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Fundamental Elements of Corporate Purpose: Managing Performance in Changing Environments

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Abstract

This article examines the micro-foundations of 'corporate purpose,' which is defined as the lasting rationale for a corporation's existence in connection to society. Despite the widespread recognition of corporate purpose, its practical application by managers at the operational level continues to offer challenges, particularly in dynamic contexts. Utilizing a field study of a prominent Italian food industry group and relevant literature on the micro-foundations of institutions, we investigate the function of a performance management system (PMS) in facilitating corporate purpose within particular managerial contexts as the organization adapts to external environmental pressures. We illustrate that managers can employ the PMS as a suite of tools and techniques to integrate corporate purpose at the micro-level into actions, decisions, and concrete artifacts that collectively constitute a 'social context.' In this context, the PMS allows managers to recognize chances to implement different aspects of corporate purpose through interactions, consistently refining its significance while ensuring coherence with overarching global development goals.

Keywords: Performance Management Systems;Corporate Purpose;Micro-Foundations; Social Situations; Societal Development ;Dynamic Environments ;Case Study

1. Introduction

In the last decade, escalating global issues and pressing sustainable development requirements have subjected the societal role of enterprises and organizations to examination. Corporations, along with public and non-profit entities, are increasingly obligated to elucidate and disclose the environmental and societal ramifications of their

operations, as well as their contributions to global development objectives (Arjali`es and Bansal, 2018; Bebbington and Unerman, 2018; Bromley and Powell, 2012; Adams and Larrinaga-Gonzalez, 2007; Gray and Bebbington, 2000), and the concept of the 'common good' (Quattrone, 2022a; Hollensbe et al., 2014; Killian and O'Regan, 2020). Recent global challenges and emergencies have underscored the necessity for organizations to actively engage with critical issues such as climate change (Ferraro et al., 2015; Slawinski and Bansal, 2012), social development (Creed et al., 2022), and emergency management and recovery (Korneberger et al., 2019), thereby integrating societal solutions into organizational strategies while enhancing economic performance (Mayer, 2021). Companies are obligated to address and report their contributions to social concerns (Bebbington and Unerman, 2020); nevertheless, these challenges simultaneously jeopardize the survival and resilience of the organizations (see Nyberg and Wright, 2016). These forces have compelled numerous organizations to deeply contemplate and reevaluate their 'enduring reason for existence,' namely their 'mission.' In 1994, Bartlett and Ghoshal characterized purpose as "the embodiment of an organization's recognition that its relationships with its diverse stakeholders are interdependent" (1994, p. 88), and more recently, Henderson and Van den Steen defined it as "a concrete goal or objective for the firm that reaches beyond profit maximization" (2015, p. 327). The purpose elucidates the nature and rationale of organizations in relation to society. This concept refers to the organization's fundamental purpose, which aligns with long-term financial performance, offers a clear framework for daily decision-making, and unifies and motivates pertinent stakeholders (Ebert et al., 2018, p. 4; see also The Purposeful Company Interim Report, May 2016). Consequently, the emphasis on purpose extends well beyond the generation of economic value (Karns, 2011): "It embodies something more aspirational." It elucidates how individuals associated with an organization are effecting change, instilling a sense of purpose, and garnering their support" (Quinn and Thakor, 2018, p. 79 – emphasis added).

Consequently, corporate purpose must align the societal objectives of a business with the aspirations, experiences, and significances that individuals associated with the organization attribute to these objectives, thereby eliciting tangible responses and actions. This is especially pertinent in modern dynamic contexts where global development demands and crises necessitate prompt action, challenging established institutional frameworks (Kornberger et al., 2019), reexamining 'the social in the individual' (Hwang and Höllerer, 2020, p. 298), and indicating the necessity to discover purpose in 'corporate life and work' (Quattrone, 2022b), as a 'value-based aspiration directing strategic decision-making and practices' (Ocasio et al., 2023, p. 123). Nonetheless, the practical implementation of this concept, specifically how corporate purpose may effectively engage the individuals within an organization by aligning their experiences and efforts with societal demands, necessitates deeper comprehension.

While the advantages of corporate purpose for organizational performance and societal wealth are widely acknowledged by both practitioners and scholars (Davis, 2021; Mayer, 2021; Hollensbe et al., 2014; Ebert et al., 2018; Gartenberg et al., 2019; Gartenberg, 2023), there is limited evidence regarding how corporate purpose is operationalized in practice (see, George et al., 2023) and how it motivates management actions in particular contexts, especially when confronted with pressing external demands for societal advancement. Corporate purpose must establish a lasting connection between the organization's objectives and overarching societal dynamics and forces to maintain its role within society. Conversely, purpose must also permeate managerial practices, artifacts, and interpretations, influencing materials, actions, and relationships at particular moments and within specific contexts of implementation inside an organization. Investigating the interplay between these two characteristics is crucial for elucidating the advantages of purpose in enabling an organization to address social demands and fulfill

its societal function, while also connecting to managers' experiences and insights to motivate action.

Considering the significance of performance management practices in facilitating actions and interactions (Wouters and Wilderom, 2008), as well as in aligning an organization's resources with its objectives (Broadbent and Laughlin, 2009), we assert that the performance management system (PMS) of an organization is likely to be instrumental in actualizing its purpose, maintaining its alignment with overarching societal needs, while its attributes are activated in particular contexts by managers. This argument is examined via the lens of the literature on the micro-foundations of institutions (Friedland and Alford, 1991; Thornton et al., 2012), highlighting the localized manifestations of collective assumptions and beliefs within an organization (Powell and Rerup, 2017; Orlikowski and Scott, 2008). These instantiations occur at the micro-level, such as through tools, actions, and judgments within specific temporal and spatial contexts of social interaction (Furnari, 2020). Social conditions are vital for comprehending how institutional logics are interpreted and utilized when they are practically implemented in daily operations.

This paper aims to examine how an organization's Performance Management System can be utilized by managers to mobilize and ascribe significance to specific elements of corporate purpose in practical situations, particularly as the organization confronts urgent external demands for sustainable development.

This is examined within the framework of a prominent Italian conglomerate in the pasta and food sector. The group has articulated and adhered to its corporate purpose for over nine years, integrating corporate purpose statements and labels into both internal and external communications, as well as within the PMS. The corporate purpose is frequently mentioned in the everyday discourse of management and in business communications to stakeholders. This study examines how managers utilize the Performance Management System to activate corporate purpose at the operational level amid particular enactment scenarios.

We offer a dual contribution. Initially, we contribute to the existing discourse on PMSs and corporate purpose (Stroehle et al., 2019; Gartenberg et al., 2019). We demonstrate that the PMS aids senior managers in identifying realistic scenarios for implementing specific elements of corporate purpose, therefore developing the meanings of these elements through interaction and assuring their alignment with external constraints for sustainable development. The PMS aids the organization in defining specific elements of its corporate purpose to address global societal development issues, which are manifested through actions, decisions, and tangible artifacts in particular practical situations, thereby enhancing the comprehension of these elements of corporate purpose. Secondly, we enhance the organizational and accounting literature regarding the micro-foundations of institutions (Bogt and Scapens, 2019; Harmon et al., 2019; Furnari, 2020) by demonstrating how the logics underlying purpose, linked to societal pressures for global development, are perceived, acknowledged, and enacted at the management level through the social contexts and micro-instances initiated by the PMS.

