

leading
with
noble
purpose

How *to* Create
a Tribe of True Believers

Lisa Earle McLeod

WILEY

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*Written with love
in honor of
Julius Richard “Jay” Earle, Jr.
August 14, 1936–July 21, 2015
husband, father, leader, and friend*

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Introduction: Why Work Matters

What if your work mattered so much to you that—on your deathbed—you found yourself wishing for one more day at the office?

While I was writing this book, my father died. In the months before his death, I had time to reminisce with him about his life's high points, among them, his job.

My father worked in banking. At the height of his career he was Director of Mergers and Acquisitions for the Federal Savings and Loan Insurance Corporation, the FSLIC, which later merged into the FDIC. During the S&L crisis of the 1980s he ran a team whose purpose was to merge failing banks with solvent banks, so taxpayers wouldn't have to foot the bill if an S&L went under.

In his office, my father kept a flipchart tracking how much money his department saved the U.S. taxpayers. He updated that chart weekly and shared it with anyone who walked into his office. Financial experts estimated that my father and his team saved the taxpayers *billions* of dollars. The stakes were high. The work was difficult, but his team was passionate about it because they knew it mattered.

We've all heard the adage: No one on their deathbed wishes they'd spent more time at the office. I think that adage is misunderstood. It belittles the role that meaningful work plays in our lives. A 2005 study of terminal cancer patients found that, once the patients finished talking about their families, some of their most meaningful experiences involved doing work that mattered with people they cared about.

That study mirrors what I experienced with my father. My father loved his family. By the standards of the day, he spent significantly more time with his kids than most men. He changed diapers, coached, did home projects, camped. He even learned how to score gymnastics to help my high school team.

But he also loved his job. When my father had fallen ill, reading notes from his former colleagues was a high point for him. He loved talking about the good times, and the bad, the obstacles they'd faced, the deals that had gone well, and the deals that hadn't. My father swelled with pride as he talked about his team and the impact they'd had on the banking system.

It's easy to say family is the most important thing. Yet, watching my father reflect upon his life, it's obvious to me—work matters. We spend most of our waking hours at work, so those hours ought to mean something.

Viktor Frankl once said, "Life is never made unbearable by circumstances, but only by lack of meaning and purpose."

Human beings are hardwired for purpose. Once you get beyond food, shelter, air, and water, human beings have two core needs: connection and meaning. We want to make a difference. We want our lives to count for something. This emotional need transcends sex, race, age, and culture. If we don't satisfy that core need, we die—first emotionally, then physically.

Unfortunately, many people see their work as devoid of higher purpose. Instead, they view it as a grind—as an endless series of meaningless tasks.

A May 2014 op-ed piece in the *New York Times*, “Why You Hate Work,”¹ was the most emailed article for a week. That piece revealed that, in a 2013 Harvard study of white-collar workers, over half failed to feel any connection to the company’s mission, nor any level of workplace meaning and significance.

We know the Gallup numbers; lack of employee engagement has reached epidemic proportions. Gallup’s latest research reveals that 51 percent of people are not engaged in their work, and an additional 17 percent are actively disengaged.

When I talk about these figures during a speech, I say to the audience, “Look at the person sitting next to you. At least one of you hates your job.” It always gets a laugh. They laugh, not because it’s funny, but because it’s true.

These are more than business statistics. These are real live human beings who spend the majority of their waking hours doing something they don’t care about.

It’s not work itself that kills our spirit. It’s meaningless work. I often hear leaders lamenting that employees “just don’t care anymore.” Maybe the reason for this employee malaise is that leadership hasn’t given them anything meaningful to care about. People want to be part of something bigger than themselves. In fact, they’re desperate for it.

Employee engagement is not the root problem. It’s a symptom. The real problem is lack of workplace meaning.

How did we get here?

It’s simple: We put profit before purpose, and in doing so, eroded the very thing that makes a business great.

We’ve made some faulty assumptions about work, and those assumptions are killing us. We’ve allowed the money story to replace the meaning story. The narrative of earnings and bonuses that was

¹Tony Schwartz and Christine Porath, “Why You Hate Work,” *New York Times*, May 30, 2014.

supposed to improve employee performance has had the opposite effect. It has stripped the joy and meaning from work in ways that have a chilling effect on morale, performance, service, and ultimately profit itself.

It's time to face reality. Money is not a sustainable motivator. People want money; they also want meaning. Without a higher purpose, your organization is doomed to mediocrity. We live in an age where businesses can exist in the cloud. We've moved from a production economy, to an idea economy. It's been well-documented, purpose drives engagement *and* profit. Consider this:

- A 10-year growth study of 50,000 brands shows that companies who put improving people's lives at the center of all they do have growth rates that are triple that of their competitors, and they outperform the market by 383 percent.²
- Deloitte's 2015 workplace survey reveals the tight correlation between purpose and profit. Deloitte chairman Punit Renjen said, "A strong sense of purpose drives businesses to take the long view and invest for growth." Purpose increases customer, employee, and shareholder engagement.
- Our firm, McLeod & More, Inc.'s, field research with over 500 sales organizations revealed that salespeople who sell with Noble Purpose, who truly want to make a difference in the lives of their customers, outsell salespeople focused on targets and quotas.

