MISSION LIT

THE ZINE

LIGHTING THE WAY
TO BETTER BUSINESS

Powered by
x+why

ISSUE #002 – Q4 2024

THE MONEY ISSUE

Margins of error
Finding the right level of profits for long-term success

Get comfy with money
What's holding your personal finances back?

Friends with benefits
Why everyone wins when finance and sustainability teams work together

MISSION LIT
THE ZINE

MISSION LIT

PENNY FOR YOUR THOUGHTS...

GET FEATURED
GET INVOLVED
VOTE ON OUR NEXT TOPIC...

Welcome to the second edition of the Mission Lit zine

Hi all,

Welcome back to the Mission Lit zine, the mini magazine for the Better Business community by the Better Business community, and to our issue 002 as voted by you – The Money Issue! A huge thank you to all those who read, engaged with and fed back on Issue 001 – the Culture Issue. What an inspiring community to be a part of.

So, with money in mind, as CFO and co-founder of x+why, I have been asked to write this intro! Like it or not, every business requires money to fulfil its mission – as we say at x+why, it is the fuel you need to succeed. We don't find the word 'profit' awkward either, we just want to make sure we make it in the right way, and by creating a positive legacy along the way.

I am biased of course but I often think the 'G' in ESG is overlooked; to be fiscally responsible at the same time as making the right investments; to ensure total transparency to stakeholders and a commitment to investing into areas which don't automatically give an ROI but are right for culture or mission – these are the most fundamental to any company's survival and ability to thrive.

Of course, we can't cover everything in this zine, but we've done our best to incorporate a range of topics and perspectives – from business finances to personal money matters – there's something here for everyone.

Thanks so much to all contributors, and we can't wait to hear your thoughts.

Enjoy!
Tanya and team x+why

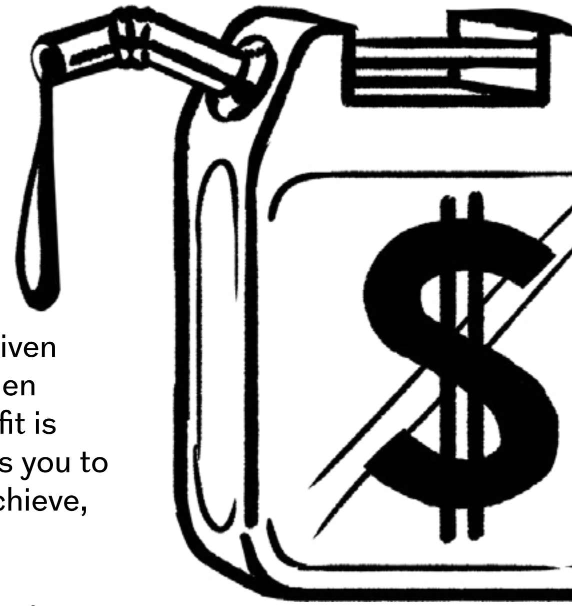
x+why

missionlit.com
@wearemissionlit

MARGINS OF ERROR: WHAT'S THE RIGHT LEVEL OF PROFIT?

Richard Johnson
Author of Mission Lit

Profit is, in a sense, the alchemy of business; the ability to take out more than you put in. But not everyone has the same view on the purpose of this alchemy.



"Profit is the fuel, not the destination."

This is how leading examples of purpose-driven businesses explained the dynamic to me when researching the book Mission Lit. Here profit is presented as a necessity, because it enables you to achieve the ends your mission sets out to achieve, but it is never the end-goal itself.

Interestingly, there's another dynamic at play too. Profitability – or business success – can also be the consequence of your pursuit of something else: your restless efforts to achieve your mission. It results in you creating better teams, doing better work, creating better products and services, with better stories, which culminates in success in your given market.

Profit then becomes both the enabler and the consequence of your purpose – but never the reason for being. And so goes the hypothesis of purpose-driven business – a finely balanced, virtuous cycle of benefits.

