

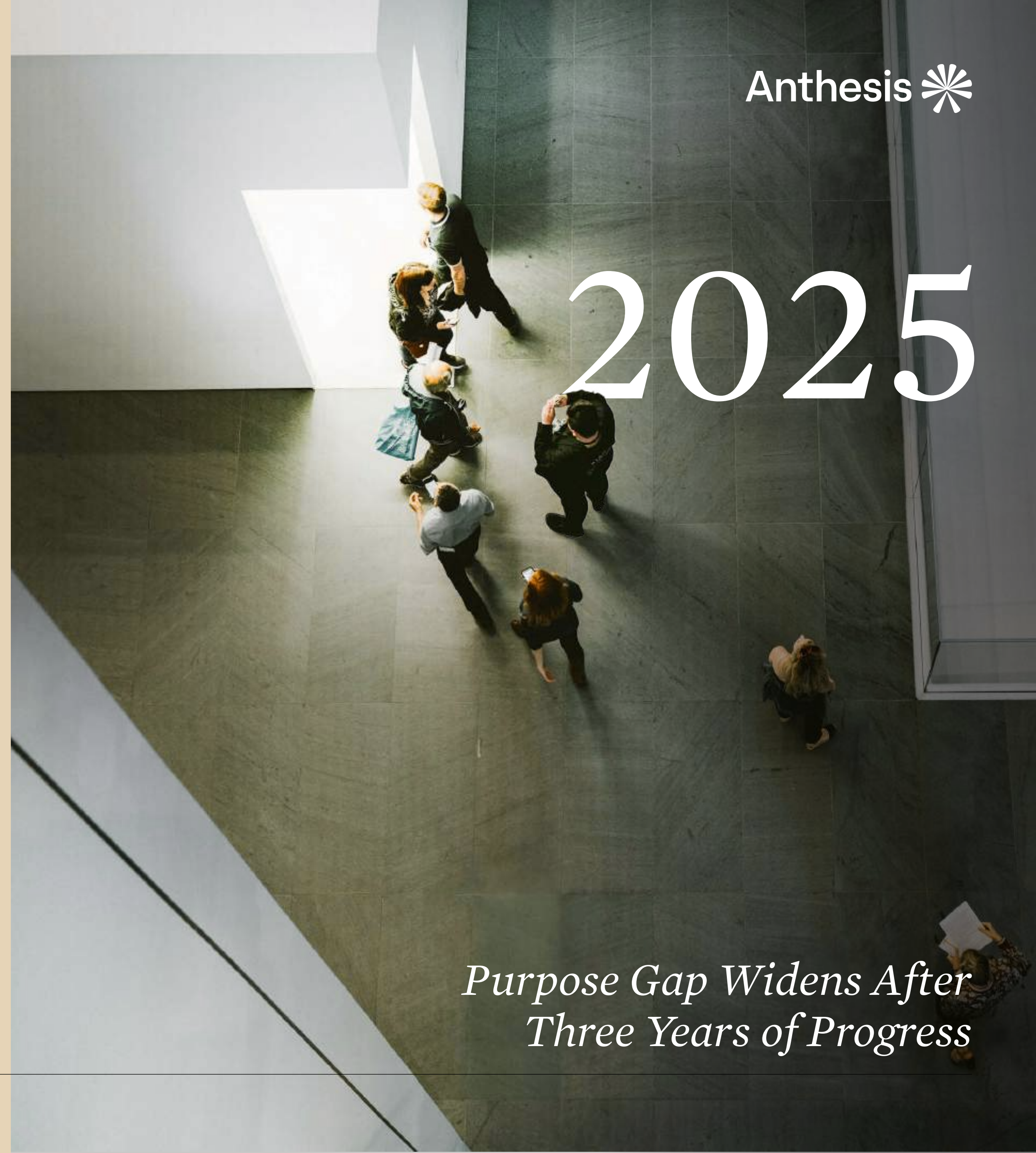
Purpose Gap

Mind the Gap

Anthesis 

2025

*Purpose Gap Widens After
Three Years of Progress*



Foreword

Purpose is under pressure. Over the last few years, we’ve celebrated progress as organisations moved from lofty purpose statements to meaningful action around profitably solving the problems of people and the planet. But this year, the story has changed.

For four years now, Anthesis has tracked the Purpose Gap – the difference between what organisations say about their purpose and how they actually deliver it.

After three years of steady improvement 2025 has seen the picture shift sharply. Sixty-one percent of employees now say their company’s purpose statements don’t match reality – a near 10-point increase from last year.

This is not happening in isolation. Geopolitical instability, shifting regulations, ESG pushback, and a cooling of sustainability investment all add to the pressure. As a result, many organisations are retreating.

But here’s the twist – and where things get the most interesting: while some retreat, others are doubling down. The share of employees who see full alignment between purpose and practice rose significantly from 22% to 35% year-on-year. This suggests there is a minority of organisations embedding purpose deeply into their operations and culture – and reaping the benefits.

The new story is polarisation. Some organisations are building resilience, loyalty, and growth through purpose. Others are sliding backwards.

But why does this matter? Because the ‘purpose payback’, is both real and measurable.

Purpose-driven companies saw 58% more revenue growth and 63% higher capital growth in 2023 (CECP, 2025). Over five years, their return on invested capital rose 12%, while non-purpose-led peers saw a decline. McKinsey found that employee engagement rose significantly to around 77% when purpose is embedded in strategy and feels personally relevant, compared to 20% when it’s neither.

Purpose is more than words on a page – it should be your organisation's north star.

When done well, it can act as a transformation agenda — a platform for growth, a blueprint for impact, and a rallying force for employees.

At Anthesis, we guide organisations towards Sustainable Performance – where addressing social and environmental challenges meet commercial, reputational, organisational and capital uplift. In uncertain times, purpose builds resilience, inspires loyalty and drives better decisions. But only if it’s lived. This year’s research shows where purpose is thriving, where it is faltering, and how leaders can turn it into a strategic advantage.

I hope you find these insights useful — and that they spark some reflection. Is your organisation one of the 7% that employees believe delivers purpose well? Or could you be among the majority who need to close the gap?

Please use this report to start conversations with fellow colleagues and leaders. And if you’d like to explore how to unlock the benefits of being a purpose-driven business, we’d love to hear from you.



Becky Willan
*CEO, Leadership & Change,
Anthesis Group*

Executive Summary

Chapter 01

The Gap is Growing

61%
of employees see misalignment between purpose and action, up from **52%** in 2024.

35%
now see full alignment, up from **22%** — signalling a small group of leaders pulling ahead.

Chapter 02

Purpose Still Matters

91%
of respondents say purpose is important in today’s economic climate.

98%
of C-level executives say purpose is important in today’s economic climate.

Chapter 03

Retention Risk is Rising

66%
of respondents would consider leaving if their employer failed to deliver on purpose, up from **47%** last year.

18%
of employees and **26%** of executives are actively considering leaving now.

Chapter 04

Everyone Sees Benefits

96%
of respondents believe purpose brings positive benefits.

Executives identified an **average of 5** benefits from a predefined list, while **employees chose 3–4**.

Chapter 05

But Delivery is Weak

7%
of respondents are satisfied with how purpose is delivered.

50%
feel confident applying purpose in daily work.

Chapter 06

Smaller Beats Bigger

41%
of smaller-company employees (250-500 people) see full alignment, vs **26%** in large firms (5,000+).

58%
feel empowered to act on purpose, vs **33%** in large firms.

Chapter 07

The “Other” Purpose Gap

64%
of executives think purpose is fully aligned.

24%
of employees agree.



How to use this report

We’ve structured our report to provide both insight and action.
Each section presents data alongside practical ideas and examples.

Use it to:

- Benchmark your organisation’s performance on purpose.
- Start leadership conversations on the business case for alignment.
- Identify actions to close your own Purpose Gap.

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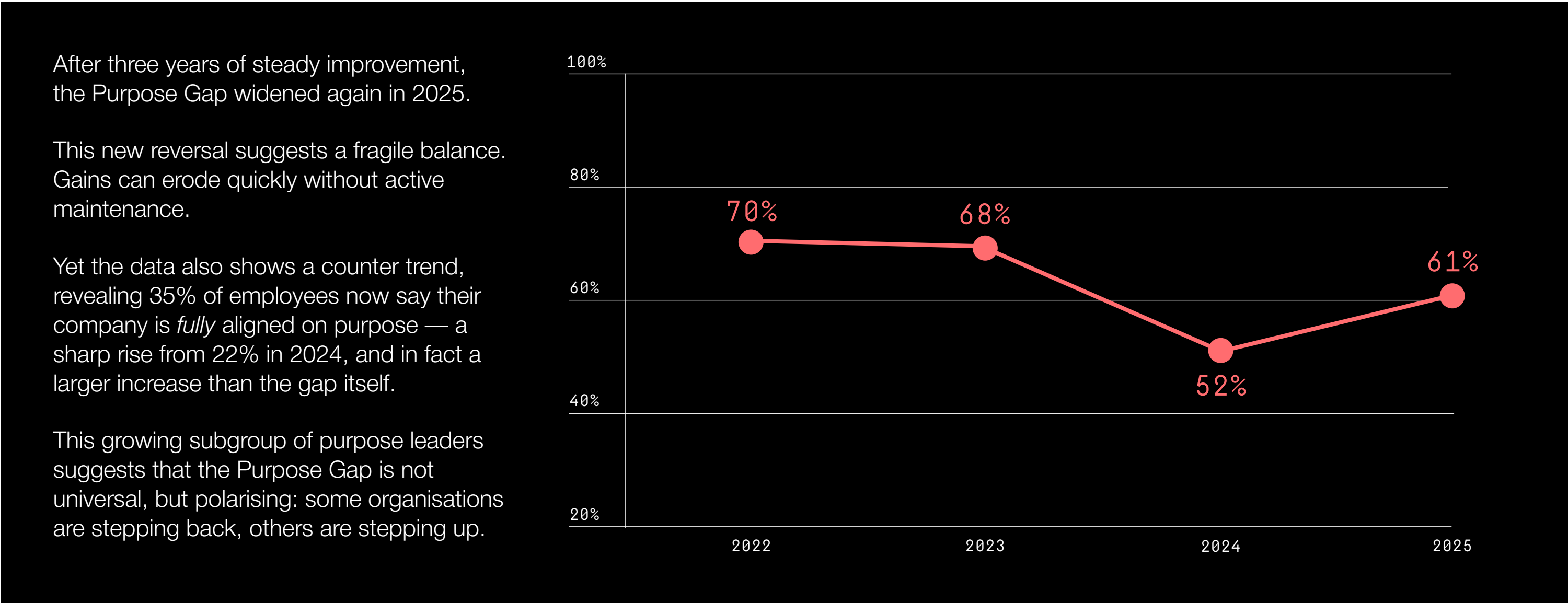
Chapter 01 —

