

Values-Driven Leadership

Excerpts from *Discovering the Soul of Service* by Dr. Leonard L. Berry

Sustained performance of quality service depends on organizational values that truly guide and inspire employees. And how does an organization get such values? It gets them from leaders who view the infusion and cultivation of values within the organization as a primary responsibility.

Values-driven leaders infuse their values into the fabric of the organization. They lead not with commands, not with a thick rulebook, but with a set of core values – what the firm represents and aspires to be. The more these values tap into employees' own core values, the more they guide individual decision making and inspire personal achievement. Core values compatibility energizes an organization. People at work don't just have a job; they have a cause.

Values-driven leaders articulate the company's "reason for being." They convey the company's fundamental aspirations and why they are important.

Values-driven leaders continually convey by their words and actions the meaning of success. They not only make palpable the dream (where we are going, why we are going there), they define the indicators of progress (how we know we are getting there).

The primary way values-driven leaders articulate the dream and define organizational success is through their own behaviors. They live out the values in their daily behavior. Values-driven leaders are visible, authentic leaders. They devote considerable time and effort to personally communicating the company's values in the workplace. They stay connected. They do not write many memos. They do not remain closeted in their offices. They do not send surrogates to do their job. Leaders cannot lead without first gaining the trust of the organization. Trust is a leader's most powerful tool; with it, a leader can build an achieving, lasting community; without it, a leader cannot build anything exceptional or lasting. By personally living the values, a leader gains the trust needed to lead. As Peter Drucker writes: "The final requirement of effective leadership is to earn trust. Otherwise there won't be any followers – and the only definition of a leader is someone who has followers."

A critical role of values-driven leaders is cultivating the leadership qualities of others in the organization. Leadership is not the exclusive province of senior managers. In labor-intensive service companies, inspired leadership at the point of service delivery is especially important. Leadership that comes *only* from the top of the organization cannot sustain the core values required to perpetuate success.

Noel Tichy has devoted more than 25 years to studying the differences between high-performance companies and mediocre performers. He believes a defining characteristic of high performers is leaders who are developing at all levels of the organization. Tichy writes:

If long-term success requires more leaders at more levels than your competitors, than teaching, coaching, and cultivating others becomes a strategic imperative for senior executives . . . leaders need to build not just a learning organization but a teaching organization – one with the capacity to build leaders – into the fabric of the organization. They need to create an environment where leaders are teaching leaders.

Values-driven leaders rely on their values to navigate their companies through difficult periods. They remind others in the organization about the guiding power of the company's core values and occasionally they remind them selves. Says Robert Tillman, chairman, president, and CEO of Lowe's Companies, "Companies are like tea bags. You can't tell how strong they are until they are in hot water." Values-driven leaders assert and affirm their intrinsic values during crisis periods to mobilize the essential strengths of their companies.

Values-driven leaders not only assert core values during crises but also during periods of relative normalcy. The values of excellence and innovation do not permit organizations possessing them to rest. A primary role of values-driven leaders is to keep the organization awake, striving to improve, searching for ways to enhance competitiveness. On the surface, all might seem well in hand, but the leader fears complacency or senses trouble and stirs the pot. David Pottruck of Charles Schwab says, "Success creates corporate arrogance."

By living and teaching values that tap into the most human of employees' own values, values-driven leaders encourage the heart. "Encouraging the heart" is a fundamental practice Kouzes and Posner have found in leaders when they are at their personal best. With caring and encouragement, leaders uplift the spirits and kindle the energy of people at work who may be wearing down. Core values encourage service performers to "carry on" because they bring a sense of achievement, collaboration, civility, purpose, and contribution to the employee. Hard work is not what defeats most people on the job. What defeats them is work without personal growth, without teammates, without kindness, without meaning. Service companies that care only about making money are destined for mediocrity, if not outright failure, because sustaining service performance requires encouraging employees' hearts; a goal of making money in and of itself is not heartening.