

## VALUES

*Being clear*

*On what you*

*Value*

*Is truly*

*Valuable*

*It may even*

*Prove to be*

*Invaluable*

What do you value most?

This is a critical question that defines the very essence of organisational values. Yet it does not get asked enough. As a result the reality is that many organisations simply list generic human values we should all seek to uphold.<sup>1</sup>

Teamwork. Innovation. Integrity.

Instead, seek to go beyond the obvious when defining your values. Organisational values provide an opportunity to meaningfully shape your unique culture. Guiding decision-making and behaviour that define your organisation.

Speed. Reflection. Change.

Is your success based on a highly valued capability to move with speed – to move forward while others hesitate? Or alternatively do you value the discipline to let others go first – choosing instead to reflect more deeply on the learnings? Do customers value your predictably reliable service or are they more inspired by your ability to create new experiences?

Powerful values involve trade-offs. As much as it is human nature to want to have our cake and eat it too, ultimately a trade-off is involved.<sup>2</sup> Often with neither choice being the ‘right’ or ‘wrong’ decision – as it is based on what you choose to value most.

Satisfaction. Security.

The satisfaction and gratification from having eaten the cake. Or the security and delayed gratification from waiting. Values help shape cultures. Attracting and retaining an organisation of people with aligned values.

Which is why it is important to invest in developing uniquely meaningful values.

## Establish Value Alignment

Imagine you are recruiting a new team member. You are wanting to ensure they are aligned with your cultural values so you ask:

“One of our values is Teamwork. Is teamwork important to you? Can you tell me about a time you worked as part of a team.”

You may as well be asking, “Are you human?”

Teamwork is a fundamental aspect of life. We could not survive as an individual or as a species, without understanding the value of teamwork. From a young age across cultures we are taught the importance of teamwork,<sup>3</sup> instinctively learning to value the support of others.

Changing the value in question demonstrates the significant difference less generic values make.

“One of our values is Individual Impact. Is teamwork important to you? Can you tell me about a time you worked as part of a team?”

Imagine being asked this question yourself in an interview. See how much more complex the answer becomes? Forcing the respondent to decide and explain what they value most. Creating a dilemma for anyone intending to give interview answers they think are best, rather than share their true values – as the answer cannot be simply found in the question.

Leading to deeper discovery of value alignment.

Some organisations make greater progress by working together as teams more frequently than others.<sup>4</sup> Truly valuing teamwork more than others. Even when it is challenging and complex to get together. Guided by a shared value of Making Teamwork Work.

Conversely other organisations accomplish more by prioritising a greater degree of individual work.<sup>5</sup> Aligned by a shared value of Individual Impact.

So what do you value most?

## Avoid Overvaluing

What are the best values for an organisation to hold in order to build a strong culture and ensure financial success?

It is a common question with a simple answer.

The best values to have are uniquely yours.

Quite possibly this is not the answer you were seeking. Perhaps you were hoping for an answer that a longitudinal study of high-performing organisations recently determined that the top five values to hold are focus, collaboration, inclusion, creativity and determination. Unfortunately no such study exists – as there is no single set of ‘successful’ values.

What research into the impact of values alignment on organisational performance does show is that rather than the resulting values making the difference, it is the process of defining, sharing and living your organisational values that makes the measurable

difference to performance. With organisations that have invested in collectively establishing their values increasing performance as a result.<sup>6</sup>

In other words, when we invest the time to understand and value each other more, we can collectively achieve greater outcomes together.

When defining your organisational values, be careful not to overachieve. Often less can be more. Having fewer defined values can help you have a greater impact across the organisation.

Our values guide our decisions and behaviour.

So if you cannot remember your values, they cannot guide your decisions or behaviour.

Despite this fact, all too frequently organisations define more values than anyone can typically remember. Including the people that originally defined them. Which is not surprising, given that most people can struggle to hold more than three to four attributes at a time in their working memory.<sup>7</sup>

If your organisation has more than three values, test this for yourself. First see how easily you can recall and write all of them yourself. Then try asking others to do the same – being careful to frame your approach as casual interest, not an employee test.

Chances are after the third or possibly fourth value most people will struggle to remember. Demonstrating that the forgotten values are unlikely to be guiding their actions.

While it might seem at the time that agreeing to include lots of values is being more inclusive and providing greater guidance, the risk is that you are actually doing the reverse. Instead focus on defining just three or four, possibly five, uniquely meaningful values.

Try exploring beyond simple one-word values to define memorable value phrases, that can provide deeper meaning while often being easier to emotively recall – whether it is guiding teams to “Find a way” as Calendly<sup>8</sup> does or to “Use business to protect nature” as Patagonia<sup>9</sup> advocates.

*Strategy in Action*

## ALIGNING VALUES

A value is something you... value.

Sounds obvious. It is however, more complex than it might first seem.

Let me ask you this – do you personally value money above all else? Do not rush your answer to this. Defining values requires a deep shared understanding through self-reflection and honest conversation.

Take time and be honest with yourself. If money is not your highest value, what fundamental beliefs do you value more?

Do you value these same things equally when at work? Are they core values or situationally dependent values?

These are powerful questions to ask yourself personally at an individual level. They are also highly impactful questions to ask a group at an organisational level.

This becomes the real test of your organisational values.

Clarifying whether they are in fact true values – or in fact just a convenient means to an end. It is a harsh but true reality, one that far too few leaders and their organisations are prepared to contemplate or confront.

For instance, take the popular value of ‘Innovation’ which research by MIT Sloan School of Management and the London Business School found was stated as a core value by almost a third of the organisations studied.<sup>10</sup>

The defining question for any organisation who states innovation as a core value is:

If being innovative made our organisation less profitable, would we still prioritise being innovative?

All too often organisations value innovation because it will enable them to be more profitable and financially sustainable. Which reveals it is a means to an end, not an end – a core belief – in itself.

It is not inconceivable that being innovative could make you less profitable. Being able to see how this might be the case is an important thought experiment for testing the strength of a value. Businesses can increase profits by becoming more efficient while delivering the same outputs. Organisations can lose their way by over-innovating while failing to establish proven systems that consistently deliver reliable results.<sup>11</sup>

Faced with this scenario, a truly values-led organisation that held a stated value of innovation would continue to prioritise innovation over repetition. While knowing that repeatedly delivering the same product to market in the same way could deliver greater profits.

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So what do you value most?

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## CHAPTER SUMMARY

- Many organisations simply list generic human values as their organisational values.
- Values provide an opportunity to shape a unique organisational culture.
- The process of establishing organisational values is more important than the values themselves.
- Ideally limit the number of defined values to just three or four.
- A true value is something that the organisation values more than money.