

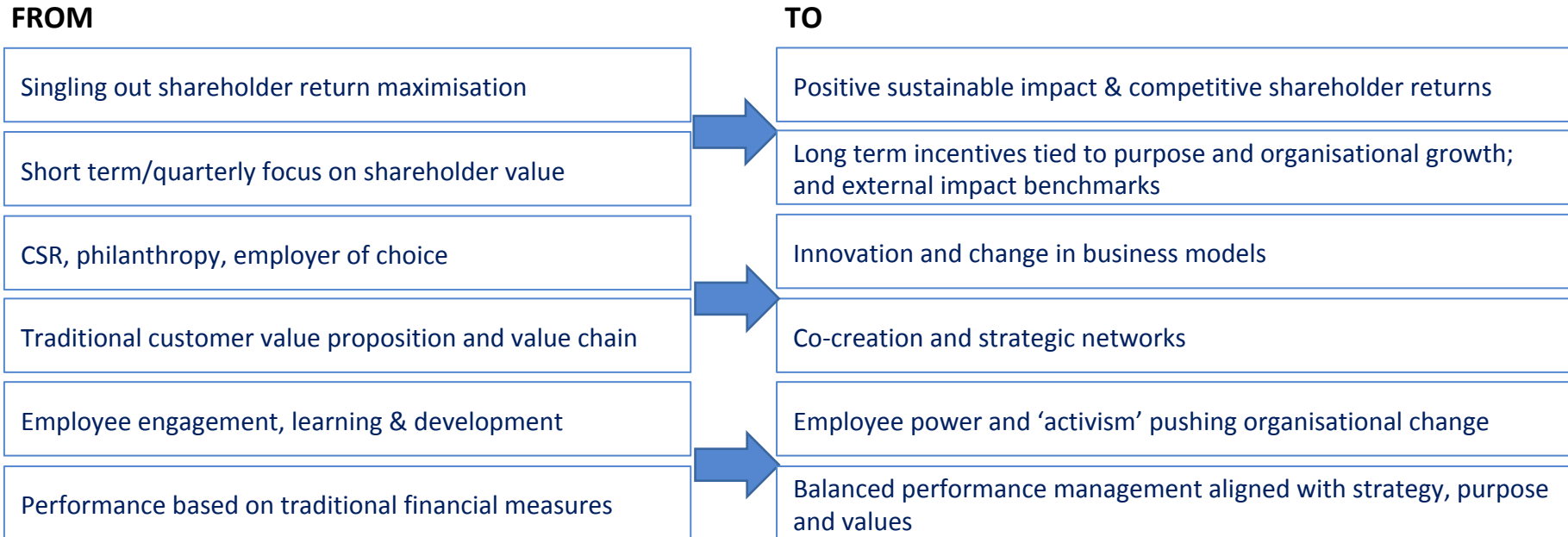
IMPACT

**PURPOSE driven Strategy:
Delivering IMPACT that
MATTERS**

During the 2020s CEOs will need to shift their organisations from “Unconstrained Capitalism” towards achieving broader objectives

- Decline in trust for businesses
- Demand for better and transparent governance; and external reporting on impact dimensions
- Millennials' expectations of purpose + profit, SDG goals, global emergencies
- Shift away from pure Friedman
- Lack of confidence in governments' ability to solve social issues without corporate sector
- Rising appetite for engaging with different ways of doing business
- Evidence that positive impact and shareholder performance can go hand in hand

The agenda for change is clear



Changing the narrative & re-imagining strategy

1

Philosophical, moral and practical rationale for a shift

- As we enter the 2020s, CEOs and business have to accept the imperative to change mindset from 'unconstrained capitalism' towards achieving broader objectives of value creation and impact

2

Strategy and Change Expertise & Know-How

- The last 50+ years have taught us a lot about how to bring about successful change, manage strategy, harness resources and engage people

3

Evolving how to do Strategy in practice

- We need to and we can adapt the strategy process and build out the toolkit that will facilitate the shift:
 - ✧ Credible Purpose and Vision
 - ✧ Shift in mindset and governance
 - ✧ Compelling business narrative
 - ✧ Mixed business models
 - ✧ Balanced and different ways of measuring value
 - ✧ New incentives and alignment
 - ✧ New levels and means of stakeholder engagement

