Purpose framing as an informal governance approach to sustainability transformations in the private sector

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**ABSTRACT**

Today’s sustainability challenges require significant transformative shifts in the private sector, particularly driven by new, potentially also more informal, forms of governance. A variety of sustainability-oriented intermediary organisations encourage and support businesses to become purpose-driven to address social and environmental sustainability issues beyond maximising profit. We conduct interviews with these intermediaries to theorise how and why the broad concept of purpose might be used as an informal means to steer and transform business-society relations. We find that by invoking notions of systemic goal alignment and individual goal alignment, the simultaneous use of two contrasting but complementary frames allows intermediaries to appeal to and potentially engage a variety of audiences in their efforts to changing businesses and the economic system. Our research contributes to literatures on how the framing of purpose in business is used as an informal governance approach for driving a sustainability transformation.

1. Introduction

Scholars are calling for and investigating new governance models that acknowledge and more effectively help address broader socio-ecological concerns (Albareda and Waddock, 2018; Biermann et al., 2009; Burch et al., 2019; Pies et al., 2014; Rasche, 2010). Given disillusionment with the large-scale societal and ecological side-effects or externalities caused by consumption patterns, profit-maximising business practices and an ineffectively governed capitalistic system more generally, there is growing recognition that widespread sustainability challenges require a transformative shift, particularly in the private sector (Peola et al., 2021; Gartenberg and Serafeim, 2019; Mayer, 2021). For instance, some are calling for a move away from today’s growth-orientated, linear, and exploitative production methods towards new, more regenerative approaches that directly address socio-ecological impacts and consequences (Waddock, 2020).

Beyond focusing on established means of formal governance there are also calls to examine more informal approaches when governing and transforming social-ecological systems (SES) (Biermann et al., 2009, 2012). Specifically, there is a recognition that new governance models for a transformation towards sustainability require the involvement of a diversity and plurality of actors, approaches, and development pathways (Biermann et al., 2016; Burch et al., 2019; Schmidt et al., 2016) as well as acknowledgement and tolerance of multiple sets of norms, ethics, and values (Patterson et al., 2017; Stirling, 2014). In this context, research increasingly emphasises the role of and need for new frames, discourses, and narratives in helping shape governance for and of such a sustainability transformation (Boetcher, 2022; Burch and Di Bella, 2021; Koch et al., 2021; Moore et al., 2014; Patterson et al., 2021).

Within the private sector, one important phenomenon is the emergence of sustainability-oriented intermediary organisations seeking to promote wider systems change (Kanda et al., 2020). Typically, intermediaries exist in a variety of forms including business networks, NGOs, social movements, for profits and non-profits (Kivimaa et al., 2019a; Kundurpi et al., 2021) and fulfil different functions in different contexts (Kundurpi et al., 2021). These intermediaries have been identified as critical actors in driving a sustainability transformation by connecting multiple actors (Kivimaa et al., 2019b) and articulating new visions, demands, and expectations (Kivimaa, 2014). One crucial aspect of such purposive and strategic efforts to create, maintain, and disrupt institutions (Kanda et al., 2020) is the use of framing as a means to address ‘struggles and different storylines and logics’ (Kivimaa et al., 2019a, p.113), and ‘to change existing norms and practices’ (Kanda et al., 2020, p.454).
Specifically, there is a growing articulation of a need for driving and supporting the development of purpose-driven businesses that explicitly define the reason for their existence beyond profit maximisation (Munoz et al., 2018). As part of a sprawling network of new organisations and business movements, sustainability-oriented intermediaries aim for more companies to become purpose-driven (Dahlmann et al., 2020). Despite the diversity of organisations involved in these efforts, a key feature of these intermediaries is their shared belief in, and intention to, transforming the private sector through the notion of purpose, and thus ultimately to revise (though not to overturn) the (capitalistic) economic system in general (Stubbs et al., 2022). In contrast to many other sustainability-oriented governance models (cf. De Bakker et al., 2019; Scherer and Palazzo, 2011), this community of intermediaries is notable for its lack of structure, rigid boundaries, formal governance, and coordination; it arguably even lacks self-awareness (Stubbs et al., 2022).

Yet despite the recent growth in scholarly and practitioner engagement with questions about the purpose of business (Donaldson and Walsh, 2015; Hurth et al., 2015; George et al., 2021; Ramanna, 2020), it is unclear why and how intermediaries use the framing of purpose as a means to engage with and influence businesses on social-environmental issues and concerns (Hahn et al., 2010; Mayer, 2021). Thus, while the discourse about the purpose of business is growing, we know less about the concept itself as a new, potentially more informal approach employed as part of governing and transforming social-ecological systems (SES), and particularly business-society relations.

In this paper, therefore, we examine the framing of purpose employed by sustainability-oriented intermediaries when engaging the private sector in a sustainability transformation. Drawing on a series of face-to-face interviews conducted in Australia and the UK, our aim is to examine how these intermediaries generally define and employ the concept of purpose and thus to unpack and theorise its framing as part of an informal governance approach designed to support the wider narrative around a sustainability transformation in the private sector. We begin our paper with a review of extant literature on governance, the changing discourse on purpose in business, and the role of sustainability-oriented intermediaries before outlining our method. Next, we present findings from our interviews before discussing our contributions to research on the role of framing the purpose in business and informal governance approaches.