Ironic isn't it? The way to a more profitable company is to put purpose, rather than profit, at the center.

Traditional wisdom has told us that emotions don't belong at work. This idea isn't just wrong; it's insane.

²From Jim Stengel's study of business growth, conducted in collaboration with Millward Brown Optimor: a 10-year growth study utilizing Millward Brown Optimor's global database of more than 50,000 brands.

When was the last time you heard a CEO say, “I wish my people weren’t so excited”? Have you ever wished that your suppliers were less passionate? Have you ever wanted a customer service person to be a little *less* caring? Have you ever wished that you yourself were less enthusiastic about your own work?

Of course not.

Yet somewhere along the line we allowed ourselves to get derailed. We decided that spreadsheets could produce results, and that profit was enough incentive for everyone. Leaders started to believe that *measuring* money would somehow *produce* money. We tried to ignore emotions in favor of metrics, but money is not produced in a vacuum. It’s the output of a multi-faceted human ecosystem. We confused the results with the process. Great organizations are *driven* by qualitative strategies; their success is *measured* by quantitative results. The crisis of disengaged employees only proves what we already know in our hearts to be true. **You can’t spreadsheet your way to passion.**

Leading with Noble Purpose aims to rectify this problem. Noble Purpose is a business growth strategy. It’s also much more. It’s a call for today’s leaders to set the bar higher, for themselves, their people, and their organizations. It’s about bringing meaning back into the workplace.

Noble Purpose is a strategic shift in the way you approach business. Instead of focusing on internal metrics, a Noble Purpose strategy is built upon the external impact you have on your customers, the real live human beings who benefit from your services. Revenue, profit, and productivity are indicators of how well you’re performing against your purpose.

The stakes are high; the pace of work has accelerated, and the pressure is real. There’s no denying that. Work is competitive, work is hard, and work can be exhausting. But work should not be soul-suckingly awful.

The current business model is failing us, and it's failing our people. It's time for us to better.



A friend of mine who works in politics once told me, “In every office there's always a TB.”

“What's a TB?” I asked her.

“A TB,” she said, “is a True Believer. They're that starry-eyed optimist who still believes that they can make a difference. But here's the thing all the jaded staffers don't tell you, everyone else is secretly jealous of the TB.”

I've come to understand the reason people are jealous of the True Believer is because we all want to feel that level of passion and pride about our own work.

When it came to work, my father was a True Believer. He led a team of people through an industry crisis. They came out on the other side proud of what they had accomplished. My father believed that their work mattered and that being a good boss was a noble calling. He was right.

For his eulogy, one of my father's colleagues described him as, “a great inspiration, mentor, and friend.” Who wouldn't want to be described that way by their colleagues?

For me, my father was the guy who was all in.

He was all in for his family, his friends, and his job. He didn't sit on the sidelines waiting for other people to get excited; he brought energy and passion into every situation.

My father really was that guy who—on his deathbed—really did wish he could have spent one more day at the office.

The numbers tell us that a lot of people are pretty miserable at work. It's time for us to change that. If you're reading this book, you have already decided that it is not ok to be miserable at work. You and your team deserve better than just going through the motions of a job. You deserve to do work that matters.

Why I Wrote This Book

If you're a CEO or senior leader reading this book, congratulations. You have the power to transform your organization and, in turn, the lives of your employees and customers. The biggest, boldest, fastest results occur when the CEO fully embraces a Noble Purpose mind-set and strategy. Whether you're accountable to a board, investors, or the market, you can be confident that the techniques in this book will improve your financial results, and your morale. It won't happen in a week, but it will happen.

If you're not a senior leader, if you're somewhere in the middle, if you're just starting in your career, or you're a small entrepreneur, don't let your current position hold you back. In this book, you'll read examples of managers who have used purpose to transform departments and small work groups in ways that had a lasting and positive impact on the business results and the people involved. One launched a global initiative after a single manager put the concept forward. Noble Purpose is catching on because people are looking for ways to bring more meaning to their work.

If I do my job right, and you do your part, Noble Purpose will help you:

1. Find more purpose, passion, and meaning in your own job.
2. Help your team find more purpose, passion, and meaning in their jobs.
3. Improve your financial results exponentially.

