



## ***To practise what we preach***

Almost all nonprofit organisations make a public statement of their vision, mission and values. The values are expressed in stirring words and create an immediately favourable impression. But that can soon evaporate if the way the organisation operates in practice fails to live up to the fine words. So how can values best be defined? Richard Barrett offers a challenging perspective:

“Values are rules for living. They are deeply held beliefs that a certain way of being is preferable to another. An organisation’s values make an open declaration about how it expects everyone in the organisation to behave.... the purpose of establishing a set of values is to create a code of behaviour that builds a cohesive culture and supports the vision and mission.”<sup>1</sup>

While a charity’s vision and mission should be distinctive, there is much common ground in the words used to set out the values of different charities. Amongst the most common are ‘respect’, ‘dignity’, ‘innovation’ and ‘care’. RoseAnn Stevenson, an HR Manager, analysed values statements from 77 organisations. For ‘integrity’ she found no fewer than 185 different interpretations. “It is the interpretation, and most particularly the translation of values into individual actions or behaviours, that is the critical element.”<sup>2</sup>

The problem is not that organisations are not producing values statements: it is the credibility gap between fine words and feeble actions. It is hard to remember a time when this gap was wider, as evidenced by public outrage over greedy bankers and unscrupulous tabloid journalists. Surely this is a golden opportunity for charities to look again at their values and unleash their power.

We need to be realistic about the big commitment which this will involve. I did some work with headteachers in Staffordshire. One head said that he decided to make values meaningful, and involved all concerned in producing values for the school: teachers, parents, students, etc. It took a long time but, said the head, it proved so

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<sup>1</sup> Richard Barrett, *Liberating the Corporate Soul*, Butterworth Heinemann, 1998

<sup>2</sup> Des Dearlove and Stephen Coomber, *Heart and Soul*, Blessing White 1999



worthwhile: standards of behaviour in the classroom have improved and as a result his teaching staff are less stressed and can give more attention to struggling students. The key was that the students felt they had ownership of the values: “It was the most worthwhile thing I have ever done as a head”.

One manager characterised values as “the DNA of your organisation”. When Geraldine Peacock was chief executive of Guide Dogs for the Blind she made this distinction: “*Culture* is the way we are now; *values* are the way we want to be.” So values are aspirational. This is exemplified by Living Streets, who campaign for pedestrians:

“The values are:

As an organisation, we strive to be: Challenging; Positive; Enabling

As individuals, we strive to be: Effective; Knowledgeable; Collaborative”

At Cass Centre for Charity Effectiveness we wanted to find out how far charities are bridging the credibility gap, so a few months ago we launched an exploratory survey. We were delighted with the response: 133 charities, large and small, gave us their experience. The results are basically positive and encouraging.<sup>3</sup> What follows are some responses.

For some organisations having values was about co-operation: “To hold us together as a team and organisation”.

For others, focus: “To give definition, uniqueness and priority to our activities”. One charity found values vital in recruitment: “We ensure that everyone joining us as a volunteer, member, campaigner or staff agrees with the aims, objectives and values of the charity.”

It was heartening to find that most respondents provided thoughtful examples of how their values had played their part in actions taken:

“In deciding on partnership arrangements with other charitable organisations, we ensure that we describe our core values and ensure that the partnership agreement reflects these.”

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<sup>3</sup> Andrew Forrest et al, *To Practise What We Preach*, Cass Centre for Charity Effectiveness, 2012



“We decided as an organisation to stop working with [XYZ organisation] as a result of their involvement in the death of a vulnerable man being deported from the UK.”

“A proposal to have a chat forum for only one group conflicted with our value of *openness* and so was rejected.”

We selected 19 organisations who responded to the survey to be interviewed for more in-depth case studies. One of these was the National Union of Students, who find it helpful to have some values for external communication (‘democracy’, ‘equality’ and ‘diversity’, ‘collectivism’) and some internal/cultural ones (‘open’, ‘achieving’, ‘principled’, ‘collaborative’, ‘engaged’). This raises the question: once you have identified your values, should you make them public straight away? Most organisations seem to do this without a second thought, placing their values on their website, annual report, recruitment literature and so on. Another approach is that it is wiser to use your values for a running-in period to make sure they really are working before you announce them to the world. Once they are public you are in an exposed position - every transaction with your organisation tests the values out. Harvard Business School makes a very strong pledge: “Our values are a set of guiding principles for all that we do wherever we are and with everyone we meet.”<sup>4</sup>