2. Background

2.1. New models of governance for a sustainability transformation

Scholars define governance as a social innovation designed to create order and mitigate conflict (Pies et al., 2014), by steering and coordinating actors based on institutionalised rule systems (Rasche, 2010). Patterson et al. (2017) particularly emphasise the role of relatively formalised structures, processes, rules, and traditions as critical elements in shaping societal decision making, power sharing, responsibility, and accountability. Typically, governments are seen as the only legitimate rule-makers responsible for the public interest or common good, while businesses play an economic role as rule-takers by pursuing their own private economic interests without a direct concern for its nature as well as the pace, scale, and methods of transformation required (Abson et al., 2017; Feola et al., 2021). Such transformations are argued to include a variety of ‘fundamental changes in structural, functional, relational and cognitive dimensions of linked socio-technical-ecological systems’ (Biermann et al., 2009, p.6) and are thus resisted by entrenched actors and incumbents. While some view particularly the capitalist system overall as the leading cause of sustainability concerns that need to be governed or transformed through effective legislation and regulation, for others it is the espoused goals of individual businesses more specifically that need to be changed to ensure private sector actors address and provide solutions for wider socio-ecological issues. Consequently, there are growing calls for initiating a wider systems transformation by generally questioning and changing the purpose of business (Waddock, 2020; Mayer, 2021).
2.2. Profit and purpose in the private sector

Historically, debates about the purpose of business have waxed and waned (Freeman, 1984; Ramanna, 2020; Stout, 2012) but were prominently reignited by the writings of Milton Friedman (1970) and subsequent counterarguments and business theories that stressed the belief that corporations must ‘unambiguously’ continue to maximise shareholder value (Sundaram and Inkpen, 2004, p.350). Yet calls have grown louder again arguing that the pursuit of profit maximisation as the sole purpose of firms is responsible for driving environmental damage and social inequality (Mayer, 2021). Compounding this, wealthy firms use their power and influence to lobby against environmental and social regulations that would cost their firms money, resulting in even greater inequality (Hinton, 2020). Some claim that purely profit-driven businesses inherently create externalities and therefore conclude that a growth-based economy is ultimately irreconcilable with the achievement of sustainable outcomes (Feola et al., 2021; Hinton, 2020; Pichler et al., 2017; Reichel and Perey, 2018; Wright et al., 2018). Equally, Hahn et al. (2010) argue that rethinking the role and purpose of business in a wider environmental and societal context is inevitable, and that even ‘enlightened business case thinking’ cannot provide ‘real remedies to the situation’ (Waddock, 2020, p.2).

The fact that businesses are embedded within a wider socio-ecological network that supports their activities has long been recognised (Shrivastava, 1995; Stout, 2012; Stubbs and Cocklin, 2008; Valente, 2015), but prevailing theories, frameworks, and governance models are only slowly adapting. Moving away from the traditional view that the business of business is business (Friedman, 1970), emerging definitions argue that by acting on a broader societal purpose, firms can create more value for their shareholders and society over the long term than by pursuing purely financial goals or a narrowly defined self-interest (EY Beacon Institute, 2016; Izzo and Vanderwielien, 2018). Accordingly, profit is simply viewed as a tool, a means to, or rather the consequence of achieving a broader organisational or sustainable purpose (George et al., 2021). Here, therefore, we adopt the definition of purpose as companies ‘solving problems, to produce profitable solutions to the problems of people and planet and not to profit from producing problems for people or planet’ (Mayer, 2021, p.889).

2.3. Intermediaries and the framing of purpose

To help drive such a wider sustainability transformation, a growing number of for-profits, non-profits, and social movements have started to engage with businesses and other stakeholders interested in changing the general purpose of business.1 Their aim is to enable and accelerate action to address sustainability issues by focusing on social and ecological flourishing (Edwards et al., 2021). This emergence of new social movements and stakeholder coalitions around the desire to redefine the purpose of business represents an empirical phenomenon for scholars interested in the governance of socio-environmental systems, and particularly the role of private sector actors (Dahlmann et al., 2020). By highlighting the interconnections between the wider socio-ecological system and the private sector, many of these new actors deliberately seek to change existing, or develop new, rules and norms with the potential to transform the way in which businesses and markets operate (Dahlmann et al., 2020; Waddock, 2020).

These new actors are also increasingly referred to as sustainability-oriented intermediaries (Gliedt et al., 2018). One of their characteristics is that they tend to operate at network or system level, rather than bilaterally (Kanda et al., 2020), and therefore other descriptors such as “boundary spanners”, “change agents” and “catalysts” have also been applied (Kivimaa et al., 2019a; Stubbs et al., 2022). While research on the general efforts and methods of state and other actors as part of new forms of governance is well established, our understanding of the role of such sustainability-oriented intermediary organisations in driving voluntary (self)governance initiatives is only just emerging (Burch et al., 2019; Zeigermann, 2021). Originally identified as enablers and drivers of general (eco)innovation processes (Kanda et al., 2020), intermediaries are increasingly viewed as central to driving a wider sustainability transformation due to their ability to connect multiple actors and different levels, facilitate innovation and experimentation, provide information, and disseminate new practices (Gliedt et al., 2018; Kanda et al., 2020; Kivimaa et al., 2019b; Kundurpi et al., 2021).