We describe businesses as 'for profit' organisations, but perhaps not all are for profit, merely profit dependent. In either case there's a constant balancing act going on, to not disrupt the virtuous circle, or spoil the alchemy.

It's a balance of short-term vs long-term priorities, but also between margins, mission and sustainability.

GETTING THE BALANCE RIGHT

The way in which every business is set up has, or has the potential to have, negative impacts on society and the planet. Sustainability strategies exist to manage these impacts.

It's widely understood now that finding ways to meet customers' needs in a way that has fewer negative impacts on the world is not only morally commendable but can be good for business. Pollute less, treat people better, do things the right way, and become efficient, resilient and then point out how bad everyone else is by comparison. It's just as widely understood, however, that this can also be difficult and expensive, and the temptation to not do this and increase your margins is ever present for near-sighted businesses.

Similarly, what's the relationship between a social mission and profitability?

Who Gives a Crap donates 50% of its profits to sanitation projects, a number which appears to work for them. It's hard to imagine they would be commercially more successful if they donated less – they'd be far less interesting, profound and differentiated.

Similarly, if they donated 90% – or even 100% – of the profits would they have been able to raise the same investment, moved so fast, and created such a splash with their marketing? Maybe. Maybe not.

Importantly, there are no hard and fast rules on how to get the balance right. Take the initiative '1% for the planet.' It's been a great way to get businesses to redirect some of their profits towards creating a positive impact.

But when I spoke to Thalia Day, Impact Lead at Ocean Bottle, she asked "Why stop at 1%?":

"When exercising a 'No BS sustainability' ethos, we can't stop at 'good enough'. While '1% for the Planet' is a great starting point, it can unintentionally set a ceiling. By committing to 15%, we've directed over $5 Million to collect ocean-bound plastic since our inception in 2019 – far more than the $350k if we had stuck to 1%. This shift is about maximising regenerative impact, keeping ourselves accountable, and pushing the boundaries of what's possible. Certification standards shouldn't be limits, but launchpads for greater impact. Why settle when we can do more?"

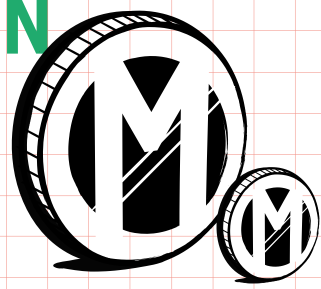
Whether you see profit as fuel, or the destination itself, the point is it's always a balancing act, always a compromise. The key is to be clear on why you are allocating resources the way you are, and the implications of your decisions.

The notion that a business could be pursuing too much profit is ultimately the concern that in doing so it is placing itself at odds with the needs of customers, employees, society or the planet. Fail to bring them with you and you may regret it.

MARGINS OF ERROR

LET'S EXPERIMENT

YOU HAVE 9 MISSION LIT COINS TO SPEND. YOU MUST SPEND AT LEAST ONE COIN IN EACH COLUMN



How would you prioritise spending your 9 coins in the coming years to set you up for long-term success?

PROFITABILITY	MISSION	SUSTAINABILITY	
Minimal profit margins	Minimal progress on mission	Maximum external negative impacts	+1
Good profit margins	Some progress on mission	Some external negative impacts	+3
Maximum profit margins	Transformative progress on mission	No external negative impacts	+5

How might your choice lead to long-term success?

How might your choice hinder long-term success?

What are others in your market doing?

PE CLASS

DEMISTIFYING PRIVATE EQUITY FOR PURPOSE-LED BUSINESSES

Collaborative article by Piper PE and Palatine PE

palatine PIPER | Building Brand Legends

To many, private equity (PE) investment means one thing, making money, and they may also think, by any means necessary. It's true that all PE houses aim to make money for their investors, but their approaches differ hugely.

PE is an investment mechanism where funds are raised and then invested into businesses to make a return. Those returns come not from revenue, however, but from improving the valuation of the business. What is deemed valuable and how that value is measured is the fundamental difference between PE houses.

