



LEADERSHIP EFFECTIVENESS: WHEN A COMPANY NEEDS TO LIVE ITS VALUES (ALWAYS!)

Core Values – what are they? Why do they matter? Do you know what yours are? Do you know what your company’s are? We know that conscious, consistent communication, commitment, and accountability for core values can shape an organization’s culture, customer loyalty, and brand image. On the positive, think about a company that makes a difficult financial decision to ensure it lives its values. Remember when Johnson & Johnson promptly pulled Tylenol from the shelves? Conversely, what about the not so hot decision made by Fox News when they waited for protesters at their door before they did anything about serious allegations of misconduct on the part of a lead anchor? Decisions rooted in core company values send a message of integrity and trust to all constituents. Wells Fargo, Volkswagen, Uber, Enron and many other organizations have suffered from not following their core values.

If you—or your leadership team—don’t “live the values,” credibility diminishes, errors in judgment are made, trust breaks down, and decisions are made that focus on misunderstood outcomes. What can you as a senior leader do to ensure people consistently “live” the values and make “just in time decisions” that positively impact brand image?

Many CEOs and other senior leaders we work with take the time to tell stories, giving examples of living the values, keeping the values top of mind, and getting the message across that they are serious about the values. Some of you may be familiar with 12-step programs. Each meeting starts with a reading of the steps and, at least once a month, the 12 traditions are read. Why? To remind everyone what matters most. Here are nine simple steps that work:

1. Read your values every day.
2. Encourage (require) others to do so also.
3. Read them in executive team and other team meetings.
4. Read them in town halls.
5. Illustrate and communicate examples of the values being followed (and reward those involved). In-house video broadcasts are powerful communications vehicles.
6. Illustrate and communicate examples of when the values were not followed and ensure that people understand the consequences, both personal and organizational, to noncompliance with the core values.
7. Run an ongoing program or a contest (with suitable rewards) for people to nominate co-workers who exemplify the values.
8. Make sure your organization has a mechanism (ombudsman, hot line, ethics officer, employee relations...) to report gaps without fear of reprisal.
9. Conduct Leadership and Values Assessments – they keep people honest.

It isn’t that companies that have gotten into trouble as Volkswagen, Uber, Enron and others have done don’t have Core Values. Executive leadership must ensure that all employees (and contractors, suppliers and other partners) understand and live the organization’s values, and are perceived to be engaged in behavior that is consistent with the values.

What are your suggestions? What has your organization done to ensure the values that are posted on their websites are actually lived?