

By: John Holland

Past Issues

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You Sold Your Business. Now What?

January 2022

Employee Benefit Plans – A Hidden Intangible in the Sale of a Company

November 2021

Understanding the Most Common Types of Buyers

October 2021

Do You Have What It Takes to Be an Entrepreneur?

September 2021

Trust and Secrecy When Selling Your Business

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Are You Running an Owner-Dependent Business?

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How to Exit or Transfer a Business Successfully

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Transferrable Value

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Mitigating Risk

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Opportunities During Troubled Times

Company values are the central underlying philosophies that guide a business and its employees. It's how all employees work and behave together, expressing in everyday practices and interactions the intangible and important shared values that contribute to and sustain a positive work environment.

These beliefs also influence the way a company interacts with partners, clients, and shareholders, and so define the external culture of the organization. This is very important where anyone can be a journalist on social media.

A company's culture therefore reflects its core values and should create a shared, enduring, and positive environment.

The benefits of defining and living by values are immense.

- A critical factor in employee satisfaction is the degree that a person identifies with the culture and values of an organization.
- Jim Collins, author of *Built to Last*, alludes to values as a set of guiding principles.
- It is no coincidence that high performing organizations are those where employees share and subscribe to defined and desired values.

COVID-19 and other socio-political events

In the past 2 years the COVID-19 pandemic has mandated a re-think about how we do business, not only in a safe manner, but with a significant orientation towards mental health and the all round well-being of employees, and how we interact with customers.

In 2022 this has become massively important and there are 4 possible effects on an organization's business model;

1. The pandemic has changed workplace demographics. Women have left the workplace in vast numbers, thereby aggravating the male-female balance and causing the loss of irreplaceable talent. According to the National Women's Law Center in the USA, Female workforce participation has already dropped to 57% which is the lowest level since 1988. This has happened around the world. COVID-19 has imposed an increased burden of care on women; as in taking on the physical and emotional responsibilities of performing even more household functions, but additionally taking care of ill or quarantined family members. It is also important to note that males have left the workplace looking for a better, safer quality of life. Some will always prefer to work virtually, and can help at home, but it is expected that many are already headed back to work.
2. Expectations about work benefits have changed. A company needs to show that it cares about its employees. This is reflected in not only the office environment and working conditions, but also benefits like investments in health and dental plans, retirement benefits, mental health support, consideration for time off to recharge mentally, paid sick leave for pandemic issues, parental leave, and also training and tuition assistance.
3. The re-think on the business model can affect the company purpose and the direction it takes. For example there are certain industries, countries (i.e. foreign governments) or even institutions that have or are starting to generate negative perceptions. The concern for our environment has affected huge industries, think about the challenges facing oil, mining, agriculture, fishing, automotive, plastics, and logistics, for example. We are all in this together. This means that everyone has to look at business practices, the business model, and with whom we do business. All stakeholders have to be alert at all times to the consequences of how we do business.
4. Also, in the last few years there has been an increased and justified focus on non-

discrimination, diversity, equality and fair treatment for all. Without going into detail on the issues, it is even more important for all businesses to create the right environment (culture) to treat everyone inclusively and in the same fair and equitable manner in the workplace.

All of these things have impacted business cultures and values. The past 24 months have forced a re-look at how companies do business.

What to do?

The rules have changed. All organizations need to recognize this and maybe do a Values review and update.

The abovementioned changes in the workplace mean that management needs to have an open dialogue with employees and create shared views on “how we work together”.

Alignment to culture, and implicitly therefore to agreed values, should direct the way and the extent to which a company aligns decision-making, hiring, compensation and benefits, and other business practices.

It's important to use a values statement to describe your company's current “unspoken” values and behaviours, and also others that it intends to inculcate into its everyday values, like “having each other's back” or teamwork perhaps.

Some guidelines for drafting company values:

- Keep them short. Values should be easy to memorize and epitomize. Distill them down to a few words or phrases.
- Words have meaning; choose them to reflect current and desired values.
- Values need to align with the company's purpose and mission.
- They should be relevant to the services of the company.

Bottom Line

Once Company values are agreed, embed them in every aspect of your organization's culture;

- Share them (on websites, reception areas, office notepads, etc.).
- Recognize employees who epitomize them.

About the Author



John Holland, Consultant, Plutus Consulting Group

John has over 30 years experience as President, Managing Director and VP Marketing of Fortune 500 companies (Unilever, Richardson Vicks/P&G, Sara Lee) in North America, UK, Europe and Africa.

John uses a proprietary diagnostics tool to identify barriers to enhanced performance, and works with ownership to develop strategies and action plans to implement the agreed turnaround plans. This results in increased business value.

John is a member of the Robbinex Cooperative Network and assists Robbinex with consulting services. He has guided businesses in such areas as:

- Clarity of business Strategy, and performance improvement (ROI)
- Branding, Product Innovation, Marketing & Sales strategy
- Organizational goal alignment and employee motivation
- Business planning and Process management
- Operational efficiencies

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