Investment is speculative, so investors will have their own thesis on how best to create value. Piper and Palatine are both PE houses that seek to enhance value by complementing the skills existing within the business and bringing new ideas, strategic thinking and proven approaches to the table. For us, value comes from anything that strengthens the longevity and improves the competitiveness of a business, which could come from the business model, the team, technology, product quality, etc.

At Piper and Palatine we see sustainability as a key driver of value. We both have sustainable investment strategies that focus on the impacts a company has on the environment/society and support companies to secure sustainable outcomes and embed ESG into their operations.

Sustainability for us is about *how* a company is configured, and the impacts it has on people and the planet, when delivering value. In this sense, sustainability is important to every company we invest in, and is about finding better ways of doing things. This is separate from Impact Investing, which is a strategy for backing businesses whose core activities and outputs have measurable positive impacts on people and planet – this is more focused on the *what* than the *how*.

PE can be a great partner for purpose driven businesses, but here's what you need to look out for:

- Do they have a strong track record in your sector or business model?
- Do they have a sustainable investment or impact strategy?
- Are they transparent about ESG? Do they publish a public sustainability report?
- Does the house talk about partnerships and relationships?
- Are they a B Corporation?
- Does their approach align with your business' goals? There are some niche funds out there!

Piper has been investing in consumer brands for nearly 40 years. We are B Corp certified, but our investments do not necessarily have to be mission driven. We believe that all the best businesses should have sustainability embedded into their business model. We work with our partners to help them grow sustainably, at the right pace, by defining their purpose and understanding their material impacts to build sustainable process that will grow with the business.

Our purpose is to be the investor-partner of choice for founders building brand legends that make people's lives healthier, happier and more fulfilling, while taking care of the environment.

Palatine, also B Corp certified, invests using three strategies. The Buyout Fund invests across financial, technology and business and healthcare services. Our pioneering Impact Fund invests into commercially driven businesses with a measurable positive impact on society or the environment that we seek to scale alongside the business' growth. Finally, our Growth Credit Fund invests in maturing, high-growth tech companies in the regions.

We support all companies in our PE portfolio to improve their sustainability performance, we also have a sustainability ratchet for companies leveraging our debt facility, where they can access cheaper debt by meeting measurable sustainability targets.

PE CLAS PE CLAS

PERSONAL FINANCE SPARK SESSION

CURATED BY X+WHY MEMBER LIA LOEWENTHAL

Spark Sessions are conversation starters. Short activities or provocations for anybody working within any business.

Get involved and enjoy!

Lia Loewenthal is a Money Coach helping heart-driven business owners build thriving businesses and money confidence.

get comfy with money.

getcomfywithmoney.com
linkedin.com/in/lia-loewenthal
Instagram @getcomfywithmoney

For specialised support, contact Lia for a personalised plan

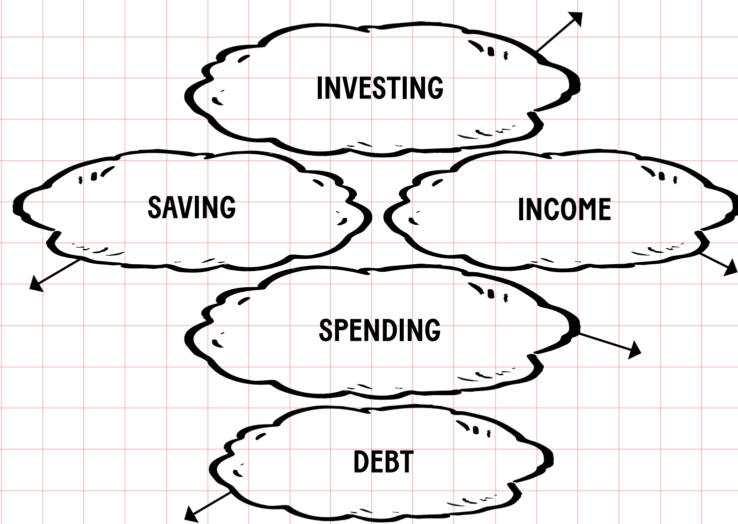
WHEN YOU ARE BRAVE ENOUGH TO LOOK AT YOUR NUMBERS... THIS IS WHEN EVERYTHING CHANGES.

