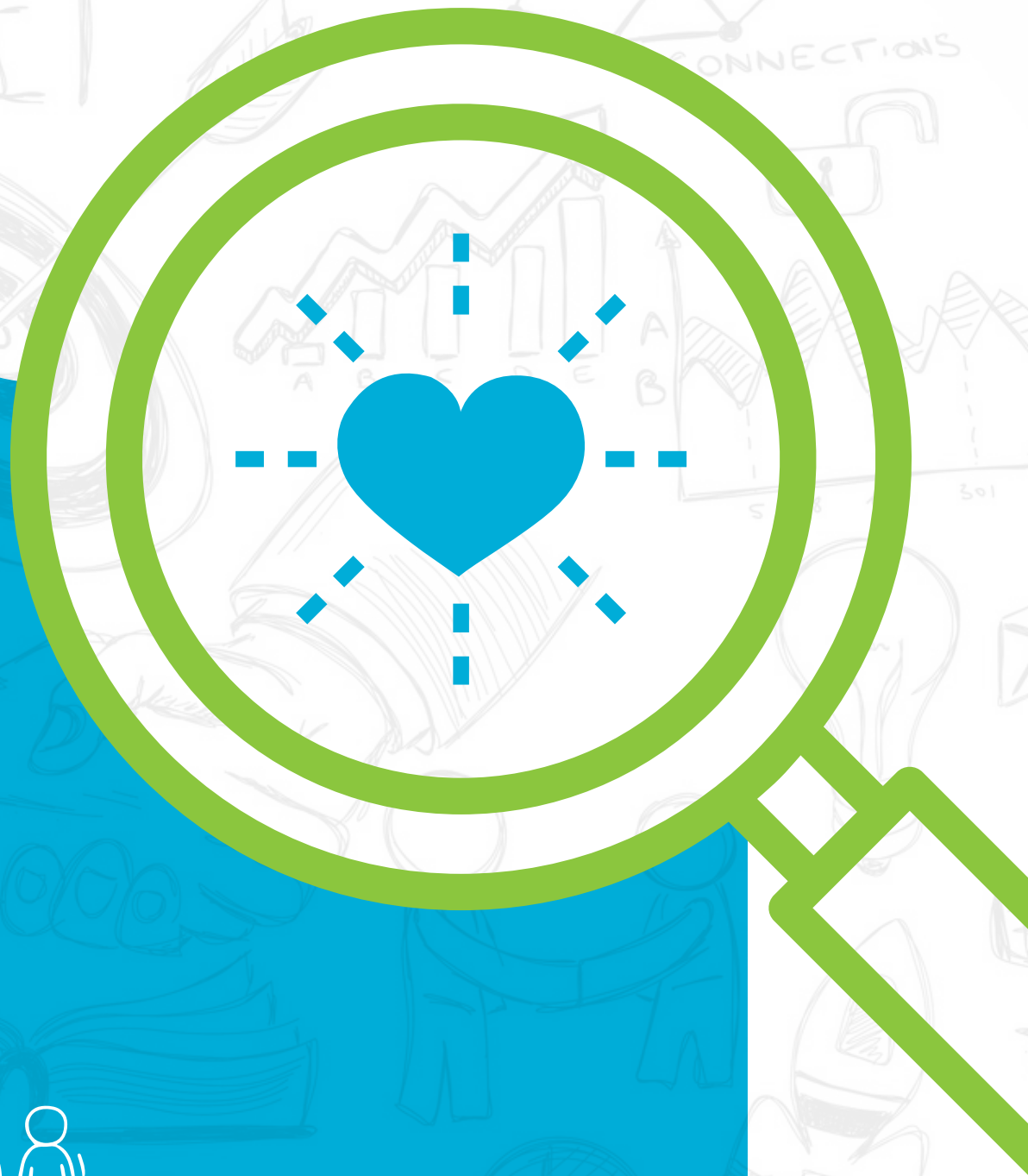


↑ UP YOUR  
CULTURE

by THE CENTER FOR SALES STRATEGY



# Guide to Creating Company Values

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# How Important Are Your Company's Core Values?

