The Purpose-Driven Workplace: A Human Resources Guide To Sustaining Engagement

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The Purpose-Driven Workplace

Having a purpose-driven workplace is no longer something unique to non-profits. You don’t need to sacrifice profits for the sake of conscience and philanthropy. In fact, year after year, the top companies like Google, Facebook, Whole Foods, Zappos, and Toms, continue to be a force for good while continuing on the profitability path.

Beyond feeling and doing good, the importance of purpose for any organization goes beyond the "right thing" and expands into every facet of the organization, including culture. A 2014 culture survey by Deloitte discovered that focusing on purpose rather than profits builds business confidence and drives investment\(^1\). Similar studies demonstrate the importance of purpose for employees: 73% of employees who say they work for a purpose-driven company are engaged, whereas only 23% of employees are engaged at companies that are not purpose driven. Clearly, having a purpose-driven workplace is a vital part of business.

This whitepaper covers:

- The purpose-driven workplace
- Why it’s critical to retention
- The value of sustaining workforce engagement long-term
- What HR can do to support the purpose-driven workplace
- How to set up systems that support workforce engagement
What is a Purpose-Driven Workplace?

A purpose-driven workplace infuse purpose into all that it does. It pursues purpose as well as profitability. It doesn't mean that your company’s mission focuses 100% on saving the world. Many times, it's just about creating a connection between the work that’s done in your organization and a larger purpose and helping employees see that connection.

When you create a purpose-driven workplace, you provide your employees with a way to:

- Make a positive impact on others and on the community around them
- Connect with others and build meaningful relationships at work
- Achieve continued personal and professional growth

When you provide employees with these elements in their daily jobs, they’ll feel like their work matters, and they’ll know that they are making a difference. Even more, they will grow and learn within your organization, helping you create a deep well of talent for promotions over time.

A purpose-driven workplace also means that your company’s mission matters beyond profits. Is there a clear, compelling vision for the company, or are you just "making widgets"? Is the company’s mission statement words in a new employee orientation guide, or is it actually lived out in the organization?

Another important question to ask is, “Are your leaders engaged in their work?” Gallup found that only 36% of management, executives, and officials are engaged. If your top leaders aren’t engaged, then you can expect the rest of your employees won’t be either. If you believe that you have disengagement, it’s possible that it stems from the lack of purpose.

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Why Purpose-Driven Work is Gaining Momentum

The focus on purpose in the workplace is partly generational. Millennials are now 36% of the workforce, and they view the world differently than preceding generations.

Millennials View the World Differently

- **Success.** Millennials have a different perspective on what success means, both personally and professionally. They are much less interested in climbing the ladder and getting the corner office than previous generations.

- **Collaboration.** Millennials prefer to collaborate and be part of a team. They don't enjoy the top-down management approach that previous generations have become accustomed to. They tend to think of themselves as equal to or on the same footing as coworkers and senior executives alike.

- **Technology.** While the speed of technological development may seem overwhelming to Baby Boomers and Generation X, Millennials tend to embrace it. In addition, millennials have an optimistic view of their ability to impact the world, in part due to the way technology has expanded the social impact of individuals.

- **Management.** Millennials tend to view management as coaches and mentors, not experts or authority figures. They want to learn and grow from the example of others, but they don't feel like they need to be told what to do or how things should happen.

To Millennials, work is not just about income. It's an avenue of personal enrichment, fulfillment, and continual growth. Adapting to this mindset and providing an environment that's receptive to it will help your organization attract and keep top talent.

Another reason purpose-driven work is gaining momentum is that the importance of purpose in keeping employees engaged and highly productive has become clearer. Aside from the huge cost of turnover or the profitability argument, having employees with purpose creates an environment that spreads accomplishment and positivity that spreads beyond the walls of your organization. If you want to maximize the success of your organization, connecting with your employees' needs to contribute and add value to society and their own lives is essential.
Finally, there have been changes in how work is conducted as technology expands and generational shifts occur in the workplace⁴.

- **Flexibility.** Employees now expect more flexibility than they ever have before, and job sharing programs are on the rise.

- **Analytics.** Real-time analytics is changing how performance is managed, allowing more self-management and personal control over how work gets done.

- **On-the-Job Entrepreneurship.** More employees are thinking like entrepreneurs and see themselves as the "business owner" of their working lives. Consequently, sharing a mutual purpose helps you not only capture their attention, but it keeps them focused on your organization helping achieve both your purpose and theirs.

