a desired long-term state and strategic aspiration (Collins & Porras, 1996)
Focus	Integrates values (duty-based) and goals (goal-based), combining normative and strategic rationales (George et al., 2023)	Factual and pragmatic; centered on current identity and business functions (Alegre et al., 2018)	Directional and motivational; designed to inspire commitment and guide long-term visioning (Carton et al., 2018)
Organizational Function	Anchors mission and vision; defines organizational identity and legitimizes strategic purpose (Chua et al., 2024)	Drives action and daily operations; aligns internal efforts with declared objectives (Rey & Bastons, 2018)	Inspires long-term ambition; energizes employees and guides strategic alignment (Kenny, 2014)

operations (Rey & Bastons, 2018); vision fosters ambition, inspires engagement, and aligns strategic intent with aspirational goals (Kenny, 2014).

Given the complexity and variety of the different perspectives on corporate purpose, recent literature reviews have tried to advance conceptual clarity around this concept, with considerable positive results (e.g., George et al., 2023). However, the field still lacks an integrated, process-oriented understanding of how purpose becomes effective in practice. In fact, existing reviews tend to focus either on definitional debates (George et al., 2023), epistemological perspectives (Besharov & Mitzinneck, 2023), or thematic mappings across disciplines (Chua et al., 2024). In particular, we argue that the antecedents, operational mechanisms, and multilevel outcomes of purpose are not yet integrated within a single, coherent framework. For example, Chua et al. (2024) call for more attention to how purpose is defined, who defines it, and how it becomes embedded in practices and structures. Similarly, George et al. (2023) emphasize the need to better understand the internal drivers, contextual conditions, and implementation processes through which purpose becomes effective. Moreover, Besharov and Mitzinneck (2023) stress the importance of examining how purpose supports both surface-level compliance and deeper firm transformation. To address the fragmented and growing body of research on corporate purpose, we conducted an SLR with the aim of clarifying how the concept has been conceptualized, implemented, and assessed in business settings. Specifically, our objective is to identify and structure the key themes emerging from the literature, including how purpose is defined and legitimized (antecedents), how it is integrated into strategy and operations (management), and what types of outcomes it generates (consequences). By synthesizing these dispersed insights, we seek to develop an integrative framework that offers both theoretical foundations and practical implications for scholars and practitioners concerned with the implementation and effectiveness of corporate purpose.

Search strategy and method

An SLR can be defined as 'a specific methodology that locates existing studies, selects and evaluates contributions, analyses and synthesizes data, and reports the evidence in such a way that allows

reasonably clear conclusions to be reached about what is and is not known' (Denyer & Tranfield, 2009, p. 671). In our case, the process of data curation and analysis was conducted following the PRISMA-P protocol to build 'the methodological and analytical approach of the review' (Moher et al., 2015, p. 3). Specifically, our SLR about corporate purpose, aiming to ensure transparency, replicability, and systematicity of research (Aguinis, Ramani & Alabduljader, 2023), had two main objectives: (1) to structure the existing knowledge on corporate purpose in a framework of antecedents, management, and consequences and (2) to suggest potential future pathways for research and practice on corporate purpose (Dagnino, Picone & Ferrigno, 2021). Our data curation and analysis were guided by the following steps:

1. *Identification*. We first conducted a keyword-based search for the following terms: 'organization* purpose', 'business* purpose', 'corporat* purpose', 'enterpris* purpose', 'firm* purpose' and 'compan* purpose'. We activated the automatic word variation options for searches, detecting word combinations, including US and UK spelling variations and plural terms. That is why we included the asterisk (*) in the search algorithm as a wildcard symbol for variations of single terms (e.g., organization, organizations and organizational). Accordingly, all the terms that have been associated with 'purpose' (e.g., organization* and corporat*) are the result of a preliminary explorative analysis of the literature and we employed those keywords as synonyms. Furthermore, in our search strategy, we focused our search on studies that explicitly addressed purpose as a central construct, excluding related concepts (e.g., 'mission' and 'vision') from the initial query due to their distinct meanings (see Table 1 above), in line with Chua et al. (2024). Subsequently, we discussed with two experts of corporate purpose to receive feedback about the appropriateness of our choice, considering that consultation with experts in the field is also useful for identifying further keywords (Kraus, Breier & Dasí-Rodríguez, 2020). Our keyword-based search was conducted on two academic databases: Web of Science and Scopus. Our initial search was conducted on the Web of Science and produced 1.283 articles up to May 2025. We then excluded non-English publications to ensure linguistic consistency, reducing the sample to 266 articles. Applying an additional criterion that limited the results to the field of business and management and to journals rated at least 3 in the Chartered Association of Business Schools Academic Journal Guide, we obtained a final sample of 95 articles. Similarly, the Scopus search returned 2.190 results using the same keywords applied to titles, abstracts, and author keywords. After filtering by language, disciplinary area (business, management, and accounting), and journal quality as defined by the Chartered Association of Business Schools Academic Journal Guide, the final sample was reduced to 96 articles. We acknowledge that other disciplines (e.g., psychology) also offer valuable insights into constructs (e.g., personal purpose), which are relevant to understanding how corporate purpose originates and is shaped by individuals within the firm. In fact, our review incorporates these psychological dimensions through management studies that have addressed them within a strategic or organizational framework (e.g., Victoravich, Hamilton, Kim & Cohen, 2023). Following Suddaby (2010), we also included selected articles from practitioner-oriented journals (e.g., *Harvard Business Review* and *California Management Review*) to account for the fact that corporate purpose is a phenomenon that has largely originated in practice and remains in a stage of theoretical emergence. To ensure rigor, we included only those practitioner-oriented contributions that (a) provided clear conceptual insights, (b) were authored or co-authored by established scholars, or (c) had been cited in previous systematic reviews (e.g., Chua et al., 2024; George et al., 2023). As noted by Chua et al. (2024, p. 21), 'research on purpose in management has the potential to become a distinct area of study, given the growing interest of [non only] scholars [but also] practitioners.' After merging the two datasets, we removed duplicates based on journal, title and author(s). This process resulted in a final sample of 157 articles.

2. *Screening*. Drawing on a recent SLR (Dagnino et al., 2021), we developed a protocol for categorizing the articles according to the topics of antecedents, management and consequences of corporate purpose. More precisely, we coded the data and categorized them into different functional groups using extraction forms (Denyer & Tranfield, 2009) that incorporated all relevant data into a grid in Microsoft Excel. Our SLR screening involved reading of all the titles and abstracts of the 157 articles to determine whether they met the primary criteria for relevance. We considered articles non-relevant if they used the term 'purpose' to indicate a generic objective of a study or a project, admitting only 108 articles to the next stage.
3. *Eligibility and Inclusion*. Finally, we conducted a full-text assessment of those articles, excluding nine articles in which purpose was not analyzed from a strategic management perspective. For example, we excluded articles from the marketing literature that predominantly focused on 'brand purpose', which is conceptually distinct from 'corporate purpose'. While brand purpose refers to the symbolic and societal role of a brand in relation to consumers (e.g., Williams, Escalas & Morningstar, 2022), our review focuses on corporate purpose as the overarching reason for a firm's existence and its strategic implications.

In addition, we reviewed the reference lists of these articles and executed forward and backward searches to refine our framework, adding eight books and 11 articles to ground our analysis in the historical conceptualization of purpose in the strategy field. At the final stage of our full-text analysis, we applied an iterative coding process to identify new conceptual categories related to the antecedents, management, and consequences of corporate purpose. We noticed that additional sources no longer introduced novel concepts or dimensions. Instead, new articles either reinforced already identified categories or offered redundant variations of existing themes. This indicated that thematic saturation had been reached (Saunders et al., 2018), as the theoretical framework showed consistency and closure. The above-described steps resulted in a final sample of 118 articles, as presented in Table 2. The majority of these articles are conceptual, with only 27 out of 118 being empirical.

Process framework of antecedents, management and consequences

From the in-depth analysis of the body of published work, we developed a process framework for corporate purpose (Fig. 1). Our analysis of corporate purpose can be divided into three main constituent parts: (1) antecedents for purpose statement, (2) the management for a shared purpose and (3) consequences for an effective purpose. By delving into these three areas, we aim to provide a bridge between the understanding of corporate purpose and its effectiveness, exploring its antecedents as drivers, and its impacts as consequences, thereby offering a foundation for future studies and practical applications in the strategic management field.

Antecedents of a purpose statement

Our process framework begins by questioning what antecedents influence the creation of a purpose statement, which is the first manifestation of purpose in organizations (Bartlett & Ghoshal, 1994; Westphal, 2023). Our analysis led us to identify four key antecedents: leadership characteristics, defined benefits and beneficiaries, socioeconomic context and threats and systemic risks.

