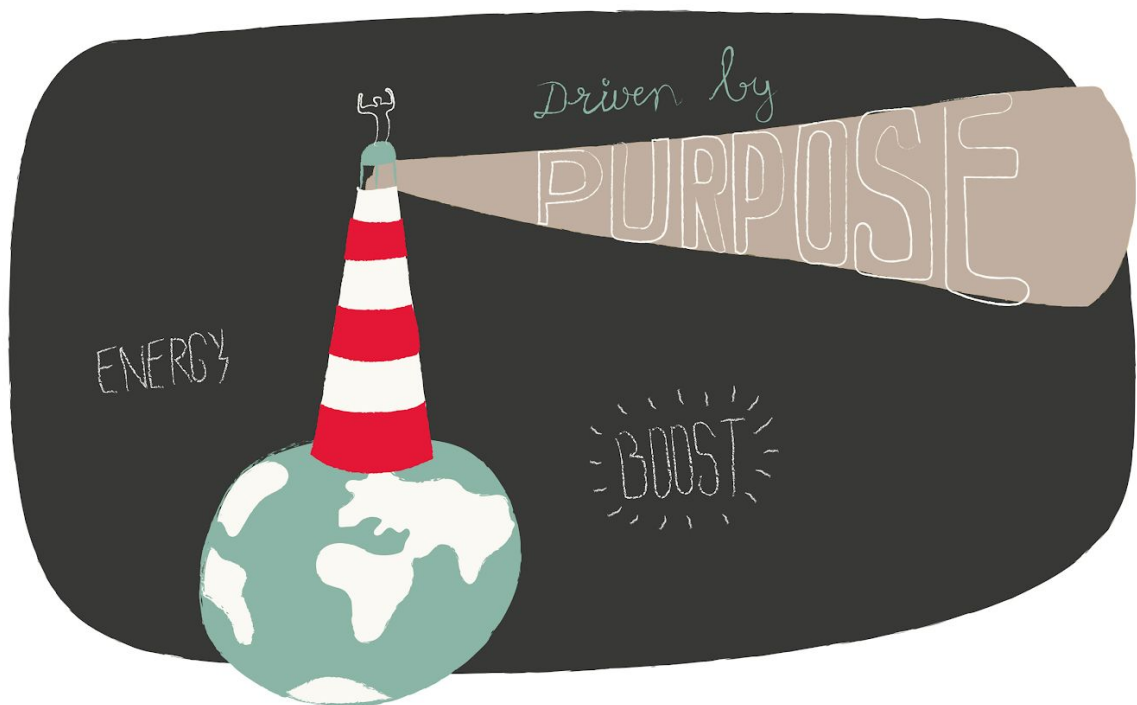


the purpose- organogram



Purpose booklet for organizations

by True Purpose® Institute & Energized.org

a booklet about

The immense benefits
of having a higher purpose
for your organization,
how to find it and,
how to organize your business around
purpose.

Based on a conversation between

Tim Kelley, Founder and Visionary Leader of the True Purpose® Institute
and

Paula Nordhauzen from Energized.org

Table of contents

First: level up motivation by getting clear about purpose	4
Be in a high-performance state	5
Requirements to really get the motivational benefit of purpose	6
Your clients will fall in love with your purpose, too	7
How to find the higher purpose (of your organization) and change the game	9
Redesign: invite purpose to the table	10
The conscious, rational mind can't answer purpose questions	11
Essential in the process: deal with fear first	12
How to craft the organizational purpose	13
The purpose-organogram of self-organization	15
Differences between hierarchical businesses that are purpose-driven and self-organizing companies?	15
Whose accountability is it?	16
Start with self-organization or start with a higher purpose	17
How to vector work towards the purpose	17

First: level up motivation by getting clear about purpose



**Did you make a conscious decision to work for or start a purpose-driven company?
Because a work purpose starts with a life purpose.**

**You don't get the benefit of purpose from a work-only purpose.
Because the purpose of the purpose is to motivate.**

The problem with the work purpose is that you're only as motivated about it as you are about the work. A better way to look at it is to focus on an individual's purpose and ask yourself 'Why am I here on this planet at all?' The answer to which will provide the individual a lot of motivation, and then the follow-up question is 'and how do I express that purpose in a work context?' Because that's when you're taking the motivation of the purpose and channeling it into your work.

