

A close-up portrait of a woman's face, looking slightly to the right. The image is partially obscured by a large teal geometric shape that points towards the top left. The background is softly blurred, showing warm, golden light.

Organisational Purpose, Stability and Agility in a Disrupted World

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Hudson

Great people. Great performance.

The Disrupted World

A culmination of a convergence of trends leading to a dislocation, upheaval and inequality

Globalisation

Borders, boundaries and independence

Geo-Political Chaos

East vs West, rising tensions with Asia and Middle East, Eurozone
Turbulence

Digital

Innovation speed, low market entry for disruption, rise of automation, Internet of Things, Big Data, AI

Demographic Shift

Diversity, inclusiveness, generations

Environment

Rapid changes in demands from customers, partners, shareholders, investors and regulators; increases in acquisitions, restructuring.

Disruptive technologies

Commoditisation of established business/industries through digitisation, bioscience advancements, automation.

Acceleration & democratisation

Information: Volume, transparency and distribution; multidirectional communication, complex collaboration with customers, colleagues and partners.

Talent

Tenure, death of the job description, redefinition of talent.

The Disrupted World

BURBERRY



nutmeg

NETFLIX



McKinsey & Co, *What does Digital Really Mean*, July 2015

Digital

Technology
Engaging customers
Doing business

New frontiers
Processes
Foundational capabilities

Digital
transformation

Maximise advantages of digital tech
Use of new tools, techniques and capabilities
Driving change to maximise resources

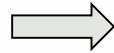
Neil Ward-Dutton, March 2016, linkedin

Stability & Agility

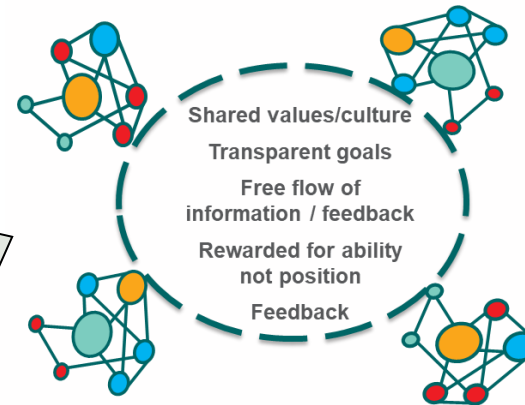
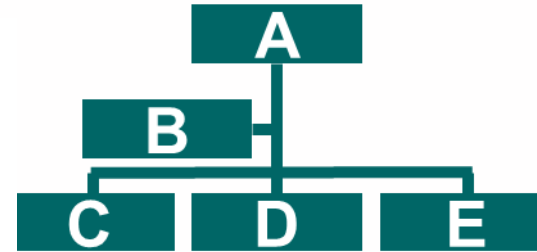
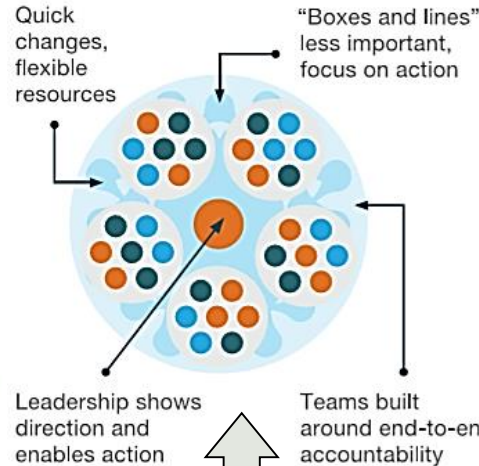
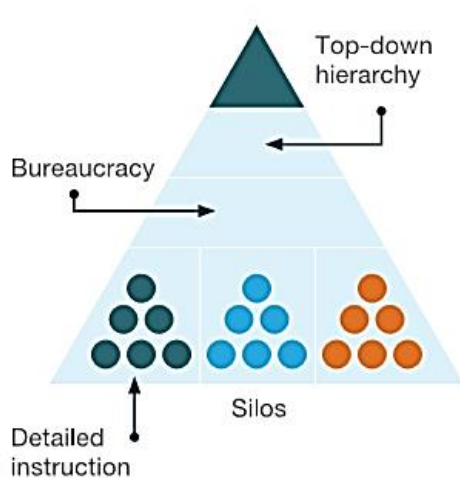
“The ability of an organisation to renew itself, adapt, change quickly, and succeed in a rapidly changing, ambiguous, turbulent environment.”

