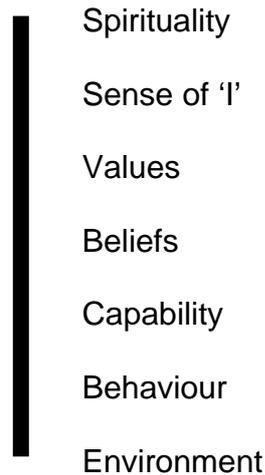


GENERAL PAPER ON VALUES

What are values?

Values represent the third highest level of human motivation. The order of intervention is as follows:



(Taken from Robert Dilts, *Changing Belief Systems* Meta Publications, 1990)

Many believe that values, as critical motivators of human behaviour, are the most accessible of the high order motivators. The highest spirituality is defined not by our relationship with a specific religion but by our relationship to the world, our sense of belonging and of origin. This is hard to access or discuss in any meaningful sense on an informal basis.

The sense of 'I' is that deep inner place, an individual's keenest sense of self, rarely if ever accessible in full to another human being, even one with whom we are intimately familiar.

Values on the other hand are easier to access and express. They are frequently connected to and interrelated with our belief systems. They are often identifiable in our language patterns ('I believe that is the wrong thing to do', 'There is no value in doing that', 'I don't believe in God', 'I really value our friendship', 'I believe in honesty', 'I value freedom'). Effectively the beliefs and values are our guiding 'principles' in terms of what we hold to be 'right' behaviour', 'right' thinking.

It has been said that core values (those we hold to be important above all others) are taken on between the ages of 10 and 20. These values, together with our motive profiles (McClelland's Affiliation, Achievement & Power profiles) represent the 'building' blocks of our sense of self. When our environment is congruent with our values, we are empowered to act to the

best of our ability. When we perceive that our environment is not congruent with our values, we are less likely to perform to our own highest standards. If our environment is substantially at odds with our core values, we are likely to manifest 'unwellness' in some form or another, i.e. headaches, mild stress disorders, sleeplessness, stomach upsets, vacillating moods. In extreme situations, we can become quite ill.

Values and beliefs can come from many sources but are most likely to be the result of those influences which combine to make us who we are and which, during the age of deepening conscious awareness (9 to 10 to 18), are most influential. These can include:

- family
- peers
- physical environment
- education
- access to finance
- language
- gender
- friends
- culture
- community
- religion
- media
- personal history

Posner & Munson define values as follows:

“Values describe what individuals consider to be important. They represent wants, preferences, desires, likes and dislikes for particular things, conditions or situations. Values describe the things that matter the most to an individual, the things that he or she will make sacrifices for in order to obtain. They are one of the crucial keys to understanding behaviour since our actions are strongly influenced by our beliefs, and our beliefs significantly influence our values. Values are used, for example, in comparison processes when people establish standards, judge issues, debate opinions, plan activities, reach decisions, resolve differences, change behavioural patterns, or exert influence.”

Values systems evolving

It has also been said that values are not static, neither for the individual nor for the community. Whilst core values may bed down within an individual for the majority (if not all) of the individual's life, peripheral values may change over time. Entire values systems can change (both for individuals and for organisations) providing the conditions for values systems change prevail.

These include:

- potential exists in the brain for change
- problems solved at the present values level (i.e. already solved, challenge lies in change)
- dissonance exists about appropriate coping (i.e. something isn't working)
- barriers to change have been identified (i.e. change becomes more attractive because it seems more achievable and more useful in terms of potential outcomes)
- insight to eliminate/overcome barriers (i.e. on the part of the individual)
- consolidation and support is available at the new level.

(The National Values Centre, 1989)

Clare Graves, who was professor of Psychology, Union college, Schenectady, New York, wrote the following in the 1970s:

“The error which most people make when they think about human values is that they assume the nature of man is fixed and there is a single set of human values by which we should live... data (indicates) that man's nature is an open, constantly evolving system, a system which proceeds by quantum jumps from one steady state system to the next through a hierarchy of ordered systems.

... The psychology of the mature human being is an unfolding, emergent, oscillating, spiralling process marked by progressive subordination of older, lower-order behaviours systems to newer, higher-order systems as man's existential problems change. These systems alternate between focus on the external world, and attempts to change it, and focus upon the inner world, and attempts to come to peace with it, with the means to each end changing in each alternately prognostic system. Thus, man tends, normally, to change his psychology as the conditions of his existence change. Each successive stage, or level of existence, is a state through which people pass on the way to other states of equilibrium. When a person is centralised in one state of existence, he has total psychology which is particular to that state. His feelings, motivations, ethics, and values, biochemistry, degree of neurological activation, learning systems, belief systems, conception of mental health, ideas as to what mental illness is and how it should be treated, preferences for and conceptions of management, education, economic and political theory and practice, etc. are all appropriate to that state.”

