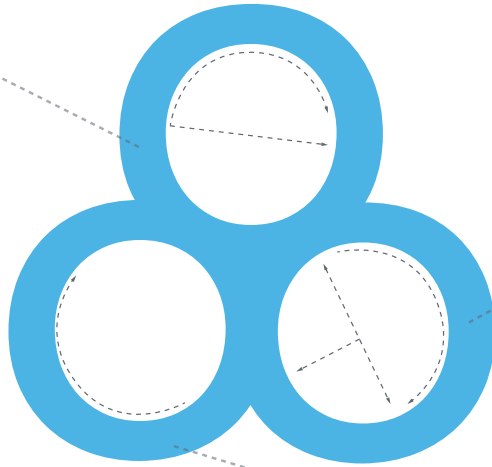


THE
PURPOSE
EFFECT



BUILDING MEANING IN
YOURSELF, YOUR ROLE,
AND YOUR **ORGANIZATION**

DAN PONTEFRACT

Bestselling author of *FLAT ARMY*

Copyright © 2016 by Dan Pontefract.

Published in Boise, Idaho by Elevate. A division of Elevate Publishing.

For more information please go to www.elevatepub.com or email us at info@elevatepub.com. 1-800-208-3216

All rights reserved. No part of this publication may be reproduced, distributed or transmitted in any form or by any means, including photocopying, recording, digital scanning, or other electronic or mechanical methods without the prior written permission of the publisher, except in the case of brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law.

For permission requests, please contact Elevate Publishing at info@elevatepub.com

Editorial Work: AnnaMarie McHargue

Cover Design: Aaron Snethen

Interior Design: Kiran Spees

This book may be purchased in bulk for educational, business, organizational or promotional use. To do so, contact Elevate Publishing at info@elevatepub.com

ISBN-10: 1937498891

ISBN-13: 978-1937498894

Library of Congress Control Number: 2015956307

FOREWORD

Purpose is not a new idea. People have discussed the idea of purpose since the time of the ancient Greeks.

In modern times, purpose has been discussed by the best. Peter Drucker wrote about the role of purpose in *Theory of the Business* back in the 1970s. Simon Sinek's book popularized it with his *Start With Why*. Martha Beck shared finding personal purpose in her book, *Finding Your Own North Star*, while Rick Warren guided readers to discover it in their spiritual life in his best-seller *The Purpose Driven Life*.

So, purpose isn't new to any discipline. But you know what *is* new?

Expecting and hoping to be purposeful. We want purpose to apply to our lives, not as the decorative frosting on top—a nice to have—but instead the abundant yeast that creates growth. We want to live with a sense of purpose in our personal life and then, we want to bring our purpose to our work. And, we want the organization for which we work to likewise be purposeful. We imagine that when this happens, we will benefit, our organization will benefit and society will benefit. It's a big wish.

So why do we keep talking about it? Because embodying your purpose in life, in work and at work is hard to do. It's easy in theory, but then reality hits and all those nice intentions go out the window.

But purpose matters more than ever, especially in business. Purpose has moved from a “nice to have” to a strategic business imperative. An organization's purpose is not the icing on the cake, but the cake itself. It is core to what matters. It is central to making a difference in society.

For nearly 20 years, the marketplace has shown us that organizations once holding an advantage are either gone or on the verge of extinction. Experts have called this shift from the Industrial Era to the Social Era radical, even tectonic.

The Purpose Effect

Today, connected individuals can do what once only large centralized organizations could. Across every part of the value chain, connected people can create, build, ship and compete with the largest of entities.

But the key principle is “connected humans.” Some people hear the word “connected” and read it as “platforms,” suggesting that the technology is the central part. They are wrong. A great deal of management mindsets lead us in the wrong direction by discounting the value of team members with their inherently unique capabilities and potential.

Purpose—not platforms—is what enables all creative endeavors. Purpose is what empowers people to do great things, both in life and at work.

Dan writes about “the sweet spot,” the axis on which talented people gather together to create value through an alignment between three types of purpose: personal, organizational and role. This central argument is critical, something that successfully expands upon the works of others.

Purpose brings out the best in people, and the best people. Purpose is a better motivator than money. Money, while necessary, motivates neither the best people nor the best in people. Purpose does.

When people know the purpose of an organization, they don’t need to check in or get permission to take the next step; they can just do it. When the organization is demonstrating purpose, the likelihood of employees going above and beyond the call of duty greatly increases. When people share in purpose, they will bring their all to the group’s efforts. When organizations stand for something, it brings coherence to everything, and a real advantage to what they offer.

Purpose can *and* does aid society.

You know the concept of purpose is important. Dan’s book, *The Purpose Effect*, will help turn the concept into reality for you, your role and your organization.

Nilofer Merchant

2015

INTRODUCTION

On the fifth floor of a nondescript Amsterdam building lies Fairphone. It is the world's first socially responsible and sustainable company to design, manufacture and sell mobile phones. Like most companies, Fairphone aims to make a profit. But less common is that the company refuses to do so at the expense of its purpose. As its name suggests, Fairphone operates on the principle that a philosophy of fairness can inform its production and sales. Fairness, balance and accountability to all stakeholders—including its employees—sit at the center of the organization's purpose.

When I walked into Fairphone headquarters, employees were busy coding, engaging one another in conversation, talking on their phones and making tea in its open-plan office. The scene reminded me of many other high-tech start-up firms I have visited in the past. It reminded me of places I have worked at, too. Whiteboards were chock-full of ideas and various scribbles. The hum of activity was palpable. There were huddles of people working together. Plates of pastries were scattered across the kitchen bar. However, people were not working at Fairphone for the free food or for the discounted bus pass.

Bas van Abel is the Founder and CEO of Fairphone. He is an individual who clearly wants to change the world. In particular, Bas sees the world needing to evolve from what he calls its “pernicious and unsustainable ways.” His perspective is both reactive and inclusive: “We are part of everything. None of us at Fairphone feels as though the financial system is connected to who we are, and as a result, we all need to collaboratively think differently and act differently, too.” The “we” he refers to is not only Fairphone and its employees, but society itself.

Bas has built a business based on one simple point: We are all part of

The Purpose Effect

the ecosystem. As Haydn Shaughnessy argues in *Shift: A User's Guide to the New Economy*, it is organizations that participate in an ecosystem of interaction and innovation that will help achieve mutual gains. More importantly, the ecosystem way of thinking is the manner in which future generations may prosper. At Fairphone, society is part of the ecosystem. The core of the organization's purpose is to build a product that delivers value to all stakeholders that make up the entire ecosystem. As Bas claims, "Fairphone goes beyond being a company." He believes Fairphone—and all organizations, for that matter—is an important part of the change needed in today's model of economics.

Fairphone's purpose is to manufacture mobile phones that are ethical. The phones are made from conflict-free minerals assembled by firms who also ensure fair wages for the factory workers. The 40 employees who work directly at Fairphone in Amsterdam think of themselves as caretakers of the Earth. They make a mobile phone but do so ensuring they keep the greater good of society in mind.

