

## **The Value of Values: Why Values are Important in Organizations?**

*By Richard Barrett*

Every individual and every organization on this planet is involved in making decisions on a daily basis. The decisions individual 's make reflect their personal beliefs about what they think is important. The decisions organization 's make reflects the cultural beliefs about what the organization thinks is important. In other words, the decisions we make are a reflection of our personal and organizational values. When the values of an individual are the same as the values of their organization, then there is a values alignment. When the values of an individual are different from the values of their organization, then there is a values misalignment.

Research shows that companies that seek to align the values of the organization with the values of employees, and vice versa, are more fun to work in, are more successful and are more focused on the needs of their employees and their customers. Organizations that don't have this alignment tend to be more inward looking, bureaucratic, and stressful. They may be financially successful, but find it difficult to hire and keep talented people. Companies that seek to create a values alignment, on the other hand, have very few problems attracting and retaining talented people. They know what their employees want and they know how to provide it.

The first step in creating values alignment is to find out what the values of employees are. The second step is to

find out how employees perceive the values of their organization. This analysis provides a clear indication of a) the values gap that needs to be filled to create alignment, and b) the values that employees consider are important for the running the business. Based on this information, organizations are able to choose core values that are meaningful to all employees. This is important not only because happy employees create happy customers, but because the core values that an organization chooses provide employees with guidance in making decisions even when their supervisor is not present. A strong set of organizational core values allows organizations to remove layers of hierarchy, because the employer can trust the employee to always make the right decision a decision that reflects the values of the organization.

For an organization to reap the benefits of a strong set of core values, the values must be lived by the senior people in the organization. They must become part of the organizational culture. For this to happen the values have to resonate with everyone and they must be measured on a regular basis. If core values are to be effective, they have to be integrated into every facet of the organization's culture, particularly in the organization's relations with employees, customers and society at large.

What every employee wants, no matter where they are in the hierarchy, is to find as much personal fulfillment as they can through their work. Everyone in an organization is seeking to satisfy his or her physical, emotional, mental and spiritual needs. Our physical needs are met when we receive payment for our work that allows us a certain degree of comfort and security, and when we have

the right tools and equipment to do our work. Our emotional needs are met when there is friendship and open communication in our immediate working environment. Our mental needs are met when we are invited by our superiors and peers to share our ideas and we are able to see that our opinions count. Our spiritual needs are met when we find meaning in our work, when we have the opportunity to make a difference and we feel we can be of service.

Creating such a culture is the challenge that organizations face if they are to survive and prosper in the 21<sup>st</sup> century.

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