Yet while these intermediaries all pursue their ends through unique and bespoke methods and approaches (if they are non-profits) or business models (if they are for profits) (Burch and Di Bella, 2021; Stubbs et al., 2022), it still remains unclear why so many of them appear to have chosen to focus (explicitly or implicitly) on the purpose of business as a central leitmotif behind their missions (Izzo and Vanderwielien, 2018). Research generally suggests that framing plays a critical role in explaining how actors develop and carry ideas and meaning to inspire and legitimate their activities and campaigns, typically when operating through social movements (Benford and Snow, 2000; Snow et al., 1986). Framing broadly theorises the meaning-making processes of identity formation and collective action (Cornelissen and Werner, 2014), as well as how people connect, dynamically interact, and make sense of their common interests or collective identity through language and emotions (Brown et al., 2019; Buechler, 1993). Specifically, actors are said to possess discursive or framing power, for example, by drawing attention to the role of business in addressing sustainability issues (Burch and Di Bella, 2021; Burch et al., 2019). Given the importance of and need for attracting and mobilising a wide range of different actors through bottom-up approaches for improving socio-ecological conditions, informal governance efforts are therefore likely based on narratives that appeal to, engage, and activate diverse audiences through new and different framings (Benford and Snow, 2000).

Yet while framing power has been identified as a critical part of intermediaries’ role (Kanda et al., 2020; Kivimaa et al., 2019b), quite how they employ this notion of purpose is unclear. This is also important given concerns about the risk of purpose-washing whereby the growing discourse around purpose creates conditions for some businesses to pay lip service to its normative ideals without implementing effective organisational changes (Findlay and Moran, 2018; Gartenberg and Seralim, 2019). Thus, to shed light on this evolving phenomenon, in this paper we examine the framing of purpose employed by sustainability-oriented intermediaries when engaging the private sector in a sustainability transformation.

3. Method

3.1. Context and sample

Our research was part of a broader project motivated by an interest in examining and theorising the nature, efforts, and effectiveness of the multitude of emerging (both for-profit and not-for-profit) sustainability-oriented intermediary organisations whose aim appeared to be to influence and enable established businesses to become purpose-driven (Stubbs et al., 2022). We noticed that their focus on supporting the development of purpose-driven businesses seemed to be based on wanting to enable and accelerate action on wider socio-ecological challenges. Our research was therefore driven by a desire to explore whether and how these intermediaries were leading and supporting a sustainability transformation by seeking to change the purpose of business (Albareda and Waddock, 2018; Kivimaa et al., 2019). Because of our specific interest in understanding the emerging framing of the concept of purpose within these intermediary organisations (Snow et al.,...
1986), we adopted an exploratory qualitative inductive research approach based on a series of interviews with key individuals in these organisations (Bansal et al., 2018; Bansal and Corley, 2012).

Given the general ambiguity of the concept of purpose in business and the lack of a suitable sampling frame for such sustainability-oriented intermediaries, we started by listing relevant organisations that we had identified in previous research and through our own industry contacts, working in Australia and UK. The decision to focus on intermediaries operating in these two countries was primarily driven by the authors’ residency and a desire to facilitate face-to-face conversations with our interviewees (data were collected just before the outbreak of COVID-19).

In addition to our known list of potential intermediaries, we searched for keywords ‘purpose’, ‘sustainability’, ‘society’ and ‘business’ through internet search engines and on the professional network site LinkedIn. We identified intermediaries that operated as consultants and advisors, movements, campaigns, and investors who were aiming to enable businesses to become more sustainable and purpose-oriented. A key inclusion criterion was whether an organisation explicitly stated a focus on seeking to change companies’ purpose of business, rather than, for example, provide dedicated services on clean energy or other specific sustainability management topics. Examples of such mission statements included ‘Our purpose is to prove out new models to deliver real value to people, planet & the economy’; ‘We want to prove that finance can be a force for good. That finance can be great for people and great for the planet. We believe that aiming for systemic change is our path to meaningful environmental and social impact’; and ‘[… supports a global community of business leaders dedicated to elevating humanity through business […] by [among others] demonstrating what it means to have a purpose beyond profit’.

During the interview process we were also referred to other intermediaries working to support purpose-driven business (snowball sampling). Overall, our sample focused on intermediaries promoting changes in business, rather than on businesses already claiming to be purpose-driven. We identified and approached 41 intermediaries of which 18 accepted, 12 in Australia and six in the UK (see Table 1). Our purposive sampling process was therefore not driven by a desire to capture all intermediaries in our respective countries, but rather reflected an effort to explore and gather insights from a novel context containing a range of diverse and available organisations (Bamberger and Pratt, 2010). Respondents within these organisations were founders, co-owners, and senior executives. We acknowledge that the geographic bias of our sample (UK and Australia) and its size are limits to its representativeness of the broader ecosystem of sustainability-oriented intermediaries globally. We believe, however, that our research provides valid and indicative findings on the discourses on and around purpose in business that are currently particularly pertinent in anglophone common-law based socio-economic and cultural business systems.

