

Organization Practice

The search for purpose at work

Purpose is personal, but companies play a critical role in how we express it.



In this episode of *The McKinsey Podcast*, Naina Dhingra and Bill Schaninger talk about their surprising discoveries about the role of work in giving people a sense of purpose. An edited transcript of their conversation follows.

Diane Brady: Hello and welcome to *The McKinsey Podcast*. I'm Diane Brady. In this episode, we're talking about fascinating new research on individual purpose, the impact that it has on companies, and the impact that your company has on your own sense of purpose. Joining me are two colleagues—first, Naina Dhingra, a partner in the New York office. Hi, Naina.

Naina Dhingra: Hi, Diane. Happy to be here.

Diane Brady: Great. And Bill Schaninger, a senior partner in McKinsey's Philadelphia office. Hi, Bill.

Bill Schaninger: Hi, Diane.

Diane Brady: So let's start, Naina, with you. Purpose is a term that is tossed around quite a bit. Define it in this context. What's individual purpose?

Naina Dhingra: When we think about this idea of individual purpose, the way we think about it is it's an overarching sense of what matters in a person's life. I like to use the term "North Star"—this idea of having a sense of direction, intention, and understanding that the contribution you're making is going somewhere. Now, that's a technical definition but I think we all intuitively know what it feels like to be on purpose. It's when you feel energized and inspired and alive.

And it turns out, actually, in some of our research about 85 percent of people feel they have a purpose. But only about 65 percent of them believe they can actually articulate that purpose—which we thought was really interesting.

Diane Brady: Bill, it feels almost like an existential problem, our sense of purpose. Can you root it in the context of organizational health?

Bill Schaninger: You know, I think one of the things that's been really challenging during the pandemic was a bifurcation. There were people who were frontline or customer-facing or critical workers, who had to go to work in a time when livelihoods took a back seat to lives. It felt risky.

And that really brought front and center the idea of "my primary purpose at this point is I have to work, and I'd like to make it home without getting sick." But for a significant other portion, people were removed from the workplace while still having to do work.

We had this unbelievable smashing together of two worlds: the home world and the work world. I think it's really brought to the fore "Well, what exactly does work mean to me? What do I have to get out of it? Is it merely a check that facilitates the rest of my life or is it something more purposeful?"—using that word quite explicitly.

Can we put a finer point on starting with the person and leaving behind the arrogance that the organization thinks it dictates to people what their purpose is? That is just nonsense. Individuals decide what their purpose is. It's the organization's role and opportunity to figure out how to help people bring that purpose to a finer point of what matters to them and to figure out whether or not they can create a role or an experience within the organization that helps meet that. So a big portion of this was, one, starting with the idea that the person was in the prime role and, two, the organization was in a facilitative role, not in front.

Defining one's purpose through work

Diane Brady: Naina, I'd love to unpack purpose a bit more because, to Bill's point, I often think about it at the corporate level. It is something that usually speaks to higher values or a higher mission. On an individual level, can you give me some examples of how people define their purpose?

Naina Dhingra: When we think about employees themselves and how they think about their own

sense of purpose, one of the things that we were surprised to find in the research is that about 70 percent of people say they define their purpose through work. And, actually, millennials, even more so, are likely to see their work as their life calling. So what that means is that people are looking for opportunities in the work they do day-to-day to be actually contributing to what they believe their purpose is.

Diane Brady: You know, I hear “life calling” and I can’t help but think that’s a little bit sad. Bill, maybe I’m just biased here. Is work our life calling right now because we don’t have a lot else to do but be on our Zoom calls and work? Is this a good thing?

Bill Schaninger: Well, yeah, I’ll tell you, as someone who’s been trapped in a home that was supposed to be a weekend retreat, I’ve basically not left here in 14 months. I can see how we’d land at that idea. Let me take a slightly different take on it. I think what the millennials are saying to us is “Anything I do, I’m

going to do with gusto. Time is zero sum. There are only so many hours in the day. If I’m going to do something, it has to work for me. And part of it having to work for me is that it has to work for others.”

