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## **Business Ethics: Stop Serving the Corporate Kool-Aid and Lead**

### **Skills and Professional Development**





Corporate executives the world over, regardless of their business type, all have one thing in common: They cloister themselves for hours or days to engage in a ritual culminating in catchy phrases that define their firms' mission, vision, and values. They then descend from the mountaintop and proudly display the fruits of their labor for all to see. Their work being done, they return to their offices with the certainty that the wisdom espoused on their "tablets" will mystically inspire and engage their employees, unleash untapped enthusiasm, boost productivity, and ensure long-term prosperity.

Here's just a small sample of such corporate incantations:

## Mission Statements

- **Life is Good:** To spread the power of optimism.
- **American Express:** We work hard every day to make American Express the world's most respected service brand.
- **Warby Parker:** To offer designer eyewear at a revolutionary price, while leading the way for socially conscious businesses.

## Vision Statements

- **Mandala Leaders:** To be the fastest growing, most rewarding and most transformative leadership community.
- **McDonald's:** To be the best quick service restaurant experience. Being the best means providing outstanding quality, service, cleanliness, and value, so that we make every customer in every restaurant smile.
- **Patagonia:** Build the best product, cause no unnecessary harm, use business to inspire, and implement solutions to the environmental crisis.

## Values

### Square Space

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- Be your own customer
  - Empower individuals
  - Design is not a luxury
  - Good work takes time
  - Optimize towards ideals
  - Simplify

### **Pinnacle Financial Partners**

- Integrity
- Fairness
- Learning
- Partnership
- Results
- Balance
- Discipline

### **Hagerty**

- Being honest
- Collaborating
- Treating everyone with respect and dignity
- Delivering on our promises
- Always exceeding expectations

Setting aside for a moment that most mission and vision statements are indistinguishable from one another, and that many espoused values are not values, let's take a moment to examine their utility. Many high priests (consultants) who vigorously promote the development and publication of mission, vision, and values statements make bold claims about the impact such phrases have on corporate stakeholders. The following is a direct quotation from *The Importance of Vision, Mission, and Values in Strategic Direction* by James Tallant:

....[V]ision, mission, and values [are] important for strategic direction. Without the individual foundations of strong values illustrated by a vision to be undertaken by a mission, an organization cannot become an overly successful organization. Without developing a mission, vision, and values to assist in developing a strategy, an organization cannot identify, distinguish, or explain itself to its employees and customers alike.

Before I express my doubts about Tallant's assertions, I must confess that I have participated in the sacred ritual of developing and promoting such corporate pronouncements on multiple occasions. I am also compelled to stipulate that there may be some modest value in reaching an internal consensus regarding the primary reasons your firm is in business. However, the impact of mission, vision, and value statements on employees and other stakeholders is somewhere between minimal to non-existent. I challenge any doubters to cite scientifically gathered evidence that proves otherwise.

Before you cast my viewpoint aside as heresy, take a moment to see if you can recite your firm's mission, vision, and values from memory. If you are among the tiny minority of readers who can achieve this feat, consider for a moment whether these statements of your corporation's aspirations

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have had any real impact on the way you do your work. Would you behave differently if the words were different? If you're like most, you likely answered in the negative to one or both of these questions.

Regardless of how well-intentioned or well-written they might be by themselves, corporate mission, vision, and values statements have no impact on employee behavior. Even if they are plastered in every office, it is not long before they become invisible wallpaper ignored by all. And, if you've been around a while, you've seen them come and go with every new leadership team. As the great M.D. (a work colleague who wishes to remain anonymous) once said: "With every change in flavor, the corporate Kool-Aid gets flatter and flatter."

Similarly, customers and other outside stakeholders view such statements as just another dimension of a corporate marketing campaign — background noise that barely pricks their consciousness, let alone shapes their behavior in interactions with the firm. Shareholders ignore them altogether and just pay attention to the share price.

But don't despair. Even though there are no magic words potent enough to cast a spell over your employees and other stakeholders, there is one thing you can do to achieve your ends: lead. Although people do not respond to slogans, they do respond to leadership. If you think one of your core values should be "honesty," be honest. If you want your employees to be respectful to one another and your customers, model this behavior by being respectful to them. If you want to build and sustain a corporate culture that lives and breathes your corporate values, integrate those ideas into your hiring, professional development, and performance evaluation systems. Most importantly, fire any leader in your company, regardless of their position, who does not, cannot, or will not consistently model your values.

Taking these steps will not result in an immediate transformation. There are no silver bullets. Cultures are very stubborn things. Driving positive change in any organization takes a sustained effort and a good dollop of courage. It requires you to walk away from business opportunities that can only be won via unethical means. It requires the discipline to fire high-performers who don't get it. As difficult as it is to execute, it is the only way to get others to pay attention and follow you.

So, go to the mountaintop, if you must. Huddle as long as you like to build a consensus on your firm's mission, vision, and values. But, when the work is done, instead of dispensing another flavor of corporate Kool-Aid to the masses, take the unusual step of bringing your words to life by leading.

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