When it comes to hiring, growing, and retaining your employees, very few things are more important than your Core Values.

While many organizations have spent time carefully identifying and defining their values, others have not yet taken that step, and either way, those values exist. Both employees and customers can easily describe how they feel and experience those values.

Your Core Values define who you are as a company and how you treat others, and they differentiate your company from your competitors.

Let's look at two well-known and successful companies in the same industry: **Toms and Adidas.**

**Toms** values behaviors like a caring heart, kindness, honesty, and consistency. A quick internet search will give you a sense for how it feels to work there. Here are a few positive employee reviews:

- Great company culture and ambiance. Comfortable work environment, and you're able to bring your dog to work!
- Fun. Good place to work, and the management is fair and easy to talk to. I enjoyed having a flexible schedule and room for growth if I wanted it. Lots of training. Not many work offices have a playground slide to help ease anxiety.
- This company truly cares deeply about its mission and its employees. They know that working for positive change takes hard work and genuine effort.

The vibe at **Adidas** is very different but just as good. Their company values behaviors like integrity, passion, performance, and diversity, and their positive employee reviews look more like this:

- This place was fast paced. I had the opportunity daily to work with customers and made sure they were treated with respect and helped them with the purchases they needed.
- The work and projects were great for my career development, allowing me to learn so much in a short amount of time. Very focused on the bottom line.
- The sports culture, play-to-win attitude, and people are awesome. Management fosters collaboration, creativity, and confidence. It's super inclusive and drives women's leadership.

Both companies are great places to work, but a person with a passion for the retail shoe business may align better with one company than the other.

For example, the employee who loved the indoor slide and the wandering dogs in the Toms office may not feel as motivated by the fast-paced, more intense, bottom-line vibe at Adidas. And the person who wanted to learn a lot in a short period of time at Adidas may have felt distracted by those things at Toms.

Think of your company's Core Values as the rules of the game for doing business there. The behaviors that align with your values should lead to winning, and those that are in opposition to your values can't be tolerated.

Every hire you make will either add to, or detract from, your culture. And to stay in the plus column, it's imperative that you hire people whose values naturally align with yours. That allows them to bring their whole selves to work and fit right in, further boosting the positive culture you have there.

In other words, your organization's Core Values matter. They're the essence of the company's identity and summarize your true north.

In this guide, we'll discuss how Core Values shape your company culture, the ROI, and how to create your own. Plus, we share some brilliant examples that show the significant impact that Core Values have on a company.

**Let's begin!**



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# Ch.1 What are Core Values?

Your company's values define who you are as an organization and how you treat your customers and each other. They're expressed in the way people work together, share information, assign work and complete it.

Once those Core Values are defined, they can take hold and spread quickly. Imagine what happens when you put a few drops of red food coloring into a clear pitcher of water. You see it take hold, spread and eventually change the water's chemistry into a consistent blend of color.

When you infuse Core Values into your business and live them out each day, you'll see them take hold and spread in the same way.



## How to Infuse Core Values into Your Business:



Hire employees who naturally demonstrates your Core Values in their everyday life.



Recognize and reward those who demonstrate your Core Values.



Refuse to tolerate behaviors that do not align with your Core Values.

From making hiring decisions to determining how to handle difficult situations, your company's Core Values can guide many decisions, but only if they're practiced and followed.

Companies that recognize the power in establishing authentic values and bringing them to life make sure their fingerprints are everywhere!

# Ch 2. How Do Core Values Shape Culture?

Elvis Presley once said, “Values are like fingerprints. Nobody’s are the same, but you leave ‘em all over everything you do.” He wasn’t wrong, and the best leaders out there recognize that.

