

Building a purpose-value-driven organisation: Why do they matter more than ever?

Or, How purpose and values are defining modern organisations?

Or, What are modern organisations doing differently to make employees stay?

“Itna hain, Itne mein, Itni ki zaroorat hai”, A decade ago, employee expectations mirrored our parents' values—stability, routine, and job security. Fearful of disruptions, they embraced contentment and practicality, driven by the responsibility to provide for their families. This perspective influenced early start-ups, focusing more on profits and fair compensation.

It's a different ballgame now. Gen Z and millennials are uncompromising, seeking growth over mere survival. Finances matter, but not like before. Thanks to the economic stability provided by the previous generation, the new ones aren't burdened with the same responsibilities. Modern startups recognize this, shifting towards a purpose-value-driven model. If they don't adapt, they risk losing a potent workforce.

Therefore, it's essential now more than ever to lay a foundation centred on purpose and core values, not just profit. Let's delve deeper into why these elements are critical for start-ups and explore ways to weave purpose and values into their DNA.

Why on earth does purpose matter for organisations?

Purpose defines the "why" behind a company's existence. For instance, Tata, a company with a diverse workforce and rich culture. At the heart of Tata's operations there's a purpose to *"improve the quality of life of the communities they serve."* To achieve it, there's an ethical counsellor in every Tata's brand office.

They instil the principles of TCOC (Tata Code of Conduct) in every employee, irrespective of their salary or rank. It's not just a symbolic gesture. This way they make sure that all Tata employees maintain the same ethical standards.

That said, we can all agree that purpose significantly empowers an organisation. But, how a mere guiding force hold such importance? There are three explanations.

1. Gives businesses a strategic direction

An organisation's purpose is its North Star. This unwavering direction ensures that the organisation's resources—be it time, money, or manpower—are invested wisely, consistently supporting its overarching objectives and aspirations.

2. Fosters employee engagement

Employees aren't just looking for jobs; they're seeking purpose. Volvo's HR once said, *"When individuals choose to join an organisation, they typically have four primary questions in mind"*.

- ❖ **What's my learning and growth?**
- ❖ **What's the organisation about?**
- ❖ **What problem the organisation is trying to solve?**
- ❖ **To what extent does my input influence the organisation?**

These questions show that companies with a clear and exciting mission often attract, retain, and engage a motivated workforce.

3. Boosts employee confidence

"As an organisation, sab kuch chup chup ke karoge aur hush hush karoge, to aap trust kaise build-up karoge"? For any startup, the pillars of transparency and trust are fundamental.

Transparency develops a sense of collective ownership among employees. Trust, on the other hand, is about empowering employees and believing in their capabilities. When an organisation successfully embodies these two Ts, employees inherently develop faith in leadership and direction. It makes them feel confident, secure, and valued.

You understood the purpose. What about the values?

Values outline "how" an organisation operates. Imagine an organisation where a vibrant peacock joins a group predominantly composed of sheep. First, the peacock's brilliance is celebrated. However, over time, its liveliness is perceived as too overpowering, especially by those who prefer the quieter ways of the sheep. There's a push for conformity, nudging all, even the peacock, to act like sheep. Those who resist have to eventually depart.

For organisations, this analogy offers a straightforward message: embracing diverse values allows everyone to coexist harmoniously. And larger organisations have successfully implemented it. How did they do it? While there are many explanations, we can distil them into these strategies.

➤ **A unified vision**

Values ensure that everyone is on the same page. Even in large organisations where teams can often work in silos, a shared set of values creates a sense of unity and common purpose. Regardless of their roles or departments, employees align their efforts toward a shared vision.

➤ **Direct individual and group behaviour**

Values determine how employees interact with each other, clients, and stakeholders. By establishing what is considered acceptable and what isn't, they set the tone for the workplace environment. For example, if an organisation values 'respect', employees are more likely to listen actively, avoid interrupting others, and provide constructive feedback, leading to a more harmonious work environment.

➤ **Resolve conflicts**

Disagreements and conflicts are inevitable in any workplace. However, having clear values provides a framework for resolving these conflicts. When everyone understands the guiding principles, it's easier to navigate disagreements and find solutions that align with the company's principles.

While the journey toward becoming purpose-driven and values-centric is rewarding, it's filled with various obstacles at each step.

The roadblocks to becoming purpose-value-driven

I. Misalignment with leadership

Organisation direction depends on its leadership. If the top-tier leaders don't truly embrace the purpose and values, it can result in a disconnect throughout the company. Let's take the role of a CHRO(Chief Human Resources Officer). They are the 'people enablers' or 'people function leaders'. Their tasks don't just revolve around hiring, training, or managing grievances. Instead, they must bridge any gaps in alignment and understanding between the workforce and the company's vision. Moreover, there are a few prerequisites that they shouldn't ignore, such as:

1. Showing respect to each employee –*“Iska koi substitute nahi hain”*
2. Timely assistance and support to employees –*“Iska bhi koi substitute nahi hain”*
3. Measuring the learning of employees –*“Aur Iska bhi koi substitute nahi hain”*

II. Not valuing people

Being purpose-value-driven is about living them out every day. While many startups prioritise their core values from the get-go. Some follow the phrase, *“Apna kaam banta aur bhaad mein jaaye janta”*.

Recognising people who dedicated their golden years to help realise your vision is crucial. Their contribution deserves acknowledgement and appreciation. If startups fail to value this, they might push these talented individuals towards seeking less demanding jobs, even if it means lesser pay.

III. Automation and AI

Using AI and automation doesn't inherently create a purpose-value-driven company. For instance, if a firm like Reliance employs automation to generate employee details with a simple photo click, and the information is swiftly sent to their phone and email, it doesn't necessarily improve their experience if they're not welcomed warmly by their team. While such technologies bring efficiency, a genuine transformation demands a comprehensive, human-centric strategy.

Organisations, whether startups or established giants, face internal and external challenges that demotivates them for becoming purpose-value-driven. Some stem from

legacy systems and mindsets, while others arise from the evolving business landscape. So, how can you build one?

It's finally time to learn building a purpose-value-driven organisation

Integrate storytelling with onboarding

Every organisation has a story that anchors its purpose and values. Incorporate this story into the onboarding process, allowing new employees to connect emotionally from day one. Interactive sessions, case studies, and role-playing help them understand the company's legacy, struggles, and victories.

Treat employees as brand ambassadors

Every employee, regardless of their position, represents the organisation. Their experiences, sentiments, and stories shape the public's perception of the brand. Larger enterprises often have the resources and infrastructure to proactively shape this narrative. However, the real test of a company's value system is not during times of prosperity but during crises.

Empower value champions

Identify and nurture 'Value Champions' within teams – individuals who naturally showcase the organisation's core values. Provide them with platforms and resources to lead workshops, host discussion circles, and mentor colleagues, spreading the values from a grassroots level.

To sum up, purpose and values aren't just buzzwords – they're the backbone of truly resilient and impactful organisations. Together, they set the behavioural standards and ethical boundaries in an organisation. Remember, it's about carving a legacy that each employee, stakeholders, and customers can be proud of.

We just don't have to **GROW**, we have to **INSPIRE**.

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