Operating as an independent social enterprise since 2013, Fairphone seeks to achieve a balance between its organizational purpose and the need for profit. Like any private company, Fairphone requires increased revenues and positive profit margins in order not only to grow the business but simply to stay *in* business. Everyone involved in Fairphone subscribes to the overarching purpose; nevertheless, all have bills to pay, too. The company is unwilling, though, to allow for imbalance: Organizational purpose cannot be sacrificed in favor of the quest for profit.

Interestingly, Fairphone decided at an early stage not to take on any investors or venture capitalists. Likewise, there are no plans for any capital-backed investment. "Going the private investment route is very short-sighted," Bas explains. "Our success is defined by creating impact with proportional growth. Purpose does not mean you're doing something special. It's the idealism of a more holistic view that isn't focused specifically on private gains."

Bas believes the company will grow, but not at the expense of its organizational purpose to serve the ecosystem. He chose to start a business in the commercial space—and the mobile phone industry specifically—mostly because he is someone who loves to learn. In fact, loving to learn is part of Bas's personal definition of purpose. We all have personal priorities and goals. Bas places a tremendous amount of value in learning, so much so that

he considers it one of his personal priorities. Think of it as one of his core operating principles. If Bas is not learning, he is not fulfilled and therefore he is not meeting his own personal sense of purpose.

Starting Fairphone helped satisfy Bas's personal need to learn and it cemented his quest to create a more sustainable mobile phone. For example, he teamed up with the United Nations in the Congo to learn how the company might source materials and minerals for the phone more ethically. This partnership has allowed him to learn, and to continue fueling Fairphone's purpose. When he began working with local leaders in the Congo, he used this connection as a way to acquire knowledge about the local working conditions—as well as how materials were being sourced by suppliers of the iPhone and Android devices—in order to improve Fairphone's procurement and production processes.

Bas's experiences with Fairphone have given him further insight into the value of purpose and the efficacy of new practices. “The only way a ‘purpose-with-profit’ model will work is if everyone believes it. How can you create a new economic model of thinking to achieve a profit with purpose? All the time at Fairphone we're trying to show that purpose can *balance* with profit. Mistakes are made at Fairphone, but we don't think binary. It's not people; rather, it's the systems of stock exchanges and financial models that are the problem. It's the long-term view that we take. The better question is *how can one challenge the status quo*, and that's what Fairphone keeps doing.”

He concludes our discussion with an expansive observation: “The purpose of Fairphone goes beyond being a company. All of us at Fairphone are looking at the world in a different way. We can only do that as being a part of a bigger thing. We are part of that change toward a greater purpose, and I'm so proud.”

After departing, it dawned on me that Bas's personal sense of purpose was being fulfilled at least partially through Fairphone. The personal values, attributes, interests and priorities that are important to Bas are being met through Fairphone's organizational purpose and the role he serves at the company. He wants to learn and change the world, and he gets to do that at Fairphone. Furthermore, Bas has developed a culture and hired people at Fairphone that supports the intersection of three different types of purpose: personal, organizational and role.

He believes an organization's purpose is to serve society and that

The Purpose Effect

includes its employees. Fairphone has dedicated its mission to carry this out in the form of making a more ethical mobile phone. Not only is Bas personally engaged and seemingly delighted to work in a role that permits him the opportunity to operate with a purpose mindset, but he also is an individual who is passionate, innovative and committed to a meaningful and engaging workplace that serves all stakeholders.

Could it be that Bas, Fairphone and its employees are exhibiting the three key principles of what I call *The Purpose Effect*?

The Opportunity for Purpose

Since 1994, I have enjoyed the good fortune of working with people and teams in both corporate and academic settings. Throughout my career, whether working internally with thousands of peers, interviewing various leaders and employees across the globe or consulting with organizations who seek counsel and guidance on their own internal culture and operating practices, I have noticed the emergence of a unique pattern.

The Purpose Effect is a three-way relationship between an individual's personal sense of purpose in life, the organization's purpose and a person's purpose in their role at work. When all three aspects of purpose are properly defined, are well aligned and function in partnership with one another, then the employee, the organization and society mutually benefit. When they are not, it can lead to significant damage in society and in the organization. *The Purpose Effect* is the pattern I have exposed.

If an organization exhibits a high degree of purpose in its mission and objectives—taking a stand to benefit society—there is a good possibility that employees will more easily demonstrate purpose in their roles at work, likely aiding and adding to their own personal sense of purpose in life as well. It is no coincidence that the organization, society *and* the employee greatly benefit when this occurs.

If an individual joins an organization that is in direct conflict with their personal sense of purpose, there is a strong likelihood they will develop a workplace mindset that is negative, ambivalent, even melancholic. If the role an individual performs provides the opportunity to demonstrate purpose—in alignment with both a personal sense of purpose and that of the organization—there is a very good chance of increased engagement, even fulfillment.

Think of it as a three-legged barstool. If one of the legs is broken or uneven, either an individual ends up crashing to the ground or there is a perpetual wobble, prompting a feeling of uneasiness, of disequilibrium. Such a lack of balance in the workplace can result in personal disengagement, disbandment of a team, or in the direst instance, the end of the organization itself. Those who lack direction in these situations, simply go through the motions, longing for the day when their opinions and ideas mattered, helpless as senior leaders pursue an organizational purpose that has no meaning for them personally. Any lack of alignment between the three categories of purpose—the barstool legs—can have devastating consequences at both an individual and a collective level.

The Purpose Effect requires balance, harmony and ultimately alignment between a person's life, the organization where they are employed and their role at work. When this alignment is present, there are strength and unity between the three categories. When such strength and unity are prevalent, they result in psychological and emotional employee commitment. That is, when an employee feels part of something bigger at work and it aligns with their personal sense of purpose, they perform better. The organization also benefits. Deloitte reported purpose-first types of organizations “have 30 percent higher levels of innovation and 40 percent higher levels of retention, and they tend to be first or second in their market segment.”¹

What Exactly Is *The Purpose Effect*?

The Purpose Effect chronicles my thesis and findings. This book draws on research, interviews and first-hand leadership experience, establishing a potentially positive and reciprocal connection between three distinct categories of purpose:

- Personal purpose
- Organizational purpose
- Role purpose

If all three categories of purpose can come to fruition—if there is a positive interconnection between the three distinct definitions of purpose—the benefits should be felt by employees, teams, the organization, customers,

The Purpose Effect

owners and, perhaps most importantly, society as a whole. We can refer to this balanced state as the “*sweet spot*.” This includes the *ecosystem* that Bas van Abel referred to at Fairphone and is made up of *all* stakeholders. For it is the stakeholders whom an organization ought to serve, not those who solely seek increases in power, bureaucracy, economic rents or greed. Indeed, *The Purpose Effect* is a mission to put “Stakeholders First.” The stakeholders I am referring to are customers (the group an organization serves), employees (the team members who carry out an organization’s mission and objectives), society (our planet and the communities in which we live) and, if applicable, owners/shareholders (those due a fair and just return for their investment).

