

Understanding the role of purpose in working lives



MetLife

Introduction

The last few years have seen considerable socio-economic changes worldwide, with ongoing crises impacting collective values, attitudes and behaviours in the workplace and at home. Having been through significant emotional and physical upheavals, many people re-examined the way they do things and their expectations about work.

At the peak of the Covid-19 pandemic, our Re:Me (https://www.metlife.co.uk/ReMe/) research showed that employees were searching for a sense of belonging in the workplace and companies that care about them.

Today, as the initial reaction to the pandemic has shifted and freedoms have been restored, employees are taking conscious steps towards finding purpose and meaning in what they do. In the context of an escalating cost of living crisis, their pursuit of individual passions and interests is mixed with caution, leading to attitudes and behaviours that call for a more human-centred approach to leadership.

Based on a nationwide quantitative survey of 2,482 respondents representing different industries, work environments, company sizes, occupations and demographics in the UK, this report explores the values that guide employee behaviour today and the role of purpose in working lives.

This report identifies how companies can adapt to employees' evolving needs to become better places to work that attract, motivate and retain talent.

Overview

My world comes first

Exploring the values and priorities of employees today

The role of purpose in the workplace
How purpose matters to individuals and companies

Purpose delivered?

Exploring the reality of purpose in the workplace

When caution and purpose converge

How the need for protection reflects upon employee decision-making

From insight to action Identifying opportunities for companies to align with employees' evolving needs

Methodology

The report is based on a nationally representative omnibus quantitative research conducted in June 2022 among 2,482 respondents from the UK general population. Out of all participants, 58% were full-time employees, 28% part time employees; 41% working in small companies, 11% working in medium-sized companies with 250+ employees, 34% working in large companies with 1000+ employees.



My world comes first

Exploring the values and priorities of employees today

Personal values, goals and priorities are the foundation of important life and work-related decisions. When people strive or work toward something personally meaningful or valued, they experience a sense of direction in life that helps them feel fulfilled.

As values evolve under the influence of external and internal factors, understanding employees' current priorities should be a key focus of progressive organisations that strive to build a needs-focused and human-centric organisational culture.



People today prioritise their inner world

Having witnessed and experienced a constant stream of crises over the last two years, both globally and in the UK, employees today care the most about their inner world: their health, their family, the people who matter to them as well as their financial stability and individual freedom. They prioritise first and foremost their basic needs for security and belonging.

Personal growth and self-actualisation through exploration, learning, volunteering or engaging in creative activities emerge as the next most important priority for employees today, across demographics. For most people, they are much more important than achieving a position of authority, professional success and status at work.

Most important priorities

72% 22%

Being in good health

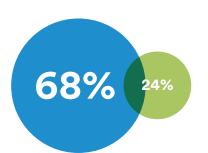
achieve in life

strive

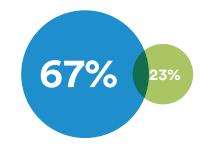
people

that

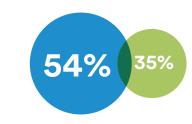
Priorities



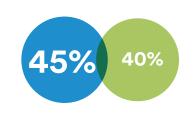
Spending time with my family & the people close to me



