



MEANING AND PURPOSE AT WORK

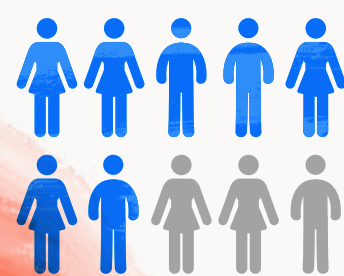
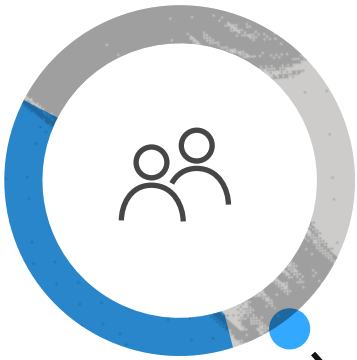


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PEOPLE ARE ON THE HUNT FOR MEANING

Executive Summary

For many, the experience of meaningful work is deeply personal: More hours are spent at work each week than on anything else, and the bare returns of a monthly paycheck and benefits are meager compensation for the sheer magnitude of time, and effort, and life, invested. Meaningful work, on the other hand, can enrich a person's life, rather than simply absorb it, and American workers today are waking up to this bright possibility.

Increasingly, employees are choosing companies that offer meaningful work, values alignment, and supportive, healthy workplace cultures. When these elements are missing, employees leave—despite the appeal of a company's prestige, growth potential, or market dominance.

That means employers are faced with a choice: Rise to meet the terms of this new labor contract—by organizing company policy, strategy, and cultural initiatives to amplify the experience of meaningful work for employees—or fall behind, and risk lost talent and decreased productivity as a result.

In 2017, BetterUp Labs set out to analyze and quantify the value of meaningful work, to provide clear, actionable insights for business leaders. We conducted a nationwide survey of 2,285 professionals across 26 industries, covering a wide range of work environments, company sizes, occupations, and demographics.

WHAT DID WE LEARN?



$\frac{1}{2}$

On average, employees say their work is about half as meaningful as it could be

This absence of meaning hurts organizations—and it's up to a company's leadership team to fix it.



Employees who place a higher value on meaningful work occupy more senior, skilled positions, and stay longer

In addition to providing meaningful work, companies can focus on hiring employees who strongly believe in the idea that work should be meaningful.



Employees whose work feels meaningful work longer weeks and are absent less

Highly meaningful work motivates employees to work an extra hour per week, and to take two fewer days paid leave per year.



Meaning and workplace social support are closely related

Employees who experience strong workplace social support score higher on a workplace meaning scale than do employees who work in unsupportive environments.



Workers are willing to trade money for meaning

More than 9 out of 10 employees are willing to trade a percentage of their lifetime earnings for greater meaning at work. Across age groups, workers want meaningful work badly enough that they're willing to pay for it.



Employees are more satisfied at work when their jobs feel meaningful

The resulting gains in worker productivity add up to over \$9,000 per worker, per year.



Raises and promotions are more common for employees who have meaningful work

Employees who find their jobs highly meaningful are more likely to have received a raise in the past year, and are also more likely to have received a promotion in the past six months.



Values alignment with company leadership is essential

Employees who feel strong values alignment with company leadership report higher job satisfaction than employees who feel misaligned.

Companies can take advantage of these insights to activate value creation across a broad spectrum.

The management opportunities we identify include:



Strategies for making work a source of personal and professional growth for employees, such as providing regular feedback, allowing for flexible work arrangements, and enabling more self-care and self-reflective activities



Promoting mentorship and coaching opportunities to employees at all levels



Bolstering social support networks that create shared meaning and protect against toxicity



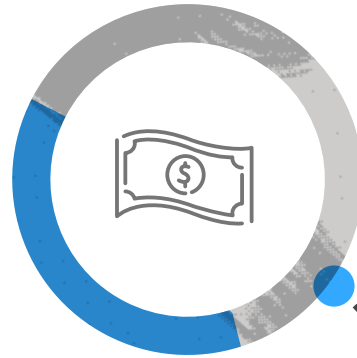
Taking advantage of the important yet often overlooked role that leaders have to play in modeling meaning and values alignment



Reframing to emphasize the importance of creativity, innovation, and ownership for roles at all levels

Building greater meaning in the workplace is no longer a “nice-to-have” for companies, but a firm imperative for successful talent acquisition, retention, and business growth.

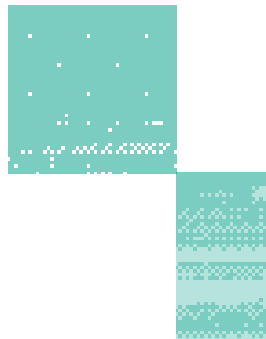
The data and tactical recommendations we provide in this report can be used to support and empower employees at all levels in their quest to achieve truly meaningful work.



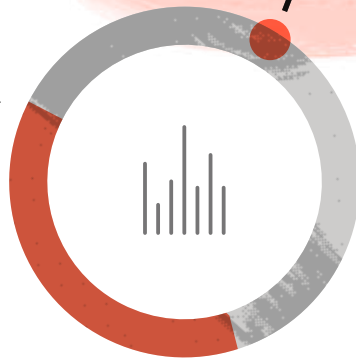
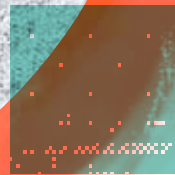
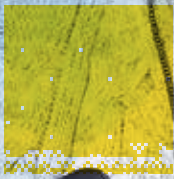
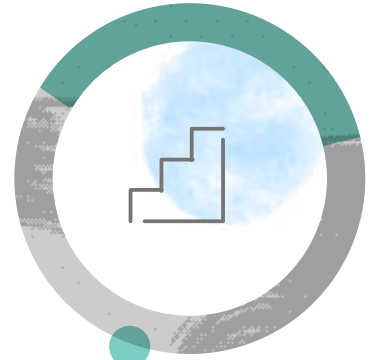
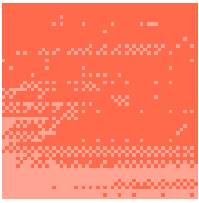
INTRODUCTION

Today's workers expect employers to provide meaningful, purpose-driven work.

For many, meaningful work is more valuable than a company's prestige, growth potential, or even the quality of its product¹, and almost half of U.S. employees would take a pay cut in exchange for a job that aligns with their values. The terms of the American labor contract have changed: In exchange for workers' precious hours and minutes, companies are now called upon to make the workplace a source of personal growth, shared purpose, and inspiration.



1. Statistics on employee attitudes towards meaningful work are taken from Deloitte's 2016 Millennial Survey and Net Impact's 2012 Talent Report.



When this exchange falters, employees are increasingly likely to leave, in search of employers who are better aligned on these key values. Once, the promise of a stable job might have been enough for many workers to compromise on the degree to which work felt meaningful. But in a highly-competitive American labor market, savvy workers recognize that they have increased bargaining power and less to lose: tenures have dramatically shortened, the “career job” is a myth, and more information about employers is publicly available than any previous time in history.² Employees can now afford to demand what they have always wanted: truly meaningful work. Workplace meaning is the competitive edge that allows employers to attract, engage, and retain top talent today.

2. Data on shorter work tenures comes from the US Bureau of Labor Statistics 2016 Employee Tenure Summary. The myth of the career job is reviewed in a 2017 report from the Employee Benefit Research Institute: "Employee Tenure Trends, 1983-2016". Data on how employees make use of publicly available employer data is provided by Glassdoor's 2016 report, "How job seekers are using Glassdoor", and in Gee (2014): "The more you know: Information effects in job application rates by gender in a large field experiment".



Although people are hungry for meaningful work, many aren't finding it: One in two employees report that their jobs lack purpose, and an equal number feel disconnected from their company's mission.³ Disconnected employees are disengaged employees, and the loss of productivity due to disengagement is estimated to cost U.S. employers upwards of half a trillion dollars per year.⁴ These staggering statistics have lent a new urgency to the drive to foster meaning in the American workplace.

To some, meaningful work still seems like a "soft" concept: hard to quantify, and without much bearing on the bottom line. Recent headlines on the importance of meaningful work have left important questions unaddressed: How does meaning figure into the employee experience, and how does it affect company culture and employee performance? What is the financial impact of not offering meaningful work on the broader organization? And what concrete steps can employers take to maximize meaning at work?

BetterUp Labs' newest report, **Meaning and Purpose at Work**, answers these questions with in-depth analyses from our investigation of the attitudes, motivations, and behaviors of 2,285 American working professionals. We provide tactical approaches for activating the opportunities and value creation that meaningful work can bring to an organization.

Our findings provide conclusive evidence that meaning is a real, measurable, and fosterable resource—one that can make all the difference for employers seeking to hire and retain the best and brightest in today's ruthless war for talent.

3. Source: Tony Schwartz and Christine Porath (May 30, 2014), "Why you hate work", in: The New York Times

4. Source: Gallup (2014), "State of the American workplace"



01



THE EXPERIENCE OF MEANINGFUL WORK

Employees are passionately calling out for more meaning at work, and the groundswell has grown to a roar.

Based on the results of a survey of 2,285 American workers, four clear trends illustrate the value of meaningful work:

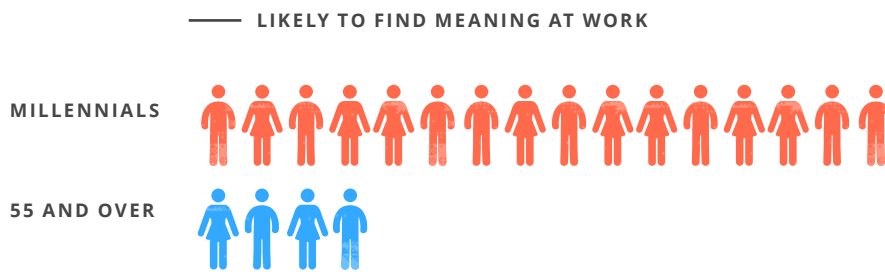
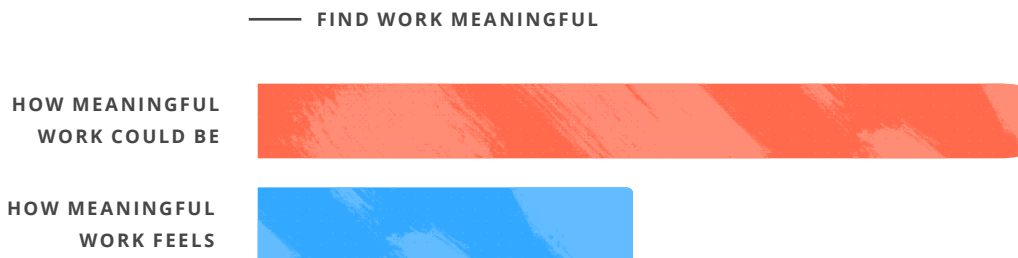
1. Most employees want their work to be more meaningful;
2. Employees who believe work should be meaningful are more likely to emerge as leaders and senior contributors;
3. Turnover rates are lower for employees who feel work is meaningful;
4. **Employees who find meaningful work are happier, more productive, and harder working.**

The bare facts alone should compel employers to take notice of employee experiences of workplace meaning, and work to improve them. But savvy leaders will also carefully attend to the real force behind these findings: For employees, meaningful work is a deeply personal, even emotional, need, and they will continue searching across jobs and careers until they find it.