2. Materials and Methods

The notion of purpose is undoubtedly not novel in management and organizational literature. In 1994, Bartlett and Ghoshal advocated for a significant transformation in the function of senior management in organizations, transitioning "from setting strategy to defining purpose" (1994, p. 80 – emphasis added). They asserted that, due to the escalating complexity of global corporations, the conventional strategies-structures-systems paradigm that has primarily guided organizational design and the 'old doctrine of strategy' must be supplanted by an alternative approach centered on individuals,

processes, and purpose. They contended that while senior executives must oversee strategy in light of escalating environmental volatility, heightened formalization diminishes frontline managers' connection to it, resulting in a loss of commitment to the organization's identity and purpose.

Recent global societal and environmental challenges have underscored the necessity for all societal components to articulate their position and contribution to global development as their fundamental purpose. The United Nations' Sustainable Development Agenda emphasizes the imperative for all organizations to contribute to collective development efforts. This discourse has necessitated numerous organizations to critically reassess and contemplate their objectives about their distinct contributions to global development (Hollensbe et al., 2014). The necessity for this reflection was again emphasized at the World Economic Forum Annual Meeting in January 2020. 1

Moreover, the social issues and global health crisis instigated by the pandemic have significantly urged organizations and individuals to provide tangible assistance to pressing social needs emerging swiftly from extraordinary circumstances. The worldwide pandemic has highlighted the necessity for collective measures based on individual contributions, alongside organizations and institutions, while also challenging established institutional orders (Kornberger et al., 2019; Huang and Höllerer, 2020). Individual activities have proven to be, in conjunction with global efforts, a crucial method for swiftly and effectively addressing evolving societal concerns. This facet renders corporate purpose exceptionally potent as firms endeavor to tackle global challenges.

While aligned with the global goal for sustainable development (refer to Busco et al., 2018a; also consult the British Academy report, 2019), corporate mission must also inspire individuals' dedication to it. The 'feeling of purpose' necessitates collective interpretations within the organization (Carton et al., 2014), as individuals imbue it with their aspirations and intentions, perceiving the firm as a vessel for their communal objectives in society (see Henderson and Van den Steen, 2015). Consequently, the organization's mission cannot merely be defined and encapsulated in corporate statements (Gartenberg et al., 2019); it must be manifested via behaviors, activities, and decisions, so 'finding purpose in corporate life and work' (Quattrone, 2022b). The EY Beacon Institute asserts that organizational purpose is a 'aspirational cause for being that is rooted in humanity and motivates a call to action' (EY Beacon Institute, 2016, p. 10 – emphasis added). As effectively articulated by Laughlin Hickey, former head of tax at KPMG, "the purpose of purpose is to motivate individuals to take action." Consequently, it must genuinely align with their ambition to achieve their utmost potential. 2. This indicates that corporate purpose must link the organization to overarching societal needs while also addressing a micro dimension by connecting to the individuals within the organization. It must manifest in tangible artifacts, actions, and decisions at the operational level and within specific practical contexts of implementation.

In the wake of Bartlett and Ghoshal's foundational research, other advocates have urged organizations to prioritize purpose (Hollensbe et al., 2014). Research undertaken in 2015 by the EY Beacon Institute and Oxford University's Saïd Business School revealed that public discourse regarding purpose has quintupled from 1994 to 2015 (EY Beacon Institute, 2016, p. 13; see also White et al., 2017). Despite the increasing significance of this discourse, there remains a paucity of evidence regarding the practical sustainability of corporate purpose and its capacity to engender genuine commitment among organizational members towards corporate objectives associated with global development: "Once a purpose is established, it must transcend a mere formal declaration and be ingrained throughout the organization to ensure that all stakeholders are convinced of and actively support that purpose." Purpose must permeate the entire organization. The board and leadership team must deliberately embrace the purpose, cultivate the mindset, integrate it into decision-making, and, where necessary, transform

the company's operational model. The Purposeful Company Policy Report, February 2017, p. 10.

The ongoing discourse on sustaining organizational purpose acknowledges that Performance Management Systems (PMS) can play a pivotal role (refer to Deloitte report, 2017). For instance, the EY Beacon Institute (2016) underscores the necessity of incorporating purpose into areas such as strategy formulation, leadership development, education, performance measurements, and incentives.

The 2019 Report on the "Principles for Purposeful Business" from the British Academy's program on the Future of the Corporation highlights measurement and performance as two fundamental principles for purposeful businesses. Measurement must consider the "impacts and investments by companies in their employees, communities, and natural resources both within and beyond the organization" (p. 8), while performance "should be evaluated based on the achievement of corporate objectives" (p. 8). Stroehle et al. (2019) further examined these issues in a British Academy working paper, advocating for enhanced integration of financial and non-financial metrics to facilitate transformative change towards a purpose-driven organization. Despite the appeals for businesses to reassess their existing performance measuring and reporting systems, there remains limited information regarding the implementation or feasibility of such changes in practice. Quattrone (2022b) asserts that 'measuring serves as a tool to investigate purpose, rather than the reverse.' Further research is necessary to comprehend the mechanisms that enable firms to effectively implement purpose while addressing societal concerns, as well as the function of Performance Management Systems in this process.

The accounting literature extensively acknowledges the significance of Performance Management Systems (PMS) in implementing organizational strategies and enhancing organizational performance, as well as in aligning management with these plans (Ferreira and Otley, 2009; Adler, 2011; Broadbent and Laughlin, 2009). The literature on sustainability has underscored the significance of accounting practices in integrating sustainability demands within organizations by embedding them into strategic plans and objectives (Gond et al., 2012; Arjalie's and Mundy, 2013; Beusch et al., 2022), while also associating them with managerial aspirations (Busco et al., 2018b). While more instrumental, goal-oriented methodologies have significantly influenced traditional performance management system (PMS) design (Bourne et al., 2003; Neely et al., 1995), these methodologies have faced criticism for restricting rather than facilitating action (Wouters and Wilderom, 2008; Ahrens and Chapman, 2004; Malina and Selto, 2001; Wouters, 2009; Melnyk et al., 2014), raising concerns that PMSs may not align with the principles of sustainable development (Wijen et al., 2021).

This poses significant challenges in dynamic and demanding environments where conventional managerial techniques must be modified or invented by organizational members to address changing social needs (Contrafatto and Burns, 2013; Ligonie, 2021, p. 2). Numerous accounting studies have utilized an institutional logics perspective to investigate the intricacies associated with sustainable development (see Contrafatto et al., 2019; Busco et al., 2017), while examining how accounting practices link individuals to societal requirements (see, e.g., Quattrone, 2015; O'Dwyer, 2021) and ascribe significance to activities in relation to their societal roles (Contrafatto, 2022). The perspective of institutional logics was formulated to situate human behavior within a societal framework by emphasizing its mutually formative relationship with institutions and their foundational logics, thereby incorporating a distinct micro-foundational agenda (Furnari, 2020, p. 194).

This "micro-foundational" agenda aids in comprehending how various elements of corporate purpose are implemented by managers within a firm, while maintaining attuned to societal influences and demands. This entails examining the 'social within the

person' (Huang and Höllerer, 2020, p. 298) by investigating the micro-instantiations of institutional logics, which we will elaborate on next..