This book, therefore, is aimed at both leaders *and* employees who wish to achieve a purpose mindset on a personal level, for the organization where they are employed and in their role at work, too. They do so, I hope, in order to create meaning. This book is targeted at those individuals who seek to arrive at the aforementioned sweet spot regardless of their title or level in the organization where they work. *The Purpose Effect* is for anyone interested in becoming more purpose-driven. It is important to note that it takes courage to create the sweet spot. Individuals *and* the organization must demonstrate a degree of fearlessness and prowess if purpose is ever to be simultaneously recognized in the three categories. Courage comes first by establishing your “why.”

In 2011, author Simon Sinek taught us to “Start With Why” in the book of the same title. “Leaders start with WHY we need to do things,”² writes Sinek. The same observation can be applied to our working selves. Why do we work, why do we work at a particular organization and why are we motivated to work? Indeed, the question of “why” can be applied to the self, too. Why do I enjoy one thing over another? Why am I interested in this facet over the other? Why do I dislike doing things a certain way? The organization (through its senior leaders) must also ask why it is in business. Why is the organization operating the way it does? Why does it serve all stakeholders, or perhaps why does it not? For both the individual and the organization, it really does start with “why.” Both parties must have the courage to define their “why.” Simon was right.

Bas van Abel seemed to embody an individual who defined his and Fairphone’s “why.” He found the sweet spot for himself, his co-workers and eventually the broader Fairphone family. Like Bas, the employees

of Fairphone are demonstrating purpose in their roles. The organization has instilled a powerful ethos, an open culture. It is the Fairphone employees who have subsequently demonstrated a purpose mindset. The end result is an organization that is achieving its objectives, priorities and mission. The Fairphone workforce believes that there is purpose both in their lives *and* in their roles. Of course, stakeholders are benefiting from the motivated and engaged employees at Fairphone, and its ethically produced phone is benefiting society. We might even go so far as to suggest that any of the Fairphone stakeholders are sitting rather comfortably on their purpose stool enjoying the level ground of the sweet spot. So what exactly is *The Purpose Effect*? I have crystalized it down to one simple sentence:

The Purpose Effect results in a higher calling, where individuals *and* organizations seek to improve society to benefit all stakeholders.

For *The Purpose Effect* to materialize, however, not only must the question of “why” be answered for the individual and the organization, the three categories of purpose—personal, organizational and role—must be defined, aligned and enacted. When this has been accomplished, a “sweet spot” will materialize for both individuals and the organization. Each category that makes up *The Purpose Effect* is defined as follows:

Personal Purpose: *What motivates someone in life; their “why.”* An individual’s values, experience and beliefs inform personal decisions and actions.

Organizational Purpose: *Why the organization exists.* An organization’s principles, ethics and culture inform its ways of operating.

Role Purpose: *Why a role exists in the organization.* To achieve its goals and objectives, an organization establishes a variety of roles to support its mission.

The Purpose Effect

A unique Venn diagram focusing on personal, organizational and role purpose outlines my thesis below:



The Book in Brief

The ultimate question is how both an individual *and* the organization might achieve their own respective “sweet spot.” Each of us possesses a personal purpose, but we also have to work in order to pay for groceries, a night out at the cinema, donations to a charity or clothes for the children. An individual will experience imbalance if their personal purpose is misaligned with that of the organization, as well as the role they fulfill in service of it. By the same token, an organization can experience imbalance if its purpose is misaligned with the expectations of the society it serves, starting with its own employees. To attain the sweet spot—either individually or organizationally—balance and alignment are essential.

Purpose, and a multi-faceted approach to it, is not new. Greek philosophers openly discussed the meaning of life centuries ago. More recently, David Hiatt diagrammed the notion of purpose in his book *Do Purpose*. Here the focus is on an individual’s specific quest for meaning in life

through their *love*, their *skill*, and the *zeitgeist*. The area where the three circles overlap he labels *most alive*;³ a notion of fulfillment that resonates with our own concept of the *sweet spot*. In *The Good Life*, social researcher Hugh Mackay suggested a Venn diagram made up of *listening attentively*, *apologizing sincerely* and *forgiving generously* as the instrument to instill meaning in our lives.⁴ Even the comedy troupe Monty Python, in their 1983 movie, *The Meaning of Life*, got into the definition of purpose, poking fun at birth, learning, fighting and death. This book continues the conversation, building on the foundations laid by previous works and research.

The Purpose Effect is written to help both leaders *and* followers. These individuals make up our organizations. Far too many Corporate Social Responsibility (CSR) statements and annual reports claim, “Our employees are our most important asset.” Is that what we are? Assets? We are not assets. We are not human capital. We are not a headcount.

We are team members. We are co-workers. We are colleagues. We are both leaders *and* followers. It matters not what level you reside on the corporate hierarchy. We are on the same team that is defining and enacting purpose. It is my aim to surface insights, theories and methods to attain personal, organizational and role-based purpose. I intend to help team members realize they are not an asset, rather the key link to improving society. I intend to help leaders see the importance of purpose in the lives of employees, and for the betterment of society. Indeed, team members are an organization’s most important *advantage*.

The Purpose Effect endorses the practices of visionary and purpose-first leaders such as Sir Richard Branson. Much has been written about Branson’s Virgin empire and his business acumen, but at the root of the Virgin success story lies its team members, encouraged to innovate while riding high on a wave of purpose for its many stakeholders. That is what makes Virgin and Branson so successful. Innovation may be the seed, but purpose is the pollen that spreads success across the Virgin empire.

The Purpose Effect is a book that highlights truly courageous leaders. People like Paul Polman, CEO of Unilever, who vowed to ensure society is not left behind while his organization redefines the meaning of capitalism against the throes of entrenched economic systems and thinking. It pays homage to people like Howard Schultz, CEO of Starbucks, who once wrote, “Work should be personal. For all of us. Not just for the artist and

entrepreneur. Work should have meaning for the accountant, the construction worker, the technologist, the manager and the clerk.”²⁵

The book, however, mainly surfaces stories and examples from organizations, leaders and individuals you may not know at all. It focuses on their purpose journeys, changes they instituted, organizational practices they implemented and the results they achieved.

This includes people like Mana Ionescu who left a six-figure digital marketing job to start a business that allows her personal sense of purpose, her role and her organization’s to shine. Michael Bungay Stanier wants to “infect a billion people with the possibility virus.” We will find out why. Mary Hewitt spent 15 years seeking and struggling to establish her own personal sense of purpose in concert with various roles and organizations. Did she ever find it? In Australia there is a couple—the Graham-Nyes—who took it upon themselves to start a diaper company because they felt a higher calling to serve society and the environment better. We will meet Tim McDonald who left an organization and a leader spilling over with purpose—*The Huffington Post* and Arianna Huffington—because his own personal sense of purpose needed to be fueled even more. Céline Schillinger took on her CEO, and in return, redefined her role purpose. Market Basket, LSTN, Earls, Johnsonville Sausage, Etsy, 1-800-Got-Junk and King Arthur Flour are examples of firms trying to get the quest for organizational purpose straight. There are other individuals and organizations we will hear from as well that helped to shape *The Purpose Effect*.

I also take pride in featuring the evolution of TELUS, my own workplace. TELUS is a \$12 billion telecommunications firm that believes everyone at the company is a leader of purpose. The organization enables its 43,000 global team members to continuously put its customers first—the omnipresent purpose of the organization—in any of its actions and decisions. We will discover how all of its stakeholders—society, team members, community, customers and shareholders—have benefited.