That's much more effective than ignoring the life purpose and just trying to focus on the work from a motivational standpoint.

Tim had a big debate about this with the CEO of Kimberly-Clark in Israel. He had had all of his employees create purposes. That made Tim very excited. The CEO started telling Tim examples of them, like 'create world-class marketing'. Tim said, '*These purposes are all about work. That's nice, but not truly motivational for the person energizing the work.*'

Bob McDonald, the CEO of Procter and Gamble was talking about how important it is for employees to know their own individual life purpose and to seek to connect that purpose to the organization's purpose a decade ago.

“The purpose of the purpose is to motivate.”

It's not that helpful to say 'all of my employees should be motivated to do their jobs.' You don't get everything you want from life all the time. If you find the life purposes of employees first, and help them apply that life purpose to their role in the organization, or find the connection between their life purpose and the purpose of the organization, that will create motivation that wasn't there already. Which is the point: getting motivation that is not there yet.

Be in a high-performance state

If you do the 100-meter dash and you're training for the Olympics, a lot of attention goes into what state do you need to be in to maximize your performance. You don't get to choose which day it is. Somebody else is picking that day. On that one day, four years from now, at such an or other time in the afternoon, you have to be at your peak. So athletes spend a lot of time focused on 'how do I get myself into a maximum performance state when I need to be in it?' They study that.

But interestingly, in business, people don't seem to care about motivation and being in a high-performance state. You don't care whether your executives are in a high-performance state. You don't care whether your employees are in a high-performance state. Are you sure you don't care whether they're in a high-performance state?

Remember what we're trying to do here. We're trying to produce more, better, faster than our competitor is. So, it matters whether these people are in a high-performance state!

Gallup

Gallup has been measuring employee engagement for years. The US is close to 30 percent, which is really good compared to most countries.

It varies from country to country, but global employee engagement last time they measured it was 13 percent. Of every 100 employees, 13 actually care about their jobs. There's been a huge amount of effort spent on tweaking compensation and employee branding and all kinds of stuff to try to raise that number. And it's hardly moved at all. Billions and billions of dollars being spent trying to push that number up with very little effect.

[Korn Ferry](#) measured employee engagement of companies that are purpose-driven, and the number they got was 90 percent, which is an insane number. If your company has 13 percent employee engagement and my company has 90 percent employee engagement, I don't care what your strategic plan is. I am going to eat your lunch. You are doomed.

So there is something that actually moves the needle in a hugely substantial way. And still, adoption is relatively slow.

Requirements to really get the motivational benefit of purpose

The reason most mission statements or purposes don't provide motivation is that the purpose is not inspiring. The organization has to have a purpose and that purpose has to be a higher purpose. Another requirement is that the individual purposes are known. And then you align the personal purpose with the organization. Last is to align individual purpose to your own role.

1. A higher purpose

So a higher purpose is inspiring. People get excited about it, they like it, and they want to participate in making it true. And the people who really understand this are the ones who run nonprofits and NGOs; they get it. The reason they get it is because they get people to give them money, time, and effort to help them make the purpose true. And so the purpose has to be a fairly high-grade purpose in order for it to be strongly motivating enough that people will come and work for free or just write checks. So how many for-profit companies do you know where people write donation checks to the company and get no services in return?

Tim says this to CEOs. 'How come you want the NGOs and the non-profits to have all the excited, passionate people who would be willing to do the job if they didn't get paid for it? And you want all the grumpy, disengaged employees who are constantly asking for more money? Why is that your business plan? How does that advantage you in any way? No, I'm not saying you shouldn't pay your employees; you should. But the idea is, if your purpose is strong enough, they're there to fulfill your purpose. And the fact that you pay them means that they can afford to do it full time. Which is a very different contract than the way people traditionally think about it.'

The requirement is that the purpose is sufficiently inspiring, that people are excited about the purpose for its own sake. And that means that the purpose has to be about something other than benefiting the company. It has to be about making the world a better place and about contributing to others, to the environment or animals or starving children or whales. It almost doesn't matter what it is, but it has to be about something beyond the scope of the company's economic activities. And that is so hard for CEOs to grasp. They just can't bring themselves to do it. And so they make the mission about delivering better services or pleasing their customers or something like that. The result is it's a perfectly valid business mission and it's not inspiring. You don't get the benefit of everything we're talking about.

