VALUES: WHAT HOSPITALS CAN LEARN FROM OTHER ORGANIZATIONS

By Joe Tye

The Power of Values
Identifying the core values that define your organization is one of the most important functions of leadership. The success or failure of this process can literally make or break an organization.

Ken Blanchard
The Heart of a Leader

A great statement of values defines who you are, what you stand for, and what you won’t stand for. One of the eight core values of the company Integrated DNA Technologies is “Be yourself, unless you’re a jerk.” In just six words they tell current and prospective employees to be genuine and not try to impress people by pretending to be someone other than who they really are; to treat people with respect and be a team player; and to leave their bad attitudes and uncivil behaviors in the parking lot. And they convey that message in a clever and lighthearted way. It’s no wonder the company dominates its market category and is consistently ranked as one of the best places to work in its region.

A great statement of values guides how your people treat each other and the patients they serve, how they set priorities and manage conflict, and how they invest in their own personal and professional development. It can be one of the most valuable tools you have for recruiting great people and for differentiating your organization from the competition. When people embrace an organization’s values at a deeply personal level, it connects them with the “big why” that inspires what they do and how they do it, and reminds them why they entered the healing professions in the first place.

Unfortunately, many hospitals have settled for generic boilerplate values, often crammed into an acronym such as ICARE (which is quite predictably some variation of Integrity, Compassion, Accountability, Respect and Excellence). These are all-too-often presented in the new employee orientation and then forgotten, including by people who have the word “chief” in their titles.

There are three big problems with generic boilerplate values. First, claiming ICARE values does nothing to differentiate
you from every other organization that has similar values. If the plaque with your values could be posted in the lobby of a downtown rival without passersby familiar with your organization immediately stopping that you’d been ripped off, then you are missing a great opportunity to set yourself apart.

Second, ICARE actually sets a low bar for performance expectations. Every patient expects integrity, compassion, respect and excellence in the way they are treated. They also expect those qualities from their bank, their auto mechanic and the local bartender. A great statement of values raises expectations by being aspirational as well as prescriptive and inspires people to raise their own personal expectations, including in their personal and professional lives.

Third, because they sound so generic and establish such baseline expectations, ICARE values are unlikely to inspire and energize your people, most of whom probably couldn’t tell you what the stated values are without looking at the back of their nametags. They probably don’t take them home and post them on their fridge for the kids because generic ICARE values are all about what the organization expects of its people and rarely about what those people can expect of the organization.

When we consult with our health care clients, we challenge them to create a blueprint for what we call the Invisible Architecture of the organization. We use a construction metaphor in which the foundation is core values, the superstructure is organizational culture, and the interior finish is workplace attitude. An authentic statement of core values that inspires commitment, pride and loyalty helps to shape the organization and to align expectations for personal attitudes and behaviors. That is why, as Ken Blanchard says in the quote at the beginning of this article, defining authentic core values is one of the leader’s most important responsibilities.

In this article, we’ll look at seven values statements from non-healthcare organizations and draw lessons from each. In my research for this article and in previous work, I have found that in almost every market where there are head-to-head competitors, the one with a meaningful statement of values has higher employee and customer loyalty, a better public reputation and higher productivity and profitability. For example, Southwest Airlines, with its uniquely authentic statement of core values, consistently outperforms United Airlines, which recently posted what one critic calls “bumper sticker values” that read like they were created by an ad agency as its response to a series of public relations catastrophes that made “the friendly skies” seem anything but.

Amazon has 14 core values that it refers to as Our Leadership Principles. The qualities that have made Amazon one of the world’s dominating corporations - relentless customer obsession, monster-sized ambitions, high expectations for associates at every level and insistence on highest quality at lowest cost - are all embedded within the 14 principles that have shaped the company’s culture. As one example, “Have a Backbone, Disagree and Commit” gives people permission to challenge ideas and assumptions “even when doing so is uncomfortable or exhausting,” but then expects that once a decision has been made “they commit wholly.” These are the qualities that characterize what Ira Chaleff calls “the courageous follower” in his book of that title.

Auto-Owners Insurance is a Fortune 500 company that recently celebrated 100 years in business. The company has 10 core values and expects every associate to know them by heart. In the years that Values Coach worked with Auto-Owners, I personally asked hundreds of associates to tell me the company’s 10 values, and almost everyone not only knew all 10, but could proudly tell me what those values meant for their day-to-day work. One of those 10 values is loyalty, which the company distinguishes from mere tenure. Auto-Owners expects its people to be proud representatives of the company both on and off the job, and to embrace the fact that regardless of their job title, everyone is also a salesperson. What is more impressive and unusual is the way the company systematically honors loyalty to its people. In its 100 plus year history - through the Great Depression, dozens of recessions and every restructuring fad that’s been promoted by a consultant - Auto-Owners has never had
Zappos LESSON:

Never Compromise YOUR VALUES

Zappos has 10 core values that have shaped a company which has achieved massive success by competing with culture. Zappos sells the same shoes you can buy at any retail outlet. It has differentiated itself with core values such as “Deliver WOW through Service” and “Create Fun - and a Little Weirdness.” But as CEO Tony Hsieh describes in his book Delivering Happiness, being committed to your core values sometimes means being willing to pay the price. One of Zappos’s 10 core values is “Be Humble.” Hsieh says that Zappos has declined to hire smart and aggressive people who could make a lot of money for the company, but whose arrogant and narcissistic personalities would wreck a great culture.