The book is broken down into the following sections:

I. Moral Purpose

Between 1994 and 2016 I have been fortunate to have found (and help create) the sweet spot on several occasions in my working life. There have been a few points in my career, however, where things did not feel as purposeful

as I wanted. Whether related to personal, organizational or role purpose, this section details my own experiences, what I have learned, and how it helped shape my thinking with respect to the overall thesis of *The Purpose Effect*. This is the focus of Chapter 2. It seeks to establish moral authority. At a minimum it provides a moral compass of my past experiences within the three categories of purpose.

II. Not On Purpose

There is much to share in terms of evidence, history and observations about current organizational and leadership practices. This will help the reader understand why purpose is such a difficult aspect to master in any three—let alone all three—categories of purpose. There are five key symptoms that prevent *The Purpose Effect* from materializing: remuneration, profit, role, power and performance. Chapters 3 and 4 help illustrate why purpose has become a difficult concept to implement, and to master.

III. The Three Categories of Purpose

The central arc to *The Purpose Effect* is when personal, organizational and role purpose categories are in alignment. Chapters 5, 6 and 7 outline the specific details of the three categories of purpose. I provide research and stories from both individuals and organizations that have contemplated and accomplished the three parts of the model. Additional emphasis is applied to the unique relationship between an organization's purpose and a team member's role.

IV. Communitas and Sweet Spot Guidance

I turned to Wikipedia—arguably society's best definition of a community—to help define *communitas* or “an unstructured state in which all members of a community are equal, allowing them to share a common experience.” In other words, perhaps *communitas* is the state at which the three categories of purpose intersect to create the sweet spot. As such, Chapters 8 and 9 outline what this ought to look like, and it highlights several tips for both individuals and organizations to achieve the sweet spot.

In Summary

I have written *The Purpose Effect* as a supportive tool to help team members connect the dots between personal, organizational and role purpose and to emphasize accompanying actions that can create multiple benefits for an organization *and* its stakeholders. Over the course of my working life, I have found that individuals *and* organizations that manage to create the sweet spot are the truly enlightened ones of this world. It takes courage, but it is possible.

As Gonzalo said to Prospero in Shakespeare's *The Tempest*, "All torment, trouble, wonder and amazement Inhabits here. Some heavenly power guide us, Out of this fearful country!" Let this book potentially be a guide to affect purpose, to better our society.

I hope you enjoy the journey.

SECTION I

CHAPTER ONE

THE PURPOSE OF PURPOSE

*When a man does not know what harbor he is making for,
no wind is the right wind.¹*

Lucius Annaeus Seneca

Life shrinks or expands according to one's courage.²

Anaïs Nin

In their influential book, *In Search of Excellence*, Tom Peters and Robert Waterman wrote, “Companies that develop a philosophy and live the philosophy that involves everyone within the organization with the overall success of the company will become better for it.”³ When paired together to enact change, it is the influential open partnership of employees *and* leaders that will ensure the three categories of purpose can come to fruition.

As we progress through the book, however, we will discover that purpose—be it personal, organizational or role—does not materialize out of thin air. An individual ought not to wait for purpose to magically appear. Purpose is often a partnership between the three intersecting categories of personal, organization and role. While it can deliver the sweet spot for the individual, if everything aligns, the organization also can benefit. But the relationship between employee and leader is key. The quest for purpose in any of the three categories fails miserably if this particular relationship is broken.

In his book, *Give and Take*, author and academic Adam Grant wrote, “People often end up working on tasks that aren’t perfectly aligned with

The Purpose Effect

their interests and skills. A powerful way to give is to help others work on tasks that are more interesting, meaningful, or developmental.²⁴ *The Purpose Effect* will help leaders recognize the importance of an employee's sense of personal and role purpose, as well as helping to establish purpose at an organizational level. Purpose is hard work. It takes a team. It takes individual effort. Put simply, purpose is not a one-way street of responsibility.

Take for instance, Paul Bleier. He was working at a large consulting firm, but something began to gnaw at him. Paul sensed he was treating his role merely as a job, simply collecting a paycheck, putting in the hours, performing transactional tasks and not exactly thriving at work. In the consulting role, he learned what he could, but he recognized that his personal sense of purpose was not being fulfilled. Paul self-discovered that his personal purpose included being innovative, sociable and enabling others to grow; attributes that were not being utilized or appreciated at his place of work.

He also learned that his company would not be supportive of those attributes and desires that fueled his personal sense of purpose. Ultimately, there was a misalignment between his workplace role, his personal purpose and the organization's purpose. The firm that employed him was focused mostly on its profitability and billable hours count. This is not a bad thing, per se, however a higher organizational purpose was missing and it ran counter to Paul's personal purpose.

When he decided to leave the consulting firm, he eventually joined TELUS as an organizational development consultant, tasked with various aspects of employee engagement. In his role, Paul could be working with teams on collaborative leadership concepts, guiding individuals on career development, or partnering with leaders on various engagement strategies. When he arrived, not only was his sense of relief palpable, but his zeal, energy and creativity were abundant. He was not only productive, his spirit was infectious.

Paul was not just full of purpose in his role, he was glowing, and his stakeholders were happy. His purpose matched that of the organization's purpose, an organization that was galvanized around a customer-first ethos, an open leadership culture and a spirit of community giving. He was able to match his personal sense of purpose, values and attributes with the organization's purpose and his consulting role. I know this because Paul reported directly to me when he arrived.

“I have found that the beautiful thing about personal purpose,” Paul informed me one day, “is that it’s fluid and can change over time to align with your career stage and aspirations.” Paul believed that purpose misalignment is difficult for people to handle. He believed if individuals recognize the early warning signs and take initiative to do something about it, it can thwart any potential for personal or workplace blues. “For me, finding a new organization that more closely aligned to my innovative interests while offering more autonomy to practice new ideas and forge deeper relationships was the key. I learned that when you move away from a victim mindset of ‘why is this happening to me’ and instead take the time to really understand what inspires and motivates you at work—both you and the organization will reap the rewards.”

Paul’s view was from the perspective of an employee. He sought out the change himself. He possessed the courage to create and reach the sweet spot. It can be difficult for an organization, however, to attain a purposeful mission or culture by abdicating responsibility for change. Purpose in a role and purpose in the organization both require hard work. It most certainly will not materialize if leaders continue to utilize many of today’s ineffective organizational practices. Paul sought out an organization that aligned with his personal sense of purpose, and he ended up achieving role-based purpose in a matter of months. If an organization does not involve its employees to generate a purposeful culture—does not empower or trust them to “do good” in their role—misalignment will continue and stakeholders will suffer.

Members of the Team

This is not a story of “us versus them,” of employees versus leaders, of Paul pitted against his former company. *The Purpose Effect* is not the unilateral responsibility of leaders, nor should employees be solely accountable themselves. In fact, whether you lead people or not, employees at any level in the organization are both leaders *and* followers. Whatever the scenario, all employees are in fact leaders fulfilling personal, role-based and organizational objectives. While each of us has crafted our own personal values, interests, dislikes, priorities and objectives in our life, we all have tasks that are part of our role at work, things we have to get done.

