



FEATURE

# Leading through the fog of disruption

The strength of purpose, values, and mission

Dr. Gerald C. Kane, Rich Nanda, Anh Nguyen Phillips, and Jonathan Copulsky

## Enterprises and leaders can set the conditions to navigate disruption.

THE COVID-19 CRISIS has caused disruption and disorientation for businesses and individuals alike. We're all facing the "fog of pandemic" that's no different from the famous "fog of war"—the lack of certainty about one's capabilities and environment in combat (or trying) conditions.<sup>1</sup> Nonetheless, it's times like these that bring opportunities for growth. In their classic *Harvard*

*Business Review* article "Crucibles of leadership," Warren Bennis and Robert Thomas argue that harrowing events allow great leaders to emerge and that crises "force leaders into deep self-reflection, where they examine their values, question their assumptions, and hone their judgement."<sup>2</sup>

FIGURE 1

### Purpose, values, and mission to guide resilience



Source: Deloitte analysis.

Bennis and Thomas’s words echo the exact sentiments of our own research on technology leadership. Building on five years’ worth of research, conducted in partnership with *MIT Sloan Management Review*, and over 100 interviews with executives, we aimed to identify the traits of organizations and leaders that not only survive, but thrive, within disruption. In our forthcoming book, *The Transformation Myth*, we found that such enterprises displayed resilience—an ability to withstand events such as the pandemic.<sup>3</sup> The resilient organization is one that is continually sensing, testing, and adapting to find its way forward in a turbulent business environment, requiring both technological tools and organizational capabilities to do so.

**The resilient organization is one that is continually sensing, testing, and adapting to find its way forward in a turbulent business environment, requiring both technological tools and organizational capabilities to do so.**

In this article, we focus on a subset of interviews with over 50 executives, conducted from March to October of 2020, to study their “deep self-reflection.” Through these interviews we found that leaders had a three-part framework at their disposal for navigating disruption—purpose, values, and mission (figure 1).

## Purpose



In his book *Start with why: How great leaders inspire everyone to take action*, the inspirational speaker Simon Sinek describes how many organizations and leaders

make the mistake of starting with *what* they want to accomplish, instead of asking *why* their organization exists and acts. Companies that are driven by a clear purpose, a clear sense of *why*, can more effectively create strong connections to customers, employees, and society writ large, leading to better business outcomes. Studies suggest that purpose-driven companies outperform the market 15 to one, experience higher market share gains, and grow, on average, three times faster than their competition.<sup>4</sup>

In recent times, the need for organizations to answer their *why* has also taken on increased societal importance. In August 2019, 181 CEOs from leading organizations signed an open letter from the Business Roundtable entitled “Statement on the Purpose of an Organization.”<sup>5</sup> It was a formal recognition that businesses need a purpose beyond products and services—a purpose must be aspirational, inspirational, and define the organization’s role in broader society.

Especially amidst the fog of pandemic in 2020, purpose became a beacon of light for the executives we interviewed. For example, the team of 25,000 physicians and advanced practice providers at Envision Healthcare, which cares for more than 32 million patients a year across the United States, knew their purpose clearly when they found themselves on the front lines of the fight against COVID-19. Kristin Darby of the medical group noted, “We knew we had to do everything we could to slow the spread of COVID-19 and protect our

clinicians so they could continue to care for patients. Both clinicians and our clinical support staff—like myself—felt a renewed sense of purpose.”

## Businesses need a purpose beyond products and services—a purpose must be aspirational, inspirational, and define the organization’s role in broader society.

Other organizations sought to generate that purpose when it wasn’t immediately clear. Eric Schuetzler, vice president of global research and development at Beam Suntory, helped shift the distiller’s factory lines to producing hand sanitizer for hospitals, local governments, and municipalities. “It’s the thing we’ve talked about the most,” Schuetzler said. “We weren’t creating the next vaccine, but it felt like an important thing that we could do. It was very motivating—something people could rally around to help the public good, by supporting our frontline medical workers,” he said. Identifying a purpose helped companies like Beam Suntory focus on what was important and shift their orientation to outcomes rather than activities.

In times of disruption, a clear purpose can also quell feelings of anxiety or fear among employees. Research shows that people are more able to persist through challenges when they are driven by intrinsic motivators, such as autonomy, growth, and meaning, rather than extrinsic motivators.<sup>6</sup> Just as customers build brand loyalty based on trust and other emotional factors, employees, too, are inspired to go the extra mile when they begin with a sense of purpose.<sup>7</sup> As the chief digital officer of a large, global insurer observed about their company amid disruption, “The company has been

really disciplined and thoughtful around articulating our purpose and bringing it to life. And that has coincided with a moment to truly be there for our customers and help them rebuild that confidence in a really uncertain world.”

