

The Critical Role of Human Resources in a Purpose-Driven Organization

Introduction

Digital NEST's Human Resources (HR) department is not your typical compliance-driven department. Digital NEST's HR department is what we call Values-Driven. That is not to say that we neglect our duty to remain in compliance with labor laws, or to protect staff and the organization from risk, but rather that HOW we go about achieving these goals does not conflict with our broader organizational values. We want Human Resources to rethink power as a way to bring forth the most in people, to move from command and control to co-creation as a way to draw the best out of all of us in our shared endeavor, and to have our shared endeavor best serve our individual growth as well. If our staff can work from a restorative framework while working with each other, then this framework can be transferred to our communities. We also take very seriously our charge to prepare our young staff for the next stages of their careers. Our goal is to help them understand that being professional doesn't always mean blindly following authority, and to model for them a way of leading that is very careful about how power and authority are used.

About the authors:

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A values-driven organization

At Digital NEST, we consider ourselves a values-driven organization. We seek to connect the individual purpose of our staff and community to a shared vision of what we are all bringing into the world. Our hope is that everyone feels valued, owns their agency, and is driven to bring their best every day.

We do not claim to be unique in this. Many businesses and organizations today would describe themselves in a similar way. Not only does a more human, co-creative environment sound nice, but most of us know intuitively—and organizational sciences would seem to bear out—that if people feel more connected to each other and to what they are doing together, you get all kinds of benefits: better products/outcomes, increased

staff retention, more creativity and innovation, fewer sick days—and ultimately, more effective delivery of your mission.

But creating an environment that delivers on these promises is not easy, as many organizations that have tried can attest. We've all seen the slapped-on window dressing attempts to bring about a company culture that achieves these goals: the casual Fridays, the inspirational posters, the free coffee and snacks, the lip service to equitable practices—and we know these alone do not transform culture. In fact, those particular efforts can actually be counterproductive. So what *does* support the kind of workplace described, and how does this lead us to Human Resources?

The workplace we want

At Digital NEST, and throughout Eliad Group's work, you will find a focus on equity and co-creation. Undergirding both of these is an understanding that the way we relate to each other and to our shared endeavor is critical to delivering on our collective purpose. Reams of paper could be used to dive into the details of how we and others approach these relationships, how we structure our work, etc., and we will provide some examples below. However, the focus of this paper is not so much to outline these practices as to point out the importance of making sure that your Human Resources practices support and reflect what you are trying to pursue in the rest of the organization. To boil it down into simple terms, you could say that the behaviorist model of carrots and sticks is not the method that produces co-creation, and human resources practices can often be—because of its connection to liability and legality—a holdout of carrot and stick methods in an organization trying to move in another direction.

Human Resources

Historically, Human Resource practices have been built around extractive power structures (that reward those in power at the expense of the marginalized) and domination culture (the teaching and enforcing of the hierarchy that supports those power structures). This affects the culture of an organization to the point that it limits delivery on mission and limits the growth of individuals in the organization as people and as contributors to that mission. This is especially problematic for organizations that espouse the goal of connecting individual purpose to collective mission, and that rely on creativity and deep human connection to deliver on their missions. Human Resources must retool from the ground up to actively counter dis-empowering practices and make sure that all practices reinforce the values of the organization, and the collective values of its employees. These efforts must be intentionally implemented throughout all areas of Human Resources, from hiring, to support and development, to norm enforcing, etc.

Our approach at Digital NEST

Two of our most notable values are a) Holding People in Positive Regard and b) Acting with Love (see our full values on [our website](#)). In order to practice and embody these values, we've had to make sure that not only our communication with each other holds others in positive regard and coming from a place of love, but that our systems and procedures also reflect that. As is typical in any organization, we have an annual review procedure and accountability and performance improvement processes. Ordinarily, procedures and processes like these are uni-directional; that is, the focus is on the employee: "This is what you are expected to do and you are not meeting expectations, so here is how and by when you need to fix it, or else." The "or else" can be implied or explicit, but it's always there, and the consequence is often focused on the employee. Our intentional shift here was to move to a more restorative framework, changing the language to a collective framework - "Let's review your performance and see if there are any challenges? If so, let's explore how I, as your supervisor, can support your growth. And additionally, how I can improve in that area, and how you can support me in that growth." Our performance reviews are now Shared Accountability Reviews, your typical "warning" forms are now Communication of Impact forms, and our performance improvement plans are now Assisted Accountability Plans. These forms require the practice of holding people in positive regard and acting with love. Critically, it wasn't just their names that were changed. The processes were redesigned based on the experience we want them to support, one that signals and nurtures a relationship based on shared accountability. Each form or process was looked at to make sure the language used supports an equitable look at the situation, and to match the tone and relational approach used in other aspects of the organization. For example, language used in "write-ups" often reflects a sentiment that the powers-that-be have rules, you broke the rules, and you are on notice that you will be punished if you continue. The Communication of Impact form at Digital NEST changes the traditional model in a number of ways. First, it is made clear that this form can be used in any direction, power-up, or power-down. It is not assumed that only supervisors can be arbiters of our community values and what constitutes impact worthy of addressing. Second, the form is structured to shift from the language of judgment and blame to the language of observation, impact, and underlying need.

The true measure of a values-driven community is how we handle things when community members are not measuring up to our individual or collective expectations, when challenges arise in how we are relating to each other, or in how we are supporting our shared mission. Our approach to such challenges— our shared accountability framework — is based on a *restorative*, not a *punitive* model. This means that instead of authority-imposed carrots and sticks to shape behavior, we focus on identifying and

repairing tears in the fabric of our community through understanding, mutual support, and a commitment to hear and meet the needs of our community and each other.

To further illustrate, let's look at two common types of challenges in a work community, which we think of as *calibration challenges* and *intervention challenges*. Calibration challenges are situations where impact is mild to moderate. Think: leaving dishes in the sink, showing up late to a meeting, a standalone insensitivity, etc. For these types of challenges, we actively train for and practice ways each of us can contact colleagues and community members in real time to calibrate around how we are impacting each other with how we are showing up, and how we hold each other accountable. Some of the tools we practice include: using descriptive rather than blaming language, listening for understanding, assuming positive intent, reflecting on whether we are carrying any baggage into the interaction that may be shaping how we perceive it, clearly stating our needs, etc.

Challenges requiring *intervention* are the level of challenge that might end up "going to HR". These types of challenges might include: continually and repeatedly using the shared spaces in ways that disadvantage or negatively impact others: habitually showing up late for commitments, repeated insensitivities to individuals or groups of people, etc. The Communication of Impact form mentioned above is a means for anyone to request help from the larger community to solve persistent or otherwise significant challenges. Usually this will involve support from a supervisor and/or members of the HR team, and require a process to support understanding of the tear in the fabric of the community, and how things can be made right. An Assisted Accountability Plan will often result from such interventions as a shared resource for guiding the process of repair.

Conclusion:

Don't forget your HR department as a key lever in creating a culture based on equity and co-creation. Because HR is where conflict is often sent to be resolved, and where norms are ultimately enforced, how those tasks are handled can either support your overall cultural norms or contradict them, and in powerful ways.