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Being purpose-driven involves a deliberate process of discovery, leadership, and sustained engagement.



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Becoming Purpose-Driven Requires More Than Inspiration

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Becoming a purpose-driven organization has become a popular notion in business these days. But I've found that many leaders mistakenly believe that doing so simply involves developing a compelling purpose and communicating it with charisma. These types of efforts are doomed to fail because becoming purpose-driven requires more than inspiration. It involves a deliberate process of discovery, leadership, and sustained engagement that [Robert E. Quinn](#) and [Anjan V. Thakor](#) describe in their excellent Harvard Business Review article, [Creating a Purpose-Driven Organization](#), and dovetails with the approach I outline in my book, *FUSION: How Integrating Brand and Culture Powers the World's Greatest Companies*.

Purpose Produces Performance

The research clearly shows that purpose-driven organizations outperform their peers. [Research](#) by business school professors Claudine Gartenberg, Andrea Prat, and George Serafeim, which surveyed 500,000 people across 429 firms and includes 917 firm-year observations from 2006 to 2011, found a positive impact on operating financial performance (return on assets) and forward-looking measures of performance (Tobin's Q and stock returns) among firms that exhibited high purpose and clarity.



Messaging



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Gerry Anderson, chairman and CEO of DTE Energy, a Detroit-based diversified energy company, experienced the performance-driving power of purpose at his organization. In their HBR article, Quinn and Thakor describe how Anderson was facing declining results during the Great Recession of 2008 and was searching for a way to get his people to devote more of themselves to work. Inspired by what he observed from site visits to USAA, he decided to adopt what Joe Robles, then the CEO of USAA and a DTE board member, says is a leader's most important job: "to connect the people to their purpose."

Anderson introduced a statement of purpose for DTE, "We serve with our energy, the lifeblood of communities and the engine of progress," and he enrolled company leaders in dedicating themselves to supporting that purpose. They wove it into onboarding and training programs, corporate meetings, and culture-building activities such as film festivals and sing-alongs. Quinn and Thakor report that, as DTE employees started to see that the organization's purpose was authentic and supported by leadership, "a transformation began to take place. Engagement scores climbed. The company received a Gallup Great Workplace Award for five years in a row. And financial performance responded in kind: DTE's stock price more than tripled from the end of 2008 to the end of 2017."

So You Want To Become Purpose-Driven

Leaders who want to drive similar results must undertake a deliberate process that involves discipline and dedication. Here are the key steps:

1. **Discover your purpose.** Quinn and Thakor rightly clarify leaders don't invent a higher purpose for their company. An organization's purpose already exists; it just might be obscured, overlooked, or simply forgotten. But a leader can and should undertake an effort to discover it through empathy, as they advise "by feeling and understanding the deepest common needs of your workforce. That involves asking provocative questions, listening, and reflecting."

In *FUSION*, I outline several methods to discover your purpose including the "Five Whys exercise" that Jim Collins and Jerry I. Porras, authors of the seminal book *Built to Last*, recommend. Unpeeling the onion of purpose by repeatedly asking the question "why do we do what we do?", Porras and Collins *observe*, helps companies in any industry "frame their work in a more meaningful way."

2. **Ensure purpose is embraced and embodied by leadership.** When a company announces its purpose and values but the words don't govern the behavior of senior leadership, Quinn and Aaker say, they ring hollow. Since it seems trendy for leaders to talk about purpose these days, employees are particularly skeptical about the sincerity and integrity of any "purpose-driven" leadership effort. But when a leader communicates the purpose with authenticity and consistency, the HBR article writers explain, "Employees recognize his or her commitment, begin to believe in the purpose themselves, and reorient. The change is signaled from the top, and then it unfolds from the bottom."

A key to leadership engagement that Quinn and Aaker point out and that I also discuss in *FUSION*, is managers in the middle of the organization. Leaders in the middle *own* an



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organization's hierarchy, such as department managers, store managers, and program leaders, wield the most influence on an employee's daily experience and therefore are a critical group in any culture transformation effort. Quinn and Aaker observe that people don't expect middle managers to be engaged deeply in purpose work, but "To build an inspired, committed workforce, you'll need middle managers who not only know the organization's purpose but also deeply connect with it and lead with moral power."

