

Menu

Book Notes -- David Mays, APMC

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MANAGING BY VALUES

Ken Blanchard
& Michael O'Connor
BlaMana

San Francisco: Berrett-Koehler Publishers, 1997, 145 pp.

In a short, direct, deceptively simple story format, Blanchard and O'Connor illustrate key principles of managing by values.

The Three Acts of Life

Act I: Achieve - Being-by-doing

Act II: Connect - (relationships) investing in your own and others' lives through involvement with friends, family, and others

Act III: Integrate – Defining your own purpose and values and putting them into action in ways that are meaningful to you and those people and principles you most cherish.

Core Values. Dig deep into your inner values. What are the core values that will guide and shape the way you fulfill your purpose? 20

In times of constant change, fundamental laws haven't changed. 21

A great organization rests on four pillars, CEOS – Customers, Employees, Owners, and Significant others. But the basis for a great organization is managing by values. 23-5

“The most important thing in life is to decide what's most important.” 26

To manage by values, it takes

- 1 the willingness to believe in an agreed-upon set of values, and
- 2 continuous diligence in putting those values into action. 31

The MBV Process

Phase 1 Clarifying our mission/purpose and values

Phase 2 Communicating our mission and values

Phase 3 Aligning our daily practices with our mission and values. 39

MBV is all about identifying gaps between what you say you believe and how you actually perform. 44

Example set of Core Values: (in priority order)

- 1 Be ETHICAL
- 2 Be RESPONSIVE
- 3 Be PROFITABLE 45

PHASE 1 - Clarifying values

“If your company already has a mission statement, you’ll need to determine whether it reflects the values you’ve identified. If not, you’ll need to revise it to be consistent with those values.” 52

You need to let the values percolate. Must clarify. The more simple, direct, and easy to understand they are, the better. 52

Values are not done to people but with them. 53

“In a company that truly manages by its values, there is only one boss – the company’s values.” 55

Unless employees can link the company values to their actual work lives, they’re meaningless.

- Do they see them as guidelines to sustain pride in the company?
- Do the values provide a basis for daily communications and decisions?
- Do the values provide a set of rules for allocating resources and solving task and people problems? 57

MBV is a long-term growth strategy, not a quick fix. 59

Process for Clarifying Values

- 1 Get owner’s approval of MBV process.
- 2 CEO provides own input about the values.
- 3 Management team provides input without CEO.
- 4 CEO and top management team share and compare.
- 5 Employee focus groups provide input.
- 6 Check with customers and significant others.
- 7 Synthesize all inputs and present recommended mission/values to board of directors/owners for final approval. 60

YOU have to change before you can change the organization. 61

PHASE 2 - Communicating Values

Guide to Values-Based Decision Making

- 1 Identify the value(s) and appropriate definition(s) involved in making this decision.
- 2 Who is directly affected by the action(s) [e.g., employees, customers, shareholders, or community]? Does it also require the involvement of others?
- 3 What action (s) does the appropriate value definition(s) call for in this situation [e.g., being fair and equitable to employees, delivering on commitments to shareholders]?

PHASE 3 – Aligning Behaviors with Values

Alignment is making your organizational practices and behavior consistent with your stated intentions, priorities, and related performance goals. 80

“Communication happens naturally when you make things safe.” 86

First identify the value, then describe the gap that exists. Then set goals to close the gap and design actions steps to get there. 98

Aligning Personal Goals with Company Goals 101

- What is a personal goal of mine that will fulfill the organizational goal of Being Ethical?
GOAL: To _____
- What is a personal goal of mine that will fulfill the organizational goal of Being Successful?
GOAL: To _____
- What is a personal goal of mine that will fulfill the organizational goal of Being Excellent?
GOAL: To _____

“Effective listeners stay with their speakers. They start by gathering ideas and data from them. They keep the ball in their court.” 103

Collect success stories. 105

BEGINNING THE PROCESS

It’s a three-year process, not a quick fix. 108

Get a group together. Hand out a sheet with 30 or so possible core values. Ask each person to pick their top three values and prioritize them. Divide the group in pairs. Ask each pair in 10 minutes to share their lists, agree on three values from the combined list, and rank them. Note that many of the words have similar meanings. Each person should have the essence of his top value represented in the final three. Then pairs meet with pairs and repeat the process. Then quads with quads, and so on until a consensus emerges. 113

Then in groups they ‘behaviorize’ the values. Each group takes a value and defines what that value would look like in the operation – all the ways they can think of that the value might be acted out. Then each group presents its list to the others. 114

We asked managers to let go of being judges, critics, and evaluators and to start being coaches, supporters, and facilitators. To change from command-and-control approaches to developing people and teams. We had to provide training and coaching for these new roles. We also had to make sure our performance and recognition systems supported the new roles. 120

“When we begin to view our experiences in a different light, that’s when significant breakthroughs occur in our lives.” 131

Managing By Values Game Plan (see overview chart on p 134)

Phase 1. Clarify Mission & Values

Phase 2. Communicating

Phase 3. Aligning Our Values with Our Daily Practices

Individual Practices

Team Practices

Organizational Practices

Continuous Improvement

Charts on pp. 93, 97, 112, 134, and 144 contain the essence of the book and are worth having.