2. Individual purposes known

Requirement number two is that the individual people participating in the company purpose project all know their own individual higher purpose in life. They can give a good, clear answer to the question, 'Why are you here?' Not 'Why are you here in this company?' 'Why are you here on this planet?' And they can answer that question clearly and succinctly in a way that motivates them strongly.

3. Align personal purpose with the organization

Requirement three is there's a connection between their purpose and the purpose of the organization. They're similar enough that they can do both at the same time.

4. Align individual purpose to your own role

The fourth requirement is there's a connection between their individual purpose and their job, their role. When they're doing their role in the company, they're advancing their own purpose. Once you get all those things tied together – which very rarely happens – then the people become insanely motivated. Instead of the kids playing on the playground, it's the Olympic athlete version. And most people and businesses are not even trying.

Your clients will fall in love with your purpose, too

After you find your purpose statement as an organization, ask the questions:

- How do we communicate this to the marketplace?
- How do we communicate this to prospective customers or current customers?

That's an important conversation because the purpose you use internally may or may not work externally. It's one of the huge benefits of having a purpose, that if you communicate it effectively to the marketplace, then your customers will fall in love with you.

If you're competing on price, then a company comes along charging a few cents less or whatever then your customers are gone. They're not going to stick around. But if they love you, they will. For example, organizations where the employees love the company so they don't want to leave.

The turnover goes down and then the customers love the company so they don't want to leave. Customers start loving the company. In the end, your competitor can't seduce them away.

An insurance example from Tim

'I love my insurance company. My insurance company only serves military people. It's a non-profit. They're not trying to make as much profit as possible and they have the best customer service of any company I've ever interacted with. Their purpose is 'we know what it means to serve'. Meaning, 'You serve the military; now it's our turn to serve you.' That's what they're here for; it is so strong. As someone who devoted your life to the military, you deserve first-class insurance for the rest of your life.'

'Every week I get a piece of mail from an insurance company saying they can save me money by switching away from this company. Now, they may be telling the truth and they may be lying. I don't know, because I never open the envelope. I recycle them immediately.'

How to find the higher purpose (of your organization) and change the game



You're asking a lot of a CEO to change the paradigm, to change the whole game that got them here and play a different one that I may not know how to play as well.

The emotional perceived risk of this is very high, and it's not even necessarily conscious. So it's a relatively small percentage of CEOs who are willing to go for self-organization, are willing to go for an organizational higher purpose, no matter how good the statistics look, and no matter how obvious it is that it would work better than the old way.

When money is all that matters

Economists told them that they're supposed to run a business for money. It's a misunderstanding of Adam Smith. There are one or two statements he made about the invisible hand of the market. It's specifically Milton Friedman and the Chicago School of Economics that took that to its illogical extreme, which is that companies should only be concerned about money and only is concerned about creating value for shareholders. Nothing else matters.

An example of a conversation between Tim and a CEO about the perception of money

“When I’m talking to an audience of CEOs, I love to ask this question: ‘Have you ever had a person working for you who only cares about money and nothing else?’ And the answer is almost always, ‘yes.’ The next question I ask is,

‘Did you enjoy managing this person?’

And they say, ‘No, I did not enjoy managing this guy.’ (It’s usually a guy.)

‘Why not?’

‘He was a big pain in the ass. He was constantly asking for money.’

Then I ask, ‘What happened when you gave him money?’

‘He asked for more, this constant nagging, nagging, nagging about money.’

I was talking to the CEO of a company in Manhattan. He said, ‘Tim, I had this one guy who was a mediocre performer and we switched to pay for performance, and then he became a top performer. And I’ve always used that as an example of why pay for performance works. But I am realizing at this moment that I always left out that we later had to fire him for embezzling from the company.’”