### 3.2. Data collection

Interviews were based on open-ended, semi-structured questions about the notion and framing of purpose. Most were conducted face-to-face. Beyond brief summaries of respondents’ roles and responsibilities, as well as their organisational type, ownership, or funding model, our questions were designed to probe more deeply into respondents’ personal views of purpose and the extent to which they believed their organisations were contributing towards a sustainability transformation by supporting purpose-driven businesses. This included follow-up questions on respondents’ own values, objectives, and motives for founding and/or working for their organisation. We also asked whether and why they thought purpose in business was important. Beyond personal articulations on purpose, we enquired about their organisation’s own purpose, and how they aimed to support the creation and conversion of purpose-driven businesses and their efforts to initiate a sustainability transformation more generally. Consequently, our analysis of the framing of purpose in business is based on respondents’ espoused assumptions and beliefs as well as their (relatively authoritative) claims about what their organisations were trying to achieve. Given the senior status of our respondents, in our analysis we treat personal and organisational perspectives as equivalents.

Interviews lasted on average 60 min, were captured electronically and transcribed; we then pseudonymised respondents in our dataset. Participants were invited to provide comments and/or corrections to their transcript to enhance the reliability and validity (Minichiello et al., 1995; Yin, 2009). In total, we gathered 527 [UK: 200; Australia: 327] single spaced pages of transcripts which were then uploaded into Nvivo software for coding.

### 3.3. Data analysis

We used a three-stage coding process (Grodal et al., 2021; Strauss and Corbin, 1998). First, both authors coded the complete set of data independently to identify first-order codes using participants’ words and ‘in-vivo’ expressions (Strauss and Corbin, 1998). Coding included blocks of text at the phrase, sentence, and paragraph level. To ensure interrater reliability (McDonald et al., 2019) both authors then compared and reconciled each other’s first order codes by discussing disagreements in interpretation and coding. Where no agreement was reached, we consulted with another researcher familiar with our project. Due to the nature of the data collection, initially we also tried to distinguish between UK and Australian data but did not find any clear differences. We grouped the codes together under categories (second-order coding) as patterns and variances emerged within the data (Strauss and Corbin, 1998). This allowed us to form more precise and complete explanations of the framing of purpose. The categories appeared to be loosely paired in that there were typically two variants, largely opposites. Finally, we classified these categories under four themes (third-order coding) to integrate and refine the theory (Strauss and Corbin, 1998) (see Fig. 1). These themes are discussed in the Findings section before we use them to

### Table 1

<table>
<thead>
<tr>
<th>Code</th>
<th>Country</th>
<th>Organisational description</th>
<th>Participant title</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONS1</td>
<td>Australia</td>
<td>Large ‘traditional’ consulting firm</td>
<td>Partner, Purpose Practice</td>
</tr>
<tr>
<td>CONS2</td>
<td>Australia</td>
<td>Small consulting and education firm</td>
<td>Principal</td>
</tr>
<tr>
<td>ED1</td>
<td>Australia</td>
<td>Research and education centre</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>ED2</td>
<td>UK</td>
<td>Education centre</td>
<td>Director of Business Strategy</td>
</tr>
<tr>
<td>FIN1</td>
<td>Australia</td>
<td>Social impact financing</td>
<td>Chief Investment Officer</td>
</tr>
<tr>
<td>FIN2</td>
<td>Australia</td>
<td>Impact investor</td>
<td>Director</td>
</tr>
<tr>
<td>FIN3</td>
<td>Australia</td>
<td>Social impact financing</td>
<td>Chief Executive Officer and co-founder</td>
</tr>
<tr>
<td>PB1</td>
<td>Australia</td>
<td>Representing businesses</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>PB2</td>
<td>Australia</td>
<td>Membership-based organisation committed to social impact</td>
<td>Partnerships Manager</td>
</tr>
<tr>
<td>SM1</td>
<td>Australia</td>
<td>Global social movement</td>
<td>Board Member</td>
</tr>
<tr>
<td>SM2</td>
<td>Australia</td>
<td>Global social movement and certification body</td>
<td>General Manager</td>
</tr>
<tr>
<td>SM3</td>
<td>UK</td>
<td>NFP</td>
<td>Chief Executive Officer and Founder</td>
</tr>
<tr>
<td>SM4</td>
<td>UK</td>
<td>NFP</td>
<td>Associate</td>
</tr>
<tr>
<td>SM5</td>
<td>UK</td>
<td>Global social movement</td>
<td>Co-Founder and Member of Board of Trustees</td>
</tr>
<tr>
<td>SM6</td>
<td>UK</td>
<td>NFP</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>SM7</td>
<td>UK</td>
<td>NFP</td>
<td>Co-Founder</td>
</tr>
<tr>
<td>SM8</td>
<td>Australia</td>
<td>Organisation that founded SM1 in Australia</td>
<td>Chief Purpose Officer</td>
</tr>
</tbody>
</table>

PB = Peak Bodies; CONS = consulting organisation; ED = education; FIN = financial services; SM = social movement including not-for-profits (NFPs).
We also considered the extent to which respondents drew on only one or both categories of the same theme. While some tended to emphasise one over the other, many incorporated both categories in their responses. Overall, the four themes characterise the different ways in which sustainability-oriented intermediaries frame the notion of purpose in their discussions, interactions, and engagements with businesses and other stakeholders.