Your Core Values help shape and define your company’s culture because they define the rules of the game and how you treat each other. Just like a fingerprint, they are unique to your organization, reflecting your team personality and what makes you different from all the others.

Core Values help define HOW we treat each other, HOW we behave, HOW we communicate, HOW work is assigned... shaping the image of who you are to ensure that everyone is working towards the same goals and results. These words should become your way of life there.

## 5 Ways Your Core Values Shape Your Culture:

### 1. Making the Right Hires

As you pay attention to your culture and become intentional about creating the culture you want to have, you will quickly discover that the only way this all works is if you hire the right people. That means hiring people who meet two prerequisites.

- They have the innate ability to perform with excellence in the job.
- They will add to your company culture.

A company that values innovation and risk-taking will need to hire a very different kind of person than a company that values consistency and stability. Every person you hire will either add to or detract from your culture.

A recent Bamboo HR study showed that 91% of managers say culture fit is even more important than experience or skills. This makes sense as there are some things you can change and other things you can’t.

You can teach a new employee the skills they need to be successful in their job, and you can give them experience with new things. You can’t change who they inherently are, however. A company that values speed, change, growth, and innovation should never hire an analytical individual, who is slow-moving, measured, and cautious by nature. While that individual may have the innate ability to do the job with excellence, the culture fit would be all wrong!



## 2. Setting the Right Expectations for Customers (And Delivering on Them)

Core Values provide a framework for how we interact with our customers. They define who we are as a company and what our customers can count on from us.

Companies like Zappos promise more than good customer service. Zappos is customer-obsessed and identified “Deliver WOW through Service” as one of their Core Values.

They believe that anything worth doing is worth doing with a WOW and they work to always go above and beyond what is expected. Because that is their true north, they have created processes that make shopping easier and make customers feel extra special. Delivering that “WOW” factor has proven to build strong customer loyalty for them along the way.

## 3. Defining How Employees Will Treat Each Other

Think back to your days in school. When your teacher discussed the class rules with you, it was not enough to say, “be kind.” Good teachers helped define what that looked like, so the kids knew exactly how to behave and have success in the class. So maybe the teacher expanded and said something like...

What we do:

- We keep our hands to ourselves.
- We share with others.
- We listen when others are talking.

What we don’t do:

- We never hit or hurt anyone else.
- We never call people names that hurt their feelings.
- We never interrupt people when they are sharing.



The teacher sets the stage for the culture in the classroom by sharing clear expectations of how the students should treat each other so they can have success and avoid behaviors that lead to performance problems. The students know exactly how to behave if they want to succeed.

As adults in the workforce, we also need to know which behaviors lead to success!





#### 4. Recognizing and Rewarding Effective Behaviors

When you identify your Core Values, they help define the “rules of the game” there, and hopefully, your employees demonstrate those values every day. Look for opportunities to bring your Core Values to life by recognizing those who are living them. Talk about them, share positive customer feedback your leaders have received, celebrate success, and allow for individual shout-outs!

If one of your Core Values is collaboration, every employee should give high fives and shout-outs to coworkers when they collaborate well on something. “Thank you for your collaboration” should be heard often.

Recognizing and rewarding those who demonstrate your Core Values reinforces and solidifies those behaviors. Even more, they lead to employee happiness and the ripple effect of one happy employee can be truly astounding. People who love their jobs spark happy customers, brand improvement, and company pride all the time.

#### 5. Defining What Cannot Be Tolerated

These Core Values will serve as the rules of the game for doing business there. Behaviors that align with your Core Values should lead to winning, and those in opposition to your values cannot be tolerated. If you say you value integrity, but you allow an employee to behave in a way that lacks integrity... then your employees and customers know that you don’t really value integrity.

Your Core Values should represent who you are as a company and allow those inside and outside of the organization to know exactly how you conduct business. They should also set you apart from everyone else in the industry.