EMPLOYEES WANT WORK TO FEEL MORE MEANINGFUL...

On average, people find their work to be about half as meaningful as it could be. Their mental “cup” of meaning is more than half empty.

On the bright side, 1 in 20 people do rate their current jobs as the most meaningful work they could imagine having. Millennials are four times more likely to be in this group, compared to workers aged 55 and over.



...AND WILL SACRIFICE A PORTION OF THEIR EARNINGS IN EXCHANGE FOR MORE MEANINGFUL WORK

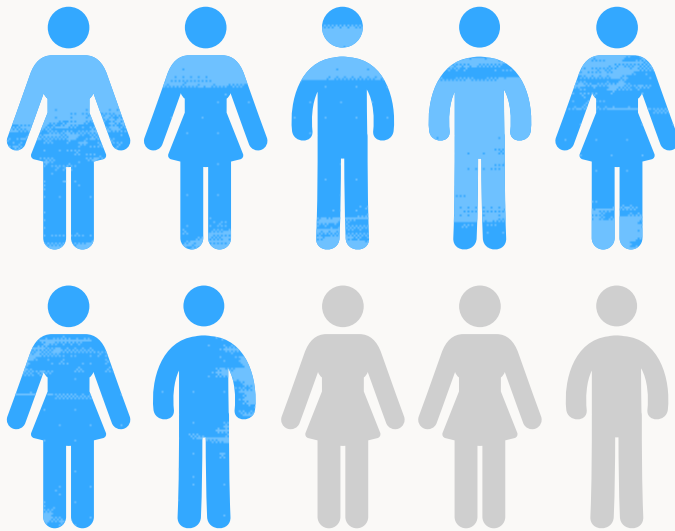
On average, employees will give up 23% of their total future lifetime earnings—nearly a quarter of their income—in exchange for work that is always meaningful.

Across age, salary groups, and seniority, this number stayed constant, underscoring the fact that meaningful work is in high demand. This translates to an average sacrifice of \$21,100 per year, every year, until retirement, in order to know that work would always feel meaningful.⁵

\$21.1k

**AVERAGE ANNUAL SACRIFICE
IN EXCHANGE FOR MEANINGFUL WORK**

5. These estimates of total future lifetime earnings are based on the expected US retirement age; average annual raises for American employees; and sacrifice amounts are based on scenarios in which employees are given a lifetime guarantee of maximally meaningful work. These estimates are not meant as predictions, but rather are indicative of our scenario model outcomes.
Source: Economic Research Institute; Gallup; BetterUp Labs



7-in-10

EMPLOYEES VALUE
MEANINGFUL WORK



7.4

MONTHS
LONGER RETENTION

Employees who place a higher value on meaningful work occupy more senior, skilled positions, and stay longer

Employees believe that meaningful work is important, to varying degrees. The average response to the question, “How important is it to you that your work feels meaningful?”, is a 7 out of 10, indicating that most employees value meaningful work in relatively high regard. But scores run the full gamut from 0 (“Extremely unimportant”) to 10 (“Extremely important”). An employee’s score on this measure can be an important indicator of their value to a company.

The more employees believe that meaningful work is valuable, the more likely they are to be managers or knowledge workers.

In addition, employees who value meaningful work more, stay with their companies longer. Employees who score their work as highly meaningful are employed at their current job for an average of 7.4 months longer than employees who find their work lacking meaning.



WHO FINDS WORK MORE MEANINGFUL?

Different life stages and demographic profiles experience meaning differently at work.

01. Older Workers

The oldest 10% of workers show a 17% increase in rating work as meaningful, compared to younger workers. Organizational commitment and job satisfaction have been shown to deepen over the course of employees' careers.⁶

02. Parents

Employees who are actively raising children find work to be 12% more meaningful than those without children. Parents tend to have higher levels of job satisfaction, and feel greater levels of workplace social support.⁷

03. Religious Employees

Workers who self-identify as religious find work 20% more meaningful than nonreligious workers.

04. Women

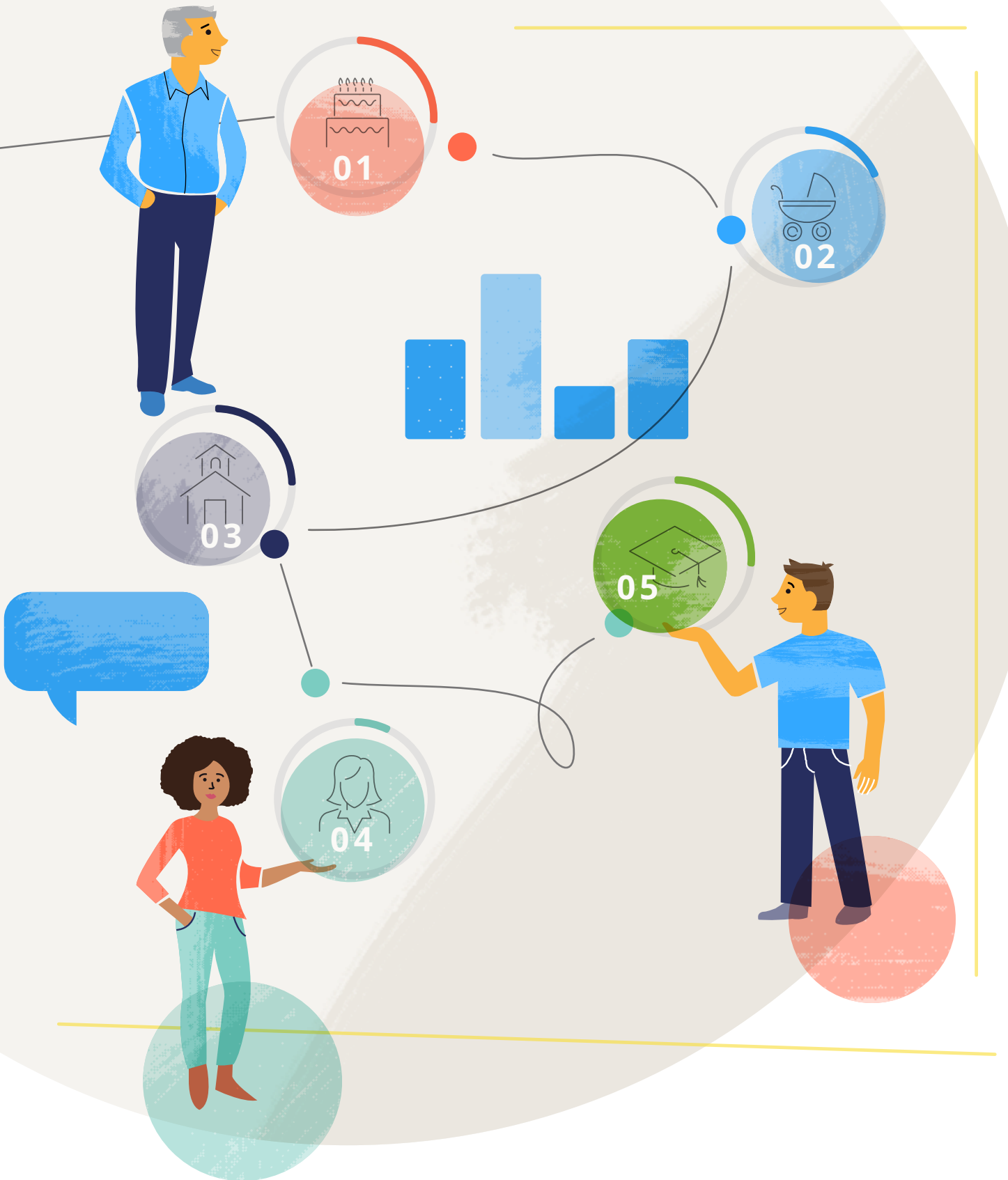
Female employees find their jobs 7% more meaningful than their male counterparts.

05. Graduate Degree holders

Employees with graduate degrees rate their work as 27% more meaningful than do employees with less education.

6. Source: Shoshana Riza, Yoav Ganzach, Yihao Liu (2016), "Time and job satisfaction: A longitudinal study of the differential roles of age and tenure", in: Journal of Management

7. Source: BetterUp, Inc. (2017), "Are parents happier (at work)?"



MEANINGFUL WORK RETAINS TALENT

The degree of meaning employees experience at work is strongly linked to their likelihood of quitting. Individuals who experience the highest degrees of meaning at work are 69% less likely to intend to quit in the next six months than those who experience the least meaning.

This trend is pronounced for senior employees. Among managers who do not rate their jobs as very meaningful, 5.4% plan to quit their jobs in the near future. This number is 50% higher than the US national average turnover rate.⁸ By comparison, only 4.3% of junior employees who do not find their work very meaningful plan to quit in the near term.

When managers do find their jobs highly meaningful, turnover rates plummet to just 1.5%, less than half the national average.

Turnover replacement costs run from 20% of an employee's annual salary, to upwards of 200% for managers and highly-skilled workers.⁹ When companies offer meaningful work, the associated reduction in turnover represents significant cost savings, especially at the managerial level: For every 1,000 managers who start experiencing their work as highly meaningful, a company will retain 38 managers who would have otherwise quit within the next six months. This translates to average annual savings in turnover reduction of \$5.49M per year.¹⁰



Individuals who experience the highest degrees of meaning at work are 69% less likely to intend to quit in the next six months than those who experience the least meaning.