Caring for my family and the people close to me

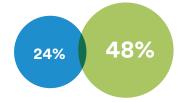


Having the freedom to decide what I want to do

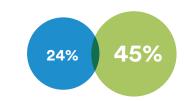


Achieving financial stability & material success

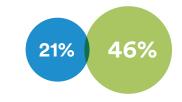
Priorities of medium importance



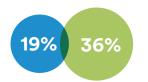
Having new and exciting experiences



Learning & intellectual growth

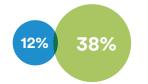


Making an impact on others, the community and environment



Engaging in creative activities

Least important priorities / not a priority at all



Belonging to a community



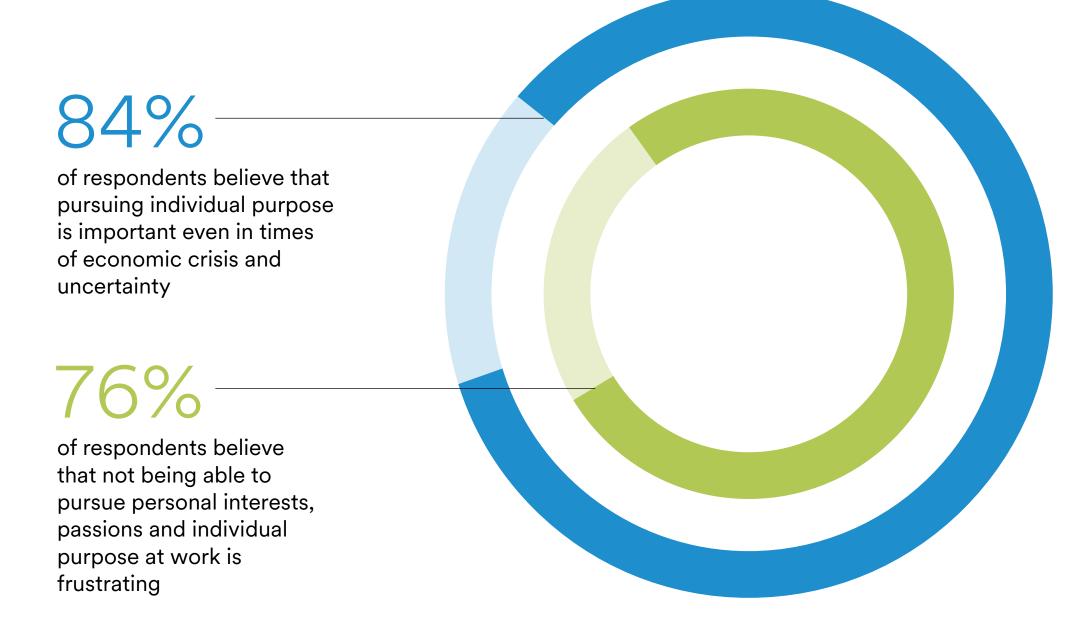
Spiritual awareness



Achieving a position of authority, professional success and power at work

Individual purpose - a necessity in the workplace

Individual purpose can be defined as "an abiding intention to achieve a long-term goal that is both personally meaningful and makes a positive mark on the world." In today's workplace, being able to pursue one's individual purpose is perceived as a necessity rather than a luxury. Most people - regardless of age, gender or income level - agree that individual purpose is important even in times of economic crisis and uncertainty. Not being able to pursue their passions, interests and purpose, on the other hand, is a source of frustration.



¹ Greater Good Magazine, The Greater Good Science Center, University of California Berkeley, https://greatergood.berkeley.edu/topic/purpose/definition



role of purpose in the workplace

How purpose matters to individuals and companies

Purpose is an important job search consideration

Prioritising their inner worlds, people today seek jobs that allow them to thrive as individuals. As they strive to juggle multiple roles (work, private life with family and friends, personal interests and passions), they seek job opportunities that enable them to fulfil each role in the best possible way.