The institutional literature recognizes the significance of institutional logics, characterized as collections of "material practices and symbolic constructions" (Friedland & Alford, 1991, p. 248), which are accessible to individuals and organizations to drive actions (Thornton and Ocasio, 1999) and to interpret phenomena (Lounsbury, 2002). These logics elucidate the institutional complexity encountered by an organization (Greenwood et al., 2011), together with its associations with dynamic environments (Lounsbury, 2008), significant problems, and evolving global circumstances (Gümüsay et al., 2020). Institutional logics permeate organizational artifacts, behaviors, and collectives of individuals as organizations engage with social dynamic (Powell and Rerup, 2017; Thornton et al., 2012; Powell and Colyvas, 2008).

Institutional logics are not independent templates, separate from everyday practice (Furnari, 2020, p. 194). Micro-institutional practices and materials facilitate local manifestations of institutional pressures that are either upheld or contested at the micro-level (Dacin, Munir, and Tracey, 2010; Zilber, 2009). From this perspective, "micro-level explanations offer depth and nuance to narratives of macro-level events and relationships" (Powell and Rerup, 2017, p. 312; see also Powell and Colyvas, 2008; Zilber, 2020; Furnari, 2014), thus elucidating the concurrent dynamism and stability of institutions (Quattrone, 2015; Gümüsay et al., 2020).

In the exploration of the micro-foundations of institutional logics, previous research has employed varying levels of granularity by focusing on distinct 'micro' phenomena and resources (see Haack et al., 2020), including daily routines, rituals, practices, and structures (Friedland and Alford, 1991; Thornton et al., 2012; Dacin et al., 2010; Quattrone, 2015); cognitive frameworks, morality, and emotions (Lok et al., 2017; Friedland, 2018; Demers and Gond, 2020); and communicative modalities such as language and speeches (Harmon et al., 2019). Several studies have clearly recognized the significance of material artefacts, encompassing technology and physical things (Czarniawska, 2008; Jones et al., 2012), in offering "physical and tangible instantiations of logics" (Cloutier and Langley, 2013, p. 360). However, these resources alone do not elucidate the various and dynamic methods by which individuals within an organization engage with institutional logics, occasionally evoking the notion of 'free-floating' cultural templates that are disembodied and detached from individuals' daily experiences (Furnari, 2020, p. 194). This research has underscored the necessity for more micro-oriented techniques that elucidate how micro-instantiations of institutional logics connect to society (Meyer et al., 2021; Alvehus and Hallonsten, 2022).

Furnari (2020), referencing the study by Thornton et al. (2012), emphasizes the necessity of examining the micro-foundations of institutions via the perspective of 'social contexts.' A social context is defined as "the bounded social entity most immediate to the individual's experience, within which his/her mundane affairs with others occur" (Gonos, 1977, p. 854, referenced in Furnari, 2020, p. 194). In social contexts, individuals engage particular elements of institutional logics, mobilizing them in accordance with the nature of the circumstance. From this perspective, social situations are essential for comprehending how individuals inside an organization engage with institutional logics and activate specific elements of these logics at particular moments through social interaction.

In this context, as emphasized by Furnari (2020), social circumstances consist of two elements: situational experience and situated interactions. Situational experience is contingent upon 'situational frames', which are collective schemas that assist a group in identifying the situational nature of a common 'episode of social interaction', positioning others within the same context and facilitating the progression of social interaction. Situational frameworks do not unequivocally dictate the readings of, and responses to, a specific action. However, they constrain the range of choices for interpreting and reacting

to that action" (Furnari, 2020, p. 203). Consequently, social circumstances are not singular occurrences; multiple episodes of social interactions can be identified within the same category of situation and can be differentiated from other categories. Upon recognizing the situational character of a single episode, individuals activate particular meanings linked to these logics (Furnari, 2020). Such 'temporally and spatially limited' transformations and interactions are essential for organizations to engage with institutional logics, while imbuing them with evolving meanings. These logics are not merely a complex, unpredictable, multifarious, and dynamic phenomena, but also an evolving construct (Gümüsay et al., 2020, p. 12). From this perspective, contextual interaction and situational frames are not merely reflections or activators of logics; they can also generate developing meanings and assumptions.

Social contexts have also been examined concerning the functionality of accounting methods (see, e.g., Ahrens and Chapman, 2007). Researchers have acknowledged accounting's capacity to facilitate micro-production of macro-orders (Ezzamel et al., 2012; Covaleski et al., 2013; Wiesel and Modell, 2014), while being deeply involved in the development of institutional logics and rationalities (Quattrone, 2015; see also Pentland, 1993) and their contestation (Contrafatto and Burns, 2013). Previous research recognizes the influence of institutional logics in elucidating variations in accounting practices (Lounsbury, 2008) and transformations in management accounting (Bogt and Scapens, 2019, building upon Burns and Scapens, 2000), as individuals engage with institutional logics differently in varying contexts.

This perspective advocates examining the relationship between accounting practices and institutional logics via local instantiations, and how these instantiations assist managers in interpreting these logics, ultimately imbuing them with evolving meanings. We contend that (1) accounting practices can offer contextual frameworks that assist individuals in recognizing specific instances of the enactment of various facets of institutional logics ("individuals encountering the situation largely unconsciously and implicitly identify the nature of the situation, and such recognition fosters a collective orientation among them" – Furnari, 2020, p. 199), and (2) initiate social interactions within those contexts that may, "more or less faithfully," replicate "pre-situational understanding" or diverge from it, resulting in a "re-negotiation" of the meanings associated with those situations (Furnari, 2020, p. 199).

We contend that these insights elucidate how managers can utilize the PMS to activate corporate purpose at the operational level within an organization, by examining particular instances of enactment where distinct characteristics of purpose manifest and are embodied in tangible artifacts, actions, decisions, and interactions, thereby imbuing purpose with significance through such embodiment. Investigating the mechanisms by which this occurs and its subsequent impact on the alignment of purpose with external societal demands is essential for comprehending the relationship between corporate purpose, organizational stakeholders, and societal needs in evolving contexts. Consequently, we propose the subsequent inquiries: What is the function of an organization's Performance Management System in assisting managers to identify circumstances for implementing certain elements of corporate purpose at the operational level, and in influencing interactions within those circumstances? What is the impact of this on the interpretations of corporate mission in changing environments? Subsequently, we address these inquiries by utilizing a qualitative field investigation.

Barilla is a worldwide Italian family-owned food enterprise founded in 1877. The Barilla Group employs about 8,700 individuals and operates in more than 100 countries, encompassing 21 brands and 29 manufacturing areas, yielding over 2,100,000 tonnes of products annually, with a revenue over 4 billion euros. 3 Barilla's primary offerings include of pasta, ready-to-use sauces, baked goods, and crispbread. "Essentially, we are producers of pasta and baked goods; this reflects the professional ethos of our family,

which has been cultivated through 'situated interaction' over the past four generations, aided by exceptional colleagues." - Guido Barilla, founder of Barilla company. Four

From 2013 to 2022, Barilla's business purpose was clearly articulated in the statement: "Good for You, Good for the Planet," commonly known as the 'GYGP purpose' in both internal and external communications. It comprises two primary elements: (1) 'Good for you' signifies the provision of "high-quality, safe, and nutritionally balanced products" through "the ongoing enhancement of the nutritional profiles of current offerings and the introduction of new products that are palatable, safe, and conducive to a balanced diet." Advocating for healthy lives and a sustainable diet, influenced by the Italian lifestyle and the Mediterranean Diet. 5; (2) 'Good for the Planet' signifies the establishment of a sustainable supply chain "from field to fork" by enhancing the efficiency of production processes to diminish greenhouse gas emissions and water usage. Advancing sustainable agricultural and farming practices across all strategic supply chains of the Group. The term 'GYGP purpose' is frequently utilized at Barilla and is clearly identified by the company's leadership as the 'corporate purpose' in internal communications regarding the PMS and in corporate communications to stakeholders. For instance, Barilla's sustainability reports from 2020 and 2021 have been distinctly designated as the 'GYGP report' in accordance with Barilla's GYGP objective. This study clearly connects the two aspects of the GYGP purpose to the outcomes attained by the organization and the global concerns pertaining to sustainable development.