## Values



“How you do anything is how you do everything.” It’s an adage that speaks to how the way someone handles any task reflects their beliefs and how they might handle any future

task. If purpose is *why* companies do what they do, then values determine *how* they do it, operating as guideposts for behaviors and actions. Values are what an organization believes are important about the way it operates. When disruption threatens normal operations, the line between acceptable and unacceptable solutions can become unclear. Values help employees find that line, based on shared beliefs. Similarly, in times of social upheaval, customers may look at an organization’s values and integrity to determine whether to continue their support of its products and services.

Brian King, global officer of digital, distribution, revenue strategy, and global sales at Marriott International, noted the importance of values for helping Marriott weather an unprecedented disruption in the hospitality industry. “One of the reasons we’re going to weather this storm [is] a value system that’s been in place for 93 years, which can be summed up in one simple phrase from J.W. Marriott: ‘Take great care of your associates, they’ll take great care of the guests, and the guests will come back time and time again.’” According to King, Marriott uses this value system to determine their priorities while taking tough decisions. “We have associates who are furloughed. It’s heartbreaking. When I made those calls, the one thing that got to me every time is these folks said, ‘We want Marriott to make it, because we

want to come back one day.’ And that’s because there’s this value system—a belief system—that they’re sincerely cared for.”

## Values, once defined, must stand up to the fog of disruption.

Values also help employees operate in an uncertain environment. Companies that are forced to adapt in the face of disruption are faced with a greater likelihood of making mistakes—and not just trivial ones. One early Uber employee we interviewed noted that the problems they faced during their period of hypergrowth—a different type of acute disruption—stemmed from a lack of clear values that resulted in the widely publicized ethical problems at the company. As Uber grew rapidly, many employees were promoted quickly, and there was no clear directive from the organization’s leadership about how they should (or shouldn’t) execute on their mission. The lack of clear guidance about the company’s values allowed a toxic culture to develop in some pockets of the company.

Incoming Uber CEO Dara Khosrowshahi spent much of the first two months in his position learning what worked at the company and what didn’t, and then using that knowledge to develop a set of values that would guide the company forward. “Instead of penning new values in a closed room, we asked our employees for their ideas. There were some common themes: many people liked how the spirit of the previous values encouraged problem-solving and speed, but they wanted to see more around inclusion, teamwork, and collaboration.” Khosrowshahi believed the company’s norms would evolve to reflect society as it continued to grow. “I feel strongly that culture needs to be written from the bottom up. A culture that’s pushed from the top down doesn’t work, because people don’t believe in it,” he said.<sup>8</sup>

Values, once defined, must stand up to the fog of disruption. Values that are abandoned in times of difficulty aren’t true values at all. When asked about what concerns he had in the wake of the COVID-19 disruption, Brian Baker, global people strategy business partner at advertising conglomerate WPP said that he worried what would happen to their efforts at cultivating diversity. However, he witnessed the organization and its leaders stay laser-focused on the diversity, equity, and inclusion (DEI) commitments made publicly by their CEO Mark Read. This focus on preserving equity amid a crisis demonstrated that it was a real value, grounded in societal impact, and not simply window dressing.

## Mission



A mission describes *what* the organization wants to accomplish. While it seems odd to cover the crucial “what” last, it is only by understanding

who you are as an organization (why you exist and what you believe in) that you can find clarity on your mission and goals.

Many executives we interviewed reported employees leaning on the organization’s mission to figure out how they could and should add value. For example, David Quigley, provost and dean of faculties at Boston College, described the role of mission in their decision to return to in-person learning in the fall of 2020: “Probably this year, more than any other time in my career, mission has driven so much of what we’re doing. The idea of leaning into the possibilities of hope in a darker moment for the region, for the nation, and the world was an important part of it, and it helped guide our decision-making.”

Another military term—commander’s intent—comes handy. In *Harvard Business Review*, Chad Storlie writes, “Commander’s intent is the description and definition of what a successful mission will look like. It empowers initiative, improvisation, and adaptation by providing guidance of what a successful conclusion looks like. Commander’s intent is vital in chaotic, demanding, and dynamic environments.”<sup>9</sup> In the fog of disruption, the mission (often embodied in commander’s intent) is essential in guiding an organization’s response to uncertainty. Resilient organizations, like military units, operate with the equivalent of commander’s intent to provide employees with the freedom (and boundaries) to make decisions. With a clearly communicated mission, teams can understand what the organization is trying to achieve and can focus on creatively and nimbly adapting to crisis.