Leadership characteristics

Among the antecedents of corporate purpose, leadership characteristics and, in particular, the *leadership personal purpose*, emerge as central element in shaping how purpose is defined. It represents an 'inter-personal glue' (Ladkin, 2008, p. 39) and essential sensemaking frame between the leader and the follower (Cristofaro, 2022). The leader's personal purpose reflects their core values, motives, and aspirations that drive them to seek meaningful (Joly, 2021; Watton, Lichtenstein & Aitken, 2019) and impactful organizational roles (Bower & Weinberg, 1988; Regele, 2023). When leaders have a

Table 2. Reporting reports according to the PRISMA-P protocol

Phase	Description and count	
IDENTIFICATION	Articles identified through *Web of Science* database	$n = 1,283$
	Articles identified through *Scopus* database	$n = 2,190$
	Articles identified after removing - duplicates, - non-English articles, - articles not classified in the 'Business and Management' area - articles published in journals rated ABS 3 or above	$n = 157$
Articles at the end of the Identification phase ($n = 157$)		
SCREENING	Articles screened by title and abstract	$n = 157$
	Articles excluded for using 'purpose' to indicate a generic study or project objective	$n = 49$
Articles at the end of the Screening phase ($n = 108$)		
ELIGIBILITY & INCLUSION	Full-text articles assessed	$n = 108$
	Articles excluded for not investigating 'corporate purpose' (e.g., focused on brand purpose)	$n = 9$
	Articles and books included to ground the analysis in the strategy research field	$n = 19$
Final sample ($n = 118$)		

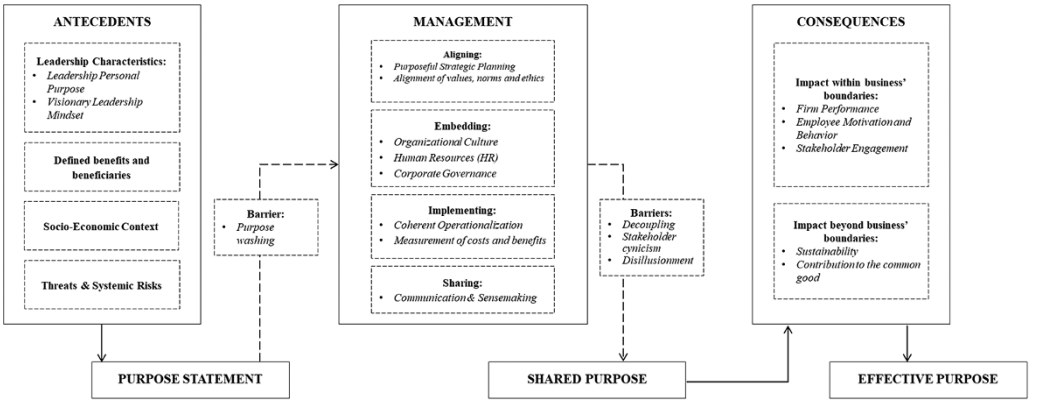


Figure 1. Process framework of antecedents, management and consequences.

well-developed personal purpose (Watton et al., 2019), the corporate purpose is more authentically aligned with their values and goals (Suddaby, Manelli & Fan, 2023), which in turn may strengthen employee commitment (Barrick, Thurgood, Smith & Courtright, 2015; Levillain & Segrestin, 2019) and identification with the organizational mission (Montgomery, 2008; Reyes & Kleiner, 1990). The

literature consistently highlights the central role of leadership in purpose formulation (Kollenscher, Popper & Ronen, 2018), along with suggested strategies for its creation (e.g., Bartlett & Ghoshal, 1994). Bartlett and Ghoshal (Bartlett & Ghoshal, 1994, p. 81) call to action directed at business leaders because they have the role of 'creating an organization with which members can identify, in which they share a sense of pride, and to which they are willing to commit'. From this perspective, leaders can be considered as the 'architects' of purpose in a business (Gartenberg & Serafeim, 2023; Kollenscher et al., 2018). To support leaders in this role, we examined the leadership practices and capabilities required to translate purpose into actionable terms. Within this analysis, we identified the *visionary leadership mindset* as another important leadership characteristic, recognizing the importance of a visionary perspective in leading an organization with a purpose (Kempster, Jackson & Conroy, 2011). While corporate purpose is often described as enduring and stable over time (Collins & Porras, 1991), its practical relevance depends on how it is interpreted and applied in changing contexts. A visionary leader is defined as an individual who can articulate a future vision that is both inspirational and realistic (Bower & Weinberg, 1988; Collins & Porras, 1991), providing concrete perspectives for a desirable future (Victoravich et al., 2023). As Malnight, Buche and Dhanaraj (2019) argue, a future-oriented mindset enables leaders to reinterpret corporate purpose over time, ensuring its continued relevance amid evolving market conditions and stakeholder expectations. This does not imply altering the core essence of purpose but rather adjusting its strategic articulation to guide action in changing contexts. Visionary leaders can translate a stable purpose into inspiring long-term goals, mobilizing teams beyond short-term objectives (Gartenberg, 2023; George et al., 2023). This capacity fosters innovation (Ferrigno & Cucino, 2021) strengthens resilience in uncertain environments (Mayer, 2023), and enhances individual and collective engagement (Barrick et al., 2015; Levillain & Segrestin, 2019). Such leaders prioritize purpose over short-term gains(Victoravich et al., 2023), aligning the firm's mission with broader societal goals (Waddock & Mcintosh, 2011). In terms of leadership mindset in shaping purpose, Malnight et al. (2019, p. 8) identified two possible approaches: (1) a retrospective one, focused on the internal dimension, inviting leaders to 'look back, codify organizational and cultural DNA, and make sense of the firm's past'; (2) a prospective one, focused externally, toward future actions with the goal of disseminating purpose, assessing the potential impact for the broader ecosystem. Moreover, Quinn and Thakor (2018) proposed an interorganizational perspective, placing purpose at the core of corporate strategy, with the aim of solving employee potential disengagement. They began by identifying one pioneer who can inspire the entire workforce and then stimulate employee learning and growth (Barrick et al., 2015), through authentic and constant messages on his/her commitment, forming a purpose-driven middle leader that connects purpose with employees' daily tasks (Quinn & Thakor, 2018). Finally, in moments of transformation, leaders must take responsibility for redefining corporate purpose. Wilson (2004, p. 22) offered an agenda for leaders to ensure the success of reformation in five key-points: (1) 'develop consensus', (2) 'clarify the role of profit', (3) 'articulate and communicate the distinction between the old and the new', (4) 'set a strong personal example', and (5) 'revise the management measurement and reward system'.

Defined benefits and beneficiaries

Clearly defined benefits and beneficiaries are another key antecedent in formulating a corporate purpose statement. Without such clarity, purpose risks remaining abstract or disconnected from strategic action. In line with the stakeholder management literature, firms should articulate both the specific value they intend to create and the stakeholders they aim to serve (Besharov & Mitzinneck, 2023; Freeman et al., 2004). As shown in Table A2, many current purpose statements emphasize internal beneficiaries while vaguely referencing societal benefits, often lacking specificity about broader outcomes.

Articulating benefits and beneficiaries explicitly is essential to make purpose statements both meaningful and actionable. According to Kaplan (2023), the instrumental approach persists for two principal reasons. First, it provides a straightforward model that is advantageous to those in positions of authority, even when they profess to adhere to a purpose-driven strategy. Second, it persists

because there is a general assumption that others are motivated by instrumental goals, even if they themselves are guided by moral values. These moral values, however, can serve as levers to activate the power of purpose, fostering firm engagement with social issues by infusing meaning (Lashitew et al., 2024). Given that purpose is meant to provide a firm's overarching rationale, both guiding and motivating (Cardona & Rey, 2022), it is necessary to include impacts, benefits, and beneficiaries from a multi-stakeholder perspective (Besharov & Mitzinneck, 2023; Freeman et al., 2004). As highlighted by Hollensbe et al. (2014), grounding purpose in foundational values such as dignity, sustainability, and solidarity can guide firms in defining the type of value they seek to create. Additionally, Gartenberg and Zenger (2023) argue that employees expect organizational leaders to uphold principles aligned with fairness, legitimacy, and cooperation. This reinforces the idea that internal beneficiaries must be clearly considered and addressed within the purpose. Lankoski and Smith (2018) further support this view by identifying a range of alternative objective functions that firms may adopt. Their work highlights the importance of choosing which types of value the firm intends to prioritize, and for whom (be they shareholders, employees, customers, society at large, etc.).

Socio-economic context

Another key antecedent to the formulation of a corporate purpose statement is the socio-economic context in which a firm operates. Purpose statements are not crafted in isolation, but are shaped by the institutional, legal, and cultural frameworks that define what is expected of corporations in different societies (Aguilera, 2023; Ventura, 2023). These frameworks influence how firms interpret their role, what they consider legitimate goals, and how broadly or narrowly they define their societal value.

National governance systems and legal traditions play a central role in shaping how purpose is articulated. In some contexts, legal innovations such as the *société à mission* in France or the *Società Benefit* in Italy allow firms to formally express social or environmental objectives as part of their corporate identity, thereby expanding the boundaries of acceptable purpose formulations (Segrestin, Hatchuel & Levillain, 2021). Similarly, Ventura (2023) illustrates how corporate law reforms increasingly distinguish between enabling firms to create value and preventing them from causing harm, both aspects that influence the way purpose statements are framed.

More broadly, the way purpose is defined reflects underlying economic paradigms and collective cultural values. For instance, some systems emphasize shareholder value, while others prioritize broader stakeholder interests (Mallette, 1992). In this sense, the formulation of a purpose statement is contingent upon the socioeconomic and regulatory context, which shapes what firms perceive as legitimate, desirable, or necessary to express in their foundational narratives (Dacin et al., 2022; Mayer, Wright & Phan, 2017).