In our roles, we each serve the interests (and requirements) of the

organization, too. Thus, we are leading our lives, and performing our roles, in concert with the organization that employs us. Paul Bleier contributed to the purpose of TELUS and created a purpose mindset in his role at work, fulfilling part of his personal sense of purpose. The same can be said for Bas van Abel of Fairphone. Both of these gentlemen *and* their organizations are operating in the “sweet spot.”

As followers, employees who join a firm become part of and influence an existing system of organizational processes, decisions and personalities. We all have a boss of some sort. My trip to San Francisco and the accompanying expense report have to be approved by someone. The CEO reports into the board who in turn possesses the responsibility to hire or fire that same organization’s most senior leader. A politician is often elected by constituents, whom she ultimately serves. A call center agent leads her customers to answers and solves many problems while reporting to a team manager. So, too, we must follow rules and processes inside and outside our places of work. There are rules to follow in order to earn a driver’s license, just as there are rules to drive the car itself. For *The Purpose Effect* to be enacted, all people at whatever level of the organizational chart must accept they are both followers and leaders at work, and in life.

For the remainder of the book, I will refer to such people using the term *team member* rather than *employee*, which I find somewhat derogatory, and, in fact, even dehumanizing. *Employee* is suggestive of a head to be counted, another asset to be logged on a spreadsheet. The notion of a *team member* is something I have learned while working at TELUS. The Chief Executive Officer of the company, Darren Entwistle, does not refer to himself as CEO but instead as a “member of the TELUS team.” Like me, Darren is a team member.

It is the same for everyone. We are all part of the team. Be it private, not-for-profit or public sector—whether full-time or part-time—I believe everyone has the right to feel as though they are an important part of the team. I believe the term is far more inclusive, more engaging. Such a term unites us. *Team member* also removes the impersonality and subjugation implied by *employee*. Perhaps most importantly, *team member* recognizes the potential we all carry within us to both lead and follow, looking past the formality of hierarchical structures and job titles.

As team members, we should begin to think of ourselves as both leader *and* follower. So, too, we ought to be both a dreamer *and* a doer. We must dream about an idea or an outcome, but we must also make it

happen. Therefore, all of us are leaders *and* followers; dreamers and doers. Omnificent. On purpose. We are all *team members*.

A question, then, for all team members to ponder is whether any of us should continue waiting for purpose to magically happen. We might dream of a higher calling or purpose, but we must possess the courage to achieve it, too. *The Purpose Effect* requires bilateral action. It requires a new way of thinking about the relationship between an individual and an organizational definition of purpose. The resulting manner in which team members perform in their roles is understood in the context of this relationship. It also requires, however, a definitive course of action to ensure the sweet spot is achieved.

We should become what Danish philosopher Søren Kierkegaard referred to as a continual fluid process. “An existing individual is constantly in the process of becoming; the actual existing subjective thinker constantly reproduces the existential situation in his thoughts and translates all his thinking into terms of process.”⁵ But too often, we remain static, forever solely the dreamer or the follower. It remains a “what might have been” mindset whether as individuals or for the organization as a whole.

As psychotherapist Carl Rogers put it, “To some it appears that to be what one is, is to remain static. They see such a purpose or value as synonymous with being fixed or unchanging.”⁶ But Rogers, like Kierkegaard, believed humans ought to be both the leader and the follower; the dreamer and the doer. “To be what one is,” he wrote, “is to enter fully into being a process. Change is facilitated, probably maximized, when one is willing to be what he truly is. It is only as he can become more of himself, can be more of what he has denied in himself, that there is any prospect of change.”⁷ Therefore, for purpose to manifest in ourselves, our organizations and in our roles, we must heed Kierkegaard’s advice, which is, “To be that self which one truly is.”⁸

This book encourages individuals to become a fluid process of insight *and* action in the quest to create the “sweet spot.” *The Purpose Effect* is possible, but it requires a different way of both thinking and acting, especially in the three areas that make up *The Purpose Effect*: personal, organizational and role.

Personal Purpose

An individual who seeks a personal sense of purpose in life will be one who is constantly developing, defining and deciding their values, priorities, attributes and general ways of conducting themselves in their activities. It is a perpetual cycle of self-discovery. For personal purpose to be identified—to reach their why—the questions of what, who and how ought to be continually asked by the individual. For someone to reach “their” personal purpose, they first must ask themselves how they plan to develop, define and decide their purpose in life. Consider these questions for each:

- **Develop.** *What* is the individual doing to grow and establish their personal values, priorities and attributes?
- **Define.** *Who* is the individual trying to become in life?
- **Decide.** *How* will the individual operate when balancing the realities of life with the opportunity for growth?

As these questions are repeatedly explored and answered throughout one’s life, clarity of self comes into focus. If the answers can align with an individual’s role at work and in parallel with the organization where they are employed, the individual is potentially on a path toward their own sweet spot of *The Purpose Effect*.

Organizational Purpose

Roger L. Martin is the Academic Director of the Martin Prosperity Institute and former Dean of the Rotman School of Management at the University of Toronto. In his book, *Fixing the Game*, he outlines a series of issues preventing the organization from truly benefiting society. Roger argues that organizations should be placing “customers at the center of the firm and focus on delighting them.”⁹

I am extending Roger’s argument to introduce a model that organizations could follow to achieve such a state, called the Good DEEDS. I argue that the purpose of an organization ought to be to “provide service to benefit all intended stakeholders.”¹⁰ With a workforce that has discovered a sense of purpose in life—complemented by purpose in their role at work—the sweet

spot for the organization can be achieved if the Good DEEDS concept is implemented. The Good DEEDS idea can be defined as follows:

- **Delight your customers.** An organization ought to commit to working with and for the customer—continuously dedicated to delighting them while improving value—always remembering why an organization exists in the first place.
- **Engage your team members.** To improve value and service with customers, team members must feel as though there is purpose in their work—that they are engaged and flourishing in their role as part of a team—while possessing the opportunity to imagine, incubate, initiate, innovate, interact and influence.
- **(Be) Ethical within society.** Ethics is an organization's integrity. It is the bridge of trust between customer and team member. How is the firm taking responsibility for publicly setting targets (looking out for the interests of all stakeholders in society) through financially, environmentally, socially and educationally improved means?
- **Deliver fair practices.** An organization's results are reflected by significantly improved people practices. If team members are able to work in an environment devoid of the existing and systemic operational inanities that are prevalent in today's organization, it will deliver both fairer and markedly improved business results in a new purpose-first organizational mindset.
- **Serve all stakeholders.** Recognizing that no organization is an island unto itself, the firm or group will deliver its results to all relevant stakeholders, realizing its responsibility as an integral partner in society's ecosystem that affects customers, team members, the community and owners alike.

Role Purpose

Roles are created by the organization to achieve its mission and goals. Roles make up the whole of the organization. If there are no roles, there is no organization. From the perspective of the team member, roles can be of varying tenures, too.

