

Organisational values

This article is about organisational values, and how they can make a profound difference to day-to-day operations and, ultimately, to the bottom line of your organisation or the organisations into which you deliver.

Values can be a vital team motivator, the key to converting a humdrum business to an outstandingly successful one, and can make the difference between a hard grind project floundering in an atmosphere of distrust, and a smoothly run project delivered on time and on budget.

What are values?

A value is a quality that commands respect, and that generates:

- Principles to guide us in our thinking and our actions
- Standards against which we judge ourselves and others

Values that are common to a number of organisations include continuous improvement, delighting the customer, developing people, respect for the individual, innovation, and value for money.

All very worthy so far, say the cynics among you. Isn't this just a load of old tree-hugging nonsense?

Successful Organisations

Not so, if some of the world's most successful organisations are to be believed. Whether large or small, whether public sector or commercial, the most successful organisations have their chosen values at the heart of everything they do.

The extent to which an organisation lives up to its values will underpin its morale and its reputation.

From Prêt a Manger to the John Lewis Partnership to Liverpool City Council, the UK's leading businesses have explicitly identified their core values and ensured that they inform every aspect of their behaviour. Even that most testosterone-driven organisation, the England Rugby Squad, has a set of explicitly defined values which they firmly believe underpinned their World Cup success in 2003.

Let's look at some examples:

- John Lewis Partnership "is never knowingly undersold", demonstrating their value of providing outstanding customer service. Their money-back or price adjustment policy is embedded in their financial systems.
- Prêt a Manger is committed to providing its customers with delicious and healthy food through the use of fresh ingredients every day. Any food left over at the end of the day is given to local charities for distribution to the homeless.

- Liverpool City Council has transformed itself from one of the UK's poorest performing councils to one of the best after redefining its objectives around core values. Their most recent triumph is the announcement that the city is to be the European Capital of Culture in 2008, an achievement few would have predicted in 1998.

Sounds like a lot of work. What are the catalysts for change?

Maybe so. Some situations cry out for a return to first principles, though, when:

- A shake up is needed to restore morale
- Radical change is imposed from outside (e.g. through new statutory regulations)
- Change is imposed internally (e.g. through a merger or a new manager)
- A significant organisational failure mandates a radical rethink.

Or alternatively, an organisation can decide to excel in what it does rather than wait for the worst to happen.

So we have to think big when we think about values?

It's great when an entire organisation decides to realign around its core values. However, values operate at the microcosm as well as at the macrocosm. Have you ever worked on a team which just can't pull together? Or attempted to deliver a service into a department which has gone pear-shaped unexpectedly? There's a good chance that there are violated values somewhere at the bottom of the issue.

Let's look at the situation where individuals in a team are pulling in different directions. You may find that a conversation about values that the team can buy into will help uncover issues. You might find that some individuals have been assigned to the project without reference to their career aspirations, indicating scant respect for the individual or care about developing careers. You might find that individuals feel that the project is insufficiently innovative, and is therefore short-changing the customer. Once these disruptive issues are uncovered, then they can be addressed.

And what about the times when a project you've been delivering on your own has gone pear shaped? A few pointed questions might well expose the absence of any clear thinking about values in the organisation into which you are delivering. In these situations, it is possible that behaviours which would be regarded as unacceptable or even reprehensible elsewhere are part of the local culture. Asking a few key questions about values might well help you in your qualification process.

Six steps to success

There are as few as six steps to create an organisation, department or team built around values, and here they are:

1. Identify the values that define the organisation
2. Review current practices to identify areas for attention
3. Identify concrete objectives for each department
4. Plan and implement changes
5. Monitor and evaluate progress
6. Recognise and reward effort and achievement

What really makes the difference?

As any good consultant will know, it's not what one does but how it is done that really makes the difference, whether you are setting out to impact an organisation or a project team.

Firstly, the most important ingredient in the mix is to ensure that all, and I mean all, the Board or senior management team is behind the change. A single dissenting voice or attitude will invite cynicism from those further down the organisation structure.

Secondly, involve as many within the organisation, department or team as possible in the definition of the core values. Use working groups composed of representatives of all the sections, if the group is of a size where it is impractical to involve everyone. The key thing is to avoid a situation where people feel that values are being imposed on them. Incidentally, this step is an opportunity to identify some quick wins, particularly where poor morale is the change catalyst, as the reasons for selecting particular values emerge.

For the same reason, values which are documented and visible to the organisation become part of the culture much more thoroughly than those which are simply announced.

Finally, be ready to take time. This is not a quick fix process. So recognise and reward effort on the journey as well as achievement when it is made.

Now...

By involving everyone in as many of the steps as possible you are ensuring that everyone is:

- Striving for the same goals
- Working in accordance with the same principles
- Adhering to the same standards
- Fostering organisational morale
- Securing the organisation's reputation

What does your organisation believe in?

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