The Purpose

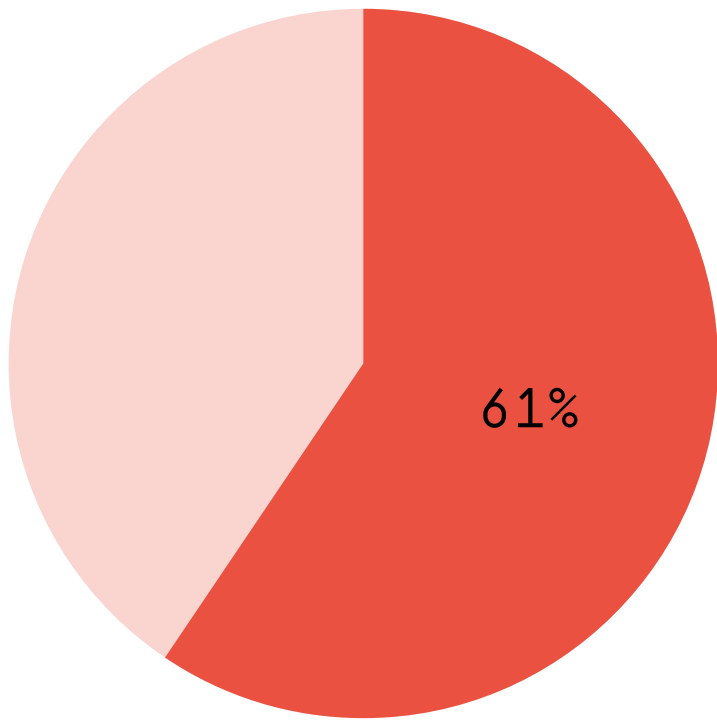
Gap



The Gap is Back — *and It’s Polarising*

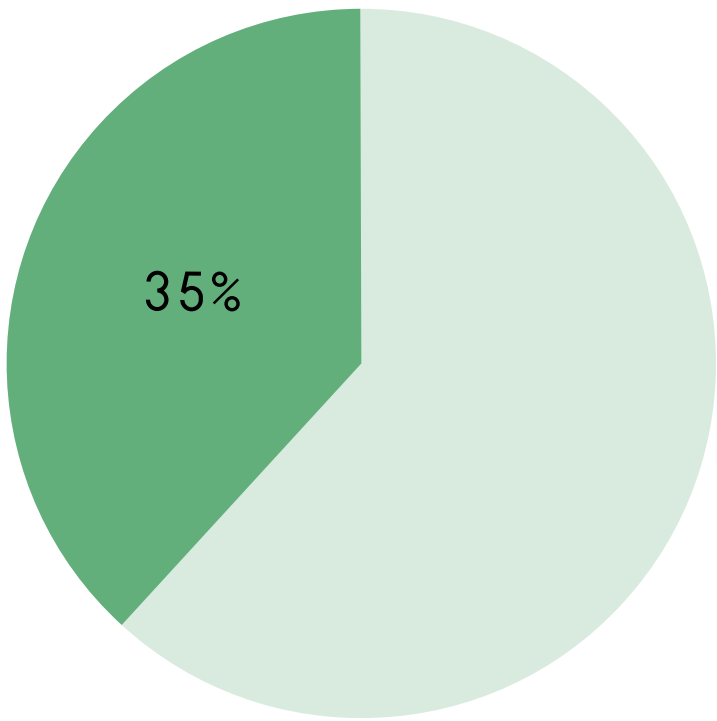


Respondents that say there’s a misalignment between stated purpose and day-to-day action



UP FROM 52% IN 2024

Respondents that say their company is fully aligned



UP FROM 22% IN 2024

What is the Purpose Gap?

The difference between what organisations communicate and what they actually deliver when it comes to purpose.

External pressures matter

Geopolitical instability, inflation, and energy security concerns are forcing hard trade-offs. Capgemini reports nearly two-thirds of executives say geopolitical tensions are slowing sustainability investment. Meanwhile, international firms have begun mentioning geopolitics in their SEC filings in the US more frequently than ESG, sustainability, and climate change, according to World Economic Forum research.

Internal choices matter more

The 35% who report full alignment show that purpose can still thrive. These companies are reframing purpose as a growth driver, not a cost burden.

Embedding purpose and values correctly is about instilling culture: the ‘how things are done around here’ mentality. It also requires linking purpose and performance. This takes time to put into place, but once there it is likely to endure far longer than surface-level or piecemeal initiatives.

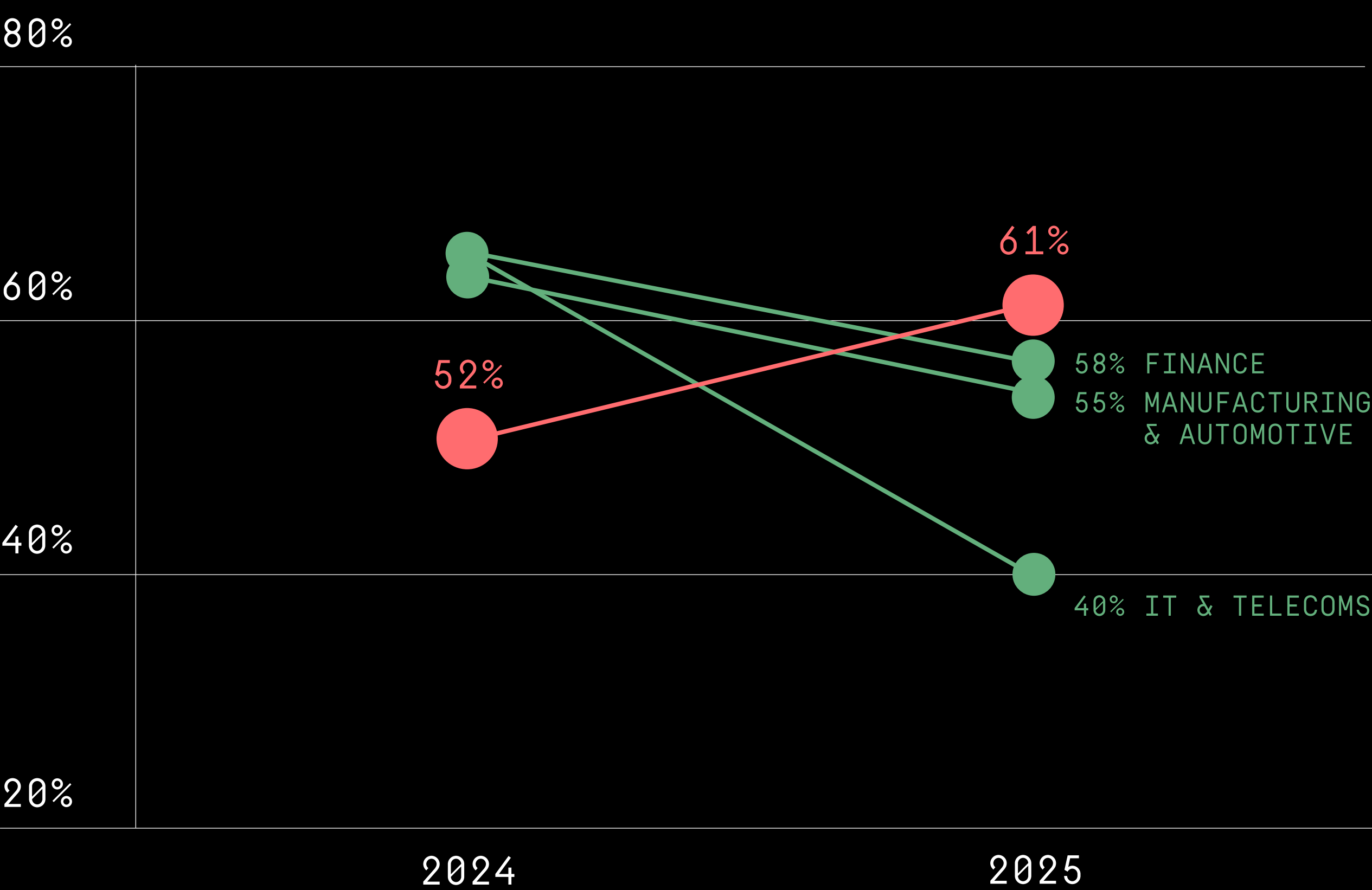


Who’s closing the gap?

These industries are under intense pressure: regulatory scrutiny, rapid technological change, and fierce competition for talent. But instead of retreating, many have turned purpose into a strategic enabler.

- **In IT and Telecoms**, the culture of innovation and agility often found in this sector makes it easier for purpose to be felt and lived across teams.
- **In Manufacturing and Automotive**, the shift to electrification and circularity has made purpose a business imperative — bringing it to life, rather than remaining a brand statement.
- **In Financial Services**, purpose is being aligned with sustainable finance and impact capital, helping firms navigate compliance while driving long-term value.

THE PURPOSE GAP BY SECTOR: NARROWING GAP



Key insight

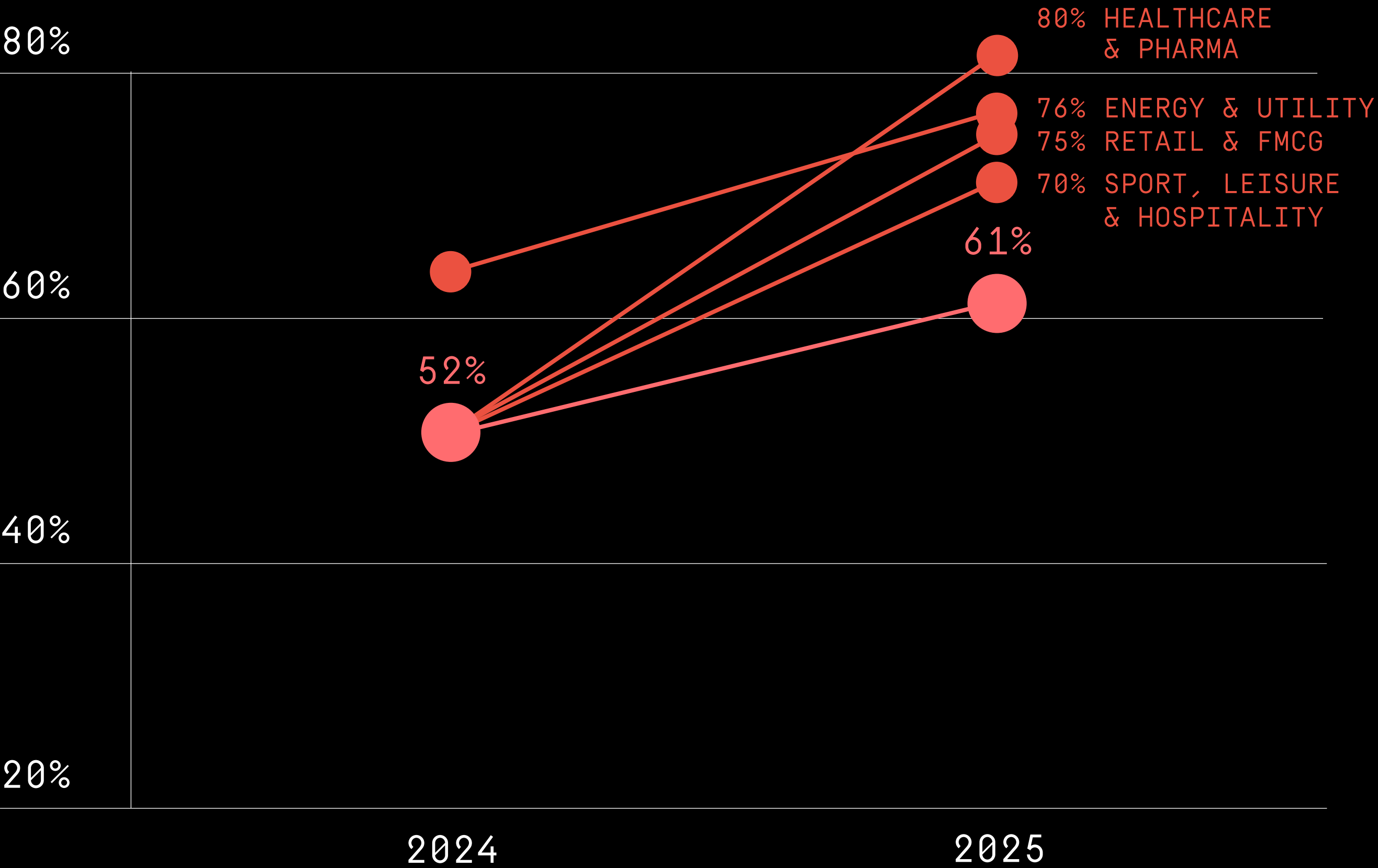
When purpose supports transformation, it becomes a competitive edge.



