

Exploring the Relationship Between Purpose and Employee Engagement

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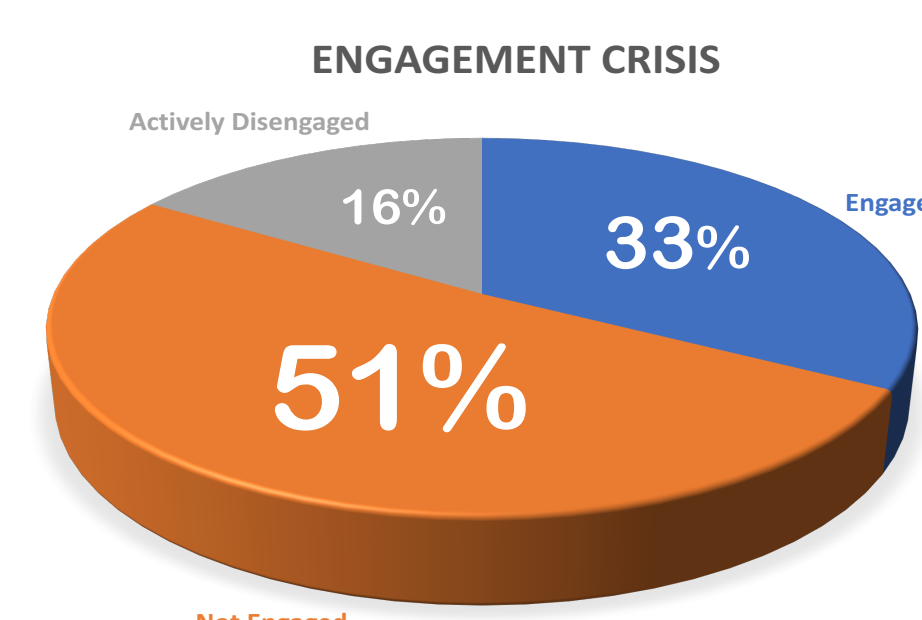
Human Dimensions of Organizations, The University of Texas at Austin

Introduction

Does an organization having a stated purpose positively impact employee engagement?

Competitive advantages used to come from new knowledge or technologies. Unprecedented access to information and improvements in productivity and efficiency have diminished those kinds of advantages.

Engaged employees bring commitment and passion to go above and beyond what's required; they are an organization's biggest competitive advantage. And yet, we are in an engagement crisis.



Methods

Primary Research

- Qualitative research approach
- In-depth, confidential interviews
- Six U.S.-based companies that developed organizational purpose
 - Identified via The Purpose Institute
 - 100 – 250,000 employees
 - Wide range of industries
- Findings developed through identification of common categories and themes

