## **Getting to purpose:**

### A connection between performance and potential.

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As individuals and organisations begin to resurface and re-connect in the latest iteration of our 'new normal', questions will be asked of each other and of self, commitments revisited, and key decision points re-evaluated. Now, perhaps more than ever, it is critical for businesses to quickly yet deeply understand their people (and vice versa). To go beyond traditional measures of performance and potential to connect individuals with the reason it all matters – their purpose.

Whilst this may sound simple, research suggests that many leaders and managers continue to struggle to have these conversations with any great effect. They feel uncomfortable, less tangible, difficult to act on at an individual level. This article examines the current challenges we face – as those leaders and managers, or the individuals on the receiving end – and provides a series of recommendations that will enable you to get the most out of the purpose conversation, to leverage the power of potential.

#### Re-connecting people and work

With COVID vaccination programs beginning to offer hope for the future, some countries are starting to see restrictions ease, others sadly continue to suffer the trauma. United by this shared experience of crisis, communities across the world have come together, providing their own "social cure" [1] in the face of the pandemic. However, in those countries where offices have re-opened, children have returned to school, what was becoming normal is changing yet again. Individuals and organisations are facing another key transition as they seek to successfully re-integrate work and life once more.

For some, there will be a period of striving for security and stability – a need for reassurance, to satisfy the most basic of our human needs. For others, this will raise questions about self, about work, about purpose. According to a recent McKinsey article [2] nearly two-thirds of employees surveyed indicated that the pandemic had caused them to reflect on their purpose in life, with millennials being three-times more likely than others to be re-evaluating their work.

Enter into the equation the challenges that the world of work was already facing. In 2020 the World Economic Forum reported that 43% of businesses were planning to reduce their workforce by 2025 as a result of technology integration [53]. The 4th Industrial Revolution is well and truly upon us, along with a changing workforce demographic and constantly evolving commercial landscape that is challenging people to rethink their responsibilities to each other, and to the organisations they work with and for.

As surmised by the Mercer Global Talent Trends Survey (2020) [4], in order to win in this ever-evolving world, companies are being required to put human and economic metrics side-by-side, invest in long-term futures, and encourage their employees to bring their whole selves to work.

With people priorities firmly seated at the top of many agendas for some time to come, how much do you really know about your people (or does your organisation really know about you)?

# What I do versus what I am capable of: A long-standing workplace dilemma

The most tangible and possibly the easiest way in which to understand people is to see what they do; to base your evaluation on behaviours that are observable and measurable. This is performance - execution, implementation, accomplishment. Performance, however, can be constrained; by the environment in which an individual operates, the culture and norms, the individual themselves, or any number of other factors. It does not tell you why an individual behaves in a particular way, or what they are truly capable of this is potential.

Research and practice suggest that at least 50% of new leaders fail after assuming a new role, with a key reason being that organisations tend to overestimate current performance as a predictor of future potential [5]. There is more at play here then than what an individual can do or has done in the past; whilst this information is important, on its own it is less than useful.

With that in mind, it can be helpful to consider performance in line with potential, leveraging scientific assessments to objectively explore the characteristics and capabilities that may not yet have surfaced but inherently guide an individual's actions. Building from the work of Freud on the conscious mind, many 'iceberg' models have since emerged to help us picture this relationship between what can be observed (e.g. behaviours, skills, knowledge) and the foundation underneath, comprised of traits, motives, values, and so on.



To put this into context, where have you seen skills demonstrated during the pandemic that you were unaware people had? The social connector, the digital specialist, the empathetic manager. It can take a significant life experience for these characteristics to emerge, or merely for the conditions to be right, though inherently it talks to the latest perspective in this area that everyone has potential – it is a case of understanding where that is best placed, how it can be surfaced and nourished.

Unsurprisingly the number one priority for HR leaders in 2021 has been building critical skills and competencies. uet over a third of these leaders (36%) suggest they do not know what skills gaps their current employees have [6]. Coupled with this, employees are needing more skills for every job (data shows the total number of skills required for a single job is increasing each year now by 10% [7]) and are no longer learning the right skills, for their personal development or the benefit of the organisation. To a certain extent, leaders can anticipate and plan for future needs, but recent events have only served to highlight how a more dynamic approach to understanding, reskilling and redeploying talent is required.

In this vein, the Gartner (2021) HR Trends Report highlights the importance of creating channels for employee and organisational information exchange, empowering people to make timely and informed skills decisions that ultimately align their interests with business needs. Consider however, that less than a third of leaders are deemed effective at contributing to and leveraging the performance of other teams, focusing instead on their own remit [8]. Thus, in practice this exchange will prove challenging until organisations revisit the structures, processes, and cultures that continue to reward individual performance and mindset, and instead facilitate and enable greater talent mobilisation (i.e. creating talent marketplaces).