Threats and systemic risks

Threats and systemic risks are another antecedent relevant to the formulation of corporate purpose statements. The increased visibility of global challenges, such as climate change, institutional fragility, and social inequality, has influenced how firms conceptualize their purpose at the definitional level (Davis, 2021; Mayer, 2016).

In formulating a purpose statement, firms are increasingly prompted to acknowledge their interdependence with the broader systems in which they operate. This perspective encourages firms to incorporate long-term societal concerns into the way they express their core rationale, moving beyond narrow market-focused language (Patriotta, 2021; Waddock & Mcintosh, 2011). The salience of systemic risks reshapes the framing of purpose by inviting organizations to define themselves not only by what they produce, but also by the problems they aim to address or prevent (Mayer, 2016). In this context, the articulation of purpose becomes a response to complex environmental and social threats that require coordination, resilience, and shared responsibility (George et al., 2023; Kim & Scheller-Wolf, 2019). Recognizing these threats at the moment of defining purpose can guide firms toward statements that are more closely aligned with the realities of the interconnected world they inhabit (Menghwar, Homberg, Zaidi & Alam, 2025; Metcalf & Benn, 2012).

Without deliberate translation into managerial practices and organizational routines, purpose statements risk remaining symbolic or superficial, exposing firms to the challenge of *purpose-washing* (Aguilera, 2023; Gulati & Wohlgezogen, 2023). This potential barrier highlights the importance of connecting antecedents to subsequent management mechanisms to ensure that purpose is effectively implemented and shared across the organization.

Management for a shared purpose

Our SLR continues by exploring the management of the declared purpose statement to translate it into organizational practices. Authenticity, clarity, and alignment between statements and actions are at the core of Craig and Snook's suggestions for a 'purpose-to-impact plan' (2014) and Denning's dimensions for making corporate purpose shared (2022). A 'shared purpose serves the critical function of aligning all the stakeholders of the business around that purpose' (Freeman, Phillips & Sisodia, 2020, p. 8). According to the literature, we identified aligning, embedding, implementing, and sharing as management mechanisms to ensure that purpose becomes shared among stakeholders.

Aligning

Aligning represents the management mechanism through which firms connect purpose with both long-term performance and day-to-day decisions (Birkinshaw, Foss & Lindenberg, 2014). This process ensures that purpose becomes a driver of strategic clarity and stakeholder value, rather than a symbolic slogan (Denning, 2022). It plays a central role in fostering a shared purpose across levels and functions (George et al., 2023; Suddaby et al., 2023) and enables purpose to reach not only top leaders but also employees at all levels, encouraging collective ownership (Westphal, 2023). Although firms vary in their strategic priorities, many aim to promote shared purpose, strengthen motivation (De Nalda, Montaner, Edmondson & Sotok, 2022), and coordinate efforts across units and departments (Clegg, Cunha, Rego & Santos, 2021). Purpose increases the chance that firms develop a common strategic vision and align their structures accordingly (Henderson, 2021a). Visionary firms succeed by anchoring their strategy to a stable core purpose, while aligning their practices with the need for change (Collins & Porras, 1991).

When embedded in planning, purpose also enhances engagement and participation across the organization (Howell, 1967). *Purposeful strategic planning* is a structured process that systematically integrates purpose into the strategic management of the firm (Machin & Wilson, 1979; Patriotta, 2021). It involves defining clear goals and aligning them with the firm's mission, values, and stakeholder commitments. Effective planning also requires attention to culture and emotional meaning. Purpose must be resonant and lived in everyday activities to energize and align the organization (Reyes & Kleiner, 1990). In the face of rapid technological change, firms need to rethink the kinds of systems they adopt and the kind of society they help shape (Kim & Scheller-Wolf, 2019). In this context, leaders must exercise both formal authority and informal influence to build and sustain coalitions around shared goals (Bower & Weinberg, 1988). Aligning purpose with strategy demands deliberate organizational action and shared commitment (Malnight et al., 2019). Importantly, strategic alignment is not static. It evolves through continuous reflection, learning, and recalibration. Purpose and strategy must dynamically inform one another over time (Steller & Björck, 2025). This interaction builds coherence across cognitive, emotional, relational, and material domains (Steller & Björck, 2025). Purposeful leadership plays a key role in sustaining this direction through agentic and value-driven action (Gartenberg & Yiu, 2023; Kollenscher et al., 2018).

A second key mechanism of *aligning* concerns *values, norms and ethics*. As Freeman et al. (2004) argue, values are central to business. They help firms define what matters and how they relate to stakeholders, since the 'alignment of values, norms and ethics' serves as a vital mechanism for "efficient and effective flourishing within and among organizations (Freeman et al., 2020, p. 7). Cardona and Rey (2022) emphasize the need to build internal alignment that reflects the common values. In contexts where firms must balance different value systems (such as religious and economic logics) ethical alignment becomes even more complex, and firms are required to navigate these competing

institutional demands, maintaining coherence through alignment (Gümüsay, Smets & Morris, 2020). Aligning ethics with purpose fosters a culture of integrity, supports moral imagination (Rindova & Martins, 2023) and encourages cooperation based on shared commitments, not just compliance.

Embedding

Embedding refers to the management mechanism that focuses on how purpose becomes internalized and sustained within the firm over time. Rather than being imposed through a purely top-down approach, purpose should be understood as an 'open purpose', i.e., an emergent and continuously negotiated process shaped by multiple voices and evolving meanings (Clegg et al., 2021). A robust *organizational culture* allows purpose to serve as a stable point of reference, even as strategic priorities and operational practices shift, thus contributing to long-term organizational identity and resilience (Collins & Porras, 1991). Recent contributions highlight the Purpose Strength Framework as a tool for embedding purpose into daily operations by aligning leadership, strategy, and culture, ensuring that purpose is authentic, internalized by employees, and measurable to create real business value (De Nalda et al., 2022). However, embedding purpose into culture entails navigating dynamic tensions between social aspirations and commercial imperatives, which can evolve over time and differ across organizational roles and career stages (Fontana, Frandsen & Morsing, 2023).

In this light, purpose becomes a 'practical idealism', acting as a pragmatic compass for complex decision-making, guiding value-based trade-offs, and fostering alignment even when perfect win-win outcomes are impossible (Gulati, 2022a). Firms with a deep and authentic sense of purpose, rooted in their identity and integrated into strategy and culture, outperform by motivating stakeholders, building trust, and shaping reputation (Gulati, 2022b).

Human Resource (HR) systems also serve as critical enablers for embedding purpose, as they connect individual motivation with collective direction. Purpose gains traction when it is translated into HR practices that cultivate emotional engagement, shared commitment, and alignment between personal values and organizational objectives (Campbell & Yeung, 1991). Purpose-aligned HR systems (e.g., purposeful job design, performance management, and leadership development) have been shown to enhance employee engagement and discretionary effort, especially when combined with transformational leadership and strategic clarity (Barrick et al., 2015). Empirical evidence confirms that employees' belief in purpose varies across organizational types and governance contexts. Purpose tends to be more deeply internalized in firms where ownership structures and leadership behaviors foster supportive environments and coherent incentive systems (Gartenberg & Serafeim, 2023). In particular, the synergy between a clearly articulated purpose and mid-level managerial alignment emerges as a strong predictor of organizational performance and cultural integrity (Gartenberg, Prat & Serafeim, 2019). Moreover, the evolving nature of the contemporary workforce introduces both complexity and opportunity. 'Hypermodern' employees, who combine individualistic and altruistic traits, increasingly demand HR policies oriented toward psychological well-being, purpose authenticity, and experiential engagement (Dhanesh, 2020). These shifts require HR systems to become more adaptive and purpose-sensitive, translating purpose not only into vision statements but into the lived organizational experience of diverse employee segments.

Corporate governance constitutes another key embedding mechanism, shaping how purpose is institutionalized within the organization's formal structures and strategic decision-making processes. Governance frameworks determine how authority, accountability, and legitimacy are allocated, which are factors that influence whether purpose is sustained, diluted, or merely symbolic over time. Research on dual-purpose enterprises (those pursuing both financial and social goals) suggests that hybrid governance models are required to accommodate these dual priorities (Battilana et al., 2022). This may involve reconfiguring board responsibilities, revising fiduciary duties, and incorporating stakeholder perspectives into decision-making. The concept of ethical stewardship has gained prominence in this context, proposing that leaders must operate not only as agents of shareholder value but also as moral custodians of stakeholder interests (Caldwell, Hayes & Long, 2010). Importantly, purpose in governance is not merely declared from above; rather, it must be shared, enacted, and

continuously reaffirmed within and across governing bodies. Furthermore, the perceived strength and authenticity of purpose are directly linked to how governance mechanisms shape employee interpretations and organizational narratives. Empirical findings indicate that firms with values-driven leadership and long-term ownership commitment (particularly private or family-owned enterprises) are more likely to foster a strong belief in purpose among employees, especially when such commitment is reinforced through coherent incentive structures (Gartenberg & Serafeim, 2023). These dynamics highlight the necessity of aligning governance practices with cultural and strategic dimensions to ensure credible and sustained implementation of purpose.

