An Overview of the Organizational Core Values Concept

by Marie J. Kane

1. Definition--Core Organizational Values are a set of beliefs that specify universal expectations and preferred modes of behavior in a company. They point the way to purposeful action and approved behavior.

2. Core Values create a foundation of attitudes and practices that support long-term success.

3. Core Values provide reference points for shaping and building the business.

4. Successful companies place a great deal of emphasis on values. In general, these companies share several values-related characteristics:

   - They stand for something--that is, they have a clear and explicit philosophy about how they intend to conduct their business.

   - Management pays serious attention to clarifying and role modeling values and to ensuring that they are successfully communicated and embodied in the organization.

   - The organization's values are known and committed to by the people who work for the company.

   - The values are integrated into the company's way of doing business (policies, procedures, compensation practices, performance appraisals, etc.). They affect all aspects of the company from what products get made or sold to how people are treated.

5. Shared values affect performance in three main ways:

   - Managers and others throughout the organization give priority attention to what is stressed in the corporate values system and this in turn supports producing the priority results.

   - All employees generally make better decisions, because they are guided by their perception of the shared values. When employees know what their company stands for, when they know what standards they are to uphold, then they are much more likely to make decisions that will support those standards.

   - People are more likely to recognize that they are an important part of the organization. They are more motivated because life in the company has more meaning for them. They work harder because they are dedicated to what is expressed in the organization's core values.
6. Applications of Values also arise specifically in:

- Managing Crisis by making it apparent immediately what action to take and having unanimity in doing so. (The Johnson & Johnson handling of the Tylenol scare and subsequent regaining of public confidence and market share is a classic example.)

- Managing Change by defining dimensions and "putting life" into a company's strategy for change.

- Managing Growth by attracting and keeping the superior people required for creating and appropriately managing growth and profitability.

7. To achieve Vision and Mission, you must plan, act, and believe. Values must support plans and actions. Plans and actions must be conceived and implemented within the context of the organization's core values.

For more information on how Executive Evolution integrates Values development into its strategic thinking processes, please [Click Here]

Marie J. Kane is President of Executive Evolution; A corporate coaching and consulting firm established in 1981 that specializes in Executive Coaching, Leadership and Management Development; Strategic Thinking; Team Effectiveness; Employee Selection/Retention and Relationship Improvement.

Info@ExecutiveEvolution.com  770-461-3820