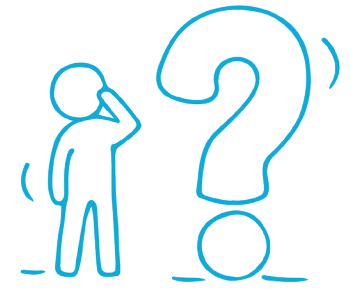
When they ring true, they serve as your north star, powering every decision you make and every action you take. When a company’s Core Values aren’t authentic, they are not only meaningless, but the disconnect can lead to an even more toxic culture. A recent article in the Harvard Business Review mentioned that “80% of the Fortune 100 tout their values publicly - values that too often stand for nothing but a desire to be {trendy} or, worse still, politically correct.”

Employees and customers see right through that, and it only serves to discredit the company and deflate engagement. Consider Enron. The Core Values they posted on their lobby wall are now cringe-worthy: Communication, Respect, Integrity, and Excellence. Words on a wall are not enough. They must represent who you really are and how you will behave.

As you begin to think about your culture renovation and how you can create a strong sense of belonging and engagement for your employees, consider how you can lay a strong foundation of Core Values.

## Ch.3 What’s the ROI of Company Culture?

In today’s ultra-competitive environment, company executives must make choices every day about where to invest time, energy, and money to ensure their companies are viable and profitable.



Sometimes those choices are obvious, like new product development or software systems that allow the organization to run more efficiently and productively. Sometimes, however, the right choices are not so obvious, which raises the question, DESIGN (Can we pull this question out like a quote?) is devoting effort and resources to less tangible projects like a healthy company culture really worth it?

Is devoting effort and resources to less tangible projects like a healthy company culture really worth it?

#### 4 Ways Company Culture Affects the Bottom Line

- 1. Productivity and Revenue**  
Companies with highly engaged employees grow revenue **2.5x** as much as those who don’t.
- 2. Key Customer Retention**  
Companies with engaged employees experience **233%** greater customer loyalty.
- 3. Turnover**  
Engaged employees are **87%** less likely to leave your organization if you have a healthy, thriving culture.
- 4. Recruitment**  
**46%** of job seekers cite company culture as very important when choosing to apply to a company.

A common formula regarding the cost of turnover is (1.5 x annual salary).

For example, if you lose a \$75,000 employee, the cost to you equals \$112,500 for each person.

Nobody budgets for that, but they should. Turnover is an un-budgeted “internal bleeding” that executives are paying for anyway.

Your people are your most valuable asset and investing in company culture and employee engagement shows serious ROI. An analysis by Aon Hewitt reports that for every 1% increase in employee engagement, you can expect to see an additional 0.6% growth in sales for an organization.

Study after study shows that positive company culture leads to better employee engagement and supports higher revenue. Take a moment to evaluate your company culture; you may be surprised at what you find!



## Ch. 4 How Do You Create Core Values?



### Identify your Culture All-Stars

Who are the best representatives of your company? Their attitudes, behaviors, and values should be the ideal representation of who your company is at the core. Make a list of words that describe these individuals. **Example:** A few examples of words you might use are **quality, integrity or responsiveness.**

### Schedule A Leadership Meeting

Schedule a meeting with company leaders to discuss and narrow down your core values. Company Core Values should be brief, well-defined, unique, and actionable. **Example:** Your core values should accurately describe who you are as a company and what you value today, not what you want to be in the future.

### Narrow Down Core Values

Arrange the core value words in similar categories. **Example:** Create one column with similar words like, Integrity, Honesty, Credibility – and another category with words like Positivity, Optimism or Adaptability. Ask everyone which one word best represents each category. Narrow down the list until you have 3-6 words that best represent who you are as a company.

### Define Core Values

Define your core values. During your leadership meeting, work together to create “always” and “never” statements for each core value.

**Example:** Core Value of Integrity.

- We always follow our moral and ethical convictions, and we do the right thing in all circumstances, even when no one is watching.
- We never purposely mislead a client, prospect, or coworker for personal or corporate gain.