The Purpose Effect

Some individuals remain in a position for life (whether fulfilled or disengaged) whereas others are interested in very short stints or short-term contracts. Roles can come and go due to factors such as contraction, expansion or the introduction of new technologies like automation or artificial intelligence. Regardless, when an individual is performing in their role at work for the organization and themselves, one of three different mindsets will likely be exhibited:

- **Job Mindset.** Performing transactional duties in return for compensation and not much else.
- **Career Mindset.** Focused on increasing one's career girth by advancing salary, title, power, team size and/or span of control.
- **Purpose Mindset.** Passionate, innovative and committed to a meaningful and engaging workplace that serves and benefits all stakeholders.

An individual's role-based mindset, therefore, is the result of whether their personal purpose is in alignment with the organization's purpose, as well as with the duties required to perform in the role itself. Often a job or career mindset is a result of misalignment between personal, organizational and role purpose. For the sweet spot to be attained, I contend individuals ought to operate with a purpose mindset in their role for a majority of the time.

There are moments, however, when either the job or the career mindset might crop up as part of a role. It is to be expected. No one will ever demonstrate purpose in their role 100 percent of the time. There will always be parts of a role—or actions one must take—that are disliked. However, if the majority of time is spent on either the job and/or career mindsets, chances for *The Purpose Effect* to materialize and the sweet spot to manifest become unlikely. Once an individual is able to spend the bulk of time in their role occupying a purpose mindset, the sweet spot has a greater chance of being generated for all stakeholders.

Throughout the book, I will examine each of the three categories of purpose, concluding with examples and scenarios when each of the points are working together in harmony.

FLAT ARMY meets *The Purpose Effect*

In 2013, I published a book titled, *FLAT ARMY: Creating a Connected and*

Engaged Organization. The manuscript centered on the concept of “closed leadership” and “organizational disengagement.” In fact, the book posited that far too many individuals in an organization are dissatisfied in their roles at work due to a general lack of open and collaborative leadership. This state of team member disenfranchisement is partially caused by leaders who are both controlling and commanding. Backed by research and first-hand experience, the book did offer some hope. I hypothesized an antidote based on methods and tools I previously deployed (and witnessed) at organizations where I have worked, in addition to research and interviews I previously conducted. The solution that surfaced to contest such a deleterious situation with respect to workplace culture was represented by five interlocking models of team-member engagement:

- Connected Leader Attributes
- Collaborative Leader Action Model
- Participative Leader Framework
- Pervasive Learning
- Collaboration Technologies

If the culture of an organization is open, connected, collaborative, participative and demonstrates general reciprocity, more often than not I have found it will become an engaged organization. When the culture of an organization is harmonious—when team members feel as though their opinion and contributions matter—a causal relationship between increased team member commitment and bottom-line improvements becomes a likely outcome. *FLAT ARMY* was an organizational culture change book.

For an organization to create value with its customers, and so the firm might become innovative and prosperous in the long term, it should possess an engaged workforce. This point, I would suggest, is rather irrefutable based on the mounds of evidence surfaced by consulting firms such as Gallup and Aon Hewitt. An engaged organization ultimately leads to multiple business benefits. We will continue to investigate this thesis in Chapters 3 and 4.

But for an organization to truly delight its customers—to create an environment where team members feel there is a purpose to their

The Purpose Effect

role that benefits society and solidifies their own personal purpose—I would like to argue that there is a link between purpose *and* culture. The concept of purpose is the basis of this book. How can one’s personal sense of purpose connect with their workplace role and with that of the organization’s overarching purpose? *FLAT ARMY* was based on organizational culture. In it I argued that the narrowing of the gap between team members and leadership resulted in a more collaborative operating environment. Improved levels of engagement and connection help the organization achieve its goals and objectives, ultimately improving various results and metrics.

If the purpose of the organization and its team members is aligned—and the organization is operating in an open, collaborative and harmonious culture—it delivers the one-two punch of societal and organizational benefits. *The Purpose Effect* is, therefore, a companion to my first book, *FLAT ARMY*. It connects the dots between purpose and culture, and it solidifies the outcomes of an engaged organization, improving personal and organizational results. I have found purpose to be a close partner of culture. You do not have to read *FLAT ARMY* first (or at all), but I want the reader to recognize the link I have surfaced between these two facets: purpose and culture.

But what exactly *is* purpose?

What Is Purpose?

In his posthumous 2004 book, *Pathways to Bliss*, Joseph Campbell provides us with an appropriate introduction to the concept of purpose. I have found Campbell to have been a brilliant philosopher and writer. His was a world that embodied altruism and giving. Campbell was arguably someone who knew how to demonstrate purpose and meaning in what was obviously his true calling: writing.

What I think is that a good life is one hero journey after another. Over and over again, you are called to the realm of adventure, you are called to new horizons. Each time, there is the same problem: Do I dare? And then if you do dare, the dangers are there, and the help also, and the fulfillment

or the fiasco. There's always the possibility of a fiasco. But there's also the possibility of bliss.¹¹

Purpose . . . it is a word that offers the “possibility of bliss.” While purpose in the workplace is imperative, leaders are potentially overlooking its significance to the overarching health of our civilization. My experience and research suggest purpose ought to be the objective, but it is the misalignment of the personal, role and organizational categories of purpose that ensures the journey toward purpose never begins.

Which begs a few questions:

- What is the true purpose of an organization?
- Is a for-profit or private organization merely a vehicle for economic rents, profit hoarding, unethical levels of greed and a fixation on increasing the share price?
- Is the private organization's primary responsibility a fiduciary obligation to maximize shareholder value or profit margins?
- Have well-rewarded leaders of organizations rejected the interests of all other stakeholders and the common good to selfishly fill their own bank accounts and satisfy their hedonic impulses?

There are additional questions, which may relate specifically to a public sector or not-for-profit organization as well as a private firm:

- Is the purpose of an organization and its leaders to uphold power and positional rank?
- Is one of the goals for leaders to “command or control” team members?
- Is the organization's structure burdened by rigid operational systems created by cabinet shuffles, organizational changes, stone-walling tactics or abdication of leadership responsibility?

Organizations of any sort that are replete with heavily bureaucratic processes and hierarchically driven management styles may continue to exist simply because it is easier. In fact, mantras such as: “But this is how we've

The Purpose Effect

always done it,” might be invoked as the de facto rationale. If this is the case, what is the true purpose of the organization?

One academic who has been sounding alarm bells aligned with this hypothesis is Otto Scharmer. He is a Senior Lecturer at MIT and the founding chair of the Presencing Institute, an awareness-based, action-research community that creates social technologies, builds capacities and generates holding spaces for profound societal renewal. Scharmer has long argued that organizations and their leaders need to shift from “ego to eco.” In other words, he believes the organization at large has morphed into empire building instead of generating well-being for all. In the book he co-wrote with Katrin Kaufer, *Leading From the Emerging Future: From Ego-System to Eco-System Economies*, the authors argue that there are eight systemic disconnects that are aiding and abetting the current situation of purposeless organizations. One of the problems they surface is particularly interesting:

[There is] a disconnect between institutional leadership and people. This disconnect results in a leadership void that shows up in the widely shared sense that we are collectively creating results that nobody wants. This collective condition of felt helplessness and disempowerment is a hallmark of our system-wide leadership void (or bubble) today.¹²

Purpose might be reflected by a team member who yearns for a greater sense of understanding, autonomy and even duties in the role they fulfill. It could be an individual’s “calling”¹³ as another academic, Dr. A.R. (Elango) Elangovan of the University of Victoria suggests.

