

Why Are We Building This Company?

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A few years ago, I wrote a pair of posts on building entrepreneurial companies: a straight-forward piece breaking down [the market logic](#) that drives an entrepreneurial company, and a [piece on the deeper question](#) of what a company is being built to achieve. The latter piece begins with this provocation:

Equally fundamental [as the market logic] is the organization's internal logic: what the business is for; what objectives it is ultimately in service of; why it matters and who has the most important claims. Often, these questions are left completely unanswered. Or the answers are treated as obvious, needing little discussion. Or perhaps there's a focus on wordsmithing a lofty mission without much reflection on how that mission should turn the gears of daily operation.

George Santayana wrote, "Fanaticism consists in redoubling your effort when you have forgotten your aim." By this standard, many founders and many CEOs count as fanatics.

In the time since, this piece has generated a great deal of dialogue and reflection, and it feels time to expand on the points I made there, as well as to share in writing more specifics about how we at Incandescent have defined our why.

If one keeps asking the questions under the questions, then down at the core of "why build this company" are generally two kinds of reasons:

- As an expression of timeless values
- In order to complete an achievable goal

At Incandescent, we represent the journey of building a company with this image:



The sun represents timeless values. The orange mountain represents the furthest out completable goal toward which an organization is building.

Some organizations place a stronger weight on one horizon as their reason for being, some on the other. Let's contrast, for example, two companies we've advised and helped build over the past several years.

[Purpose](#), now a part of Capgemini, "moves people to remake the world." They define themselves by the role they play and the work they do. "We build and support movements to advance the fight for an open, just, and habitable world." While any given movement may achieve its aim, the work of movement building will be as relevant in 2210 as 2021. Purpose has emphasized timeless values in how it articulates its reason for being.

[Concert Health](#) frames their mission as: "We aim to re-architect the nation's behavioral health system, with a mission to give every American access to high-quality behavioral health services alongside their trusted primary care provider." While the work of providing behavioral health addresses a timeless human need, this imperative to re-architect the behavioral health system represents a big lift that can, over a period of years, be achieved and completed. The Collaborative Care Management model on which Concert was founded can absolutely become prevalent across the country: a standard, an expectation, and a consistent set of practices. Concert Health is emphasizing the "orange mountain" in how it articulates its reason for being: reaching the top of this orange mountain—the re-architecting of the standard and practices underneath the nation's behavioral system—is a completable endeavor.

At our own firm, we place equal weight on these two horizons.

We talk often about four fundamental commitments:

- **Discovery.** We are committed to develop a synthesized, practical understanding of human enterprise—how people achieve large purposes—at the different levels of individuals, groups, units, institutions, and ecosystem-level vectors at an ecosystem level. This understanding should be elegant, teachable, draw on the best ideas of thinkers and practitioners across a range of disciplines. Most of all, it should be useful, enabling ourselves and others to think more clearly and operate more effectively in the very core of the work
- **Impact.** We are committed, over the long term, to contribute to a set of big undertakings:

solving problems and scaling solutions that address important human needs; participating in the transformation of industries; being an integral part of building companies that become leaders in their fields. Knowing that only a small fraction of what we do will in the end meet this lofty standard, we are committed as well to being clear what impact we're seeking in the current era of each endeavor we're part of, to visualizing as best we can a path to achieve this impact and to finding ways, over time, to bound or end engagements that we believe aren't positioned to make a material difference

- **Community.** We are committed to build a firm that beautifully exemplifies our own ideas, a place that people intrinsically value being part of. We are committed, as well, to touching an extended community of people in a way that they value, learn from, and feel has accelerated them toward their goals and their dreams. We aspire for our work to "live" as much in the mesh of this set of lasting, meaningful relationships as in the immediate circle of the firm's members
- **Economic Value.** We are committed to achieve economic results that enable the firm and its members to flourish, and to realize value commensurate with the value we create. We are not seeking to maximize profits, but we are seeking, over the long term, to build wealth

Early in the firm's history, we articulated what a meaningful "orange mountain" destination could be:

We have established a synthesized perspective on what we call the question of human enterprise, including how to create, build, run and change endeavors at different scales and of many kinds. Our ideas are embodied in powerful practices, and much of our thinking has been deeply influential, beyond the firm's direct work. We've built an extraordinary community of thought leaders, on the inside and outside, who are continuing to develop new theory and new practice that has a distinctive voice and a significant impact across multiple fields

We have been part of big achievements in every field of endeavor in which we participate. We've played an integral role in the building of more than one billion-dollar company. We've played important roles in the evolution and transformation of "essential companies"—companies that broke new ground and achieved new levels of performance—in multiple industries. We've been meaningful parts of a few truly significant vectors of social change, visible quantitatively and "to the naked eye" at a national, regional or global level. These achievements have become part of our body of knowledge, and provide a foundation that increases our ability to make parallel contributions in the future

We've consistently achieved our aspiration to live our own ideas, and have embodied them in a set of principles, practices, and a living culture that has proved to be resilient over the long term. We are self-critical when we slip away from our ideals, and have built a track record of "calling ourselves out" and not only solving the problem at hand but strengthening our underlying way of operating

We've built a strong enough economic engine and created enough value to have a meaningful surplus. We set compensation based on what we believe is best for the

achievement of our long-term goals, not based on economic constraints. We have the resources to make significant long-term investments. We can weather reversals in our business such that they have relatively little impact on our underlying mission. Our economic success is a further proof point behind the value of our ideas and our culture

We have built a group of partners who can sustain these fundamental achievements over the long term, including continuing to develop the new partners who can take their place. We have created a governance construct in which short-term economic considerations are unlikely to disrupt the firm's continuing focus on its mission. The firm is not unduly dependent on any few individuals

Together, these achievements would “add up” to the indefinite sustainability of the firm, at the highest level of our aspiration. Of course, such a thing can never be achieved once and for all. There will always be new challenges. Still, achieving these conditions for the first time would represent a powerful kind of completion—an arc that will take, if indeed it can be achieved at all, perhaps two to three decades of sustained focus, imagination, and ingenuity.

When I wrote this passage in 2016, it felt like a distant vision. Many of these points are now becoming more tangible, more clearly within reach. It now feels eminently achievable that by 2030, two companies that we've been on the journey with since their founding period will reach massive scale, representing not only a milestone in our economic model, but a milestone of learning as well, which comes from being part of the unfolding of all the stages of an enterprise from inception through leadership of a major market. [Block Renovation](#) is in the early years of just such a curve of development, addressing a vast market, as is Concert Health.

Our four fundamental commitments—sufficiently ubiquitous in our internal discussion that we refer to them simply as DICE—and our articulation of the orange mountain are two vantage points on the same journey. Each vantage helps us see aspects of what we are building and why we are building it more clearly.

Both the journey and its destination represent deep underlying “whys” behind our work. To us, as important as being grounded in this why is that we embody a principled “how.” Commitments are to an institution what having aims in life are to a person; an institution's how mirrors a person's character. Shaping a great company, like shaping a vital life, requires bringing purpose and character into harmony, and embodying both into a set of habits and routines that weave deeply-held ideas into the fabric of everyday action.

Different companies will have different emphasis, as the contrast of Purpose and Concert Health illustrates. I have shared in depth how we at Incandescent think about our timeless sun and our completable orange mountain not because our approach to these questions is more exemplary than others, but simply because this journey is ours to share. What I hold as universal is the power of clarity and intentionality: of committing to which sun will illuminate our waking days and which mountain it is we seek to climb.

Photo by [Nik Suliadin](#) on [Unsplash](#)