### Communicate Core Values

Communicate your core values. This helps employees understand what these words mean and let them know what is expected of them.

**Example:** Don't just post them on a wall or display them on your website, regularly discuss them.

### Live Core Values

Live your core values and recognize others. Provide specific recognition to employees who do great work and tie the behavior back to your core values. **Example:** John demonstrated our core value of “collaboration” by gathering four colleagues together to brainstorm ideas for a client which resulted in a solution for an issue they were experiencing.



# Ch.5 Most Common Company Core Values



1. Integrity



2. Honesty



3. Passion



4. Leadership



5. Diversity



6. Innovation



7. Quality



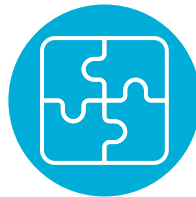
8. Fun



9. Trust



10. Continuous Learning



11. Teamwork



12. Simplicity



13. Genuine



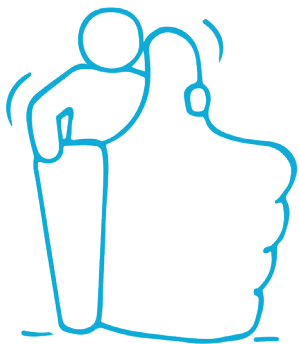
14. Customer Commitment



15. Respect



# Ch. 6 Living Out Core Values



## VALUES

EMPOWERMENT THROUGH CORE VALUES

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# Ch.7 Case Study: How Leaders of One Company Engaged Their Team and Grew Their Business

Grabber School of Hair Design found that the trick to growing revenue and increasing employee morale at the same time is to “up” your culture.

## About Grabber School Of Hair Design

Grabber School of Hair Design is a well-known and highly respected cosmetology school located in St. Louis, Missouri. They offer a premier program designed to help prepare students for a successful career in the fields of cosmetology, manicuring, and esthetics.

Students learn skills and techniques in the classroom that they practice in their in-house salon and they are taught how to run and grow a successful independent business.

When employees and instructors are fully engaged, the students thrive, communication is stronger, morale is higher, and turnover is low.

## Challenges Faced

A few months into her new role, the CEO began to see the increasing pattern of employee turnover and a breakdown in internal communication among departments. Adding a pandemic to the mix didn't help.

She knew that important cultural changes were imperative to help her turn things around and keep her business alive. The Up Your Culture Program was the perfect solution for her.

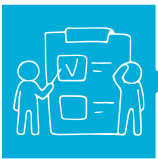
### They previously struggled with:

- Tension between employees
- Lack of clear values
- Employee turnover
- Ineffective relationships between staff and students

## Up Your Culture's Program



Built around the four *Engagement Elevators*.



A best-in-class Culture and Engagement Survey to blueprint current culture and measure levels of employee engagement.



Interactive meetings and workshops for all people-leaders.



Take-Action Webinars and digital Culture Connection Tips reinforce the learning and help make it actionable.



A Closing survey to measure improvement.

## Engage Your Team. Grow Your Business.

This CEO and her leadership team worked with Up Your Culture to begin a much-needed culture renovation to boost productivity and better engage their employees.

They began with a focus on Shared Mission - creating a strong foundation of company values upon which they would build their new culture, identifying Teamwork, Integrity, and Innovation as core to who they are as a company and what they value in their people.

After sharing the importance of these values with their employees and students, they brought everyone in on their plans to create a culture of engagement and openly communicated their plan. With a strong Shared Mission in place, they moved forward to master the additional Engagement Elevators and create lift in People Development, Valued Voice, and Earned Trust.

Over the course of the program, they consistently incorporated the recommended strategies and tools, building strong habits and making long-lasting changes to the dynamic in the entire building.

### “The Growth Guide made a huge impact

because it taught us how to effectively communicate, understand, and motivate our employees. We learned that instead of treating others how we would like to be treated, we need to strive to treat others how they would like to be treated.”

