

# The Importance of Organisational Values

## Part 2: What values do your staff think are important?

by

**Peter Hyde and Bill Williamson**

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*This is the second in a series of articles exploring the power of organisational values and their potential influence - positive and negative - on an organisation's ability to sustain its performance over time. In the first article (issue 66) we described the importance of value congruence – a match or alignment between individual values and those of the organisation. That discussion begged two questions which will be addressed in this article: what in fact **are** values anyway and how do you go about ascertaining them. The discussion of these issues is supplemented by empirical evidence gathered through an important, year long piece of work to produce a business strategy for the Solicitor's Office of HM Customs & Excise. The first article provides the background to this.*

### **What are values?**

The most influential exploration of this question remains the pioneering work of the American sociologist Milton Rokeach. His book, *The nature of human values* begins: "Any conception of the nature of human values ...should be intuitively appealing yet capable of operational definition. It should clearly distinguish the value concept from other concepts with which it might be confused – such concepts as attitude, social norm and need"<sup>1</sup>.

Rokeach argues that the first key characteristic of values is that they **are a type of belief concerned with what is good or desirable** (other beliefs concern assumptions about the world which are in principle capable of being proven to be true or false). He distinguishes between values concerned with ends (i.e. those states which we want to achieve e.g. security) and those concerned with means (i.e. the way we go about our lives e.g. helpfulness). He further subdivides the latter type into those concerned with morality (e.g. honesty or fairness) and those concerned with competence (e.g. logic or creativity) and suggests that failing to live

up to a moral value may induce feelings of conscience and guilt, while failing to live up to a competence value may induce feelings of inadequacy and self doubt.

For Rokeach the second key characteristic is that values are **enduring** and this proposition is borne out in research by George England.<sup>2</sup> Values are stable enough for behaviour to be reasonably consistent and predictable, but not so stable as to preclude the possibility of development and change.

Thirdly, implied but worth stating directly: **values motivate behaviour and guide evaluations and decisions.** In this way, values underpin and inform patterns of behaviour and attitudes on specific issues.

Additionally, it seems clear that people are influenced by their values but are to varying degrees self-aware as to what those values are. It can be a very worthwhile piece of personal development to increase this awareness: for example, Schein's concept of career anchors is one particular application.<sup>3</sup>

Secondly, where people are aware of their values, there may be a disjunction between the values they ascribe to themselves and the values they actually display in practice. Chris Argyris makes the important distinction between espoused values and values-in-use.<sup>4</sup>

In the light of this we developed as our working definition of values:

Underlying and relatively stable dispositions which people use to guide their actions and decisions and to help them make judgements about what is right and wrong.

## **Personal and organisational values**

To what extent are organisational values the same as personal values? We have already argued that congruence between the two is desirable and has important consequences. But they are not quite the same thing as a glance at most corporate value statements will confirm.

We suggest that an organisational value can best be understood to be something which an organisation values (i.e. which it asserts is important as a guide to organisational behaviour). As such, organisational values may be identical to personal values or - and this is probably more common - may be expressed in rather different terms. Some organisational values are in practice more like organisational goals or priorities (e.g. customer service). Nonetheless, if they are to be effective as a guide to individual behaviour, they should be related to and consistent with the personal values held by individuals in the organisation. There are as well some organisational goals or priorities which it does not help to describe as values: profit, efficiency or survival for example.

## **Finding out about people's values**

We decided to approach the challenge of finding out about people's values by conducting a questionnaire survey of everybody in the Solicitor's Office. We developed a questionnaire which contained four sections:

- Demographics (location, function, job type and pay band).
- Personal values.
- Organisational values.
- Value congruence and work satisfaction (reported on in the first article).

The personal values section presented a list of 22 values derived from our reading and reflection and especially influenced by the list produced by McDonald and Ganz<sup>5</sup>. The instructions are shown in the adjoining box. Although they involve quite a demanding process, most people had no trouble with it.

The organisational values section presented a list of 15 possible organisational values and for each one offered two ranking scales: one for how **important** people thought it was that the office should operate according to the value (on a scale from Very important to Not at all important) and the other for how **well** it operated according to the value at the moment (on a scale from Very well to Very poorly). Both this list and the one for personal values included the four core values of Customs & Excise as a whole: Integrity, Courtesy, Impartiality and Helpfulness.