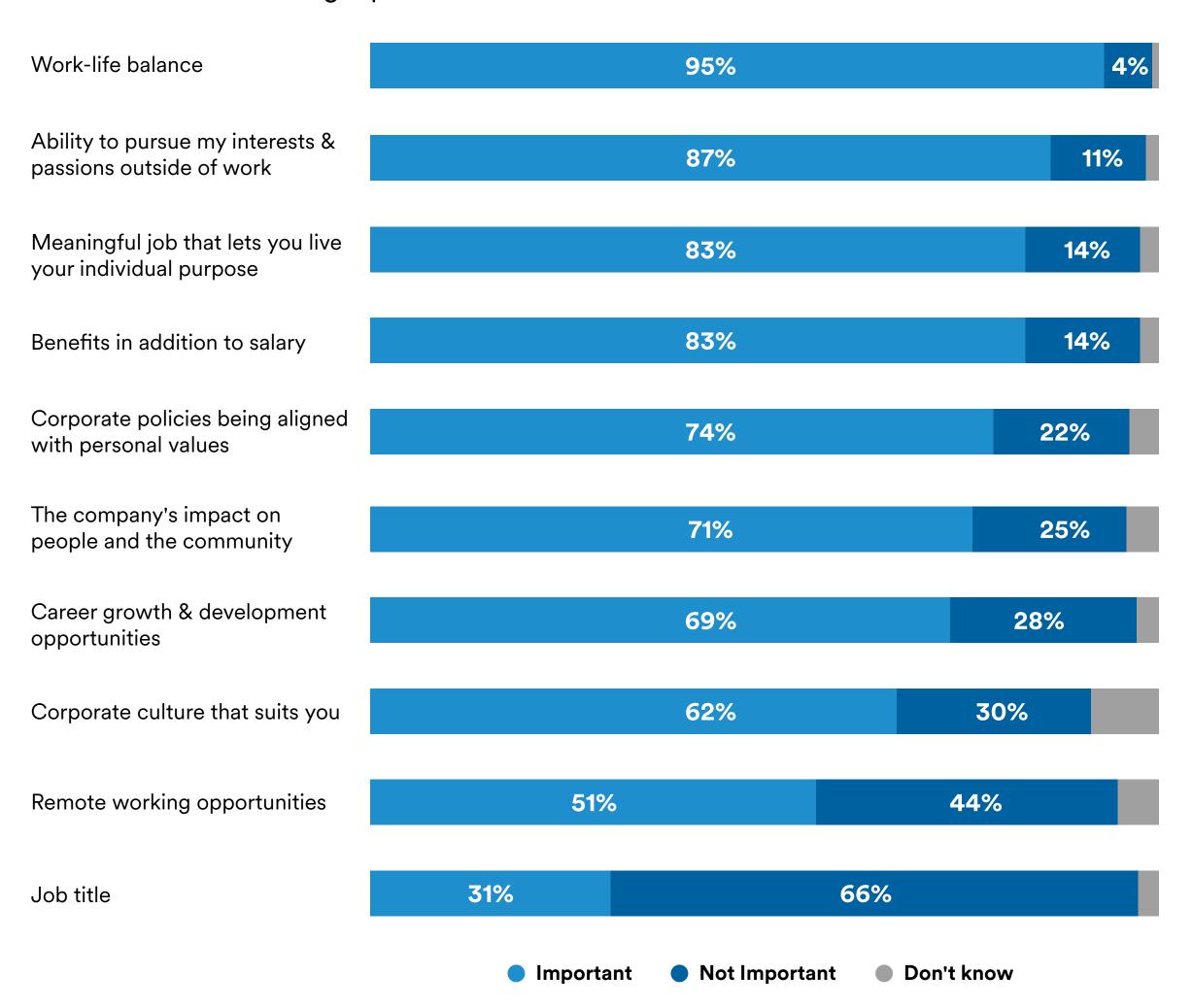
The top three most important factors employees consider when choosing a place to work (work-life balance, the ability to pursue one's interest and passions outside of work and having a meaningful job) reflect their willingness to achieve meaningful goals and to live their individual purpose at work and outside of work. This need is felt universally among employees - from those working in SMEs to large corporations.

Our research also shows that many employees today are in search of a workplace where they belong and feel supported. The predominant number of respondents in our survey claimed to care about company values, the company's impact on the community, corporate culture and personal growth in a workplace more than they care about the job title.

Factors people consider when choosing a place to work

Question

How important, if at all, are each of the following factors to you when choosing a place to work?



The role of purpose for employee performance and retention

Being able to live one's purpose at work appears to be positively associated with an employee's emotional attachment to the company and work performance.

Jobs that are aligned with employees' personal values and purpose are perceived as being more motivating and reported to inspire employees to go the extra mile. This is particularly valid for younger age groups (18-34 years).

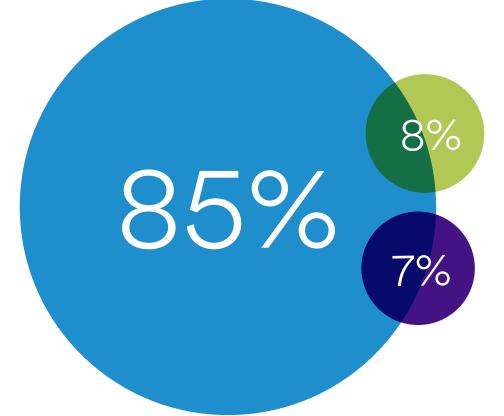
Moreover, living one's purpose at work appears to be associated with a stronger degree of organisational commitment and employee retention.

Almost 60% of respondents said that being able to achieve things of personal importance in their current workplace (59%) and having a more meaningful job (55%) would lead them to decline a new job offer with a 10% higher salary.