There are lots of books telling you why you need a purpose. This book is different. Here, we'll go beyond aspiration—we'll dive into implementation. This is a step-by-step guide that shows you how to turn an ideal into an actuality. It's based on the work I've done with large clients like Google and Roche, as well as smaller

firms like a concrete company in Omaha, and an accounting firm in Atlanta.

Noble Purpose is the new narrative of business. It will enable you to deliver better results, and become the kind of leader people want to follow. People want to make money. They also want to make a difference. Leading with Noble Purpose enables you to do both.

PART

I

The Noble Purpose Leader

Our prime purpose in this life is to help others.

—Dalai Lama

1

Profit is Not a Purpose

When I grow up, I want to claw my way into middle management.

—Said no 10-year-old, ever

Do you remember the Monster.com Super Bowl ad?

Monster's iconic "When I Grow Up" campaign featured kids saying, "When I grow up I want to be a Yes-man" or "Yes-woman" "Yes, sir. Anything for a raise sir." The Monster ads juxtaposed the dreams of childhood with realities of adult work. Watching an earnest 10-year-old boy say, "When I grow up, I want to claw my way into middle management," reminded people, work was supposed to be better than this.

The rise and fall, and subsequent rebirth, of Monster.com illustrates why a profit focus erodes business, while a purpose focus brings the business to life. Monster.com was founded on the belief that helping people find jobs was a noble endeavor. In their iconic ads, Monster made it clear: "You deserve a better job, and we want to help you find it." Monster founder Jeff Taylor's mantra was "It's half about a better job, and half about a better life." In 2006, Monster.com was one of the 20 most visited websites in the world.

Yet by January of 2011, five years later, Monster Inc. was rated the worst stock of the year. By 2014, things were worse. In that year alone, Monster's shares dropped 43 percent.

What went wrong?

Analysts suggested that Monster's free fall was due to their inability to compete with newer, more nimble, connected solutions like Indeed and LinkedIn. The analysts were right about the outcome, but they missed the root cause. Lack of competitive differentiation and old technology were only symptoms. The root cause for Monster's free fall was they lost their purpose.

In 2007, after Taylor and his team had left, Sal Iannuzzi became the CEO of Monster worldwide. Iannuzzi preached a very different message from Taylor's. Iannuzzi didn't talk about job seekers, or helping people find better lives. Instead, he put the focus on earnings. Without a leader to champion the cause, over time Monster's original noble purpose—helping people have better lives—eroded.

Iannuzzi's Town Hall meeting in June of 2014 illustrates the problem. Monster's stock was at an all-time low. Iannuzzi was announcing the launch of a new strategy and a global rebrand that were intended to reverse their decline.

When Iannuzzi took the stage at Monster headquarters in Weston, Massachusetts, to announce his plans, 800 employees were sitting in the auditorium, and over 4,000 more employees dialed in via webcast from 36 countries around the globe. The employees knew their company was at a critical juncture. Would they be hearing about a new strategy that would jolt their business back to life?

As Iannuzzi began, he talked about the need to increase earnings saying, "Our number one responsibility and focus is increasing shareholder value. That will pay us, that's why we're here." He hammered on the point saying, "That's what we're here to talk about. Everything you're going to hear [today], the emphasis is on how we're going to do that."¹

The rest of Iannuzzi's presentation was a blur of numbers that concluded quickly. Not once during the entire presentation did

¹Thompson Reuters StreetEvents., "MWW: Monster Worldwide Strategy Briefing Day," edited transcript, May 14, 2014.

Iannuzzi talk about Monster's aspirations for job seekers. There was no mention of better jobs and better lives. Instead, he told his team, the single goal of their new strategy was to increase the stock price. Not help customers, not improve the industry, just increase the earnings. Afterwards, one attendee said, "It was as though the oxygen was slowly leaving the room."

When original Monster.com founder Jeff Taylor talks about his time at Monster he says, "The pride of helping millions of people find jobs was real inside the company. We read testimonials from people all over the world at our meetings. It was meaningful."

Iannuzzi's narrative about stock price never touched on pride they might derive from helping people. His presentation at the Town Hall was consistent with the way he routinely discussed Monster in the press. For example, he said to the *Wall Street Journal* in May of 2012, "I owe it as part of my fiduciary responsibility to increase shareholder value any way that I can. That's what the process is all about." This was same story he emphasized on a daily basis to his employees.

Sadly, Sal Iannuzzi is not unique. He's an exaggerated version of what happens in conference rooms and boardrooms every day. How many other leaders have had the same conversation with their teams? How many board meetings and departmental meetings have been exclusively focused on earnings with few or no conversations about customers?

Iannuzzi's focus on earnings was understandable. Like all CEOs, he was under pressure to drive the numbers. He might not be a bad guy. Yet he made a common leadership error. He focused on profit instead of purpose. In doing so, he eroded the driving force that had once made Monster great. Their business was no longer about making people's lives better; it was about making money, end of story.

