

# Values-Driven Leadership

Changes in leadership culture can improve bottom-line results • THOMAS J. GRIFFIN



*Thomas J. Griffin is a strategic partner for the Greenleaf Center for Servant Leadership and the Center for Values-Driven Leadership at Benedictine University. He can be reached at [editor@clomedia.com](mailto:editor@clomedia.com).*

**T**he business challenge for organizations today is unmistakable: Build profitable companies that benefit people and society. This contradiction represents the classic paradox that many leaders face — the dilemma of the “what” versus the “how.” The best-run organizations today focus on achieving two sets of results: business and people. They understand that merely getting one or the other is not enough for long-term growth and sustainability.

The values-driven leadership approach readily embraces this dilemma and recognizes that business and leadership are full of contradictions. This approach requires a high degree of stewardship and accountability from leaders at every level of the organization. It is a form of leadership that is based on service to others — individual — and to a greater purpose — organizational and societal — and is both ethical and practical.

The starting point of a values-driven organization is the individual leader. A leader cannot connect to a set of organizational values without first having gone through the exercise of identifying core individual values and then determining alignment between the two. Values clarification work requires that we ask ourselves the tough questions such as: Who am I? What do I stand for and why? Where am I going? Why would others want to follow me? What will people say about me after I’m gone?

These questions help leaders tap into their personal experiences and identify their truth-to-self moments — times in their past where they have either stood for something meaningful and lived their values — promoted integrity — or compromised and sold out on their values — promoted duplicity. It is probably best summed up by Jim Kouzes and Barry Posner in *The Leadership Challenge*: “Clearly articulating, and more importantly, demonstrating one’s values, forms the basis of a leader’s credibility — and credibility in leadership is character-based.”

Values-driven leadership must be lived out in the everyday behaviors of leaders at all levels to be considered real. Leaders must be authentic and active or their hypocrisy will be easily exposed. Values-driven leadership, when successfully integrated into an organization’s culture, produces noteworthy benefits, such as higher employee retention, fulfillment and satisfaction; improved customer

satisfaction and client relations; and increased shareholder value.

Values-driven leadership at the organizational level is more important today than ever before. Values-driven companies succeed in the marketplace by focusing on the triple bottom line: people, planet and profit. They deliver exceptional business results by providing leadership in ethical practice, social contribution and environmental impact.

Values-driven leadership implies a conscious commitment by leaders at all levels to lead with their values, connect them to organizational practices, and create an organizational culture that optimizes performance, accountability and contribution. In today’s world, the product or service you provide is important, but who you are as a company and how you deliver on your brand promise is even more important to long-term success.

Values-driven leadership is guided by a compelling and inspiring future-focused vision that organization members can connect with rationally and emotionally. This vision, underpinned by a core set of values, forms the basis of credibility with organizational stakeholders, including customers, suppliers, shareholders, communities and employees — present and future.

The extent to which organization members can rationally and emotionally connect with the organization’s vision drives higher levels of engagement, fulfillment and performance as measured by an organization’s scorecard. In his article “Building a Vision-Guided, Values-Driven Organization,” Richard Barrett cited research indicating that as much as 39 percent of the variability in corporate performance is driven by the level of employee fulfillment.

The effectiveness of the leader is the single most important factor in attracting and retaining key talent. In that same article, Barrett also notes that 69 percent of variability in employee fulfillment is attributable to the capability of the immediate leader.

Ultimately, values-driven leadership is about understanding the extraordinary privilege and responsibility that leadership carries and living it out on a daily basis. As Bill Pollard, former CEO of ServiceMaster Co., said: “Know who you are, know what you believe, know why you believe it, know where you’re going and know why it’s important for people to follow — that’s your responsibility.” **CLO**