4. Findings

Unsurprisingly, given our sampling approach, the concept of purpose appears critical to all intermediary organisations interviewed. Respondents were intrigued by its general appeal and went to great lengths to explain both their personal philosophies and organisational approaches designed to help businesses become purpose-driven and thus to address both social and environmental issues and concerns.

Moreover, we find that respondents’ framing of the notion and significance of purpose in business was generally shaped by the four main themes of knowledge base, focus of intervention, change mechanism, and desired outcome identified through the coding process. Our analysis suggests that these four themes appear to be based on broad pairs of categories. While respondents generally drew on all categories as part of these themes, they did so in specific combinations when framing purpose. Together, the four themes and their respective categories underpin respondents’ framing in that they provide the building blocks, nuance, and explanation for how purpose is defined, as well as why and how their frames differ from traditional business purpose conceptualisations. As we discuss later, such framing may also enable respondents to employ the concept of purpose more effectively when engaging with different types of organisations and individuals.

4.1. Knowledge base

As Fig. 1 indicates, we find that respondents referenced two broad knowledge bases on which they built their respective approaches. On the one hand, there is a strong belief into the adherence to natural sciences as the ultimate domain of sustainability knowledge informing and defining any approach towards changing wider business-society relations. Consistent with Earth sciences and resulting insights into the planetary boundaries defining the natural ecology (Rockström et al., 2009) and thus the foundations of the wider economy, some responses are characterised by systems thinking models that organise relationships between ecology, economy, and business in a more hierarchical order. Respondents highlighted a need for transforming the private sector by aligning organisational goals and impacts with the needs and constraints of wider social and ecological systems within which business is embedded.

‘Thinking about other people on the planet, towards the new economy or the next economy, which is largely about valuing things in a way where we understand our embeddedness in the planet and in humanity and the social systems, and that the economy is just of those systems within that’ (FIN4).

More specifically, here the purpose of business was defined by the need to contribute positively to nature and society: ‘Thinking about it as a whole, thinking about the systems and thinking about contribution, because everything we do is about contribution’ (SM7). Therefore, rather than viewing socio-ecological systems as ontologically distinct from business and thus the remit and responsibility of formal governance arrangements, this perspective acknowledged that organisational purpose must intrinsically relate to the wider environmental context within which businesses operate and contribute to.

By contrast, other respondents adopted a much more social sciences derived philosophy. Typically inspired by ancient (Western) classics and humanism, here the emphasis was on highlighting important philosophical knowledge bases and using such insights to reinvigorate perspectives on business and society. Consistent with more deliberately ethical values and ideals, respondents stressed the need for aligning organisational goals with individual human needs and concerns.
‘We’ve said let’s go back to Plato and Aristotle, and truth, beauty and goodness. Those are some pretty interesting values that they think leads to a fulfilling life, and we think truth, beauty and goodness are probably a pretty good criteria for looking at your purpose and saying, how does it support any of these things’ (SM5).

Here, the purpose of business was defined by whatever purpose human beings (as employees and citizens) wished to express and realise individually and collectively. As such, purpose was viewed as strongly normatively driven by human virtues, desires, and imperatives and then enacted also within the organisational context of business and the economic system more generally.

‘I’m very influenced by Aristotle, so the whole idea of flourishing, eudemonia, and I think that – so for me it’s about how do we re-engage as individuals both collectively and socially to create more human systems around us starting with probably the economy’ (ED2)

### 4.2. Focus of intervention

Responses also differed with respect to the targeted focus or level of intervention, that is, who or what intermediaries were engaging with when supporting a sustainability transformation. Specifically, respondents primarily focused their attention on changing for-profit business organisations; in other frames it was individual human beings that sat at the heart of their interventions. In other words, the former draws on the concept of purpose to create organisational level insights and advice, whereas in the latter case purpose specifically addresses employees at all levels within business organisations. Consequently, the language used differs in that on the one hand the focus seems set on changing typically legalistic, managerial, organisational, or technical aspects of business through new business models, frameworks, tools, ratings, rankings, and certifications. Thus, aligned also with the different knowledge bases identified, there was a strong desire to use purpose as a means to reorganise the nature and function of business systems in a way that better attends to broader socio-ecological needs.

‘And I think it’s important because if we are to survive and if we are to continue to build a cohesive society, and to live within the bounds of the ecology, I think we have to think more carefully about how we use structures like a corporate structure which is essentially a group of people gathering together for a reason. For a purpose’ (FIN2).

By contrast, other responses appeared to be designed to appeal to individuals’ human emotions, beliefs, and value systems as targets for intervention. Accordingly, this framing focused on engaging with individuals through a discussion about their personal needs, fears, hopes, and increasing desires to address wider societal issues and challenges through their business organisations. Here, purpose is meant to recognise the holistic nature of employees within organisations by tapping into their human side that exceeds their specific roles and job descriptions.

‘And a lot of other organisations just focus only on the purpose, but we think without having that view of people you don’t actually unlock the benefit of the purpose. Because the whole point of the purpose is that people get behind it … So, we came up with these two mindset things, the view of people, and the view of purpose’ (SM6).