Aaron de Smet, Senior Partner, McKinsey & Company

**Organisations
as machines**



**Organisations
as organisms**



The 'North Star' of Shared Purpose,
embodied across the organisation

Stability & Agility



Agile organisations likelihood of being the top quartile of 'organisational health'






“Agility Needs To Be Seen In Everyone At An Enterprise (And Not Just In The People Running It)”
Aby Sam Thomas, Editor in Chief, Entrepreneur Media

“Purpose really comes down to mindset...a culture that taps into your people’s sense of aspiration... empowering everyone ...not just to do better, but to be better.”

Mark Weinberger, Global Chairman and CEO, EY

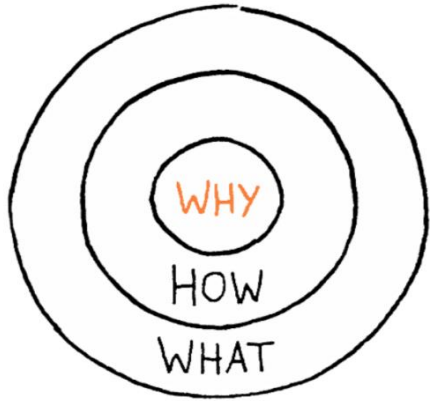
Mindset, Stability & Agility

Greater customer centricity, Faster time to market
Higher revenue growth, Lower costs, More engaged workforce *Bazigos, De Smet & Gagnon, 2015*

Capture value from competitors, customers & suppliers for shareholders		See the opportunities and resources to co-create for a variety of stakeholders
People are directed/managed		Clear purpose and authority, engaged people, collaboration & innovative solutions
Senior/experienced employees define plans to minimise risk		Constantly evolving business landscape. Minimise risk by embracing uncertainty.
Leaders control & direct work by specifying tasks & steering employees		Employees are empowered to take full ownership, to fulfil purpose and vision
Technology for services, platforms & tools based on resources and budget		Technology is seamlessly integrated across the organisation to enable responsiveness

What is Purpose?

Few organisations
can articulate their 'Why'



Start with Why
Sinek, S; 2011

“Purpose galvanizes people to ignite long-lasting positive change, driving growth and innovation”

“Purpose is an aspirational reason for being that is grounded in humanity and which inspires a call to action”

“There is a fundamental difference between .. good deeds acting as costly window dressing to spruce up the appearance of a business – and responsible business which is integrated into the fabric of how a business operates, and how its people behave, at all levels” Stephen Howard, CEO, UK Business in the Community

“guiding all commercial strategy and behaviours”

“Purpose is integrated in the fabric of capitalism. It is when we forget that capitalism is endangered. Purpose is indispensable to modern business” Arianna Huffington

Purpose facts

63%

CEOs recognise the importance of Purpose¹

83%

CEOs confident that Purpose is a guide for decision making¹

14%

Companies with 'humanistic values' outperformed S&P 500 over 15 years⁴

120%

Brands that positively impact humanity outperform the stock market⁶

87%

Consumers believe performance is best over time if purpose goes before profit

75%

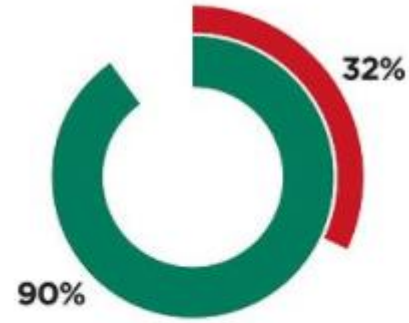
Being Purposeful creates short and long term value and customer retention¹

2 x more

Job satisfaction and optimistic if social impact is articulated², higher performance evaluations⁵