Who’s falling behind?

- These sectors are overwhelmingly seeing purpose collide with short-term realities.
- **Healthcare & Pharma** sees the widest Purpose Gap in our data. This is surprising for what is an inherently purposeful sector. Read on for our healthcare sector deep dive.
 - **Energy security, cost-of-living pressures, and post-pandemic recovery** are shifting focus to survival.
 - In **Retail and Hospitality**, labour shortages and cost-cutting make purpose feel like a constraint – not a catalyst.

THE PURPOSE GAP BY SECTOR: NARROWING GAP



Key insight

When purpose is sidelined, commitments dilute and employee scepticism grows.



Healthcare under the microscope

Bridie O’Boyle

Global Healthcare & Pharma Sector Lead, Anthesis

Most strikingly, among the 13 sectors studied, Healthcare & Pharmaceuticals (H&P) reported the widest Purpose Gap. Healthcare & Pharma should be purpose leaders. Saving lives and advancing science is inherently purposeful. Yet 80% of employees say their organisations are misaligned.

Why?

Employees say purpose feels like “everyone’s responsibility” — but also report the lowest levels of empowerment and confidence in using purpose. Despite clear sustainability efforts (decarbonising supply chains, improving clinical diversity, reducing waste), many staff don’t feel these strategies connect to their day-to-day work.

This study also comes at a time when many organisations are going quiet on purpose initiatives. Factors such as backlash against ESG and DEI, political tensions, scrutiny of sustainability claims, the rapid rise of AI, inflationary pressures, and complex new legislation have prompted companies to revisit programmes and messaging strategies, as evidenced in our [Cost of Silence](#) report.

This disconnect risks undermining both credibility and employee engagement.

Yet H&P companies are well positioned to navigate this period by showing how sustainability and impact initiatives reinforce strong scientific foundations and a patient-centered mission, ultimately driving both societal outcomes and long-term business value.

The first step is to clearly define this narrative for the business and communicate it to employees. Next, organisations should:

- Assess how they measure and demonstrate progress against their purpose narrative
- Understand whether employees feel empowered to engage with and act on purpose
- Identify real examples of purpose in action across the organisation, including leadership role modelling

With these insights, H&P organisations can strengthen their sustainability strategies, tie them more closely to measurable and quantifiable business outcomes, and set refreshed goals, actions, and KPIs to drive progress.

Regular, transparent communications, both internally and externally, will also be key, alongside creating channels for employees to engage, participate, and champion purpose-driven initiatives.



The Big Picture

The Purpose Gap isn't about words vs. actions. It's about choices: is purpose a distraction, or is it a platform for growth?

The 35% of companies where purpose is aligned will emerge stronger. The rest risk losing trust, talent, and relevance.

Chapter 02 —

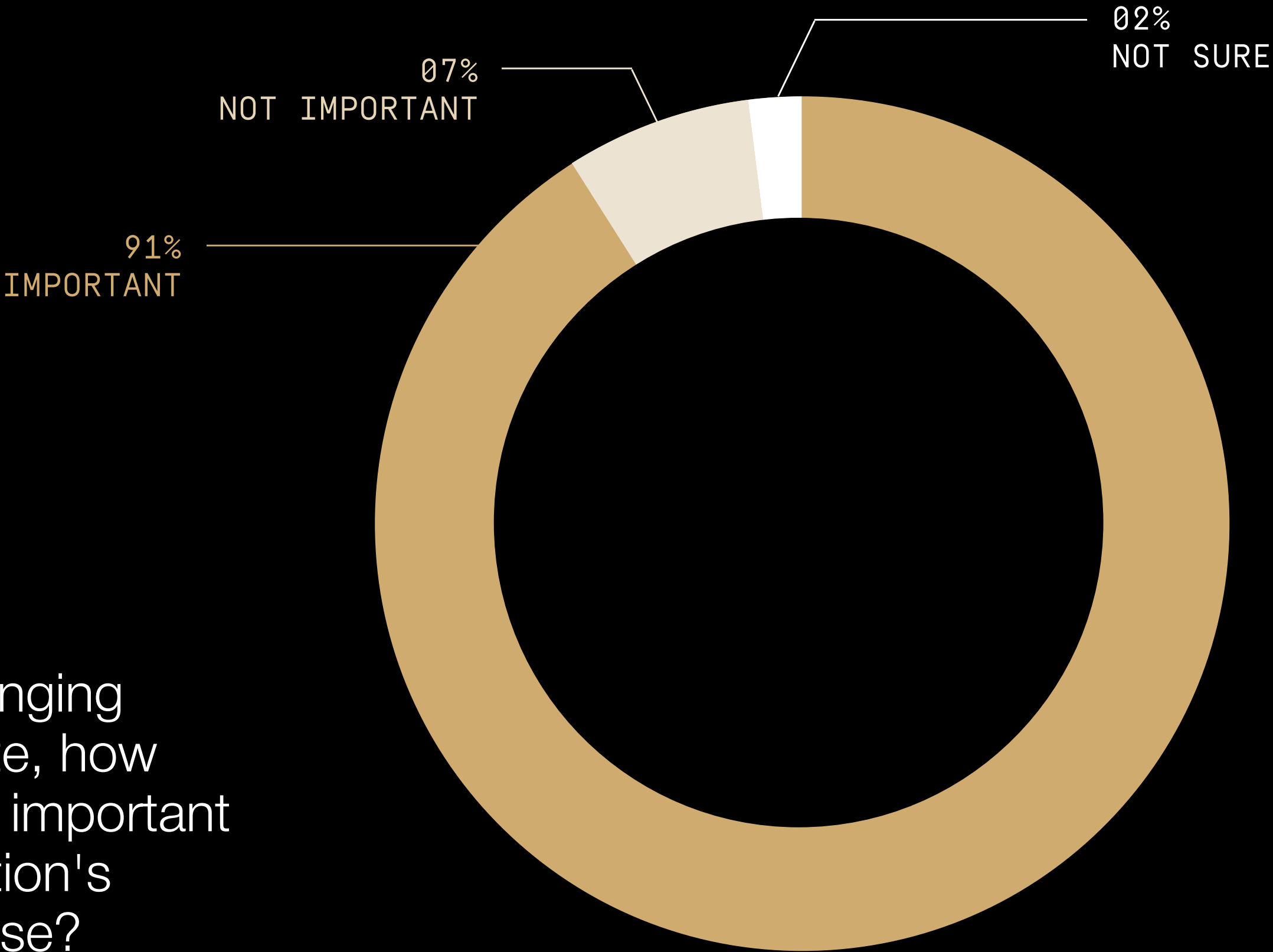
Purpose Still Matters,

A photograph showing the silhouettes of several people standing in front of a large window, looking out at a sprawling city skyline under a blue sky with scattered clouds. The people are positioned in the foreground, their forms dark against the bright light coming from the window. The city below is densely packed with buildings, and a body of water is visible in the distance.

Even in
Today's
Uncertainty

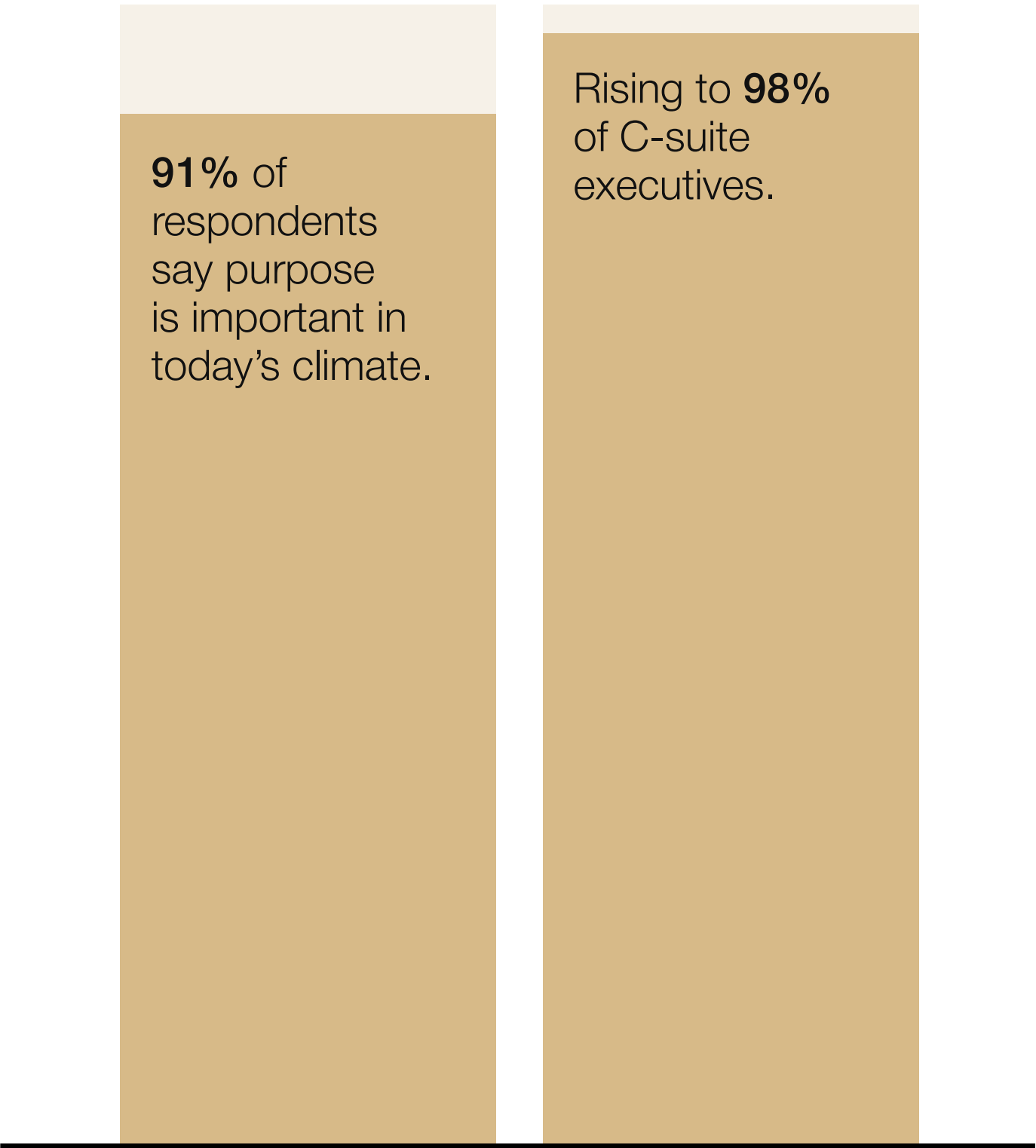
Purpose Hasn't Lost Its Power

In today's challenging economic climate, how important or not important is your organisation's corporate purpose?