As we saw in the example of the Staffordshire school, the more that people are invited to contribute to the formation of values the more they will feel ownership of them and responsibility for them. It is not appropriate for the senior management team to retreat into a conclave and then send out a puff of white smoke to announce the organisation’s values. How best to involve employees at all levels? One method is to ask people in their normal work groups to debate two simple questions:

1. How do we want to work together within our team?
2. How do we want to work with other teams?

Each team then shares its answers with other teams; there is bound to be overlap between their answers, and that overlap becomes the draft of the core values for the

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<sup>4</sup> [www.hbs.edu/mba/studentlife/leadership\\_values.html](http://www.hbs.edu/mba/studentlife/leadership_values.html)



organisation. It is perfectly acceptable for each team to have some unique values, so long as these do not clash with other teams.

NCVO's 2009 report *Values into Action* found some latent turbulence once people start a dialogue about values:

“It cannot be assumed that everyone associated with the organisation knows what its values are or share the same understanding of what these mean in practice. Therefore a discussion about values can open up a much bigger debate than anticipated. This process can sometimes be challenging and can open up previously concealed tensions over values which have contested meanings. Ultimately they found it valuable because it created a shared understanding and ownership of values.”<sup>5</sup>

It is the senior management team's responsibility to produce a draft for the organisation as a whole, consulting trustees en route. But one striking result of our survey was that fewer than half of the participating organisations involve volunteers in producing the values (and only a similar number discuss with volunteers how they are putting the values into practice). This is an important missed opportunity. Volunteers by definition are passionate about the charity's aims, and they often operate as the public face of the organisation. Their input to values is vital. In our survey the total number of volunteers in the participating organisations was 203,000: a resource of huge potential.

There is as yet no legal imperative to have values, and it is not surprising that a variety of terms are to be found: aims, purposes, principles, ethics and so on. Changemakers is a charity developing the potential of young people. Their equivalent of values comes under the simple heading of “*How we work*”, and includes:

- Take risks
- Keep things simple
- Be honest
- Think long term.

Leap Confronting Conflict, a charity which does brave work turning gang members around to more creative activities, states its *core beliefs*:

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<sup>5</sup> Veronique Jochum and Belinda Pratten, *Values into Action*, NCVO, 2009



- “Conflict is inevitable in the lives of young people
- Managed creatively it can be a force for personal development
- All young people have potential to contribute constructively to their communities.”

The word ‘values’ was too soft for one of the case study organisations, MacIntyre, who support people with learning difficulties. Their managing director said “People do not experience our values, they experience our behaviours.”<sup>6</sup> Instead of values they use ‘Commitments’, which has an urgency and a call to action about it.

A very useful report was published in 2006 by Community Links.<sup>7</sup> They described values as “the sector’s most important asset in recruiting people and sustaining their commitment” and pointed out that the biggest threat to the sector comes from within:

“It lies in organisations

- not focusing clearly on values
- chasing funding that does not fit values
- allowing values to be influenced by others outside the sector
- allowing the demands of running an organisation to overshadow values.”

It is no surprise to find from our survey that a senior management team (SMT) must not only help to create the values but must be seen as role models for them. When you try to disentangle management from leadership, ultimately as a manager you are judged on your efficiency, but as a leader you are judged on your personal character. That is why so many managers find leadership difficult or even embarrassing.

One way in which an SMT can use values to keep themselves on the right track is to adopt the approach of the Directory of Social Change. The first item on their SMT agenda is always: *Have we lived up to the values this month?* This provides the opportunity for these leaders to put on record their acknowledgment of support they have received from each other as well as areas where performance fell short.<sup>8</sup>

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<sup>7</sup> Geraldine Blake et al, *Living Values, a report encouraging boldness in third sector organisations*, Community Links in partnership with the Governance Hub, 2006

<sup>8</sup> Debra Allcock Tyler, *It's Tough At The Top*, DSC, 2006



Depth research by The Work Foundation based on interviews with over 250 leaders in British organisations brought out the differences between good and outstanding leaders. One of the major themes which emerged was “Bring meaning to life – outstanding leadership enables a strong and shared sense of purpose across the organisation. These leaders emphasise emotional connection for people with a focus on passion and on ethical purpose”.<sup>9</sup>

In our survey *To Practise What We Preach* there are some clear messages for charities which wish to obtain the full energy which values can offer. Among these are three with topical importance.

