

Are company values valuable?

What is the purpose of this article?

The purpose of this article is to enable boards of directors, the C-Suite, and major shareholders to discuss the purpose of company values.

This article does not provide tax, legal or financial advice.

You must do your own research and fact-based analysis using current and relevant information.

What are the critical learnings in this article?

- 1) I've seen countless company value statements
- 2) I've never been clear on the value of the value statements.

What are some examples of company values?

The following examples came from a quick search of the web:

Accountability: make it happen

Diversity: Learn from difference

Empathy: Put others first

Fun:¹

Integrity: We hold ourselves to the highest standards to build trust

Integrity: act with honor

Integrity: Do what's right

Passion: Be your best

Respect: value every voice

Responsibility: Make tomorrow better

What are some questions for discussion?

- 1) Does everyone from temporary/gig workers to the board directors understand the values?
- 2) What do these values actually mean in terms of what each person in the company does: their behaviours, actions, and decisions.
- 3) Are values used to hire, assess, and terminate employees at any level. E.g. do you not hire someone because they don't 100% of the time put others first? Does the board of directors governance committee not put a director forward for election because the candidate is not funny enough?
- 4) Do employees join or leave the company because of the documented values?
- 5) How are the values use? E.g. at Are the value reviewed at the beginning of each board of directors meeting? Is every board decision and action reviewed for compliance with values?
- 6) What is the relationship between values and a code of conduct or a code of ethics?
- 7) What is the relationship between values and morals?
- 8) What problem and need do documented company values help solve?
- 9) What is the purpose of having documented company values?
- 10) How do you measure the use and benefit of documented company values?

What are your definitions of what values, morals, and ethics are?

The following are the definitions I use:

Values: Values are the rules by which people make decisions about what they should or should not do. Values have different importance's, which is helpful when needed to trade off or balance one value versus other values. Values are what someone thinks and feels internally.

Morals: Morals are decisions, actions, and behaviours which other people feel are right or wrong, good or bad. Morals are actions and behaviours arising from one or more values. Not all values are related to morals. You are judged by others as to whether or not your actions and behaviours are moral or immoral.

Ethics: Ethical decisions, actions, and behaviours are based on following a documented set of standards or principles. Many companies and professions have a Code of Ethics.

Note that the values people use to make decisions and guide their actions may be very different from the documented company values.

What are your next steps?

- 1) Define the words/concepts you're using, in a glossary. I've seen major confusion when the same words mean different things to different people.
- 2) Individually survey and interview the board directors and C-Suite regarding the questions in the section above.
- 3) Analyze the feedback to determine issues or conclusions.
- 4) Review with the board of directors and agree upon an action plan. One possible action is "do nothing".

Footnotes

¹ At least 12 companies, such as Best Buy, have Fun as one of the company values.

What further reading should you do?

What are the values of the U.S. Army?

<http://koorandassociates.org/values-morals-and-ethics/values-u-s-army/>

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