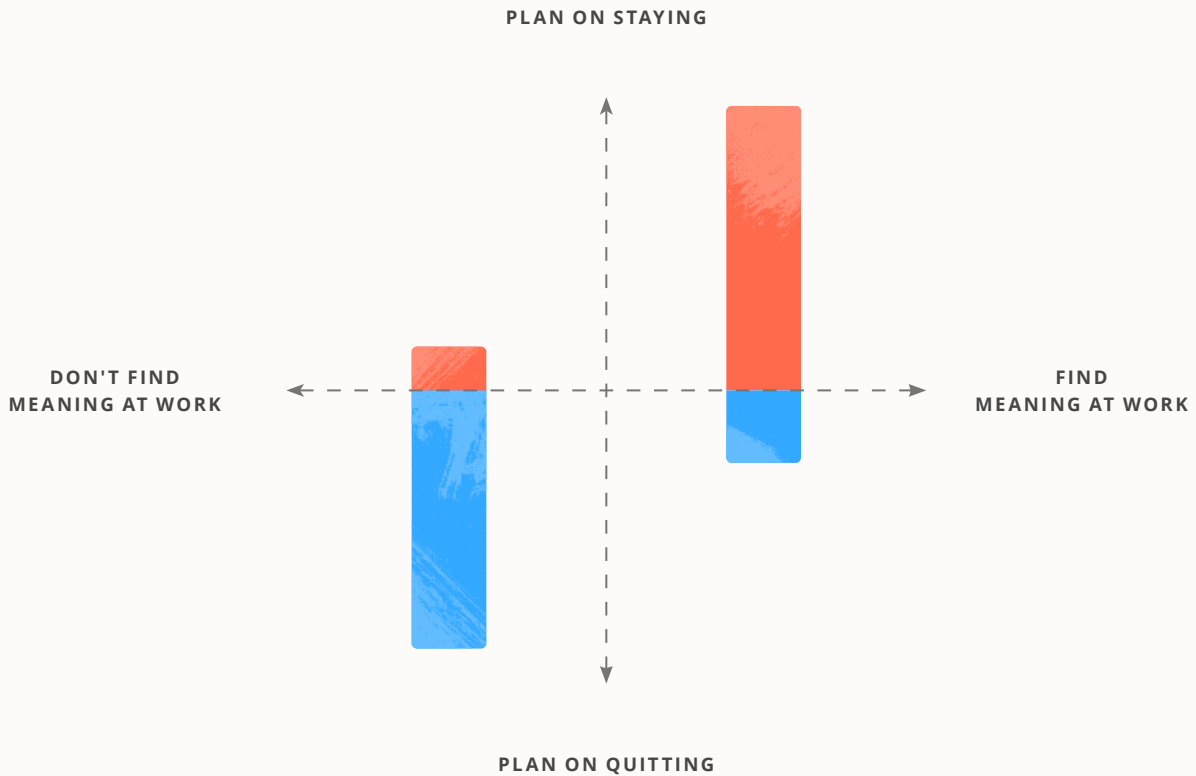
8. Source: US Bureau of Labor Statistics (2018), "Job openings and labor turnover - January 2018"

9. Source: Center for American Progress (2012), "There are significant business costs to replacing employees"

10. These estimates of replacement-related cost savings are based on scenarios of decreased employee turnover as a result of heightened experiences of meaningful, purpose-driven work; national salary averages for managerial and non-managerial roles; and common enterprise-scale span-of-control ratios. The data in these estimates use scenarios where employees who report average experience of meaningful work are elevated into the top 20% of meaningful work scores. These estimates are not meant as predictions, but rather are indicative of our scenario model outcomes.

Source: FRED; McKinsey & Company; Center for American Progress; Glassdoor; BetterUp Labs

— MANAGERS WHO FIND MEANING AT WORK



20% of an employee's annual salary

\$5.49M

ANNUAL SAVINGS
IN TURNOVER REDUCTION PER YEAR

GAINS IN JOB SATISFACTION AND PRODUCTIVITY ARE LINKED TO MEANINGFUL WORK

One of the strongest markers of organizational health is employee job satisfaction. Workplace meaning levels are indicators of this important metric. Employees who rate their work as very meaningful report 14% greater job satisfaction than the average employee, and 51% greater job satisfaction than employees who have the least meaningful jobs.

As job satisfaction increases, productivity levels increase as well.¹¹ In this way, boosts to meaningful work have a positive impact on a company's bottom line. Consider employees who experience only an average degree of meaning at work: for each one of these workers who begins to experience work as highly meaningful, their improved productivity contributes an additional \$9,078 per year in labor output to their company.¹²



51% greater job satisfaction than employees who have the least meaningful jobs.

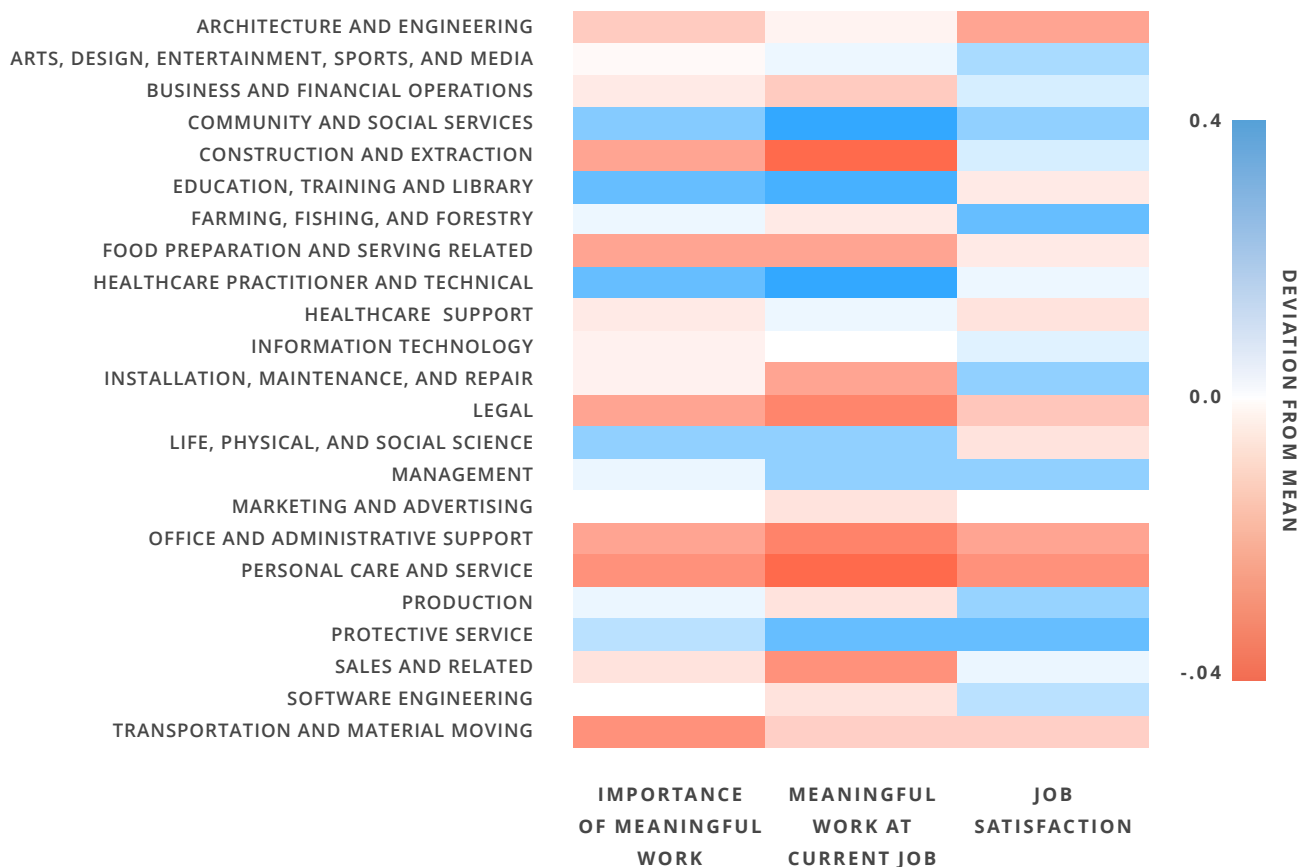


11. Source: Petri Böckerman and Pekka Ilmakunnas (2012), "The job satisfaction-productivity nexus: A study using matched survey and register data", in: Cornell University Industrial and Labor Relations Review.
 12. These estimates of annual productivity gains are based on scenarios of increased employee productivity due to elevated job satisfaction; previously established job satisfaction-to-productivity increase ratios (see above footnote); and increased job satisfaction as a result of heightened experiences of meaningful, purpose-driven work. The data in these estimates use a scenario where employees who report average experience of meaningful work are elevated into the top 10% of meaningful work scores. These estimates are not meant as predictions, but rather are indicative of our scenario model outcomes.
 Source: FRED; US Office of Personnel Management; BetterUp Labs

OCCUPATIONAL DIFFERENCES IN MEANING AND JOB SATISFACTION

Not all professions find work equally meaningful. Service-oriented professions, such as medicine, education, and social work, experience higher levels of workplace meaning. Other occupations, including administrative support and transportation, find work less meaningful, on average.

Companies can leverage this information to identify and provide additional support to low-meaning occupations, as well as initiate cross-functional mentorship programs to allow high-meaning roles to share their perspectives on what makes work meaningful for them.



WHEN WORK FEELS MEANINGFUL, EMPLOYEES WORK MORE, AND ARE ABSENT LESS...

Employees who rate their current jobs as very meaningful put in an extra hour per week at work, compared to employees who feels their work is not meaningful. In a 50-week work year, this extra time translates to an average additional \$5,437 in output per worker, per year, for an organization.¹³

Meaningless work is also associated with greater absenteeism. Employees who say they have the most meaningful jobs they can imagine having (about 5% of respondents) also take an average of 2 fewer days of paid leave per year than other workers.¹⁴

...And raises and promotions are more common

In addition to bringing greater satisfaction and engagement, the benefits of meaningful work extend to professional success for employees. Employees who find their jobs highly meaningful are 10% more likely to have received a raise in the past year, and are 5% more likely to have received a promotion in the past six months, compared to employees who consider their work relatively meaningless.¹⁵

13. These estimates of increased annual gains are based on scenarios of voluntarily extended employee work weeks as a result of employees' heightened experiences of meaningful, purpose-driven work. The data in these estimates use scenarios where employees who report average experience of meaningful work are elevated into the top 20% of meaningful work scores. These estimates are not meant as predictions, but rather are indicative of our scenario model outcomes.
Source: US Bureau of Labor Statistics; FRED; BetterUp Labs

14. These estimates of reduced absences are based on scenarios of lower rates of paid leave as a result of employees' heightened experiences of meaningful, purpose-driven work. The data in these estimates use scenarios where employees who report average experience of meaningful work are elevated to the maximum possible meaningful work score. These estimates are not meant as predictions, but rather are indicative of our scenario model outcomes.

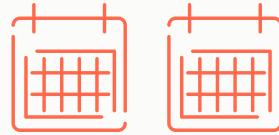
15. The link between meaning and promotions is less strong than the link between meaning and raises, and in statistical terms qualifies only as "marginally significant". See Methodology for details on significance ratings.

