

Living the values or what does it take to build a company “on brand”?

The brand is what you show to the world, whether to a customer or to a candidate. Values and culture are how you treat each other internally. They must sync up or there will be a disconnection.

From TNS SIFO’s experience in working with the successful value driven companies we can conclude the following initial conditions for creating a company on brand:

- Company internal and brand values are synchronised. Company brand values are translated into managers’ and employees’ behaviours
- Employees and other stakeholders understand the brand & company values and believe in them
- Employees are working in the way that customers experience brand promise and brand values on the daily basis

Based on the above we will use the term “the values” for indication of brand or company internal values.

Many companies are struggling with the question “What should be done in order to enable employees to live the values?” and “How to manage it?”

As we already know, “what is not measured is not managed”. There are consequently three dimensions to be covered in employee measurement that would give us indication of how many employees know the values, believe and act according to the values.



Figure 1: Three Living the Values dimensions

In a recent TNS SIFO study 70% of the employees say that their company has been communicating its values. 65% can name these values but only 47% of these people live the values i.e. they believe in and act on the values. This is only 31% of all who participated in the study.

To get a deeper understanding of underlying causes which are stimulating or preventing people to act according to the values we divided all employees who know the values in four segments depending on the level of belief and act according to the values.

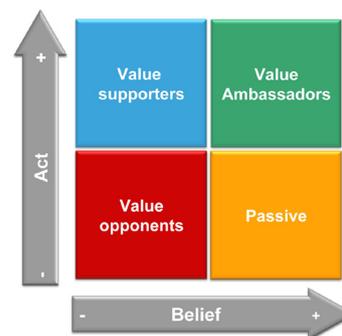


Figure 2: Living the Values' segmentation

- **Value Ambassadors:** live the company values and attach them to their products and services. Employees believe and act according to the values
- **Passive:** believe in values, but do not act on them
- **Supporters:** lives up to the values, but do not quite understand or believe that these are the right values
- **Value opponents:** rejects the brand company values. Employees know the values but neither believe nor act according to them

From the TNS SIFO Swedish national study mentioned above we can see:

Among employees who know the values 27% do not believe and do not act on the values, they are “Value Opponents”. 20% are “Passive”, 6% are “Value Supporters” and only 47% are truly “Value Ambassadors”.

The Swedish study demonstrates that after working 10 or more years in the company only 48% believe and act according to the company values.

One may ask “Why does it take so much time?”. Identifying the key enablers is necessary in order to take action and support people to develop their ability to become value ambassadors. Furthermore the analysis helps to understand the organizational issues that need to be in place for people to do a good job.

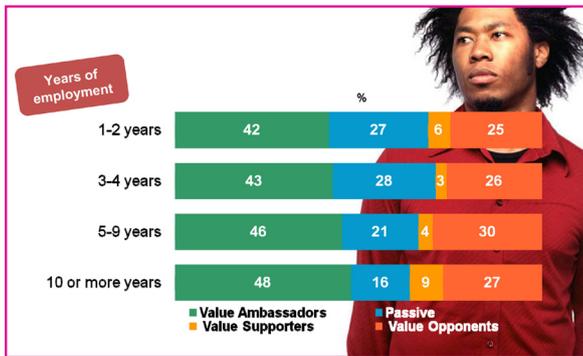


Figure 3: Living the Values' segmentation based on years of employment

So, what does it take to make employees act as value ambassadors? In the study presented above we identified the key enablers in the following areas:

- **Strategic direction:** Clear vision and strategy
- **Individual factors:** employees' motivation, customer competence, etc
- **Organisational factors:** efficiency and cooperation
- **Renewal climate:** creativity, inspiration & openness to new ideas
- **"What's in it for me" related factors:** competence & career development, recognition
- **Leadership characteristics of the managers** (see Figure 4)



Figure 4: Leadership skills having the strongest effect on Living the Values

Many conditions should be in place to make it possible for employees to live the values. At the same time limited resources is our reality. What can one do? Trim the ambitions? Fight for more resources?

It is possible to achieve a great deal with available resources. What is needed is to concentrate the resources on the areas that are most in need of development and that have the biggest possible payoffs. Correlation and regression analysis techniques can give a first input for prioritising. A result of a correlation analysis of the data from the national study in Sweden is presented below (Figure 5).

From Figure 5 we can conclude that if Sweden was a company, we would get the biggest outcome on invested time and money if we develop:

- Renewal climate in the company
- Managers as role model for the values
- Confidence in management
- Organizational efficiency
- Belief in the company future

The next step is to engage company employees in developing practical actions in each of the prioritised areas.

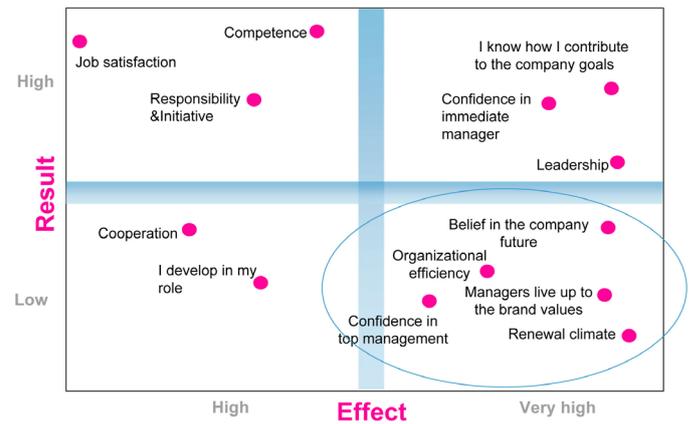


Figure 5: Leadership skills having the strongest effect on Living the Values

Summary

TNS SIFO has developed a comprehensive program which gives a possibility to engage employees in developing the values based on behaviours and aligning the organisation according to the values. In brief the program could be summarised in 4 major steps:

1. **Current situation:** Where do we stand now? Awareness of the current level of Living the Values in the company.
2. **Priorities:** What to prioritise? Where do we get the biggest outcome on invested efforts? Choose the most important focus areas to work with.
3. **Engagement:** Engage your people in developing values' based behaviours. Develop a plan for intervention, which includes tools and processes giving managers possibility to empower their people.
4. **Follow-up:** Follow-up of results including linkages with other key performance indicators such as customer value added and profitability.

The detailed overview of this program will be presented in TNS SIFO's next VOICE Insight.

Stockholm 2010-09-01

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