Note: Ryan Smith, CEO of Memorial Hospital of Converse County in Douglas, Wyoming, and I recently presented at the AHA Rural Health Care Leadership Conference. Ryan shared the fact that his hospital had suffered an $8 million financial setback when it terminated the privileges of a surgeon who bullied and mistreated people. The prevalence of such terms as bullying, incivility, and “nurses eat their young” in the health care literature suggest that too many health care leaders lack the courage to enforce such core values as Compassion and Respect.

"I GOT A WHOLE NEW TEAM AND DIDN’T HAVE TO CHANGE THE PEOPLE BECAUSE THEY CHANGED THEMSELVES."

Paul Utemark, (then) CEO, Fillmore County Hospital

P&G LESSON:

Don’t Dumb IT DOWN

Consumer products giant Proctor & Gamble has five core values, none of which is particularly unique. But those five values are further described by 17 supporting statements and reinforced by eight operating principles, which in turn, are further described by another 23 supporting statements. If you’re keeping track, that’s a total of 53 separate line items, and each one matters. For example, one of P&G’s core values is “Passion for Winning,” with an operating principle of Innovation that states, “We place great value on big, new consumer innovations.” P&G spends more on R&D than all its competitors combined, and over the years, has shown that if they cannot beat a competitor, they will acquire it.
PUTTING THE LESSONS TO WORK

In his article “Defining Organizational Values with One Question,” Richard Jackson writes, “An organization’s values must be clearly articulated, taught, and measured.” And this is his one question: “What are the ideal values you want to instill in your family?”

In our work at Values Coach, we have found that corporate values – the plaque on the wall – determine business strategies, but it is personal values that shape corporate culture. It is therefore essential for leaders to assure that there is alignment between the organization’s posted values and the personal values of the people who work there – the values that each individual would want to instill in their own families.

One of the guiding insights underpinning our work at Values Coach is that culture does not change unless and until people change. The culture of an organization is shaped by the collective attitudes and behaviors of the people who work there. If no one is willing to engage in introspection and to make deep personal changes, then all the motivational speakers, business leadership books, happy face pins and customer service scripts in the world will not spark sustained culture enhancement. But people will not change unless they are inspired by their own personal values. That is why one of the most important investments an organization can make is in building and sustaining a more positive culture is helping people do a better job of living their values. Again, these are the values they would want to instill in their families.

After then-CEO Paul Utemark shared the Values Coach course on The Twelve Core Action Values with the staff at Fillmore County Hospital in Geneva, Nebraska, he sent me a note saying, “I got a whole new team and didn’t have to change the people because they changed themselves.” I have come to see that outcome as the gold standard for positive culture change. When a critical mass of people make the commitment to live their values by being more emotionally positive, self-equipped and fully engaged, you will create a culture of ownership.

WHEN VALUES loose their meaning

In his book How the Mighty Fall, leadership authority Jim Collins writes that you know an organization is in Stage 4 Decline (the stage preceding the slide into oblivion) when “people cannot easily articulate what the company stands for, core values have eroded to the point of irrelevance, the organization has become ‘just another place to work,’ a place to get a paycheck, and people lose faith in their ability to triumph and prevail.”

Especially in today’s turbulent and hypercompetitive health care environment, hospital leaders would be wise to pull their values plaques off the wall and consider whether and how they should engage their people in a dialogue about values, and if warranted, update (or totally rewrite) the ones on that plaque.

The questions in the box can help spark your thinking, as can studying the values statements of the most successful companies in other industries. Joe Tye is CEO and Head Coach of Values Coach, which provides consulting, training and coaching on values-based leadership and cultural transformation. Joe earned a Master’s degree in Hospital Administration from the University of Iowa and an MBA from the Stanford Graduate School of Business. He is the author or coauthor of fifteen books including his newest release, Building a Culture of Ownership in Healthcare (co-authored with Bob Dent). His book, The Florence Prescription: From Accountability to Ownership, has more than 500,000 copies in print. Prior to founding Values Coach in 1994, he was Chief Operating Officer for a large community teaching hospital. Joe and his wife Sally have two adult children, and they live on a small farmstead in Iowa.

This is Joe’s third article for Arkansas Hospitals. He can be reached at Joe@ValuesCoach.com.

?S TO ASK ABOUT YOUR ORGANIZATION’S Core Values

Why were those values chosen and others left out? Since there are literally hundreds of ways to phrase values, this is an important process for establishing organizational identity.

Do these values reflect who we are as an organization today and who we want to be in the future? Are they both descriptive and aspirational?

Are these values referenced in every daily staff huddle, budget meeting and performance appraisal?

Are our values operationally relevant? In addition to warm and fuzzy concepts like compassion and integrity, should we elevate essential operating parameters, such as productivity and loyalty, to the status of being core values?

Are our values socially relevant? Do they properly reflect our societal responsibility for the environment, the underserved and for public health and mental health?

How would the proverbial Man from Mars see our values actually being reflected (or not) in the attitudes and behaviors of our employees? Would we hold to these values even if there was a significant cost for doing so?

Are our values worded in such a way that they inspire employees to take ownership for them because they resonate with their own personal values?

Are our values prominently featured on our website? Are they included in recruiting, new employee orientation and performance appraisals? Are they a source of pride for employees? If another organization copied our statement of values verbatim and posted it in their lobby, would anyone know it had been lifted?

Adapted from Building a Culture of Ownership in Healthcare by Joe Tye and Bob Dent (Sigma Theta Tau International, 2017).