In 2019, Barilla recognized 16 factors considered pertinent to the GYGP objective. The initiatives were categorized into seven domains, each with specific objectives and targets, directly associated with the two facets of the GYGP mission (refer to Barilla GYGP Sustainability Report 2020, pp. 48–49): high-quality raw materials, safe products, and enhanced nutritional profiles (pertaining to the 'Good for you' aspect of corporate purpose); sustainable agriculture, sustainable production, recyclability and waste management, and animal and social welfare (pertaining to the 'Good for the planet' aspect of corporate purpose). The primary accomplishments concerning the key areas were subsequently linked to a particular Sustainable Development Goal of the 2030 Agenda of the United Nations (see to Barilla GYGP Sustainability Report 2020, pp. 26–27).

In Barilla, the language of corporate purpose is also evident in the labeling of the management committees. The GYGP's mission at Barilla is managed by a designated body known as the 'GYGP body.' The GYGP board is chaired by the Chief Marketing Officer and includes the Chief Research, Development and Quality Officer, Chief Supply Chain Officer, and Chief Communication and External Relations Officer. The GYGP board is supported by a 'GYGP Task Force' responsible for overseeing GYGP-related initiatives inside Barilla. The Task Force comprises specialists from Communication and External Relations, Marketing, Supply Chain, Research, Development and Quality, and Legal. The task force is additionally supported by Barilla's Sustainability Unit.

The GYGP report serves as Barilla's official instrument for conveying the fundamental elements related to company purpose. Additionally, it serves as the official instrument employed by the GYGP board and GYGP task force to oversee the implementation of objectives. Nevertheless, purpose-driven projects do not adhere to a centrally-directed, goal-oriented methodology imposed from the board. Instead, these activities are determined and implemented locally before being included in the GYGP report.

The majority of these activities originate from brand managers in local areas, guided by their perceptions of market dynamics. We at Finance assist in implementing these efforts at the corporate level, in collaboration with the GYGP team, during our meetings and discussions - Finance Manager.

Regional and market managers suggest purpose-driven projects that are then deliberated by the GYGP board. Barilla confronts two primary demands: first, ensuring that local divisions formulate and implement initiatives pertinent to the GYGP objective;

second, ensuring that these initiatives and associated best practices are comprehended within the framework of the corporate purpose (Finance manager).

The brand-centric approach to corporate purpose should not, and must not, undermine the comprehensive and cohesive vision that sustains corporate purpose […]. It is essential for us to adopt a comprehensive system that supports purpose, directing the formulation of company objectives and the means to attain them— Finance manager.

Barilla serves as a pertinent case for this study due to its explicit incorporation of corporate purpose labels and statements in both internal and external communication practices at corporate and local management levels, enabling the identification of instances where managers explicitly reference corporate purpose in relation to external pressures for sustainable development.

Moreover, the agri-food sector in which Barilla functions offers a substantial framework for examining the role of PMS in maintaining corporate purpose, considering the increasing pressures faced by this industry. The UN Food System Summit convened in September 2021 has prompted enterprises within this industry to actively contribute to objectives such as 'no poverty,' 'zero hunger,' and 'excellent health and well-being.' 7. The global pandemic has underscored the necessity of fostering resilience within institutional frameworks worldwide, while also highlighting the need for sustained alignment with global development objectives (Sachs et al., 2021), especially in the context of extraordinary crises. The presence of a defined corporate purpose at Barilla is considered essential for maintaining the organization's responses to the global crisis, ensuring continuity and 'normality' amid significant uncertainty: "The agri-food sector assumes an even more vital role during such challenging times: due to the remarkable dedication of our People, Barilla products have continued to provide an oasis of normality for millions of consumers worldwide." Guido Barilla, Chairman, Barilla Sustainability Report, 2021, p. 206 – emphasis added.

During the pandemic, Barilla prioritized ensuring the utmost safety of its personnel while maintaining operational continuity across all production facilities to fulfill increasing demand and supply necessary products to all markets. CEO, Barilla Sustainability Report, 2020, p. 10.

Consequently, Barilla serves as a pertinent case for this study, facilitating the identification of distinct practical scenarios in which various facets of corporate purpose are activated and comprehended by managers, while maintaining a connection to societal needs in dynamic contexts..

The capacity of case studies to demonstrate and elucidate accounting in practice has been extensively recognized in the literature (see, for instance, Ryan et al., 2002; Scapens, 1990). The case study method is particularly crucial for our research as it enables us to have a contextual understanding of the role of PMS in addressing many factors pertinent to an organization's objectives. The case study approach is particularly pertinent for examining diverse social circumstances (Furnari, 2020) where manifestations of corporate aim may occur in practice. This aligns with the practice-based approach to accounting (Ahrens and Chapman, 2007; Jørgensen and Messner, 2010), allowing for an exploration of the contextual functionality of accounting concerning institutional logics (see Bogt and Scapens, 2019; Contra-fatto and Burns, 2013) via the case study method.

The primary data collection occurred across four years, from 2019 to 2022, with one interview conducted in 2023, as detailed below. We utilized documentary analysis of published reports and internal documents with the consent of the sources. Specifically, we analyzed all sustainability reports and public communications released by the company during the research period, along with exemplary screenshots of the Operations scorecard provided by informants. We examined the primary narratives detailing the external context, global pressures, and challenges faced by the organization, as well as their connection to the two elements of corporate purpose ('Good for you; Good for the planet'), organizational initiatives, and performance metrics.

We conducted 31 semi-structured interviews with informants from several departments (Finance, Sustainability, Operations, Supply Chain, and one brand division) to compare and contrast individual perspectives on topics pertaining to corporate purpose and performance management systems (PMS). Each interview spanned a duration of 1 to 2 hours. Interviews commenced in 2019 at the company's headquarters in Italy. The objective of this initial series of interviews (2019–2020) with Finance, Operations, and Sustainability managers was to comprehend the overall architecture of the PMS and reporting system, the organization's governance and strategic management frameworks, and their connection to corporate mission. The subsequent series of interviews (2021–2022) sought to investigate the correlation between various facets of corporate purpose and its practical implementation by juxtaposing diverse viewpoints: we interviewed the Finance Manager and Operations Manager and Controller (Italy), followed by a Sustainability Manager (Italy), a Supply Chain and Operations Manager (Southern Division), and an Operations Manager (Non-EU Division). This series of interviews uncovered evolving interpretations related to corporate mission. Consequently, we performed two follow-up interviews with a communication manager and a local brand manager in December 2022 and March 2023. Informants were posed analogous questions whenever feasible to facilitate the comparison and contrast of their perspectives. Fifty percent of the interviews occurred online. In-person interviews occurred at the corporate headquarters in Italy.

