

“Roy Spence is a brilliant, sparkling gem. Dedicated to the idea that true greatness comes in direct proportion to passionate pursuit of a purpose beyond money, he has inspired and changed leaders in every sector.”

—JIM COLLINS, author of *Good to Great*, co-author, *Built to Last*

# IT'S NOT WHAT YOU SELL, IT'S WHAT YOU STAND FOR

Why Every  
Extraordinary  
Business Is Driven  
By Purpose

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with Haley Rushing



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# WHAT IS A PURPOSE AND WHY SHOULD YOU WANT ONE?

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From the beginning, instinct told us that what a company stands for is as important as what it sells—I guess that’s why we were naturally drawn to organizations that were known as much for their values as they were for the products and services they sold in the market.

I got my first official introduction to the idea of purpose when I picked up the book *Built to Last*, by Jim Collins and Jerry Porras, in an airport bookstore. I was interested in the book because two of the visionary companies that they covered were Southwest Airlines and Wal-Mart—two longstanding clients of ours (GSD&M’s). I’m always curious to see how other people explain their success.

I was immediately struck by the description of core ideologies that separated the visionary companies from the mediocre companies. The visionary companies had a set of core values that were unchanging and a core purpose that fueled everything the organization did. As the authors put it:

**CORE PURPOSE** is the organization’s fundamental reason for being. An effective purpose reflects the importance people attach to the company’s work—it taps their idealistic

motivations—and gets at the deeper reasons for an organization's existence beyond just making money.

The book listed the powerful purpose statements that had propelled some of the most visionary companies of our day to great success. For example:

*Merck: To gain victory against disease and help mankind*

*Disney: To use our imaginations to bring happiness to millions*

*Johnson & Johnson: To alleviate pain and suffering*

These are big ideas—ideas that can make a meaningful difference in the world, ideas that separate the great from the ordinary. My heart was racing. I couldn't wait for the plane to land. The second the wheels hit the tarmac, I was on the phone. I called Jim Collins because, to be honest, I couldn't pronounce his coauthor's last name. We had a good conversation, and by the time we got off the phone we both agreed on the secret ingredient of extraordinary companies—purpose.

Purpose isn't everything, but it trumps everything else. Sure, every organization must also have strong leadership, management, succession planning, execution, strategy and tactics, innovation, and more, but in more than thirty-five years of working with a vast range of companies and organizations, my belief is that it all has to start with a purpose. That is the hinge that everything else hangs upon.

In my experience, the simplest way to explain purpose is:

Purpose is a definitive statement about the difference you are trying to make in the world.

Having clarity about the ultimate purpose of the time and energy you spend doing what you do is the cornerstone of a culture of purpose. It's what drives everything you do. It's your reason for being

that goes beyond making money, and it almost always results in making more money than you ever thought possible.

If you have a purpose and can articulate it with clarity and passion, then everything makes sense and everything flows. You feel good about what you're doing and clear about how to get there. You're excited to get up in the morning and you sleep easier at night.

If you don't have a clear and easy-to-articulate purpose, everything feels a bit chaotic, harried, and maybe even meaningless. Meetings may go on for hours with endless and arbitrary decision-making criteria being thrown out by anyone with an opinion. You may launch totally new business plans year after year. Without a core purpose in place, the way forward is often a real challenge.

The textbook definition of purpose is: *n.* The object toward which one strives or for which something exists. Without a purpose, what are you striving for? What are you resolved to accomplish? If you have no answer to these fundamental questions, your business (and your life) may be a real struggle.

The power of purpose is not a marketing idea or a sales idea. It's a company idea. Purpose drives an entire organization and it answers why the brand exists.

—Jim Stengel, former global marketing officer of Procter & Gamble (P&G)

## **SOUTHWEST AIRLINES: AN EXAMPLE OF GREAT PURPOSE**

Before I go any further, let me give you one clear example of what I mean by purpose in the corporate world. For over twenty-seven years, I have worked side by side with the founder and other leaders of Southwest Airlines. Tons of stuff has been written about Herb Kelleher and the Southwest business model, and I will not rehash what's well known. I will, however, offer insight into the fundamental underpinning of purpose that fuels their famous culture and unrivaled success.

Herb conceived of the idea of Southwest Airlines with Rollin King one night in San Antonio. As the legend goes, it started as a simple triangle scribbled on a napkin: from Dallas to Houston to San Antonio and back to Dallas. At that time, it was a highly regulated industry, and Braniff and other airlines had a monopoly on routes and fare structures. Their incredibly high cost structures resulted in expensive fares that were only accessible to the elite, and as a result, only 15 percent of the American public had ever flown.

Herb and Rollin decided to single-handedly deregulate the industry and create a low-cost, efficient airline that would make flying affordable for people from all walks of life. Their clear purpose (although they hadn't yet articulated it as such) was to give people the freedom to fly—in essence, *to democratize the skies*. They may be in the airline business, but their true purpose is *to give people the freedom to fly*.