87%

Millennials base buying decisions on positive social efforts of a company⁷



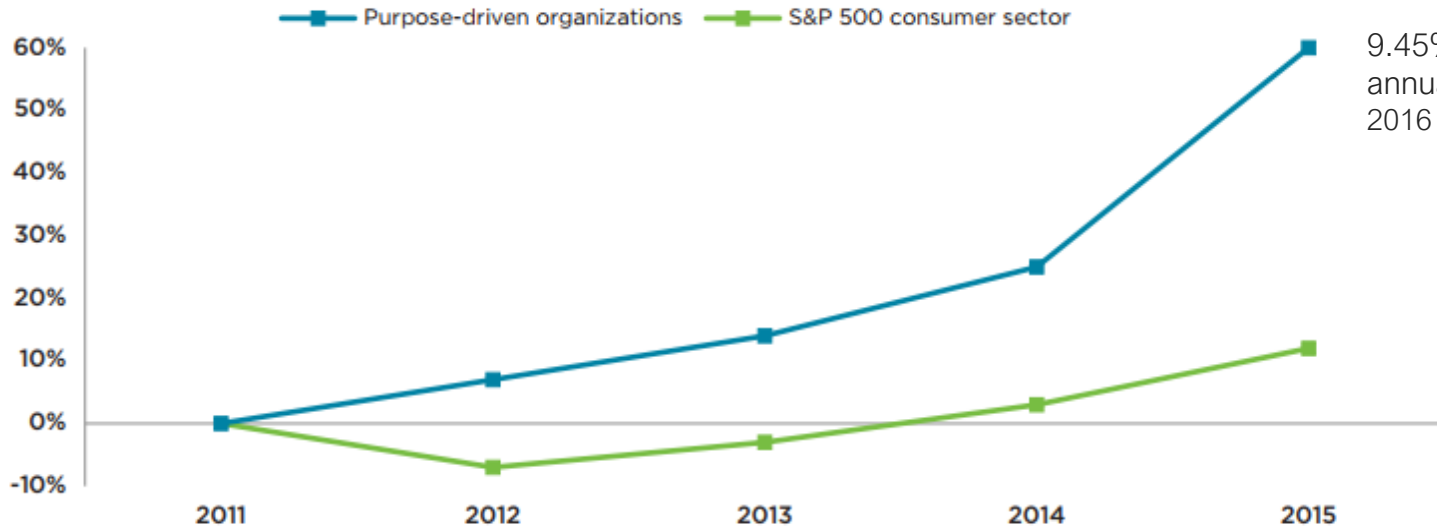
90% of employees in purpose-driven companies report feeling more engaged Gallup

3 x more

Likely to stay at the company and more likely to apply

1. The Energy Project, What is Your Quality of Life at Work, 2013
2. Edelman, The good purpose study, 2013
3. Raj Sisodia, Firms of Endearment, 2007
4. Havas, Meaningful Brands Index, 2013

Purpose facts



9.45% vs 2.4% compound annual growth, KornFerry 2016

Examples of Purpose-led Companies



Making sustainable living commonplace



Promote and spread happiness



To organise the world's information and make it universally accessible & useful



To inspire a consumer revolution that nurtures the health of the next 7 generations



Bring inspiration and innovation to every athlete* in the world *If you have a body, you are an athlete



Improve the quality of life in the communities we serve



Enhancing people's quality of life through internet services



To create a better everyday life for the many people



To help people make progress in their lives through learning



Contribute to society through...superior, original technology and products



Better food for more people



Enrich, Not Exploit



Helping support the health, well-being and healing of both people and the planet



To enable people and businesses throughout the world to realise their full potential

Mini Hackathon 1

Design your company's Purpose? (5 mins)

- Think of examples of when your organisation or your department was 'at its best'
- How does your organisation help people? How does it make a difference?

“Leaders die, products become obsolete, markets change, new technologies emerge, and management fads come and go, but core ideology in a great company endures as a source of guidance and inspiration”

James Collins, Built to Last

1. It must be customer/external focused
2. It must be aspirational, motivational, inspiring, authentic and emotional
3. It must be enduring – the same in 100 years' time
4. It must have a social/human consideration as well as corporate
5. It must be practical
6. It must be authentic
7. It must set a guideline for standards – How we do things
8. It should help you decide what *not* to do (the guiding star)
9. It should tell you that there is more that could be done (the guiding star)

Mini Hackathon 2

'Our Purpose is a key source of innovation; we channel it to drive new solutions in the market' *Joey Bergstein, General Manager & CMO, Seventh Generation*

How would you change your company/department so that it would better serve your Purpose? (10 mins)

- Strategy?
- Structure?
- Processes?
- People?
- Technology?
- How to signal authenticity?