An enumeration of interviewees and principal subjects is included in Appendix 1. Our data analysis is guided by the theoretical insights derived from the literature examined in Sections 2 and 3. Transcripts of interview data and our notes from the interviews were analyzed to identify all instances in which the GYGP purpose, together with its specific aspects, was expressly referenced in relation to the working practices of the PMS. We focused on informants' descriptions of practical activities and instances of PMS operational use, organizing these narratives in relation to various facets of the GYGP objective and categorizing them by these aspects.

This analysis allowed us to reconstruct instances of PMS utilization in relation to corporate purpose during decisions, activities, and interactions such as innovating nutritional components of product formulations, minimizing water consumption, preventing accidents, implementing sustainable supply chain projects, reducing emissions, and innovating packaging. Our analysis concentrated on decision-making, activities, and interactions associated with the PMS, as reported by multiple informants, to reconstruct various 'social situations' (Furnari, 2020) pertinent to corporate purpose enactment: specifically, the reduction of water consumption, accident prevention, and the innovation of ingredients (i.e., enhancing nutritional properties). Classifying the stories based on corporate purpose features, in relation to the PMS, allowed for a comparative analysis of the perspectives and perceptions of various informants about identical situations for purpose enactment associated with the PMS.

These account groups presented instances of incidents concerning various scenarios in which managers activated their conceptions of purpose during their activities. In Section 5, we provide accounts of these situations through direct quotations from informants, focusing on the perceptions and interpretations of managers in various contexts of purpose enactment, as well as the meanings generated within those contexts. This is presented in Vignettes 1, 2, and 3, analyzed through the framework of 'situational frames' and 'situated interaction' as elucidated in Section 3.8. By constructing a framework (Czarniawska, 1997) that interrelates our theoretical constructs, Barilla's corporate purpose, and the performance management system (PMS) practices implemented within the organization, we analyze and conceptualize the function of PMS in actualizing purpose in particular contexts, while maintaining the alignment of purpose with external societal demands in dynamic environments.

3. **Result**

To facilitate daily discussions and actions about the fundamental elements of corporate purpose, Barilla implements an integrated 'Operations scorecard.' This technology was developed internally and executed across all operational divisions in every country where the group functions. It establishes a framework for the integration of financial and non-financial KPIs that are broadly aligned with Barilla's objectives inside a shared platform across the Barilla group.

The scorecard comprises five dimensions (refer to Fig. 1): Individuals, encompassing health and safety, training, absenteeism, injuries, and accidents; Products, addressing product quality and customer grievances; Planet, involving waste management, recycling, energy, and water utilization; Profit effectiveness, related to asset utilization efficacy; Profit efficiency, pertaining to asset utilization efficiency. These dimensions are subsequently associated with additional financial performance metrics (e.g., capital expenditures and working capital). The scorecard presents the year-to-date actuals, objectives, percentage deviation from the budget, last year's results, and percentage variance from last year for each dimension (refer to Fig. 1). Favorable variations are indicated in green, whereas adverse variances are denoted in red.

The Operations scorecard is defined at the regional level (e.g., Europe, USA) for the group. Each regional scorecard is delineated into product categories (e.g., meal, bakery, etc.) and then into distinct geographical zones (e.g., South, West, North, Central). Each zone is thereafter delineated based on several production sites or facilities (e.g., Ascoli, Cagliari, etc.). The Operations scorecard platform is utilized by all operations managers and their teams across several countries. All operations managers may conceptualize the People, Product, Planet, Profit KPIs for each facility in every location. The comprehensive visibility of the scorecard across the group enhances the alignment of KPIs across various units. This enables the comparison of aims and outcomes from other plants, the identification of best practices, the discussion of learning and improvement opportunities, and the dissemination of best practices among plants in different nations.

This sharing expedites enhancements in accordance with the GYGP objective – (Operations manager).

Annually, between September and December, the objectives for the scorecard are established for the next year. Operations managers at the plant level establish specific (non-financial) targets after conducting analysis and data collecting within their teams. Targets are subsequently deliberated and consolidated, ensuring alignment with financial KPIs. The Finance Unit oversees these activities, with finance managers collaborating closely with operations managers at each facility.

It is a bottom-up method, although aligning the objectives poses no trouble. We provide a unified perspective via the scorecard, emphasizing continual enhancement across all dimensions — Supply Chain and Operations Manager.

The attainment of the objectives is facilitated by local initiatives:

GROUP SUPPLY CHAIN – OPERATIONS SCORECARD					
Plants Key Performance Indicators @ December 2019					
SOUTHERN EUROPE BAKERY	**Total**				
	ACTUAL YTD	**OBJ**	**Δ % vs BDG**	**LY**	**Δ % vs LY**
PEOPLE					
Headcount [#]					

Accident Frequency Index					
Accident Severity Index					
Total Absenteeism (%)					
Training (%)					
PRODUCT					
Consumer Complaints					
Lot Quality Index (%)					
PLANET					
Energy (Kg CO2 eq./[fp]t)					
Garbage (t/[fp]/kt)					
Recycled Garbage (%)					
Water (m^3/t)					
PROFIT effectiveness					
Production Volumes (t)					
MAPE vs Planning (%)					
Capacity Availability (%)					
Capacity Utilization (%)					
PROFIT efficiency					
Theoretical Yield (%)					
Raw Materials Loss (%)					
Labour usage (h/t)					
TOTAL EFFICIENCY (k€) B/(W)					

Figure. 1. The Operations scorecard in Barilla (source: company's material).

We seek constant development through measurement. Behind the metrics lies a rigorous delineation of initiatives. This constitutes a virtuous cycle. Improvement is unattainable without projects - Supply Chain and Operations Manager.

For instance, we undertook a project aimed at reducing energy use by 10% at [name of plant]. Performance metrics pertinent to the scorecard were incorporated, and ultimately, we exceeded the budgeted expectations. I was quite gratified to observe their accomplishments via the scorecard. I take great pride in this tool — Operations Manager and Controller.

We identify an opportunity for enhancement and quantify it. Measuring is akin to reflecting upon oneself in a mirror. […]. When undertaking an action, it is essential to observe a KPI that aligns consistently, as indicated by the Operations Manager, referencing the dimensions of People, Product, Planet, and Profit.

Data and information gathered via the scorecard are subsequently disaggregated from the Planet, People, Product, and Profit dimensions for corporate reporting and reintegrated into various sections of the GYGP report, where they are linked to emerging opportunities for global development, which are reviewed annually by the GYGP board. This is predominantly a bottom-up approach.

Each brand must establish specific objectives aligned with its priorities and uniqueness to consumers, as indicated by the sustainability manager in internal papers.

The Operations scorecard does not adhere to the GYGP reporting methodology in a systematic or hierarchical fashion. It is, rather, the contrary. We analyze and contrast our data at the Operations level, derived from our daily activities, and periodically report our findings from the Planet, People, Product, and Profit sections of the scorecard to the GYGP report system, where the data is contextualized at the corporate level in relation to strategy, purpose, and global challenges. The GYGP board does not contest the data from the Operations scorecard but associates it with the GYGP system throughout their discussions. Operations Manager and Controller.