### 4.3. Change mechanism

Leading on from the different focus or targets of intervention, respondents expanded on different mechanisms to contextualise and motivate change. Specifically, one starting point is the identification of difficult-to-achieve, aspirational goals, typically defined by critical systems characteristics, which are then translated from the top-down into more specific organisational goals. A case in point is the frequently mentioned framework of the 17 UN Sustainable Development Goals (SDGs) which several respondents claimed serves as a blueprint for future-oriented global aspiration and as such relies on actors’ extrinsic motivation of contributing to the wider achievement of the Agenda 2030. Befitting the diverse stakeholder coalition that was instrumental in developing and agreeing the UN SDGs, respondents believed that a wider transformation could be achieved by different organisations interacting with each other and collaborating towards common wider systemic goals. In other words, organisational purpose is shaped by a recognition of the importance and urgency of contributing to externally defined, science-based, and future-oriented socio-ecological systems goals.

‘A business is setting out to address a social or environmental challenge. So, you referred to the SDGs before, I would say that it’s looking at the SDGs and, generally, having a business model that is helping to contribute to those goals’ (SM2).

Conversely, other responses appeared to be based on the understanding that change should occur from the bottom-up by individuals engaging, connecting, and interacting with each another. Respondents stressed the need for defining interpersonal characteristics of people working together in purposeful companies. Here the focus was on individual employees that are driven by their intrinsic motivation to live a good life and achieving something they could not achieve on their own. In this framing, individuals were inspired to align their personal goals with an organisational purpose that provides them and their work with meaning and the opportunity to contribute beyond routine effort. The notion of a worthwhile job was an example of how respondents perceived purpose-driven businesses to provide an emotional sense of fulfilment, where empathy and humanistic approaches to life were viewed as clear underpinnings that help connecting individual emotional needs with wider systemic change.

‘Our purpose – our reason for being – is about supporting a transformational change where empathy is a core component of everything that we do and the way in which we operate’ (FIN4).

Importantly, this framing also sought to bind together individuals from within and outside the organisation ‘because we are all part of a society and a community and all of us need to be working together’ (SM2). As indicated, though, top-down and bottom-up change mechanisms were not viewed as mutually exclusive as respondents believed there was a clear need for an organisational purpose that provides both inspiration and aspiration, where alignment could be achieved between the wider systemic, organisational, and individual needs and goals.

‘I think it’s important because we need aspiration and clarity of why we exist in order to be at our fullest potential, because, you know, coming in every day and saying we’re going to hit these targets and we’re going to make this amount of money simply doesn’t inspire us, and get us to our maximum potential as individuals. We need things that are north of that to drive us, to enforce potential’ (CON5).

‘What we’ve seen in the statistics and the numbers is that purpose led companies are outperforming their peers, and we just see it in the staff and in the engagement, and people just – when they have a really clear purpose that they’re working to, that is a greater good, they’re driven and motivated to achieve that together rather than make more money for shareholders’ (PB2).

### 4.4. Desired outcome

Finally, respondents’ reflections on purpose aimed at different desired outcomes. While one theme was teleologically driven towards an ideal end-state, the other stressed an ideal process as paramount to achieving systemic transformation. For example, one respondent defined this ideal outcome in relation to the economy where a business:
by definition and specification of our sample). Instead, we were instilling purpose in the businesses they engage with (which they were private sector in a sustainability transformation. We were not specified or eventually revised).

Therefore, to achieve this ideal outcome based on a systemically desirable destination for society, respondents suggested that businesses effectively needed to serve a higher purpose, for example: ‘sustainable purpose has to either tackle these global challenges regarding the SDGs, or benefit society in a way that supports the system, social and environmental systems it relies upon’ (ED2). As such, organisational purpose was essentially pre-defined, or at least broadly framed, by scientific and political insights and agreements of what an ideal endpoint of a sustainability transformation might look like (even if never actually achieved or eventually revised).

By contrast, in other responses, the focus was set on creating an ideal process through which a wider transformation emerges. Respondents encouraged businesses to reflect critically on and challenge their own understanding of what such organisations as social phenomena exist in the first place:

‘The fact that we have become so disconnected from actually requiring organisations to have a reason for being is really problematic. So, I think purpose is about a different level of consciousness, a different level of awareness as to why an organisation exists and why we are gathering together to do something’ (FIN2).

This framing highlights the ongoing significance of supporting efforts that take all stakeholders into account. Others suggested that the growing societal interest in wellbeing should be viewed as ‘a wider catchment for that, so not just physical well-being, health well-being, but in a wider sense of that fulfilling our sense of purpose’ (ED2). Accordingly, the demand for generalised wellbeing was seen as a strong indicator that people (not just employees) were yearning for wider spiritual and emotional fulfilment in addition to wishing to address personal health and global environmental concerns. Creating purpose-driven organisations was therefore considered an effective means of bundling and responding to a range of societal issues and demands simultaneously. Yet rather than specifying an end goal or a desired destination, in this framing the aim was to liberate employees from the perception that work and personal lives should somehow entail separate realities shaping human values and behaviour. Instead, here the desired outcome contained the process of continuously aligning individual and organisational goals, and consequently ‘elevating humanity through capitalism’ (SM5). In other words, respondents argued that purpose reflects work in progress rather than a specific end-goal, and which was guided by the diversity of individual (rather than systemic) needs and concerns. Purpose was therefore seen as an essential communication device needed to bridge individual and organisational realities in a more sustainable manner.