The result: Southwest Airlines has posted a profit every quarter for over thirty-six years now, a record unmatched by any other airline in the history of aviation. No one else even comes close.

And while that is a rewarding difference in the pocketbook, the most rewarding difference is the one that they've made in the lives of people across the country. As a direct result of Southwest Airlines, today over 85 percent of Americans have traveled by airplane. That's purpose in action. That's a real difference that the leaders and employees of Southwest Airlines can take pride in and that customers reward with their loyalty.

## WHY SHOULD YOU WANT A PURPOSE?

So, you may be saying to yourself, that's great for Southwest Airlines, but I'm not really sure that I need a purpose.

Why does purpose matter? Why not just work on sound strategy and positioning year after year and have a good, viable business in the marketplace? You can certainly do that, and you may even have reasonable success doing it. But in our experience, purpose offers up a host of benefits, including easier decision making, deeper employee and customer engagement, and ultimately, more personal fulfillment

and happiness. And in the end, a clear and compelling purpose is a huge tie breaker in the marketplace that will make not only your people and your customers happier but also your shareholders.

Here is a full list of the reasons we believe that having a purpose is so critical to succeeding in today's marketplace.

## PURPOSE DRIVES EVERYTHING

With a purpose in place, decision making becomes easier. You can look at an opportunity or a challenge and ask yourself, "*Is this the right thing to do given our purpose? Does this further our cause?*"

**If it does, you do it. If it doesn't, you don't. If it's proof to your purpose, embrace it. If it violates your purpose, kick it out on its ass.**

In Jim Collins's follow-up bestseller *Good to Great*, he describes how companies with average performance ascended to greatness after, among other things, they discovered their "hedgehog." Hedgehogs, as the economist Isaiah Berlin describes in his essay "The Hedgehog and the Fox," simplify complex environments into a simple view or principle that unifies and guides every move they make. All challenges, opportunities, and threats are examined through one unifying worldview. As Jim points out in *Good to Great*, "For a hedgehog, anything that does not somehow relate to the hedgehog idea holds no relevance."

So it is with companies with a purpose. They look at the world through the lens of their purpose. If a move is relevant to their purpose, they make it. If not, they don't.

For example, if a decision comes to the table and it violates the core purpose of Southwest Airlines' ability to keep costs down and fares low, it's thrown out. If a piece of automotive technology is presented to BMW that does not support the core purpose of enabling people to experience the joy of driving, they discard it. If some idea is put forward at John Deere that might compromise their quality, commitment, innovation, or integrity, it will be passed over. If any compromise on design is put on the table at Kohler, it is ignored. If a new

policy at Norwegian Cruise Lines that would inhibit their passengers' right to go their own way is run up the flagpole, it is tossed out. If any new practice would cast doubt on the integrity of the game of golf, the PGA Tour would immediately nix it.

In short, leaders driven to fulfill a purpose will make decisions to ensure that the purpose is never violated.

Purpose should drive what's on your personal to-do list, what's on the R&D list, and what's on your mind as you assess the overall performance of the organization. Hiring and firing should be based on alliance with the purpose. Purpose should drive everything from the philosophical foundations of the company to that hot fourth-quarter promotion developed in the advertising department.

## **PURPOSE IS A PATH TO HIGH PERFORMANCE**

A purpose is not developed in a vacuum. While the core of a purpose must be born out of the genuine strengths and passions of the organization, those strengths and passions must ultimately intersect with the needs of your audience.

As Aristotle said: "Where your talents and the needs of the world cross, there lies your calling." Your purpose, as it were.

In my experience, most purpose-based leaders and organizations understand the needs of the world instinctively. Answering those needs is the path to high performance.

Sam Walton knew that people in rural areas were sick of paying high prices for average goods. They needed a retailer they could trust to deliver low prices every day on quality goods that help make life a little better.

Herb Kelleher knew the 85 percent of the market that hadn't flown probably wanted to—they just needed someone to make it affordable for them.

Charles Schwab knew that individual investors were sick of getting ripped off by traditional Wall Street brokerage firms. People needed a brokerage firm that was on their side.

John Deere knew that the farmers who were having a hard time plowing through the tough prairie soil of the Midwest would appreciate a better performing plow that they could trust to get the job done.

Phil Knight and Bill Bowerman (Nike) believed that “if you have a body, you’re an athlete.” They knew that if they outfitted individuals with innovative gear and inspired them with a battle cry, a new generation of athletes would emerge around the world.

Howard Schultz (Starbucks) knew that people would probably appreciate a third place to spend time and enjoy a really good cup of coffee if they had it.

A purpose is informed by the needs of the world. Ergo, if you build your organization with a concrete purpose in mind—a purpose that fills a real need in the marketplace—it stands to reason that performance will follow.

