FUJITSU

Pivot to purpose: the rise of the values-led business

Written by Financial Times

November 2021

Pivot to purpose: the rise of the values-led business

From ensuring employee well-being to fighting climate change, organizations' actions and contribution to society are in the spotlight. Investors and consumers are watching closely, and expectations are high. Is your organization ready to meet them?

Organizations' corporate social responsibility (CSR) is falling short. New research from Fujitsu reveals that only 54 percent of organizations are ensuring employee well-being by providing access to useful resources, 49 percent are contributing to the communities they serve, and 43 percent are actively trying to reduce their environmental impact.

Those low figures are bad news for business, because these kinds of meaningful steps are not just good for employees, society and the environment — they also make business sense. In a world of hybrid working, these actions can foster employee connections and collaboration and support well-being. All this will increase productivity, which in turn will drive growth.
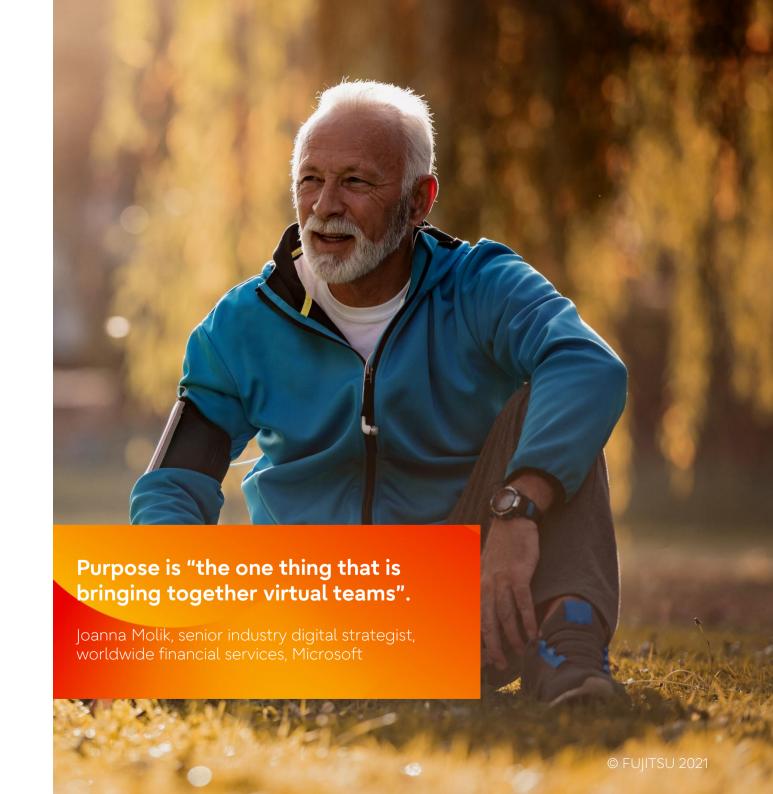
Responsible business is good business

CSR initiatives can nurture engagement in a remote workforce that is craving genuine connections. "People really want a deep sense of purpose with what they are doing," says Sarah Derry, senior vice president talent and culture Pacific, Accor Hotels.

Purpose is "the one thing that is bringing together virtual teams", says Joanna Molik, senior industry digital strategist, worldwide financial services at Microsoft. Uniting employees around a strong purpose can help organizations to build trust and loyalty and increase productivity.

Candidates are increasingly investigating organizations' CSR credentials, according to Derry. "People in interviews will ask more questions about things like the CSR actions organizations are taking," she says.

Customers and investors are also paying close attention. "The reputation of an employer is becoming important," says Molik. "I want to see my name next to the brand of a company that I respect and value. But also, on the outside of the organization, investors and customers are looking at companies' strategies."

Purpose is "the one thing that is bringing together virtual teams".

Joanna Molik, senior industry digital strategist, worldwide financial services, Microsoft

How to make CSR a strategic imperative

Businesses will have to show employees and investors that they are taking CSR seriously. And that means making it part of the core business strategy.

"In the past, the CSR strategy and the business strategy were separate, and of course investors were looking at both," says Molik. "Today, sustainability and social responsibility are becoming embedded into the core strategy of the organization. We also see more and more executives being rewarded based on meeting their sustainability goals."

Some organizations are already doing this, according to Fujitsu research. Improving environmental sustainability is among organizations' top two transformation priorities, and is the top transformation priority in North America. Making CSR part of the business transformation strategy holds leaders accountable, and it clearly links CSR performance with business performance.

Having a leader in the C-suite who is responsible for driving change will help organizations to track and measure the impact of their CSR initiatives, and that could mean hiring a chief sustainability officer (CSO).

"In the past, the chief sustainability officer was responsible for the CSR report for some external partnerships," says Molik. "Today, we see the rise of the CSO as a new business leader focused on delivering tangible, measurable, outcome-driven strategy"

Work from the ground up to transform business purpose

To have real impact, CSR needs more than to be championed by the C-suite and made a strategic imperative: it will then have to trickle down to employees and local groups.

Microsoft, for instance, runs a company-wide eco challenge that aims to make employees' actions more sustainable. Throughout the challenge, people are prompted to use reusable bottles, explore vegetarian or vegan meals or carry their own shopping bags instead of buying plastic ones.

"I noticed that I was changing my habits," says Molik. "But then when I looked at the outcomes of my own actions combined with those of thousands of Microsoft employees, I realised that this can really make an impact. This is a winning formula for creating meaningful engagements that are not only good for society and for the environment, but also create a way for people to team up for a greater cause."

Sarah Derry says that providing opportunities for the local Aboriginal and Torres Strait Islander people is a priority for the HR team at Accor Hotels.

"Aboriginal and Torres Strait Islander people have lived in Australia for thousands of years," she explains. "First Nations people in Australia have an incredibly rich culture and history, and they are the first people of this land. When you operate in tourism and hospitality, you have a responsibility to tell that story."

One of her team's initiatives is to actively recruit and train talent from these communities. It is also undertaking an internal initiative that educates employees about the importance of indigenous culture and the experiences of indigenous people over the past couple of centuries.

Initiatives like Microsoft's and those of Accor Hotels can bring CSR strategies to life through impactful employee engagement. Importantly, they can also cement CSR as a core part of employees' jobs — a part of them that goes beyond making a profit to transforming the purpose of business.

Employee well-being has become critical

Organizations are now more responsible than ever for employee well-being, according to 64 percent of respondents to Fujitsu's research. And bringing people together around a common purpose has a positive impact on employee well-being.

"Maintaining that level of connection between employees in teams and managers is a really critical element," says Molik. "All leaders are thinking about this when they are talking about their employee well-being."

And there are other measures organizations need to take. "Our number one focus is on the safety and the well-being of our team members," says Derry. "And it is not just physical safety — it is also psychological safety." Providing access to mental health and other well-being resources is important, but it is something that only 54 percent of organizations in Fujitsu's research are doing.

Firms can use technology to support employees' well-being. For drivers, for instance, there are applications that remind them to take breaks. And analytics about productivity can provide a company-wide picture of employee well-being. Do people have back-to-back meetings? Are they logging out late at night? How often do they check their email? But only a quarter of firms in the Fujitsu research are using technology to support employee well-being.

All of this suggests that if businesses want to do more than pay lip service to CSR — and they should — they need to take a considered approach. "Organizations can change only if they change as a whole," says Molik. "That means the whole philosophy of how they work, how they connect, how they optimize things and how they do things differently."

Only 54 percent of organizations are providing access to mental health and other well-being resources

Fujitsu Work Life Shift Research