Developing a positive relationship with money, and to reaffirm these beliefs throughout your life, can be life changing. It is never too early, or too late to start.

Your feelings about money come down to your relationship and habits with the 5 areas of financial flow:

Brainstorm below the words you associate with the 5 areas.

For each area, you can include what you already have in place, what you want to explore and any feelings that come up.



Exploratory Questions:

- Which area/s do you feel most confident with right now?
- Which area/s are creating the most resistance or challenges for you right now?
- What is your first action step towards strengthening your finances?

WHY YOUR FINANCE TEAM SHOULD BE EXCITED ABOUT SUSTAINABILITY

Article by Adam Garfunkel, Junxion Strategy x+why members at People's Mission Hall

junxion

Sustainability is no longer just a 'nice to have' for businesses – it's an essential driver of long-term value.

If a natural disaster disrupts your supply chain or skyrocketing raw material prices eat into your margins, that's a financial hit. And with rising pressure from legislation, stakeholders, and investors, the next 5–10 years will see companies that fail to prioritise sustainability left behind.

For finance teams, this means a shift in perspective: from focusing on short-term profits to embracing a more sustainable and resilient financial strategy.

Better business is in demand

As the state of climate and nature continues to decline and an abundance of social injustices play out, consumers, employees and investors are increasingly looking for companies that are part of the solution, not just doing less harm.

In response, more and more companies are embedding sustainable practices, and some are designing their entire business to be focused on solving society's problems. Companies that have certified as B Corps, for example, see several upsides beyond having a positive impact, including an uptick in the quality and longevity of their talent, better access to investment and greater market share.

Finance and sustainability teams share the same goal

Sustainability experts might speak about social impact and environmental goals, while finance teams speak about margins and ROI. These two goals are often viewed as mutually exclusive but they're increasingly co-dependent.

The obvious operational improvements such as installing energy-efficient lightbulbs have an immediate payback. But some sustainability measures require investment and are about securing long-term resilience. For example, a clothing company agreeing to fair-trade prices for its suppliers will take a short-term hit to its profits, but might well be securing ‘favoured client status’ when market conditions are tough.

Framing the issues in this way allows sustainability and finance people to find common ground. Together they can identify the significant, even existential, risks to the business, and help the business to manage them. Sustainability people cannot achieve their goals without finance, so helping finance people see that they can’t plan for long-term success without considering sustainability issues is vital.

One company that always got this was Marks and Spencer. The success of their Plan A initiative is in no small part down to sustainability and finance being integrated from the start. By 2015, eight years after its launch, M&S could identify £160m worth of benefits Plan A had delivered in the 2014-15 financial year.

Smaller businesses can do this too

For smaller companies, the same fundamental truth applies: the person in charge of the purse-strings is a hugely important ally in making sustainability happen.

One technique to consider is broadening the set of key performance indicators your finance lead uses to assess the health of the business. Sure, revenue and profit are key – no margin, no mission! – but what else signifies success? Working together to create this ‘balanced business scorecard’ can widen the discussions leaders have beyond this quarter’s profitability.

FOUR WAYS TO GET YOUR FINANCE TEAM ON BOARD WITH SUSTAINABILITY

1. Highlight regulatory and market trends: emphasise how legislation around transparency, carbon emissions, and ESG reporting is increasing.
2. Use their language: frame sustainability in terms of long-term financial value and resilience.
3. Work together not against: collaborate with finance teams by assessing risks to the business, and embedding action across the company. For example, allocating an internal carbon price (as M&S have recently done), or including sustainability criteria in the procurement process (relatively easy for small businesses).
4. Better business dashboards: then together build a ‘whole-business’ dashboard with a small number of key performance indicators, in addition to revenue and profit, that will keep sustainability issues front and centre.