(“Human Nature Prepares for a Momentous Leap”; *The Futurist*, April 1974)

In offering this segment from an otherwise fairly rarefied academic article, we are not seeking to intimidate the reader in the context of an inquiry into values but rather to highlight some critical elements of values that are relevant to both individuals and to organisations:

- values would seem to be conditioned
- values can change over time providing the motives for change are apparent
- motives for change include the capacity to change and the realisation that (a) where an individual is no longer satisfactory (their needs are not answered by the prevailing values system) or (b) the opportunities in the move forward are apparent and the problems in the present are resolved
- congruency of individual values and organisational values build wellness
- incongruence of individual values and organisational values leads to unwellness and (from the organisation's perspective) decreasing or diminishing output .

What are values in a business setting?

In the context of an organisation, much is written and not so much is well understood. Values tend to be more abstract in form (are harder to articulate) yet are highly influential in the performance of an organisation and in the way the organisation satisfies its responsibilities to all its stakeholders.

From a leadership perspective, values do not necessarily guide the selection of a purpose but they are the tools by which purpose (vision) is measured. Values assist leaders by:

- Influencing the type of questions leaders ask about possible direction
- Assisting leaders to sort through criteria
- Giving clues as to the sorts of behavioural tests leaders might use in moving towards their stated purpose and in identifying measures of success
- Assisting leaders in determining what they don't want, what they would find unacceptable in terms of business strategy and organisational behaviour.

Why are values important?

As we have stated, a lack of congruence in values, between individuals and the organisations in which they work (and indeed live for substantial amounts of time), is not conducive to effective, efficient and profitable growth. On the other hand, there is a growing body of evidence to suggest that a company's success is greatly affected when employees can identify, embrace and act on the values of the organisation or feel, in fact, a high level of internal congruence with the implicit (deep level) values of the organisation.

Organisational values tell people what is expected of them behaviourally. They can be powerful motivators that give meaning and purpose to work. Much of the literature of the 1980s on the question of values such as Deal & Kennedy's *Corporate Culture*, William Ouchi's *Theory X* and Pascale and Athos's *The Art of Management*; all found that sound values systems within organisations, with which the employees could personally relate, gave individuals a notion of a *deeper meaning* for the organisation and, in turn, a notion of deeper meaning for their role within the organisation.

One can conclude from this the following:

- values must be clearly identifiable
- values must be able to be translated in day-to-day activities in terms of identifiable behaviours
- such behaviours should be consistently observed and monitored to ensure congruence with the stated (explicit) values
- such identifiable values systems determine what types of behaviour are not acceptable (i.e. cause incongruence between implicit values and explicit behaviours)

Jack Welch, the CEO of General Electric, describes a values dilemma around the performance of his executives. He explains to executives that performance failures can be tolerated to a point, but not adhering to the values (which are clearly articulated to all) is a sure-fire exit strategy.

He describes General Electric's values in the following terms.

“ Our behaviour is driven by a fundamental core belief: the desire and ability of an organisation to continuously learn from any source, anywhere – and to rapidly convert this learning into action...”

To strengthen his point he then connects the value to business reality. “You can talk – you can preach ...about a learning organisation but ...reinforcing management appraisal and compensation systems are the critical enablers ...if rhetoric is to become reality.”

Clearly for General Electric, values have meaning in terms of behaviour and performance.

At Motorola their credo about leaders is laden with values rich words:

- “The only definition of a leader is someone who has followers.”
- “Leaders are highly visible. They set examples.”
- “The ultimate task of leadership is creating human energy and vision on the basis of trust.”
- “Integrity and ethical standards are the foundation. Leaders then put the common good above self-interest. Leaders raise the debate to a higher plane.”

In *Built to Last*, Collins & Porras describe the findings from a six-year research project into what makes for sustainable highly profitable organisations – what distinguishes them from the rest. Their findings in relation to values are noteworthy. All of the organisations they investigated had clearly identifiable values systems that were owned and understood by all employees. These values systems determined behaviour at work, guided decision making from

strategic to operational issues, helped in terms of recruitment and, in their strength and perpetuity, described something about the organisations that was sustainable over time. The values systems were upheld by all and critically so by leadership (in terms of the congruence of their behaviours against the stated values systems). The *Built To Last* companies are good examples of congruence between explicit (stated overtly) values systems and implicit (deep level, rarely stated but demonstrated in behaviours) values systems.