Michael Aldridge, associate vice president of experience at health insurer Humana, explained how commander’s intent led the company to adapt. To tackle customers’ food insecurity issues, Humana instituted a “Basic Needs” meal program that provided meals to eligible members at no additional cost. “Food provision has never been a service that we provided at this scale and—frankly—it was not one we were skilled to provide. Yet we realized that under these new conditions it was part of our mission. Our small team had to learn about food distribution in less than 24 hours, and we’ve now provided over one million meals to our members.”

For mission to be clear enough to guide decisions through crisis, a leader’s communication is crucial. Many of our respondents indicated an increase in communication from leaders at all levels, but they noticed the biggest difference in their tone. Leaders became more willing to express uncertainty and fears to their employees. Brad Keller, director of workplace strategy at Humana, spoke to this trend at his own organization when the pandemic started.

“We [started receiving] this Monday letter from our CEO that we all look forward to. It’s a very authentic conversation and even shows vulnerabilities. That leadership [style] has really resonated with me. It feels good.”

That sense of authenticity, sincerity, and even vulnerability is critical in strengthening trust and human connection, particularly in time of crisis and uncertainty. Emma Lewis, general manager of Shell Polymers and global chemicals strategy at Shell, was able to find such connection when speaking to her employees about the outbreak of racial justice protests in summer 2020. “I’m European. I’m sitting in the US, and I don’t understand the dynamics, because I didn’t grow up here. I also have a very personal view on it. So, I just was very honest with them. I said, ‘I don’t know what the right thing to say is, so I’m just going to tell you how I feel.’ It’s just being willing to be vulnerable.”

## The journey forward

The purpose or values currently displayed in each cubicle or home office may not be as clear, or as reflective of reality, as previously thought. Admittedly, forming a new purpose, a set of shared values, and a mission is easier said than done. But taking the first step can start organizations onto a fruitful journey to resilience. Leaders and employees can take the opportunity of crisis to revisit these key facets with colleagues from all levels of the organization. Chances are that people will differ in opinion and detailed discussion will be necessary. But right now, amid a once-in-a-lifetime crisis that sharpens instincts and beliefs, is the time to come together and ask *why*, *how*, and *what*. Armed with a renewed purpose, values, and mission, organizations and their leaders can set the conditions by which they rise to the occasion and rise out of the fog of pandemic.

*This article is adapted from a forthcoming book, [The Transformation Myth](#), a collaboration between Deloitte and academics from Boston College and Northwestern University, to be published in 2021 by MIT Press.*

## Endnotes

1. This concept is attributed to Prussian general Carl von Clausewitz, whose magnum opus, *On War*, was published posthumously by his wife Marie von Brühl in 1832; Derek Thompson, "All the coronavirus statistics are flawed," *Atlantic*, March 26, 2020.
2. Warren Bennis and Robert J. Thomas, "Crucibles of leadership," *Harvard Business Review*, September 2002.
3. For more, see Gerald C. Kane et al., *The Transformation Myth* (The MIT Press, 2021).
4. Jim Stengel Company, "Why purpose," accessed March 30, 2021.
5. Claudine Gartenberg and George Serafeim, "181 top CEOs have realized companies need a purpose beyond profit," *Harvard Business Review*, August 20, 2019.
6. Kelly Monahan, Timothy Murphy, and Marcus Johnson, "Humanizing change: Developing more effective change management strategies," *Deloitte Review* 19, 2016.
7. For a more detailed discussion of the importance of trust in driving brand loyalty, see Jonathan R. Copulsky, *Brand Resilience: Managing Risk and Recovery in a High-Speed World* (Palgrave Macmillan, 2011).
8. Dara Khosrowshahi, "Uber's new cultural norms," Uber Newsroom. November 7, 2017.
9. Chad Storlie, "Manage uncertainty with commander's intent," *Harvard Business Review*, November 3, 2010.

## Acknowledgments

We would like to thank: **Kelly Gaertner**, **Dana Kublin**, and **Abhijith Ravinutala** for their operational support and execution in getting this over the finish line.

We would also thank **Junko Kaji**, **Kavita Saini**, **Preetha Devan**, and the entire Deloitte Insights team for continuing to provide outstanding editorial and production support.

## About the authors

### **Gerald C. Kane | [geraldckane@gmail.com](mailto:geraldckane@gmail.com)**

Gerald C. Kane is visiting scholar at Harvard Business School and a professor of information systems and the faculty director of the Edmund H. Shea, Jr. Center for Entrepreneurship at Boston College. He has authored over 100 papers dealing with the implications of digital technologies on organizations for both academic and practitioner audiences.