I think there’s something admirable about that. I’m 51, so I’m a product of the ‘80s and, you know, Gordon Gekko,¹ who was presented to us as a nemesis and ended up becoming a folk hero.

Diane Brady: “Greed is good.”

Bill Schaninger: Right, exactly—the Michael J. Fox version of Alex P. Keaton,² right? The archetypal Republican mantra from the ‘80s into the ‘90s; it just was a different worldview. I think it’s really nice that we have people saying, “Hey, I don’t want to be associated with people who are scumbags or do things that hurt the world. I want to be associated with people who are a force for good.”

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¹ A character in the 1987 film *Wall Street*, directed by Oliver Stone.

² Alex P. Keaton, played by Michael J. Fox, was a character in the TV series *Family Ties*, which ran from 1982 to 1989.

I love that. And that doesn't mean it's naive. It may be uncalibrated. It may be unspecific.

Certainly, some of the stuff that we found when we were engaging with our newest joiners or our youngest members was, as Naina was saying, the difficulty to put a fine point on what the end state is. So they could say that they know "it" has to be better and "it" has to help others. But they had a difficult time explaining explicitly what "it" is. As people mature—and I don't mean age but rather just mature in their experiences—as soon as there is another viable claim on their time, attention, and energy, then work can diminish a bit in its importance.

But it also gets way clearer the role that work has to play. Work may have an economic contribution, in terms of carrying and providing for the people you love. But you likely also start getting way more specific in terms of where you'd like to put in your time and your effort. That could be education. It could be making people safer. It could be making better roles or jobs for communities. The whole point is, as you get a little further down the line and

you start to have other people who need you in terms of your providing care for them, then work goes from diffuse to quite specific pretty quickly.

How parenting affects purpose

Diane Brady: Naina, one of the things that fascinated me in looking at this study was the fact that parents, for example, place a higher premium on purpose. Can you talk a little bit about the slicing and dicing of the demographics around this?

Naina Dhingra: I say this as a millennial with gusto: part of the reason for the research was the debate that Bill and I were having around the role of purpose in one's life and the role of work in purpose—and whether or not these were two distinct concepts or concepts that were actually quite overlapping, particularly from the perspective of a millennial. The findings about parents we found really interesting, particularly the fact that parents were more than twice as likely to say that they relied on work for purpose. Time is always so scarce. Given the trade-offs that parents are making between work and home, parents are keen

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to make work time as meaningful as possible. The time that you're spending away from family really, really needs to matter.

In a number of focus groups, parents would say that having a child actually made and helped crystallize their purpose and the impact on the world that they want to have and why it matters. And so, if anything, it's helped parents actually look at work and what they want out of work—to ask for and seek more meaning in their work. One of the things we are looking at when we look at this choice parents make, often when they consider leaving the firm, is how are we ensuring that people are getting more meaning so that they feel the trade-off is worth it and that they have the ability to fulfill their purpose at work.

Looking for purpose outside of work

Diane Brady: You mentioned that you and Bill had been debating prior to doing this study. I'm curious to know where you differed and whether this survey reinforced your beliefs or surprised you in some way. Bill, I'm going to go to you on that one.

Bill Schaninger: Well, I think the earliest debate was when I was saying we're living in something of a gilded cage. It's really a position of privilege. We work for a preeminent institution. Many of us have extensive academic backgrounds. Basically, these are folks on the far end of a spectrum who work in knowledge roles, so we're lucky. My push was that there are people who don't look for purpose through work—that's not how they view it. It's a paycheck. And that check is there because they need the transactional exchange, the economic exchange to pay for their obligations, their responsibilities, to take care of other things. There are people who really just want to be skateboarders or really just want to be skiers or sailors. And whatever they do with their gifts, work funds that.

Diane Brady: They're called my children.

Bill Schaninger: Yeah, exactly. So I was challenging Naina to say that we should get our heads around

the idea that organizational purpose just doesn't matter that much. For some people, it's just a check. And we were going back and forth on that. At a minimum, this allowed us to come to the idea that personal purpose, individual purpose, is prime.