The Bottom Line

Sustainability is about more than saving the planet –it’s about building a stronger, more resilient business. And that’s something your finance team should be excited about.

By managing risks, unlocking new opportunities, and embracing long-term value creation, sustainability, purpose and profitability are all co-dependent. The future belongs to companies that can balance these three – and finance teams that recognise this will enable their companies to thrive.

Adam Garfunkel is Partner & Chief Impact Officer at Junxion, an impact consulting firm, that helps companies build meaningful sustainable business strategies, and develop the culture to deliver them.

BETTER BUSINESS

MONEY TALKS: IN CONVERSATION WITH A GREEN TECH CFO

Navigating the world of fundraising can be a daunting task for mission-driven startups, especially in the sustainability space. Oliver Needham, CFO and seasoned expert, shares his top tips for becoming investment-ready and the key factors investors look for.

INTERVIEW CONDUCTED BY

X+WHY MEMBER:
USEFUL-STUDIO.CO.UK

USEFUL©

USEFUL MISSION
TO CREATE USEFUL THINGS FOR USEFUL BIZ

Looking to fundraise? Want to understand what investors are looking for?

Oliver might just have the answers for you.

For mission-driven startups reading this, what are your top tips for becoming investment-ready?

Whether your startup is mission-driven or not, the first thing is to prepare for a lengthy, potentially tough fundraising process! Plan for at least six months. You'll need a solid pitch deck, a financial model, and a clear understanding of the investors you'll be targeting. Get everything in order before reaching out, and create momentum when you go to market. Treat fundraising like a competitive process – get multiple investors interested at once. It's also a full-time commitment, so make sure your business can run smoothly while you focus on raising funds.

If you're presenting investors with an audacious mission, how do you convince them that you actually have a chance of achieving it?

Ideas are cheap. Execution is what matters. Even a mediocre idea, if executed well, can be profitable. So, it's essential to show that you have the right team in place to execute your plan. In sustainability, founders often know their subject but may struggle with the business side. It's vital to bring in the right expertise when needed.

What is the biggest mistake mission-driven founders make when fundraising?

Lack of focus! There are a lot of problems out there to solve, and founders often try to apply their solution to too many things, in too many countries, too quickly. Focus on local, profitable issues first and don't get carried away with ambitious long-term plans. Investors want to see a balance of ambition and realism.

How important is it to find investors who align with your values?

It's nice to have, but ultimately it doesn't need to be a deal-breaker. If someone offers you a great deal, but doesn't care deeply about the environment, you could be foolish to turn them down. As long as there's a trusting relationship, and expectations are clear, you can take their capital and do a lot of good with it.

How important is branding, visual presentation, and storytelling in this process?

It's incredibly important. Investors are busy, and they see hundreds of ideas and pitch decks every week. You need to stand out in those first 15 seconds. If your presentation is visually compelling and your story is succinct and clear, it helps build interest.

If you could give one piece of advice to mission-driven founders just starting out, what would it be?

Be prepared to pivot. If you're not getting traction after six weeks of outreach to investors, reassess what you're doing. Don't be too stubborn; listen to feedback and adjust as needed.

We're here to amplify amazing activity across the x+why community, members and beyond. This could be you! Get in touch to share your ideas.

COMMUNITY CORNER

Here's where we get to celebrate, lift up and promote our amazing members, partners and readers :-) letting you know what's on, and amplifying the amazing activity we see going on across our network and beyond. In the next issue……..this could be you!

Advertise your business/ product/ event HERE

Discover more great news stories from across the x+why community

BUSINESS FOR GOOD: ATTACH POSITIVE IMPACTS TO EVERYDAY BUSINESS ACTIVITIES

B1G1 is a social enterprise with a simple vision: 'to create a world that is full of giving'.