These changes in generational perspective, focus on employee engagement, and changes in how work happens are all contributing to an increased emphasis on purpose-driven work.
Purpose is Essential to Employee Performance and Retention

When people feel a strong sense of purpose, their performance improves in many areas of life. Purposeful people have better health and more longevity. They also have less burnout and stronger productivity. Better health and longevity make a big difference in the performance of an organization. When employees take less sick days, have fewer visits to the doctor, and have a higher level of energy and focus, they are simply better workers. They cost the company less money in both benefits and missed time.

People who feel purposeful also work harder. They have greater productivity because they feel a sense of meaning in what they’re doing. They are far less likely to burn out, in large part because they understand the impact that their work is making. This allows them to feel satisfaction and meaning instead of feeling like they are grinding away for no reason.

The City of Atlanta is a great example of purpose-driven workplace making a major difference in performance and retention. It created a program that brought its employees together with a specific purpose: to reduce waste, save money, and eliminate red tape.

As a result, morale among the City of Atlanta employees improved in every area of city employment. Those who weren’t directly impacted by the changes also saw a boost in morale. Higher engagement created increased productivity, higher customer satisfaction, and improved efficiency. It’s contagious.

The City of Atlanta created these changes without increasing wages or benefits. They simply asked their employees to work together to make the organization’s processes better. Not only did they get great ideas and make money-saving improvements, but they also saw enormous benefits in terms of performance and retention.

Did You Know?

Companies need to spend the equivalent of six to nine months of an employee’s salary in order to find and train a replacement. For highly trained employees and executives, the cost can be up to 213% of the employee’s salary.

Turnover rates in companies with high engagement are 40% lower than for companies with low engagement.

Creating engagement through a purpose-driven workplace is a low-cost, high-reward focus that can have the added benefit of helping your company solve long-standing problems.
The Value of Employee Engagement Over the Long Term

Increased engagement has a huge range of benefits. Engaged employees are absent less often, in part because they are healthier and in part because they don't feel the need to skip work for no reason.

Engagement also improves the quality of work that takes place and keeps employees safer. High-engagement business units report 48% fewer safety incidents, 41% fewer patient safety incidents, and 41% fewer product quality defects.

Highly engaged workers are 87% less likely to leave a company than their disengaged counterparts. As a result, sharing the purpose of the organization and helping employees make a difference with their work can save the company a significant amount of time and money.

Lower turnover rates mean that your organization can save the money and headaches involved with replacing personnel frequently. You will also gain the benefits of employees achieving true mastery at their position, rather than having someone become adequate, leave, and have to start over with a new hire. Employees who have mastered their jobs are not only more efficient, but they can often suggest improvements to the work process that will impact the company long after they've moved to another position.

People don't hate working. They hate working in a meaningless job. People want to come to work, understand what they do, and see how it positively impacts their lives, the organization, and society as a whole. Seeing a connection between their role, the overall mission of the company, and a benefit to society is essential.
Human Resources Can Create and Sustain a Purpose-Driven Workplace

There are a lot of ways to create a purpose-driven workplace. These ideas are just a starting point. Ask your team to see what else they can come up with!

**Discuss the Impact of Your Products**

Creating purpose at work starts at the top. Purpose can be highlighted by leaders who think and talk about what their industry is good for. Unilever makes soap, but that soap reduces disease and helps kids in poor countries live longer. When leaders bring that purpose to the forefront on a regular basis, it makes what seems like a mundane job very meaningful.

**Give Back**

Organizations can also emphasize giving back. Companies like Toms and Yoobi run profitable, successful companies who focus on giving on a one-for-one basis. In both cases, a strong sense of purpose is created at every level of the company by focusing on giving back.

Toms connects their sales success with making a difference around the globe. They currently help provide shoes, prevent bullying, improve access to clean water, and more. As a result, employees at Toms know that by making the company successful, they are making a difference around the world.

Yoobi focuses locally. The company’s name means “One for you, one for me.” For every colorful notebook or office accessory purchased, Yoobi donates an item to a classroom in need in the United States. Employees at Yoobi know that when they get the word about their company’s products, they are helping struggling children right here at home.

**Share Stories**

Your company might consider creating purpose by sharing the stories of people who were positively affected by the business. Drug companies can bring in patients whose lives were saved or improved by the business’ products. Tech companies can allow employees to shadow a customer for a day to see how they implement and use the company’s technology.

When employees are able to learn about and even meet the people who the company serves, it will help them feel a sense of larger purpose when they come to work each day. Regardless of what department they work in, they’ll understand that helping your organization succeed is making a difference in someone’s life.
Project Time

Another way to create purpose at work is by offering project time – time that employees can spend working on company-related projects that are personally compelling. When employees know that they can spend part of their work week on a project of their choosing, it will increase motivation and engagement.

