



a blueprint for better business

Purpose-led business

How decisions are framed

Assumption 1: *the role of business is to maximise shareholder returns*

Assumption 2: *people are rational, self-interested maximisers*

Assumption 1

The role of business is to maximise shareholder returns

Purpose-led business

- Delivering value by serving society
- Profit is an outcome of a well run company, not the sole reason it exists

Assumption 2

People are rational, self-interested maximisers

"[Economics] is concerned with him [man] solely as a being who desires to possess wealth, and who is capable of judging of the comparative efficacy of means for obtaining that end.... It makes an entire abstraction of every other human passion or motive"

(J.S. Mill, 1844)

"The first principle of Economics is that every agent is actuated only by self interest"

(F.Y. Edgeworth, 1881)

"Man is an egoistic, rational, utility maximizer"

(D. Mueller, 1989)

People "will be fundamentally amoral, ignoring rules, breaking agreements, and employing guile, manipulation and deception, if they see personal gain in doing so"

(Milgrom and Roberts, 1992)

Blueprint's view

- We seek meaning and purpose in their lives
- The quality of relationships are intrinsically important to us

Power of purpose

- It directs and guides decision taking, setting a clear direction of travel for the business as a whole.

And

- It moves people to commit to a shared worthwhile endeavour

Where to start

- How do we view people ?
 - are we ready to treat each person as someone, not something?
- Are we ready to make difficult decisions?
 - what we are going to stop, start and continue to do in order to promote the good of society and the dignity and value of people?