The motivating power of purpose

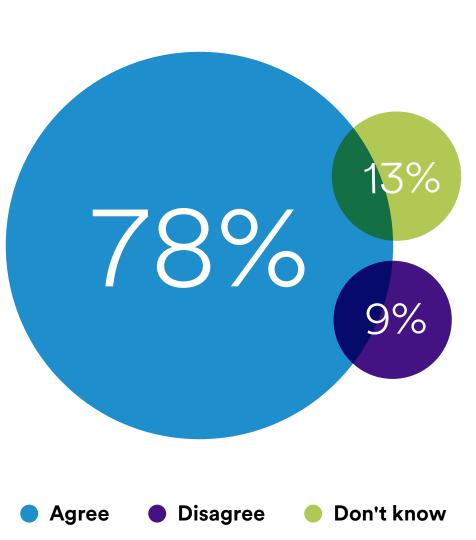
Question

Jobs that are aligned with my values and allow me to work towards achieving my individual purpose are more likely to motivate me to go the extra mile and exceed what's expected of me



Question

People who live their purpose at work feel more committed to the company where they work



Purpose delivered?

Exploring the reality of purpose in the workplace

Higher expectations of employers

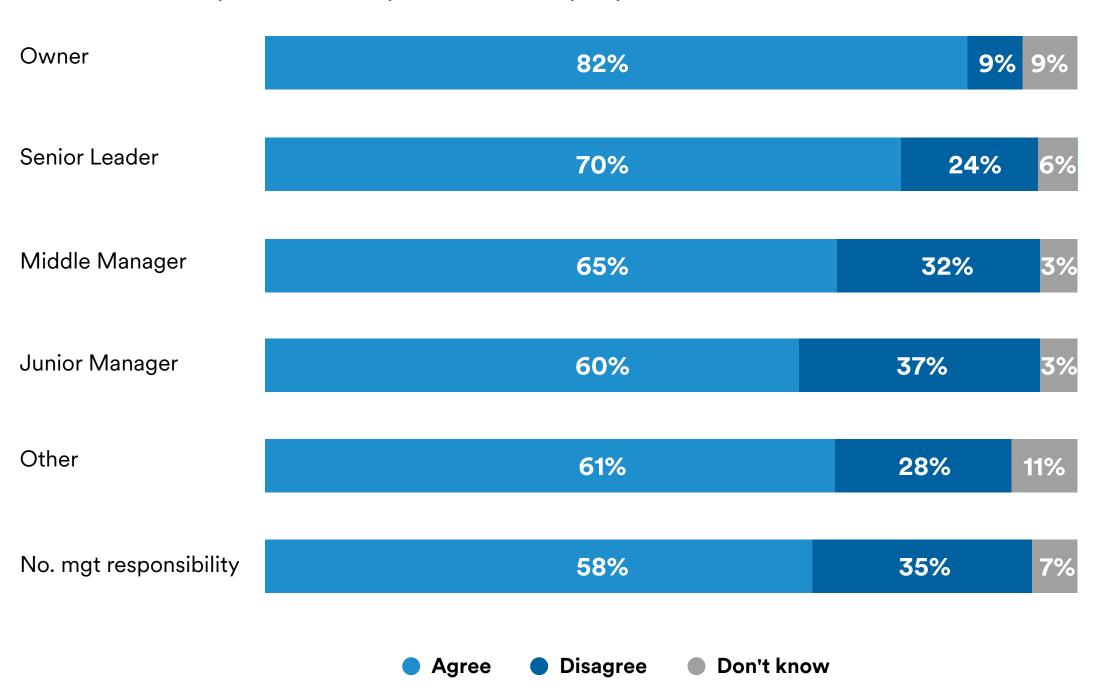
Employers today have a very important role to play as employees have made it clear that they expect more support, at work and beyond.

Most employees we surveyed believe that employers should empower and encourage them to pursue their passions and purpose at work and outside of work.

Managerial and administrative staff as well as full-time employees in general demonstrate significantly higher expectations about the role of employers.

Question

Employers should empower and encourage employees to pursue their passions and purpose at work and outside of work





