

Is a powerful purpose getting in the way of your business success?

Since Simon Sinek's iconic TEDTalk came to the awareness of business leaders and entrepreneurs back in 2009, we have constantly been reminded of the power of why. But what if your focus on developing your 'why' - also known as purpose - is getting in the way of business performance? What if the secret to your entrepreneurial success stems from creating a robust strategy perfectly aligned with a cultural narrative that includes a core purpose?

Temps de lecture : minute

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For many years, Simon Sinek's legendary 2009 TED Talk 'How great leaders inspire action' was a formative part of my leadership thinking. It has been watched over sixty million times (Sinek, 2010).

In case you haven't seen it, the presupposition is that the difference between great organisations like Apple and the rest is that this organisation started with a purpose or core belief. This helped Apple to engage people in a way that others couldn't. It is a compelling proposition but isn't entirely accurate.

I love Sinek's early work. I love his model, the Golden Circle, and I love how he articulates it. However, there is one fundamental challenge. The notion that great organisations start with why (purpose) rather than what (strategic intent) simply isn't true.

Let's take Apple as the primary example, as it is central to Sinek's TED Talk. He outlines beautifully that Apple was built on a core belief of 'everything we do, we believe in challenging the status quo, we believe in thinking differently'. Sinek then describes how this translates into action - 'the way we challenge the status quo is by making our products beautifully designed, simple to use and user friendly. We just happen to make great computers'.

It is a compelling case and can be useful from a cultural or brand perspective. Still, it isn't accurate to say that this is the foundation of Apple as an organisation.

When Steve Jobs and Steve Wozniak started the business, they produced circuit boards with a computer processing unit and a memory board. These products that would evolve to change the technological landscape did not yet have their own keyboards, but the creators and a multimillionaire investor, Mike Markkula, saw a commercial opportunity and maximised it.

In short, Apple started as a company that made and sold computers to make money. This is a strategic decision. In Sinek's terms, they started with a what, not a why. The why came much later.

Even in the subsequent phases of Apple's growth and evolution, its success was based on strategic and technological development, such as its cell-based colour graphics, open architecture and its selection as the platform for the business application VisiCalc.

Purpose (why) has become a central conversation in the formation of so many organisations, but sadly, to the detriment of good, solid strategic thinking. I believe that before we get to the 'why', we must give significant thought to the 'what'.

Central to the Alignment Advantage is the understanding that we must

shape our organisation's culture to be a strategic enabler. By nature then, we must be crystal clear on what our strategy is, and, in Sinek's terminology, strategy is our 'what'. While he makes a wonderfully compelling case for the idea that great organisations start with why, unfortunately, it is a brilliant business myth.

The real challenge as an entrepreneur is to ensure that you have the strategic capability to help your business grow from a scrappy startup to a solid, sustainable, investable and saleable organisation. While strategy is rarely seen as trendy or appealing, having a solid well built strategic plan provides a significant commercial advantage because so few business founders get past their foundational approach to business planning.

I often receive some pushback around strategy from entrepreneurial startup businesses. They often believe that they are so fast-paced that a strategy will be restrictive, and some feel that they are too busy to develop a strategy. These are risky viewpoints and indicate a broadly false perspective.

Most clients I work with are incredibly fast-paced, fast-growing and complex, from innovative multinational technology businesses to global entertainment organisations. Regardless of their pace, industry or geography, they all gain greater advantages when their strategy is clear and aligned.

If your business does not have a strategy, it will always feel 'too busy'. A lack of an ALIGNED® strategy will always make you feel like projects are pulling you in different directions. As you grow, you will face more conflict, more silos, and more people working hard in different directions

to achieve outcomes that don't necessarily contribute to the overall organisational goals.

The strategyless organisation will always be working harder rather than smarter.

A good strategy will act as a pivot rather than a straitjacket. Or, to use another analogy, it is the anchor of the organisation at that moment. Most people think of anchors as devices that stop ships from moving.

However, it is much more common for anchors to be used as devices around which ships can move. They allow the vessel to hold or drift, with specific constraints depending on the conditions, especially during storms.

This is the perfect lens through which to see strategy. Your strategy provides direction as to what you should and shouldn't be doing in your business. If a new opportunity arises, there are two fundamental questions to ask.

1. Does our strategy tell us that this is the right opportunity for us?
2. If not, do we need to change the strategy?

Number two should not mean a constant change in direction, but it allows you to have a serious strategic conversation about the opportunity with your investors or stakeholders. This is strategic alignment in action.

Ultimately, purpose is a wonderful concept to align people behind when it comes to culture and brand. But without a solid strategic base, purpose becomes a well-meaning moniker of what the organisation could do if it survives the challenges of business infancy and adolescence. Purpose will distract you from the real decisions that will help your business reach its true potential.

Richard Nugent is the author of new book *The Alignment Advantage: Transform Your Strategy, Culture and Customers to Succeed.*



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