What does a Purposeful organisation look like?

An enabling governance structure

- The top sets the tone with a credible pledge
- Monitors and advises on the (social) issue(s)
- A formal (board) responsibility
- Consistent and credible messaging
- Business as usual ++

Environmental performance tied to compensation and bonus

Responsible competitions

Sustainability projects



Purposeful stakeholder engagement

- Resonates with employees, clients, shareholders & local communities
- Focused on properly understanding the needs of stakeholders
- Invest in and report on stakeholder relationships
- More proactive, more transparent, more accountable
- In everyday work and in every relationships

Broader stakeholder orientation leads to more and better innovation because it promotes greater experimentation and tolerates failure (Flammer & Kacperczyk, 2013)

Long-term decision-making horizons

- Balance short- and long-term horizons
- Financial & non-financial matters = long-term investors
- Communicate the long-term orientation
- Maintain commitments esp. in stressful financial periods

Sustainable Living Plan

Consumers & society is central

Only long-term shareholders

Ended quarterly profit reporting



Measurement and transparency

- Multifaceted performance releases with multiple metrics
- Measure the organisation against the expectations of non-shareholding stakeholders

Hudson Talent Solutions

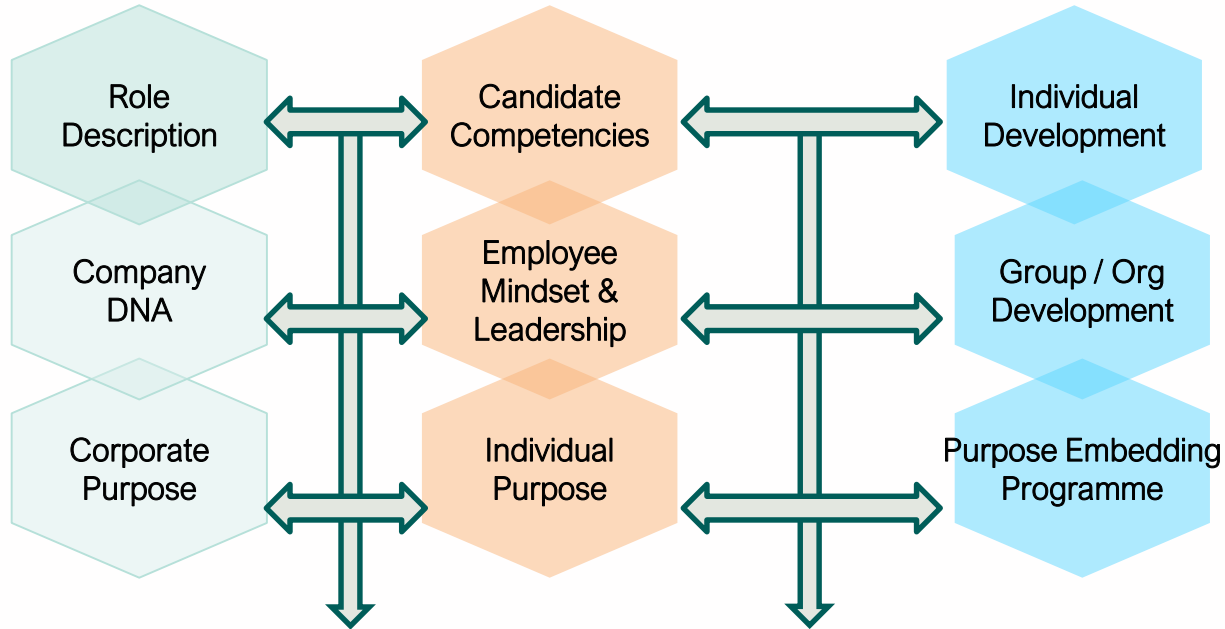
Define & Build

Assess & Analyse

Develop & Implement

May (2004):
Meaningfulness
depends
primarily on the
fit between self-
concept and role

Blake (2017):
“...work as
improving
others’ welfare
leads to it
[being]
meaningful,
important and
valuable’



Lawler & Hall
(1970): Job
involvement
combines
satisfying role
needs and the
person’s identify

“ Imagine a world in which the vast majority of people wake up every single day inspired to go to work, feel safe while they’re there, and return home at the end of the day fulfilled by the work that they do ”

Simon Sinek