Perhaps purpose is the combination of a calling and being able to do “good work.” The Work Foundation, an independent charity founded in 2002 and part of Lancaster University, influences, advises and consults with organizations on a better form of capitalism, promoting, as their motto states, “Good work for all.”¹⁴

Is that what we need in the workforce? Good work for all? Perhaps we may look to Greek philosopher Aristotle for assistance. He believed and taught that human beings were driven by purpose, autonomy and the natural desire to seek out and understand the truth. A person’s ideals manifest when they are pursuing and then attaining a life of purpose, ultimately the

end state of human well-being. This end state is sometimes referred to as eudaemonia, the Greek word for human flourishing.

Elango and his colleagues indicated a calling “is a course of action in pursuit of pro-social intentions embodying the convergence of an individual’s sense of what he or she would like to do, should do, and actually does.”¹⁵ During an interview, I asked Elango why purpose is so important to one’s role at work. He responded that “having a purpose to our work is convergent with our sense of who we truly are and what we stand for in life.” Elango believes the authenticity that is rooted in such clarity of purpose in work motivates team members to greater effort and contributions. Perhaps this is a clue toward our definition of purpose.

A Culture of Purpose

Earlier I suggested there is a relationship between an organization’s culture and purpose. Deloitte LLP has unearthed evidence suggesting a culture of purpose in the organization directly creates confidence, short- and long-term growth as well as an improved internal culture *and* financial benefits. Based on their research, Deloitte’s Chairman of the Board, Punit Renjen, believes “an organization’s culture of purpose answers the critical questions of who we are and why we exist through a set of carefully articulated core beliefs.”¹⁶ He contends an organization that instills a sense of purpose—permeating all stakeholders, including team members, customers and society—not only builds business confidence, but fosters a thriving business community.

The firm investigated the concept they coined, “top drivers of employee confidence.” For those workers who felt a very strong sense of purpose in their organization, respondents indicated a commitment to delivering top-quality products and services was the overarching driver of confidence. For those team members and organizations that lacked purpose, the leading driver of confidence was a fixation on financial results, specifically the bottom line. Furthermore, as it relates to team member engagement, in those organizations where individuals felt a high level of purpose, 73 percent of the workforce indicated they were fully engaged whereas in organizations devoid of purpose, only 23 percent felt the same.

Finally—and consistent with the benefits of a purpose-driven organization—82 percent of respondents from the Deloitte research who felt

The Purpose Effect

the strongest sense of purpose were far more optimistic about their own future prospects and the “ability to stay ahead of industry disruptions” than those (42 percent) who did not. Tellingly, 79 percent of the purpose crowd believed in the organization’s long-term prospects to outperform the competition versus 47 percent of those who had no sense of purpose in their place of work.¹⁷

It is not solely Deloitte who has surfaced interesting data points. When studying sustainability factors—arguably what should be a key part of an organization’s purpose—McKinsey & Company warned organizations that they “should integrate environmental, social and governance issues into their business model—and act on them.”¹⁸ Another firm, the Economist Intelligence Unit (EIU), purported large businesses benefit (including positive productivity gains) when they are able to improve purpose and engagement in the workforce. When individuals are engaged, stated the EIU, the engagement leads to “improved customer satisfaction, increased productivity, and reduced employee turnover and absenteeism.”¹⁹

Even Goldman Sachs—the global investment banking firm partially responsible for the bankruptcy of AIG in 2008’s financial crisis²⁰—had the wherewithal to create the GS Sustain Focus List in 2007. This covers a variety of companies it ranks based on environmental, social and governance records. According to Goldman Sachs, since the list’s inception in 2007 through to the end of 2013, the so-called GS Sustain Focus List has outperformed the MSCI All Country World Index by over 43 percent.²¹ MSCI, formerly Morgan Stanley Capital International, is used by many financial firms to benchmark global stock investments and funds.

If there is indeed a relationship between culture and purpose—and it leads to improved organizational results—what exactly is the purpose of work?

The Purpose of Work

Famed advertising mogul, George Lois, once said, “Most people work at keeping their job, rather than doing a good job. If you’re the former, you’re leading a meaningless life. If you’re the latter, keep up the good work.”²² To pay the bills, most of us have to work. The question we might pose, however, is whether work is merely a job or, with it, the possibility of a meaningful experience. Depending on your situation, work is either loved, liked,

tolerated, loathed or treated with ambivalence. For certain, though, it is a guaranteed topic of discussion at any social gathering you attend. When attending any kind of dinner party, for example, how many times have you asked or have been asked the question, “So, how is work?”

Management expert Peter Drucker once said of the link between life and work: “To make a living is no longer enough. Work also has to make a life.”²³ When work can in fact make a life, we know we are resting confidently in the sweet spot between personal, organizational and role purpose. But for a large portion of today’s team members, work seems to act as a stressor, the consequence of not finding one’s purpose in their role. Perhaps disengagement of team members stems from a lack of purpose in the organization itself. I asked several people for their definition of work. Some interesting examples surfaced:

Best thing in the world if you can’t wait for the weekend to finish.
Worst thing in the world if you say, “I don’t like Mondays.”

—SAP Global Operations Director, John McNaughton, UK

Engaging tasks that provide returns, such as monetary compensation, personal growth and meaning.

—99Tests Founder & CEO, Praveen Singh, India

A purpose-driven series of mental and physical activities during which the collective learns and shares their learning with others.

—Founder, IndaloGenesis, Richard Martin, UK

Minds collaborating for the same purposeful result.

—Harry Krantz Co. LLC Purchasing Manager,
Debra Criveau, USA

To achieve something of substance.

—OspreyData Co-Founder, Andrew Marks, USA

It is evident from such responses that the concepts of meaning, purpose, achieving, engaging and collaborating comprise the patches for an intriguing quilt of definitions. What does your own quilt say about work? What does your definition of work say about you? Do you define work—both the

The Purpose Effect

place you are employed and the profession that makes up your trade—with words like *flourishing*, *meaning*, *well-being*, *balance*, *community*, *giver* and *purposeful*? Are you viewed as someone who cares about the purpose of the organization? Does your organization bring purpose and meaning to all stakeholders in its operating mandate and mission?

Or, perhaps, you think of work as a quest to climb the career ladder, judging success by the improvement of your title, remuneration level and the number of direct reports you are in charge of. Is work the quest to assume greater power? As American journalist Robert Quillen once wrote, “By working faithfully eight hours a day you may eventually get to be boss and work 12 hours a day.”²⁴ Is your purpose solely to become *the boss*?

Maybe you view work merely as a paycheck: a means to an end. Maybe work is solely a job leading to a state of individualism. In 1831, French historian Alexis de Tocqueville referred to this state as, “a calm and considered feeling which disposes each citizen to isolate himself from the mass of his fellows and withdraw into the circle of family and friends; with this little society formed to his taste, he gladly leaves the greater society to look after itself.”²⁵ If the organization’s purpose creates isolation, loneliness or a sense of individualism, will a team member ever achieve purpose in their role? What about in their life?