Jim Stengel, former global marketing officer of Procter & Gamble, oversaw the world’s largest ad budget of roughly \$6.7 billion. Through his experience building and managing some of the world’s most successful brands, he has come to believe in the power of purpose to drive incredible performance. Here’s what he shared with us:

*Over the course of my career, I’ve developed a deep sense that the companies—the brands—that really stood out above the rest in every way had something else going on that was much deeper than the functional benefit they provide to their customers or consumers. Whenever I saw something that motivated me, inspired me, or gave me goose bumps, it was something to do with purpose.*

—Jim Stengel

Jim’s observation led him to commission a proprietary study designed to identify brands from around the world that were growing disproportionately to their categories. This massive study began with over thirty thousand brands and focused on twenty-five top performers. When the group conducted an in-depth study on those top performers, they found that all the top performers were fulfilling a

higher-order purpose. P&G believes so deeply in the idea of purpose and its ability to drive performance that it has recently codified everything the company has learned about purpose in an internal manual.

There have been many other studies that have proven the bottom-line power of purpose.

Jim Collins and Jerry Porras demonstrated in *Built to Last* that organizations driven by purpose and values outperformed the general market 15:1 and outperformed comparison companies 6:1.

Harvard Business School faculty members John Kotter and James Heskett studied blue-chip firms across twenty different industries and found that firms with strong adaptive cultures based on shared values significantly outperformed firms with weak, values-neutral cultures. Over the four-year period they observed these companies, revenue grew more than four times faster, rate of job creation was seven times higher, stock price grew twelve times faster, and profit performance was significantly higher than comparison companies in similar industries.<sup>1</sup>

In a book entitled *Firms of Endearment*, the authors identify thirty companies (three of whom include our past or current clients: BMW, Southwest Airlines, and Whole Foods Market) driven by a sense of purpose and humanistic principles. These companies put the needs of their stakeholders ahead of the needs of shareholders and are bringing about a profound change in the existing capitalist paradigm. The authors found that companies that choose to put their employees and their customers first are outperforming conventional competitors (who have an eye almost exclusively on profit and shareholders) in stock market performance on the order of 8-to-1. Not only is overall stock performance significantly better, employee turnover is lower, productivity is higher, and pricing strategy is not subject to the same low-pricing pressure experienced by pure profit-driven, shareholder-focused competitors.<sup>2</sup>

Far from being some touchy-feely concept, purpose and values have been identified by the best business gurus of our time as key ingredients of high-performing organizations.

Just to be clear, having a strong purpose in place does not make an organization immune to setbacks that may inhibit financial performance from time to time. We've all seen strategic decisions or

marketplace forces derail even the most beloved purpose-driven organizations. But organizations with a strong purpose are much more likely to get back on track and create a legacy of high performance over time.

## PURPOSE FOSTERS VISIONARY IDEAS AND MEANINGFUL INNOVATION

Let me share another story from Jim Stengel, which demonstrates how purpose can unleash innovative thinking in an organization. Jim believed that Pampers was more than just a diaper that prevents wetness. As he expresses it, “We’re talking about babies and mothers and birth and life. Shouldn’t we as a company have a higher aspiration other than to just keep the bottom dry?” He describes the powerful transformation that happened when Pampers began to earnestly explore how they could do more than “just keep the bottom dry”:

*We asked ourselves: What’s the one thing that every mother cares about? And what she cares about is her baby’s development in every way. So we began to seize that idea. And we switched from being a brand about functional dryness to a brand that helps mothers around the world with their baby’s physical, social, and emotional development. And in the beginning, that idea sounded crazy. But it started to get people inspired. It got the imagination going. The agenda for innovation started to change. The way we approached consumers began to change. We began having daily interactions with mothers and babies onsite. We began thinking about our product experience differently. We identified “sound sleep” as a key to healthy baby development. We began asking questions like what can Pampers’ role be in helping babies have deep, healthy sleep so they can wake up with energy, with rejuvenation and better brain development? We did clinical studies in that area. We learned that mothers around the world care about one another. One thing led to another and now we have a partnership with UNICEF in over 40 countries; when a mom buys a bag of Pampers, we donate one vaccination delivered through UNICEF. And now, ten years later, the brand has doubled in size. It’s one of the leading brands in the world and has become P&G’s first \$8 billion brand.*

As they made the conscious decision to get out of the dryness business and into the baby-development business, new and innovative thinking spread like wildfire throughout the Pampers organization. The purpose provided the inspiration and direction necessary to develop innovations that have made Pampers a hugely successful brand.

Innovation is on everyone's mind. "Departments of Innovation" have sprung up in corporations across America. "Chief Innovation Officers" are being anointed. Innovation conferences in hotel ballrooms are regularly sold out. There is a restless urge to stay on the cutting edge of what's next. But in the absence of a purpose, innovative thinking can be difficult to ignite.