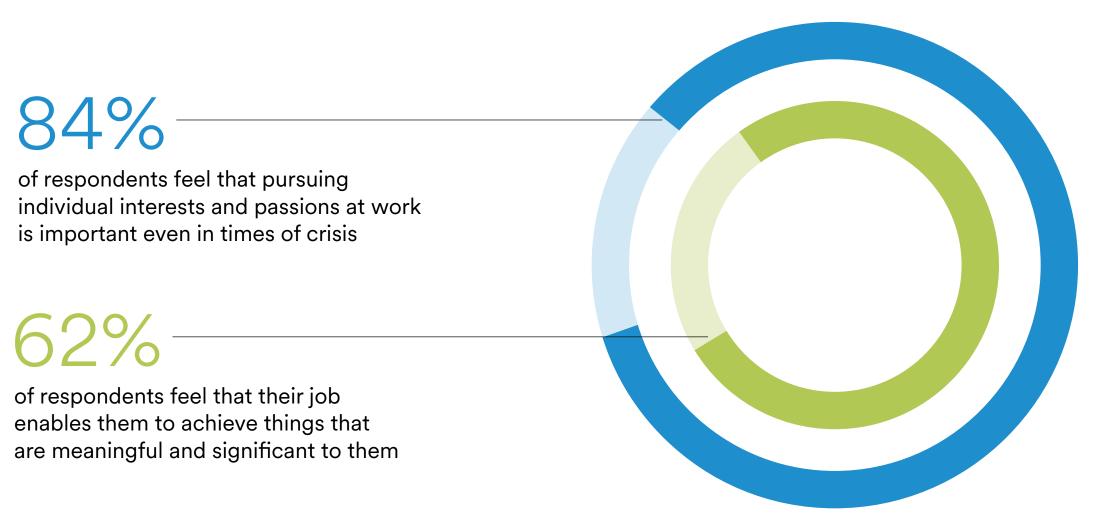
The "purpose gap" in organisations

Whilst most people agree that their current jobs enable them to achieve things that are personally meaningful, not everyone experiences the same level of purposefulness in the workplace. A significant percentage of respondents fail to find purpose through work and experience a gap between their expectations and reality.

Moreover, perceptions of purposefulness vary among people with different professional backgrounds and working in different company types. Self-employed individuals and SME employees are more likely to find meaning in their work (vs. people working in large corporations), as are senior leaders and company owners (vs. employees with no management responsibility).

To reap the benefits of a purposeful workforce, HR policies and practices should strive to narrow the purpose gap and empower employees at all levels to find and live their purpose.

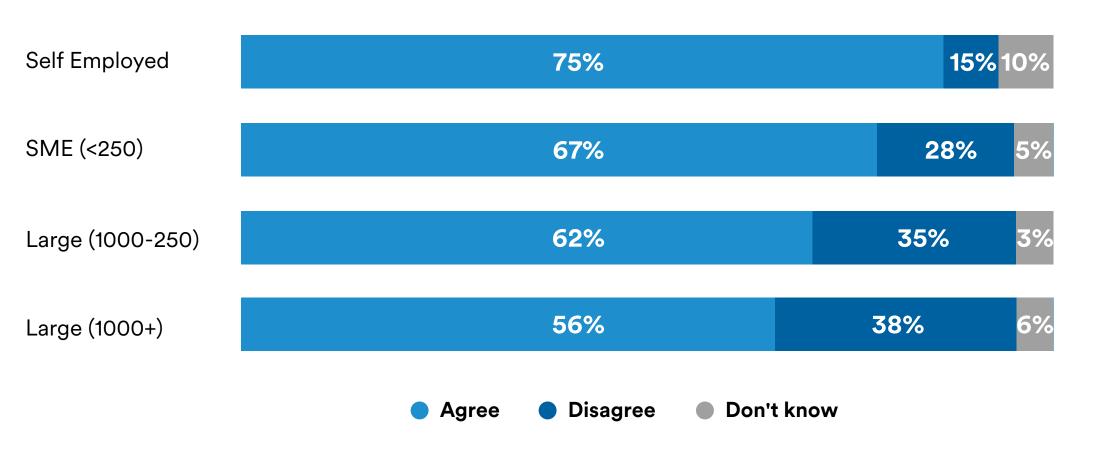
A gap between beliefs & reality



Perceptions of purpose at work by seniority and company type

Question

My current job enables me to achieve things that are meaningful and significant to me at work and outside of work.



Mhen Caution influences purpose converge

employee decision-making today

Protection before purpose

Our research showed that employees' need for purpose in the workplace appears to converge with a need for financial stability. Most of the employees we surveyed were not ready to forgo material benefits (higher salary and employee benefits) for the sake of more personal time, more meaningful careers and more opportunities to make a positive impact. Those who dared to give greater priority to purpose, were mostly young people (18 - 34 year old), but even among them, pay and benefits appeared to be stronger motivators.