A bottom-up approach is employed in the GYGP report. - Manager of Communication

The relationship between the meanings linked to the GYGP purpose and the aspects of the Operations scorecard is elucidated by the following quote:

We initiated this commendable statement, "Good for you, Good for the planet," in 2013. This indicates the presence of two pyramids, as illustrated by the logo of Barilla's GYGP objective displayed in the GYGP report. The environmental pyramid and the health pyramid for individuals. One is inverted relative to the other. The fundamental principle is that food that is healthier for individuals is also more beneficial for the earth. A particular food necessitates substantial water, considerable energy, and significant resource loss for its production. This is substandard for individuals, which is detrimental to the environment. The lower your consumption of this food [shown at the apex of the health pyramid, signifying minimal intake] the more beneficial it is for the Planet [indicated at the base of the inverted environmental pyramid, illustrating significant impact] and for your well-being […] The "People" section constitutes the upper portion of the Operations Scorecard, representing the beneficial component of the GYGP objective. The planet is depicted in the central section, which is beneficial for the planetary component of the GYGP objective. Net profit at the bottom, illustrating the connection with the business as a component of purpose [indicating the Operations Scorecard on the computer display] - Operations Manager and Controller.

At Barilla, the Operations scorecard involves users in a process that connects operations to the essential elements of the GYGP objective. The links ensure that the logics underlying purpose do not exist as detached templates in the external environment. However, they are activated in particular circumstances at the operational level, prompting actions and revealing interpretations, which we will explore further through three vignettes (as detailed in Section 4).

3.1.   Mobilizing purpose: connecting People, Planet, and Profit

Vignette 1 – Water Utilization

We must decrease water usage per ton of product by [.]% [according to the water KPI]. […] I have just returned from a strategic planning kickoff meeting, and these objectives must be thoroughly integrated into our strategic plan. We are evaluating the data granularity required for this integration. Financial and non-financial data require comprehensive integration. - Financial Manager.

The congruence between the KPI and our objective is paramount. If you entered a facility this morning at 8:30 AM, you would observe individuals discussing the data from last week's scorecard. […] These indicators, pertaining to water, can alter our daily agenda by necessitating quick actions rather than solely long-term planning. … This occurred a few months back involving a red KPI. Immediate efforts were necessary regarding water purification and recycling - Supply Chain and Operations Manager.

Pasta is a basic product composed of wheat and water. […] We want to decrease water use, as indicated by the water KPI in the Planet section of the Operations scorecard, overseen by the Operations manager and controller.

For instance, advocating for water efficiency methods among providers. The purpose is to reduce water consumption. […] Water is a priority, however not the foremost in comparison to other considerations. Is it genuinely special or only a conventional element? - Sustainability Manager.

The aforementioned quotes provide instances of managers' reflections and narratives regarding water reduction prompted by the Operations scorecard's KPIs. In such occasions, managers could identify social contexts to engage the Planet component of the GYGP goal, correlating their particular experience and knowledge to these contexts, so prompting timely actions and initiatives. The scenarios prompted by the water KPI transitioned from highlighting the relationship between financial and non-financial factors (from the Finance manager's viewpoint) to necessitating immediate measures for

water purification and recycling (altering the daily agenda in response to red flags in the Operations scorecard, from the Supply Chain and Operations manager's perspective), and finally to linking water reduction initiatives to 'standard elements,' likely deemed 'not the highest' priority 'relative to other concerns,' from the Sustainability manager's perspective. The emphasis on 'water reduction' for the Planet emerged from the interactions instigated by social circumstances, ultimately leading to additional initiatives for the Planet, also associated with Profit, including energy reduction efforts and a new transportation project, as illustrated in the following quote:

After minimizing water consumption, further reduction is unfeasible, as water is essential for pasta production. We can focus on alternative expenditures for the advantage of the Planet, such as a new effort for energy conservation. For instance Transportation expenses, energy expenditures, and waste management costs are significantly impactful. Addressing those costs is an additional method, alongside reducing water usage, to benefit the world while enhancing financial performance. Implement measures to reduce waste from 7% to 3.5%, resulting in an additional 3.5% increase in the Operations scorecard productivity. … This aligns with the goal of GYGP. … For instance, moving pasta from Italy to […] significantly impacts expenses, highlighting the profit aspect of the Operations scorecard. Producing 'pasta' in Italy holds significant value for us. We discovered a method to diminish this occurrence. We established a dedicated railway link from our principal pasta producing facility. By doing so, we mitigated pollutants, yielding advantages for both the environment and financial performance. The scorecard displays the activated objectives and their coherence. The objective is to serve as an operations manager and controller.

Within Barilla, the principles supporting the GYGP objective are implemented at the grassroots level through activities, involvement, and reflections prompted by the PMS. The specific KPIs of the Operations scorecard prompted managers to identify various 'social situations' relevant to their roles, such as the necessity to merge financial and non-financial data for the Finance manager, initiatives to enhance water efficiency among suppliers for the Sustainability manager, or innovative strategies for environmental conservation beyond water usage for the Operations manager and controller. These scenarios functioned as 'bounded social entities' (Gonos, 1977; Furnari, 2020), engaging managers from diverse divisions in a reflective discourse regarding the implications of particular facets of the GYGP purpose. This resulted in the emergence of dynamic priorities and interconnections among Planet, Product, and Profit, which led to new projects, including the new transportation system.

Vignette 2 – Prevention of Accidents

The scorecard provides insight into the operations of other plants, enabling a more intuitive assessment of our comparative performance. Upon observing substantial discrepancies in KPI outcomes, I initiate an inquiry into the underlying causes and engage in discussions with colleagues from other departments, exploring the feasibility of adopting their best practices and emulating their successful initiatives. The scorecard facilitates this exercise - Operations Manager.

This is the occurrence related to the Accident Index. For instance, in the analysis of the scorecard, we observed that a [peer division] was achieving nearly zero on the Accident index of the scorecard. This must be interpreted in conjunction with the headcount. We contacted the [peer division] to comprehend their internal processes and identified methods to enhance our own. We collaborated to conform to best practices. Regarding training activities, specifically for the Operations Manager role.

We must collectively review the KPIs displayed on the Operations Scorecard on the computer monitor. For instance, if the objective is to generate an additional 1000 tons [referring to the Production Volume KPI in the Profit segment of the Operations scorecard] with 100 personnel instead of 108 [referring to the Headcount KPI in the People segment of the Operations scorecard], this likely elucidates the reason for the red flag

observed here [indicating the negative variance for the Production Volume KPI]. It demonstrates that Profit and People are interrelated. The red light indicates the necessity to convene and investigate the circumstances around these links - Operations Manager and Controller.

The Operations scorecard, as illustrated in Vignettes 1 and 2, allowed managers to identify 'water reduction' and 'accidents prevention' programs as distinct social contexts for engaging the Planet (in Vignette 1) and People (in Vignette 2) elements of the GYGP objective. The KPIs facilitated dialogues among managers regarding activities (such as water purification and recycling in Vignette 1 or training programs in Vignette 2) and their implications (for instance, those related to the evolving targets of workforce and production volumes in Vignette 2 – 'The red flag indicates the necessity to convene and investigate these interconnections' as previously quoted), thereby equipping managers with 'situational frames' to identify opportunities for leveraging the GYGP logics. Managers assigned special meanings to these logics based on their immediate experiences of the scenario. Nonetheless, situational frames pertaining to GYGP elements did not limit the meanings associated with these aspects; rather, they emerged through the social interactions prompted by the scenario itself. In Vignette 2, the interpretations of accident indicators transitioned from associating training activities with headcount to correlating headcount with productivity, so combining the People and Product dimensions of the GYGP objective. In Vignette 1, social interactions concerning water use indicated developing methods for connecting Planet, Product, and Profit, resulting in progressive measures aimed at fulfilling purpose (ranging from water recycling to innovative transportation initiatives, surpassing simple water reduction). In these social contexts, the situational frameworks offered by the Operations scorecard did not dictate the interpretation of purpose-related logics; rather, they stimulated managers' involvement, responses, and interactions with these logics. This process finally resulted in a developing perception of purpose, as we will demonstrate later.