Implementing

A third management mechanism is implementing, which concerns the concrete translation of purpose into operations, procedures, and performance metrics. *Coherent operationalization* represents a core managerial mechanism for implementing corporate purpose into systematic, actionable practices. It refers to the development of concrete objectives, structured procedures, and dedicated programs that articulate the firm's purpose and align its day-to-day operations accordingly (Lee, Bansal & Mascena Barbosa, 2023; Sundaram & Inkpen, 2004). One key channel through which purpose can be operationalized is Corporate Social Responsibility (CSR). Although CSR operates primarily at the strategic and operational levels, its coherence and legitimacy are often derived from the overarching purpose of the firm (Gartenberg et al., 2019). CSR initiatives act as concrete expressions of corporate purpose, reinforcing credibility and embedding purpose into the business model (Gartenberg & Serafeim, 2023). Employees at all levels must understand how their work contributes to the firm's purpose (Dhanesh, 2020; Mayer, 2021, 2023). A purpose-aligned performance system enhances motivational dynamics, supports shared accountability, and fosters transformational outcomes through trust-based relationships and shared values (Caldwell et al., 2010; Mahoney, 2023). In this way, a shared purpose 'serves the critical function of aligning all stakeholders in the firm around that purpose' (Freeman et al., 2020, p. 8).

Beyond guiding internal processes, purpose also serves as a compass for navigating external complexity, informing the nature, timing, and direction of organizational actions in response to societal challenges and crises. Purpose-oriented firms are increasingly called upon to address global issues such as climate change, corruption, and human rights violations (Forcadell & Aracil, 2021; Lee et al., 2023), positioning themselves as autonomous yet accountable actors within complex ecosystems (Mahoney, 2023).

In this context, purpose implementation necessitates a rigorous analysis of both financial and nonfinancial outcomes (Gartenberg, 2023; Kimsey, Geradts & Battilana, 2023). The *measurement of costs and benefits* becomes essential to evaluate the value created by purpose-led activities and to enable robust organizational accountability (Bhattacharya et al., 2023). Accordingly, firms must establish clear metrics and multidimensional measurement frameworks (Ventura, 2023). As Henderson (2021a) underscores, only tangible, auditable, and reproducible indicators of environmental and social performance can ensure that purpose transcends rhetorical statements and becomes embedded in operational reality.

Developing such a measurement infrastructure requires a robust system of nonfinancial metrics capable of capturing complex impacts and steering firms toward meaningful change (Pratt & Hedden, 2023). These metrics serve multiple strategic functions: they inform sustainable capital allocation decisions for investors; they empower boards to reinforce ethical foundations and fulfill fiduciary duties; they support managers in adopting incentive-aligned and conscientious decision-making processes (Barby et al., 2021; Stroehle, Soonawalla & Metzner, 2019).

Integrating purpose into incentive systems and symbolic practices strengthens value-behavior alignment (Birkinshaw et al., 2014). Existing measurement practices should not be seen solely as evaluative tools but also as a foundation for the development of next-generation frameworks capable of systematically assessing purposeful impact (see Table A3 for further details). These systems must ensure data integrity and reliability in capturing the multidimensional effects of purpose with

the same rigor traditionally reserved for financial metrics (Busch & Hehenberger, 2022; Mayer, 2023; Vracheva, Judge & Madden, 2016).

The challenge lies in measuring performance across multiple dimensions, understanding related trade-offs, and maintaining coherence with corporate strategy and values (Battilana et al., 2022; Gulati, 2022a, 2022b). Barby et al. (2021) offer a useful starting point for constructing purpose-aligned evaluation systems by identifying three foundational steps: (1) Clarifying business motives; (2) Defining metrics to assess input, output, outcome, and impact; (3) Applying both cost-based and societal valuation approaches to quantify results. Subsequently, this work can enable the development of metrics and indicators that assess the degree of alignment between declared purpose, enacted strategy, and observable outcomes (Regele, 2023).

Sharing

Sharing corporate purpose is a relational process of sensemaking, in which individuals interpret, negotiate, and internalize purpose in their organizational context (Regele, 2023). Leaders often use abstract or inspirational language to express purpose (as already shown in Table A2). However, this language must be supported by concrete narratives, metaphors, and symbols that resonate across roles and levels (Carton & Lucas, 2018). *Sensemaking* is central to purpose sharing (Regele, 2023). As Warren (2022) states, if alignment between intention and communication is missing, employees and stakeholders may perceive a lack of authenticity. This risk, sometimes described as 'woke-washing', highlights the need for consistency between symbolic and behavioral dimensions of purpose. Dialogue and participation are essential. As such, purpose evolves through repeated interactions between leaders and employees (Durand & Asmar, 2025). These interactions help build trust, clarify values, and create a shared space for meaning-making.

Sharing mechanisms of purpose also have onsequences beyond business' boundaries. For example, some firms implement a sharing role to extend purpose beyond their own boundaries (Klettner, Cetindamar & Sainty, 2025). According to the authors, this role involves collaborative signaling: they educate, influence, and support stakeholders (e.g., suppliers, customers, investors) via advocacy and long-term relationships. Purpose communication directed at external audiences is shaped by the need for legitimacy (Patacconi, Shamshur & Ulianiuk, 2025). Leaders adopt stakeholder-oriented rhetoric to align with prevailing institutional norms and audience expectations. The authors analyzed CEO/chair letters, showing a shift toward broader stakeholder concerns, especially during crisis periods. This narrative strategy enhances perceived credibility and supports reputational capital.

Despite the mechanisms described above, several barriers may hinder the effective enactment of a shared purpose. *Decoupling* can occur when purpose statements remain symbolic and disconnected from concrete actions, reflecting patterns of superficial adoption previously observed in CSR (Westphal, 2023). Such gaps between rhetoric and practice can foster *stakeholder cynicism*, weakening trust and questioning the authenticity of purpose commitments (Henisz, 2023; Kaplan, 2023). Over time, persistent misalignments may lead to stakeholder *disillusionment*, particularly among employees who experience a disconnect between aspirational narratives and organizational reality (Regele, 2023).

Consequences for an effective purpose

Our process framework concludes with a comprehensive exploration of the impacts of corporate purpose, examining how its influence unfolds both within and beyond business' boundaries. This final step emphasizes the dual role of corporate purpose as an internal driver of organizational alignment and engagement, as well as an external force contributing to sustainability and the common good.

Impact within business' boundaries

Corporate purpose positively influences *firm performance*, enabling firms to move beyond short-term profit maximization and generate long-term value, particularly under conditions of externalities

or stakeholder misalignments (Henisz, 2023). Purpose-driven firms are better equipped to manage environmental volatility and uncertainty, supporting sustained strategic focus and organizational resilience (Lee et al., 2023). Purpose integration into management structures contributes to improved governance and stability, reducing the risk of failure (Bunderson & Thakor, 2022). Moreover, aligning business strategies with social purpose enhances financial outcomes and corporate reputation, although it may involve trade-offs with profitability goals (von Ahsen & Gauch, 2022). As such, purpose serves as a foundational element for shared value creation and long-term innovation (Drucker, 1974; Porter & Kramer, 2011).

Purpose also has a profound effect on *employee motivation and behavior*. Employees who perceive their firm as purpose-driven are more likely to engage in sustainability-related behaviors, especially when they experience job autonomy and hold strong moral identities (Bhattacharya et al., 2023). Purpose enhances psychological ownership, increasing the willingness to go beyond formal roles (Brosch, 2025). A clear purpose fosters trust, intrinsic motivation, and organizational identification, improving employee engagement and job satisfaction (Bunderson & Thakor, 2022; Liedtka, 1998). Purpose also promotes personal responsibility, continuous learning, and commitment to the community without compromising individuality (Liedtka, 1998).

Finally, corporate purpose strengthens *stakeholder engagement* by offering a shared identity and moral direction across organizational boundaries. It helps align stakeholder relationships around common values, supporting legitimacy and collective decision-making, especially in times of crisis (Menghwar et al., 2025). By amplifying the social and environmental dimensions of corporate strategy, purpose facilitates deeper engagement with both internal and external stakeholders (Pardo-Jaramillo, Gómez & Soto, 2025). In firms undergoing sustainability transitions, a shift toward a duty-based purpose fosters internal legitimacy and stakeholder support for innovation (Schupfer & Soppe, 2025).

Impact beyond business' boundaries

Corporate purpose plays a transformative role in enabling businesses to contribute meaningfully to *sustainability* and the *common good*. Moving beyond shareholder primacy, purpose-led firms adopt a value-based orientation that redefines business as a driver of societal well-being (Ocasio et al., 2023). This shift is particularly evident in the alignment of corporate purpose with the UN Sustainable Development Goals, where both goal-based and duty-based perspectives guide strategic implementation (Sasaki, Stubbs & Farrelly, 2023). Firms that integrate both outside-in and inside-out views are more advanced in Sustainable Development Goal adoption, demonstrating greater alignment between internal values and external societal needs (Sasaki & Stubbs, 2025).

Purpose-driven firms are also capable of generating civic wealth, especially among marginalized groups, by fostering inclusive and collaborative business practices (Lashitew, Branzei & Van Tulder, 2024). According to the authors, this effect is mediated by mechanisms of commercial integration and stakeholder inclusion and further shaped by external validation and institutional contexts. These businesses go beyond transactional relationships, acting as systemic actors that co-create societal value across boundaries.