### **Rich Nanda | [rnanda@deloitte.com](mailto:rnanda@deloitte.com)**

Rich Nanda is a principal in Deloitte Consulting LLP where he serves as the leader of the US Monitor Deloitte practice. Nanda has significant experience in guiding clients through strategy-led transformation to achieve profitable growth. He routinely advises the boards, CEOs, and executive teams of Consumer Product companies on topics spanning growth, business model innovation, operating models, capability building, analytics, and technology adoption. Nanda is passionate about the relationship between brands, their retailer partners, and the consumer. He researches and has written studies on disruptive consumer, retail, technology trends, and next-generation capabilities required to win in a digital economy. He partners with the faculty at Northwestern University's Kellogg School of Management on research, and routinely lectures at leading business schools. He sits on the Grocery Manufacturers Association Sales Committee and frequently speaks at industry and professional conferences. Nanda earned his undergraduate degree in engineering from Kettering University and his MBA from Columbia Business School.

### **Anh Nguyen Phillips | [anhphillips@deloitte.com](mailto:anhphillips@deloitte.com)**

Anh Nguyen Phillips is a researcher, author, and former management consultant who has dedicated her career to exploring the interplay between technology and humanity. She is co-author of numerous articles and reports, as well as three books: *The Technology Fallacy*, a data-driven look at the centrality of culture to digital transformation; *Work Better Together* (June 2021); and *The Transformation Myth* (Sept 2021). A senior leader at Deloitte Consulting, Phillips directs research teams that help the C-suite and board focus on the important role that technology, leadership, and culture play in fostering innovation, particularly in challenging and disruptive market environments.

### **Jonathan Copulsky | [jcopulsky@outlook.com](mailto:jcopulsky@outlook.com)**

Jonathan Copulsky is a senior lecturer at Northwestern University, where he teaches graduate and executive education courses on marketing, technology, and innovation. In addition to coauthoring *The Technology Fallacy*, Copulsky is the author of *Brand Resilience*, a critically acclaimed primer on managing brand risk. Prior to joining the Northwestern University faculty, Copulsky was a senior client service principal at Deloitte, where he also served as chief marketing officer and managing principal for Deloitte's Global Insights program.

## Contact us

*Our insights can help you take advantage of change. If you're looking for fresh ideas to address your challenges, we should talk.*

### Industry leadership

#### **Anh Nguyen Phillips**

Senior manager | Deloitte Consulting LLP  
+1 404 631 3172 | anhphillips@deloitte.com

Anh Nguyen Phillips is a research lead with Deloitte Consulting LLP, where she leads research on the impact of emerging digital technology on an organization's leadership, talent, and culture.

#### **Rich Nanda**

Principal | Deloitte Consulting LLP  
+1 312 486 2761 | rnanda@deloitte.com

Rich Nanda is a principal in Deloitte Consulting where he leads Deloitte's US Strategy Offering, which spans advisory and implementation capabilities for unlocking business value through the power of technology and digital innovation.

#### **Khalid Kark**

Managing director | Deloitte LLP  
+1 214 840 7754 | kkark@deloitte.com

Khalid Kark is a director with Deloitte LLP, where he leads the development of research and insights for the CIO Program.

### **Monitor Deloitte**

Monitor Deloitte's strategic growth transformation offering helps clients architect strategies and transformation programs for growth and value creation through levers such as strategic dialogue facilitation, innovation, portfolio optimization, differentiation, and business model transformation. We work with chief executives and their teams to create effective corporate and business unit strategies to secure alignment for those strategies across the enterprise.

[Learn more.](#)





# Deloitte.

## Insights

Sign up for Deloitte Insights updates at [www.deloitte.com/insights](http://www.deloitte.com/insights).



Follow @DeloitteInsight

### **Deloitte Insights contributors**

**Editorial:** Kavita Saini, Nairita Gangopadhyay, and Preetha Devan

**Creative:** Dana Kublin and Anoushriya S Rao

**Promotion:** Maria Martin Cirujano

**Cover artwork:** Alex Nabaum

### **About Deloitte Insights**

Deloitte Insights publishes original articles, reports and periodicals that provide insights for businesses, the public sector and NGOs. Our goal is to draw upon research and experience from throughout our professional services organization, and that of coauthors in academia and business, to advance the conversation on a broad spectrum of topics of interest to executives and government leaders.

Deloitte Insights is an imprint of Deloitte Development LLC.

### **About this publication**

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or its and their affiliates are, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

None of Deloitte Touche Tohmatsu Limited, its member firms, or its and their respective affiliates shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

### **About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the "Deloitte" name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.