Revealing significances: in pursuit of the 'pleasure of cuisine'

Vignette 3 – The Innovation of Ingredients
The eradication of palm oil was not mandated by a top-down initiative; rather, it was driven by market demand from local brands – Finance Manager

The objective of the GYGP originated from the company. […] However, it was the brand's leader who expressed the desire to verify the wheat supply chain. The brand's leader stated, "I desire [brand name] to be palm oil free." "However, it incurs a higher expense." The brand's response was, 'It is inconsequential.' […] Consequently, we suffered significantly increased expenses. We thoroughly reevaluated our formulas and innovated our items. […] Ultimately, we sold a greater quantity of biscuits. Upon listening to Finance, one would conclude, 'You are irrational.' You are utilizing a raw material that is 2.5 times more costly. We developed 1000 recipes in the Bakery section over a period of 6 months for a more costly product. — Operations manager and controller.

The abolition of palm oil was significant for us. Subsequently, we enhanced the nutritional components of our goods and focused on the sustainability of the supply chain, ensuring the superior quality of all ingredients — Brand manager.

At Barilla, the objectives and targets related to 'product quality,' aligned with the GYGP purpose, engaged managers in continuous discussions and shared instances of interaction, wherein they leveraged their immediate experiences and comprehension of the underlying principles of purpose to acknowledge their roles in the context and initiate action ['We had to innovate 1000 recipes' – quoted above; 'we conducted thorough research' – quoted below].

Our thorough analysis confirmed that, from both environmental and social viewpoints, palm oil is not the optimal raw material to utilize. We could acquire superior ingredients. There was also this aspect. There is currently a deficit in sunflower oil supplies as well. We must innovate recipes once more. - Operations manager and controller, referencing the Operations scorecard.

Employees comprehend the 'preoccupation' with quality. They understand that without impeccable quality, products are not provided to clients. There is no content to rewrite. Prioritizing customer satisfaction benefits both you and the environment - Supply Chain and Operations Manager.

While Finance associates product quality with Profit metrics ['You are using a raw material 2.5 times more expensive' – as previously cited], local brand managers also connect it to the People and Planet aspects, highlighting efforts to enhance ingredient sustainability.

The quality of raw materials is a primary aim for us. […] The objective is for all providers to achieve certification in accordance with international standards. We resolved to pursue a complete aim of 100%. This is due to the necessity for targets to be aspirational. We could have established a 90% objective, implementing a safety net. We concurred that we must direct our actions towards our objectives. We must set ambitious goals to inspire action. Set ambitious goals and subsequently achieve them. Subsequently, report it in connection with SDG 12, Responsible Consumption and Production, as illustrated here [indicating a table in the GYGP Report 2020] - Operations Manager and Controller.

The 'palm oil abolition' initiative, supported by a grassroots approach, stimulated discussions and considerations regarding the nutritional quality of ingredients, resulting in research and development efforts to modify product recipes (including the reformulation of 476 products – refer to Barilla Sustainability Report 2021, p. 6), enhancing the Product Quality Index in the scorecard, and documented in the GYGP report in relation to the Sustainable Development Goals (SDGs). This process revealed the meanings related to product quality.

Amidst the focus on palm oil, fat reduction, and the nutritious attributes of our ingredients, we have inadvertently overlooked the fact that our goods are also flavorful. They must evoke happiness - Brand manager.

We aimed to prevent the perception of quality, health, and sustainability as punitive, suggesting that healthy eating equates to tastelessness and lack of enjoyment. We aimed to circumvent that. Especially following the pandemic — Operations Manager and Controller

We are reformulating product compositions and recipes to decrease sugar content while maintaining the pleasure of food. We are modifying the packaging mechanism to provide balanced portions in a single package. We provide a healthy alternative with high-quality, balanced quantities, without sacrificing enjoyment — Brand Manager.

Managers' discussions, reflections, and social interactions generated emergent meanings by acknowledging common social contexts for implementing purpose regarding 'Product quality' and connecting it to the People and Planet dimensions of purpose through their own comprehension of the issue. The innovation initiatives for 'Product quality' were associated with the enjoyment of food, as expressed in the quote, "we realized that we sort of ended up forgetting that our products are also tasty. They have to bring joy." This realization prompted new initiatives aimed at enhancing the nutritional aspects of products and their sustainability, while maintaining the element of joy. The new packaging approach provides 'balanced' portions without sacrificing flavor. These interpretations were reintegrated into the comprehension of purpose as 'the pleasure of food for an enhanced life' (Barilla Sustainability Report, 2022). This was also influenced by external pressures for societal recovery after the global pandemic.

The visualizations of the GYGP reporting system at the corporate level present a distinct story in contrast to the narratives of the Planet, Product, People, and Profit components of the Operations scorecard. The GYGP reporting system at the corporate level visually represents corporate purpose through graphs, objectives, and KPIs (refer to Barilla GYGP Sustainability Report, 2020; pp. 26–27; 48–49), effectively delineating the 'Good for you' and 'Good for the planet' elements while connecting them to global development goals. Concurrently, context-specific interpretations are activated by the Planet, Product, People, and Profit components of the Operations scorecard. As novel initiatives arise from micro-level social interactions (e.g., new packaging initiatives in Vignette 3) and as new interpretations develop (e.g., those pertaining to product quality), these elements are disassociated from the Operations scorecard and subsequently integrated into various components of the GYGP reporting system (e.g., SDG 12, Responsible Consumption and Production, as referenced above), where they align with global development requirements. In this procedure, the purpose is not disseminated at the local level (the Operations scorecard's structure does not reflect that of the GYGP report); instead, local initiatives originate from the local brands. However, it was the brand's leader who stated, "I want [brand name] to be palm oil free," and this is subsequently documented at the corporate level, particularly concerning SDG 12, Responsible Consumption and Production, as previously cited.

The tenuous correlation between the structure of the Operations scorecard and that of the GYGP report indicated that, despite the emergence of novel interpretations of purpose in the 2022 corporate report, the sections and KPIs of the Operations scorecard remained unchanged in structure and nomenclature across various contexts. Nonetheless, they prompted evolving managers to focus on meanings and social interactions about the 'pleasure of food,' so enhancing the comprehension of business aim. This was reintegrated into Barilla's Sustainability Report 2022, titled 'The Joy of Food for a Better Life,' thereby embodying the evolving interpretations in new declarations.

4. Discussion

This study examines how managers interpret and engage with the diverse logics that drive corporate purpose in their daily practices, activities, and relationships inside a company, thereby attributing meaning to corporate purpose. We have demonstrated that these meanings manifest in many contexts of purpose enactment, as managers connect their contextual experiences to it and participate in social interactions, while maintaining the alignment of purpose with external, dynamic requirements for sustainable development. This study demonstrates that these connections occur through the PMS, which serves as a framework for managers to collectively identify specific situations for implementing various aspects of purpose, to relate to and interpret those aspects through their contextual experiences, and to engage within those situations, resulting in new initiatives and evolving meanings. As these meanings emerge in various contexts, they reinforce the comprehension of purpose, maintaining its links with external demands for sustainable development, especially in dynamic circumstances.