### Findings: Personal values

We were able to analyse the values people chose in two ways: firstly in terms of **popularity** (which values were chosen by the greatest number of people) and secondly in terms of **intensity** (which values were ranked highly when they were chosen).

All the 22 values received at least some choices. Nobody added an additional value. This provided some reassurance that no important values had been inadvertently omitted from the questionnaire.

#### SECTION 2: PERSONAL VALUES

*This page presents a list of 22 values which could be important in a work context, with a brief description.*

*Please place a tick against the **ten** which are **most** important to you personally. The two blank boxes can be used if you wish to write in additional values which are important to you.*

*Then rank the ten you have chosen, from 1 (the most important) to 10 (the least important).*

*For example, if Stability was one of your choices and you rated it 7th most important, the box would look like this:*

<b>Stability</b>	✓	7
Preferring things to be stable and predictable.		

The top values in terms of popularity were:

- Professionalism (86%).
- Diligence (68%).
- Co-operation (66%).
- Integrity (65%).
- Good humour (64%).

It is interesting to note the least popular values: Competition (5%), Stability (12%), Innovation (18%) and Diversity (25%).

Turning now to the intensity with which values were held, seven values stood out as being especially strongly held when they were chosen (i.e. they had the **lowest** average score). All were on average ranked in the top five.

- Professionalism (average rank 3.69)
- Integrity (4.32).
- Honesty (4.57).
- Achievement (4.66).
- Balance (4.73).
- Diligence (4.88).
- Impartiality (4.98).

Some values were the most popular and others were held most strongly. How did these aspects relate to each other? If we split the values in two groups for popularity (high popularity is those chosen by 50% or more and low popularity is those chosen by fewer than 50%) and for intensity (high intensity is those with an average rank of under 5, low intensity is the rest), the relationship becomes clearer.

<i>Popularity</i>	<i>Intensity</i>	
	<b>Low</b>	<b>High</b>
<b>Low</b>	Loyalty Involvement Flexibility Autonomy Rationality Diversity Innovation Stability Competition	
<b>High</b>	Co-operation Good humour <b>Courtesy</b> <b>Helpfulness</b> Recognition Personal development	Professionalism Diligence <b>Integrity</b> Honesty Balance <b>Impartiality</b> Achievement

This shows that seven values fell in the High category on both dimensions: two of the department's core values and five others. It is noticeable that Professionalism was the clear winner for both popularity and intensity. Diligence was also strongly represented in both lists. Given that Professionalism was the most widely and strongly held value, it is perhaps not surprising that the Departmental values (in bold in the table) which came out highest were the two most closely allied to it. It is interesting that the values held most intensely were all among the most popular.

Overall we concluded that the Department's core values were well supported, but were not the most strongly held among the staff of Solicitor's Office.

### **Organisational values**

Organisational values are things the organisation asserts are important as guides to the way people should behave. "Asserts" is used here because there are innumerable examples of organisations not living up to their published values and of the cynicism which results. This way of looking at organisational values immediately raises two issues: are they in accord with individual values and how well does the organisation actually live up to them?

People were invited to rate the 15 possible organisational values on a scale of importance from Very important to Not at all important. The question was: “ *How important is it that the Office should operate according to this value?*”

Combining the Important and Very important categories gives an overall measure of popularity. This indicates that the most popular organisational values were:

- Staff well-being (98%).
- Service to clients (98%).
- Courtesy (98%).
- Professionalism (96%).
- Helpfulness (96%).
- Honesty (95%).
- Integrity (95%)
- Impartiality (92%)

Closer analysis suggested that the values surveyed could be placed in three categories of popularity rather than the two used for personal values. Those which were highly important (90% or more rated them important or very important), those which were moderately important (80-85% rated them important or very important) and those which were of low importance (about 50% rated them important or very important).

For organisational values a completely separate measure of intensity was not available, but it seemed reasonable to regard rating a value as Very important, rather than just Important as a measure of intensity. On this basis, High intensity was taken to mean where 50% or more rated a given value as Very important.