— MEANINGFUL WORK RESULTS IN:



+\$5,437

**PER WORKER
ANNUALLY**



AVG. 2

**FEWER DAYS
OF PAID LEAVE**



10%

- 10% more likely to have received a raise in the past year



5%

- 5% more likely to have received a promotion in the past six months



WHEN IS THE MOST MEANINGFUL WORK OF YOUR LIFE?

Across age groups, people who say they're doing the most meaningful work of their lives right now were 28% less likely to plan on quitting their jobs within the next 6 months. Something about the urgency of feeling outsized purpose in this present moment drives greater organizational commitment for those experiencing it.



■ 28% less likely to plan on quitting their jobs within the next 6 months

THE INTERSECTION OF MEANINGFUL WORK AND COMPANY CULTURE

Providing meaningful work requires investing in employees on both the individual and cultural levels. Strong workplace culture has a vital impact on the experience of meaningful work, and in the long run it pays dividends to a company's bottom line.¹⁶

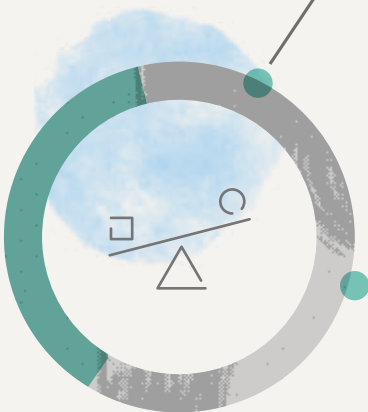
Based on results spanning 26 industries, three key trends demonstrate the link between meaningful work and workplace culture:

1. Meaningful work boosts healthy culture, and shields against toxic culture;
2. Values alignment around meaningful work is an important cultural indicator;
3. Encouraging a culture of knowledge work may enrich a sense of meaning and ownership for all employees.

16. In their book *Corporate Culture and Performance* (1992), John Kotter and James Heskett reported that companies that exhibited key cultural health markers realized a 756% increase in net income over an 11-year period.



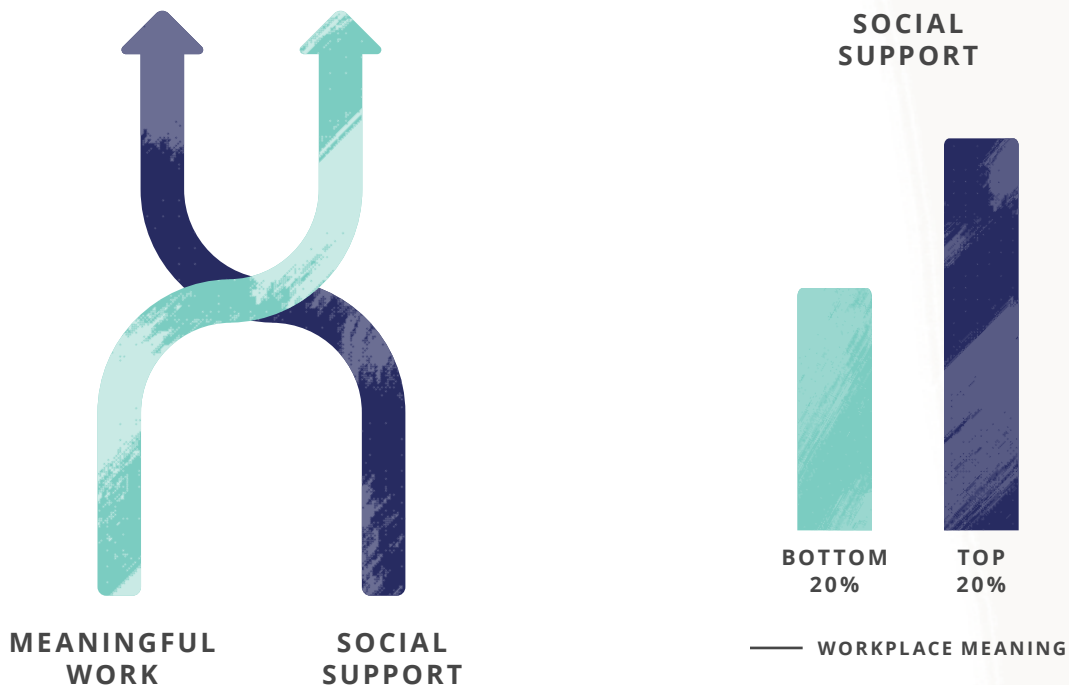
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MEANINGFUL WORK AND SUPPORTIVE CULTURE BUILD ON EACH OTHER

Meaning influences social support, and social support influences meaning.

Employees who reported a strong workplace social support network – those in the top 20% of all respondents – scored 47% higher on a workplace meaning scale than did respondents in the bottom 20%. These results establish a clear, positive relationship connecting meaning and social support in the workplace.



SOURCES OF MEANING

Employees find work meaningful for different reasons—meaning is not a one-size-fits-all experience. A statistical analysis revealed seven primary sources of workplace meaning, commonly experienced by employees. These sources range widely, from finding meaning in the personal growth one experiences at work, to the sense that one’s work is of use to others.



01. PERSONAL GROWTH

The feeling that work is actively contributing to the development of one’s “inner self”



02. PROFESSIONAL GROWTH

The ability to activate one’s full potential



03. SHARED PURPOSE

A collective sense, shared with one’s colleagues and leadership, of working towards a common purpose



04. SERVICE

The ability to have one’s work be in service to others



05. BALANCE

The opportunity to practice personal and professional balance of attitudes and priorities (e.g. patience vs striving, personal vs team goals)



06. INSPIRATION

The experience of feeling inspired by one’s company vision and leadership)

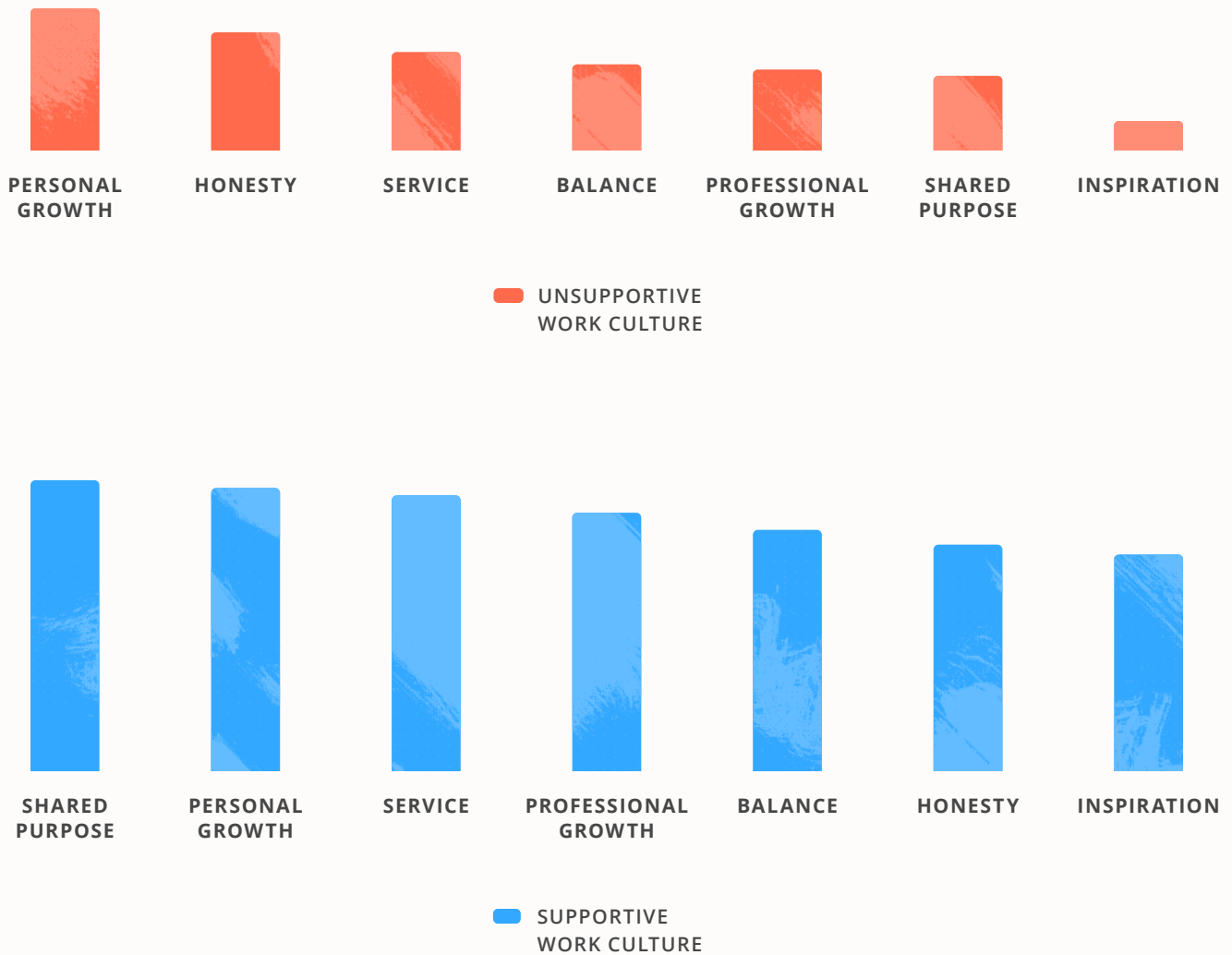


07. HONESTY

The sense that straightforward communication and realistic assessment of work and company progress is held as a cultural value

SHARED PURPOSE IS THE MOST IMPORTANT SOURCE OF MEANING IN SUPPORTIVE WORK CULTURES

— SOURCES OF MEANING



IN SUPPORTIVE COMPANY CULTURES, MEANINGFUL WORK IS FULL OF SHARED PURPOSE



Employees report that the most important way work can feel meaningful is when it provides the opportunity for personal growth. But an exception occurs in companies with cultures of strong social support: in these environments, workers rate a collective sense of shared purpose as the most important way work feels meaningful.

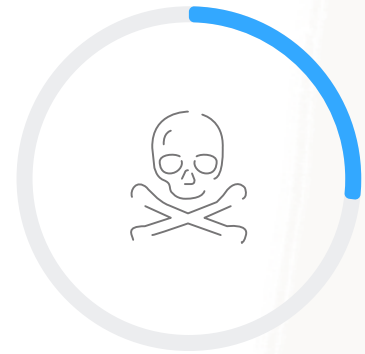
Additionally, in supportive cultures, the sense of being inspired by one's company nearly doubles, along with increases on every other category of workplace meaning.¹⁷ When companies actively invest in creating an atmosphere of social support and collective purpose, the resulting benefits are considerable.

17. See inset "Sources of Meaning" (p. 33) for a more in-depth description of the different categories of workplace meaning.