Even then, this will all mean nothing if the individual does not connect with the role they are being asked to fulfill - this is **purpose**.

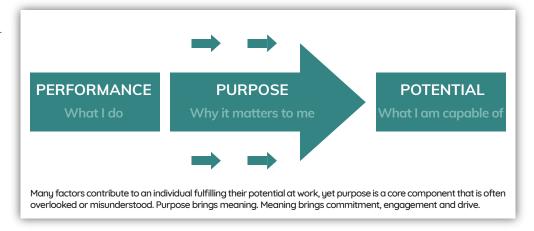
#### The missing piece: Why I do it

The definition of purpose includes the reason for which something exists. It can be thought of as an overarching sense of what matters to an individual and what makes them feel fulfilled. Purpose is multi-dimensional (often comprising values, beliefs, motivations, context) and can change over time; people can have multiple purposes. Complex, the concept is also highly personal, can be difficult to surface, and sensitive to discuss.

It is perhaps no surprise then that most leaders fail to give the individual purpose of their employees much thought. Yet those who fulfil their purpose at work are more productive, healthier, more resilient, and more committed to the company than their less satisfied peers (McKinsey, 2021). Arguably, the market is already quite saturated with perspectives on purpose - it is a critical component of success however, managers and leaders continue to feel ill-equipped to have these conversations with people about why their work matters [9], in a way that will appeal to the individual.

Employees see purpose as a way to bring meaning to their work and need to find this meaning regularly in order to be fully engaged; leaders see the commercial value of purpose and the benefits that greater engagement can bring [10]. Despite this, there remains a considerable disconnect between how important purpose is claimed to be for the organisation, how central it actually is to decision-making, and the extent to which it feels fulfilled. Worryingly, this 'purpose gap' becomes even more apparent when considering the organisational hierarchy. A study into individual purpose recently reported 85% of executives and upper management feeling they can live their purpose in day-to-day work, whereas 85% of frontline managers and employees were unsure or disagreed [11].

There seems to be a willingness then for companies to embrace the notion of becoming purpose-driven, and to recognise the value in doing so, though the reality of embedding this concept into culture and operating models, in a way that resonates with every individual, is proving a challenge. A hesitation of leaders to 'walk-the-walk' and actively embed purpose into company foundations and architecture may be one problem (PwC, 2016), equipping people to have these conversations – at all levels – is another.





## Opening up the purpose conversation

Here are three ways to help extend conversations beyond performance and potential, to connect individuals to their purpose at work.

#### 1. Build from an objective base

Conversations about purpose are often avoided because they feel uncomfortable, based on soul-searching and misguided or unstructured reflection that can lead to sensitive revelations, which need to be carefully managed. Honesty and engagement in these circumstances will also likely correlate with the degree of trust in the relationship. Instead, consider the use of personality and motivation questionnaires as a means to establish a common grounding for the conversation upfront, a starting point for exploration that is based on a degree of self-insight already offered up. From here, with traits and motives often featuring at the heart of purpose, the discussion can be broadened out into the more subjective and personal elements that complete an individual's view of their purpose and how this can be fulfilled at work.

#### 2. As a leader, a person, show your own vulnerabilities first

Four qualities have been identified as critical for business leaders in times of crisis to both care for their people and set the stage for business recovery – awareness, vulnerability, empathy and compassion [12]. The research highlights the importance of leaders being able to tune into their own personal fears and anxieties in order to encourage others to be aware of and manage their own reactions. Whilst this perspective may have been framed in the context of crisis, the same can be said of any change or transition an individual experiences in the workplace – a need for those they look to, to be able to show their own vulnerabilities and how these have been embraced to drive positive outcomes.

As a role model and a leader, by showing you have uncertainties, self-doubts, anxieties, and weaknesses too, others will be more open to exploring their own blockers and reservations. When faced with challenges in future, rather than falling into insecurity or defensiveness, these individuals will be more likely to demonstrate a 'growth mindset', a belief that their talents can be developed through hard work, sound strategies, and input from others [13].

#### 3. Act on the insight, with individual needs in mind

It would be incredibly damaging to encourage an individual to open up to you on a deeply personal level, with a particular intent in mind, and for you then to do nothing about it. First, be clear about the reasons for your interest upfront - whether that be to connect people more generally with their work, to explore the right next role for them, or purely to build a closer relationship. This reason should direct the action you take following the conversation. You should provide avenues through which people can reflect on their purpose at work, though this alone is not enough. Consider how you might foster opportunities for people to work on purposeful projects (McKinsey, 2020), or to undertake activities that expressly take them a step closer to realising their ambitions. Most importantly, equip managers to have these conversations with their own teams and to identify appropriate actions as a result.

Remember, purpose is not a single 'point-in-time' and should be revisited regularly to keep the connection alive.

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