Ethical and moral dimensions are central to this expanded role. Firms inspired by humanistic principles pursue the common good as a core part of their identity, connecting community welfare with individual flourishing (Frémeaux & Michelson, 2017). Purpose becomes a platform for embedding principles of reciprocity, dignity, and solidarity into business models, reinforcing human-centered approaches to management and decision-making. At an institutional level, corporate purpose contributes to reshaping education and governance systems. Business schools, for instance, are called upon to reorient their curricula toward human and societal needs, moving away from narrow efficiency goals to prepare leaders for a purpose-driven economy (Rocha, Pirson & Suddaby, 2021). Strategic leadership plays a crucial role in sustaining this orientation by embedding purpose across governance structures, stakeholder engagement mechanisms, and long-term planning processes (Ocasio et al., 2023). Ultimately, corporate purpose redefines the firm's societal role,

not merely as an economic actor, but as a generator of systemic change (Besharov & Mitzinneck, 2023).

Table 3 summarizes the definitions, relevant references, and theoretical perspectives that inform the process framework on corporate purpose.

Challenges for future research

In this section, we structure the research agenda on corporate purpose to reflect the same framework used in our review of the literature, i.e., its antecedents, management mechanisms, and consequences.

Antecedents for a purpose statement

Leaders often act as meaning-makers who translate personal values into collective direction (Almandoz, 2023). Future research should examine the mechanisms through which a leader's personal purpose becomes embedded in organizational practices. It is also worth investigating how different leadership styles, such as authentic, transformational, or servant leadership, shape the credibility, clarity, and internalization of purpose statements (Jasinenko & Steuber, 2023; Joly, 2021). Moreover, scholars could explore how management education prepares leaders to articulate and align purpose with corporate strategy, particularly in response to organizational transitions or external shocks (Battilana et al., 2022; Davis, 2021; Rocha et al., 2021).

Closely related to leadership is the visionary mindset that allows purpose to be projected as a long-term strategic orientation. Research could delve into the cognitive frames and decision-making models that enable leaders to transform aspirational statements into actionable governance choices (Montgomery, 2008; Quinn & Thakor, 2018). Post-crisis settings and strategic planning contexts provide fertile ground for empirical inquiry into how purpose gains salience in environments marked by volatility or rapid change.

Another important antecedent concerns the articulation of purpose-related benefits and beneficiaries. Studies could assess whether greater clarity in defining who benefits from purpose influences strategic positioning, stakeholder legitimacy, and long-term competitiveness (Dacin et al., 2022; Mayer, 2023). As stakeholder expectations continue to evolve, research should explore the mechanisms through which firms maintain alignment and avoid purpose-washing or symbolic implementation. The risk of decoupling between stated and actual purpose also merits closer attention (Regele, 2023; Warren, 2022).

The broader socioeconomic context represents a structural condition shaping how purpose is conceptualized and implemented. Future studies could investigate how national governance systems, legal frameworks, and cultural norms influence the formal adoption of purpose in governance, disclosure, and accountability practices (Aguilera, 2023; Mayer et al., 2017). Comparative studies using institutional theory or political CSR perspectives could offer insights into how purpose is integrated differently across jurisdictions. In parallel, emerging technologies, such as artificial intelligence, may play a role in facilitating the implementation and monitoring of purpose-related strategies, which warrants further examination.

Finally, increasing exposure to systemic risks calls for a deeper understanding of how firms adapt or reframe purpose in response to large-scale disruptions. Scholars could explore how firms reconfigure their purpose when faced with crises such as climate change, pandemics, geopolitical instability, or institutional breakdown (George et al., 2023; Waddock & Mcintosh, 2011). An important research direction involves assessing whether purpose-driven organizations demonstrate greater resilience and adaptive capacity (Kim & Scheller-Wolf, 2019; Patriotta, 2021). Methodological approaches such as scenario planning, crisis ethnographies, and longitudinal tracking of resilience could be particularly effective in this domain.

Table 3. Definitions, references, and theoretical perspectives of the process framework on corporate purpose

Phase	Component	Definition	References	Theoretical perspectives
Antecedents for a purpose statement	**Leadership Characteristics**: Leadership Personal Purpose	The deep values, aspirations, and motivations of organizational leaders.	Bower and Weinberg (1988); Craig and Snook (2014); Harrison, Phillips and Freeman (2020); Kempster et al. (2011); Ladkin (2008); Quinn and Thakor (2018); Warriner (1965)	Identity Theory; Leadership; Agency Theory; Self-determination Theory
	Visionary Leadership Mindset	A leadership mindset that enables to articulate an enduring purpose statement.	Almandoz (2023); Barrick et al. (2015); Bartlett and Ghoshal (1994); Montgomery (2008); Quinn and Thakor (2018)	
	Defined benefits and beneficiaries	The explicit identification of the outcomes an organization aims to generate and the stakeholders it intends to serve.	Campbell (1993); Fontana et al. (2023); Gartenberg and Zenger (2023); Hollensbe et al. (2014); Hsieh (2015); Lankoski and Smith (2018); Mayer (2023); Kenny (2014)	Stakeholder Theory, Theory of the firm
	Socioeconomic Context	The social and economic context (e.g., regulatory, cultural) in which the organization operates.	Aguilera (2023); Dacin et al. (2022); Goranova and Ryan (2022); Mallette (1992); Segrestin et al. (2021); Mayer et al. (2017); Suddaby et al. (2023); Vallance (1993); Ventura (2023)	Institutional Theory; Social value-judgment Theory; Ethics in Strategy
	Threats and Systemic Risks	The global threats and systemic risks (e.g., climate change, inequality and pandemics) to which the organization is exposed.	Davis (2021); George et al. (2023); Mayer (2016); Menghwar et al. (2025); Patriotta (2021); Waddock and Mcintosh (2011); Metcalf and Benn (2012); Kim and Scheller-Wolf (2019)	Systems Theory; Sensemaking Theory
Management for a shared purpose	**Aligning:** Purposeful Strategic Planning	Integrating purpose into strategic planning to foster purpose clarity.	Birkinshaw et al. (2014); Collins and Porras (1991); Denning (2022); Howell (1967); Kim and Scheller-Wolf (2019); Malnight et al. (2019); Morrison and Mota (2023); Patriotta (2021); Reyes and Kleiner (1990); Steller and Björck (2025)	Strategic Leadership Theory; Goal-Setting Theory/MBO
	Aligning values, norms and ethics	The alignment of organizational values, norms, and ethics to foster purpose coherence.	Abela (2001); Cardona and Rey (2022); Freeman et al. (2004); George et al. (2023); Gümüsay et al. (2020); Kenny (2014); Mahoney (2023); Mayer (2023); Rey, Bastons and Sotok (2019); Rindova and Martins (2023)	Ethics in Strategy; Mission & Vision

(*Continued*)

Table 3. (*Continued.*)

Phase	Component	Definition	References	Theoretical perspectives
	Embedding Organizational Culture	Values, beliefs, and daily practices that embed purpose into the organizational culture.	Clegg et al. (2021); Collins and Porras (1991); De Nalda et al. (2022); Fontana et al. (2023); Gulati (2022a, 2022b)	Organizational Identity
	Human Resources (HR)	The practices that embed purpose into people management.	Barrick et al. (2015); Campbell and Yeung (1991); Dhanesh (2020); Gartenberg and Serafeim (2023); Gartenberg et al. (2019); Jasinenko and Steuber (2023)	Resource Management, Employee Engagement
	Corporate Governance	The formal structures and decision-making systems that embed purpose into corporate governance.	Battilana et al. (2022); Caldwell et al. (2010); Gartenberg and Serafeim (2023); Goranova and Ryan (2022); Grandori (2023); Klettner et al. (2025); Levillain and Segrestin (2019); Mahoney (2023); Mayer (2016); Mayer (2023); McGahan (2023); Morrison and Mota (2023); Segrestin and Levillain (2023)	Hybrid Governance Models
	Implementing: Coherent Operationalization	The development of concrete programs and procedures to implement purpose.	Barrick et al. (2015); Basu (1999); Ferrigno and Cucino (2021); Gulati and Wohlgezogen (2023); Joly (2021); Kimsey et al. (2023); Machin and Wilson (1979)	Routines, Processes; Stakeholder Management
	Measurement of costs and benefits	The evaluation of both financial and nonfinancial outcomes linked to purpose, requiring metrics to ensure accountability.	Busch and Hehenberger (2022); De Nalda et al. (2022); Gartenberg and Serafeim (2023); Jasinenko and Steuber (2023)	Impact Measurement
	Sharing: Communication & Sensemaking	A dynamic process of sensemaking in which purpose is communicated through meaningful narratives, symbols, and dialogue.	Carton and Lucas (2018); Durand and Asmar (2025); Kempster et al. (2011); Klettner et al. (2025); Pataconi et al. (2025); Quinn and Thakor (2018); Warren (2022)	Sensemaking Theory, Signaling
Consequences of an effective purpose	**Impact within business' boundaries:** Firm Performance	The organizational and economic outcomes resulting from purpose, including both financial indicators (e.g., profitability, growth) and nonfinancial indicators (e.g., reputation, resilience, innovation).	Arias, Barriola and Loza Adaui (2024); Barrick et al. (2015); Basu (1999); Drucker (1974); Gartenberg and Serafeim (2023); Gartenberg et al. (2019); Porter and Kramer (2011)	Stakeholder Theory; Shared Value