In turbulent times, it might be tempting to assume purpose would fall down the priority list for both leaders and their teams.

But the data says otherwise:



Despite economic and political pressures, belief in purpose remains almost universal.



Why it matters now.

In times of uncertainty, purpose acts as both compass and anchor. It helps teams make better decisions, stay focused, and keep aligned when everything else is shifting.

Anthesis’ [Leading Through Uncertainty](#) report found 70% of employees believe senior leaders need to be better equipped to navigate global challenges. The three main things they said they want from leaders are: clarity, positivity and **purpose**.

The paradox.

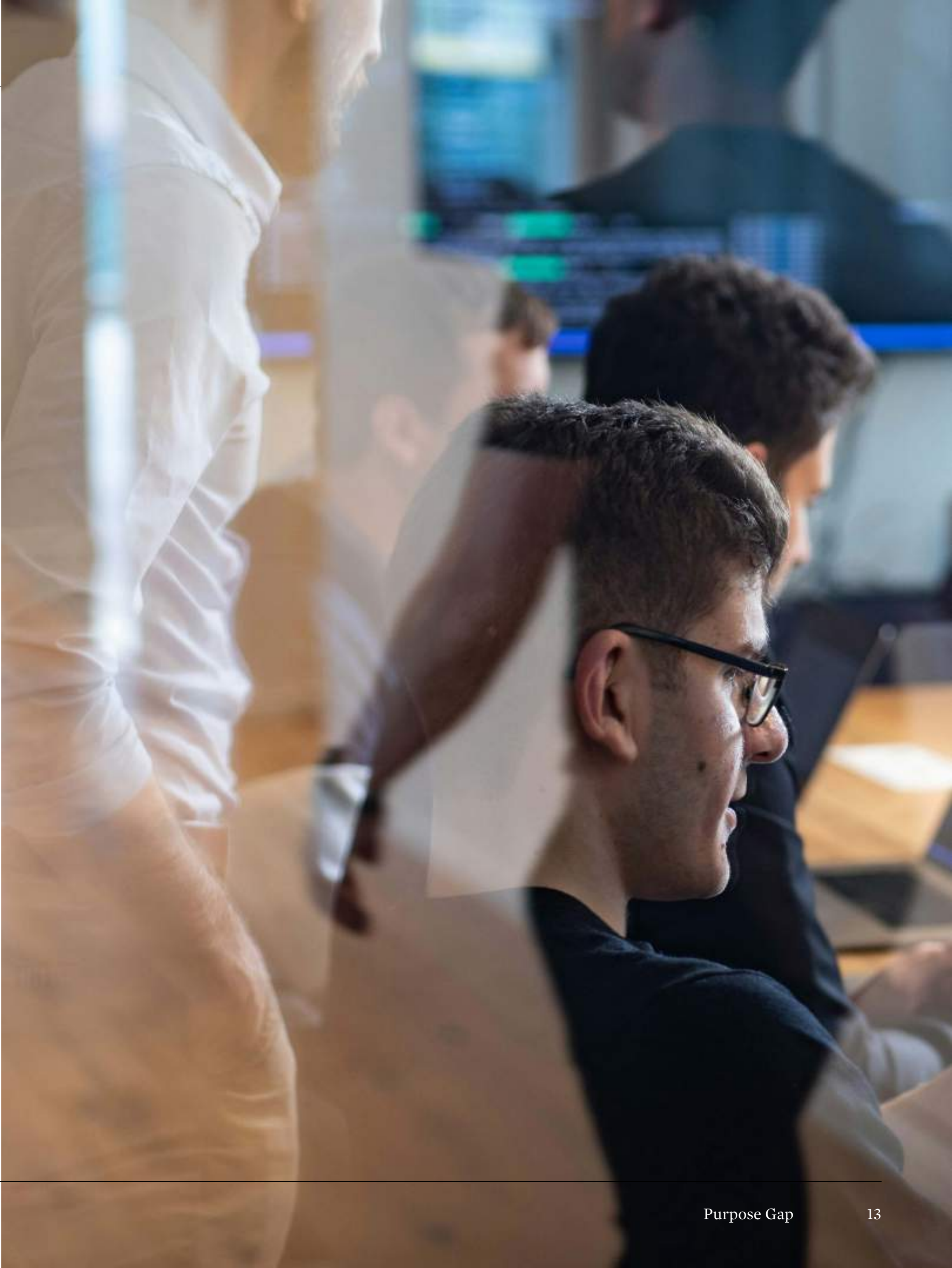
While individuals still believe in purpose, companies are retreating from public statements. Bloomberg reports 76% of S&P 500 firms now talk less about environment than they did three years ago. This is just one manifestation of business purpose but is a clear demonstration of companies becoming much quieter.

Employees feel that silence. They see purpose statements existing without visible follow-through, especially around inclusion and environmental action. This vacuum results in confusion and mistrust.

The opportunity.

If external messaging feels risky, now is the time to focus on internal culture and everyday decisions. Employees say they don’t need grandstanding. They need clear guidance, stronger leadership, and transparency on progress, as we’ll demonstrate later.

When authentic, purpose can help keep decisions grounded, trust intact, and teams energised – even when external conditions are uncertain.



Chapter 03 —

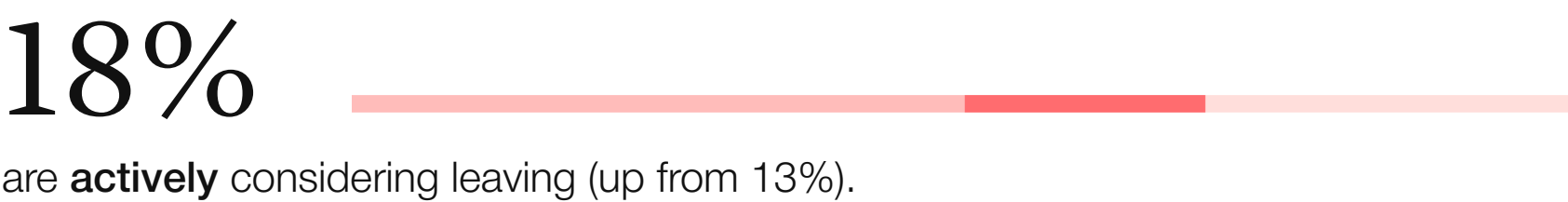
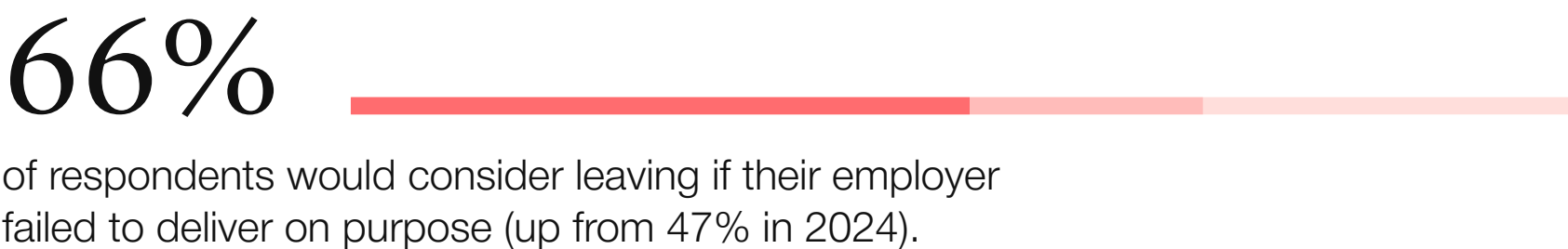
The Cost

of Inaction



Purpose as a Retention Risk

The widening Purpose Gap isn't just a communications issue. It's a retention issue – and one that's growing sharper.



This jump signals mounting frustration. Employees are increasingly unwilling to tolerate a mismatch between what companies say and what they do. If we see that purpose matters to employees, but there is a growing gap between what we say and do, then it shouldn't be surprising that trust erodes alongside belief and ultimately loyalty.

Clearly, there will be a multitude of reasons and factors towards a major life decision like changing jobs, so it can be hard to attribute causality to purpose specifically. But what we can see from the data is that purpose increasingly matters to employees.

Whichever way you look at it, dissatisfaction amongst two-thirds of employees presents risk: not only from a retention perspective, but also from a performance one.





The implications.

Attrition costs are high — the Society for Human Resource Management estimates up to 35% of annual salary per person, with recruitment alone taking an average of 40 days. Beyond cost, high turnover disrupts leadership continuity, erodes institutional knowledge, and signals instability to markets and employees alike.

Executive churn is also rising — Korn Ferry reports a 12% year-on-year increase. If purpose slips, the very leaders tasked with steering organisations may be the first to leave.

The Cost.

Purpose often gets dismissed as abstract — a slogan, a line in the annual report. But the cost is very real. Research by Gallup suggests the global cost of low employee engagement is around \$8.8 trillion.

Organisations are losing money through three key factors: disengagement, churn and reputation.

To illustrate, let's imagine a UK-based company:

Made Up Co.

- 5,000 employees
- £750m annual revenue

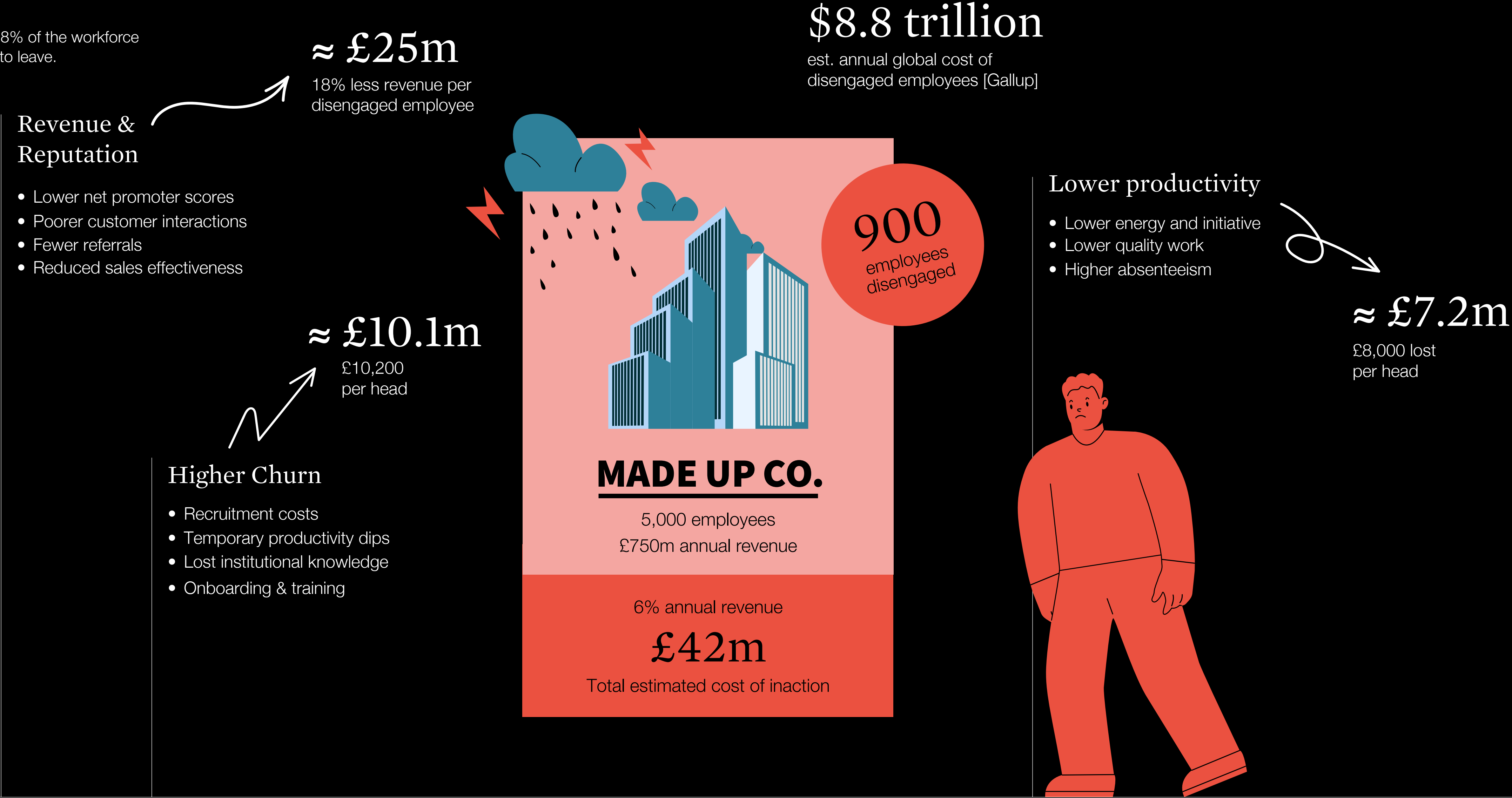
Over the following pages, we explore two very different scenarios – the Cost of the Purpose Gap and the Purpose Payback – which estimate the costs of purpose over the course of a year.