Without a purpose, there is no heartfelt motivation or inspiration to drive innovation in a constructive and meaningful way. Innovation for innovation's sake often results in a lot of wasted time and energy. Innovation designed to facilitate a core purpose in new and exciting ways is where meaningful progress is made.

BMW is an innovation machine. Every detail of a BMW is designed with the company's purpose in mind: enabling people to experience the joy of driving. BMW engineers know that anything that doesn't provide more exhilaration or more comfort or enhance driving safety simply doesn't belong in a BMW. For example, one of the greatest innovations BMW is known for among driving enthusiasts is the Near-Perfect 50/50 Balance. This creates the signature driving feel associated with a BMW that people love. By balancing the weight over the front and rear axles evenly, they deliver exceptional agility, enhanced safety, more control, and, ultimately, a better driving experience. What that means to you and me is that we can take corners really, really fast without missing a beat. That's the joy of driving and the kind of purposeful innovation that employees can wrap their head around.

Southwest Airlines is one of the most innovative companies in the country. But we've never been asked to help them develop something innovative in a vacuum. What we receive, instead, are assignments asking them how they can deliver "freedom" in new ways. What innovations can we create to deliver more freedom in the Rapid Re-

wards loyalty program? What innovative things might we do with the schedule to give people more and better flying options? What innovations can we create to deliver more spontaneous travel (i.e., freedom) to our customers while lowering our costs?

Having a purpose not only helps foster innovation inside your organization, it also helps all the stakeholders and partners that work with your organization to develop visionary innovations on your behalf. As a marketing firm that has worked with extraordinary purpose-based organizations and not-so-purpose-based organizations, we can testify to the fact that visionary ideas are much harder to come by for the latter.

When we are working on behalf of truly purpose-based organizations, the visionary ideas and innovations tend to flow much more easily. Ideas move beyond the realm of clever tactics that might be noted in an industry publication to meaningful messages, experiences, services, and interactions that will be loved by the customers who are being served.

I suppose our pursuit of purpose-based organizations may in some ways be self-serving. It's a hell of a lot easier to be in the business of "visionary ideas that make a difference" when we're working with organizations that are hell-bent on making a difference too.

## PURPOSE MOVES MOUNTAINS

Purpose can make the seemingly impossible possible. It can rally the troops to overcome seemingly insurmountable odds. It can ignite a fire in the belly to fight the fights that seem impossible to win.

### Don't Mess with Texas

It was 1982 and Mark White was elected governor of Texas. He had just appointed Bob Lanier to chair the very powerful Texas Highway Commission. Bob Lanier was on a mission to cut the fat out of this huge department. He started with in-depth briefings from every sector of the highway department. I mean *in-depth*. It finally came to the antilitter effort. The person in charge was going through the statistics: Each year litter on Texas highways grew at an average of 17 percent.

So, each year Texas taxpayers had to spend 17 percent more on cleaning up that litter just to break even. This was the trend all over the nation, and no one seemed to have any solutions for reversing that trend. Bob was taking it all in, and finally the presentation stopped—with the annual request for a 17 percent increase in state funding of the antilitter program.

The room was quiet. Bob, in his typical way, pushed his glasses down, looked up, and said, “Excellent presentation. But what is the purpose of this program?”

No one spoke until the head of the division stood up and said, “The purpose of our effort is to make sure that our Texas highways are clean and beautiful and something Lady Bird Johnson and her whole *Keep Texas Beautiful* effort will be proud of.”

Bob Lanier nodded and sat there peering off into space. Then he made the acute observation, “Has anybody ever thought about the notion of persuading Texans not to litter so that littering goes down each year, and therefore so does our budget?” Silence took hold of the room.

That mandate sent us down the highway to create a purpose that would change the face of Texas and cut Bob Lanier’s budget. Other antilitter campaigns all had the same worthy goal of reducing litter: “*Give a hoot, don’t pollute*” and “*the crying Indian*,” featuring a Native American brought to tears after looking at the mess we had created. While these messages might have resonated with Lady Bird Johnson and Sierra Club members, to your average Texan in the early 1980s, the antilitter cause was not a cause that many took to heart. We needed a purpose that Texans could sink their teeth into—a purpose with the power to make a difference, a purpose that would move people.

Tim McClure, one of the founding partners of GSD&M, was walking down the highway one day and saw trash along the shoulder. He stopped and thought to himself, “*This isn’t litter—this is trash. People are trashing Texas. We’ve got to stop people from trashing Texas.*” Now, anyone who has spent any time in Texas knows how fiercely proud Texans are of their state. And that pride is exactly what we needed to tap into. We took the worthy goal of reducing litter and

married it with Texas pride to create a purpose powerful enough to clean up our highways and cut our budgets. The purpose of this anti-litter initiative was *to tap into the pride of Texas to keep our state clean*. That purpose was brought to life with one of the most well-known taglines in America: *Don't Mess with Texas*.

