

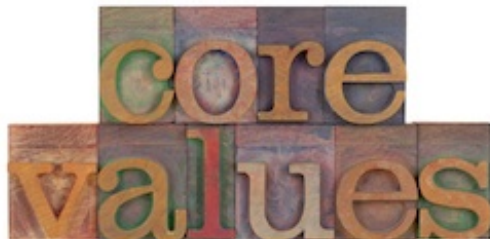
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LESSONS LEARNED: Creating Values That Work

Beyond Just Setting An Example

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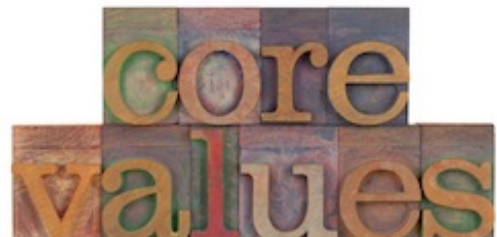


Values are the most important features of developing organizational identity. In addition, values provide the frame for achieving organizational results. Defining values and associated behaviors provide both a focus and the glue that binds the leadership behavior and managerial culture. Following are eight suggestions for incorporating values and behaviors into an organization?

The Basic Approach

1. Translate the values into day-to-day actions.

Even if inspiring, the values must go beyond symbolism. Values guide associates' day-to-day actions only if leaders translate them into specific, measurable objectives and behaviors that you are able to identify with. Set performance objectives aligned with the values. A powerful way to translate the values into action is to help associates set



performance objectives. Performance objectives clarify what people need to accomplish to help the organization realize the values.

Suppose that one of your organization's values is customer service. One way to translate this value into concrete actions is to set an objective to "improve customer satisfaction levels by 25 percent within one year." Similarly, if your organization values community contribution, set an objective for each associate to "volunteer two hours per month for a community project or organization." After setting performance objectives that support the values, clarify how to meet each objective. These actions, or behavioral expectations, must be consistent with the values.

For example, you might set the following behavioral expectations for meeting customer service objectives:

- Respond actively to customers' needs.
- Seek customer feedback.
- Have a good understanding of the customer's business and how it operates.
- Exceed customer expectations.

Behavioral expectations for meeting continuous improvement objectives might include:

- Contribute ideas for improving efficiency or quality.
- Challenge existing practices and procedures.
- Look for simpler ways to get the job done.
- Set specific goals to measure improvement.

2. Leaders guide others to take actions consistent with the values.

To inspire others to live the values, become a values champion. This involves coaching associates on taking actions that are driven by the values and instilling confidence that they can succeed with these behaviors.

Many times, behaving consistently with the values requires people to learn new skills (customer service, team decision making, process improvement). As a leader, you need to provide developmental opportunities and coach associates when they use these new

skills on the job.

Motivation

However, developmental opportunities and coaching sometimes aren't enough. Associates might need motivation to apply their new skills. One way to motivate associates is to set high expectations and express confidence in their ability to excel. Your encouragement and assurance create enthusiasm and foster commitment to living the values.

Model Values

It is important that leaders model the values. People often commit to great ideas because of the people who personify them. When a leader lives the values, others can observe the power of the value and are inspired by his or her personal commitment to it.

When questionable levels of benzene were discovered in a particular brand of bottled water, the head of the company suspended production, recalled 160 million bottles, and set up a toll-free customer number. Although the Food and Drug Administration called this a "negligible risk," the leader knew the importance of making his actions consistent with his company's value of quality products—even at a cost of \$30 million.

A leader's consistent actions are critical to gaining others' commitment to the values. Because every action reinforces or invalidates the values, you need to model them in everything you do—you must "walk the talk." If you say the values are important but act in a way that contradicts them, associates will respond to what they observe, not what they hear.

Leaders Set a Personal Example By Personifying the Values

1. What you say during formal and informal discussions.

Every speech, meeting, or hallway conversation gives you an opportunity to speak about the values and demonstrate your commitment to them. For example, if open communication is a value in your organization, share information and listen to others in formal and informal discussions.