When businesses join B1G1, they become part of a global community who are passionate about embedding giving into everyday operations and engaging their teams in purposeful giving activities.

At x+why, we have three active giving stories that take place every day:

- A tree is planted for every new member of x+why
- A nutritious meal is provided to people in need for every member social attended
- A day's access to clean drinking water is provided for every member survey completed

When you join B1G1 through our referral code [BM16049], 50 days of access to education are given to children in the world!

Code: BM16049
www.b1g1.com

FUNDINGHERO - HOW TO GRAB AN INVESTOR'S ATTENTION: 3 TIPS TO MAKE YOUR PITCH STAND OUT

When you're pitching for investment, excitement is key. Investors are constantly flooded with opportunities, so how do you make yours irresistible?

To cut through the noise and make investors reach for their cheque books, you need to weave powerful numbers into your pitch. Here are three tips to get it right:

Website:
fundinghero.co.uk

Book:
The Startup Fundraising MBA

1. Pick Power Stats – Identify the key figures that showcase the scale of the problem or your unique value. A strong stat can leave a lasting impression: "99% of startup fundraises fail"

2. Create a Hook with Scale – Investors love big ideas. Paint a picture of your business's potential: "Our filter reduces carbon emissions by 20%, and we're targeting £20 million in revenue within five years."

3. Anchor Key Messages with Numbers – Make sure every section of your pitch includes a headline stat that sticks. Use numbers that amplify your message and excite investors about the growth and returns you can deliver.

By integrating powerful numbers into your story, you'll stand out from the crowd – and increase your chances of landing that crucial investment. FundingHero is simplifying fundraising for founders through its 6 Pillars of Fundraising, with bite-sized online lessons and our in-person specialist fundraising accelerator designed to get more high growth potential startups funded.

COMMUNITY CORNER

PERKS WITH PURPOSE: WHY MISSION-DRIVEN BENEFITS MATTER

Foundry members in Birmingham - GoodPAYE enables people to change the world while they work.

In today's mission-driven workplaces like x+why, employees want more than just their salary – they seek meaningful perks that reflect their values.

Whether it's mental health support, cycle-to-work schemes, or tax-efficient charity donations, perks should enhance well-being and foster a sense of purpose.

Find out more:
www.GoodPAYE.com

good PAYE
Charity Begins at Work

IMPACT-FOCUSED RECRUITMENT: SHAPING THE FUTURE OF FINANCE

Members at Unity Place, Milton Keynes - Aila Recruitment is a purpose-led finance recruitment firm, established to put people over profit.

Discover Aila's video interview series: Shaping the Future of Finance.

Exclusive interviews with senior finance professionals
- Hear about their journey to leadership
- Discover the challenges they've faced
- Advice for aspiring finance leaders
- And much more!

Series 2 is coming soon.
In the meantime, check out Series 1 on YouTube.

Aila

carta

THE EQUITY GLOSSARY BY CARTA

From shares to options, and pre-emption to preferences, understanding equity vocabulary can sometimes feel like learning to speak a new language.

Carta aim to make the language of equity accessible to everyone, so you can have meaningful conversations about the topic instead of simply translating what the other person is saying. They have designed a glossary for employees, founders and investors alike.

Whether you're brand new to equity or an expert on the topic, you'll find useful definitions for all the essential equity terms by scanning the QR code:

Are you clear how your company can help create the future we need?

And are you currently set up to create that future?

At New Model Consulting Mission Lit's author, Richard Johnson, works with companies to help them answer 'yes' to both of these questions.

If you would like help becoming 'mission lit' by developing an industry leading impact strategy and culture, then reach out on richard@newmodel.io

MISSION LIT
THE BOOK

Available for purchase via:
www.missionlit.com

ZINE ISSUE 001
THE CULTURE ISSUE

Available for download via:
www.missionlit.com

Printed on EU Ecolabel and FSC certified paper.

Printed by Newspaper Club who donate to Trees For Life, a conservation charity working to rewild the Scottish Highlands.