Sure enough, Texans rallied around the idea and changed the face of Texas in a way no one could have predicted. With purpose as our guiding light, litter took a nosedive and was reduced by 70 percent during the next five years.

Here's the point. If a problem seems impossible to overcome, then it's highly unlikely that well-intentioned tactics will see you through. Purpose is required to tap into the hearts of your constituents and make the impossible possible.

### **PURPOSE WILL HOLD YOU STEADY IN A TURBULENT MARKETPLACE**

*When you know who you are; when your mission is clear and you burn with the inner fire of unbreakable will; no cold can touch your heart; no deluge can dampen your purpose.*

—Chief Seattle

Markets are always changing. Competitors come and go. Trends rise and fall. Business strategies fluctuate in response to category dynamics. So what's going to be your anchor? What will you report back to on a day-to-day basis while you travel through the turmoil?

Without purpose to hold you steady, it's very easy to get distracted by marketplace fluctuations. You may find yourself reacting to every competitor that comes along. Wall Street pressure may send you desperately clamoring down uncharted paths. Trends may suggest you need to consider a new line of business.

Purpose provides a road map to hold your course along the journey. It ensures that everyone stays on track and you don't end up in a ditch, stalled out and confused as to how you got there.

I can't tell you the number of airlines that have come and gone, threatening to take out Southwest Airlines over the past thirty years.

They make their grand entrance with their so-called superior planes, enhanced first-class service, lavish airport lounges—you name it. But the culture of purpose at Southwest Airlines has bested them all. While there are certainly heated and fierce debates about how to strengthen its offering in the market, Southwest Airlines never questions its primary reason for being in the market—which is what frequently happens when clients without a purpose are besieged by the competition.

Instead Southwest takes stock of its beliefs and values and responds with product innovations that are uniquely and unapologetically Southwest. Some of the best innovations they ever created were the result of competitive pressures that forced them to figure out how to be a better Southwest Airlines.

Competitors said Southwest Airlines didn't have fancy flight attendants.

*Southwest said, "Hot pants are more fun."*

Competitors said Southwest Airlines didn't have a full range of jets.

*Southwest said, "Meet Shamu! He can fly you there just as fast."*

Competitors said Southwest Airlines' frequent flyer program didn't let you fly internationally.

*Southwest said, "With Rapid Rewards, every seat is a reward seat almost every day of the year."* Try actually using your frequent flier miles on another airline. The word "freedom" does not come to mind.

In each case, Southwest is true to who they are. They don't spend time trying to develop products or services to match the competition. They celebrate their own unique strengths and navigate by the core values and beliefs that set them apart from everyone else in the industry.

As human beings our minds easily wander off track. It's easy to lose focus. A strong sense of values, beliefs, and purpose will keep everyone on track.

## **PURPOSE INJECTS YOUR BRAND WITH A HEALTHY DOSE OF REALITY**

In Texas, when people talk a good game but have nothing to back it up, we say, “That cowboy is all hat and no cattle.” In business, you want to have the cattle.

Historically, branding was pretty simple. Company X launched a product that offered a new and improved version of something, and the brand simply embodied what that product promised to do. Simple. But as the marketplace grew increasingly crowded—overpopulated with similar brands doing similar things for similar audiences—companies turned to advertising agencies to manufacture a meaningful difference on their behalf.

When companies don’t have anything substantive to say and their product or service is relatively ordinary, they often rely on advertising to create an image they hope will add value to their brand. (Create the big ol’ hat to create the illusion of being a cowboy.) And it may for a while. But Paul Higham, the retired marketing director at Wal-Mart who we worked with for almost a decade, always reminded us that the best advertising in the world will not save a mediocre company. The company has to have something of genuine value to offer to consumers.

This is not rocket science. It’s common sense. If you tell consumers one thing in your marketing, and they experience something entirely different (or something entirely ordinary) when they go to use you, the relationship won’t last long. Your behavior will catch up with you and people will notice.

When you have a purpose at the heart of the company, it will drive the business and ensure that something remarkable is happening with the product or service. The thing about purpose is that it starts with the leaders, works its way through the organization, and finds its way into the products, services, experiences, and, ultimately, into the marketing. If the company is not truly delivering it, the marketing shouldn’t be talking about it.

## FAKING PURPOSE

Let me give you an example of a company trying to fake a purpose. It happens. But fortunately it doesn't last. It was the late nineties and energy deregulation was just getting off the ground in Texas—spawning the infamous Enron and a slew of smaller players, one of whom came knocking on the door of our ad agency. At first we were excited about the prospect of helping a company that professed a desire to make a difference not only for the environment but also for the pocketbook of Texans. The harsh reality was that they only wanted us to profess it in the advertising. They didn't actually want to do business in any meaningful way to support it. They hoped that Texans—being largely uneducated about the intricacies of energy pricing and the challenges of offering truly green energy—wouldn't notice if the company didn't actually deliver on their promise. We knew the relationship was over when we were conducting research with people who were interested in switching, and one of the company's senior leaders said to the focus-group facilitator, “Hey, see if they'll buy it if we say it like this. It's actually going to cost them 20 percent more, but I don't think they'll figure that out.”

