

# H4 Consulting Brief

## Value Signalling

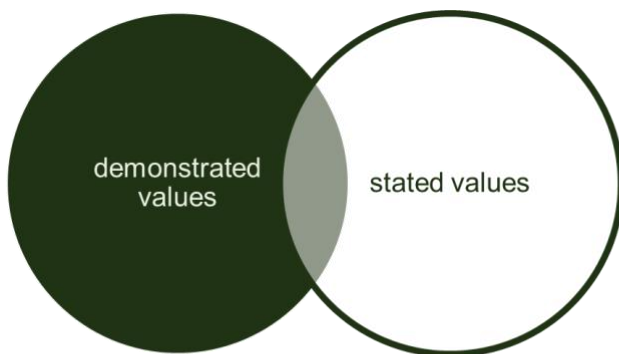
Values statements help workers and the customers they serve to understand why and how organisations achieve their goals. Many publicly funded organisations promote their values prominently. Where these organisations invest their time and resources, however, can suggest that different priorities guide their work in practice. Conflict or misalignment between stated values and demonstrated values sends mixed signals about what matters most.

Many publicly funded organisations work hard to define and communicate corporate values that give clear signals about their priorities and expectations. Workers are repeatedly exposed to these values—perhaps displayed in workplaces and highlighted on websites or equipment—to guide their work. Providing this kind of guidance is a core management function.

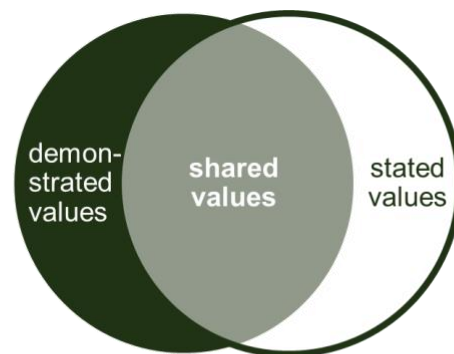
Workers are also influenced by other information about the values of an organisation, including the formal and informal behaviours and norms they see around them. Some of these behaviours and norms will not align with the official values statement and may even be counter-productive to the organisation's mission, making it difficult for staff to understand what is really expected of them, and how important it is.

Management attention sends strong, and often mixed, messages. An organisation that claims to value creativity but spends much of its energy enforcing rigid rules is setting expectations for compliance, not creativity. An organisation that claims to value efficiency but ties workers up in long, unproductive meetings is setting expectations for wasted time.

People tend to give more weight to social cues than to glossy corporate statements, which means they are likely to prioritise workplace norms over stated values. Over time, as workers put more effort into activities that are misaligned with the values statement, official values can seem even less relevant, or more cynical. People who joined such organisations based on stated values can quickly become disillusioned and move on.



when an organisation's stated values and its demonstrated values are misaligned, workers are more likely to be guided by demonstrated values



when an organisation's stated values and its demonstrated values align, workers have clear and consistent guidance from shared values

Stated values are important signals to workers and stakeholders about the priorities and expectations of an organisation, but those signals cannot be heard if they are being drowned out by competing values. An audit of behaviour, such as where time is invested and what activities are rewarded or sanctioned, is a good starting point to identify the values being demonstrated by the organisation. If the official values statement is too different from the demonstrated values, it will be hard for workers to internalise the stated values and shift the organisation's culture in the desired direction.

Shared values can be strengthened by behaviours that reinforce priorities, such as frequent 'safety moment' discussions on high-risk work sites, or patient journey stories in hospital administration meetings.

When stated and demonstrated values are aligned just closely enough, a values statement can help guide workers to work in appropriate ways, on the things that matter most, while attracting the kinds of people who will thrive working in or with the organisation.

If perfect alignment between an organisation's stated values and its demonstrated values were ever to be achieved, then a formal values statement would be unnecessary. Perfectly values-aligned organisations would not need documents to signal their priorities and expectations to workers or stakeholders. For most organisations, however, values statements remain important signals of intent, but only if people can detect and attend to those signals through the ever-present background noise of demonstrated values.

To find out more about how you can use this approach in your organisation, contact us: [info@h4consulting.com.au](mailto:info@h4consulting.com.au)  
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