Question

How likely are you to accept a new job that pays 15% less and offers less material benefits, if offered the following

38% 30%

likely to accept a new job with a 15% lower salary and fewer employee benefits in return for more personal time

likely to accept a new job with a 15% lower salary and fewer employee benefits in return for a more meaningful work

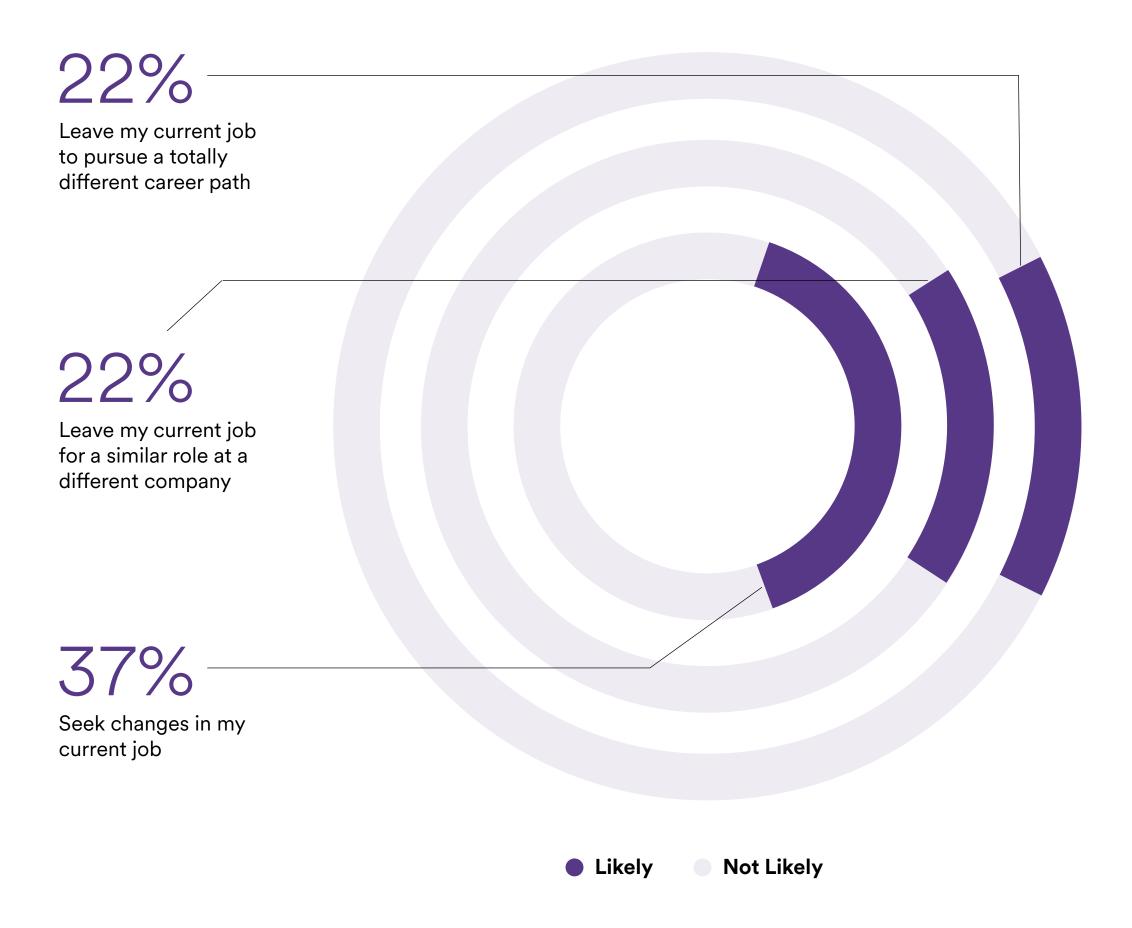
27%

likely to accept a new job with a 15% lower salary and fewer employee benefits in return for the opportunity to make a greater impact on other people, the community and the environment

Employees today are not ready to make drastic career moves for the sake of purpose but are likely to seek changes in their current roles, if necessary. Employers should be particularly mindful of the expectations of young employees and those working in large corporations as they are the ones who are most likely to seek changes for the sake of achieving individual priorities.

Question

Likelihood to do the following in the next 12 months in order to achieve a better alignment with personal values, purpose and priorities





Top 5 non-financial considerations when choosing a place to work

- 1 Will I be able to achieve work-life balance?
- Will I able able to pursue my interests and passions outside or work?
- Will my job be meaningful and enable me to live my purpose?
- 4 What kind of Employee Benefits will I have?
- 5 Are corporate policies aligned with my personal valuse?



The power of Employee Benefits to attract talent

The perceived importance of workplace benefits has clearly increased after the pandemic, when people realised the necessity of having a shield against stressors such as health strains, pay cuts or job loss.