(*Continued*)

Table 3. (*Continued.*)

Phase	Component	Definition	References	Theoretical perspectives
	Employee Motivation and Behavior	The psychological and behavioral responses of employees shaped by purpose (e.g., engagement, satisfaction, sense of meaning at work, and alignment between personal and organizational values).	Bhattacharya et al. (2023); Brosch (2025); Bunderson and Thakor (2022); Henderson and Steen (2015); Lee et al. (2023); Liedtka (1998); Pascarella and Frohman (1989); von Ahsen and Gauch (2022); Warren (2022)	Moral identity; Person-organization fit theory
	Stakeholder Engagement	The active involvement, trust, and identification of stakeholders with the organization.	Arias et al. (2024); George et al. (2023); Menghwar et al. (2025); Pardo-Jaramillo et al. (2025)	
	Impact beyond business' boundaries: Sustainability	The corporate purpose contribution to sustainability outcomes.	Bhattacharya et al. (2023); Mayer (2016); Pardo-Jaramillo et al. (2025); Patriotta (2021); Sasaki et al. (2023); Sasaki & Stubbs (2025); Schupfer and Soppe (2025)	Institutional logics; Transition management
	Contribution to the common good	The corporate purpose contribution to the common good.	Besharov and Mitzinneck (2023); Frémeaux and Michelson (2017); Lashitew et al. (2024); Ocasio et al. (2023); Rocha et al. (2021)	Institutional Theory; Systems theory

Management for a shared purpose

Strategic alignment plays a central role in ensuring that corporate purpose informs and shapes business planning and decision-making. Although the theoretical foundations of this relationship are well established (Basu, 1999; Howell, 1967; Vallance, 1993), research is still limited on how purpose is consistently integrated into operational strategy, especially under the pressures of short-term performance. Future studies could investigate the organizational and cultural transformations needed to move from philanthropy or CSR logics to purpose-centric business models. This includes examining how boards and executive teams embed purpose into governance structures that balance accountability, stakeholder inclusion, and strategic vision (Aguilera, 2023). Further attention should also be given to how decision-makers interpret and activate purpose as a guiding principle across the firm.

Another relevant area concerns the alignment of organizational values, norms, and ethics. Research should explore how internal factors influence the emergence and consolidation of a shared and socially oriented corporate purpose. Mediating mechanisms such as employee identification, autonomy, and perceptions of meaningful work are particularly relevant to understanding how purpose affects internal cohesion and engagement. Empirical designs such as structural equation modeling could provide useful insights into these dynamics.

Embedding purpose into the firm requires a better understanding of the practices through which it becomes sustained over time. This is especially relevant in periods of transition or under conditions of ambiguity. Future studies could examine how purpose is reinforced through symbols, rituals, and routines that operate across different levels and functions (Clegg et al., 2021; Collins & Porras, 1991). Additionally, the role of micro-cultural mechanisms in sustaining purpose merits further investigation. A complementary line of inquiry should focus on how HR systems operationalize purpose

through processes such as recruitment, appraisal, reward, and promotion. Researchers could consider how HR practices are adapted for different employee segments, such as knowledge workers and frontline staff, and how these adaptations affect the perception and impact of purpose.

Within the implementation domain, more research is needed on how purpose is operationalized across business units and functions through coordination mechanisms and managerial systems. While the idea of coherence is frequently invoked in the conceptual literature, empirical studies are still lacking on the concrete routines and practices that help firms remain aligned with their stated purpose. Closely related to this is the challenge of measuring the costs and benefits associated with purpose. Future studies could examine how performance management systems support the alignment of incentives with purpose-oriented outcomes such as innovation, sustainability, or employee well-being. This includes the development of metrics that capture environmental and social performance alongside financial results, helping firms manage trade-offs and demonstrate accountability. Regulatory frameworks and institutional pressures also play a role in shaping what is measured and how disclosures are framed, which represents an important area for empirical research.

Finally, the communication and internal diffusion of purpose require closer empirical attention. While many firms invest in crafting purpose narratives, little is known about how these are interpreted across different levels and functions. Research should investigate the discursive and symbolic practices that support or hinder shared understanding of purpose, particularly in situations where formal statements diverge from observed behaviours. A promising direction involves examining how firms manage narrative coherence – whether by reframing, reinforcing, or abandoning their stated purpose – and how this affects trust, credibility, and stakeholder engagement. Further inquiry could also explore the link between purpose narratives, investor communication, and access to financial capital in purpose-driven firms.

Consequences of an effective purpose

A critical avenue for future research involves deepening the understanding of how corporate purpose generates both internal and external impacts. One key tension lies in the prioritization of beneficiaries: whether employees, customers, the environment, or society should be considered primary stakeholders (Henderson, 2021a). Although these constituencies are often interdependent, decisions intended to benefit one group may generate trade-offs that affect others. Future studies should investigate how firms define and balance these stakeholder groups, and how these definitions influence the scope and ambition of purpose-driven strategies (George et al., 2023; Mayer, 2021).

To date, empirical research has primarily focused on large corporations, leaving the dynamics of purpose adoption in small and medium-sized enterprises relatively unexplored. Understanding how corporate purpose can be scaled, adapted, and operationalized across firm sizes, sectors, and geographies is essential for assessing its systemic relevance (Kimsey et al., 2023).

Although there is growing consensus on the potential synergy between financial performance and societal value creation, limited empirical evidence exists on the tensions and trade-offs that may arise. Scholars are encouraged to examine how firms navigate competing expectations and performance criteria, and whether purpose-oriented strategies can contribute concretely to addressing complex societal challenges such as inequality, environmental degradation, and declining institutional trust (Battilana et al., 2022; Bhattacharya et al., 2023; Gulati, 2022a). This calls for research that distinguishes between substantive impact and symbolic signalling.

Another important consequence concerns how corporate purpose shapes employee motivation and behaviour. Future research should examine how purpose influences the psychological contract between employer and employee, with particular attention to mediating mechanisms such as identification, trust, and alignment between individual and organizational values. These mechanisms are likely to affect engagement, retention, and discretionary effort, and merit further empirical scrutiny through longitudinal designs or experimental approaches.

The research agenda should also account for the long-term and systemic nature of corporate purpose. Its effectiveness depends on how deeply it is embedded in organizational culture, routines, and governance practices.

Finally, future studies should further explore how communication and interpretation processes influence the realization of purpose. Although many organizations invest in purpose narratives, little is known about how these messages are received and made sense of across different hierarchical levels and functional roles. Research should investigate how sensegiving and sensemaking processes evolve over time, especially in contexts of ambiguity, crisis, or strategic change (Cristofaro, 2022; Regele, 2023). Understanding how organizations manage coherence between formal statements and actual behaviors can shed light on how trust and authenticity are socially constructed, and on the role of purpose in shaping stakeholder perceptions and reputation.

As Table 4 outlines, each phase of the purpose process – antecedents, management, and consequences – can benefit from tailored empirical designs and theoretical lenses, such as stakeholder theory, institutional theory, dynamic capabilities, and moral identity frameworks. Table 4 also emphasizes the importance of examining both intra-organizational dynamics – such as strategy integration, HR practices, and performance systems – and interorganizational dimensions, including governance in ecosystems, partnerships, and stakeholder networks. This dual perspective is essential for understanding the conditions under which purpose becomes an enduring and credible source of value.

Implications

This study makes several theoretical contributions to the growing body of literature on corporate purpose, responding to recent calls for a shift from definitional debates toward a more dynamic, processual, and multilevel understanding of the phenomenon (Chua et al., 2024; George et al., 2023).

First, we advance the conceptualization of corporate purpose by proposing an integrated process framework composed of three interrelated dimensions: antecedents, management, and consequences. This framework reframes purpose not as a static ideal or normative construct, but as a dynamic organizational process shaped by contextual, strategic, and cultural factors. In doing so, we contribute to the emerging literature that views corporate purpose as embedded in organizational practices and responsive to internal and external demands (Besharov & Mitzinneck, 2023; Mayer, 2021).

Second, we expand the understanding of antecedents of purpose by identifying previously underexplored drivers such as the personal purpose of leaders (Victoravich et al., 2023), defined benefits and beneficiaries (Lankoski & Smith, 2018), socioeconomic context (Aguilera, 2023; Mayer et al., 2017), and threats and systemic risks (Waddock & Mcintosh, 2011). This enriched set of antecedents helps explain not only why organizations formulate purpose statements but also how these statements gain legitimacy and resonance in different contexts.

Third, we identify key managerial mechanisms (i.e., aligning, embedding, implementing and sharing) that mediate the translation of purpose statements into consequences. These mechanisms contribute to a more granular understanding of how purpose is lived in organizations (Cardona & Rey, 2022; Collins & Porras, 1991; De Nalda et al., 2022).