It was not hard to make the decision to part ways. For one thing, our agency's purpose is delivering visionary ideas for clients with a real and genuine purpose. In short, our purpose is to help our clients fulfill their purpose. This company didn't have one. And second, imagine the futility of trying to build a great brand for a client that's not making any real difference except to add to the customer's cost.

The point is, if you profess a desire to have a purpose, what are you going to do to back it up? What are you going to do to make it real? Purpose is rooted in reality. The great purpose-driven organizations that have built great brands in the marketplace did so because they were actually creating products, services, and experiences that made a real difference in the lives of their customers.

## PURPOSE RECRUITS PASSIONATE PEOPLE

*“Don’t ever take a job—join a crusade! Find a cause that you can believe in and give yourself to it completely.”*

—Colleen Barrett, retired president of Southwest Airlines

Human beings enjoy spending their time engaged in meaningful work. Unfortunately, work is often the last place they turn to engage in meaningful work. Jim Stengel wanted to change that.

*There is a woman that I work with at P&G in Paris who once said to me, “Why is it that P&G people go home at night and on the weekends and do extraordinary things for their communities and other service organizations—but somehow when they come to work, they leave that at home. And what would happen if we invited them to bring that passion to life at work through our brands? What if we could fulfill their need to make an impact and change the world through our brands? What a powerful impact we could make!” And it’s true. Unleashing the people behind the brand in an inspired way—focused on a purpose they can believe in—has just been an unstoppable and positive force.*

—Jim Stengel

Human beings are a passionate species. We want to engage in meaningful work. So why does the world of work seem so devoid of meaning? Companies that are actively cultivating and communicating the purpose-driven nature of their work are quickly becoming some of the hottest employers in the country.

Healthways is one of the fastest-growing companies in the country today. The company works with health-plan sponsors to create proactive, custom health-care plans to slow disease progression, promote wellness, and, ultimately, cut healthcare costs.

Before you can enter its Nashville headquarters you have to literally walk across its core purpose etched in the floor in front of the main entrance: *Creating a healthier world one person at a time.* Healthways President and CEO Ben Leedle, Jr., told us that their purpose has helped them to attract “a certain kind of energetic person.”

In fact, their purpose is one of the primary reasons why the company debuted on Fortune's 2008 list of "100 Best Companies to Work For."

*At Healthways we focus every day on making a difference for more than 26 million individuals around the world by helping them be as healthy as they can be. We are able to impact the lives of the people we touch by attracting and retaining the best and brightest talent from around the world and then creating an environment where they can thrive. Healthways colleagues join our company because of our purpose and are collectively committed to what we believe is our obligation to succeed. Our colleagues' passion to achieve this higher purpose makes Healthways a great place to work.*

Working in the service of a higher purpose attracts highly energetic and highly motivated people to your organization.

Sometimes, you don't even have to pay them.

The game of golf stands for passion, integrity, charity, and sportsmanship. Those values attract more than seventy-five thousand volunteers to donate their time, talent and money to the PGA Tour. Tim Finchem, the commissioner of the PGA Tour explains it this way:

*I am sure there are people who love other sports as much as some people love golf, but in my experience, the people who love golf are the most passionate, not just about the game or its players, but about the qualities the game represents. Integrity, charity, sportsmanship—these traits are important to golf—not just as a “lip service” checklist, but as a prescription for the proper way to play. . . . Volunteers are the backbone of our tournaments, and are a critical reason why PGA Tour tournaments are able to donate over \$100 million to charity each year.*

—Tim Finchem (Commissioner blog—PGATour.com)

Phyllis Wade is one of those passionate volunteers. She's almost eighty years old and she's spent sixty years volunteering for PGA Tour tournaments. At times she's worked three solid months, taken a brief break, and then worked another month straight. Passionate

and committed volunteers like Phyllis save the PGA Tour \$26 million a year (assuming minimum wage compensation for fifty-hour weeks).<sup>3</sup>

Are people drawn to your organization because of what you stand for?

Being clear about your values and purpose will attract people who share your values and feel passionate about the purpose of the organization. It will also create a common bond among employees.