You can also work to ensure that employees' jobs and responsibilities are focused in areas of the company's need that align well with their personal interest. This won't always be possible, so also consider helping an employee understand what they can do to work their way into a department they'd really enjoy. Knowing what to do to move into a desirable job can give an employee a strong sense of purpose.

Solicit Opinions

As the City of Atlanta discovered, employees love sharing their ideas about how to make the city work better. If you can bring employees together in a crowdsourcing project to attack a particular organizational problem, you can create engagement and purpose by allowing collaboration. You will also get the added bonus of solving the company's problems in unique and innovative ways.
How to Set Up Systems That Support Workforce Purpose and Engagement

A great starting point for creating a purpose-driven workplace is to ask employees what would be purposeful and meaningful to them. Having a platform where you can launch an employee engagement community can help you explore more about how your employees define meaning in their own work. Platforms like IdeaScale can help.

How to Create an Employee Engagement Space

Use technology, like IdeaScale, which allows you manage the innovation process. Start by creating a secure, open space to gather ideas. From there, develop ideas, implement them, and learn from the results. In reality, the process of learning what a purpose-drive workplace means to your employees is not much different than gathering ideas for any other innovation project.

Consider proposing the different engagement options listed above in your discussion community and ask what would mean the most to them. You might find that your staff is more excited about giving back to the local community or would rather engage with and hear customer impact stories. The main thing is that you let them tell you how to create purpose that's aligned with the organization.

Face Challenges Boldly

Don't be afraid of challenges that come up within the engagement community space. You may need to utilize best-practices to ensure employees and leadership communicate effectively within the space. You’ll find out what problems can be solved in the group, and which ones need to be handled one-on-one. Most importantly, you’ll discover how your community can create a truly positive impact on the internal and external challenges your organization faces.

Tips and Tricks

Here are some ways to use an employee engagement community effectively:

- **Connect.** Ask meaningful questions about problems that need solutions and about how employees feel purposefulness could be improved.

- **Offer feedback.** Get involved in conversations and share the company’s perspective on issues that arise, including why it may not be feasible to take on certain initiatives right now.

- **Build teams.** Encourage collaboration by having teams work together on projects and having them leverage each other’s skills to solve problems.

- **Deliver.** Discussing purposefulness isn't going to make a difference if nothing changes. Be sure to implement some the changes that are discussed in the community and let the community know about it.
Bayada Home Health Care Case Study

A great example of creating systems that support purpose and engagement comes from Bayada Home Health Care. Bayada was facing significant challenges in bringing together the various best practices and innovations that were taking place in 260 offices around the country. The leadership wanted to find a way for everyone to share their processes so they could be evaluated. Then, Bayada could choose the best systems and implement them companywide.

Bayada decided to create an innovation community initiative. This brought together the far-flung employee base into a single virtual workspace. A regional director championed the initiative, which helped it gain traction and credibility.

A pilot program engaged over 400 users and resulted in 100% participation without any incentive campaign needed. Through the innovation community, companywide changes involving social media guidelines, employee training, and automated employee systems were realized. You can access this case study using the links provided in the related reading section of this whitepaper.
Conclusion

Creating an employee engagement community to find out what purpose means to your staff is a great starting point. Once you know what they’re looking for, you can move forward with creating those opportunities.

It’s important to understand what it means to have a purpose-driven workplace, and then take steps to create one. When you know how to create a purpose-driven organization, and how to communicate your purpose to employees, you will be able to create an engaged, creative, and productive workforce within your organization.

How are you going to create a purpose-driven workplace in your organization? We’d love to help you create your virtual community with IdeaScale. For an in-depth product tour visit: https://ideascale.com/product-tour/
Related Reading

Blogs:
IdeaScale Blog          https://ideascale.com/blog/
Innovation Management   www.innovation.se
The Daily Crowdsource   www.thedailycrowdsource.com

Workbooks:
IdeaScale Innovation Academy www.ideascale.com/resource/innovation-academy/

Case Studies Referenced
City of Atlanta         https://ideascale.com/resource/city-of-atlanta/
BAYADA Home Health Care https://ideascale.com/resource/bayada/

Books:
The Wisdom of Crowds     by James S
Crowdsourcing           by Jeff Howe
A Guide to Open Innovation and Crowdsourcing: Advice From Leading Experts edited by Paul Sloane