Finally, we articulate the dual impact of corporate purpose within and beyond business boundaries. Internally, purpose fosters motivation, engagement, and performance (Barrick et al., 2015; Bhattacharya et al., 2023); externally, it enables firms to address complex societal challenges and align with sustainability imperatives (Mayer, 2016; Ocasio et al., 2023; Sasaki & Stubbs, 2025). By doing so, we bridge strategic management with broader societal considerations. In doing so, our work contributes to stakeholder theory but also departs from its traditional view of the firm as a mediator balancing the interests of various stakeholder groups (e.g., Freeman et al., 2020). Corporate purpose, as conceptualized in our framework, moves beyond this balancing logic by positioning the firm as a proactive agent of change that defines a unifying direction, aligning stakeholder engagement

Table 4. Future research agenda on corporate purpose

Phase	Component	Exemplar empirical questions	Potential frameworks	Methodological avenues
Antecedents for a purpose statement	**Leadership Characteristics**: Leadership Personal Purpose	What are the mechanisms through which purposeful leadership translates abstract purpose into formal organizational practices? And what contextual or individual factors moderate this translation?	- Individual motivation; - Micro-foundations of strategy; - Identity	Longitudinal qualitative case studies; Mixed-method survey design with purpose perception scales; Comparative analysis of leadership narratives
		How do different leadership styles (e.g., authentic, transformational, servant) influence the perceived and actual authenticity of corporate purpose statements?		
	Visionary Leadership Mindset	Which cognitive frames or mental models enable leaders to interpret and project corporate purpose as a long-term strategic vision?	- Cognitive and behavioural strategy; - Corporate governance	Retrospective process post-crisis; Ethnography strategy teams
		What processes and decision-making frameworks translate corporate purpose statements into strategic and governance actions?		
	Defined benefits and beneficiaries	How can leaders align their defined benefits and beneficiaries with evolving stakeholder expectations?	- Stakeholder management; - Competitive advantage;	Stakeholder mapping; Performance regressions with purpose clarity metrics; Longitudinal studies on purpose evolution
		To what extent does clarity in articulating purpose-related benefits and beneficiaries influence the strategic positioning and competitiveness of an organization?		
	Socioeconomic Context	How do evolving regulatory frameworks influence the formal integration of corporate purpose into governance, accountability, and disclosure practices?	- Innovation management - Political CSR	Institutional case comparisons; Legal-text analysis; Interviews with regulators and policymakers

(*Continued*)

Table 4. (*Continued.*)

Phase	Component	Exemplar empirical questions	Potential frameworks	Methodological avenues
		In what ways can emerging technologies (e.g., AI) enhance the implementation, monitoring, and scalability of purpose-driven strategies?		
	Threats and Systemic Risks	What strategies do organizations adopt to avoid purpose-washing when facing systemic crises and reputational pressures?	- Organizational resilience - Crisis Management	Scenario planning; Crisis-response ethnographies; Longitudinal resilience tracking
		How is corporate purpose reconfigured when systemic threats (such as pandemics, climate change, or geopolitical instability) are treated as expected, recurring conditions rather than exceptional events?		
Management for a shared purpose	**Aligning:** Purposeful Strategic Planning	What role does a well-defined corporate purpose play in balancing short-term performance pressures with long-term organizational goals?	- Goal-setting - Corporate objectives - Corporate responsibility	Semi-structured interviews with strategy and CSR leaders; Organizational network analysis
		What organizational and cultural shifts are required to transition from philanthropy or CSR logics to purpose?		
	Aligning values, norms and ethics	What internal factors shape the emergence and evolution of a socially-oriented shared corporate purpose?	- Employee identification and engagement - Meaningful work	Structural Equation Modeling (SEM) to test the relationship between purpose and meaningful work including mediators (e.g., identification, autonomy)
		How do purpose-driven strategies contribute to employee experiences of meaningful work, and what are the mediating mechanisms?		
	Embedding Organizational Culture	How do organizational symbols, rituals, and informal norms embed purpose across different hierarchical and functional levels?	- Routines, rituals - Organizational culture	Ethnographic studies; Narrative analysis; Observation of symbolic practices

(*Continued*)

Table 4. (*Continued.*)

Phase	Component	Exemplar empirical questions	Potential frameworks	Methodological avenues
		What micro-cultural mechanisms sustain the internalization and durability of corporate purpose during organizational transitions (e.g., leadership turnover)?		
	Human Resources (HR)	How are purpose-driven values translated into HR practices (e.g., performance appraisal, promotion, reward systems)?	- Strategic HRM - Organizational Justice	Comparative HR practice audits; Purpose-experience diaries; Role-based employee engagement surveys
		How do different employee segments (e.g., knowledge workers vs. frontline employees) experience organizational purpose, and how should HR practices adapt accordingly?		
	Corporate Governance	How does a shared purpose reshape governance mechanisms and power dynamics in multi-actor business ecosystems?	- Stakeholder Governance - Hybrid organizing	Comparative board composition studies; Embedded case research in hybrid organizations; Longitudinal tracking of governance reform
		Which governance design elements (e.g., board composition, ownership models, stakeholder representation) are most effective in embedding purpose as a binding constraint on strategic decisions?		
	Implementing: Coherent Operationalization	What organizational routines and practices enable companies to become and remain 'fit for purpose' across levels and functions?	- Organizational routines - Coordination and integration mechanisms	Ethnographic process studies; Internal cross-unit comparative analysis
		How do internal coordination mechanisms ensure consistency between corporate purpose and everyday operations across units?		

(*Continued*)

Table 4. (*Continued.*)

Phase	Component	Exemplar empirical questions	Potential frameworks	Methodological avenues
	Measurement of costs and benefits	What performance management systems support the alignment of incentives with purpose-driven outcomes?	- Incentives and accountability - Performance management - Impact assessment	Incentive structure analysis; Cross-national comparative studies; Textual analysis of regulatory disclosures
		What is the empirical relationship between purpose orientation and innovation performance (e.g., technological, organizational)?		
	Sharing: Communication & Sensemaking	How do sensemaking processes around purpose vary across hierarchical levels and organizational functions?	- Communication - Framing - Sensegiving vs Sensemaking	Discourse analysis; Framing analysis; Social media analysis
		What communicative practices enhance authenticity and mitigate stakeholder scepticism of corporate purpose narratives?		
Consequences of an effective purpose	**Impact within business' boundaries:** Firm Performance	To what extent does the integration of corporate purpose into strategic planning and operational routines drive long-term firm performance, and through which mediating organizational capabilities?	- Resource-based view (RBV) - Dynamic capabilities	Longitudinal Panel Analysis; Survey experiments (e.g., with compensation metrics)
	Employee Motivation and Behavior	How does purpose shape the psychological contract between employer and employee?	- Intrinsic motivations	Experimental vignette studies; Longitudinal employee surveys
	Stakeholder Engagement	How do interorganizational relationships (e.g., supply chains, alliances) function when governed by a shared purpose rather than purely instrumental logic?	- Interorganizational relationships - Networks and alliances	Multilevel network analysis; Comparative case studies of partnerships and alliances; Power/influence mapping; Ecosystem ethnographies
	Impact beyond business' boundaries: Sustainability	Do purpose-driven firms genuinely contribute to addressing grand societal challenges, or do they risk purpose-washing?	- Triple bottom line (TBL) approach	Global purpose survey; Participatory action research
	Contribution to the common good	What are the macroeconomic, governance, and social implications of redefining capitalism around corporate purpose?	- Societal impact - Common good	Policy scenario analysis; Historical institutional analysis; Delphi studies with experts;

with long-term societal goals (Gulati, 2022b). Our SLR acknowledges the importance of articles from business ethics in informing the broader debate on corporate purpose (e.g., Abela, 2001; Dacin et al., 2022). However, while purpose may incorporate ethical considerations and align with societal expectations, it is not inherently a normative concept (George et al., 2023). Rather, it functions as a strategic and identity-defining anchor that can inspire stakeholders independently of explicit moral evaluation. Accordingly, our framework integrates ethical perspectives insofar as they are mobilized within management studies to inform the operationalization of purpose (see Alignment of values, norms, and ethics in the Management phase of our process), without conflating purpose with moral judgment per se.

From a practical standpoint, our research also recognized implications for the strategic management of the firm. First, the process framework helps leaders formulate authentic and actionable purpose statements by clarifying critical antecedents. These insights assist firms in avoiding purpose-washing and aligning their purpose with strategic identity and societal relevance. Second, our review highlights how purpose can be managed across organizational levels, from strategic planning and values alignment, to HR practices and culture-building, to performance systems and governance structures. These findings offer practitioners a roadmap for embedding purpose into the day-to-day life of firms. Third, the framework informs how to measure and evaluate purpose effectiveness. In particular, it encourages the adoption of integrated metrics that combine financial and non-financial performance, thereby enabling firms to demonstrate accountability and generate trust with stakeholders. Purpose-aligned metrics also support strategic decision-making, capital allocation, and impact assessment. Finally, we emphasize the importance of sharing purpose as a collective and dialogical process. This requires firms to move beyond one-way communication and engage in participatory sensemaking, fostering alignment between individual identity and collective mission. Communication about purpose, both internal and external, builds credibility, enhances employee engagement, and strengthens reputational capital.

Our research work is also obviously characterized by some limitations. First, it is possible that in the literature selection process some significant articles were not included due to (1) the keywords used for developing the search and (2) the inclusion and exclusion criteria that we adopted. A second limitation concerns the examination and review of the literature in the selected sample. Although we have followed a systematic approach, performed with the best diligence to reduce bias and enhance replicability, a certain degree of subjectivity cannot be eliminated.