Positive Impact means Better Performance

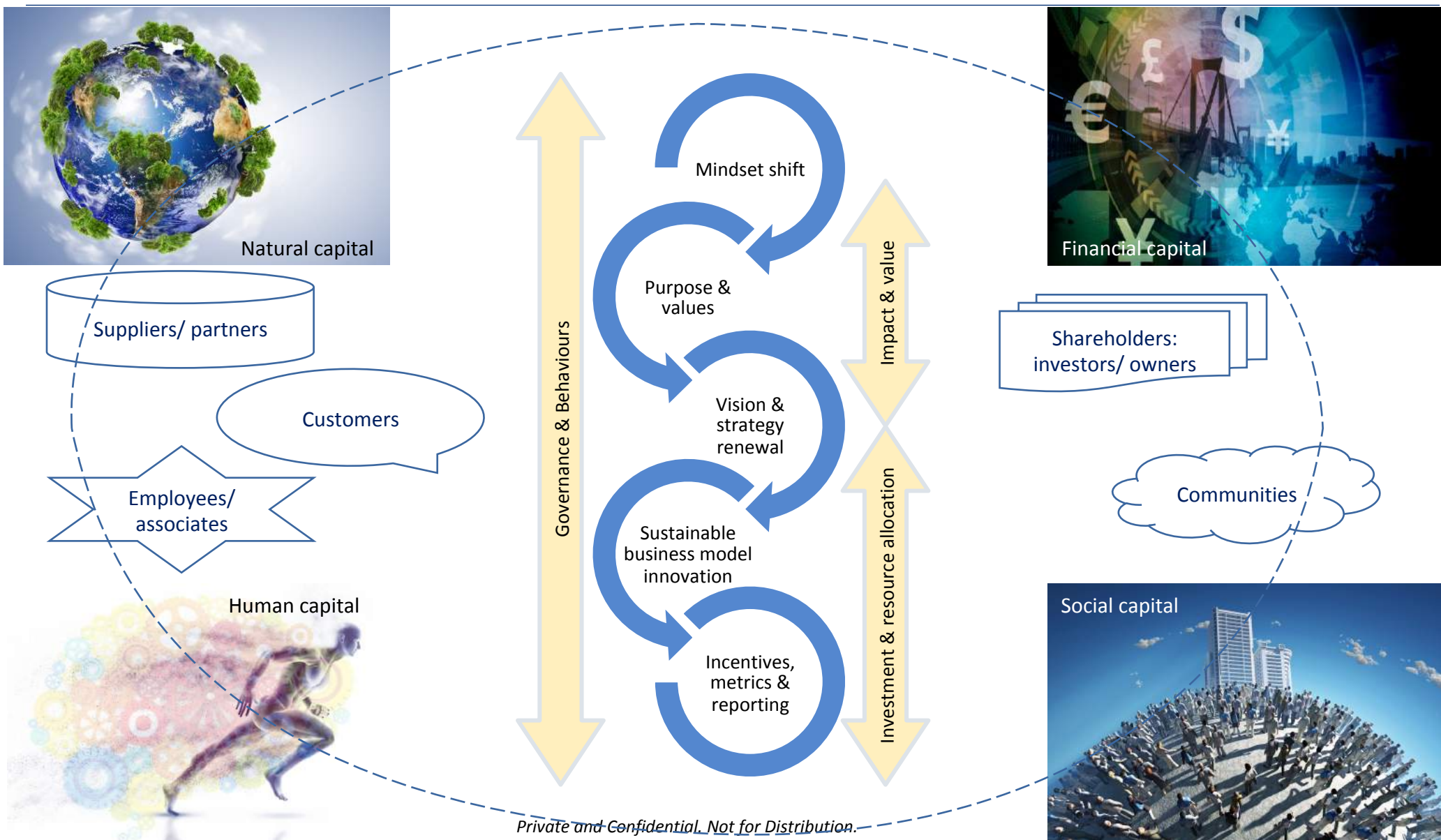
Delivering results for shareholders, stakeholders and society at large

- **80 %** of **Customers** would switch to a brand that supports a cause when price and quality are comparable
 - **Employees** who feel engaged – sense of purpose and belonging within their company – will perform **20 to 30%** better than their peers; and **twice** more likely to stay for more than 5 years
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- Those companies that prioritise social impact experience **higher growth** (>10% over 3 years) than those that do not
 - Companies with higher ESG scores benefit from 13% **lower cost of capital**
 - Organisations that are more long term looking and pursue value for all stakeholders **outperform the market** by a factor of 14 (S&P500 1998-2013); punching above their peers' weight in shareholder returns

Where do we start? Where should YOU focus on innovation and change in your business model, practices and processes?



Developing a new way of thinking about strategy & change in a purpose driven organisation where People, Planet and Profit all matter, at all times



Where shall we start together?

Connect with Us to discuss
your strategy formulation
and refresh needs.

connect@strategymanagement.com

- ◆ Urgency to change
- ◆ Readiness to change
- ◆ Capability to change
- ◆ Context and nature of Industry and core operations

