

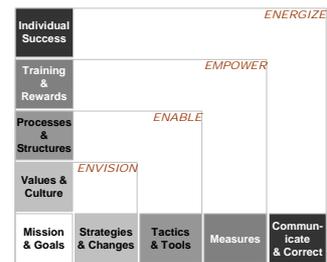


getting better results, together

Leadership requires Values Congruence

Burns (1978) and Gardner (1990) were two of many scholars that stressed the Values aspect of Leadership. Leaders must understand and then communicate their own Value systems if they are to be trusted and followed. Leadership comes from within us, in the sense that deeply held Values and principles provide the road map for the way we lead, and the way other people respond (Gardner, 1990). It is always the Leader's personal Value system that sustains them in their quest.

The 4E's Leadership Framework (discussed in detail in another paper in this series, and referencing Envision – Enable – Empower – Energize) suggests that Leadership starts with a thorough understanding of the Follower's needs, aspirations and concerns.



The Framework operates on two axes – operational (task) and organizational (people), so combining strategy Leadership issues. The first three Es are the collective “what” and “how”, whilst the last E is the individual “why”, for the Leader and the team. Throughout, there is a strong element of interdependence-building, based on shared values and trust.

- o **Envision** – Values-driven setting of goals and strategies
- o **Enable** – Identifying tools, technologies, organization structures & people
- o **Empower** – Creating trust & interdependence between Leader & Follower
- o **Energize** – The personal Leadership motor to drive the entire system

Without a clear sense of his or her own Values, the Leader-to-be can get hopelessly lost, falling foul of inconsistency as he or she struggles to handle the constituents. Put another way, being an effective Leader does not guarantee ethical conduct or moral outcomes (Gardner, 1990). So, if we are to get the kind of Leader that is needed today, a strong dose of sound ethics is a pre-requisite (O'Toole, 2003).

The creation of an Enterprise – wide Value system which is in synchronization with the Values of all of its constituents will be powerful indeed (Jaques, 1995). Jaques says:

"If the CEO can establish over-arching corporate Values and philosophies ... nested within ... societal Values, and which meet people's own ... Values, he or she can get the whole organization working effectively ... it is our Values that move us, bind us together, push us apart, and generally make the world go round".

As recent data points, polls on www.leader-values.com (2004) produced interesting results:

What makes a Leader most effective?

- o their strategies 12 %
- o their Values 52 %
- o their ideas 4 %
- o their networks 5 %
- o their Followers 27 %

(190 respondents)

What makes a Team most effective?

- o clear responsibilities 16 %
- o shared goals 24 %
- o shared Values 42 %
- o interpersonal skills 15 %
- o talented members 3 %

(101 respondents)

The data is illustrative of both the power of Values and the importance of the Followers.

Don't confuse Ideas and Values

What is an "idea", and what is a "Value", and what is the connection?

Idea: a thought to be presented as a suggestion, a thought about or mental picture of something such as a future or possible event, a realization of a possible way of doing something or of something to be done.
(Microsoft Encarta 2004)

Today, an idea tends to be called an "innovation" when it can be practically executed and when it creates economic Value. We can all have ideas, and they result in changes to a greater or lesser extent. They can be incremental, substantial or transformational innovations – all are needed to keep moving forward. Christensen (1997) calls transformational innovations "disruptive" – technologies like the printing press which changed everything. He noted that large Enterprises tend not to "disrupt", as they are too successful with the status quo.

So what is a Value?

Values: the accepted principles or standards of an individual or a group.
(Microsoft Encarta 2004)

Ideas can thus lead eventually to Values if they are robust enough. As society moved from hunting to agriculture, one assumes someone had the idea that not killing people was "good". Later, the idea of the rule of law came along, and then liberal democracy. Both eventually became Values in "civil society". The idea of "markets" surfaced, and the Values of "capitalism" took hold. On the other hand, Marx had the idea of "communism", which lasted a while but never became an enduring Value.

Ideas can be born at "Internet speed", but Values take time and energy to create and take hold. Put another way, ideas are fast and Values are slow. Ideas can lead to powerful Values, but not always.