The ripple effect.

Employees don't only vote with their feet — they disengage before they go. Lost productivity, weaker advocacy, absenteeism, and cultural drag all add to the financial and reputational bill.

The Cost of the Purpose Gap

Estimated costs if 18% of the workforce are actively looking to leave.



The Purpose Payback

A 10% uplift in employee engagement could result in...

≈ £75m

10% uplift in revenue

Revenue & Reputation

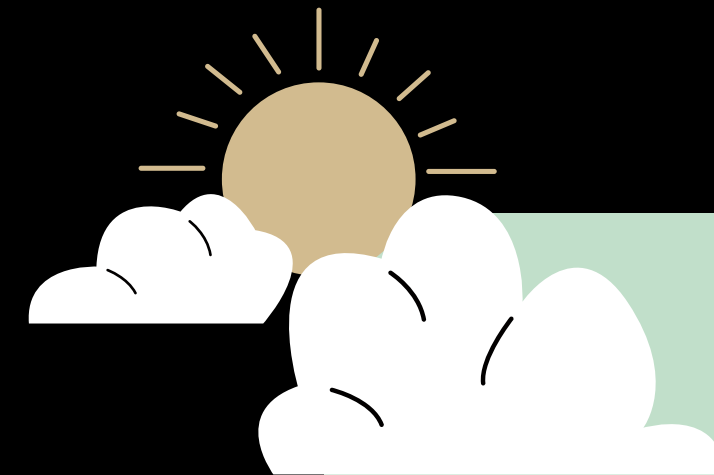
- Improved net promoter scores
- Higher quality customer experiences
- More referrals / higher customer retention
- Increase in sales effectiveness

≈ £5m

Approx 450 fewer exits

Reduced Churn

- Stronger workplace culture and morale
- Lower recruitment and training costs
- Regain 6-12 months per head in time and productivity lost to onboarding and recruitment



MADE UP CO.

5,000 employees
£750m annual revenue

12% annual revenue

≈ £90m

Total estimated payback



≈ £10.5m

14% uplift in productivity per head

Increased productivity

- Higher energy and motivation
- Clearer work focus
- 30% higher innovation



500
employees
more engaged

Additional Halo Effects

Beyond these core metrics, companies that embed purpose well often benefit from:

- **Reduced salary pressure**
71% of workers say they would take a pay cut to work for purpose-led companies (*LinkedIn Global Talent Trends*).
- **Reputation resilience**
stronger brand trust and lower acquisition costs due to fewer net detractors.
- **Innovation advantage**
purpose-driven firms report 30% higher innovation rates (*Deloitte*).
- **Financial outperformance**
stronger revenue and ROIC growth over time (*Chief Executives for Corporate Purpose*).



The Big Picture

The numbers for Made Up Co. are, of course, illustrative – designed to bring the Purpose Gap into stark relief. But they’re grounded in real estimates and dynamics seen across sectors.

For a company of this size, misalignment on purpose could quietly drain around 5–6% of annual revenue.

On the flip side, purpose done well isn’t just a cultural win – it’s a commercial one. Conservative estimates, based on accumulative research, suggest that organisations with high purpose alignment could see an uplift of around 12% in performance and growth.

This figure mirrors the 12% increase in ROIC growth seen over a five-year period by purpose-led companies, reported by CECP.

In our illustration, the difference between neglect and an increase in alignment for Made Up Co. could be a swing of more than £130m per year.

The point is, when delivered authentically, purpose becomes more than a statement. It can be a measurable growth engine.

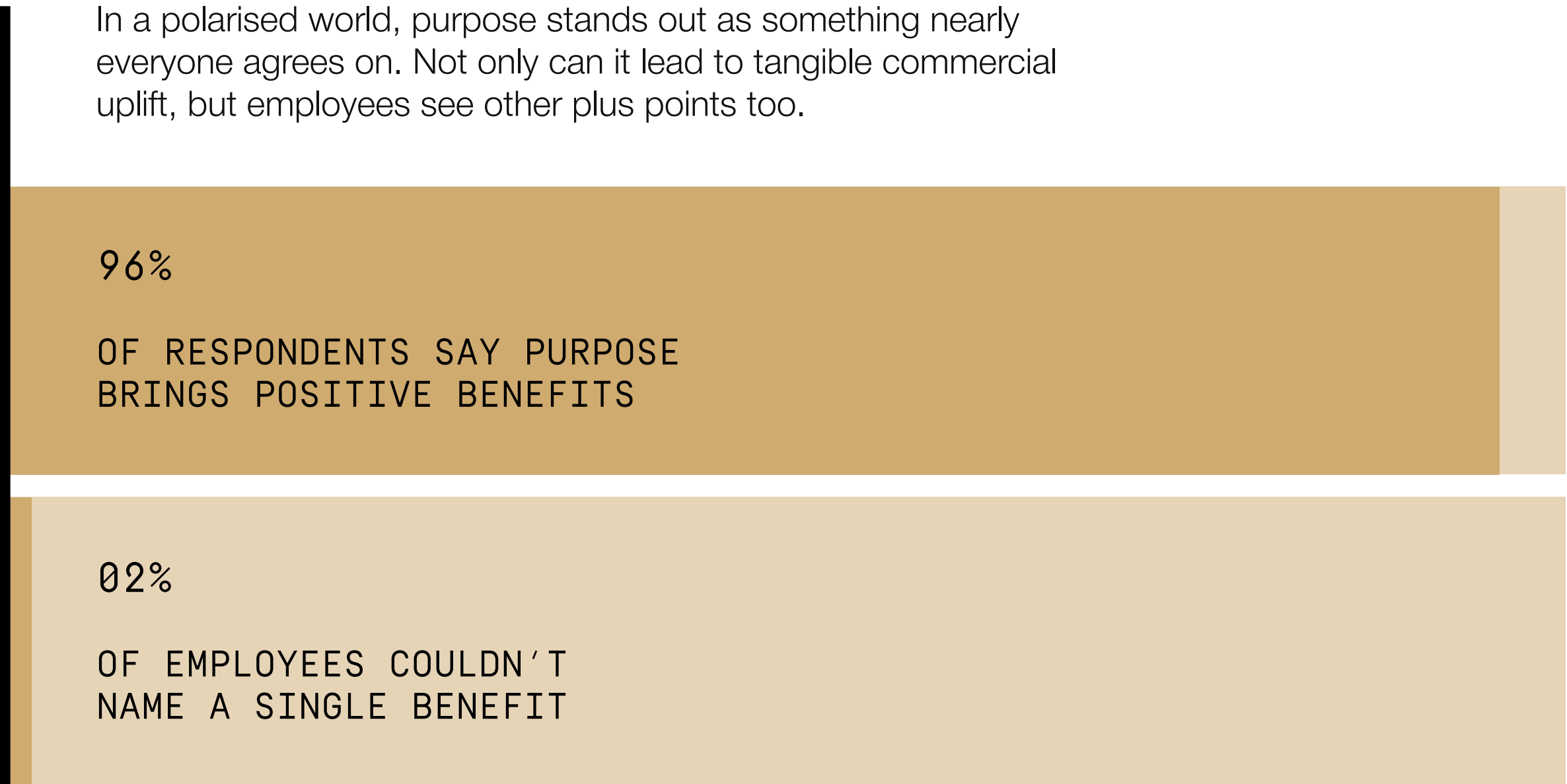
Chapter 04 —

The Empowerment

Gap



Everyone (well nearly) agrees that purpose has benefits



From a list of eight suggestions, senior leaders aligned with five answers on average; while employees opted for between three and four.

Top five benefits of purpose:

- 1. Increased employee engagement
- 2. Strengthened brand & reputation
- 3. Stronger collaboration
- 4. Improved company culture
- 5. Better decision-making

