

What does it mean to be a responsible and responsive employer?

'At the end of the day, we ought to value human life, value not just environmental but human sustainability. More people need to have a sense of stewardship over the lives of their employees, who've placed their well-being in leaders' hands, and take that responsibility seriously'

Jeffrey Pfeffer, [Author of Dying for a Paycheck](#)

OUR PROVOCATION

A world where business exists to maximise shareholder value, and people are assumed to be self-interested, leads to a mind-set which regards people as assets or costs. Everything is ultimately at the service of the bottom line and employees are incentivised to maximise profit. For all the rhetoric about caring for customers or employees, the suspicion is that people don't matter.

Fortunately, this is not a world that any company is forced to inhabit. Business leaders have a choice about how to think about people and purpose. A different choice, and one increasing numbers of businesses already seek to live by or embed, is recognising that a business is a social organisation that can and should have a purpose - a reason for being – beyond making money. Profit is not the purpose, but rather one outcome of a worthwhile shared purpose that benefits society.

As a social organisation a business is not reduced to a nexus of contracts between self-interested individuals, but is instead a series of relationships, ideally characterised by respect and co-creation, where people are moved to commit to a shared worthwhile endeavour. Crucially, making this shift in thinking a reality depends on putting people at the heart of business success, and meaning it. In practice this means caring about those touched by the business whether as employees, customers, suppliers or communities because they are people, not just because they are instrumental to making more money.

Ultimately, how a business thinks about purpose and people profoundly shapes and informs what it does and how it does it. [Research on human motivation](#) makes clear that human beings seek meaning through work, and the quality of relationships matter to us. Fair reward, enough money for a good quality of life, is fundamental but beyond that people want to contribute and realise their potential. If a business genuinely seeks to benefit society, it will try to create both decent work with fair pay for all, and structures and processes that “switch on” intrinsic motivation by giving employees freedom to thrive and grow. It will recognise that long-term success depends on the system in which it operates, and seek to create and sustain respectful relationships not only with employees, but across the entire value chain.

The Five Principles of a Purpose Driven Business, were rigorously developed by Blueprint through a year-long collaboration with a wide range of businesses, NGOs, investors, academics, different faiths and others in 2014; they offer a picture of how a business might look if it thinks in this way about purpose and people. As the Blueprint Five Principles make clear, part of being a purpose led business is to be a responsible and responsive employer. But what does that mean? Here are some illustrations (and that is all they are) of how a purpose driven business might act:

- Treats everyone with dignity and provides fair pay for all
- Enables and welcomes constructive dialogues about its behaviour in keeping with its true purpose
- Fosters innovation, leadership and personal accountability
- Protects and nurtures all who work for it, to ensure that people also learn, contribute and thrive

THE CHANGING LANDSCAPE

Such aspirations are easy to state, but hard to deliver in a rapidly changing world. Corporate leaders and their talent teams find themselves navigating an uncharted landscape. Many organisations are struggling to play catch-up with shifting expectations of both employees and wider society. The job of ensuring that an organisation is truly ‘purpose-led, values-driven and market leading’, is one that requires boldness, commitment and endurance.

Macro trends around the ‘social contract’ (as well as the legal one) now demanded by those in service to organisations have far-reaching implications. Gone is the ‘safe’, dominant and known status quo of command and control, hierarchy, final salary pension, and job for life, They have been replaced with a shifting pattern of employment in which flexibility, diversity and inclusion, autonomy and a deeper and enduring sense of meaning through work, are increasingly prerequisites.

Yet, in large organisations these fundamental changes in expectations, roles and relationships of employer, employee or contractor, are often poorly supported by the entrenched tools, systems and processes that have underpinned the past. As business is slow to adapt this is leading to complex failings in governance and/or relationships. Frequently, the stated ambitions and rhetoric of an organisation to foster 21st-century adult-to-adult, trust-based relationships, flounders in the face of pre-existing cultural norms or ways of working. Despite the proliferation of employee value propositions, corporate values and purpose statements; productivity and engagement levels remain at an all-time low for the vast majority and mental health and wellbeing challenges continue to dominate the media and internal corporate discourse.

Meanwhile, fashionable concepts, such as [Holacracy](#), fade in and out of the picture and, as with all things, there is a temptation to polarise and demonise; the old vs the new, or the new vs the old, with advocates and naysayers on both sides. Will ‘unlimited holiday’ or ‘transparent pay’ work for my organisation? My team? Me? Does remote working kill creativity and innovation? Should we ditch the annual employee engagement survey in favour of real-time feedback? Do Millennials seek meaning at the expense of a fair salary? Can radical candour teach us all to be more effective with feedback? Should there be a maximum multiplier between the lowest and highest paid in an organisation? Will quotas kill or cure diversity challenges inside of the upper rungs of our organisations? How can we use technology to amplify human potential rather than to dehumanise the workplace? How responsible is it to outsource to call centres and where does our responsibility lie for how our suppliers treat their staff?

Blueprint’s thinking does not offer short cuts to the answers, but does offer a framework for what the right questions are. Does the organisation tirelessly commit to the development of a truly sustainable healthy human system, or, to simply achieving its near term goals around profitability and growth? Is ‘purpose’ a means to an end, or something far greater? The true character of any organisation, leader, or team, is demonstrated in the quality of, and value placed upon, the human relationships that it fosters both internally and externally.