“We had this, kind of, disconnect between what people were doing at work, and how they felt at home, their personal values. When I go to work, I have to behave differently to the way I behave at home. It was like a divided life’ (SM6).

‘So, when we first started our motto was unifying corporate purpose and personal values to serve society’ (SM6).

5. Discussion and conclusion

In this paper we examined the framing of purpose employed by leaders of sustainability-oriented intermediaries when engaging the private sector in a sustainability transformation. We were not specifically attempting to show that these intermediaries are concerned with instilling purpose in the businesses they engage with (which they were by definition and specification of our sample). Instead, we were interested in understanding how, and potentially also why, the concept of purpose plays such a central role in their efforts and narratives in the first instance. As such, our aim was to investigate how the framing of purpose could form part of an informal governance approach employed to support a wider sustainability transformation.

Generally, we find that sustainability-oriented intermediaries employ the categories underlying the four underlying themes in their responses in two specific combinations. To advance theory, here we perform a conceptual leap in our analysis (Klag and Langley, 2013) by abstracting two high-level frames from these themes and categories, which we propose encapsulate the key differences and similarities respondents used to define and employ the emerging notion of purpose in business. We summarise them in our proposed framework: systemic goal alignment and individual goal alignment (Fig. 2). The two frames are not mutually exclusive but are instead frequently employed together as part of intermediaries’ efforts to drive organizational change. The question is why would individuals in sustainability-oriented organisations draw on two, in some ways very different, frames of purpose in their narratives to encourage and support a sustainability transformation in business (especially when compared to more traditional, profit-oriented definitions of purpose)?

There is significant recognition that complex global challenges and socio-ecological conditions are poorly served by the traditional focus on governance through rules alone (Folke et al., 2021). While such state-driven approaches will undoubtedly continue to play an important role, intermediaries are potentially drawing on the growing shift towards governance through norms and goals (Biermann et al., 2017). In this context, the framing of purpose in the private sector resembles an informal governance approach towards initiating systems transformation. Rather than (solely) specifying clearly defined formal rules, practices, and processes, the sufficiently ambiguous concept of purpose allows these intermediaries to deploy two conceptually different frames together and thus appeal to a diverse range of actors and other stakeholders. The framing of purpose thus aligns with more informal governance approaches based on norms, ethics, and values (Patterson et al., 2017; Stirling, 2014). For example, both frames specify different but complementary sets of underlying ethical values and principles regarding the roles of and relationships between nature, economics, and society. A such, they align with research that argues a wider sustainability transformation particularly requires significant shifts in people’s attitudes towards and behaviours of obtaining a good quality of life (Chan et al., 2016; Díaz et al., 2015). The framing of purpose in business challenges individuals and their organisations to reflect on wider extrinsic and intrinsic motivations for their actions, and questions the extent to which they are congruent with both natural and social scientific insights into the determinants of a good life, regardless of which

Fig. 2. Proposed framework for emerging frames of purpose in the private sector as part a sustainability transformation.
philosophy or worldview they might belong to (Chan et al., 2020).

Moreover, by focusing on changing the norms (Kanda et al., 2020) regarding the purpose of business (i.e., moving from a purely profit orientation towards achieving broader positive socio-ecological impact), the use of purpose framing also represents a deliberate attempt to focus on changing the goal or intent of the overall (economic) system as a critical leverage point as part of a wider sustainability transformation (Abson et al., 2017). The focus on purpose as defined by our respondents is quite literally an attempt to initiate systems change by revising key higher-level goals (i.e. the purpose of individual businesses and business in general), if not even a challenge to the ‘mindset or paradigm out of which these goals arise’ (Meadows, 1999: 3). The two frames identified in this research thus represent an understanding that while refining formal governance mechanisms (the rules of the game) is essential, from the perspective of a wider sustainable transformation more informal governance mechanisms such as a general purpose framing may potentially address this at a more effective leverage point in the overall economic system provided it leads to widespread adoption and cascading effects across other parts of the system (Abson et al., 2017; Meadows, 1999).

We argue the two frames identified in this research provide intermediaries with several benefits. First, they allow respondents to reconcile apparent tensions and trade-offs characterising societal debates about business-society relations, notably about whom business should serve – shareholders or stakeholders (Hahn et al., 2010; Freeman et al., 2004; Sundaram and Inkpen, 2004). Through the application of two frames, intermediaries are able to appeal to both their respective clients’ and targets’ hearts and minds (Leites and Wolf, 1970). Specifically, while the systemic goal-alignment frame may primarily appeal to those who prefer scientific rational explanations and arguments regarding the need for and goals of a sustainability transformation, the characteristics of the individual goal-alignment frame address those who might be more attracted to relational, humanistic, and values-based arguments. Similarly, while one frame puts business organisations at the centre of the debate on the concept of purpose, the other is used to appeal to leaders, employees, citizens more generally, and increasingly even investors by recognising their individual hopes, dreams, and aspirations as part of a wider transformation of the private sector. Depending on their audiences, intermediaries may be able to tailor their messages and arguments and thus broaden their appeal without necessarily having to pick sides.