3. Engage every employee. Once leaders at all levels in the organization have internalized its purpose, they must in turn help every employee see how their day-to-day tasks and responsibilities connect with the organization's purpose. In fact, one of the key dimensions of employee engagement that I recommend leaders assess their organizations on is "The company's overarching purpose makes employees feel their job is important."

Quinn and Aaker caution, though, that "a top-down mandate" does not work. As with articulating the organization's purpose, employee engagement requires a journey of discovery. Leaders must facilitate employees' discovery of how they contribute to the purpose and continue to nurture and develop that understanding over time. Then, Quinn and Aaker explain, "purpose is more likely to permeate the culture, shaping behavior even when managers aren't right there to watch how people are handling things."

4. Operationalize your purpose. "If your purpose is authentic," Quinn and Aaker write, "people know, because it drives every decision and you do things other companies would not." As I describe in *FUSION*, purpose must be operationalized through strategy (the company's business objectives and budgets), management (its leadership responsibilities and support), communication (its internal and external messages), employee experience (its daily employee interactions), organization (its structure), and operations (its systems.)

Tony Meola, former head of U.S. consumer operations at Bank of America, drove into operations his department's purpose – "treating operational excellence as a destination and allowing no other pressures to distract from it" -- by emphasizing operational skills and leadership in employee training and development. The writers describe how he brought the focus of purpose into "every conversation, every decision, every problem his team faced, always asking, 'Will this make us better operators?'"

5. Stick with it. Becoming a purpose-driven organization isn't a one-and-done leadership task – it's not even a year-long responsibility. It's a lifetime commitment – or at least lasting the length of the leader's tenure. Leaders must consistently and relentlessly communicate the company's purpose and why it's important. It's not enough to talk about it when it's first being set or on an annual basis. Leaders must regularly weave purpose-driven messages into presentations, memos, and even casual conversations with employees and other stakeholders. I recognize that a leader might tire of talking about the same topics over and over again or think they're being repetitive, but studies have shown repetition and consistency are critical to comprehension and traction.

Moreover, Meola has observed existing cultures make it relentlessly difficult to get institutions to shift direction. "As extensions of the culture, managers, too, end up resisting

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end up resisting



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the change,” Quinn and Aakor observe. And then there’s organizational complexity and competing demands. So a purpose-driven transformation requires stick-to-itiveness and patience.

It’s Worth It

When faced with such a rigorous process, some leaders might question if becoming a purpose-driven organization is really worth it. It sounds cool, but perhaps there is a shorter, easier way to get the results they’re looking for? The experiences of companies that have tapped into the power of purpose speak to its worth.

Meola found at Bank of America that, with purpose, “the organization begins to perform at a higher level. Processes become simpler and easier to execute and sustain. People start looking for permanent solutions rather than stop-gap measures that create more inefficiencies through process variations.”

DTE’s Gerry Anderson told HBR editor Curt Nickisch in a revealing [interview](#), “I’ve come to believe that the soft stuff really is the hard stuff. You have to go for your people’s energy and when you’ve got your people’s energy, it is wind at your back. It doesn’t mean you don’t have to do finances and strategy and operations really, really well to perform, but boy those things are so much easier when your people are with you and really with you.”

Even a non-profit, At The Mission Continues that Quinn and Aakor describe, found that purpose enabled employees to become adaptive and proactive. They reported, “There is less need for managerial control, because they know the purpose and see how it has changed them for the better.”

“Purpose is not just a lofty ideal,” Quinn and Aakor conclude. “It has practical implications for your company’s financial health and competitiveness. People who find meaning in their work don’t hoard their energy and dedication. They give them freely, defying conventional economic assumptions about self-interest. They grow rather than stagnate. They do more—and they do it better.”

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