- CEO, Grabber School of Hair Design



“Our instructors and staff are much more **team-oriented** and enthusiastic about supporting each other. Now that we’ve established core values, we are incorporating them into everything we do and making sure those values are demonstrated and celebrated.”



## The Culture Package That Gets You Back on Track

In a short time, the CEO has seen her leadership team flourish, internal communication improve, employees feel more energized and enthusiastic, and student enrollment numbers explode.

As a result of the Up Your Culture program, student enrollment and revenue have increased. While the organization typically enrolled 15-20 students per month, within a month of completing the program they saw an increase to 30 students, and the next month enrolled increased to 38 (and this was during a slow period where enrollments are typically flat or decreased).

“Our management team has noticed that the employee morale and attitude has trickled down to the students. As we began to give the employees shout-outs and feedback for positively demonstrating our values, we noticed that the employees started giving shout-out to students for positive behaviors (without being coached to do so). We’ve noticed less student absenteeism (fewer students are taking Leave of Absences). And lastly, our management team was thrilled at the conclusion of our last fashion show, when the students started chanting our school name. It has been years since students and staff have had this kind of enthusiasm for our school.”



# Conclusion: Encouraging Employees to Live by Company Core Values

Once you have used this process to identify your core values and begin shaping your culture, consider how you can inspire your employees and bring them to life.

Salesforce is a great example of how a company has done this really well. One of their Core Values is “giving back.” They don’t just talk about the importance of giving back to the community, they demonstrate it with every new hire starting with their first day of work. They don’t spend that first day filling out HR paperwork, attending meetings, or organizing their desks. Their first day on the job is spent stocking a food bank, helping rebuild a wildlife habitat, or helping to clean up a public park.

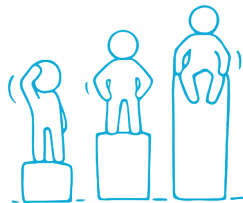
Many companies believe in volunteering, but the message that Salesforce sends to every employee – even before they step into the office — is that giving back is central to what they do and who they are. It is a Core Value.

Challenge yourself to find ways to bring your core values to life as well. This is not fluff. This is what powers top businesses!

We’ll close with this comment by David Salyers, Chick-fil-A pioneer, and Chief Marketing Executive for 37 years. Here’s what he said recently:

“Maybe the most important lesson is to realize that culture is the **ultimate competitive advantage**. We get focused on so many things like improving products and processes, but products can be reverse engineered; a strong culture, on the other hand, is very difficult to create, and nearly impossible to reverse engineer. So, to me...cultures are truly the ultimate competitive advantage. It’s about how you create a remarkable culture, a place where:

People believe the best **in** each other,  
So, they want the best **for** each other,  
And expect the best **from** each other.”



“Chick-fil-A is well known for their strong culture and is often used as an example for those striving to improve. It definitely pays off for them. Recent reports show they have a 97% retention rate, and they are ranked #1 in revenue in the casual dining category!”

They make a great chicken sandwich, but so do a lot of restaurants. Chick-fil-A has gone beyond a strong product to find their ultimate competitive advantage, a strong culture!

## Mission, Vision, and Values of Chick-Fil-A:

### Mission:

To be American’s best quick-service restaurant at winning and keeping customers.

### Reason for Being:

Being a faithful steward of all that is entrusted to us and have a positive influence on all who come in contact with Chick-Fil-A

### Core Values:

Customer First, Personal Excellence, Continuous Improvement, Working Together, Stewardship

You can Up Your Culture in the same way, and we recommend you begin by identify and living up to your Core Values.

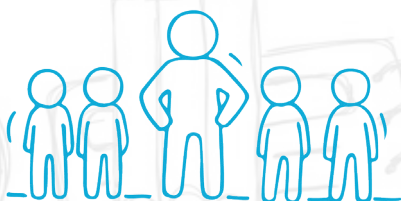


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