WHEN EMPLOYEES FIND WORK MEANINGFUL, THEY ARE SHIELDED FROM THE EFFECTS OF A TOXIC WORKPLACE

In the absence of a supportive culture, toxic behaviors like bullying, exclusion, and harassment are more likely to occur. Toxic workplaces lead to increased absenteeism, tardiness, turnover, low morale and motivation, and erosion of trust and social support.¹⁸ In highly toxic workplaces, meaningful work scores decrease by 24%, compared to workplaces with low toxicity.

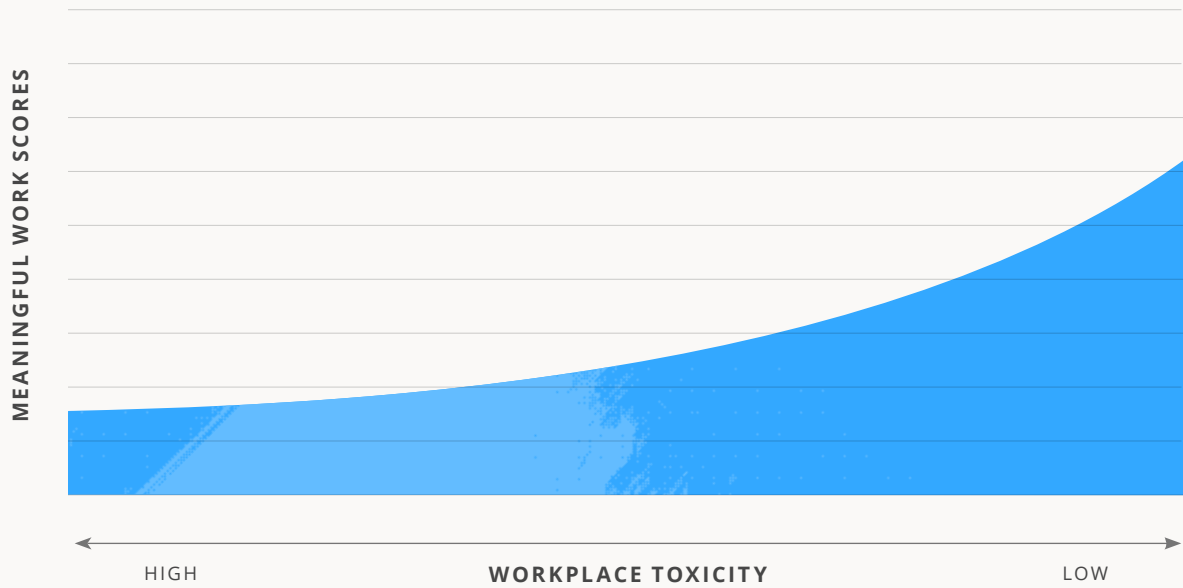
At the same time, meaningful work protects against toxicity-related turnover. In toxic workplaces, employee intent to leave is reduced by as much as 58% for employees who report above average workplace meaning.



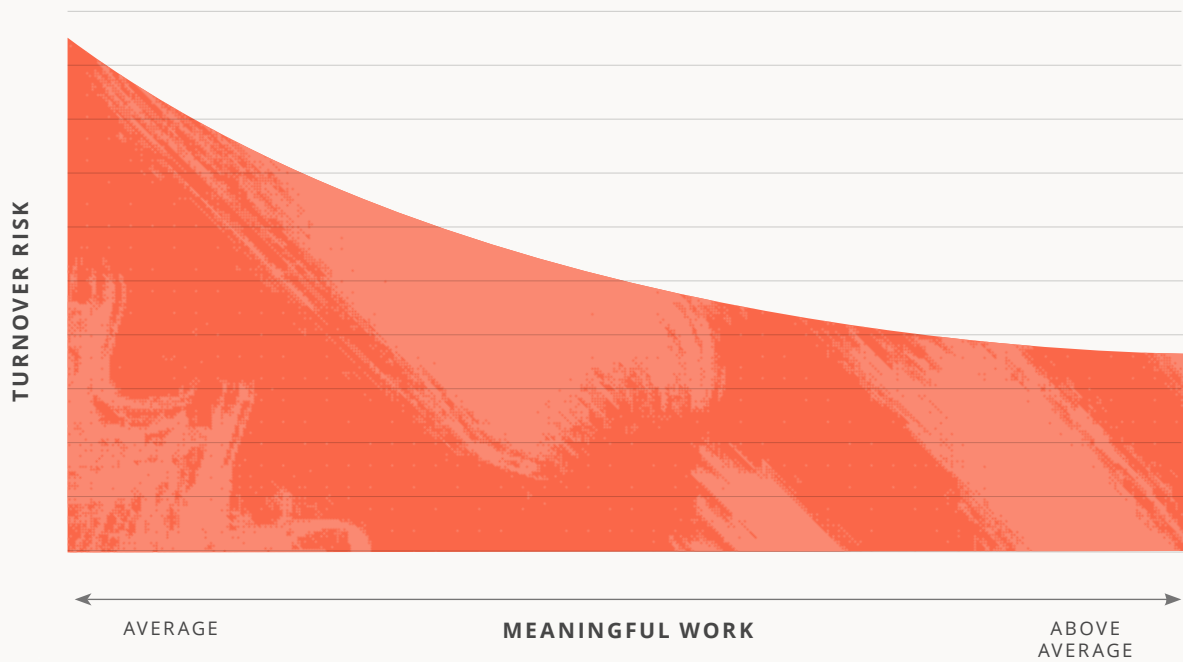
- In highly toxic workplaces, meaningful work scores decrease by 24%, compared to workplaces with low toxicity.

18. Sources: Helge Hoel, Kate Sparks, and Cary Cooper (2001), "The cost of violence/stress at work and the benefits of a violence/stress-free working environment", a report commissioned by the International Labour Organization; Maarit Vartia (2001), "Consequences of workplace bullying with respect to the well-being of its targets and the observers of bullying", in: The Scandinavian Journal of Work, Environment & Health

Meaningful work scores are 24% higher in workplaces with low toxicity



Meaningful work protects against toxicity-related turnover

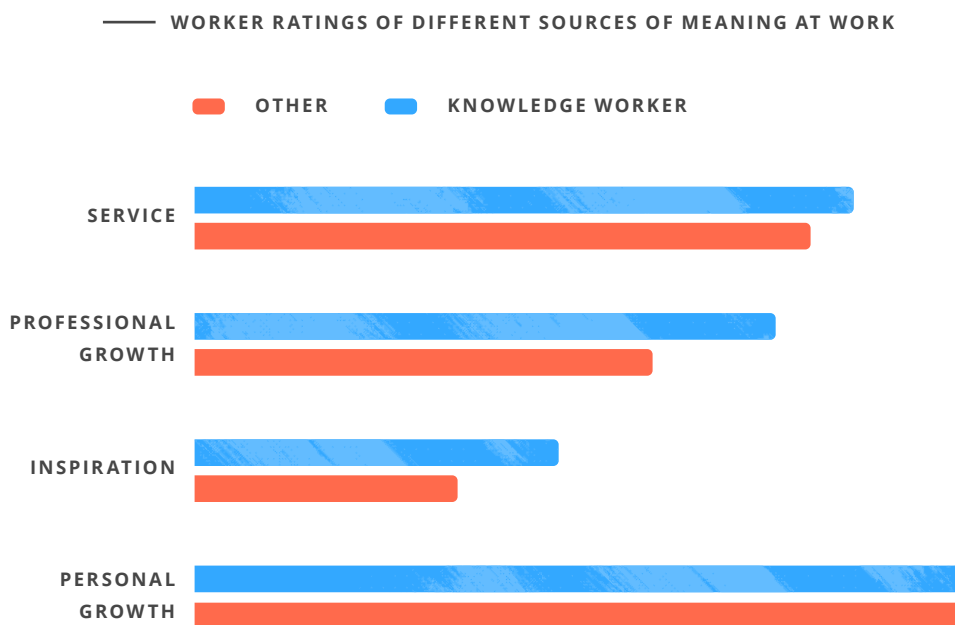


COMPANY CULTURE THRIVES WHEN ALL WORK IS TREATED AS KNOWLEDGE WORK

Knowledge workers derive an especially strong sense of meaning from a feeling of active professional growth, compared to other work categories. Knowledge workers are also more likely to feel inspired by the vision their organizations are striving to achieve, and humbled by the opportunity to work in service to others.

Research shows that all work becomes knowledge work, when workers are given the chance to make it so.¹⁹ That’s good news for companies and employees. Because when workers experience work as knowledge work, work feels more meaningful.

Knowledge workers find work more meaningful on several dimensions



19. Sources: Ethan Bernstein (2012), "The Transparency Paradox: A Role for Privacy in Organizational Learning and Operational Control", in: Administrative Science Quarterly; Casey Ichniowski, Kathryn Shaw and Giovanna Prennushi (1997), "The Effects of Human Resource Management Practices on Productivity: A Study of Steel Finishing Lines", in: The American Economic Review

Values alignment between company leadership and employees is essential for building strong culture

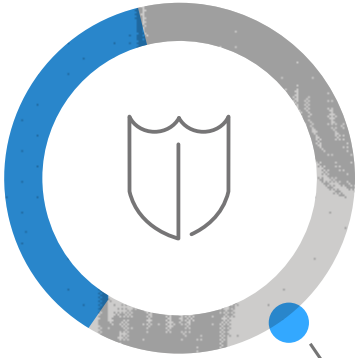
Employees who believe work should be meaningful are more satisfied at work. But it matters even more whether employees believe that their colleagues and company leadership are aligned with them on this value.

Employees who feel their colleagues strongly share their values around meaningful work show a 33% increase in job satisfaction over employees whose colleagues do not share this value. Values alignment with company leadership is even more vital: employees who feel strong alignment with company leadership on the importance of meaningful work score 46% higher on job satisfaction than employees who feel misaligned with leadership on this issue.

Employees don't just care that work is meaningful. They need to know that their managers and company leadership believe that work should be meaningful. This finding offers leaders a highly actionable - not to mention cost-free - means of tactically fostering meaning for their employees. By demonstrating in words and actions that they believe meaningful work is important, company leadership can help to foster the sense of collective purpose that employees are searching for.



■ 47% higher social support received



03



CHAPTER ————— 03

THE ENTERPRISE VIEW

Consider an enterprise organization with many thousands of employees. A few employees experience their work as highly meaningful, but many more experience only an average level of meaning. Some even find work relatively meaningless.

If that company were able to provide truly meaningful work to all its employees, two important things would happen: First, employees would become happier and more engaged, which in turn would contribute to a healthier work culture; Second, the company would realize significant, quantifiable gains in labor, productivity, and talent retention.