There's an amount that people give to work or vocation. Inside that is the space where the organization gets to play, and organizations have to try to maximize that. Through the things they do, they might actually expand the bit given to work or vocation, but they should never assume that bit's all of it. And then the data, when it came in, gave us a really interesting understanding of how that outside circle—the whole point around individual purpose—just how variable that is.

Maybe one of the biggest insights is that you know how a company can help an employee most? Help them figure out what their purpose actually is. Maybe if there was one blinding insight, it was that: how hard a time many—particularly newer—employees have in describing purpose with any kind of specificity.

The business case for helping employees find purpose

Diane Brady: Well, it is hard. It does feel, Naina, like a personal responsibility. I think of these self-help books about finding your purpose, and it's all about how you frame your role in the workplace. What's the responsibility of my employer in giving me purpose?

Naina Dhingra: Well, first I think we need the company to actually understand that there is a business case for this. That was actually one of the other things that Bill and I were debating. Bill was like, "I'm a CEO. Why do I care about this stuff? Sounds a bit fluffy—send people into the woods to think about the meaning of life. Why are we going to convince a CEO that they should care about this?"

One of the really interesting pieces that we found in the research is that nearly seven out of ten

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employees are reflecting on their purpose because of COVID-19. Those employees who say that they live their purpose at work are six and a half times more likely to report higher resilience. They’re four times more likely to report better health, six times more likely to want to stay at the company, and one and a half times more likely to go above and beyond to make their company successful.

So the business case here is that when you help your employees find and live their purpose at work, they’ll do better and are more likely to want to stay, as well as more likely to want to go above and beyond. In fact, we found that as a result of COVID-19, half of American employees are reconsidering the work that they want to do.

Diane Brady: Bill, I’m going to ask you about this. Let’s say I am a CEO. I care about my people. So how do I give them a sense of purpose? Is it how I define the job description? I’ve given them all these benefits. I’ve tried to be compassionate. But here’s a survey saying I’m not doing a good job.

Bill Schaninger: What they do, though, is they create an opportunity for that person to live their purpose through the portion of their waking hours that’s allocated to work. I’m not trying to play

word games or draw a fine line there. I just think agency matters.

Individuals have purpose. Organizations don’t give that to a person. The organization as an entity, as a group of people collectively trying to do something, may have a stated, shared purpose. And you’d like to believe that alignment matters there. In fact, a good portion of the research we continue to do is about moving from the attractiveness of individuals seeing the stated purpose of the organization to getting a sense of whether or not that’s real, seeing how they could fit in, and then whether or not they can realize that in their daily activities—and whether or not that firms up a sense of belonging.

So organizations can be a conduit. They can make their purpose visible. They can clearly show a link between what they’re asking a person to do and the stated purpose. But the individual alone has agency in deciding what their purpose is and whether or not it aligns with the company’s.

Diane Brady: One thing I want to make sure that I’m not mistaking, because I think often we do, is the difference between passion and purpose. Naina, having a passion for what we do seems to be a bit

overrated. Is it quite different from feeling a sense of purpose in what we do?

Naina Dhingra: That's an interesting question because this is why, at the start, we were talking about the definition of purpose, since one can have a purpose and have the ability to articulate it. But then there's also that sense of actually being *on purpose*. And that sense of truly being on purpose, I would say, often does come when somebody has a real passion for work. When you ask somebody if they feel like they're doing something in line with their purpose, they might say, "Yeah, it's because I'm doing something I'm passionate about."

You know, one of the things I'm superpassionate about is working with people who I get to apprentice and help grow. And I have passion for that and I feel alive when I do it. That's me fulfilling my purpose. And so I think there are a lot of different words that we can use. But, ultimately, what we're trying to do is say that employers really have a role in helping people reflect on what that purpose is. And part of that reflection is identifying those areas where

people feel alive, they feel passionate, they feel energized. And recognizing those areas will help people reflect on what that sense of purpose is and how to find more purpose in their day-to-day work.

Aligning organizational and personal purpose

Diane Brady: So does the organization's purpose matter, Bill? That is the one thing leaders can control. What difference does it make in aligning that with the individual's purpose?

