

# Is Corporate Purpose “Next Level Bullshit?”

Purpose polarizes. “Is this next-level bullshit?” – this was the reaction of a friend when I told her about the fact that we at Clariant are in the process of developing a Purpose. I was a bit surprised because earlier a colleague had enthusiastically expressed his delight that we were “finally” developing a Purpose. This would allow us to be proud of our company again and look towards the future with optimism.

By Kai Rolker



**DR. KAI ROLKER**  
ist Head Group Communications bei Clariant, einem weltweit führenden Spezialchemieunternehmen. Bis 2012 war er Director Marketing Communications bei Synthes. Er hat Philosophie und Alte Geschichte studiert sowie ein Masterstudium in Communication Management absolviert.

How one judges Purpose is not a question of true or false. But doubts about Purpose must be taken seriously because they have legitimate origins.

Recently I heard an opinion from my personal environment: “Whoever has a Purpose doesn’t really need to formulate it.” That means that whoever formulates a Purpose most likely doesn’t have one and has to create it artificially. In addition, many perceive Purpose as old wine in new bottles – according to the motto “What was yesterday’s Corporate Identity is today’s Purpose”. Purpose can also be interpreted as opportunism. Investors ask for a Purpose so we provide them with one. Generations X, Y and Z prefer work with a sense of purpose. For them, too, we should have a Purpose ready before they get too old to believe in it.

Against this backdrop, the key to developing a Purpose at Clariant is to safeguard it against potential risks and to develop positive momentum in its implementation.

The right timing is important. At Clariant, following the sale of around 40% of the business and the corresponding restructuring, it is a good moment for a fresh start. By developing and implementing a

Purpose now, we acknowledge that many of the employees are unsettled and do not know which strategy should be used for the future.

As Maslow put it almost 80 years ago in his “pyramid of needs”, people strive to be part of something bigger than themselves. Thus, we only feel that work is meaningful when we see our individual contribution as a contribution to something greater.

This need makes us ask whether we are working only for our wages or also for a higher purpose, for a sense of sharing in a common identity. A Purpose related to the founding era can evoke feelings of identification. In 1980 Steve Jobs described Apple’s mission: “To contribute to the world by making tools for the mind that advance humanity.”

More important than the reference to history, however, is the present. Never before has the influence of politics and the public on publicly traded companies been so great. Every activity of a company is critically eyed by NGOs. Politicians are constantly developing new standards for reporting and the Swiss Federal Council’s decision to make the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) mandatory for Swiss companies is the most recent local example.

A WEF white paper entitled “Measuring Stakeholder Capitalism” (September 2020) highlights why raising corporate capital is increasingly dependent on addressing the demands of all stakeholders. For example, among governance principles, “Purpose” is cited first.

The development of a Purpose thus takes place in this area of tension between founding myth, regulations and stakeholder demands. Three dimensions are decisive for success:

On the one hand the Purpose is to be understood as a guiding star that simplifies decentralized decisions. At Clariant, the first defining phase involved constructively reflecting on the views of the

«DESHALB BIN ICH MITGLIED BEIM CCR» – DR. KAI ROLKER IM INTERVIEW



CDSB, CRD, CSRD, EFRAG, GRI, IIRC, IOSCO, ISSB, NFRD, SASB, SDG, SEC, SSEI, TCFD – haben Sie den Überblick im ESG-Dschungel noch?

Als Mitglied des Center for Corporate Reporting erhalten Sie Zugang zu einem exklusiven Netzwerk von Experten, Entscheidern und Machern in der Community rund um Corporate Reporting, welche Ihnen dabei helfen, durch das Dickicht zu navigieren. In einem persönlichen Interview berichtet Dr. Kai Rolker, Head of Group Communications bei Clariant und langjähriges Firmenmitglied des CCR, was er an der Mitgliedschaft besonders schätzt und welche Vorteile diese für ihn und Clariant bietet.



employees and the existing fundamentals from 2012 – our Vision, Mission, Values. The result showed that, for Clariant, contributing to the transformation of the chemical industry toward sustainable solutions would serve as a solid foundation for a Purpose.

Secondly, despite the difficulties mentioned above, it is worthwhile to periodically reevaluate the mission statement from the time of a company’s founding. The founding of the chemical industry 150 years ago led to a transformation in agriculture, pharmaceuticals and consumer goods. We are facing a similar transformation today, driven by climate change. Clariant’s founding just 25 years ago was a spin-off from Sandoz, driven by the idea that the new organization will focus on its own core competences. The company has been following this “Purpose” ever since. Parts of the company are constantly being divested, and new ones are being added that better fulfill the company’s Purpose of finding specialized solutions through innovative expertise.

Finally, it is important to find a language for the formulation of the Purpose that is appropriate for today’s environment. The Purpose is also bound to the spirit of the times; it can only be accepted if it is understood by employees and other stakeholders in the context of their lifeworlds and their value systems.

It might never be possible to inspire all employees with a Purpose, at least not from the very beginning. The chances of success depend on how visible the Purpose is in business strategies, in the objectives for employees and also in the equity story. In addition, the ongoing revision of the materiality matrix and thus the dialogue with stakeholders must be oriented towards the Purpose. Only in this way will it become clear over time how the Purpose influences decisions in the company and how its success can be measured. And only then is there a chance of freeing it from the suspicion of “corporate bullshit”.