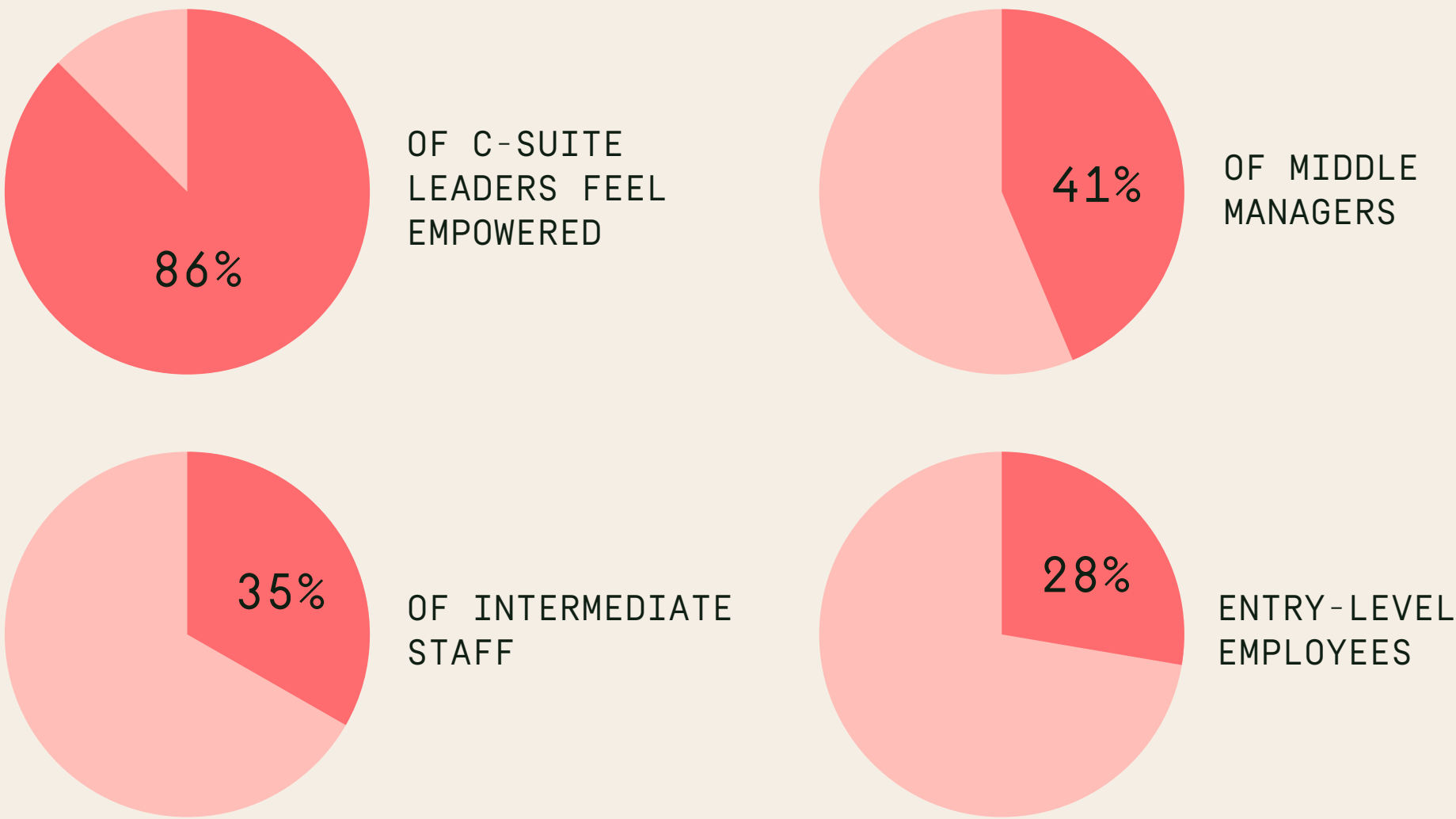


Even if purpose is strongly supported – our data shows it is weakly delivered. Only 7% of employees are completely satisfied with how purpose is delivered. And when we look at sector-specific data, the results become even more concerning.

In both the Food & Agriculture sector and in IT & Telecoms, only 2% of employees surveyed were satisfied with how purpose was delivered.

And on average, across all respondents, in all sectors only half feel confident applying it in daily work, with confidence declining sharply with seniority.

LEVELS OF EMPOWERMENT TO MAKE DECISIONS USING THE COMPANY PURPOSE, BY SENIORITY



The bottom line: the message is clear. A well-crafted business purpose means little if employees aren’t equipped to act on it. They are not asking for big public gestures. Turning purpose from words into action requires targeted education, practical tools, and leadership that models the way. Without these, the gap between belief and delivery will persist.



Chapter 05 —

Big Fish,

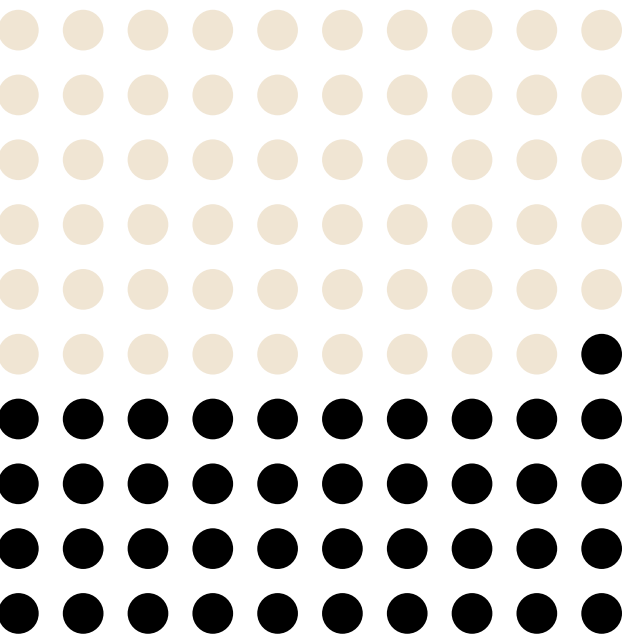
Little Fish



Large Companies Can Learn from Small Companies

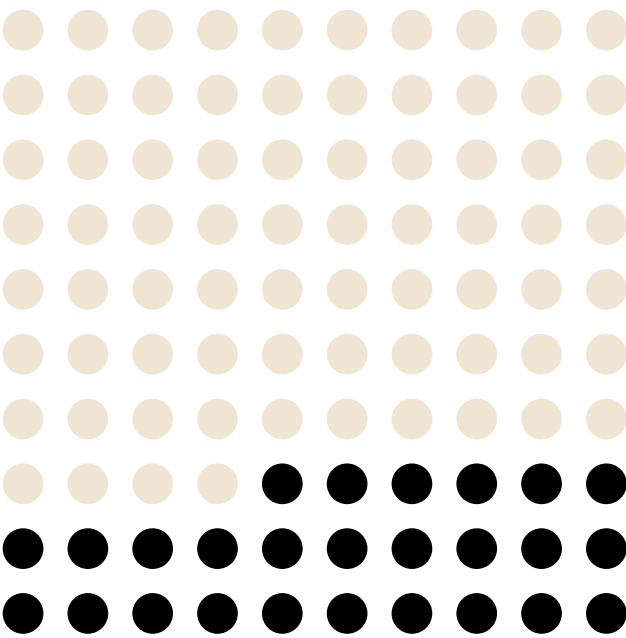
Purpose thrives when people feel close to it. That’s why smaller organisations often outperform larger ones.

THE PURPOSE GAP, BY COMPANY SIZE



41%

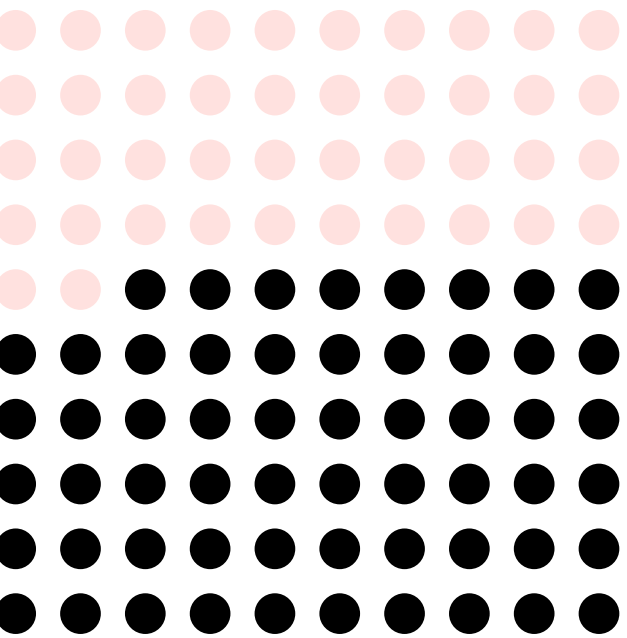
of employees in smaller firms (250-500 employees) say their company is fully aligned on purpose.



26%

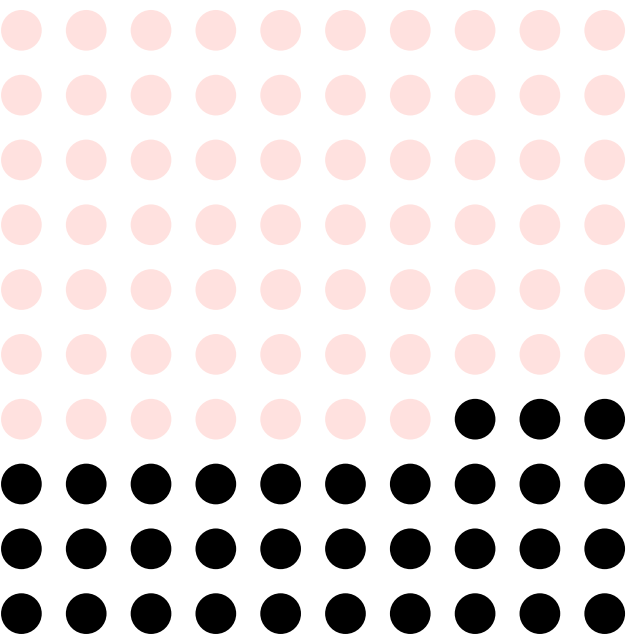
Of those in the largest firms (5,000+ employees) say the same.

THE EMPOWERMENT GAP, BY COMPANY SIZE



58%

of employees in smaller firms feel empowered to act on purpose.



33%

Of employees in large organisations say the same.

(NB. This report focuses on mid to large-sized organisations and does not provide data around SMEs – those with fewer than 250 employees. This is because comparing very small businesses with the types of clients we typically support may not yield meaningful insights.)

Why the difference?

Throughout our research, employees of smaller businesses consistently answered more positively about their experience with their company purpose.

In big companies, purpose can get lost in bureaucracy, diluted by layers of management, and obscured by inconsistent leadership. Whereas in smaller firms, visible ownership and closeness to senior leaders makes purpose feel more personal and actionable.

The lesson for large companies: purpose needs proximity. Leaders at larger organisations must work to decouple purpose from bureaucracy and create a culture where purpose is visible, accessible, and personally relevant to employees at all levels.



Case Study

Mars Petcare

Mars, a global and complex organisation, shows that scale doesn’t always have to dilute purpose. Their approach includes:

Clear purpose architecture aligned with six themes relevant to their business.

Strong brand integration with a three-tier brand framework.

Measurement System - the Mars Compass, links executive pay to financial and non-financial purpose-driven KPIs.

Tools and Platforms - like Mars Acts, for employees to take personal action.

Consistent Communication - from moonshot programmes (e.g., End Pet Homelessness) to daily drumbeat stories.

Adaptability & Humanity – In moments of crisis (COVID-19, Ukraine), Mars visibly lived its values by prioritising employee safety and creating channels for meaningful action.

Personalisation – Employees are supported in expressing their own version of “the world we want tomorrow,” fostering engagement and connection.

By combining clarity, accountability, and employee empowerment, Mars has embedded purpose across its multinational operations – proving that big companies can learn from small ones.

The takeaway: size doesn’t have to be a barrier. With structure, accountability, and communication, even the largest organisations can make purpose feel personal and lived.



Chapter 06 —

The "Other"

Purpose Gap

Leaders and Employees Live in Different Realities

Behind the main Purpose Gap lies another – the gulf between how **leaders** and **employees** perceive their organisation’s alignment on purpose.