Perhaps work is the fixation on profit. If you are a private company, profit is important and necessary. Without profit there is no business. But the question a company needs to ask itself is whether or not it is solely focused on profit (or shareholder return, in some cases) rather than serving the interests of all stakeholders. Recall Fairphone’s example: As a private company, it seeks to make a profit but not at the expense of its overarching purpose.

If you are working in a not-for-profit or public sector organization, are you operating in harmony with the board, regulators or fellow team members? Take for instance the United States government. Each year, the United States Office of Personnel Management aggregates employee engagement results from over 48,000 offices, across 82 federal agencies. In 2014, almost 400,000 workers participated in what is known as the Federal Employee Viewpoint Survey, or FEVS. Since 2010, job satisfaction is down eight percentage points to 64 percent. With almost three million workers in government, that’s roughly one million people who are dissatisfied in their roles at work. Other data points demonstrate continued “wear and tear” on

engagement levels of employees. Only 52 percent of workers, for example, believe their management does an effective job at encouraging communication and collaboration. That correlates to only 55 percent of all U.S. government employees being satisfied with the organization they work for itself.²⁶

Judging from global employee engagement surveys—where levels of internal employee engagement continue to remain anemic—well over three-quarters of those employed on the planet do not find meaning in their work. Some of this blame falls squarely on the individual, for certain, but organizations devoid of true purpose and senior leaders fixated on power or profit do nothing to help the current plight of the purpose of work.

At its root, work is a means by which we get paid to partially satisfy what Abraham Maslow defined in 1960 as the Hierarchy of Needs.²⁷ In particular, when we are paid for performing at work, we can utilize the funds we are remunerated with to satisfy such physiological and safety needs. It can also include personal requirements such as financial, economics, property, goods, food, drink, well-being and health.

But the workplace is not solely a place to be paid, is it? Some argue that team members merely rent their skills to an organization in return for compensation. Might the other three components of Maslow's thesis (belongingness, esteem and self-actualization) be incorporated into the way work ought to be conducted? Perhaps this is when a team member reaches the sweet spot. Perhaps "purpose at work" occurs at a state of what we may refer to as workplace actualization.

If work is to make a life, as Peter Drucker suggested, the purpose of the organization might need to shift to include a greater degree of meaning. If this occurs, perhaps more team members will be able to feel a sense of purpose in their roles as well. If this occurs, I would like to argue that work can also then make a life. Perhaps at this point there may be a link between self-actualization and workplace actualization. Is this the *purpose* to purpose?

Affecting Purpose

The etymology of purpose is important to understand. Circa 1300, the Old French word *porpos* and the Anglo-French word *purpos* combined with *porposer* to give us *purpose*. Whether as an "intention, aim and goal" or "to put forth," purpose can denote a state of being—a noun—or it creates

The Purpose Effect

action as a transitive verb. There might be a *purpose* to attending a meeting or you may be seeking *purpose* in the meeting itself.

Aaron Hurst, author of *The Purpose Economy*, captured the importance of purpose in the workplace when he wrote, “Much like technology a few decades ago, purpose has now become a business imperative. In today’s world, running an organization without an intentional emphasis on purpose for employees and customers is like running an organization in the early 1990s and failing to implement technology.”²⁸ I asked Aaron why he felt it still seems so difficult for senior leaders in today’s organizations to establish a “Purpose Economy,” to embed a purpose culture at work. His response highlighted necessary ingredients:

Creating a successful organization in the Purpose Economy requires two types of leadership. You need authentic leaders who are able to model purpose and vulnerability and you need leaders who have the courage to look beyond short-term results.²⁹

Indeed, purpose will never envelop an organization by quarter’s end. For an organization to become purposeful, it requires time and effort. The long game ought to be considered. Richard Ellsworth, author of *Leading with Purpose*, claimed, “The highest level of individual development and the greatest happiness are derived from serving ends beyond the self—ends that employees value, that enable them to feel they are ‘making a difference,’ and consequently that bring increased meaning to their lives through work.”³⁰ Can the majority of for-profit organizations and leaders argue that their firm is not being run as though the overarching goal is to extract value in favor of profits and/or power? Can not-for-profit or public sector institutions honestly state their mission is to serve the community and the team members it employs?

Arguably there are too many leaders forgetting it is the team members of any type of organization that are the frontline to its customers and society. We need more of the leaders and organizations that Aaron mentioned. We need more team members believing they are “making a difference,” as Richard outlined. We also need team members to take action for their own sense of purpose, in their role and in the organization. We cannot wait for purpose to materialize on its own.

In 1970, on the topic of corporate purpose, Peter Drucker observed that

purpose, “must lie outside the business itself. In fact, it must lie in society since business enterprise is an organ of society. There is only one valid definition of business purpose: to create a customer.”³¹ Almost 30 years later, he went on to write that there is a link between an organization’s purpose, its operations and the way it treats the workers. Drucker wrote:

We will have to redefine the purpose of the employing organization and of its management as both, satisfying the legal owners, such as shareholders, and satisfying the owners of the human capital that gives the organization its wealth-producing power, that is, satisfying the knowledge workers. For increasingly the ability of organizations—and not only of businesses—to survive will come to depend on their “comparative advantage” in making the knowledge worker productive. And the ability to attract and hold the best of the knowledge workers is the first and most fundamental precondition.³²

Charles Handy, another sage on the topic of management, once wrote, “Let us be clear, profits—and good profits—are always essential, and not just in business. But the myth dies hard, the myth that profit is the purpose.” He also commented in *Harvard Business Review*, “The purpose of a business is to make a profit so that the business can do something more or better. That ‘something’ becomes the real justification for the business.”³³

If we were to define how to serve the customer collaboratively as a part of community, society and the environment, levels of employee disengagement, workplace dissatisfaction and customer unhappiness might disappear. Perhaps this is part of the relationship between culture and purpose. Building purpose in the work (for everyone) is a journey. The state at which the sweet spot is created might actually mitigate one of Drucker’s issues: “Business purpose and business mission are so rarely given adequate thought is perhaps the most important cause of business frustration and failure.”³⁴

Abraham Lincoln once wrote, “Every man is proud of what he does well; and no man is proud of what he does not do well. With the former, his heart is in his work; and he will do twice as much of it with less fatigue. The latter performs a little imperfectly, looks at it in disgust, turns from it, and imagines himself exceedingly tired. The little he has done, comes to nothing,

The Purpose Effect

for want of finishing.”³⁵ How many individuals in today’s organizations are empowered, as Lincoln suggested, to put their hearts in their role and to go above the call of duty at work?

How many team members truly feel a sense of both accomplishment and purpose? How many of the leaders and followers believe there is a purpose in their place of work, one positively affecting all stakeholders in society? How many team members have defined their own sense of personal purpose, yet end up working in contradiction to that definition?

How can *The Purpose Effect* actually come to fruition?

In the next chapter, I will share my personal experiences with purpose, on a personal, organizational and role level, hoping to shed some light on my interpretation of the sweet spot.