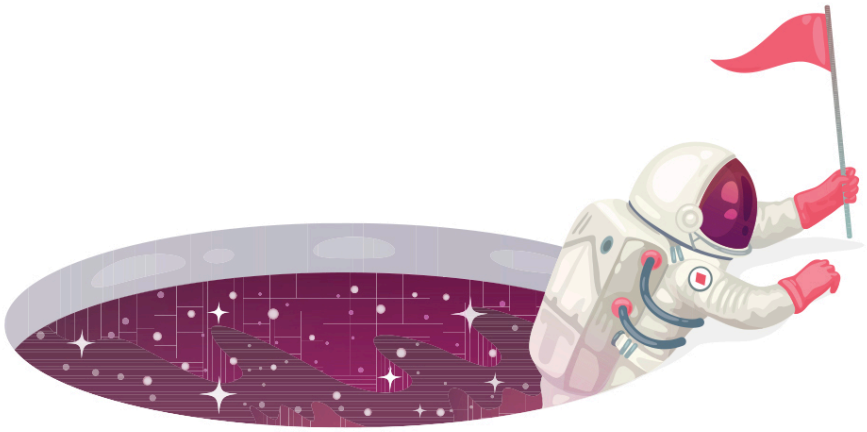
Harvard
Business
Review

Developing Employees

9 Out of 10 People Are Willing to Earn Less Money to Do More-Meaningful Work

by Shawn Achor, Andrew Reece, Gabriella Rosen Kellerman, and Alexi Robichaux

November 06, 2018



bulentgultek/Getty Images

Summary. New research on the meaning of work shows that more than 9 out of 10 employees are willing to trade a percentage of their lifetime earnings for greater meaning at work. Across age and salary groups, workers want meaningful work badly enough that they're willing... **more**

In his introduction to *Working*, the landmark 1974 oral history of work, Studs Terkel positioned meaning as an equal counterpart to financial compensation in motivating the American worker. "[Work] is about a search...for daily meaning as well as daily bread, for recognition as well as cash, for astonishment rather

than torpor," he wrote. Among those "happy few" he met who truly enjoyed their labors, Terkel noted a common attribute: They had "a meaning to their work over and beyond the reward of the paycheck."

More than forty years later, myriad studies have substantiated the claim that American workers expect something deeper than a paycheck in return for their labors. Current compensation levels show only a marginal relationship with job satisfaction. By contrast, since 2005, the importance of meaningfulness in driving job selection has grown steadily. "Meaning is the new money, an HBR article argued in 2011. Why, then, haven't more organizations taken concrete actions to focus their cultures on the creation of meaning?

To date, business leaders have lacked two key pieces of information they need in order to act on the finding that meaning drives productivity. First, any business case hinges on the ability to translate meaning, as an abstraction, into dollars. Just how much is meaningful work actually *worth*? How much of an investment in this area is justified by the promised returns? And second: How can organizations actually go about fostering meaning?

YOU AND YOUR TEAM SERIES

Making Work More Meaningful

To Find Meaning in Your Work, Change How You Think About It
by John Coleman

5 Questions to Help Your Employees Find Their Inner Purpose
by Kristi Hedges

We set out to answer these questions at BetterUp this past year, as a follow-up to our study on loneliness at work. Our Meaning and Purpose at Work report, released today, surveyed the experience of workplace meaning among 2,285 American professionals, across 26 industries and a range of pay levels, company sizes, and demographics. The height of the price tag that workers place on meaning surprised us all.

Our first goal was to understand how widely held the belief is that meaningful work is of monetary value. More than 9 out of 10 employees, we found, are willing to trade a percentage of their lifetime earnings for greater meaning at work. Across age and salary groups, workers want meaningful work badly enough that they're willing to pay for it.

The trillion dollar question, then, was just how much is meaning worth to the individual employee? If you could find a job that offered you consistent meaning, how much of your current salary would you be willing to forego to do it? We asked this of our 2,000+ respondents. On average, our pool of American workers said they'd be willing to forego 23% of their entire future lifetime earnings in order to have a job that was always meaningful. The magnitude of this number supports one of the findings from Shawn's recent study on the Conference for Women. In a survey of attendees, he found that nearly 80% of the respondents would rather have a boss who cared about them finding meaning and success in work than receive a 20% pay increase. To put this figure in perspective, consider that Americans spend about 21% of their incomes on housing. Given that people are willing to spend more on meaningful work than on putting a roof over their heads, the 21st century list of essentials might be due for an update: "food, clothing, shelter — and meaningful work."

A second related question is: How much is meaning worth to the *organization*? Employees with very meaningful work, we found, spend one additional hour per week working, and take two fewer days of paid leave per year. In terms of sheer quantity of work hours, organizations will see more work time put in by employees who find greater meaning in that work. More importantly, though, employees who find work meaningful experience significantly greater job satisfaction, which is known to correlate

with increased productivity. Based on established job satisfaction-to-productivity ratios, we estimate that highly meaningful work will generate an additional $9,078 per worker, per year.