Bill Schaninger: Well, look, the data here was surprisingly strong. This would be one of those points where Naina could easily say to me, "I told you so." When someone is looking for the time they spend at work to have purpose and needs alignment between the organization's purpose and their own, it's a multiple win in terms of good outcomes, of employees wanting to stay and feeling like it's a good place to work and for their intention to stay and strive. And it has this huge uplift when you have a great alignment

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between the organization's purpose and the individual's purpose. What was interesting was the context where the person wasn't looking for the organization to provide it, but the organization was doing a great job of helping people be on purpose.

I think the language that Naina was using there really matters. Being on purpose maybe sounds a little bit like being on brand. It's where you're not creating credibility problems. You're not creating discontinuities between what you say and what you do. Where you're truly living credibly and honestly and authentically. Even when a person didn't initially say, "Oh, I need this from my employer," when the employer was doing it, there was still an uplift. So then you had to say, "Well, what about the alternative?"

Well, that's where it gets a little scary. If a person showed up believing the organization stood for one thing and they really needed the organization's purpose to line up with their own, and then the organization violated this, it was just that, a violation. It had significant downticks in the person's willingness to stay, their engagement, their involvement. You'd see a direct link to performance. Also, for most people, that creates so much dissonance that they usually leave.

Diane Brady: So hypocrisy is worse than having no stated purpose at all?

Bill Schaninger: Well, right. You could say, "Hey, this is transactional." There's huge portions of the gig economy and other places where some companies have basically tried to marginalize employees and say, "Oh look, they're their own contractors." That's economic exchange, not social exchange. I'm certain for some people that's OK, but you shouldn't try to pass it off for what it isn't.

Why businesses should develop an authentic organizational purpose

Diane Brady: There's a lot of focus right now on wellness, Naina, and what we can do for employees, with the recognition that certain groups—working mothers and others—have really suffered during this pandemic and have opted out of work. What are some of the levers that you can use in this situation, since we can't give people a sense of purpose other than giving them space to reflect? Is there anything else that can be done to heighten the engagement and make it easier for people to feel purpose in what they do?

Naina Dhingra: Well, let me build on what Bill was saying—this idea of what companies can control and

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this idea that there's actually an incredible unlock that happens when an individual sense of purpose is lined up with the company's sense of purpose. We've found employees are five and a half times more likely to say they're fulfilling their purpose at work if that purpose is aligned with their company's.

So where companies can start is understanding that you're not getting anywhere unless you have an authentic organizational purpose. This is a time in which there is tremendous change going on in the world. Having an authentic organizational purpose is about spending real time reflecting on the impact a company has on the world. It's not just about nice corporate-social-responsibility contributions and making big statements. It's actually about engaging your employees on what that impact is. And what we found is that employees who say their organizations spend real time reflecting on the impact they make on the world are five times more likely to be excited to work for the company.

These reflections and dialogues are one of the things that we're most excited about really helping our clients with, and helping ourselves at McKinsey as well. There's an opportunity to really pause and reflect on the individual's sense of purpose and how that links with the company and what the company is trying to do for the world—especially at this moment, when there are so many things going on in the world that really demand business to make a greater contribution to society.

Diane Brady: You know, as we've been talking, I've been thinking, "What's my sense of purpose?" I can articulate a couple of different things that drive me, and I certainly feel purpose in what I do. But I'd be curious to know, since you are both on the front lines, how would you articulate your own sense of purpose? Bill, I'm going to go to you first.

Bill Schaninger: Yeah, it's a great question. You know, throughout this conversation I was reflecting on the distance between my mom and me. My mom was a teen parent. She was barely 17 when I was born and had both of her kids by the time she was 20. She was a good student through school—and likely would've gone to college and then had

kids. At that time, in the late '60s and early '70s, she didn't go to college. In fact, she was actually kicked out of high school. But as soon as I was, I don't know, six or something, so my sister would've been three, my mom had a real desire to go get a job.

A good portion of that job was just that there needed to be something more to her life than being a housewife and a mom. It didn't mean she didn't love us or didn't love my dad. But she needed something for her. Some sense of freedom. Some sense of belonging to something outside the home, not being defined by it. And so for her, a lot of it really had to do with freedom and, to some extent, contributing to the family economics. But mostly it was about freedom and autonomy and being able to enjoy something. So she ended up becoming a bookkeeper—you know, accounts payable, accounts receivable—and then, over the course of 20 years, ended up running a plumbing-supply house, being the general manager. A rather phenomenal arc, honestly.