What it takes to model our companies after psychologically healthy, moral human beings

Someone who only cares about money and nothing else has what is called ‘attachment disorders’. If it’s bad, then they’re a sociopath. Someone who only cares about money and nothing else is not psychologically healthy. And so the economists have modeled all workers as sociopaths and the companies themselves as sociopaths. We shouldn’t be surprised that they’re dumping toxins in the river or hiding the fact that their products are unsafe from their customers or stuff like that. Right now we have a bunch of sociopaths competing to see who can get the largest slice of the pie. Which is the way we’ve designed it, and which has all sorts of horrible toxic side effects.

Corporations are not bad. But we’ve modeled and designed them as sociopaths. Regular, ordinary, psychologically healthy human beings need meaning from their work. If they don’t get it, they become unhappy and depressed and look for different work. That’s what happens to real people, not sociopaths: regular, psychologically healthy people. So if we want to model our companies after psychologically healthy, moral human beings, then we have to give them meaning.

Redesign: invite purpose to the table

Doing a good job doesn’t mean sitting down in the boardroom and saying: ‘Let’s come up with a purpose. How about this? Oh, yeah, that sounds good. Let’s put that in the purpose.’ That won’t get the job done, because it is not going to create the benefits that we’re talking about. You have

to use a real process that was designed for finding a compelling higher purpose. People don't do dental surgery on themselves. They understand that they're not qualified. But they are willing to do purpose work on themselves. They're not qualified to do that either.

Make your organizational purpose one that would fly at a non-profit

Most business missions sound something like 'deliver the highest quality divorce legal services to high net worth couples' or something like that. Or 'create excellent truck tires for the transportation industry.' And there's nothing wrong with those missions. Those missions are answering a different question. They answer the question 'What do we do?' and not 'Why do we do it?'

If you look at a non-profit or NGO mission, it's actually answering a different question:

'How are we changing the world?' 'How are we making the world a better place?'

By saving the whales, by feeding the starving children, by preserving this threatened species or by combating climate change.' It's that kind of mission that creates motivation and inspiration. The company – and this is so hard for business leaders to do – have to change modes.

You can't answer the questions from inside the scope of the company's own activities. 'Why do you make trucking tires?' 'Because trucks need tires.' That's not a valid answer in this context. It's much, much, much bigger. You have to solve some social or environmental or some other kind of problem that people care about, something that would make the world a better place if you succeeded.

The conscious, rational mind can't answer purpose questions

The companies in the previous examples went into the meeting room with the whiteboard and the markers. They started with 'Okay, guys, let's come up with a good purpose.' And they brainstorm and they write words and they do it and they do it and it can go on indefinitely.

Sometimes you get lucky, but almost never will that yield a really powerful, Olympic-class, motivating purpose, because the conscious, rational mind can't answer purpose questions. That's not how it's designed. It's like trying to get a recipe out of a calculator. That's not what it's for.

They didn't design the company to solve the social problem. They designed the company to offer this product or service to the marketplace. And then when you ask, 'Okay, which social problem should we solve?' There is no basis for answering that question in what the company has done. And so it leaves well-meaning, intelligent people confused and stumped about how to answer the question. They have to go beyond their own scope first.

Good purposes come from the CEO falling and hitting their head in the shower or something like that. That's actually more likely to produce a powerful purpose than a brainstorming session. Because it takes a lot of guts to say, 'We're going to solve this problem in the world.'

It's harder than you expect to craft a purpose

People expect that they ought to be able to answer the question. I'm saying you have the same odds of being able to do that as conducting dental surgery on yourself successfully. You just don't have the training and the tools to do it properly. And it's obvious with the dental surgery example and not obvious with purpose.

Like flying a plane, like playing the violin, like most things in life that are difficult, there is a technique. So people usually don't try to teach themselves to fly planes or do dental surgery or play the violin.

They hire someone to do it for them using the techniques that have already been developed, or they go to school to learn how it should be done properly.

It's the same with purpose: either hire someone who knows how to do it or go get educated about how it works. There are techniques for finding organizations' purpose and individuals' purpose. Trying to do it on your own is incredibly frustrating because you're not taking advantage of the fact that other people have already figured out how to do it.

Essential in the process: deal with fear first

We're looking for something inspiring. We're not looking for something spiritual. The problem is that inspiration smells a little like spirituality. And then the antibody is getting all excited and energized.

The first action is to calm down the antibodies so that people can get something from outside of their conscious brain that can actually answer the question.