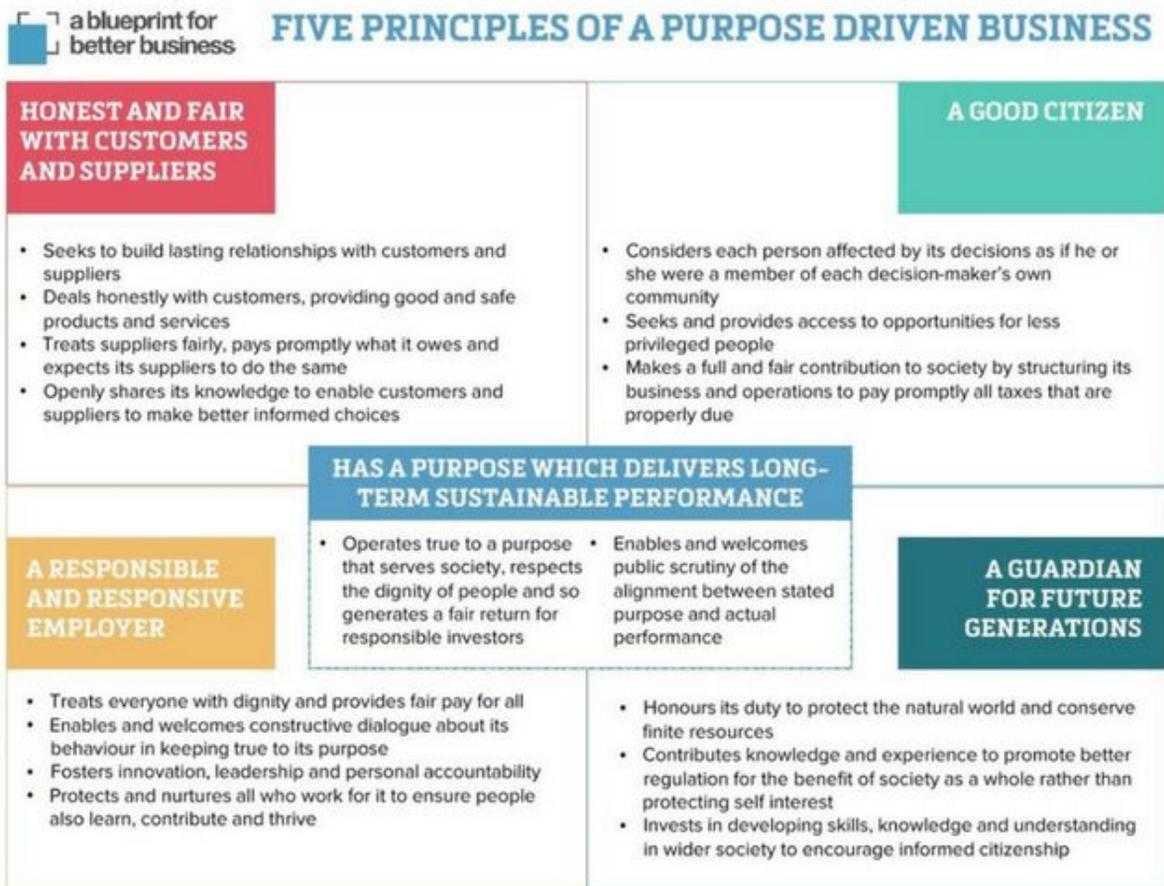
What we know from our work with corporates is that change without a change in mind-set is frequently sought and yet, seldom effective. Changing the ‘wallpaper’ via enthusiastic employee engagement and internal communications programmes, or, employer-brand- refresh storytelling, is no longer enough. Deep change, commitment to experimentation, learning to fail, insisting upon more inclusive practices, challenging conventions and fostering innovation is all in the ‘hard basket’. But, for the bold and the brave, tapping into intrinsic motivation and committing to charting the course to a genuinely sustainable high-performance culture, promises shared rewards.

This paper was produced ahead of a [Blueprint panel event in June 2018](#). Chaired by [Andrew Hill](#), Management Editor of the FT, panelists include [Kate Glazebrook](#), CEO and co-founder of Applied, the Behavioural Insights Team’s first tech venture, [Maaïke de Bie](#), General Counsel of Royal Mail, and [Jason Stockwood](#), Simply Business Group CEO, previously MD of Match.com.

We’ve outlined some thoughts on being a responsible and responsive employer and why it matters. We welcome your views and invite you to share any questions or topics you would like to see [Blueprint address](#) – [please do send us your thoughts](#).

A Blueprint for Better Business is a charity that helps businesses be a force for good by being inspired and guided by a purpose that serves society. We challenge core assumptions about the purpose of business and what motivates people and help businesses see that they can operate in a way that benefits both business and society.

Our [Five Principles of a Purpose Driven Business](#) set out what a company that is inspired and guided by a purpose that serves society and respects people might look like.



We are not a consultancy or funded by business. We convene workshops, events and participate in ongoing dialogue to bring business leaders and wider society together, to stimulate and energise a different way of thinking and behaving in business

If you would like any more information about [Blueprint](#) or the [Five Principles](#) please contact enquiries@blueprintforbusiness.org or follow us on Twitter at [@Blueprint4biz](#).