Diane Brady: Definitely!

Bill Schaninger: But a lot of that was under this basic idea of freedom and then enjoyment. But I think in her case, there was also some gender-norm busting, if you consider the '70s and early '80s. Now, in my own case, it's almost entirely that I get unbelievable enjoyment out of being good at something or being believed to be good at something. Being part of a place that has such a really great institutional reputation like McKinsey.

You know, in many conversations, Naina and I anchor on this one phrase: "We're not going to make stuff up." Anybody can make stuff up. We're going to make sure that what we say is right. That is core to my purpose. I would have been an academic had I not come to McKinsey. I'd be a professor somewhere, teaching about behavior and HR and management. The firm has really allowed me to tap into my professional purpose, which is advancing the cause of the human condition at work. Why do people behave the way they do at work? Why do leaders behave the way they do at work?

That was the first decade of my McKinsey career. After I got elected partner, I started feeling a greater and greater need. And my own personal situation improved and changed, obviously. A huge portion of it was, “Boy, I’ve got to do something for the kids who are like me.” And then it went from having the freedom, the ability to choose whether I worked or not, to things like caring and equality and security. Taking care of the ones I love, expanding beyond my immediate family to making sure my mom had a house and was set up, taking care of my godchildren. But then I started looking around where we were living, and certainly here in the Lehigh Valley, in Pennsylvania, it was just, “Well, how can I help kids who were like me?”

And McKinsey helped facilitate that, either through not-for-profit boards or what I do with—well, frankly, excess income. Do you fund scholarships? Do you fund summer programs? So if I compare and contrast the difference between my mom and me, a lot of this purpose, for her, was that she loved being part of something that was outside the house that she could be good at, have competence at, and get the reward of doing what she felt she could maximize to do more.

For me, I was afforded the luxury of always being told I was going to be the first one to go to school and make something of myself, in air quotes, and then I landed at McKinsey. And Naina and I were talking about an organization being able to help a person define their purpose. My purpose, initially, was rather narrow. It was that McKinsey was going to be two or three years. I’d get the stories and hightail it back to academics.

Diane Brady: Your initial purpose.

Bill Schaninger: Right. Initially, the purpose was just to make me a better academic, a better professor. I didn’t count on loving it so much. I didn’t count on realizing that, wow, we can really help change these organizations—change the quality of the professional and personal lives of the clients we’re working with. And I’m sure when you talk to Naina, even 30 seconds in, there’s stories of

some of the clients she’s serving. She’s personal friends with many of them. Many of them have had these pivotal moments in their careers and their lives where she’s helped them.

At least for me, I didn’t count on how much I was going to get enjoyment and satisfaction and personal pride out of helping our clients. And then, eventually, it just became doing not-for-profit work, helping large civic institutions try to help make everybody’s life better. And so this arc, I think it can change over time. I think it usually starts with some version of freedom or caring or sustaining the people around you and can migrate. And when an organization plays it right, it helps people through that progression, and it helps them see broader opportunities so that when they excel, everybody can excel.

Diane Brady: It’s very interesting to think about the recognition of purpose and where somebody is in their career. Naina, I’m curious. What’s your sense of purpose?

Naina Dhingra: You know, I was listening to Bill’s story, and the way I would describe myself is truly as an accidental consultant who, in my heart of hearts, is still the 20-year-old AIDS activist, almost getting arrested at the Republican National Convention. You know, throwing stones in different areas of big protests in Washington, DC. I grew up as a Sikh. Religion was very important in my family. And one of the tenets of Sikhism is equality and social justice and this desire to fight against things that are not right.

That was a huge part of my upbringing and really followed me in my 20s, which were about being a social-justice activist. I somehow found myself at McKinsey, in our Nonprofit Practice, and very much described my sense of purpose as about equitable healthcare. I was working a lot on issues of AIDS in Africa, malaria, tuberculosis, and very much felt McKinsey was a place for skills training to help me fulfill that purpose. I would be able to fulfill that sense of purpose outside of McKinsey, but I needed greater skills.