*For every 10,000 employees
who experience their work as highly meaningful:*



\$82M

**ANNUALLY IN
PRODUCTIVITY GAINS**



19,500

**FEWER DAYS
OF PAID LEAVE PER YEAR**

Ensuring that managers and other more senior employees have meaningful work is especially important, as turnover costs associated with these positions are many times higher than for the average employee. For large enterprise organizations, for every 10,000 managers who start experiencing their work as highly meaningful:



\$55M

**IN REDUCED ANNUAL MANAGER
TURNOVER COSTS**



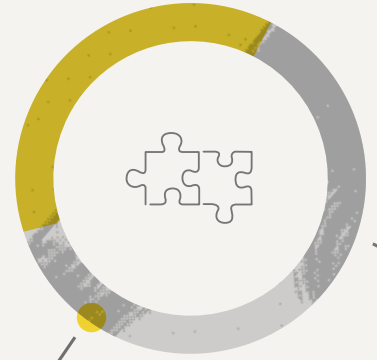
A ROAD MAP TO MORE MEANINGFUL WORK

Companies looking to provide meaningful work are faced with a challenge: How can they build successful organizational initiatives that address such an intensely personal component of the employee experience?

Building on this report's insights into the profiles of high-performing companies and individuals, and drawing on years of research in organizational behavior and culture, we recommend the following actions:

- Offer flexible work arrangements
- Institute consistent, regular feedback practices
- Encourage on-the-job breaks for self-care and reflection
- Foster social support habits that build shared purpose
- Identify and eliminate sources of toxicity
- Make everyone a knowledge worker
- Leverage diversity for mentorship and team-building
- Take stock of company-wide values alignment

The timelines for implementing these initiatives will vary. Some are tactical policies that can be quickly deployed, and which will result in near-term improvements. Others are more strategic initiatives that take time to build out fully, and which represent a company's medium-to-long term investments in its culture and in its employees. Both approaches are necessary to activate meaningful work as a competitive advantage in talent acquisition and retention.



04

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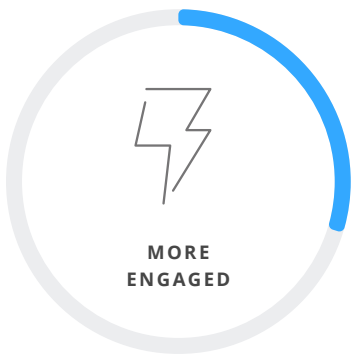
OFFER FLEXIBLE WORK ARRANGEMENTS

Investing the time to discover for which employees flexible working arrangements work best pays off not only in creating a more meaningful work culture for these workers, but in their capacity for creative, productive output as well.

Compared to workers in the lower range of meaningful work scores, 7% more workers in the top quartile report they have the option to work remotely. This degree of workplace flexibility is highly prized by today's workers, especially among younger generations. For many employees, the feeling that work is meaningful is motivated, in part, by simply knowing an employer is willing to trust them to know when and how they can do their best work.

Expect at least a third of employees to prefer working remotely, at least part-time. Our previous research shows that flexible work setups allow some employees to feel they are doing better, more creative work.

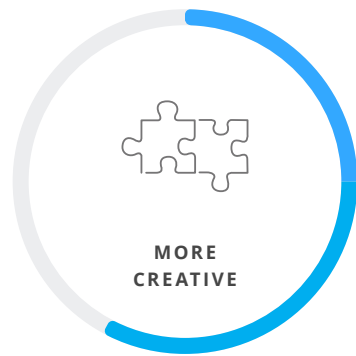
For employees that do at least some remote work each week, 35% report feeling more engaged, 43% report feeling more productive, and 57% report feeling more creative, when working remotely compared to in the office.



— 35%



— 43%



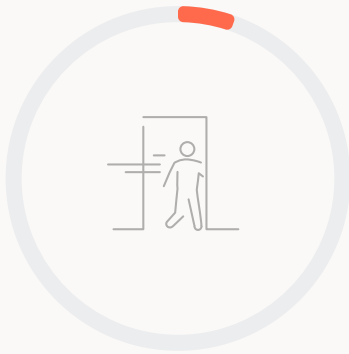
— 57%



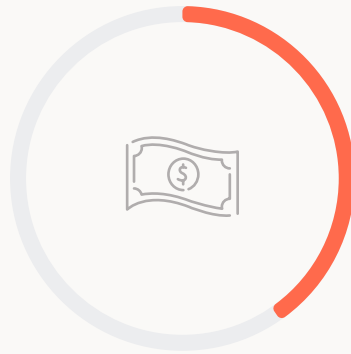


Employees who rate their jobs as highly meaningful are 13% more likely to have received direct feedback about their performance within the past three months

Employees who received performance feedback within the past 12 months:



6% less likely to plan on quitting in the near-term



40% more likely to get raise



INSTITUTE CONSISTENT, REGULAR FEEDBACK PRACTICES

Employees who rate their jobs as highly meaningful are 13% more likely to have received direct feedback about their performance within the past three months than employees who rate their work as largely meaningless. The majority of employees report that the opportunity for personal development is the most important way work feels meaningful. Consistent, constructive feedback helps them to achieve this goal.

Taking time for regular check-ins with employees also promotes talent retention and development. Employees who received performance feedback within the past 12 months were 6% less likely to plan on quitting in the near-term, and 40% more likely to have received a raise in that time, compared to employees who had not received feedback.

3

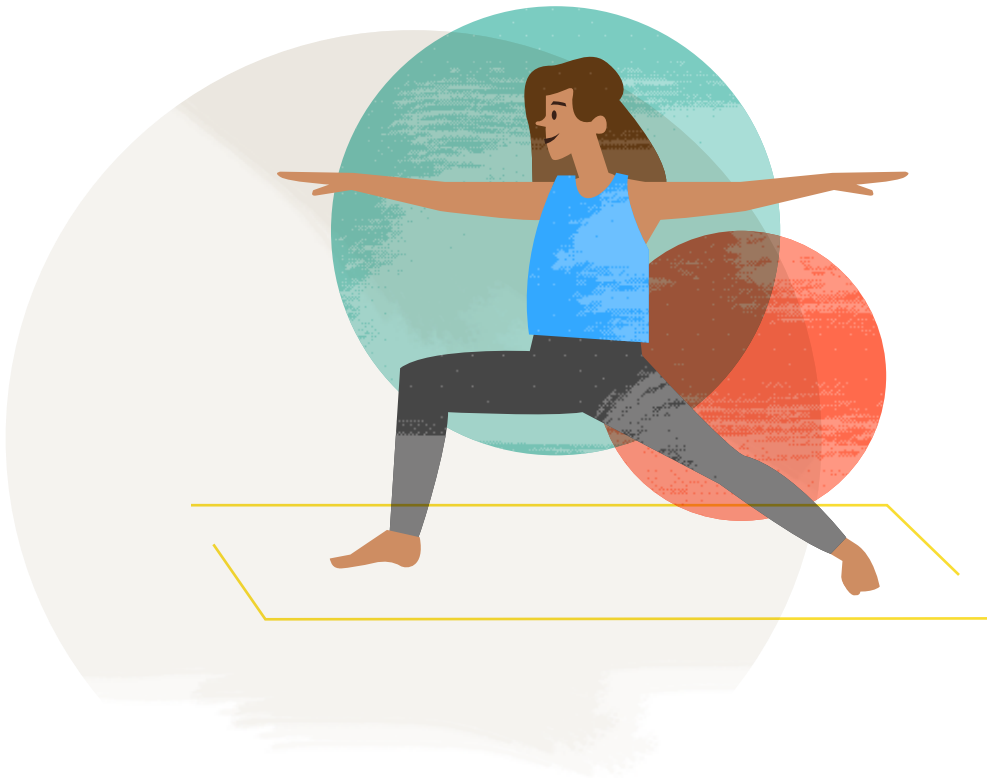
ENCOURAGE ON-THE-JOB BREAKS FOR SELF-CARE AND REFLECTION

Workers who enjoy highly meaningful work take an average of three more self-care breaks during their work days than other workers. Self-care breaks commonly include taking time to exercise, rest, or find quiet time away from disturbances. This extra “me time” can go a long way towards making employees feel energized and passionate when they come back online.

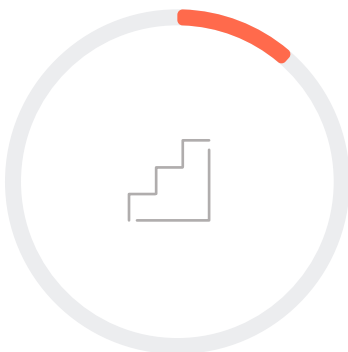
Beyond basic self-care, taking time out during the day to engage in self reflection brings even more benefits.²⁰ Employees who engage in regular self-reflective “inner work” activities not only are happier and more satisfied with their jobs, but they get ahead more, too: employees who rank in the top 10% for number of inner work breaks taken at work per week are 17% more likely to have received a promotion, and 16% more likely to have received a raise in the past year.²¹

20. “Inner work” refers to actions designed to cultivate greater clarity, focus, and understanding, such as meditation and self-reflection. For more on inner work and its applications in the workplace, see BetterUp, Inc. (2017), “To be a better leader, start on the inside, with inner work.”

21. Source: BetterUp, Inc. (2018), “Why inner work is the ultimate retention strategy”



Employees who rank in the top 10% for number of inner work breaks taken at work per week are 17% more likely to have received a promotion, and 16% more likely to have received a raise in the past year.



17% more promotions,



16% more raises



TURNOVER REDUCED BY 24%

For companies whose employees report both strong levels of social support and shared purpose, average turnover risk reduces by 24%





FOSTER SOCIAL SUPPORT HABITS THAT BUILD SHARED PURPOSE

Supportive workplaces are healthier workplaces, in general. But employees get the most value from workplace social support when it helps build a sense of shared purpose among colleagues.

For companies whose employees report both strong levels of social support and shared purpose, average turnover risk reduces by 24%, compared to companies that have good social support but are lacking shared purpose.²²

Sharing experiences of meaningful work is an important form of social support. A number of simple tactical actions can work in tandem to amplify a supportive culture. Encourage managers to talk with their direct reports about what aspects of work they find meaningful, and get managers to share their perspectives with employees, too. Managers can also build in time during team meetings to clearly articulate the connection between current projects and the company's overall purpose. Employees can more easily see how their work is meaningful when team project goals explicitly tie into a company's larger vision.

Adopting these habits may require some coaching of managers, but can go a long way to building collective purpose in and across teams.

22. Source: Shawn Achor, Gabriella Rosen Kellerman, Andrew Reece, and Alexi Robichaux (March 2018), "America's Loneliest Workers, According to Research", in: Harvard Business Review.