When comparing the *Built to Last* companies with their nearest competitors (successful companies in their own right but much younger), the embedded values systems were not as apparent or, in many cases, were non-existent. Both employees and leaders alike deviated from stated values systems (explicit) and no one body of people identified the values as being core to the organisations in question. In such organisations, incongruence appears between explicit and implicit values systems. What is stated is not necessarily what is real.

At the more spiritual level, Dattner Grant routinely sees organisations that seem to lack a heart. In such places, people cannot respond to any sense of real meaning they might seek in their work. Such meaning then is either provided external to their working environment or is missing altogether (the latter is more frequently the case). The sad portion of the picture is that work provides an ideal meeting place of purpose and values. Unfortunately, too few leaders recognise the power of the combination in terms of the motivating impact on behaviours.

At a simple level, if an organisation has well-founded views on what is right or wrong, relative to the organisation, in terms of core values, then supportive behaviour and success somewhat naturally follow. Collins & Porras's list of companies testifies to this over and over.

It is important to note at this juncture, that this conclusion is not suggesting that there is a 'right way' formula for developing values or, indeed, a 'right' selection of values for any and all organisations. In fact, quite to the contrary. Values systems can and do vary considerably. If the organisation is cost-driven, then the explicit and implicit values might emphasise frugality. If the business's success is built on teamwork and cooperation, the implicit and explicit values might be around harmony and helpfulness. Defining organisational values is not about making a long list of all the morally righteous values that individual leaders may think are appropriate. The skill lies in identifying the appropriate and sustainable values on which the purpose will be built specific to the organisation in question and then ensuring congruence between what is stated (explicit) and what is actually valued (implicit).

Incongruence in values systems is one of the key reasons for the failure of stated or explicit values to reach implicit status. Leaders may state an ideal values system, print and publish it for all to read, digest and follow. After the initial fanfare, however, such values systems often fall into disuse not for lack

of focus but for lack of congruence with other deeper level values systems demonstrated over and over again in the behaviour of both leaders and staff alike. Leaders may say they value honesty, integrity and teamwork. Their behaviour to staff, however, may undermine the credibility of these explicit values, i.e. they do not explain the reasoning behind their actions, are perceived to be secretive and do not operate cohesively as a leadership team (i.e. politics). The impact of their overt behaviour is to undermine the stated values and to give weight, albeit indirectly, to perceived implicit values of power, politics and segregation.

Every day we are tested in business and have to make choices that elicit our values. In the end, it is not difficult to recognise the value and comfort that is gained if the organisation has values that are clear and that we are able to embrace and which, ultimately, give form to our behaviour and meaning to our work.

Finally, values must be readily understood so that people can remember them easily and transform them into action in every day life. They can and must support business purpose. Whilst nothing can guarantee success, congruence of purpose and values will go a long way to do this.

To this end, it will be critical to determine current versus ideal values and to then plot a path from the present to the future, which is achievable and believable.

Can the 'values' have meaning across an organisation?

Absolutely. All you really need to consider is the following:

- The evolution of values is 'iterative', i.e. requires time and feedback, reflection and review
- Once a preliminary values list is identified, staff need to be invited to comment
- Once comments are received they need to be integrated into the work already done (or if not used, an explanation offered to staff as to why not)
- Values need then to be embodied in the planning process and leaders must themselves all commit to living them out
- The values and the expected behaviours need to be regularly monitored; are we doing what we say we will do?

How best can a values-based process be delivered?

Through the following steps:

1. Review and refine values – those stated versus those lived.
2. Clearly identify the difference between the explicit (stated as desired) and implicit (actual deep level) values; if no incongruence, fine; if some incongruence determine where, why and what action needs to be taken.
3. Articulation, possibly most effective in an HR Blueprint, of the support explanation in terms of agreements, principles and behaviours supporting the stated values.
4. The development of a cascading process to ensure widespread buy-in of values.
5. Leadership education and development in terms of how to lead in a values-based organisation, what behaviours will be expected of them and what they can in turn expect of staff.
6. Clear integration of values into core purpose and strategic planning.
7. Regular review mechanism.