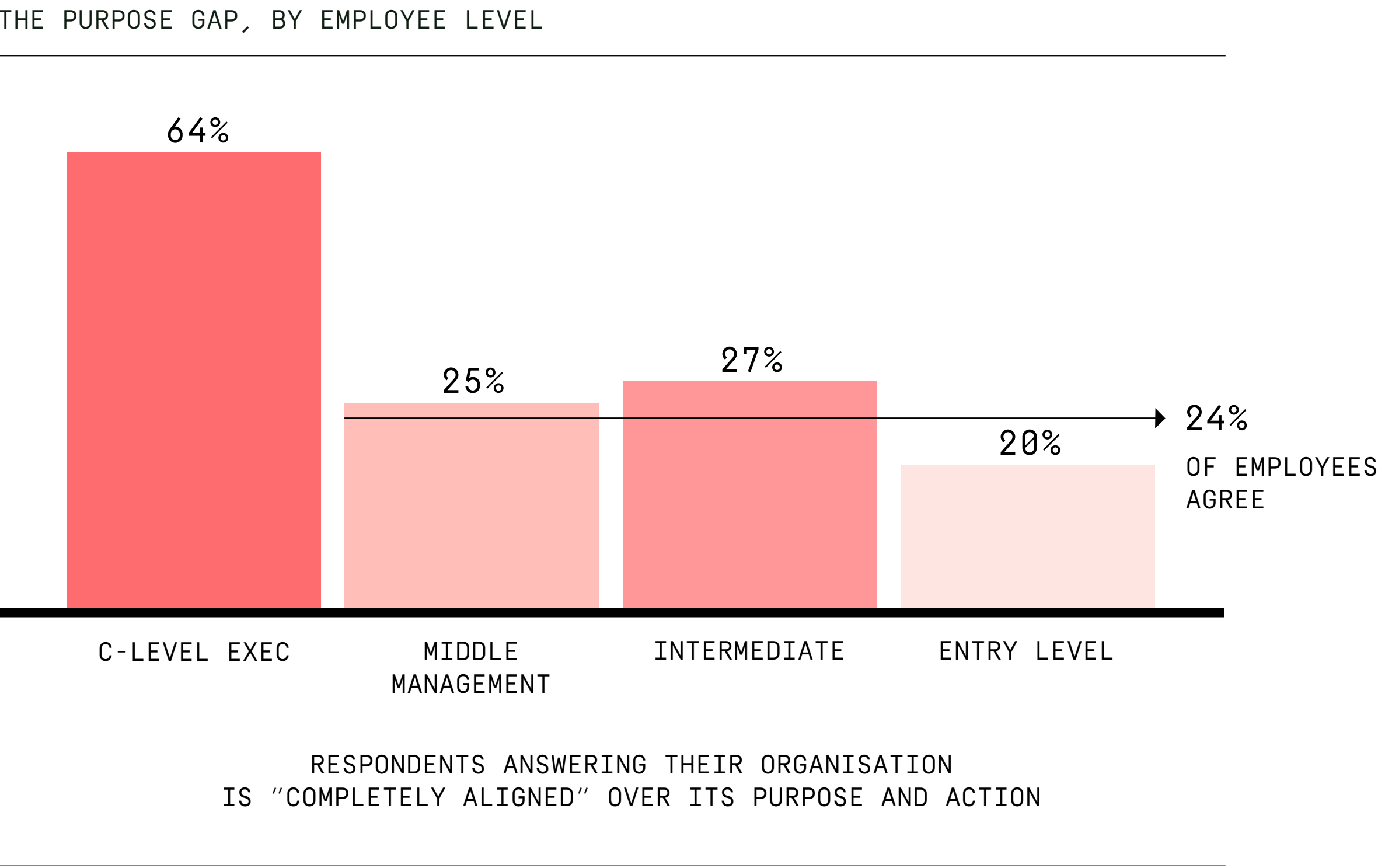
While almost two-thirds of C-level executives believe their company is fully aligned with its purpose, on average less than a quarter of their staff agree.

This “Other Gap” reveals a disconnect between those at the top and those living the day-to-day culture.

The Empowerment Gap mirrors the same pattern.

Why middle managers matter.

As Paul Polman et al write, middle managers are the “hidden actors and unsung heroes” of sustainability and purpose. Without them, initiatives fail. Yet our data shows they lack the confidence and empowerment critical to delivery.



What's driving the gap?

01. Overconfidence at the top

Leaders may believe purpose is fully embedded because they see high-level strategies and progress reports.

02. Weak communication

Employees further down don't see clear examples or feel involved.

03. Lack of capability-building

Staff are often not trained or supported to use purpose in daily decisions.

The fix

Leaders must get closer to the action. Weekly or bi-weekly check-ins with direct reports, better role-modelling, clearer communication, and education at all levels can narrow the Other Gap.

Without this, purpose risks being a leadership illusion rather than an organisational reality.



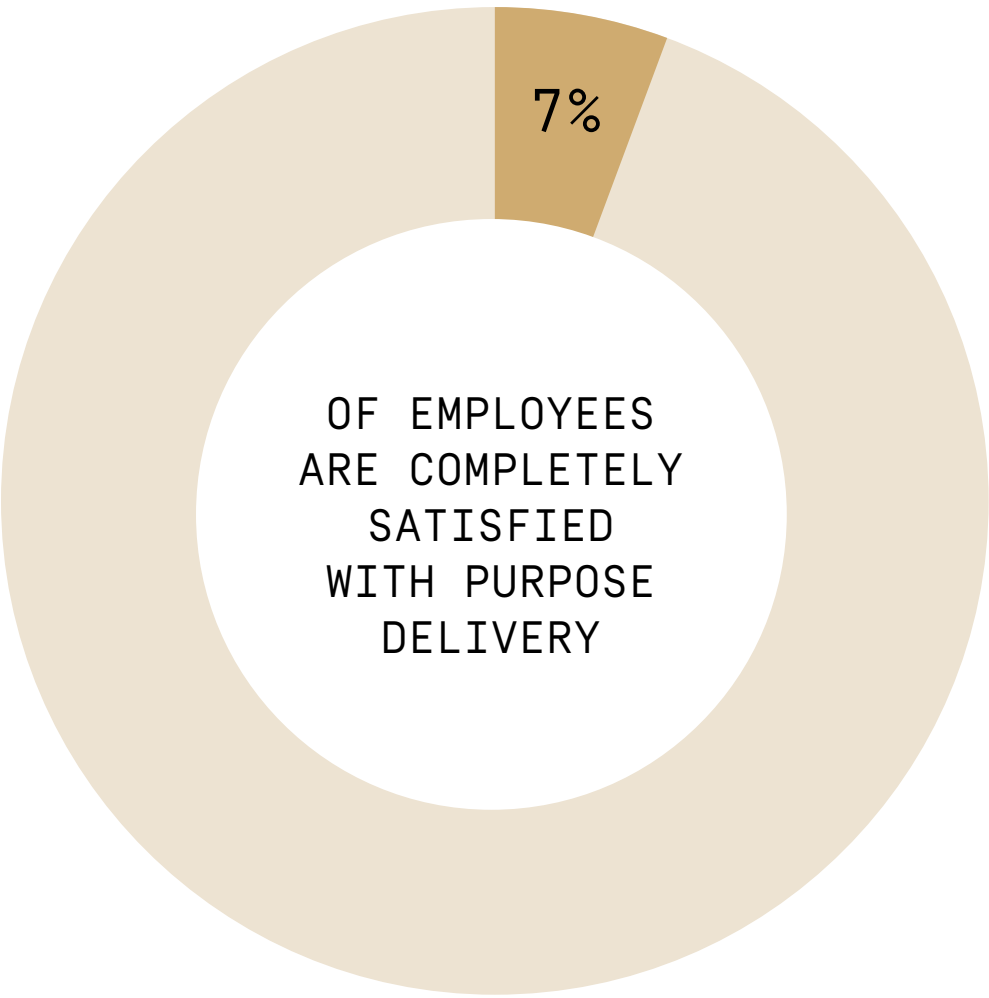
Chapter 07 —

Closing the

Purpose Gap



From Data to Action



Five areas for change:

- I. Role-modelling
- II. Transparency
- III. Guidance
- IV. Communication
- V. Involvement

The message is clear: purpose has slipped down the agenda for many businesses – and with it employee engagement. To reverse this trend, companies need to make it a core business priority once again — not a side project, but as a driver of strategy, culture, and performance.

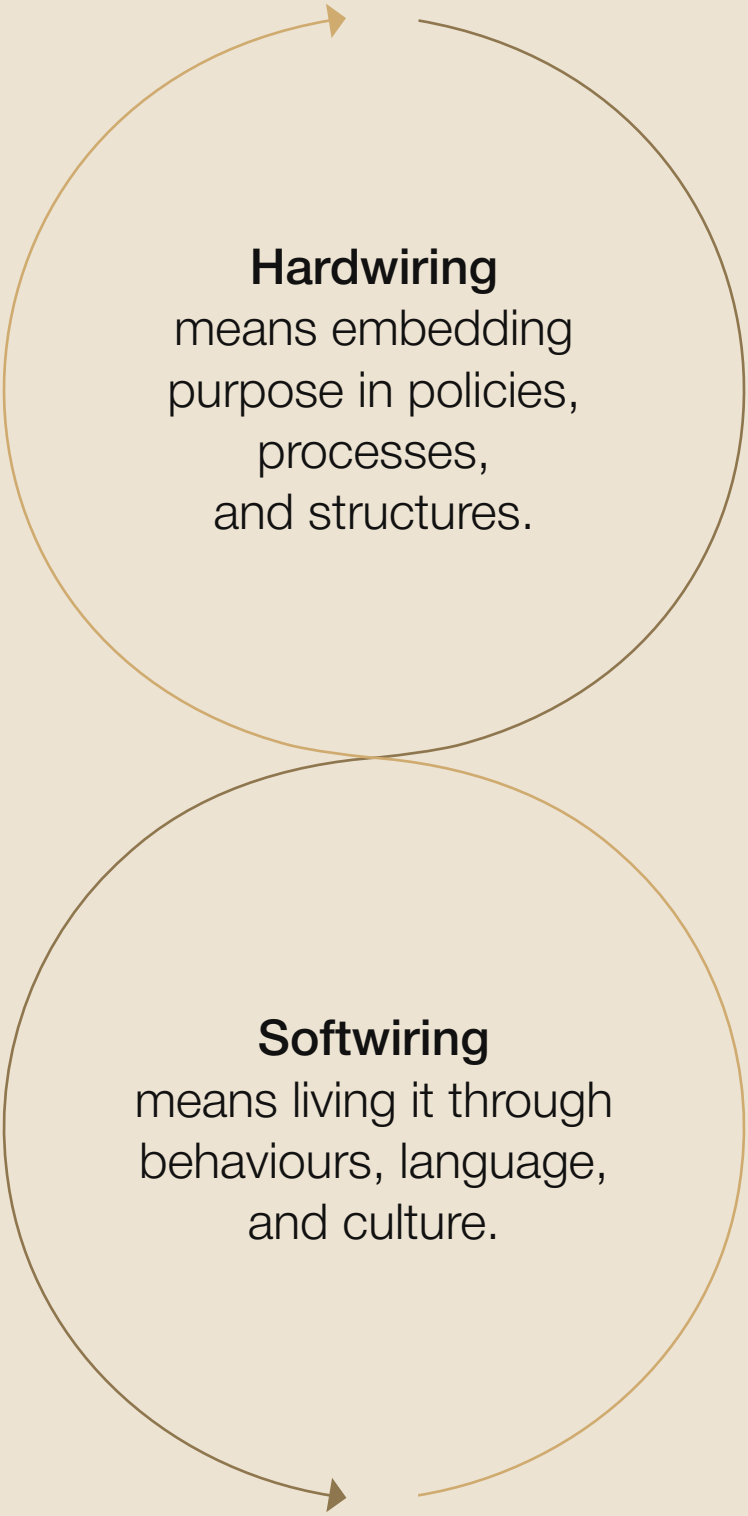
Closing the gap doesn’t have to be difficult. And we would not recommend applying a purpose lens to everything a business touches. Instead, it should be applied with precision and in the areas where it is most relevant and powerful.

This approach is part of an organisation’s Sustainable Performance journey, and constitutes a more strategic pathway than broadbrush adoption.

Along with precision, purpose must be implemented through a hardwiring and softwiring approach.

Hardwiring vs softwiring purpose:

Without both, purpose remains theoretical.



What employees want most

Employees across sectors told us what would make purpose more meaningful and effective in practice. Their answers point to five critical areas for change:

I.

