



Building Cash Cows™
Improving Quality of Life™

The Strategic Edge™

Insights for improving profits, cash-flow, and quality of life

Spring 2007

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The Power of Purpose

How the right purpose can make the difference in your business The Case for a Powerful Purpose in Your Business

It is no surprise to us that the SBA has included "The owner's reason for starting the business" as one of the four factors that contribute to a business staying open. Business owners and leaders have debated for years over whether "matters of the heart" belong in business—The tangible vs. the intangible—The soft side vs. the reality—The spiritual vs. the secular.

Whatever your belief is, one cannot deny the power of purpose in business. Even the SBA recognizes it as one of the major factors in a business sustaining itself. Let's examine why, and how some businesses integrate a powerful purpose into their Mission Statement. "Great companies are the ones with both their heads and their hearts in the game. And only purpose can get you there," says Douglas Conant, who led the transformation of Campbell Soup Co. "As we evolved that mission, we started thinking deeply about purpose, and we realized we could do better than being simply competitive; we could, in fact, become the world's most extraordinary food company by nourishing peoples lives everywhere, every day."

A strong, unified mission seems to always be at the heart of the best companies. If you're looking for more passion from yourself and/or your team, injecting a little more "purpose" into what you do may be the missing piece.

"The virtue of free enterprise is that it channels self interest into the service of others."
Free Enterprise

What is Purpose?

We believe an effective Mission Statement must have three components: Your Vision, your Goal (or mission), and your Purpose. Some businesses confuse a purpose with the Mission Statement. The purpose is not your dream, what you do, or what you are going to do. It is WHY you are going to do it! It is what impassions people to grow and build their dream businesses – "becoming the world's most extraordinary food company by nourishing people's lives everywhere, every day."

Dr. William Damon at Stanford has defined purpose this way "Purpose is the intention to accomplish something of positive consequence to the world beyond the self." Purpose gets you focused on serving others and that unlocks the potential of you and your business team members. More than two thousand years ago, the poet Horace wrote that "The man who is tenacious of purpose in a rightful cause is not shaken from his firm resolve by the frenzy of his fellow citizens clamoring for what is wrong, or by the tyrant's threatening countenance." The Templeton organization, who gives out purpose awards, states "Purpose in human beings, in other words, is not measured merely by strength of the will, but also by nobility of the goal.

"Purpose is the intention to accomplish something of positive consequence to the world beyond the self."
Dr. William Damon, Stanford University

Making Money Versus Serving Mankind

Is making money enough of a purpose? We believe money is a reward for effectively serving people and does not work as a durable purpose. Our experience clearly indicates that people whose business purpose is only to make money generally do not do well in the long run. In fact, we can only recall one of our clients who, after working with them for over one year did not sustain their business. Their purpose in their mission statement was "To make money." All efforts to focus them on developing a purpose centered on serving people in some way were to no avail. "We are not interested in those things, the only reason we are in business is to make money" was their response. They were unable to sustain the business and sold it to a competitor for pennies on the dollar.

Consider how the following service driven purposes have created world leaders:

Microsoft

"To help people and businesses throughout the world realize their full potential."

Wal-Mart

"To give ordinary folk the chance to buy the same thing as rich people."

Walt Disney

"To make people happy."

Mary Kay Cosmetics

"To give unlimited opportunity to women."

Merck

"To preserve and improve human life."

"We realized we could do better than being simply competitive; we could, in fact, become the world's most extraordinary food company by nourishing people's lives everywhere, every day."

Douglas Conant, President and CEO of Campbell Soup Co.

Be a Purpose Driven Business

In his book *The Power of Purpose*, Peter Temes states, "The Power of Purpose is a map for finding the confidence and power, the opportunities and occasions, and most important-the techniques and strategies for centering your relationships and work on helping others...the clearest path to your own success and happiness lies in helping others get where they want to go."

Nikos Mourkogiannis, in his book *Purpose: The Starting Point of Great Companies*, contends that "when the 'why' is answered, the alignment it creates make everything else easier, more powerful, more sustainable." So we encourage you to take the time to answer the "why" and empower your business by writing a noble purpose. Then observe what happens.

"People succeed in a free enterprise system only to the extent that they make other people better off."
Free Enterprise

Examples of Mission Statements of Small and Mid-Sized Companies

Our passion is to help small and mid-sized companies grow and produce wealth, and to enable our staff to maximize their potential. It is our desire that the development of our client's wealth and our staff potential will result in more humanitarian acts and glory to God's name.

American Business Advisors®

Our vision is for the...community to be more successful by being the leading, most progressive, prevailing...full-service...laboratory in the Rocky Mountain Region.

Industry Leader Manufacturing Company

...Construction Services is a Rocky Mountain leader in design/build turn-key services for pre-sold semi-custom homes, custom homes, and gentleman ranch owners. We are passionate about providing quality products and services with integrity and a servant attitude while treating our customers and stakeholders with Biblical principles.

A Leading General Contractor

Our passion is to honor and serve our Lord and Savior Jesus Christ by helping to build the Kingdom of God on earth by being the leading contractor... in the new home building and home improvement industries. A portion of the proceeds from our work is dedicated to rescuing lost souls, equipping the saints, and ministering to the needy.

Industry Leader Sub-Contractor

...is the Colorado Front Range leader in full service mechanical contracting built on our corporate culture of trust, pride, integrity, superior performance, and innovation.

An Industry Leader in Mechanical Contracting

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