5

IDENTIFY AND ELIMINATE SOURCES OF TOXICITY

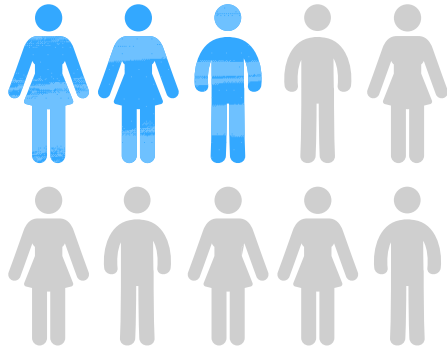
Toxic work behaviors such as bullying are more prevalent in US workplaces than in other industrialized nations.²³ Up to 28% of American workers report being the target of toxic behavior at work, and these experiences result in lower job satisfaction and higher stress. Employees targeted by toxic behaviors have an average increased likelihood of turnover of 128% compared to employees who report never having been targets.

Workplace toxicity is doubly damaging to a company's culture, because it affects observers as well. In the United Kingdom, 46% of workers say they have been observers of toxic behavior, but not targets themselves. Employees who have only witnessed toxic work behavior are still 87% more likely to quit in search of healthier work environments than employees who work in non-toxic work cultures.

Organizations should be vigilant in preventing toxicity by, for example, hiring with an eye toward excluding bullying or passive-aggressive behaviors. Find and eliminate sources of toxic behavior quickly to prevent long-term harm to a organization's culture. Provide direct feedback to employees who demonstrate toxic behaviors, and, if necessary, coaching toward remediation of the problem. If employees don't correct their toxic behaviors, they should be dismissed. Once damaged, cultural norms are hard to rehabilitate.

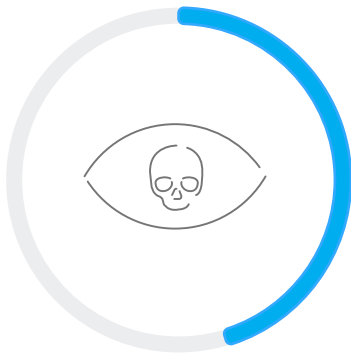
If companies find themselves needing to make a cultural course-correct, meaning can help protect employee morale. Doubling down on opportunities to create and celebrate shared meaning can help a workforce recover from toxic habits.

23. Comparison of workplace toxicity in US vs other nations, and toxicity-related turnover statistics are reviewed in Helena Cooper-Thomas, Tim Bentley, Bevan Catley, Dianne Gardner, Michael O'Driscoll, and Linda Trenberth (2015), "The impact of bullying on observers and targets", in: *New Zealand Journal of Human Resources Management*. Data on US workers experiencing toxic behavior at work is reported in Pamela Lutgen-Sandvik, Sarah Tracy, and Jess Alberts (2007), "Burned by bullying in the American workplace: Prevalence, perception, degree, and impact", in: *Journal of Management Studies*. Data on observers of toxic behavior in UK workplaces is reported in Cary Cooper, Helge Hoel, and Brian Faragher (2004), "Bullying is detrimental to health, but all bullying behaviors are not necessarily equally damaging", in: *British Journal of Guidance and Counseling*.



3-in-10
WORKERS GET BULLIED

128%
INCREASED
TURNOVER RISK



—

In the United Kingdom, 46% of workers say they have been observers of toxic behavior

THIS LED TO A
TURNOVER LIKELIHOOD
INCREASE OF

87%



When management fostered creativity, production uptime increased by 3.5%



RESULTING IN A
\$1.2M
INCREASE IN ANNUAL
OPERATING PROFITS



MAKE EVERYONE A KNOWLEDGE WORKER

All workers benefit from a greater emphasis on creativity in their roles. Offer employees opportunities to creatively engage in their work, share knowledge, and feel like they're co-creating the process of how work gets done.

Often, the people "in the trenches" (retail floor clerks, assembly line workers) have valuable insights into how processes can be improved. Engaging employees by soliciting their feedback can have a huge impact on employees' experience of meaning, and helps improve company processes. A case study of entry-level steel mill workers found that when management instituted policies to take advantage of workers' specialized knowledge and creative operational solutions, production uptime increased by 3.5%, resulting in a \$1.2M increase in annual operating profits,.

Coaching and mentoring are valuable tools to help workers across all roles and levels find deeper inspiration in their work. Managers trained in coaching techniques that focus on fostering creativity and engagement can serve this role as well.

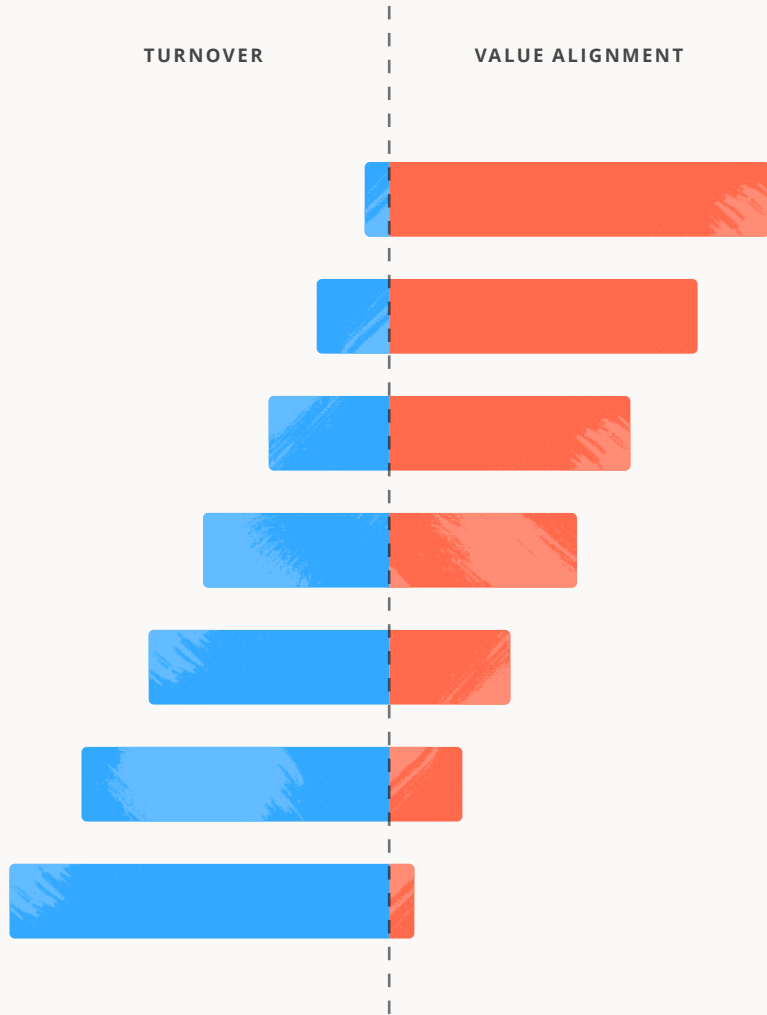
7

LEVERAGE DIVERSITY FOR MENTORSHIP AND TEAM-BUILDING

Diversity of life experience is a valuable, under-utilized resource that employees bring to a company. Older employees and parents, for example, tend to find more meaning at work than others, and can complement the strengths of younger, non-parent employees. Leverage members of these groups as meaning assets, and invite them to act as multipliers of meaning throughout an organization.

Similarly, these findings can help target those at risk for feeling that work is less meaningful. Younger workers benefit from additional mentorship and engagement. Less-educated workers may be more likely to occupy roles which do not activate their full range of expertise—these are prime candidates to coach on the attitude of knowledge work. Knowing which employees are more at risk, on average, of feeling a lack of meaning provides opportunities for more personalized engagement and encouragement.





8

TAKE STOCK OF COMPANY-WIDE VALUES ALIGNMENT

Employees report much higher levels of job satisfaction when their values are shared by company leadership.²⁴ Our findings show this is especially true regarding the value that work should be meaningful.

Values alignment is associated with reduced turnover: Employees who report company leadership as highly aligned on the value of meaningful work show a 33% decrease in turnover risk, compared to employees who feel leadership is misaligned on this issue.

Use company-wide “All Hands” meetings, along with informal, personal check-ins to clearly and frequently communicate that meaningful work is important. Publicly call out appreciation and encouragement for colleagues who articulate and demonstrate this value to other employees. These actions work toward establishing cultures where the pursuit of meaning is actively encouraged.

In addition, solicit feedback from employees, either informally or through the use of anonymous surveys, to better understand whether their sense of values alignment with company leadership is clear and strong, or requires further calibration.

24. Source: Elizabeth Amos and Bart Weathington (2008), "An analysis of the relation between employee-organization value congruence and employee attitudes", in: *The Journal of Psychology Interdisciplinary and Applied*



05

CRAFTING MEANING FOR TOMORROW'S WORKERS

Today's workers are calling out for meaning with louder, more passionate voices than previous generations²⁵ — and they show no signs of quieting. Companies that choose to answer this call not only succeed in fulfilling their end of this new social labor contract, but in doing so they unlock significant business assets, in the form of increased employee commitment, engagement, and productivity.

While meaningful work represents a competitive advantage in today's talent wars, it will soon become table stakes for tomorrow's top-performers. This lends an added urgency to the findings presented in this report: Employees are seeking out more meaning at work, and companies now have a road map to deliver it to them.

Not all companies will have as clear a path to delivering meaning. But we know that employees' experiences at all levels are enriched by support,

appreciation, and a recognition of the value they bring to their organizations. We know that coaching and mentorship are valuable tools that can bring out the best in every worker. And we know that providing time for on-the-job self-care and self-reflective activities provides balance to employees, and signals to them that their employers care deeply about them. All companies, irrespective of size or industry, can leverage these insights to begin building a more meaningful workplace.

Investing in a supportive workplace, full of meaningful work, has only upsides. It's better for business: Employees work harder and quit less. It's better for hiring: The best and brightest are attracted to healthy, supportive work culture. And it's what employees want: The sense that their jobs are moving them further toward the pinnacle of their own personal evolution.

In short, meaningful work isn't just good for business: It's a win for the human condition.

25. For more on generational differences around meaningful work, see Kelly Weeks (July 2017), "Every generation wants meaningful work but thinks others are in it for the money", in Harvard Business Review. Our findings suggest today's workers not only have a different view of meaningful work, but that their demand for it is stronger than ever.