First, when producing a list of values, consult widely - and not only with employees. Volunteers should certainly be involved, and at least some beneficiaries. The debates are likely to be lively; persevere and it will prove very worthwhile.

Second, if your success depends on winning contracts from local and national government, you will increasingly have to collaborate with other organisations to produce the winning bid. Your values and your partner’s must be compatible, and it will not be sufficient to note the fine words in their values statement. You will need to check that they inform day-to-day actions.

Third, the SMT cannot escape! If they are not just managers but genuine leaders the values will underpin their every move, and the resulting momentum should spur you on towards your vision. The people whom your charity was set up to help deserve nothing less.

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<sup>9</sup> Penny Tamkin et al, *Exceeding Expectation: The Principles of Outstanding Leadership*, The Work Foundation, 2010



**For further reading:**

Edward de Bono, *The Six Value Medals*, Vermilion, 2005

Elisha Evans et al, *Mission Impossible? – vision statements from 80 charities*  
nfpSynergy, 2006

Michael Henderson et al, *Leading through Values*, Harper Business, 2006

Robert Hurley, *The Decision to Trust*, Jossey Bass, 2012

Tom Kenny, *From Vision to Reality through Values*, Management  
Development Review, vol.7 no.3, 1994

Ralph Lewis and John Noble, *Servant-Leadership*, Management Books 2000, 2008  
(building on the writings of Robert Greenleaf)

Larry Reynolds, *The Trust Effect*, Nicholas Brealey Publishing, 1997

David Silver, *Closing the Gap between Internal Messages and Behaviour*,  
SCM (Strategic Communication Management) Journal,  
Vol.7 issue 4, June 2003

**About the author:**

**Andrew Forrest** is a Visiting Fellow of Cass Business School and a Principal Consultant with Cass CCE. He helps senior managers in the voluntary sector to identify their leadership priorities, which often include being role models for the values of their organisation. Recently, Andrew has been heavily involved in the Centre's bespoke leadership development programme for Citizens Advice.



## **Associated Cass CCE Upcoming Events**

### **Outstanding Leadership 2012 programme Launch 29 March 2012**

*"This is a very powerful and effective series for a small investment of time and money. I have enjoyed it and learned much. Most importantly, it has helped to affirm where I am in terms of my own leadership skills."*

Facilitated by Ian Lawson and Maggie Smith and based upon the research carried out by The Work Foundation mentioned above, these two-hour sessions offer busy nonprofit leaders the chance to build upon their leadership skills. Participants who have been through the programme have found it enhances many elements of their performance at work.

The Launch will take place on 29 March 2012, at Cass Business School. Topics covered will be Vision and Values, Coaching for Performance, Communication, Innovation and Leading Change.

If you are from a nonprofit organisation, you can attend all five modules plus the launch for only £250 (normal price £600). Included in this outstanding price is the chance to have an exclusive one-to-one coaching session with a Cass CCE expert; and breakfast of course. However, be warned and book early as places fill up quickly.

### **Practise what we preach – Living our values 25 April 2012, 09.30 – 16.30**

Following the publication of *To practise what we preach. An exploratory survey of values in charities* as a working paper, Cass CCE is hosting a practical seminar to investigate and examine some of the important findings.

The interactive session aims to explore how, together, we can practise what we preach by:

- Sharing our experiences on articulating, embedding and living our values
- Pooling our knowledge, insights, successes and concerns
- Understanding better what we need to do, and make individual and collective commitments, to live our values in our operations and our everyday work.

The seminar will be different to anything we have done before by embracing some of these principles:

- Not a presentation event, but a learning and engagement session, working together to produce useful output and have common experience and understanding
- Design underpinned by using the diversity of the group, using one another as resources, taking personal responsibility
- Task table groups operate on max-mix principle - a maximum mix of people to encourage diversity; encourage better understanding, and model collaborative ways of working
- Pacey, but with enough time for reflection and sufficient time for people to network.

You can take part in this fantastic opportunity for only £50, which includes refreshments and lunch. Spaces are going quickly so please sign up now to guarantee a place.