2. What you express interest in and ask questions about.

Associates will infer your level of commitment to the vision and values based on the questions you ask and the subjects you express interest in. For example, if you continually discuss product quality improvements, associates will conclude that you are highly committed to quality.

3. How you spend your time.

The activities you pursue and with whom you spend your time send a clear message about your priorities. Make sure these choices are consistent with the organization's values. For example, if your organization values customer satisfaction, learn what customers are thinking. You might speak directly to them, involve them in town hall meetings, or invite them to your company picnic. Occasionally sit in for a frontline customer service person. This behavior communicates your sincere interest in the value of customer satisfaction louder than any speech or memo.

4. How you allocate resources.

Your decisions about where to commit people, time, and money speak for themselves about what you value most and least. Consider this example of putting your resources where your vision is: When a large computer company shifted its focus to personal computers, the president transferred many of the best technical people to the personal computer division. This clearly showed the president's commitment to the new vision.

5. How you make decisions.

Whom you involve in making decisions, how you communicate them, and how consistent they are with the values are ideal opportunities to model behaviors you want associates to follow. For example, you would involve others when making and communicating decisions if empowerment is an organizational value.

6. How you react to criticism, mistakes, or bad news.

Many organizational values define the way associates interact. If concern for people is a value, it is important to respect the dignity and self-worth of employees, even when they make mistakes or bring you bad news.

7. Catch and correct your own inconsistent behavior.

Despite your best efforts, you might behave inconsistently with your values. Interestingly, the effect of what you *do not do* is as significant as the effect of what you *do*. Consider the consequences if leaders in an organization who do not value treasuring its people:

- Make demands on associates' time without considering their personal lives.
- Treat associates as though they have nothing to add to the organization.
- Make decisions without asking for others' input.

It is difficult to catch your inconsistent behavior. One way to become aware of it is to reflect on interactions that did not go well. Consider whether your actions contradicted or failed to support organizational values.

You are also able to encourage others, especially those you lead, to tell you when they think you are behaving inconsistently. This feedback is important to keep your behavior in line with the values. Remain open to feedback so associates feel comfortable providing it.

8. Shape priorities to reflect the values.

Make sure your work group's highest priority goals are consistent with the values. Help associates prioritize their projects and daily activities accordingly. When associates are offtrack, confused, or bogged down, use any of the following statements and questions to refocus their efforts:

- "I think we're missing the big picture. What we're trying to achieve is. . ."
- "Is this decision consistent with our values?"
- "Which idea would better serve our values?"
- "Let's not lose our focus on what's really important here."

Aligning priorities with one value can sometimes mean neglecting another. Two values that often conflict are customer service and quality of worklife. Sometimes going the extra mile to satisfy a customer can increase stress. Therefore, organizations often identify a driving value, one that takes precedence over other values. If this is the case in your organization, make sure associates give priority to the driving value when there is a conflict. If there is no driving value, help associates resolve value conflicts by

determining which value will best contribute to achieving the vision.

Gaining Clarity as an Executive Team

One good retreat exercise to promote organizational learning on values is facilitated by providing an example of a high involvement culture from a successful organization on video, such as IDEO or Google. Ask the participants to view the video for 6 to 8 minutes and consider what the organization's values are and the clues for deciphering them. Then draw two columns on a flipchart labeled "what do they value" and "what are the clues."

What do they value?	What are the clues?

This is a naturally facilitated process that works well with a table debrief or a whole group conversation and often leads to a facilitated conversation around culture focusing on values, assumptions, and behavior. Sometimes this process is started with a list of values to stimulate the group's thinking. Groups often see that the identification of values requires deep thinking and reflective space.

Conclusion

Within the context of organizational learning, this is working in a values-based and not a rules-oriented culture frame, and can lead to genuine interest in what is possible for an organization. Focusing on a values culture gives a fresh start to thinking about how values are important for creating organizational agility.

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