

Now is not the time for startups and businesses to compromise on purpose for profit

As the dust settles on our shrinking UK economy and growing global concerns, startups across the board are facing a well trodden fork in the road; why are we chasing profit, when we can, and should, shoot for purpose?

We're in dire straits - the UK economy is *lagging*, predicted to be the *only G7 economy to shrink in 2023, with* the US on a similar unsteady footing. World events continue to compromise our economic integrity, as the US endures a *direct economic hit of 12% by way of the Russian invasion of Ukraine*, and continues to navigate a slow financial recovery from COVID 19. Early startups and burgeoning businesses are feeling the pinch, with worldwide concerns about the looming *recession, impending inflation, and soaring operating costs* negatively impacting prospects and return.

Now is the time to reframe this very real threat to business as an opportunity ripe for action - by disregarding the zero sum game of profit and purpose, we instead marry the two as equals in both theory and practice. It's a mindset change, and one shifting into gear. Now it's time to accelerate.

Consumers, customers, and communities alike are increasingly interested in good decision making, expecting both emerging and established brands to make it easy for them to do the right kind of spending. We are spurred on by

meaningful and intentional business, driven by a sentiment of hope in the face of a profound cost of living and climate crisis. As a public, we are conscious of the consequences of our coin, cognisant of initiatives like the We Mean Business Coalition, 1% for the Planet, and B Corp accreditation helping to indicate good businesses worthy of custom. Now more than ever we are interrogating the purpose of new ideas that ask us to dig into our pockets – what is the impetus for your business, and why should I invest in your vision?

There's a clear solution to making the purpose and profit predicament sustainable, viable, and most importantly, achievable for businesses. Triple bottom line thinking speaks to a wider economic ambition that empowers people, planet, and profit in equal measure, without compromising on the products or services that answer to public desire and demand. We are in the throes of sustainable narratives taking priority over profit or contested greed – it's a collective effort that opens up space for authentic collaboration between traditional business practices and fresh perspectives. World-renowned outdoor clothing organization Patagonia making earth their only shareholder in 2022 is an example of a radical re-imagining of purpose, reminding us that now more than ever, it's time to do business differently. We've got an opportunity to cultivate a future that uplifts the global economy, instead of holding it back, and it's our responsibility to act on it.

Purposeful business that makes a profit is not a new idea, and is a conversation that has been developing for decades, evolving as new thought and research uncovers current and important issues to be addressed. As one part of an expansive creative industry, we've observed a keen focus on purposeful startups over big conglomerates – there's a skew towards high expectations for new businesses to start as they mean to go on, and a gradual increase in holding big names to account for their shortcomings.

It's often these emerging businesses that have the lofty ambitions, but aren't armed with the finances or resources to make it happen, whilst influential brands can withstand criticism whilst maintaining a healthy profit. There are VC funders with a vested interest in businesses positioned for good, but industry discrimination has a heavy hand in who receives the capital. Female-founded teams received just 2% of funding in 2021, with Black and Latinx female founders raising less than 1% – planet and people-led change needs to be structural, taking into question institutional bias, access, and representation, all whilst accounting for the planet in the same breath. It's a challenge, but an achievable and necessary exercise in triple bottom line thinking.

Reputation is a currency and a valuable asset. Being held in high esteem can propel your business forward, garnering trust, respect, and, you guessed it; a captive and paying audience. Being known as a pioneer in your field who actively embodies your mission and ambition is powerful, but establishing your authority in and beyond your industry begins with a question – what is at the

bedrock of your business?

Identifying your purpose and using it as a framework for your business plan requires a long-term mindset. Thought leadership, archiving your perspective, and empowering your vision is part of the long game. Measuring your success without arbitrary numbers calls for a new metric of impact; explore what your business accomplishments would be if it didn't mean hitting that 6 figure month, 50% cash-flow, or securing a dedicated team. Abandon the idea of a 5 year exit strategy, instead focusing on what a successful, multi-generational business could look like for you, and for those willing to part with their money.

There's no harm in using profit as an incentive, but untold riches doesn't, and shouldn't, be the end goal. Money is an enabler, a method of mobilising the purpose of your business into your end goal or outcome. Money might not lead to happiness, but it's *useful* – it removes financial stressors and cash-flow worries, allowing you to do the things you want to do, and to excel within and beyond your remit with meaning and intent.

Use your ambition as a means of motivation, harness the thrill of your idea into a strategy, and channel the buzz of your business into building a solid foundation. Start with purpose, and profit will follow.

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