The Importance of Corporate Values

Research has repeatedly shown that visionary companies that succeed for decades are guided by first order values. These first order values create a sense of purpose beyond making money, they guide and inspire people throughout the organization and they remain relatively fixed for long periods of time. Core values, are not situational, relative, or provisional. They are not suited to a given organization at a given time. Rather, they are enduring and absolute in nature. They reflect the foundational idealologies of the company and cannot be altered in an economic downturn or altered to confront some unique corporate problem. Preferences can be reordered; values cannot. They exist, in essence, to see the corporation through both good and bad times. First order values are, in the ultimate analysis, the very reason for the corporation's existence.

Values provide a common language for aligning a company's leadership and its people. So, it is imperative that a company's leaders use language that people can understand and in which they can place credence. Values are basic, fundamental, enduring, absolute, and irrevocable. They are meant to be taken literally and acted on.

Putting values into action begins with intellectual honesty: saying what you mean, and meaning what you say - or not saying it at all. CEO’s are not under pressure from their boards to establish values statements. They have a choice, and in order for them to effectively lead, it is essential that they be genuine and take responsibility for the ethical standard by which their company runs. If the corporation's values (as interpreted by the CEO, for instance) are simply meant to improve financial performance each and every quarter/period, then management should say so. To do so is not unethical, it is clear and honest. There is virtue in clarity and honesty.

Corporate executives cannot simply "talk the values talk"; they must consistently "walk the values talk." In the context of their everyday work, they must exemplify the organization's values. Values do not drive the business; they drive the people within the business. Management should recognize that values must be internalized by the individuals who comprise the organization. This means that people who succeed in business by violating organizational values must not be permitted to prosper within the organization. All reward systems (e.g. recognition, promotion, and compensation programs) must consistently reward those who achieve corporate goals without compromising the values that define the organization1.

From Values to Action

The following represent examples of corporate values along with root behaviors/character traits that drive those values. This is not meant to be an exhaustive list but rather a

catalyst to trigger discussion on the topic. Of course, management must ultimately decide on what set of values is most important to the company since these will become the foundation on which the people within the business will act and operate. After deciding which values are most important, it is imperative that they be easily communicated, recognizable and measureable.

**Accountability**

We are accountable for all our actions. We keep our promises because we only promise what we know we can deliver and this applies to product development, manufacture and shipment right through to after sales assistance. [Faithfulness, character, honor, integrity, purity, simplicity, steadfastness]

**Communication**

We believe in open, honest and frequent communication and demonstrate this through our open door policy. We emphasize working together and collaborating to solve problems and meet client needs. We want our people to look forward to coming to work each day. We communicate frankly and openly with each other. [Clarity, honesty, respect, truthfulness, understanding]

**Commitment to Customers**

The relationship we share with our clients is one of mutual growth. They rely on our market knowledge and we rely on their need for our skill. To show our respect for this mutually beneficial relationship we commit to quality services and the protection and enhancement of their business. [Caring, focus, purposefulness, value]

**Fairness and Integrity**

We strive for fairness and adhere to the highest ethical standards. We will treat our customers and employees with honesty, consistency, respect, courage, and above all, fairness. [Consideration, consistency, courage, genuineness, loyalty, mercy, moderation, objectivity, work ethics]

**Human Relationship**

We see our people as our greatest asset. We care about our people's aspirations and create an environment for them to perform and realize their potential. We reward and celebrate accomplishment. We encourage continuous learning and strive to develop our people to their highest potential. We treat our people with fairness and dignity. [Acclamation, courtesy, development, humility, joyfulness, patience, respect, rewarding, thankfulness]

**Innovation**

We are passionate about what we do, and we enjoy the challenge of solving our clients’ problems – the more complex the better! This takes an entrepreneurial spirit, the desire to
continuously grow one's skills/knowledge, and the willingness to take reasonable risks. [Confidence, creativity, flexibility, passion, perseverance]

**Quality of Life**

We recognize the importance of a healthy balance between business and personal life, and support it. We also support our employees as they contribute to the health and well-being of the communities in which they live. [Generosity, peacefulness, prayerfulness, reverence, satisfaction]

**Responsiveness**

Our commitment to improve our processes, skills and knowledge is relentless. We are responsive to the expectations of the government and the expectations of our customers. To remain competitive we continually improve all aspects of the business, even those that are already surpassing world-wide standards. We are never too old or too good to learn or try new ideas. [Determination, enthusiasm, excellence, lawfulness, quality, service]

**Safety**

Our actions can critically impact the safety of our customers, colleagues and ourselves. We take this responsibility seriously and never compromise safety. [Health, obedience, orderliness, ownership, security]

**Stewardship**

We are proud of our company and are committed to preserving its assets and resources. We also respect the environment by implementing principles of sustainable development and efficient management of resources. We have the highest regard for the countries, states and communities that accommodate our activities. [Cleanliness, modesty, self-discipline, conservation]

**Teamwork**

Successful teamwork and outstanding customer, supplier, and internal relationships all require integrity and willingness to consider the other party’s perspective. We work cooperatively to improve performance, accomplish corporate objectives and provide direction on our future. Team members are supportive of each other, loyal to one another and care for each other both personally and professionally. [Compassion, forgiveness, friendliness, helpfulness, kindness, sharing, tolerance, unity]

**Trust**

We operate in a world where a firm’s reputation is based on years of honest effort and integrity. We have refined our information reporting policies over the years to ensure increasingly greater transparency and accuracy. The suppliers, business associates and
investors who have put their trust in us can vouch for it, but our customers are the ones who really know it and understand its value firsthand. [Character, justice, reliability, responsibility, trustworthiness]