And lo and behold, ten years later, somehow I'm here as a partner. And I would say, do I still have that sense of purpose? Very much. Very much. It is a core part of who I am, this idea of equitable healthcare access. But my sense of purpose has evolved and grown through my experiences, particularly my reflecting on what I see as the powerful role of business to help solve humanity's greatest challenges—as somebody who grew up in non-profits and grassroots campaigns and working with the UN, to then really seeing the platform that business has. And working with a number of clients, in particular pharmaceutical companies, and seeing their passion and commitment toward solving some of the greatest global health challenges of our time. And so I think purpose is something; there is an innate sense of it that I've had.

But there is an evolution that happens, based on one's experiences, the people that one meets—and that's one of the reasons why, ten years later, I still work at McKinsey, even though many of my same friends working in many of these public-health institutions crack up at the idea that I'm a pharma consultant and management consultant who works on all of these interesting topics. But still, in my heart of hearts I'm really this AIDS activist.

Why purpose matters, and how to find it

Diane Brady: What advice do you have for the two thirds—plus of people out there who don't feel that sense of purpose, who certainly may be grateful to have a job or may be looking for a job? What can they be doing to ignite a sense of purpose in themselves if their employers are not doing it? Bill?

Bill Schaninger: Yeah, I was just reflecting on your question. It's a really good one. I've often thought that when talking about this, I wanted to make sure that I wasn't forgetting the very real condition for a lot of people, which is that employment is necessary. It's necessary so they can put food on the table and a roof over the heads of the people they love. I don't think we should ever look past that or diminish it. I do think there's an opportunity for

organizations when someone arrives at your doorstep because it's a job. Maybe you have an opportunity by just running the place a little bit better for them to see some meaning in it, to see some purpose in it.

I remember I said to my mom, "Why is it so important to be a bookkeeper? Why would you not want to be at home every day when we get home from school?" And my mom said to both my sister and me, "Look, you just see it as a job. But it's my job. And I need to know that what I do there, I do really well and I'm good at it." That stuck with me quite a bit. Because if I'm honest, as a teenager, things came naturally to me and I didn't necessarily work as hard.

I think she was trying to impart this idea that there is satisfaction in doing something well that's yours, that you identify with, that you affiliate with. My hope is that by engaging on this, organizations can see an opportunity to really lay out a clear path for people and say, "This is what we stand for here at this place. If you want to join us, we're going to help you. We're going to help you make more meaning of it than its being just a job." Any job can have meaning. Any job can help fulfill performance. It does require the organization to live into it. It requires the organization to be well run.

I think for individuals, it's important to see through a lens of just how important purpose is for autonomy, how important it is for freedom, for stability, for caring for others, or moving into what Naina was talking about in terms of equality and equity. You may not fulfill all of them but you can certainly fulfill some of them. And I think one of the things we're seeing is that as people have more time, they have more affinity. They have more belonging. They have more attachment to what the organization is doing and what they're doing individually. So maybe it becomes a bit of a virtuous cycle and it can be reinforcing.

Diane Brady: Great. Naina, any thoughts that you have for listeners out there who may or may not be feeling a sense of purpose?

Naina Dhingra: I would offer two simple questions to reflect on over a month, every day. When did I feel most alive today? When did I feel most drained? I think reflecting on those two questions over a 30-day period may offer some really interesting insights about how you might feel about what's going on at work, what's going on in your life, and help you on a path to reflecting on what that sense of purpose might be.

Diane Brady: I think that's great advice. I can't think of a better place to leave than that. Naina Dhingra, Bill Schaninger, thank you very much for joining us.

Bill Schaninger: Thank you; it was a great conversation.

Naina Dhingra: My pleasure. Thank you.

Diane Brady: And thank you to the listeners out there. Whether you have found your purpose or not, you'll certainly find more information on how to nurture it within your company and nurture it within yourself at McKinsey.com. I'm Diane Brady. I look forward to seeing you next time.

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