

Every successful company I've ever come into contact with has a very clear understanding of their values. When I was judging the EY EOY competition, it was the single more common answer to the questions we asked about culture, and it drove home the point that having clear values, communicating them to your people, and *sticking to them* was a critical element of your organization's story.

Different companies did it differently. Some companies had their values written on the walls of their offices. Others discussed them in the weekly meetings. One that I particularly admired had handouts that the CEO used when she was onboarding new people—she sat down with every single new hire in the company one-on-one and went through a thirty-minute conversation about her company's values, and how they applied to that person's particular position. That's powerful stuff.

It was at my last judging assignment for EOY (you are only allowed to judge three years, in order to prevent ossification of the judging process) that I realized my own company wasn't doing this well enough. I left the hotel in Cleveland where we'd been working committed to taking Legion through the process I'll outline below, to make sure we walked the talk with our values...right after we'd figured out what "the talk" was.

**\*\*An aside about values.** Sitting down for five minutes and writing out a list of things that you think sound good, or that will appeal to your customer base, or are copied from another company that you happen to admire is NOT how you go through this process, and it is NOT how you develop a value set for your company. That's just marketing BS. (No offense to my marketing folks.) The values of a company need to feel as real and as ingrained as your personal values—they need to be what guides the company through decision making, hiring, and critical moments. Just as you would not need to think about whether murdering someone fits within your personal value set, because your internal values tell you very clearly that murder is wrong, and not something you'd ever do, your employees need to be able to instinctively draw on a deep well of understanding of what your company values to make their daily decisions.

For example, at Legion, we value the safety of our drivers, and we do not, under any circumstances, ever ask them to do anything dangerous or illegal, such as driving too many hours. No employee ever has to ask a manager what to do in a situation where one of our customers is asking us to make a delivery in an impossible amount of time, one that would require a driver to drive illegally. They simply know, in their bones, that we tell the customer no, and we offer other solutions. In all the years Legion has been in business, we've only had one employee ask a

driver to drive more hours than was legal. She was fired on the spot. A value that deeply held has a zero-tolerance policy.

(Sidebar) If your organization already has a values list that you have developed, you are ahead of the game, but there are still a few things I'd encourage you to do to ensure that everyone in the company is *living* those values, and that those values clearly align with your company's story.

- First, can you, from memory, recite all your company's values? No cheating, no looking them up - can you list them off from memory, as though they were the names of your pets or children?

- Second, ask your management team the same question. Can they recite ALL the values you've developed for the company without looking first?

- Third, take a random sampling of your employees and see if any of them can state, without looking them up, your organization's values. See if they can get at least 80% of them.

- Fourth, analyze your recognition programs. What do you give awards and bonuses for? Are awards and bonuses tied to the behavior that exemplifies your values? Or are they given for something else?

- Finally, think about the last few people you've hired, promoted, and terminated. Did the people you hire and promote exemplify your values? Did the people you terminated violate those values? Is there anyone on staff who regularly violates your organization's stated values *but still works for you*?

Once you have the answers to these questions, take stock. If people inside the organization can't immediately recite your values, if you are giving awards and bonuses for anything besides your values, if there are people working for you who aren't living those values, and if you aren't working through whatever HR process you have (up to and including termination) to correct the behavior of employees who violate your values, you don't have company values. You have a marketing document at best, and a useless set of words at worst. Espousing values is one thing. Creating a values list and then forgetting about it is incredibly common. Espousing values and then *actively demonstrating* that those values are meaningless through your actions is corrosive to an organization. To hear a boss say you value the safety of drivers and then allow everyone to ask drivers to do unsafe things will eat the middle out of your company faster than anything else. The good people, horrified by the disconnect between what is said and what is done, will leave as quickly as they can. You will be left with the dishonest, the cynical and the disengaged, which is a recipe for a toxic culture.

If your company has values stated but is not living them because they are meaningless marketing words, you need to start over at step one below. If your company has values stated that you still deeply believe and simply want to be living more closely to them, you can skip ahead to the next section. And if you have stated values that everyone is able to recite, they are all living daily, your awards and recognition programs are tied to, and you use your values for hiring and firing decisions, well, I got nothing for you. Go have a snack or work on something else while the rest of the class catches up.