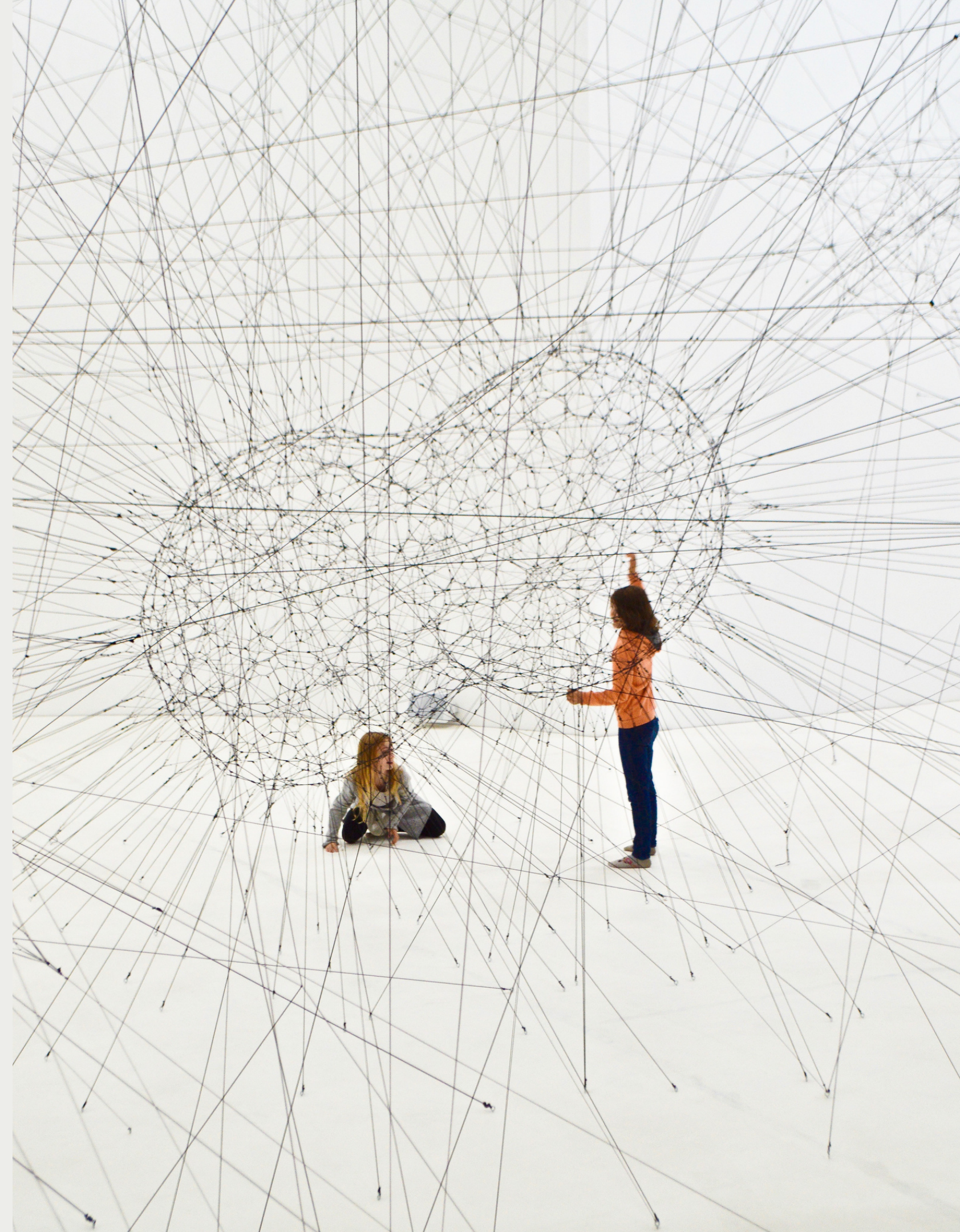# OPERATIONALIZING
VALUES

MILLER-MURO CONSULTING LLC

Ensuring that the values of an organization are fully operationalized **is critical to a thriving culture and the success of a company.**

Organizational culture reflects a company's values in action. Values serve as an organization's guidepost and provide the standard of behavior that all aspire to. Ensuring that the values of an organization are fully operationalized is critical to a thriving culture and the success of a company. Values must be reflected in its systems, policies, and processes, as well as exemplified by its leadership and staff. Effective values are lofty and inspirational, but also pragmatic and understandable.

Additionally, values lived well by an organization have mechanisms of accountability and learning, which are embedded in processes of continuous improvement.