Research on the micro-foundations of institutional logics recognizes the significance of situations in the implementation of these logics at the micro-level (Thornton et al., 2012), although it fails to explore the specific mechanisms for situational recognition (see Furnari, 2020). Our analysis enhances these studies by demonstrating how a scenario for implementing corporate purpose can be identified through a PMS: the PMS engages users and integrates them into social interaction episodes, wherein the KPIs aid managers in recognizing a specific context for enacting purpose, as well as their role within that context. The PMS operates within a contextual framework rather than in isolation. The principles underlying corporate purpose are not independent from practical application. Situational frames influence managers' perception and understanding of the logics that

support purpose. Although various facets of corporate purpose are activated in distinct circumstances, these facets are neither reflected, dictated, nor limited by the PMS. Instead, they are imbued with locally produced significations. In the social context of Vignette 1, managers attributed varying significances (with distinct implications for actions and prioritization) to water reduction activities. In Vignette 3, novel interpretations of Product Quality emerged, linking sustainability and health of raw materials to the pleasure of food, as managers participated in discussions and social interactions around the topic. The meanings transcended their 'local' context and were not limited to the social scenario; instead, they influenced managers' perceptions of purpose, from GYGP to the enjoyment of meals. Consequently, corporate purpose was imbued with significance, remaining congruent with the evolving demands for societal advancement arising from the external milieu, such as the necessity for recovery and well-being in the aftermath of the global pandemic.

These insights enhance the ongoing discourse on corporate purpose (Stroehle et al., 2019; Gartenberg et al., 2019) by illustrating the function of PMS in actualizing purpose at the foundational level. We demonstrate that purpose is not implemented via a structured methodology, wherein its components and the overarching rationalities supporting it are disseminated to the micro-organizational level through the PMS. Micro-instantiations of corporate purpose, such as the initiatives for water reduction and quality enhancements in Vignettes 1 and 3, arise from the 'social situations' facilitated by the shared frameworks established by PMS practices, including the metrics and KPIs of the Operations scorecard, along with the associated social interactions. In the resulting social contexts, individuals could connect with various facets of corporate purpose, so activating it at the micro-level and generating new meanings and activities.

While the accounting literature has extensively acknowledged the significance of accounting practices in the micro-instantiation of institutional logics (see, e.g., Lounsbury, 2008; Bogt and Scapens, 2019; Quattrone, 2015), we expand these insights to encompass the micro-instantiations of corporate purpose, incorporating the influence of 'social situations' (Furnari, 2020) in elucidating how the PMS contributes to these micro-instantiations through shared frameworks and social interactions. The PMS allows managers to identify situations for corporate purpose implementation and leverage their expertise and comprehension to develop evolving insights into the underlying logics of purpose. Instead of being limited to certain events and associated activities, these micro-instantiations contribute to the comprehension of purpose through shifting meanings, maintaining a connection with external demands. These considerations contribute to the accounting literature on Performance Management Systems (PMS) (Wouters and Wilderom, 2008; Broadbent and Laughlin, 2009; Wouters, 2009; Ligonie, 2021), particularly concerning the challenges of sustainable development (Arjali`es and Mundy, 2013; Gond et al., 2012; Contrafatto and Burns, 2013), by illustrating the role of PMS in shaping managers' comprehension of specific elements of purpose as manifested in particular contexts, thereby influencing the evolving interpretations associated with global development imperatives.

5. Conclusions

In alignment with the UN sustainable development strategy and global development challenges, organizations in the food industry are obligated to provide tangible evidence of their commitment to meeting essential societal needs (Sachs et al., 2021). The global challenges induced by the pandemic have underscored the necessity for collaborative efforts in social development, engaging institutions, organizations, and individuals (Hollerer et al., 2020). During crises, companies such as Barilla are tasked with

maintaining 'normality' in food distribution, as stated by Barilla's CEO, by adhering to their mission of fostering societal connection and addressing global needs originating from grassroots organizations.

This paper examines the role of PMS in facilitating this process. We enhance the ongoing discourse on corporate purpose (Stroehle et al., 2019; Gartenberg et al., 2019) by demonstrating how purpose can permeate the organization through Performance Management Systems (PMS), and how managers' interpretations and contextual understandings of purpose during specific enactments can imbue it with evolving significances. This study enhances the limited literature on the role of PMS in the practical implementation of purpose by demonstrating how accounting and performance measurement practices and artifacts (e.g., the Operations scorecard at Barilla) can be utilized to link managers to the underlying logics of purpose, while facilitating local manifestations of these logics in particular contexts. This affirms Bartlett and Ghoshal's (1994) assertion that the realization of purpose does not adhere to the 'strategies-structures-systems' framework of the 'old school'; rather, it originates from individuals. We augment this assertion by illustrating how intention enactment and its localized manifestations can occur via the PMS. Micro-instantiations do not only activate its logics; they facilitate the infusion of purpose with meanings, connecting managers' immediate experiences and interactions to the societal demands that underpin purpose.

Secondly, we enhance accounting literature and organizational studies regarding the micro-foundations of institutional logics (Bogt and Scapens, 2019; Furnari, 2020) by demonstrating the role of Performance Management Systems (PMS) in facilitating 'social situations' for purpose enactment. This process attracts managers within a defined 'social body' for interaction, closely aligned with their immediate experiences, allowing them to identify it as a context for purpose realization, ultimately resulting in the emergence of meanings that maintain its connection to societal demands. This contribution enhances the existing work on Performance Management Systems in challenging contexts (Wouters and Wilderom, 2008; Broadbent and Laughlin, 2009; Wouters, 2009; Ligonie, 2021), particularly in relation to urgent demands for sustainable development and the fulfillment of social needs. This study demonstrates that while certain interpretations of purpose, like the GYGP purpose in Barilla, remain constant, new interpretations arise from local contexts and influence the comprehension of purpose, exemplified by the Joy of Food in Barilla. This dynamic sustains its relevance to evolving societal needs and ensures its longevity.

Our research concentrates on corporate purpose and performance management systems. Subsequent research may investigate the influence of additional activities, including IT systems and technologies, in actualizing corporate purpose via micro-instantiations. Additionally, subsequent research could investigate the influence of PMS in actualizing other notions and categories, such as 'value' and 'societal value production', facilitating their manifestation at the micro-level while ensuring their sustainability. We recommend investigating discrepancies and inconsistencies among various practices, particularly between the PMS and the sustainability reporting system, to further examine how tensions between the necessity for adapting meanings and the continuity of purpose can be resolved in challenging contexts.

Data availability

The data that has been used is confidential.

Acknowledgements

Appendix A. - List of main informants

Role	Number of Interviews	Topic
Operations manager and controller (Italy)	13	Governance and strategic management structures; Corporate purpose and PMS
Finance manager (Italy)	11	Governance and strategic management structures; Corporate purpose and PMS
Sustainability manager (Italy)	3	Corporate purpose and PMS
Communication manager (Italy)	1	Corporate purpose and PMS
Brand manager	1	Local initiatives of corporate purpose and PMS
Operations manager (non-EU division)	1	Local initiatives of corporate purpose and PMS
Supply chain and operations manager (Southern division)	1	Local initiatives of corporate purpose and PMS
Total	**31**	

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