In the purpose work that Tim does, he always starts with dealing with fears, because he has to reduce the fear to a sufficiently low level to be able to seek and find information that's outside of what people already know. That's the tricky part. If you're afraid, you're not receptive. In order to



get something out of the box, you have to be relaxed and calm, and open. people will tend either to be afraid if they're actually trying to get something out-of-the-box and unable to think, or they'll stay in the box and not be afraid, one or the other. But then the purpose they come out with just sounds like stuff that they've already known, that's been recycled before and isn't very inspiring.

It's not as much work to resolve these fears; it typically takes somewhere around two to four hours.

An example of fear

Many of the things that are worth having in life are frightening.

Tim, 'I remember I was the best man at a Navy buddy's wedding once. And about an hour before the wedding, I realized what my real job was: to get this guy to the altar. His brain had dissolved. He wanted to get married to this woman, but the fear had just caused him to become less conscious. I had to lead him to the altar and make sure that he got there at the appointed time. Fear makes people unable to function and think.'

When you know you have a winner

A really good purpose should be scary. If it's really good, it'll be both exciting and frightening at the same time. Often, at the end of a purpose process, people say, 'No, no, not that one. We can't do that.' That's golden. When people say that, we have a winner.

Choose your method

There are some methods that aren't very threatening. And it's okay to mandate that everyone find their purpose, or all managers find their purpose, with the simpler, more conscious, less threatening methods. You can say, 'Next week we're finding everybody's purpose.'

On the other hand, the deeper methods, the ones that poke around in the unconscious, it's really not okay to force people to use them. For those, you have to ask for volunteers. If you're going for the really high-grade, Olympic-quality purpose, these are the methods you use. You sell the idea to the company; you explain to them why it's so cool and why it would be beneficial to them as individuals to have a higher purpose in their life. Show them some statistics, give them some examples, answer their questions.

How to craft the organizational purpose

After you deal with the fears, you can get started. Often Tim goes for the personal purpose of the CEO first.

One reason is the CEO wants to do a little test-drive to see what he or she is getting themselves into, so they experience how this works. They need to see it for themselves before they're willing to commit to spending money on finding their employees' purpose or funding their organization's purpose.

Usually, with the CEO or someone very close to the top, there's a little pilot. Could be a couple of people, could be one person, just so they get to have the experience and understand which methods work best for them. They experience what it's like personally to have a purpose and, "Oh wow, this is cool. Yes, I do want this for others. This is great." That's usually the first step.

So now a bunch of the employees finds their individual purpose. And then you say, 'Now we're going to find the company's purpose'. You can do it with a very small number of people. But you don't get as much benefit from that.

You get the most benefit by inviting the largest number of people to participate. Because people who are involved in finding the company's purpose will be more motivated by that purpose than people who were not involved in finding it.

If you're in the room when they find it, and you contributed to it, you're going to feel much greater ownership of that purpose. The result is that people love the purpose that they helped find, and therefore they love the company.

Why wouldn't a company leader want every employee, every customer, every supplier to love the company like that. Why would you not want as much of that as you could get? Usually, they're worried that they're going to dilute the purpose. With a good method, that's not really a risk. You get all these people involved in finding the purpose, you explain and promote the purpose to those who didn't participate in the process, and then you start thinking about how to use it externally.

The purpose-organogram of self-organization

Every organization can choose not to work with a hierarchy of people, but with a hierarchy of purposes.



Differences between hierarchical businesses that are purpose-driven and self-organizing companies?

Many of the purpose-driven companies are hierarchical and still get a huge benefit from having a world-class purpose. Being self-organized helps deal with a different aspect of motivation in organizations.

In structured self-organizing companies, people don't assess that they are victims of the system and their opinion doesn't really matter. This does happen more often in hierarchical companies

and is not an engaging and motivating state to be in. In self-organization, there are pathways to have an impact that contributes to the purpose.

The fact is that a relatively small percentage of CEO's are willing to go for self-organization, or are willing to go for an organizational higher purpose, no matter how good the statistics look, and no matter how obvious it is that that would work better than the old way.

Whose accountability is it?

In a hierarchical company, the CEO is most often the initiator of a purpose process. In a Holacracy-driven organization, the Lead Link has the accountability for the purpose.

