



Purposeful Leadership

And Why It Matters

Introduction

There is no single "best" leadership style that can be universally applied to drive success. There are many opinions and unfounded "truisms" when it comes to defining effective leadership, but hard evidence—direct proof of that which constitutes leadership effectiveness—has long remained elusive.

Armed with 30 years of data and more than 100,000 assessments collected over the course of our work with more than one million leaders and managers around the globe, we believed that our team was in a unique position to move the conversation from the anecdotal to the empirical.

We started by examining the data we've collected, and then supplemented this analysis by reviewing vast amounts of well-received literature on leadership. We validated our findings with leading scientists, academics and established global leaders. The result is a new framework of leadership effectiveness grounded in evidence that makes sense for the leaders of today and tomorrow: Purposeful Leadership™ by Linkage.

Authored by:



Mark E. Hannum

Mark Hannum
Research Lead, Purposeful Leadership;
Senior VP of Research and Development, Linkage

About Linkage

For 30 years, Linkage has helped nearly 10,000 organizations strengthen their leaders and build cultures of employee engagement that achieve and exceed organizational objectives with leadership development insights, learning and strategy. At Linkage, we believe that becoming an impactful and purposeful leader requires a lifelong commitment to learning, adapting and changing. We're passionate about working with leaders who want to create lasting impact and positive change in their organizations, with their teams and in society.

What Is Purposeful Leadership?

Linkage's Purposeful Leadership model recognizes that (1) leadership emerges from an individual's conviction to accomplish something that matters; (2) leadership flourishes when, in pursuit of that conviction, the individual succeeds in articulating a vision that others want to embrace and contribute to; and (3) the leader must be able to demonstrate a series of sustained commitments to him or herself and to his or her organization.

Purposeful Leaders are able to identify a PERSONAL "WHY"—their motivation that drives them to push towards a defined objective—and they successfully translate this ideal into an ORGANIZATIONAL "WHAT FOR"—a broader vision and message that their teams can rally around.

Our data shows that there are five commitments that the most effective leaders make to themselves and their organizations:

- 1. They inspire those around them to join the pursuit of a common vision
- 2. They engage every team member in meaningful activities
- 3. They innovate products or processes
- 4. They achieve results by creating appropriate structure and clarity
- 5. They become more self-aware in their ability to transform, coach and influence people



Your Journey Begins *Now*

Learn more about the five commitments you need to drive greater impact:
www.linkageinc.com

Why Purpose?

Individuals who adopt the principles of Purposeful Leadership and are willing to assess their own performance across the five key commitments can steadily strengthen their leadership. Leaders who willingly examine their strengths and shortcomings can address their weaknesses—and ultimately drive the change that they want to see in their organizations while rallying their teams to a better future.

Some leaders have inherent traits that allow them to develop their ability to make and keep their commitments more quickly, but all leaders at all levels can strengthen the way they demonstrate these commitments.

The keys are *self-awareness* and *a willingness to self-assess and change*.

For organizations, investing in leadership development is essential: companies that invest in their leaders see, on average, a 400 percent return on their investments. According to recent research published in *Mastering Leadership* by Robert Anderson and William Adams, for every dollar a company invests in leadership development, the company receives four dollars in organizational effectiveness.

Among the companies performing in the top 10 percent of those studied in the development of *Mastering Leadership*, 80 percent of leaders can be classified as Purposeful. Conversely, among the bottom 10 percent, only 38 percent of leaders can be classified as Purposeful.

What does this mean?

Figure 1:

The Linkage Purpose Index™ explored the benefits of purposeful leadership on four essential business indicators



Purpose Impacts Performance

In order to test our findings for real-world relevance, Linkage undertook a national survey of the working population in the United States to assess the impact that purposeful leadership has on employee attitudes and organizational performance.

More than 1,000 respondents assessed their organization's leadership across a range of Purposeful Leadership behaviors, attitudinal outcomes and organizational performance metrics. The results, quantified in the Linkage Purpose Index™, validate the data upon which the Linkage Purposeful Leadership model is based.

The Linkage Purpose Index explores the effect of Purposeful Leadership on four essential business indicators:

1. Financial Performance
2. Competitive Differentiation
3. Employee Engagement
4. Employee-Driven Net Promoter Score (NPS)

The survey asked participants to score their leaders on a range of behaviors that are most predictive of Purposeful Leadership. This identified the top quartile of leaders (as determined by the aggregate scores given by respondents) as Purposeful Leaders. The survey then asked employees to assign a rating of 1 to 5 to the key criteria within the Financial Performance, Competitive Differentiation and Employee Engagement indicators, with a score of 5 representing the highest possible performance.

The data was then analyzed to see how Purposeful Leaders (the top quartile) scored across the criteria for each indicator as compared to all other leaders. Ultimately, purposeful leaders were nine times more likely than the rest of the leadership group to receive the highest possible score of 5 on Employee Engagement, nearly six times more likely for Competitive Differentiation, more than twice as likely on revenue growth, and four times as likely on profit growth. They generated a significantly higher Net Promoter Score, as well.



The path to purpose starts with *you*.

Read our research to learn about the business impact of purposeful leadership.

GET THE FACTS