This use of two different frames may also appeal to both politically conservative and progressive mindsets by emphasising both individuals and community, as well as highlighting both the need for future-orientation and a return to classic values. As such, using two frames to define and interpret the ambiguous concept of purpose provides a linguistic bridge between both proponents of shareholder primacy (e.g., Sundaram and Inkpen, 2004) and stakeholder capitalism (e.g., Freeman et al., 2004) by elevating the need for addressing one clear organisational purpose (however defined) as the aim that essentially serves both perspectives. Through this framing of purpose, the concept is employed in a way that is sufficiently ambiguous and flexible and thus accommodates a range of definitions and interpretations, while also being relatively abstract and aspirational. It therefore compares well with concepts such as justice and health, not least because in its normative interpretation it also embodies an element of ethical concern (Donaldson and Walsh, 2015). Moreover, the discussions on purpose encourage participation and a desire to belong and follow – ultimately, what individual or business would rather not want to have (a) purpose? As the discourse on purpose keeps growing, it creates conditions that encourage a strong sense of social desirability whereby individuals and companies would not want to miss out on having (any) purpose, if that clearly appeared to be a ‘good’ thing – how businesses then define, justify, and operationalise this purpose is quite another matter. What matters is that both frames ultimately support organizational changes so that both systemic and individual goals are better recognised and integrated into business models and operations (Burch and Di Bella, 2021). But, as raised by several intermediaries, this desirability also increases the risk of businesses purely referring to purpose without any authenticity or real desire for substantial organisational change, thus leading to symbolic purpose-washing (Gartenberg and Serafeim, 2019; Findlay and Moran, 2018). The two frames identified could thus be used as an analytical framework to evaluate whether businesses’ espoused definitions of purpose contribute to one or both frames, or whether they merely provide cover for a purely-profit centric orientation of business-as-usual.

Our research thus contributes to knowledge on informal approaches towards earth system governance as part of collective efforts to driving a sustainability transformation and societal changes (Albareda and Waddock, 2018; Biemann et al., 2009). Unlike existing research that has examined the potential and desirability of other governance models such as creating a hypernorm of sustainability (e.g., Scherer, 2015), promoting goals-based governance such as the UN Sustainable Development Goals (Kanie and Biemann, 2017), and information-based governance through labelling and certification (Bullock, 2016; Yixian, 2022), our research focuses on the importance of informal approaches including new narratives and framing of ethics, virtues, norms, and values as means to shaping new governance arrangements (Burch et al., 2019; Schmidt et al., 2016). By studying intermediaries and their collective but uncoordinated efforts towards changing the purpose of business, we contribute to literatures on the importance of strengthening informal approaches such as framing towards governing a sustainability transformation (Patterson et al., 2017).

Furthermore, our research provides empirical evidence on the burgeoning discourse on purpose in the private sector (George et al., 2021; Mayer, 2021). We find that sustainability-oriented intermediaries employ two frames in their explanations and justifications of defining and employing the notion of purpose. We argue that the typically simultaneous use of two contrasting but complementary frames potentially appeals to and unites a variety of diverse audiences. Beyond allowing the mobilisation of and collaboration between new organisations that are perhaps each more attracted to one or the other frame, this approach may also serve as a means of warding off more radical views about change, for example, from those who argue that a growth-based economy is ultimately irreconcilable with the achievement of sustainable outcomes (Feola et al., 2021; Hinton, 2020; Pichler et al., 2017; Reichel and Perey, 2018; Wright et al., 2018). At the same time, however, the inherent ambiguity does not per se preclude altogether more radical alternatives provided they can be aligned with the two frames of purpose identified (Ergene et al., 2021). These frames therefore allow exploring and critically evaluating a range of novel concepts and bottom-up approaches needed as part of a sustainability transformation (Boettcher, 2022; Koch et al., 2021; Moore et al., 2014; Patterson et al., 2021).

5.1. Limitations

Given the nature of our exploratory approach and sampling process, our findings are naturally limited in terms of their generalisability without further extensive validation through data collection from other organisations and contexts. Specifically, our sample was determined by convenience and access without full understanding of how far the population of sustainability-oriented intermediaries stretches. There is therefore a need to investigate a much broader set of organisations, including those outside the two countries used in this study, to advance knowledge about the wider transferability of our findings.

Furthermore, there is also a need to study how the targets, clients, and beneficiaries of the intermediaries and their interactions (i.e. established businesses and their employees) respond to the rhetoric employed around the framing of purpose. Doing so will help ascertain the extent to which this approach of framing is indeed effective, not only in terms of mobilising participants but ultimately in terms of
accelerating the wider sustainability transformation. This is particularly critical given significant backlash and debate over other business concepts relevant in this context (e.g., ESG risks; equality, diversity and inclusion (EDAI); carbon offsetting, etc.) (see also Dahlmann et al., 2020).

Beyond the two frames identified in our research, might there be others used in different contexts? Are the two frames and the notion of purpose dependent on language and culture? How do organisations use these frames? Lastly, there is a need to expand research on informal others used in different contexts? Are the two frames and the notion of purpose-washing of impact investing funds: motivations, points for pathways to sustainability. People Nat. 2 (3), 693–717.