The organisational values held most intensely were:

- Professionalism (70%).
- Honesty (68%).
- Integrity (66%)
- Staff well-being (64%).
- Service to clients (63%).
- Impartiality (57%)

Cross-relating popularity and intensity we get:

<i>Importance</i>	<i>Intensity</i>	
	<b>Low</b>	<b>High</b>
<b>Low</b>	Innovation Diversity	
<b>Moderate</b>	Continuous improvement Recognition Reputation Team work Learning and development	
<b>High</b>	<b>Courtesy</b> <b>Helpfulness</b>	Professionalism Honesty <b>Integrity</b> Staff well-being Service to clients <b>Impartiality</b>

The most striking thing about this table is the similarity with the analysis of personal values reported above. Again, the four Departmental values are well supported and Professionalism is the value most strongly held. The table below places the two sets of top values side by side, in order of intensity. Four are duplicated in both lists: Professionalism, Integrity, Impartiality and Honesty. It is easy to see a connection between Balance (which was defined as “Having an appropriate balance between work and life outside work”) and Staff well-being.

Achievement could be linked to this as well. Diligence and Service to clients could also be seen to be connected.

<b>Top personal values</b>	<b>Top organisational values</b>
Professionalism	Professionalism
Diligence	Honesty
<b>Integrity</b>	<b>Integrity</b>
Honesty	Staff well-being
Balance	Service to clients
<b>Impartiality</b>	<b>Impartiality</b>
Achievement	

**Achievement against the values**

Next, we asked how well people thought the Office operated in accordance with the values at the moment. The questions invited a ranking on a scale from Very well through to Very poorly.

The two values on which current achievement was rated highest were Service to clients and Courtesy. This was pleasing given that a lot of effort had been put into these areas in the recent past. The two areas where achievement was rated lowest were Staff well-being and Recognition, which is presumably closely related. Other low ratings were given for Innovation, Continuous improvement, Diversity and Learning and development.

Of the top six organisational values identified above, the Office is seen to operate in accordance with one, to do moderately against four and to do poorly against the final one.

## Conclusions

Our working definition of values incorporates a few profound thoughts on the nature and essence of values: that they are deep rooted and enduring; that they influence - for better or worse - our behaviour and emotional response; and that our level of self-awareness of what we value as human beings is also likely to condition - again for better or worse - the intensity of our behaviour.

Given the relationship between values and behaviour, it is not surprising that organisations are interested in achieving a fair degree of value alignment - even if the mapping is not precise. For example, some organisational goals such as 'delighting the customer' have value-based undercurrents that will connect with staff at either a conscious or unconscious level in a way that 'profit' and 'efficiency' will not.

We would argue that if you understand the personal values which are important to people in your organisation you may be able to position what you want to achieve organisationally in the way which has best chance of resonating with individuals. If you lack this understanding you are faced with the task of persuasion and selling, without any insight into what people will buy into and what they may resist.

However, it is not all plain sailing. The survey posed an interesting puzzle. The organisational values which were given least importance and were seen as being done least well formed a cluster concerned with change and improvement: Innovation, Diversity, Continuous improvement and Learning and development. The Department however, like organisations generally, is giving increasing prominence to these values. This apparent misalignment could suggest a bias against change. It may be therefore that something needs to be done to promote acceptance of some values which are **not** widely held. However, the survey data has helped by diagnosing an issue which now needs to be managed.

The Solicitor's Office survey provided confirmation that extending the Department's core values would be worth considering and provided pointers to additional values which would have resonance for people in the office. The fact that achievement against most of the

organisational values was only moderate strongly suggests that if additional values were to be added to the Departmental core values considerable effort would be required to ensure that they became a reality.

In the next article, we take a closer look at the mechanisms you need to use to translate your chosen organisational values into reality - through the behaviours of your staff. We will also explore the misalignment puzzle in more detail and offer our thoughts on how - if you discover value misalignments in your organisation - you can begin to go about tackling them.

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<sup>1</sup> Milton Rokeach, *The nature values*, Free Press, 1973, p3.

<sup>2</sup> George England, *The manager and his values*, 1975.

<sup>3</sup> Edgar Schein,

<sup>4</sup> Chris Argyris,

<sup>5</sup> Paul McDonald and Jeffrey Ganz, "Getting value from shared values", *Organisational Dynamics*,