Secondary Research

- Extensive review of scholarly literature and key books



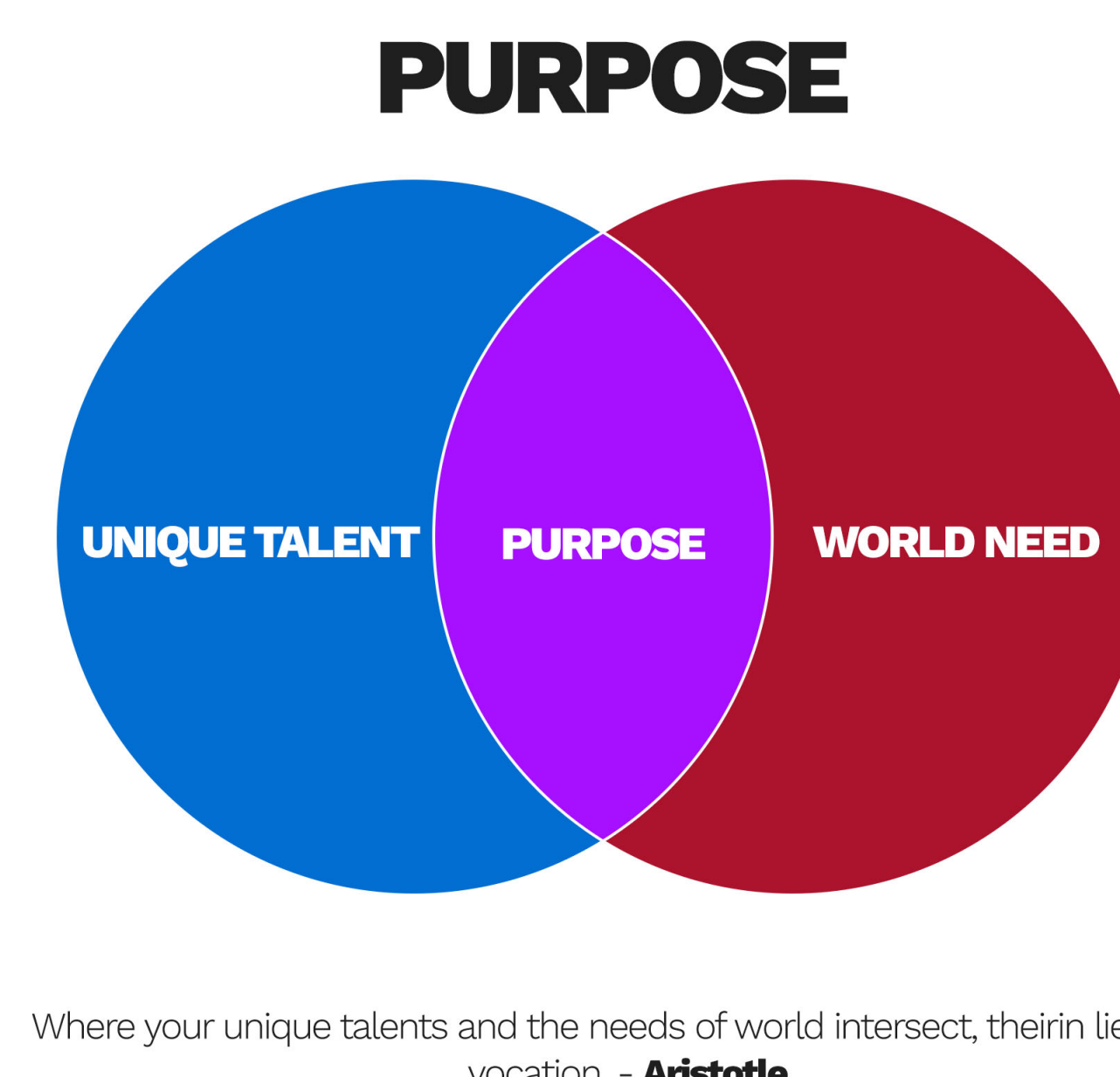
Results

Why Explore Purpose? – The companies studied developed a statement of organizational Purpose for a variety of reasons. Some were trying to address morale issues; others were experiencing a change in business model; Another sought to bring more meaning to their work. All faced significant change, or were trying to drive change.

Leader Involvement – Significant leadership commitment and involvement – ideally the CEO – in purpose development is imperative. That occurred with most of the companies in my study, though there were variations in who led purpose development.

Purpose is subjective and the process needs to reflect the organization – how it's operating, its values, engagement, culture, whether they are trying to drive change, grow, etc.

Employee Involvement – Employees were involved to varying degrees. More often, involvement was significant. One exception was Company C, which drew upon its rich history to find something that would resonate with employees. The greater the number of employees, the more complexity in engaging employees. It was simple for Company E, with 100 employees all in one location. It was far more challenging for Company F, with tens of thousands in two divisions with many locations; and Company B, with 250,000 employees globally.



Purpose and Mission, Vision, Values – Terms like Purpose, Mission, Vision and Values are defined differently by organizations

To Measure or Not to Measure – A common theme: Success of purpose shouldn't be about numbers. It should be judged by how it manifests in the way people treat each other.



Bringing Purpose to Life – Some organizations unveiled with great fanfare, while others approached it in a soft-spoken way that would allow it to grow organically. All recognized sustaining Purpose was a significant commitment, and they would need employees' support at scale so that it became the responsibility of all.

Conclusions

A Stated Organizational Purpose can be a Driver of Engagement

Because successfully engaging employees largely remains a mystery, it's My research surfaced many anecdotal instances of the power of a stated Purpose as a driver of employee engagement and the literature supports a strong relationship between purpose and engagement.

Successful Organizational Purpose Manifests in Behaviors, Decision-Making and More

Each of the organizations had example after example of purpose positively impacting employees' engagement; in how employees treated each other; and in how they made decisions and solved problems with purpose in mind.

Authenticity is Imperative

- Purpose must be authentic, understandable and real for all employees.
- It must come to life in meaningful ways consistent with the nature of the company and its character
- It's a long term commitment and investment, and must be owned by employees supported by clear accountability

Ideas for Exploration

- More organizations may have led to some generalizations.
- A control group could provide more context.
- A long-term study might include being embedded with a company as it explores, develops and launches purpose.
- This warrants further exploration. The rewards for organizations that get this right will be significant.

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Further Information

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