As pointed out by Cowan and Todorovic (2000) there are three "layers" of Values we all deal with.

1. The obvious, surface level that we are all happy to show and to share, and which may be exhibited in artefacts, benchmarks, "the numbers", best practices and written statements.
2. The middle yet "hidden" Values which are the basic beliefs within the system in question, and which may be either implicit or explicit such as norms, traditions, or the "unwritten rules".
3. The deep, almost societal level Values which are usually unshakeable but which are rarely debated – e.g. the belief in self expression, the sacrifice of self to the group etc.

Any Leader's framework must therefore be able to distinguish between the longer term core Values at work in the group, and the short or mid term ideas for change. In my experience, especially when dealing with multicultural groups, it is often easy to miss the distinction and make assumptions which are not completely true. For example, in restructuring in Japan, I found that whilst employees fully understood the economic reasons for change, it was difficult for them to give up "lifetime employment".

Interestingly, Collins et al (2004) note in "Built to Last" that although profit is a value in "Visionary Companies", profit maximization does not rule. Instead, these Companies pursue their ideological goals profitably. The authors also note that by and large their core Values do not apparently need external justification, nor are swayed by the trends and fads of today. They are resilient.

Practical Values

So how should we think about building a Value system which is practical and yet aspirational? How can it be congruent with Follower's beliefs, yet challenging enough to take the Enterprise in new directions?

Here are a few pointers to consider.

1. What lines will you and your Enterprise never cross? Articulate these and stick with them. That said it is also possible that some of these lines do not differentiate your Enterprise – if so, decide what needs to be articulated and what should be taken as given.
2. Make sure that you clearly distinguish between “ideas” and “Values”, as discussed above.
3. Pick no more than a handful of things to focus on. Too many will complicate matters, and will not be actionable.
4. Don't be afraid of being “top down” in this area – in particular, start-up Enterprises depend on their founders to define their Value systems.
5. But then, conversely, work hard to create acceptance and congruence with all employees. Engage in dialogue, debate and discussion – be prepared for disagreement and testing.
6. In sorting the possibilities, consider the opposites. Yes, we all want to work at companies with integrity, but is a company “without integrity” a really viable Enterprise?
7. So, what can be said that marks out your Enterprise as different and with its own uniquely competitive and positive persona?
8. Consider visualising what the Values would look and feel like. For example, Johnson & Johnson's Values (as laid out in their Credo) are intrinsically bound up with patient welfare, which brings to mind doctors in white coats.
9. Are your Value statements credible and realistic, and can they be acted upon? Theoretical statements will not be helpful. Put yourself in the position of an employee attempting to act out the values.
10. Can the Values help build strategic choice, and thus create real market Value? For example, Singapore Airlines “customer first” permeates everything they do, including staff training, and has led to long term success in the marketplace and a distinctive positioning for the business.
11. Are the Values robust, and will they stand up the scrutiny? If the Wall Street journal ran a story on your Enterprise and its Values, would it “hang together” or would it be exposed as empty and over-selling?
12. Do all of your stakeholders fit within your Value system, and what are the implications for each of them – customers, suppliers, shareholders, employees etc.?

Perhaps most importantly, especially in these times of the writing of “mission statements” and of seeking “good corporate governance”, be sure to be authentic.

Often a discussion on “Values” can be construed as soft and woolly. It is anything but. It is hard edged, with a real purpose, and requires intellectual rigour, discussion and debate. But, if done right, it can be a powerful force helping propel your Enterprise to success.

“Leadership is the energetic process of getting other people fully and willingly committed to a new and sustainable course of action, to meet commonly agreed objectives whilst having commonly held Values”

Related resources and references can be found at www.yatesweb.com/books-essays-poetry/

LeaderValues offers tailored workshops, assessments, organization & strategy development tools and programs built on the 4E's



This paper is a summary of earlier articles and of Mick's work from the “Consulting and Coaching for Change” program jointly at Oxford University and HEC in 2003 / 2004.

Mick founded LeaderValues in 1997, and is a member of the Change Leaders, a global community of practice dedicated to helping organizations positively address the human side of change.



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