Imagine what the culture of your organization would look like and feel like if everyone had knowingly and intentionally signed up for the purpose at hand. Realize that not everyone may choose to join your team. And ultimately, you wouldn't want those people in your organization anyway. Better to draw a line in the dirt and see who steps across up front than to find out later in the heat of battle. This "discriminating" factor was noted in a book written almost twenty years ago on purpose-driven organizations:

*When a company defines its purpose, it is with the understanding that anyone from a vice president to an hourly worker might choose to say, "I can't accept these values. It's not the game I want to play." The purpose tells people what they can be a part of. It declares, "Here's what we're all about, so you can decide if it's something you can commit yourself to. We're not saying you have to be this way. You decide whether or not you want to." When the organization's management defines what it will be, it also defines what the organization is not—what opportunities it will pass up. It establishes a screening process in which people either find something meaningful or elect to leave. . . . The power of a purpose-driven organization comes from everyone in the organization understanding what the organization is all about.<sup>4</sup>*

Once the purpose is established, it's important to use it as a screening tool in your organization's recruiting process. Bringing someone on board who is not interested in your purpose or doesn't believe in it can, at best, demoralize the people around them and, at worst, can begin to derail the purpose altogether (if they're high enough in the organization).

On the flip side, when applicants have been drawn to your organization because of your purpose, you've just added a level of energy and passion necessary to create a high-performing company.

### **PURPOSE BRINGS ENERGY AND VITALITY TO THE WORK AT HAND**

*What man actually needs is not a tensionless state, but rather the striving and struggling for some goal worthy of him. What he needs is not the discharge of tension at any cost, but the call of a potential meaning waiting to be fulfilled by him.*

—Viktor Frankl, *Man's Search for Meaning*

We all know individuals who speak about their work with great joy and intensity—it's a major source of their fulfillment in life. These are the people who look forward to Monday mornings as much as most people look forward to Friday afternoons. For others, work is a necessary evil—something to be endured, a source of fatigue and complaints.

What makes the difference? Is the joyful experience a by-product of some happy gene that most of us were born without? Or do these people—the happy ones—lead or work for a company with a purpose that ignites their passion, their dedication, and their joy?

The Gallup Organization invested in a massive research study to determine the conditions that create loyal and productive employees which, in turn, create higher-performing companies. The study identified twelve core elements that need to be present to create, what Gallup calls, a highly *engaged* employee. About half the elements deal with the management style of supervisors. The rest have to do with the employee's sense of belonging. And one of the key criteria to determine belonging is captured by the statement, "The mission or purpose of my company makes me feel my job is important."

As the study describes it: "A uniquely human twist occurs after the basic needs are fulfilled. The employee searches for meaning in her vocation. For reasons that transcend the physical needs fulfilled by earning a living, she looks for her contribution to a higher purpose. Something within her looks for something in which to believe."<sup>5</sup>

If a company can provide its employees with meaningful work and something in which to believe, that company can benefit from highly engaged, passionate employees who are in it for more than just a paycheck. The employees who work in the service of something they feel true devotion to bring the most energy and vitality to what they do.

Mihaly Csikszentmihalyi, one of the world's leading researchers in the field of positive psychology, has researched what it takes for an individual to feel completely engaged, focused, and performing in a maximum state—a condition he calls “flow” in his book by the same title.<sup>6</sup> Having a purpose that provides context for all of one's effort is one of the chief criteria for flow. It allows a person's mind, body, and soul to commit to the task at hand. It turns work from a necessary evil into a completely absorbing experience, where talents are being pushed to their outer limits and energy is eagerly channeled to the purpose at hand.

Where you find this flow operating in the workplace, you'll also find happier and healthier employees—like the ones you might find at Whole Foods Market. The employees at Whole Foods Market are deeply passionate about what they do, and CEO John Mackey attributes that passion to purpose motivation (not profit motivation):

*It is difficult to impossible to truly inspire the creators of customer happiness—the employees—with the ethic of profit maximization. Maximizing profits may excite investors, but I assure you most employees don't get very excited about it even if they accept its validity as one of the legitimate goals of business. It is my experience that employees can get very excited and inspired by a business that has an important business purpose . . .*

Whole Foods Market team members are driven by the fundamental purpose of that organization—to *provide choices for nurturing the body, the community, and the planet*. They want to change the way the world eats. They want to live by the *Declaration of Interdependence*—their paradigm-shifting business model that ensures that all stakeholders are served by the existence of Whole Foods Market. That's what creates the commitment day in and day out regardless of the company's stock price on any given day. And, paradoxically, that's

what ultimately creates comp store sales growth, revenue per square foot, and gross margin and profit margin that are hands-down superior to anyone else in the industry.

Certainly, we've witnessed some companies that enjoy skyrocketing performance levels over a period of time and use that performance to energize and motivate their employees. But those same companies find themselves in a cultural crisis whenever the performance lapses or reaches a momentary plateau. Companies that try to motivate their employees purely through stock market performance are likely to find a corporate culture where the collective self-esteem rises and falls with the stock price. When the price is down, there's nothing to provide the energy, vitality, and motivation for employees. When employees are driven by a worthy purpose, it's much more likely to create a consistent level of commitment to the work at hand.

