

Why All Companies Need a Purpose

By Ron K. Barger, Head of Operations and General Counsel for ORIX Corporation USA

When you compare some of the most successful companies—like Apple, Southwest Airlines and Disney—you'll notice a common thread ties them together: Each company has a clear purpose, a reason for *why* they exist.

While most companies can tell you what they do and how they do it, the great ones can also tell you why they do it—and that is the essential ingredient for lasting success. In an article for *Fast Company*, the founder and CEO of organizational development company Sparktutes, Sherry Hakimi, highlights the importance of a company purpose: “An organization without purpose manages people and resources, while an organization with purpose mobilizes people and resources.”

Even though you can't see it, a purpose is always present. It shapes your culture, aligns your priorities and serves as a driving force in business decisions. Below are just a few ways that having a purpose can benefit your business.

Employees are more engaged. People today want to be part of something bigger than themselves, and that is something purpose provides. One survey from Deloitte showed that 73 percent of employees who work at a “purpose-driven” company are engaged, compared to 23 percent of those who don't.

Shareholders will take note. These days, shareholders want companies to be guided by a higher purpose. According to an article in the Harvard Business Review, “The companies that perform the best over time build a social purpose into their operations that is as important as their economic purpose.”

Partnership decisions become easier. When you have a clear purpose, it helps guide who you choose to partner with since you want to work with people and companies that share your common goals and values.

When you take the time to discover your purpose, you'll discover ways to infuse it into all aspects of your company—from the people you hire and the clients with whom you work to the team activities you plan and the philanthropic causes you support.

At ORIX Corporation USA, our purpose is clear: to steward a better tomorrow. The phrase was carefully chosen, as the meaning of “steward”—which involves the responsible planning and management of resources—embodies what we aim to do every day at ORIX. For our shareholders, stewarding a better tomorrow means we are prudent with our resources and conduct business in a reputable manner. For our employees, it means we develop, reward and engage our team members, enabling them to pursue their dreams. We steward a better tomorrow for our clients and partners by providing capital they can use to grow their own business, while our purpose is clear in the communities we serve as evidenced by the \$12 million our employee-led nonprofit—ORIX Foundation—has raised since its inception in 2009.

Our purpose drives everything we do, and we invite you to watch our video that delves deeper into our company's purpose.