Today, Employee Benefits (e.g. insurance, health benefits, paid leave) are one of the top five most common job search considerations, as important as finding meaning in one's role. They are particularly important for senior staff members and people working in large enterprises and should undoubtedly be treated as a very significant part of the employee labour contract.

82%

of company owners

70%

of senior leaders

65%

of middle managers

60%

of junior managers

58%

of workers with no management responsibility

69%

of self-employed individuals

80%

of SME employees

88%

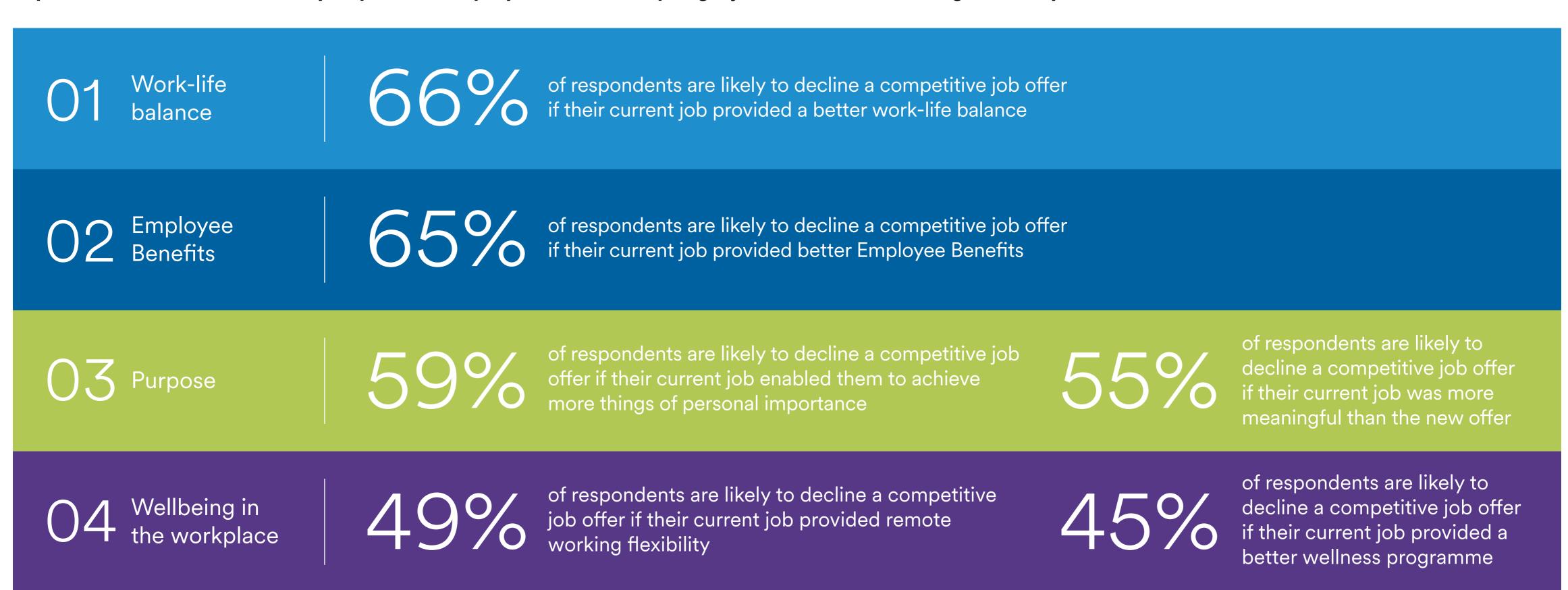
of employees in large companies



Retaining valuable employees today

Our research showed that Employee Benefits can also work as a particularly strong tool that can help companies retain their valuable talent. At a time when the reassessment of personal priorities undoubtedly encourages employees to challenge the status quo and seek more opportunities, Employee Benefits, together with Work-Life Balance and the perception of Purpose at work appear to be the strongest barriers that prevent employees from accepting competitive job offers, even when those offers provide a better remuneration.

Top barriers that are most likely to prevent employees from accepting a job offer with a 10% higher salary



From insight to action

How companies can align with employees' evolving needs

The opportunities for creating a more compelling employee experience

In a society where employees are prioritising their inner worlds (their health, interests, personal goals, family and friends) and striving to pursue their individual purposes in the workplace, meeting talent management goals and fostering a more productive workplace start with recognising the employee as an individual, adopting a holistic view of employee needs and developing a human-centred employee value proposition.