In self-organization, there's a purpose being used for the biggest circle. Usually, it comes from a statement that was used before as a mission statement. Often those are economic purposes, like 'better design, better service'.

In Holacracy, the Lead Link of the anchor circle or the anchor circle itself, if it has no Lead Link, decides "We need a better purpose for this enterprise." Anyone in the organization can – and should – be feeling a tension with the current purpose if it does not work. Evolving a new purpose statement, might not be something a Lead Link wants to decide all by him- or herself.

If you're not the Lead Link, then you feel this pressure personally. You can tell the Lead Link: "Go off by yourself and come up with a better purpose than this one. We're counting on you." That's not a responsibility anybody wants. Again, it's like dental surgery: if you're not trained, you don't know how to answer that question. You can't find it by scratching notes on that back of an envelope; you need help with this. You need a way to create a better purpose. And that's when you hire somebody.

Having more people trying to sense the purpose increases the odds that you're going to do a good job of sensing it rather than having one person trying to sense the purpose. As a Lead Link, your next step is to have a project called "Company purpose updated" or something like that.

Now you throw basically a purpose party. Invite everybody to participate in whatever methodology you're using. And some of them come and some of them don't. Everyone who's willing is involved in trying to sense a better purpose for the organization. If the methodology is good, the odds of success are extremely high. Good organizational purpose processes have success rates close to 100 percent. The odds of success are higher than for personal purpose processes because you have multiple people trying to sense the purpose. It almost always works if you're using a good method.

Start with self-organization or start with a higher purpose

If you want to start there and then do the self-organizing later, that's fine. If you help a company find its purpose, after a few years when they've been really good at it, if it really took and it really gets adopted, people start to get interested in self-organization.

If you do it the other way around, if you do the self-organization first, then after a few years, they're going to say, "Wait a minute, this purpose we have isn't good enough."

Whichever you start with, you are going to want to do the other one sooner or later.

If all purposes are well aligned it is like in the story of President John F. Kennedy visiting NASA headquarters for the first time in 1961. While touring the facility, he introduced himself to a janitor who was mopping the floor and asked him what he did at NASA.

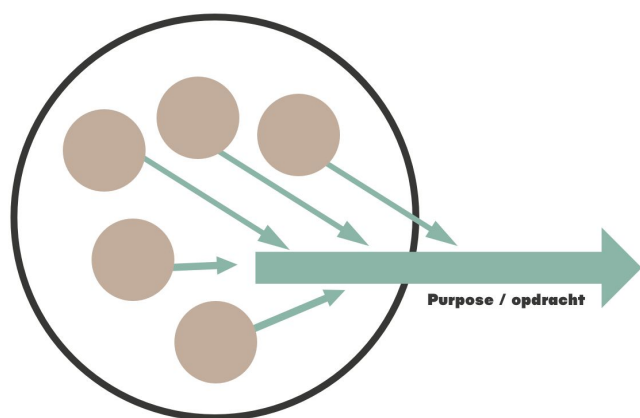
"I'm helping put a man on the moon!" said the janitor.

How to vector work towards the purpose

When your organization practices Holacracy, everybody works in roles. A role is a piece of work that needs to be done in order to vector the company towards its purpose. So Holacracy is like a breakdown or a hierarchy of purposes. It replaces the organogram of persons or job titles with what it is you're trying to accomplish. Therefore, when you fill one or more roles, you are fully aware of what you're contributing to. That makes the impact more visible and motivation easier to capture.

In [Holacracy](#), the definition of the purpose of a role is "a capacity, potential, or unrealizable goal that the role will pursue or express on behalf of the organization." When first learning how to practice Holacracy, it can be overwhelming. The new language, rules, and meeting formats can

make you forget that in the end, it is all about contributing to the purpose. We often talk about "role awareness," which actually means "purpose awareness".



Next steps

Now you've got a glimpse of what a high purpose has to offer for your organization.

We would love to see more of those in the world.

That's why we created this booklet as a gift for leaders and change agents.

If you're curious about the next steps for you, get in touch with us.

We'd love to hear from you.



Tim Kelley

[True Purpose Institute](#)



Paula Nordhauzen

[Energized.org](#)
paula@energized.org