METHODOLOGY

This study was conducted by BetterUp, Inc. in the United States between September 17, 2017 and December 17, 2017. BetterUp researchers built and administered a series of online survey questionnaires that spanned eight core subjects: (1) Sample demographics, (2) Work experience and current circumstances, (3) Personality traits (Big 5), (4) Job satisfaction, (5) Subjective gratitude and happiness, (6) Workplace toxicity, (7) Workplace social support, and (8) Sources of meaning and purpose in life and in the workplace. Surveys were administered in English. Each survey took 2-12 minutes to complete, and all respondents were paid for their time, at an average rate of \$12 per hour.





ANALYSIS

Sample The sample used in this report included 2,285 United States residents, ages 18+. Respondents who met each of the following criteria were included in the final sample: (1) Currently employed, or employed within the past six months; (2) Not self-employed; (3) Earning a personal annual income of at least USD \$25,000. In the case of having been employed within the past six months, but not currently employed, respondents were asked to answer questions as they related to their most recent employment. All respondents were recruited using a consecutive sampling design. The final sample was not matched or weighted to reflect nationally-representative demographic distributions. See Sample Demographics for more information about the sample's demographic characteristics.

Survey items Survey items related to demographics, work experiences, and current circumstances were largely adapted from open data resources provided by the United States Census, the U.S. Bureau of Labor Statistics, and the Rand American Life Panel. The following validated measurement instruments were used in the assessment of psychographic, behavioral, and employment-related constructs:

- Personality traits (Big 5): 20-item version (Condon, 2017)
- Job satisfaction: Job Satisfaction Scale (Spector, 1985)
- Happiness: Subjective Happiness Scale (Lyubomirsky & Lepper, 1997)
- Gratitude: Gratitude Questionnaire (6 item) (McCullough et al, 2002)
- Workplace Toxicity: Negative Act Questionnaire, Revised (Einarsen et al., 2009)
- Social Support: Multidimensional Scale of Perceived Social Support (Zimet et al, 1988)
- Sources of meaning and purpose: Work And Meaning Inventory (Steger et al., 2012), Comprehensive Meaningful Work Scale (Lips-Wiersma & Wright, 2012), Personal Meaning Profile (Wong et al., 2012)

In addition to these published assessments, a number of customized survey items were employed to capture sentiments about workplace meaning and social support that are either missing or poorly represented in existing instruments.

26. Sections of this report which refer to seven distinct "sources of meaning" refer to the subscales of the Comprehensive Meaningful Work Scale, which allow the measurement of workplace meaning to be categorized into seven different typologies.

Results Data were analyzed by researchers at BetterUp, Inc.. Descriptive and inferential analyses, were applied to the entire sample as well as to subgroups. Subgroup analyses assessed differences between demographic profiles (e.g. gender, education level, race/ethnicity), life circumstances (e.g. parents vs non-parents), employment circumstances (e.g. knowledge workers vs others, managers vs individual contributors), and behavioral differences (e.g. high vs low workplace social support). Significance testing was used to determine whether group differences were statistically significant (at the $p < .05$ level). All results are significant under this definition, except where otherwise noted. Correlation and regression analyses were used to examine relationships between variables and determine direction of relationships. Margins of error are represented on graphs either as error bars (± 1.0 SE) or error bands in the case of trend lines (95% CI).

High and low levels of meaningful work Some findings report on the differences between employees who “score” high in their ratings of how meaningful work feels to them, and employees with average or low scores on this measure. References to high and low scores on meaning refer to the discretization of a continuous measurement of workplace meaning into quantile brackets. High (low) meaning brackets may refer to the top (bottom) 10% or 20% of meaningful work scores.

Limitations This report highlights a number of high-value, analytical findings related to the measurement of meaning in the workplace, however it is limited in important ways.

1. *Sampling.* The consecutive sampling method employed does not attempt to account for sample characteristics which may be non-representative of the actual makeup of the American workforce. In some cases, sample demographics were reasonably reflective of the broader U.S. population - gender, education, and income, for example. Sample age ranges, however, were skewed younger than the true U.S. population, and respondents displayed a largely homogeneous racial/ethnic composition (mostly White/Caucasian). Due to these non-representative characteristics, caution should be exercised when using the findings in this report to make confident inferences about the American workforce at large. Future iterations of this research can improve external validity by employing weighting schemas and adaptive inclusion criteria to better approximate the true population of the American workforce.
2. *Cause and effect.* This research used observational data, meaning there was no randomization or experimental manipulation of the variables measured. As such, the relationship between any two variables is just that - a relationship - and it remains undetermined as to whether a change in one variable actually caused the change in another. The findings in this report may, however, be used as preliminary indicators to determine which variables may be worth manipulating experimentally to establish true causal relationships.
3. *Projection models.* Throughout this report, efforts are made to bring specific, concrete facts to light regarding the business benefits of meaningful work. The simplest way to describe benefits to a business is in terms of financial gains, however, it is frequently challenging to convert improvements in employees' self-reported experiences directly into dollars saved. Four analyses in particular report explicit savings estimates: estimated productivity gains due to improved job satisfaction, replacement costs saved by reduction in turnover, gains in increased hours worked per week, and gains in employee-days per year due to reduced absenteeism. The specific dollar amounts reported as savings should be interpreted as projections with a considerable margin of error. Actual outcomes may vary widely, due to a number of factors including company size, industrial sector, and existing productivity levels.

Sample Demographics Total sample: N=2,285	Percentage (%)		%
Gender Male Female Other/Prefer Not To Say	51% 49% <1%	Professional Category Applied Mathematics and Statistical Analysis Architecture and Engineering Arts, Design, Entertainment, Sports, and Media Building and Grounds Cleaning and Maintenance Business and Financial Operations Community and Social Services Construction and Extraction Corporate Consulting Education, Training, and Library Farming, Fishing, and Forestry Food Preparation and Serving Related Healthcare Practitioner and Technical Healthcare Support Information Technology Installation, Maintenance, and Repair Legal Life, Physical, and Social Science Management Marketing and Advertising Office and Administrative Support Personal Care and Service Production Protective Service Sales and Related Software Engineering Transportation and Material Moving	
Age Range Under 25 25-34 35-44 45-54 55 and over	6% 45% 29% 15% 6%		
Personal Annual Income \$25,000 - \$44,999 \$45,000 - \$74,999 \$75,000 - \$99,999 \$100,000+	41% 41% 12% 7%		
Education Level Some high school High school graduate Some college Associates degree Bachelor's degree Master's degree Professional degree (e.g. JD, MD) Doctoral degree (e.g PhD, E.D)	0% 5% 14% 12% 48% 17% 2% 2%		
Managerial Status Manager Individual contributor	38% 62%		
Employment Sector For profit Non-profit Government	68% 15% 17%		Size of Current Employer Under 10 Under 20 Under 50 Under 100 Under 250 Under 500 Under 1000 Under 5000 Under 10000 Under 20000 Under 50000 Under 100000 100000 and over N/A
Household Annual Income \$25,000 - \$44,999 \$45,000 - \$74,999 \$75,000 - \$99,999 \$100,000+	22% 35% 20% 22%		
Note: Percentages may exceed 100% due to rounding.			

APPENDIX: PERSONAL TOUCHPOINTS

Note: These are selections from survey respondents' answers to the following item:

Imagine a job that, for you, would make you feel like you're doing the most meaningful work you could possibly be doing.

"Meaningful work" is work that feels personally significant because it helps you better understand or achieve your purpose in life.

Please briefly describe this job and the work it would entail.

They are included here as potential material for margin quotes, insets, or sidebars throughout the report.

When work feels meaningful:

1. I am doing the most meaningful work possible. I am able to interact with so many different people and make decisions that hopefully shape their lives for the better. I could ask for no better job.
2. The job I am doing now is exactly the work that gives my life meaning. [In my line of work] I bring a measure of joy to my customers that they wouldn't find elsewhere in their lives. I find the meaning and purpose of my life in this.
3. As long as I'm working with others and for others, meeting new people and learning new things. I'm happy.
4. I believe i have this work. I am a fifth grade teacher. I guide young people to become lifelong learners. I cannot imagine a better life's path, which gives me the fulfillment of knowing my life makes a difference.

The most meaningful job I can imagine...

“Not the old labor contract”

1. Would not be a job. The minute it becomes an exchange of services for money, it loses meaning.
2. Would be one where I'm helping to make other people's lives better in a meaningful way instead of just trying to make money for a company. The work could be pretty much anything as long as it contributed to the well-being of others.
3. Would allow me to work with others and assist them. I would have significant autonomy to handle things my way and the power to really enact change, to help others see their own potential and learn and grow. This job would be more about caring and people than bottom lines or deadlines.

“Social support and mutual celebration”

4. People would support each other, and would not pre-judge an idea based on who brought it forth. There would be a mentorship environment in which colleagues would encourage others and teach them things such as when and how to ask for a raise. Victories would be celebrated. Failures would be treated as lessons learned instead of opportunities to direct the blame at the party at fault.

“In service to others”

5. Would entail working to help others grow and see their own potential. I would be able to recognize what motivates others and help each person reach their goal, whether it be a coworker or a customer.
6. Would be a job that would allow me to see the real positive differences I make in the world - lasting changes that would continue to improve life for others long after I've died.
7. Is impacting other peoples lives in a positive and uplifting manner - even in a minuscule amount, I think that's what it's about.
8. Would be helping others to learn and inspire.
9. Would entail the betterment of other people's lives.

“Personal growth”

10. Would both take advantage of my best skills and incorporate things which I am passionate about. It would be a creative job, [and one in which] I could see tangible outcomes of my work and be allowed to see a project through from start to finish. It would be visible, demonstrating my competence to others.
11. Would be one that challenges my skills and gives me the opportunity to work with superiors that also help guide me and mentor me.
12. To be able to push my abilities to the utmost would be the most personally fulfilling.

“Loving one's work”

13. Would have to be work that I thoroughly enjoyed doing. I don't think it matters whether the work makes a huge difference, as long as I feel like I'm doing something I love and it doesn't feel like I'm working.
14. Would be one where I am at my happiest there. I would have to feel excited to wake up and get to work each day.

Echoing a common sentiment about meaningful work:

15. I think meaningful jobs would revolve around helping others and especially the disadvantaged and needy. There are jobs out there like that...but honestly few of them pay a living wage. I hope at some point in the future to be able to have one of these jobs when the income from the job is not as important.



AUTHORS:

Andrew Reece
Gabriella Kellerman
Alexi Robichaux

CONTRIBUTORS:

Job Hall, Graphics, Design, and Layout
Matthew Pamer, Illustrations and Graphics



Founded in 2013, BetterUp is a mobile-based leadership development platform used by Fortune 500 companies. With a holistic, science-backed methodology, BetterUp develops new behaviors and mindsets that enable high performance amid constant and accelerating change. Through on-demand, virtual coaching sessions, users practice and reinforce new behaviors and skills. Individual growth is measured and tracked. To learn more, visit www.betterup.co.



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