Additional organizational value comes in the form of retained talent. We learned that employees who find work highly meaningful are 69% less likely to plan on quitting their jobs within the next 6 months, and have job tenures that are 7.4 months longer on average than employees who find work lacking in meaning. Translating that into bottom line results, we estimate that enterprise companies save an average of $6.43 million in annual turnover-related costs for every 10,000 workers, when all employees feel their work is highly meaningful.

A Challenge and an Opportunity

Despite the bidirectional benefits of meaningful work, companies are falling short in providing it. Our study found that people today find their work only about half as meaningful as it could be. We also found that only 1 in 20 respondents rated their current jobs as providing the most meaningful work they could imagine having.

This gap presents both a challenge and an opportunity for employers. Top talent can demand what they want, including meaning, and will jump ship if they don't get it. Employers must respond or lose talent and productivity. Building greater meaning in the workplace is no longer a nice-to-have, it's an imperative.

Among the recommendations we offer in our report are these critical three:

Bolster Social Support Networks that Create Shared Meaning.

Employees who experience strong workplace social support find greater meaning at work. Employees who reported the highest levels of workplace social support also scored 47% higher on measures of workplace meaning than did employees who ranked

their workplaces as having a culture of poor social support. The sense of collective, shared purpose that emerges in the strongest company cultures adds an even greater boost to workplace meaning. For employees who experience both social support and a sense of shared purpose, average turnover risk reduces by 24%, and the likelihood of getting a raise jumps by 30%, compared to employees who experience social support, but without an accompanying sense of shared purpose.

Simple tactics can amplify social connection and shared purpose. Explicitly sharing experiences of meaningful work is an important form of social support. Organizations can 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 tie into a company's larger vision.

Adopting these habits may require some coaching of managers, as well as incentivizing these activities, but they can go a long way toward building collective purpose in and across teams.

As Shawn's book Big Potential demonstrates, social support is also a key predictor of overall happiness and success at work. His recent study of a women's networking conference demonstrated that such support outside the workplace drives key professional outcomes, such as promotions.

Make Every Worker a Knowledge Worker.

Our study found that knowledge workers experience greater meaning at work than others, and that such workers derive an especially strong sense of meaning from a feeling of active professional growth. 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. That's good news for companies and employees. Because when workers *experience* work as knowledge work, work feels more meaningful.

As such, all workers can 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 operations 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.

A broader principle worth highlighting here is that personal growth — the opportunity to reach for new creative heights, in this case above and beyond professional growth — fuels one's sense of meaning at work. Work dominates our time and our mindshare, and in return we expect to find personal value from those efforts. Managers and organizations seeking to bolster meaning will need to proactively support their employees' pursuit of personal growth and development alongside the more traditional professional development opportunities.

Support Meaning Multipliers at All Levels.

Not all people and professions find work equally meaningful. Older employees in our study, for instance, found more meaning at work than do younger workers. And parents raising children found work 12% more meaningful that those without children. People in our study in service-oriented professions, such as medicine, education and social work, experienced higher levels of workplace meaning than did administrative support and transportation workers.

Leverage employees who find higher levels of meaning to act as multipliers of meaning throughout an organization. Connect mentors in high meaning occupations, for instance, to others to share perspectives on what makes work meaningful for them. Provide more mentorship for younger workers. Less educated workers — who are more likely to work in the trenches — have valuable insights on how to improve processes. They'd be prime candidates for coaching to help them find ways to see themselves as knowledge workers contributing to company success.

Putting Meaning to Work

The old labor contract between employer and employee — the simple exchange of money for labor — has expired; perhaps it was already expired in Terkel's day. Taking its place is a new order in which people demand meaning from work, and in return give more deeply and freely to those organizations that provide it. They don't merely hope for work to be meaningful, they expect it — and they're willing to pay dearly to have it.

Meaningful work only has upsides. Employees work harder and quit less, and they gravitate to supportive work cultures that help them grow. The value of meaning to both individual employees, and to organizations, stands waiting, ready to be captured by organizations prepared to act.

SA

Shawn Achor is the *New York Times* bestselling author of Big Potential, The Happiness Advantage and Before Happiness. He serves as the Chief Experience Officer for BetterUp. His TED talk is one of the most popular, with over 11 million views. He has lectured or researched at over a third of the Fortune 100 and in 50 countries, as well as for the NFL, Pentagon and White House. Shawn is leading a series of courses on "21 Days to Inspire Positive Change" with the Oprah Winfrey Network.

AR

Andrew Reece is a behavioral data scientist at BetterUp.

GK

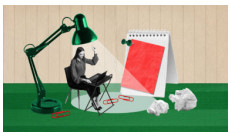
Gabriella Rosen Kellerman is a physician, the chief product officer, and the chief innovation officer at BetterUp, a coaching platform in San Francisco.

AR

Alexi Robichaux is co-founder and CEO of BetterUp.

Recommended For You

What Makes Work Meaningful?



PODCAST
Benefits and Perks

What Matters More to Your Workforce than Money

Does Money Really Affect Motivation? A Review of the Research