Our report identified four key areas employers can address to create a workplace that is aligned with the priorities of employees today and that enables the workforce to thrive in uncertain times.

O1
Purpose

 $\frac{02}{\text{Priorities}}$

03

Personalisation

04

Protection





01. Purpose

As our research showed, the perceptions of meaning in the workplace is very important for attracting, motivating and retaining talent today. Hence, it is imperative that employers should cultivate a sense of purpose in the company through various programmes and initiatives so that it is felt on both organisational level and individual level.

A strong organisational mission statement and programmes that impact the community at large will help companies create a common goal for their workforce. Even more important, however, is to help each employee across the organisational hierarchy understand why their job matters, to narrow the purpose gap within the organisation as well as to empower workers to uncover and pursue their individual interests not only in the workplace, but also outside of work. By helping employees grow as people, not just as professionals, employers have the opportunity to foster a more mutually rewarding and lasting relationship with their talent.

02. Priorities

Companies today can help their people experience a greater sense of meaning and belonging at work by focusing on the values that employees prioritise.

Values that can drive a sense of meaning and purpose in the organisation

Wellness Caring Freedom Financial stability & assurance Being in good health Achieving financial & material Helping loved ones and Deciding for themselves spending time with them what they want to do success Self-expression & personal **Enjoyment Impact** development Having new and exciting Making a positive impact Intellectual growth, engaging experiences, spending time on the community and the in creative activities with friends and family environment

To feel relevant and meaningful, benefits and initiatives in the organisation should be geared towards the main priorities of employees and demonstrate understanding and care. A human-centred employee value proposition (EVP) should consider solutions that are aligned with some of the top priorities of employees today such as:

- programmes that support employees' wellbeing and the wellbeing of their loved ones (such as through value added services)
- company initiatives that bridge the connection between the home and the workplace (e.g. remote working days, 4-day working weeks) or
- financial wellness programmes that provide assurance in times of uncertainty (e.g. financial literacy information sessions, Group Income Protection)

Similarly, the employee experience should include a variety of training and development initiatives, opportunities to engage in creative activities and CSR projects as they offer self-expression, personal growth and excitement at work.

It's really important that employers implement ongoing listening mechanisms to capture, identify, and track employee needs so that they can develop an EVP that is aligned with their employees' top priorities. Listening to employees and identifying ways in which the company can be supportive (e.g. through family benefits, well-being offerings or inclusive culture initiatives) will help employees feel acknowledged for who they are as individuals.



03. Personalisation

Two years after the onset of the pandemic, employers face an emboldened workforce with a strong need for work-life balance and a desire to make their own decisions. To stay relevant and achieve their talent management objectives, companies should give their employees the autonomy and flexibility they need to feel in control of their workplace experience.

By incorporating work-life management benefits into the employment relationship (such as flexible hours or time management programs), by providing more autonomy at work and by giving employees the opportunity to flex their benefits options, companies can provide the sense of empowerment today's employees are expecting in the workplace and that meet the needs of a heterogeneous workforce.



04. Protection

Despite the indisputable role of purpose and non-financial value drivers in today's workplace, employee benefits and financial assurance are among the top priorities of workers today. In light of the ongoing cost of living crisis and financial uncertainty, employee benefits that include cover for family and loved ones could be an important tool to offer employees the sense of stability and protection they need to pursue their purpose and individual priorities with confidence.

To respond adequately to today's workforce dynamics and provide a compelling employee value proposition, employers should strive to incorporate all four elements into the employee value equation, achieving a meaningful combination of employee benefits and non-financial value drivers (work-life balance, purposeful work, flexibility, personal development). As far as possible, they should strive to adapt them to the specific needs of their workforce through benefits that support each employee's holistic wellbeing and pursuit of purpose.

roducts and services are offered by MetLife Europe d.a.c. which is an affiliate of MetLife, Inc. and operates under the "MetLife" brand.
letLife Europe d.a.c.is a private company limited by shares and is registered in Ireland under company number 415123. Registered office at 20 on Hatch, Lower atch Street, Dublin 2, Ireland. UK branch office at Invicta House, Trafalgar Place, Brighton BN1 4FR. Branch registration number: BR008866. MetLife Europe a.c. (trading as MetLife) is authorised and regulated by Central Bank of Ireland. Deemed authorised by the Prudential Regulation Authority. Subject to regulation y the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

