Practice the Purpose Preach: Experimental Evidence on the Effect of Corporate Purpose on Workers’ Willingness to Go the Extra Mile

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**Motivation**

- In the last years, academics, business leaders, employees, investors, among others, increasingly call for a (re)definition of corporate purpose.
- Corporate purpose describes an organization’s reason for being in terms of an objective beyond profit maximization to create value by contributing to the welfare of society and planet.
- It embraces a higher narrative of how an organization’s core business activities contribute to the world’s grand challenges in a profitable way. Thus, it is not just a peripheral CSR activity like charitable giving, nor is it a pure mission description of what a business does and what value it provides to customers.
- Despite the increasing conversation about corporate purpose in business practice and several calls for more academic research on the subject (Gartenberg, 2021; George et al., 2021; Henderson, 2021; Hollensbe et al., 2014), there is still little research (especially empirical or even causal research) on the implications of embracing a pro-social corporate purpose in commercial organizations.

**Method**

- Two-phase natural field experiment run on an online labor marketplace (MTurk).
- Phase 1: Collecting personal attitudes towards purpose from 1576 workers.
- Phase 2: Completion of a real effort data entry task (incl. option for unrequired extra work) from 620 workers.
- 4 treatments manipulating purpose preach and purpose practice of a fictitious employer.

**Results**

- **No vs. neutral purpose**
  - Mean of completed extra work [0-10]: No purpose (1.82), Neutral purpose (2.79), Neutral vs. neutral purpose (2.07).
- **Neutral vs. authentic purpose**
  - Mean of completed extra work [0-10]: Neutral purpose (2.79), Authentic purpose (2.36), Neutral vs. authentic purpose (2.67).
- **Neutral vs. non-authentic purpose**
  - Mean of completed extra work [0-10]: Neutral purpose (2.79), Non-authentic purpose (2.07), Neutral vs. non-authentic purpose (2.67).

**Research Questions**

I. **What?** effect has the communication of a corporate purpose on workers’ provision of extra work effort?
   - H1: Extra work effort (+)

II. **When?** does the effect occur?
   - H2a: Authentic purpose practice (+); H2b: Non-authentic purpose practice (-);
   - H2c: Purpose-match (+)

III. **How?** does the effect occur?
   - H3a: Organizational pride (+); H3b: Meaning of work (+); H3c: Expected treatment (+)

**Key Findings**

I. **What?**
   - Corporate purpose causes workers to provide more extra work effort!

II. **When?**
   - If an organization practices the purpose preach!
   - If a purpose match between worker and organization exists!

III. **How?**
   - Through an increase in meaning of work!