Conclusion

This SLR sought to identify, critically evaluate, and synthesize selected relevant research in the field of strategic management on the concept of corporate purpose in order to develop a process framework of the antecedents to embrace a purpose statement. This then evolves into a management phase where the business creates a shared purpose, and, finally, into a phase that generates consequences within and beyond business' boundaries. Based on the emerging gaps, this study drew up a research agenda, suggesting uncharted avenues to be challenged in the field of strategic management.

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Note: Single asterisk (*) denotes that the listed article is part of the review sample. Double asterisk (**) denotes that the listed article was added in the Eligibility and Inclusion phase of the PRISMA-P protocol

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Appendix 1

In Table A1, we grouped the various definitions of corporate purpose found in our preliminary analysis of the literature into three categories, based on the conceptual boundaries they emphasize. For each group, we proposed a comprehensive definition that captures its core perspective.

Table A1. Analysis of the definitions of corporate purpose

Studies	Theoretical lenses	Proposed definitions
Group 1 – Definitions within business' boundaries		
Kenny (2014); Lankoski and Smith (2018); Patriotta (2021)	Goal-setting Theory Management by Objectives	Corporate purpose provides the direction and allows the business to achieve its goals.
Bartlett and Ghoshal (1994); Morrison and Mota (2023); Quinn and Thakor (2018)	Strategic Theories Theory of the firm	Corporate purpose unleashes business creativity and vitality because it commits and inspires all stakeholders.
Group 2 – Definitions beyond business' boundaries		
Hollensbe et al. (2014); Porter and Kramer (2011)	Institutional Theory	The corporate purpose is to create value beyond profit maximization.
Besley and Ghatak (2017); Birkinshaw et al. (2014); Henderson (2021b)	Stakeholder Theory The theory of firm	The purpose of business is to respond to the needs of society at large.
Group 3 – Definitions toward the common good		
Abela (2001); Battilana et al. (2022); Bhattacarya et al. (2023); Liedtka (1998)	Ethics-based Theories Stewardship Theory Institutional Theory	Corporate purpose solves the paradoxical tensions in business among economic and societal purposes.
Almandoz (2023); Durand (2023); Gartenberg and Zenger (2023)	System Theory Strategic Theories New Stakeholder Theory	Corporate purpose is the common good and it allows the business to be an agent of systemic and orchestrated change.

Appendix 2

In Table A2, we report the purpose statements of 17 multinational companies which were analyzed by Mayer (2020), Mayer and Roche (2021), and Ready and Truelove (2011), selected from our sample of 118 articles. For each statement, we examined whether there was an explicit reference to the benefits generated by the purpose and the related beneficiaries to which it refers, either addressed to the business (internal beneficiaries) or the society (external beneficiaries).

Table A2. Examples of purpose statements

Firm	Purpose statement	Societal benefits	Organizational beneficiaries	Authors
Four Seasons	'We believe that each of us needs a sense of dignity, pride and satisfaction in what we do.'	n.a.	Hotel owners, customers and employees	Ready and Truelove (2011)
Standard Chartered Bank	'We're here for good.'	Support sustainable finance and sustainable growth.	Investors, employees and companies.	Ready and Truelove (2011)
Dannon	'Bringing health through food to as many people as possible.'	One health.	Consumers.	Ready and Truelove (2011)

(*Continued*)

Table A2. (*Continued.*)

Firm	Purpose statement	Societal benefits	Organizational beneficiaries	Authors
Bel Group	'Growth must happen through the creation of wealth, not just for the business, but for society as a whole.'	Create innovative forms of sustainable business.	Vendors, sellers and investors.	Colin-Jones et al. (2020) in Mayer and Roche (2021)
Marks and Spencer	'To make aspirational quality accessible to everyone, through the depth and range of its products.'	Build a sustainable planet and the overall well-being of the communities.	Customers, suppliers and employees.	Murthy et al. (2020) in Mayer and Roche (2021)
Sabka Dentist	'The sole meaning of life is to serve everyone.'	Make good dental services available to one and all.	Employees and patients.	El Ouarzazi et al. (2020) in Mayer and Roche (2021)
Timberland	'To step outside, work together and make it better.'	Improve the quality of the planet and thrive communities to accelerate global change with one unified, passionate voice.	Employees and customers' community.	Locke et al. (2020) in Mayer and Roche (2021)
Dell	'We create technologies that drive human progress.'	Guarantee everybody's easy access to the best technology anywhere in the world.	Leadership and employees.	Koch et al. (2020) in Mayer and Roche (2021)
Novo Nordisk	'Driving change for generations.'	Preventing diabetes, several disorders and diseases.	Consumers.	Jackson and El Ouarzazi (2020) in Mayer and Roche (2021)
Mahindra First Choice	'Transform the automotive landscape by making transactions simple, efficient, transparent and equitable.'	'Orchestrating the Used-Cars Ecosystem' (Jackson and Joy, 2020; in Mayer and Roche, 2020).	Stakeholders.	Jackson and Joy (2020) in Mayer and Roche (2021)
Kate Spade New York	'Our mission is to empower women girls around the world by putting mental health at the heart of our social impact work.'	Empower women in business core operations.	Employees and Consumers.	Bird et al. (2020), in Mayer and Roche (2021)
jd.com	'For a world more technological effective and sustainable.'	Alleviate rural poverty in China.	Stakeholders.	Price et al. (2020) in Mayer and Roche (2021)
mondragon	'It is driven by a commitment to solidarity, applying democratic methods in its organization and management.'	'It boosts people's engagement and involvement in the management, performance and ownership of its companies.'	Employees.	Esta Ellis et al. (2020) in Mayer and Roche (2021)

(*Continued*)

Table A2. (*Continued.*)

Firm	Purpose statement	Societal benefits	Organizational beneficiaries	Authors
Divine Chocolate	'We exist to help end exploitation in the cocoa industry.'	'We champion the needs of farmers, enabling them to thrive and prosper and together build a sustainable and fair world.'	Suppliers.	Esta Ellis et al. (2020) in Mayer (2020)
Z Zurich Foundation	'Creating brighter futures together for vulnerable people.'	Adapting to climate change enhances mental wellbeing and social equity.	Beneficiaries.	Pickford et al. (2020) in Mayer (2020)
Solvay Chemical	'We bond people, ideas and elements to reinvent progress.'	Tackling climate change and resource scarcity.	Multistakeholder.	Esta Ellis et al. (2020) in Mayer (2020)
interface	'Creating a Climate Fit for Life.'	Overcome the biggest challenge facing humanity and reverse global warming.	n.a.	Khoo et al. (2020) in Mayer (2020)

Appendix 3

In Table A3, we report a list of the key articles in the field of the measurement of corporate purpose.

Table A3. Articles on the measurement of corporate purpose

Article	Variable(s)/Object(s)	Contribution	Theoretical framework(s)
Barby et al. (2021)	Comprehensive framework for the measurement of business impacts with the strategic motives of a business and their monetization.	Proposing a three-step measurement model, providing an integrated framework that supports companies' critical decisions (both internal and external).	Enterprise cost-based accounting approach; societal valuation-based approach; impact evaluation
Bhattacharya et al. (2022)	Corporate purpose (why does a business do what it does).	Developing a scale and an experiment to measure corporate purpose inside the business (target respondents: employees).	Employee sustainability behaviors; sustainability ownership and autonomy; individual moral identity
Bunderson and Thakor (2022)	Organizational higher purpose (benefits that business provides to society in general or a particular kind of organizational stakeholders).	Developing a survey to measure the effect of having purpose statament in an organization, also highlighting the elements of organizational higher purpose.	Wage contracting framework; bank stability; financial risk investing
Cardona and Rey (2022)	Purpose scorecard (result of translating purpose into missions that contain specific and measurable performance goals).	Proposing a scorecard to manage corporate purpose through indicators.	Strategic planning; management systems; performance management; competency development

(*Continued*)

Table A3. (*Continued.*)

Article	Variable(s)/Object(s)	Contribution	Theoretical framework(s)
Gartenberg and Serafeim (2023)	Purposefulness (strength of beliefs associated with purpose). Purpose clarity (clear structure for individuals to contribute to the overall purpose).	Developing a survey to measure purpose at individual and organizational level (target respondents: employees).	Governance quality; performance management; innovation management; long-term investment
Jasinenko and Steuber (2023)	Perceived Organizational Purpose (individual-level conceptualization of organizational purpose).	Settling a scale to measure the development, success, outcomes.	Perceived corporate social responsibility; meaningful work; work–life balance
Lleo, Bastons, Rey and Ruiz-Perez (2021)	Purpose knowledge (process of defining and communicating the business' purpose to all its members until they can explain it in their own words). Purpose internalization (extent to which the purpose is integrated into the personal beliefs and values of organizational members). Purpose contribution (bringing the purpose to bear on the actions that guide the business' day-to-day activity).	Developing a scale that measures purpose implementation in three dimensions: purpose knowledge, purpose internalization and purpose contribution (target respondents: employees).	Workplace sense-making; sustainability workplace behavior
Stroehle et al. (2019)	Guidelines to outline a performance evaluation of corporate purpose (in terms of both costs and profits it generates).	Proposing to measure purpose along the investment chain: investment practice, corporate governance, and corporate decision-making.	ESG (environmental, social and governance) investing; nonfinancial/sustainability reporting

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