Stronger leadership role-modelling

Employees look to leaders for cues. Purpose must be demonstrated in daily choices, not just ad-hoc in town halls or high-profile speeches.

Case Study: Interflora

Anthesis’ Leading with Purpose programme helped Interflora’s senior team unpack the “why, what, and how” of purpose transformation. Through four modules – including co-creation with colleagues and florists – they developed four clear purpose priorities. The CEO aligned his own objectives to the transformation, ensuring leadership accountability.

II.

More transparency on progress and impact

Employees lose faith if they can’t see evidence of delivery. Regular reporting on both successes and setbacks builds trust.

Case Study: Anglian Water

In 2025, Anglian Water launched its first Purpose Impact Assessment — a framework to highlight where the company makes its biggest environmental and social contributions. Using clear infographics, it makes progress visible and helps internal and external audiences understand what the organisation is prioritising and why.

III.

Clearer guidance for applying purpose in daily work

Purpose only works if people know how to use it. Practical tools, training, and examples make it tangible. The more employees understand how their own role connects to the bigger picture, the more confident and engaged they become.

Case Study: Centrica

Anthesis partnered with Centrica on “Purpose Power Ups” — interactive sessions helping employees connect their roles to the ambition of energising a greener, fairer future. Teams identified actions they could take immediately, embedding purpose into daily decisions.

IV.

Better internal communication

Purpose must be visible, memorable, and consistently reinforced. To remain authentic and engaging, internal communications should spotlight real stories, not just cascade top-down messages.

Case Study: John Lewis Partnership

With its refreshed purpose – Working in Partnership for a Happier World – John Lewis needed to bring words to life. Anthesis co-created campaigns and toolkits that celebrated Partner-led examples of purpose in action, embedding it across daily work and conversations. The result was a more connected and engaged workforce, where Partners recognised their role in delivering a Happier World and could draw inspiration from each other’s actions.

V.

Greater employee involvement in purpose-led initiatives

Employees want to participate, not just hear about company purpose. Creating opportunities for people to shape, participate in, and lead purpose-driven initiatives fosters ownership and pride. This transforms purpose into a collective movement.

Case Study: Ovo Energy

Ovo launched Plan Zero to drive zero carbon living – but early employee engagement was low. Research showed people didn’t know how to get involved. We helped them Find Their Thing – a personal way to take climate-positive action – through activities during OVO Week. In one week 4,191 employees found their thing using the Thing-o-Meter, turning ambition into everyday impact and employee-led action.



The Big Picture

Purpose is not about doing everything. It's about focusing where it's most powerful.

Leaders who prioritise these five areas can close the gap — making purpose consistent, credible, and energising.

The result? Resilient organisations that engage employees, retain talent, and unlock the Purpose Payback.

Purpose is at a Crossroads

The data tells a clear story: the Purpose Gap is widening again, but not for everyone. As is now also the case in wider contexts, the story of 2025 is one of polarisation: a growing divide between those retreating from purpose and those embedding it as a source of strength.

The risks are tangible. Two-thirds of employees are starting to detach from their organisation, of which one in five are already disengaged. That's not just a cultural concern – it's a commercial one. Disengagement drives attrition, weakens loyalty, erodes reputation, and stifles growth. For companies that neglect purpose, these costs could quietly accumulate to around 5% of annual revenue. For companies that get it right, the purpose payback is equally real.

Employees are clear about what they want. Insights from both this report and Leading Through Uncertainty show that what's needed now is: clarity, purpose and positivity. Not slogans or external campaigns. People are looking for leadership that role-models purpose, communicates progress with transparency, and provides practical tools and ideas to bring purpose into their daily work.

Smaller companies show it can be done. Purpose-led market leaders prove it drives results.

The path ahead divides. Leaders can let purpose fade further into the background, or they can use it as the bedrock of growth and resilience. On the journey to Sustainable Performance, those who choose the latter will not only chart the stronger course – they will be laying foundations to shape the future rather than being shaped by it.



Don't Let the Gap Grow in Your Organisation

Contact us to explore how we can guide your organisation to embed purpose and lead with impact through a clear journey:

Discover

sector-specific deep-dives to benchmark against peers and uncover opportunities unique to your industry

Assess

a gap analysis to identify where misalignments exist across your business

Activate

embedding and activating purpose through daily decisions, behaviours, and culture

Guide

leadership programmes that close the disconnect and equip senior team members to lead with purpose

We've helped organisations like **Centrica**, **Lloyds Banking Group** and **John Lewis Partnership** align their purpose intentions with actions and behaviours.

About Anthesis

Anthesis combines strategic consultancy with world-class expertise in science-based advisory and purpose-led business innovation to profitably solve the problems of people and the planet.

As the world's largest sustainability activator, we are uniquely positioned to manage risk and find value for our clients while guiding them on their transformation journey towards Sustainable Performance.

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Methodology

Our 2025 research was conducted with Censuswide in August 2025. We surveyed 1,001 employees across the UK and the Republic of Ireland, all working in organisations with annual turnover above £10m.

What’s new this year?

Expanded geography: we included the Republic of Ireland for a more representative picture across markets.

Expanded sectors: we extended categories for deeper insight.

Sectors covered:

- Financial Services
- Healthcare & Pharmaceuticals
- IT & Telecoms
- Manufacturing & Automotive
- Retail & FMCG
- Energy & Utilities
- Food & Agriculture
- Architecture & Engineering
- Arts & Culture
- Education
- Professional Services (e.g., legal, accounting, consultancy)
- Sport, Leisure & Hospitality
- Media & Advertising

Questions asked:

- If your company has a stated purpose, to what extent do you think the statements align with how the business operates day to day?
- Do you feel empowered to make decisions at work that reflect your company’s purpose?
- Who has primary responsibility for delivering purpose in your organisation?
- What would make your company’s purpose more meaningful and effective in practice?
- In today’s economic climate, how important is your organisation’s purpose?
- Would you consider leaving if your employer failed to act on its purpose?
- What benefits, if any, does purpose bring to your organisation?

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- McKinsey What’s your (corporate purpose) sweet-spot? (2021) <https://www.mckinsey.com/featured-insights/week-in-charts/whats-your-corporate-purpose-sweet-spot>

Chapter 1 – The Purpose Gap

- Capgemini – A World in Balance 2025: Unlocking resilience and long-term value through environmental action (2025) <https://www.capgemini.com/insights/research-library/sustainability-trends-2025/>
- World Economic Forum – Geopolitical Rivalry and Business: 10 Recommendations for Policy Design (2024) https://www3.weforum.org/docs/WEF_Geopolitical_Rivalry_and_Business_2024.pdf

Chapter 2 – Purpose Still Matters

- Anthesis – Leading Through Uncertainty (2025) <https://www.anthesisgroup.com/insights/leading-through-uncertainty/>
- Bloomberg – 76% of S&P 500 firms now talk less about environment than three years ago (2025) <https://grist.org/business/companies-climate-plans-trump-earnings-greenhushing/>

Chapter 3 – The Cost of Inaction

- Society for Human Resource Management – Retaining Talent: A Guide to Analyzing and Managing Employee Turnover (2022) <https://www.shrm.org/content/dam/en/shrm/topics-tools/news/Retaining-Talent.pdf>
- Korn Ferry – Cleaning House: How Far Does It Go? (2025) <https://www.kornferry.com/insights/featured-topics/leadership/cleaning-house-how-far-does-it-go>

Assumptions used in Made Up Co. Illustration:

- The size of Made Up Co. is based on half the estimated revenue and employees at an average FTSE 250 company in order to make this worked example feel relevant to more businesses.

The Cost of the Purpose Gap

- Lost output of £8,000 per head – a conservative estimate based on Gallup’s \$8.8 trillion lost output report.
- Gallup – State of the Global Workplace (2023) cited in Employee Engagement Strategies: Fixing the World’s \$8.8 Trillion Problem <https://www.gallup.com/workplace/393497/world-trillion-workplace->

[problem.aspx](#)

- Attrition cost: £11,200 per head – based on the lowest estimates of recruitment per head in the UK
- Personnel Today – Attrition cost estimates per head (2025) <https://www.personneltoday.com/hr/attrition-rates-2025-uk-culture-amp/>
- Disengaged employees generate 18% lower revenue – Gallup - State of the Global Workplace (2023). See previous citation.
- Brand risk: detractor cost estimated at £1,000–£1,500 per employee. We made estimates using figures derived from industry benchmarks for negative word of mouth impact, customer LTV costs and acquisition costs. Customer acquisition costs in many sectors range from hundreds to thousands of pounds per customer – making this a conservative estimate.

Purpose Payback

- It is unrealistic to believe a company can retain the full 18% of staff who say they are actively looking to leave. For this scenario, we instead based our figures on converting around half of these staff – so increasing engagement by around 10 percentage points.
- Highly engaged business units see 14% increase in overall productivity – Gallup, as previously. In Made Up Co. this could be up to £21,000 per head. (£10.5m)
- Bain & Co – Prescription for Cutting Costs: Loyal Relationships, Fred Reichheld (2023) https://media.bain.com/Images/BB_Prescription_cutting_costs.pdf
- 10% revenue uplift also references Gallup’s +10% customer loyalty / engagement uplift. See previous citation.
- LinkedIn – Global Talent Trends (2018) <https://www.linkedin.com/blog/member/career/workplace-culture-trends-the-key-to-hiring-and-keeping-top-talent>
- Deloitte – Driving Business Value with Purpose Strategy (2024) <https://www.deloitte.com/us/en/programs/monitor-institute/articles/driving-business-value-with-corporate-purpose.html>
- CECP – as previously cited.

Chapter 6 – The ‘Other’ Purpose Gap

- Paul Polman, Andrew Winston and Jeff Seabright - Middle Management Is the Key to Sustainability published in the Harvard Business Review (2023) <https://hbr.org/2023/11/middle-management-is-the-key-to-sustainability?ab=hero-main-image>

Chapter 7 – Closing the Purpose Gap

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- Anthesis – Leading Through Uncertainty (2025) <https://www.anthesisgroup.com/insights/leading-through-uncertainty/>

- CECP (2025): +58% revenue growth, +63% ROIC growth in purpose-led firms.
- McKinsey: 77% engagement when purpose is embedded in strategy and feels personally relevant, vs 20% when it is not.
- Capgemini: Two-thirds of executives say geopolitical tensions are slowing sustainability investment.
- ERM (2022–23): US financial statements reference geopolitics more than ESG or climate.
- Bloomberg: 76% of S&P 500 companies are talking less about environment than three years ago.
- SHRM (2022): Average turnover cost up to 35% of annual salary; recruitment average 40 days.
- Korn Ferry (2024): Executive turnover up 12% year-on-year.
- Gallup (2023): Engaged employees are 18% more productive; 10% higher customer engagement.
- LinkedIn Global Talent Trends: 71% of workers would take a pay cut to work for a purpose-driven company.
- Deloitte & Harvard Business Review: Purpose-driven firms report 30% higher innovation rates.
- Adobe/Marketing Week: Intangible brand factors can account for up to 81% of a company’s market value.
- CECP (2025, longitudinal data): Over five years, ROIC growth +12% for purpose-led firms vs –28% decline for peers.

Assumptions used in Made Up Co. illustration:

- Attrition cost: £11,200 per head, UK average.
- Productivity: Gallup’s +18% engagement uplift.
- Customer growth: Gallup’s +10% customer engagement uplift.
- Brand risk: detractor cost estimated at £1,000–£1,500 per employee.