### **PURPOSE CONTRIBUTES TO A LIFE WELL LIVED**

*Many persons have a wrong idea of what constitutes true happiness. It is not attained through self-gratification but through fidelity to a worthy purpose.*

—Helen Keller

Ranked by Forbes as one of the top five executive coaches in the world, Richard Leider<sup>7</sup> has dedicated his life to helping individuals lead purposeful lives. He's spent a lot of time talking with elderly people as they reflect back on their lives. He's asked them what would they do differently if they could live their lives over again. Answer: They would have discovered and been clear about their purpose earlier in life.

Fortunately, people are no longer waiting until the end of their life to start thinking about the difference they want to make in the world. Increasingly, people are exploring and seeking meaning and purpose in their personal lives. Bookstore shelves are now fully stocked with books about finding your personal purpose. But the reality is the vast majority of your time is consumed by your work life.

You wake up every morning and go to work. You leave your family, your dog, and your goldfish. Personal passions get put on hold. Whether you're a CEO or a secretary, the majority of your time, energy, and talent will be spent in the service of your work. So why not make it worthwhile? When you feel you're making a difference, you feel good about what you're doing. When you feel you're not making a difference, you want to go back to bed.

No longer do people—especially the next generation of young people—want to artificially divide their lives into their “real” life and their “work” life. A life of purpose is not something you can squeeze in on the weekends; it has to be something that infiltrates all aspects of your life. If work is devoid of any real meaning or purpose, it's going to be a real challenge to live a life of purpose.

And, on some level, everyone wants to live a life of purpose. Studs Terkel first wrote about the American worker's struggle to earn a living and also create a life and a legacy over thirty years ago in his classic book, *Working*: “*It is about a search, too, for daily meaning as well as daily bread, for recognition as well as for cash, for astonishment rather than torpor; in short for a sort of life rather than a Monday through Friday sort of dying . . .*”

A Southwest Airlines ramp agent shared a wonderful story about the meaning he was able to find in his work because of the larger purpose of Southwest Airlines. (Ramp agents are engaged in highly demanding work—among other things, they load heavy bags on planes in extreme weather conditions all year round, often on weekends and through the holidays.) This particular ramp agent had a wife, three children, and a Golden Retriever at home. He told me that when his kids start complaining that “Daddy has to work on Thanksgiving again,” he gathers them around and tells them: “*If Daddy didn't go to work, many families wouldn't be able to fly around the country and be with their loved ones. Without Daddy doing his job, little kids all across the country wouldn't get to see their grandparents, their aunts and uncles, or any of their cousins. Daddy has to go to work to make sure everyone can be with their families.*”

Now you tell me—would you rather go to work to deliver that

kind of freedom or go to work to load bags on a plane? That's how purpose infiltrates an organization and transforms lives of toil into lives of purpose.

George Bernard Shaw probably described this yearning for meaningful work best in this famous passage often invoked to describe a life well lived:

*This is the true joy in life, the being used for a purpose recognized by yourself as a mighty one; being a force of nature instead of a feverish selfish clod of ailments and grievances complaining that the world will not devote itself to making you happy. I am of the opinion that my life belongs to the whole community and as long as I live, it is my privilege to do for it whatever I can.*

What if every organization lived by that passage? How much more joy might there be if people felt that their talents were being used “for a purpose recognized . . . as a mighty one”? By building your organization to serve a real need in the marketplace, organizations can help play a significant role in fulfilling the individual quest for a purposeful life.

Recent research into happiness demonstrates that the happiest people aren't those with the most money but those with a sense of purpose—a sense that they are contributing to something bigger than themselves. At least some of this has to derive from work. The purpose of a business, then, must be explicit and go beyond boosting the share price or fulfilling some bland mission statement. People want to believe that they're part of something meaningful. The sense of purpose doesn't have to be grandiose or revolutionary, merely credible and anchored in values.

—Margaret Heffernan, *Another Day, Another Mountain to Climb*,  
fastcompany.com (March 2005)

## PURPOSE PRINCIPLES

**Purpose drives everything.** It will drive all major decision making and become the determining factor in how you allocate resources, hire employees, plan for the future, and judge your success.

**Purpose is a path to high performance.** It fulfills a deep-seated need that people have and will drive preference for your company.

**Purpose fosters visionary ideas and meaningful innovation.** It provides the motivation and direction necessary to create meaningful innovation.

**Purpose moves mountains.** It can rally the troops to overcome seemingly insurmountable odds.

**Purpose will hold you steady in a turbulent marketplace.** It will see you through when times get tough and the road seems unclear.

**Purpose injects your brand with a healthy dose of reality.** It is not something you can fake. It's genuine. It's real. And it's something that your customers honestly appreciate about you.

**Purpose recruits passionate people.** It will make your organization more attractive to value-based, passionate people.

**Purpose brings energy and vitality to the work at hand.** It provides meaningful and sustainable motivation for employees.

**Purpose contributes to a life well lived.** Work is no longer a 9-to-5 job to be endured but a meaningful source of fulfillment and satisfaction.