Monster serves as a cautionary tale. The same scenario could have just as easily happened elsewhere. In fact, it already has. Companies like Blackberry, Blockbuster, Sears, and Toys 'R' Us, who were once giants in their spaces, took gut-wrenching tumbles

when they lost their sense of purpose. It wasn't a loss of earnings that caused the loss of purpose; it was a loss of purpose that caused earnings to decline. In each of these organizations, the leaders were so intent on making money from their existing business model that they lost sight of their companies' true purpose: to improve their customers' lives. With no lens on the customer's world, they were outinnovated, outsold, and outmaneuvered. By focusing on profit instead of purpose, they became dinosaurs.

Under Iannuzzi's leadership, Monster's stock value declined by over 90 percent. Between April of 2007, when he was named CEO, and November of 2014, when he departed, Monster lost 93 percent of its market capitalization, falling from 5.5B USD to under 400M USD. Analysts said he was fired for declining stock value. Insiders know the loss of purpose came first. Fortunately, the Monster story does not end there. Iannuzzi's successor, CEO Timothy Yates, a long-time Monster employee, is taking a decidedly different approach. Yates launched an "All the Jobs, All the People," strategy focused on helping job seekers. Later in this chapter you'll learn how Monster is reigniting their true noble purpose.

The idea that a leader's primary purpose is to drive earnings is pervasive in many, if not most, organizations.

Unfortunately, It's Also Wrong

Compare the typical "let's rally around earnings" message with the words of these leaders:

- Ryan Holmes, Founder and CEO of Hootsuite, the social media management system that has exploded globally, kicks off their Town Halls saying, "We're more than a social media company. *We empower our clients to turn their messages into meaningful relationships.*"
- Steve McHale, the CEO of Explorys, the health care intelligence cloud company that has built one of the largest clinical

data sets in the world, says, “We unlock the power of big data to improve healthcare for everyone.”

- Bruce Poon Tip, founder of Toronto-based G Adventures, who has become the global leader in adventure travel, says, “Our business model transcends our products. We’re not just a travel company, *We help people discover more passion, purpose, and happiness.*”

As you read the statements these leaders use to describe their businesses, ask yourself, *Who would you rather work for?* A boss who tells you that your sole purpose is to deliver earnings for shareholders? Or a boss who tells you that your true and noble purpose is to make a difference in the lives of your customers?

These three leaders have absolute clarity about how they make a difference in the lives of their customers, as does every member of their organizations. The results speak for themselves:

- Hootsuite has grown 56,000 percent over the past five years. That is not a typo—fifty-six thousand percent. Even after their initial explosion, in the last 24 months they have more than doubled their business.
- Explorys has experienced unprecedented growth year-over-year. The year after they launched their purpose with their team, they grew revenue by 53%. They now work with 26 major healthcare networks, delivering care to 50 million unique patients at 360 hospitals.
- Bruce Poon Tip and his team of “Global Purpose Specialists” (the name adopted by his sales force) have grown revenue by 25 percent every year for the 25 years they’ve been in business. They’re now a \$400 million company. Since implementing Noble Purpose in 2013, they’ve accelerated their growth rate to 35 percent.

These leaders are early adopters. They’re also our clients. You’ll read more about how these three leaders and others have driven exponential growth, leveraging the power of purpose. For now, think about the way these leaders talk about their businesses.

You can tell a money story, or you can tell a meaning story. Think about your own business. Is the driving question, How can we make more money? Or, is the driving question, How can we make a difference to our customers?

As a leader, you're the one who tells your team why the organization exists. In *Selling with Noble Purpose*, I said, "If you treat your customers like a number, they'll return the favor." Now, we'll take it a step further. If you treat your employees like a line item, they'll pay you back in kind. They'll regard you, their jobs, your customers, and your entire organization as expendable resources, something they dispose of the moment something better comes along. Instead of emotional engagement, you'll be left with a transactional relationship, which will permeate every aspect of your organization, including your relationship with customers.

The internal conversation becomes the external conversation. When your story is exclusively focused on financial metrics, you drive towards mediocrity. It's counterintuitive. It's also true. Internal financial metrics do not create a competitive differentiation. A story about profit, revenue, and share price will never jump-start innovation, improve customer service, or inspire employee loyalty.

Purpose Drives Profit, Not the Other Way Around

To illustrate how powerful purpose can be, let's look at a side-by-side comparison. While Sal Iannuzzi and other *show me the money* leaders were telling their teams that increasing shareholder value was their primary goal, Mike Gianoni, CEO of Blackbaud, was telling his team a different story.

Blackbaud is in the tech space, they're a cloud company. They're a firm based in Charleston, South Carolina, that serves the philanthropic community. They describe themselves this way: "Blackbaud combines software and service to help organizations achieve their missions." Their clients include the Salvation Army, The Red