

Core values notes

You discover your core values as a company you don't create them.

1. It makes leading and managing your team A LOT easier. Core Values are a set of clear rules. And when really alive in a company, you don't need a lot of other rules. You may find that so often we create rules for the few who break them. But they, in turn, penalize the majority who don't break them. Which doesn't really make sense? A clear set of core values eliminate the need for a lot of these dumb rules. And when your team is living and breathing your core values, they usually do the right thing and make the right choices, making managing and leading easy.

2. It forces you to become better at hiring. Most companies focus on talent when they hire. And this is wrong. You can't build a great place to work if you don't hire for skill AND culture fit. By using your core values through your hiring process, you start to weed out the wrong people, and attract the right people. This is a pivotal tool (the most important tool?) in building a great culture.

It's all about the right people, right?

3. It gives you your brand identity. How can you differentiate yourself in the marketplace? We often leave this up to the branding folks. But if you aren't living your brand on the inside, how do you think you will live up to it on the outside, when a customer buys your product or service? By building your culture around your core values, and the aligning it with your brand, you now have a powerful brand. That is a powerful identity. Why should you be different to your customers than to your people? You shouldn't. Authentic brands win in the end.

Your culture is your brand. (And your brand is your culture).

4. It makes your company perform better. I read a post once "Culture Eats Process for Breakfast". I love this statement. You can have the best processes in the world, but if you don't have a strong culture to work them, it will only work so well. There is a reason why companies with the best cultures continually outperform companies who don't. Their people work better. They are more productive.

Give me an awesome "A" player who is dialed into our culture working a bad system any day over an awesome system being worked by a mediocre person who isn't dialed in.

5. It provides a framework for decision making. When your core values are strong, they should be your guide to decision making. After all, they are your moral compass. They should tell you what to do and what not to do. And if you can clearly communicate WHAT they really mean, then they become a powerful device in empowering your employees (especially your front line employees) to make decisions. After all, that is what we all really want, right? (See point #1)

6. It prevents your company from lurching from crisis to crisis. George Nadaff, founder of Boston Chicken, said something memorable “business equals problems, problems equals business. No business, no problems, no problems, no business.” The fact is, running a business is all about problem solving, constantly. And there is always a crisis out there. And what we tend to do when we run and build companies is lurch from crisis to crisis because we don’t have a clear path to follow, or an unwavering commitment to something really big and important.

Core Values keep you on your path (along with the other components of vision: purpose and the painted picture). They force you to make tough decisions that in the long run, are good for your company.

7. It is the one constant in your company that will never change. And that is good for your people. Think about it. Everything will forever change in your company. Everything is always in a state of flux. But sometimes it is just nice to have things remain the same. It is comforting. Well that one thing is your core values. Your people know that they will remain forever. They won’t change. There won’t be a new flavour of the month that they have to memorize. Or learn.

8. It helps to address the # 1 problem that companies face. Communication is hard and is the #1 problem companies’ face. And it becomes increasingly complex as you add people. Core Values won’t solve all of your communication issues, but it sure will be a crucial role in improving communication through your company. Why? It provides a framework and a foundation for communication; a framework that all of your people can understand.

9. Your core values are the foundation of your culture. Without them, you can’t build a long lasting, sustainable culture. Just like in point #6, when you build your culture around your core values, your culture won’t rise and fall with the times. Do you think you ever hear about those cool companies where they play video games and foosball, and get breakfast served to them while at their desk in the tough times? No. Because these perks don’t mean nearly as much when the times are tough (either the company is running out of money or there is a recession – either / or.

The companies that you do hear about, those that win the best employer awards year after year, despite facing the same tough conditions. They typically are the ones with a strong foundation of values.

10. It lets people be themselves. It lets your company be itself. Why? Because it is crystal clear WHO you are and WHO you should be at work. It is crystal clear what is acceptable. And crystal clear what is NOT acceptable. And when you let people be themselves at work, they will perform better. And be happier.

11. It elevates your uniqueness. When you really know yourself, you can let yourself shine through. And you aren’t afraid to show your uniqueness. Think Westjet and Four Season’s. Two radically unique companies, who let their uniqueness shine all the way through – from their culture to their brand. Why? Because they know exactly who they are. And their people do too. So they magnify their uniqueness.

And this is great for your brand. (And sales).

Guiding your thinking on Core Values:

1. Core values should be VERBs, not nouns! Your core values are WHO you do things, which means they should be action statements, or verbs, not nouns! It is the difference between “honesty” (noun) and “Strive to always tell the truth”. Which one wants to make you act this way?
2. Get away from the one word core values. (i.e. Ethical,accountable, punctual) Your core values should be a quick action statement. It should ideally describe the action you want your people to take.
3. If possible, make it punchy. Punchy is memorable. Punchy shows your attitude. Of course, if your company doesn't have any attitude, then punchy may not work. Let me give you an example to show you how you can start to understand culture just by hearing a company's core values. Restaurants almost always have “customer service” as a core value. And they usually simply state those words as their core value. Cactus Club, a BC based restaurant chain, has a core value “the house of yes”. Which restaurant probably has a cooler culture? Which restaurant probably has better customer service? Chances are the cactus club wins on both accounts (and in fact, they are consistently voted one of the best companies to work for in BC)
4. If you have boring core values today, it doesn't mean that you have to change them. Remember, core values should never change (well, that is if you have the right ones, which means that you discovered your core values instead of creating your core values, right?). But you could re brand your current core values.
5. Remember, that your core values have a specific meaning to you and your company. “Respect” should mean something different to you then it does to another company who has this as a core value. Your job is to put meaning behind it. And you can start by rewording “respect” to something more unique, like “We CARE” that better reflects your culture. Remember, your core values should make you unique!
6. Stay away from having too many core values. 10 core values don't work. People don't remember 10 core values; they remember 4, maybe 5. Remember, your core values make you who you are. And you shouldn't try to be everything to everybody. (Ask a large number of your employees to tell you their core values. They'll stop at 4 or 5. The cool thing is that they consistently remember the same ones).

Finally, if we were to start fresh, a serious organization would put their brand filter on the writing of its core values. Make them fun and witty, so that they jump off the page. It would be easier for your employees to actually take them seriously.