Effectively operationalizing a company's values increases financial performance

A study from +1,000 firms reveal a strong correlation between financial performance and the extent to which employees believe their company's espoused values are practiced [1]

Employees are [2]

115% more engaged when their organization has a **well-defined set of company values**

135% more engaged if their company always **hires people who fit their company values**

107% more engaged when their company has detailed what **specific behaviors are necessary to live their company values**

[1] Source: Guiso, L., Sapienza, P., & Zingales, L. (2010). The value of corporate culture. Journal of Financial Economics. https://doi.org/10.1016/j.jfineco.2014.05.010

[2] Source: (2022, April 17). Why Company Values Are Falling Short. Leadership IQ. https://www.leadershipiq.com/blogs/leadershipiq/why-company-values-are-falling-short

However, most corporate values are not deeply embedded into the workforce, lacking basic connection to core components

For most companies, values lack connections to documented behaviors, leaderships accountability, performance appraisals, and hiring qualities; factors that, if executed well, could create a twofold increase in employee engagement[1]

Most companies' values lack connection to[1]

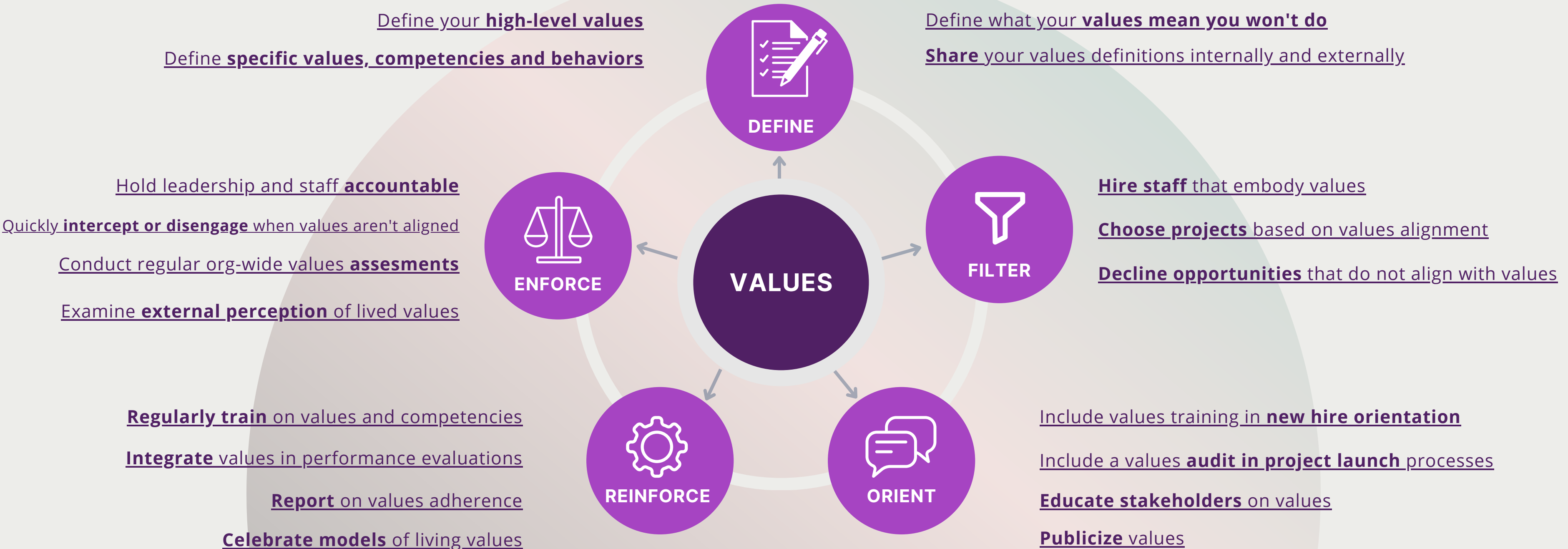| Documented Behaviors	Leadership Accountability	Performance Appraisals	Hiring Qualities
only 24%	**only 33%**	**only 21%**	**only 20%**
of organizations have detailed what specific behaviors are necessary to live their company value	of people believe that their direct manager holds people accountable to the company values	of companies embed their company values into their performance appraisals	say that their company always hires people who fit well with their company values

At Miller-Muro Consulting, our approach to operationalizing values is continuous and custom to your organizations maturity

We begin by defining values, then filtering for values, orienting for values, reinforcing values, and enforcing values

OPERATIONALIZING VALUES FRAMEWORK

Define your **high-level values**

Define **specific values, competencies and behaviors**

Define what your **values mean you won't do**

Share your values definitions internally and externally

DEFINE

Hold leadership and staff **accountable**

Quickly **intercept or disengage** when values aren't aligned

Conduct regular org-wide values **assesments**

Examine **external perception** of lived values

ENFORCE

VALUES

FILTER

Hire staff that embody values

Choose projects based on values alignment

Decline opportunities that do not align with values

Regularly train on values and competencies

Integrate values in performance evaluations

Report on values adherence

Celebrate models of living values

REINFORCE

ORIENT

Include values training in **new hire orientation**

Include a values **audit in project launch** processes

Educate stakeholders on values

Publicize values

9 Reasons Values are Important

1. Create a clear and unified purpose for the company

2. Define your company's external brand and identity

3. Guide how your company does business

4. Influence the level of trust and integrity you hold

5. Attract talent and ensure inclusion

6. Obtain loyalty from customers

7. Attract investors

8. Inform the impact your company will have on the world

9. Support profitability and success

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