Evaluating the Content of Values Programs in Defence

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EVALUATING THE CONTENT OF VALUES PROGRAMS IN DEFENCE

For many organisations, bringing alive their values is a challenge unmet.¹

Anderson, 2004

ABSTRACT

1. **Purpose.** The purpose of this paper is to identify a range of practical areas against which the content of existing values programs in Defence can be evaluated.

2. **Approach.** This paper will briefly describe what values are and their relationship to individual behaviour, decision making and long term organisational performance. It will examine a range of literature devoted to the development of values-based organisations and attempt to identify the common themes required to be addressed in successfully maintaining a long-term organisational values program. Ultimately, the paper will expand on the themes identified and suggest some practical areas against which the content of existing values programs in Defence can be evaluated.

3. **Conclusions.** A significant amount of literature exists discussing how organisational values programs should be implemented and then managed for long-term success. Not surprisingly, there were several common themes identified from the literature review that are clearly considered as important considerations for any organisation managing a long-term values program, those being: leader commitment, employee understanding, aligned personnel management, ongoing education and training, aligned processes and policies, continual monitoring, and finally, manageable numbers. Within these themes are multiple areas that warrant further examination to evaluate the content and likely success of Defence and Service values programs. For example, exploring the adequacy of ongoing education and training raises questions regarding how well values are conveyed and developed not just in induction and recruit training for new entries, but also in the promotion courses, staff courses, seminars and workshops that are provided (or not) to existing personnel. It is argued that it is very unlikely that Defence and Service values programs will be effective if these themes and the specific areas below them are not consciously and carefully considered and then resourced appropriately. Indeed, there is evidence to suggest that a half-hearted and/or under resourced values program is probably better off abandoned completely as it can easily cause significant damage to organisational credibility and employee trust.

INTRODUCTION

4. Over the last couple of decades there has been considerable interest displayed by organisations around the world in the area of corporate values. This is primarily as the result of a school of thought advocating that values-based organisations are more likely to enjoy long-term success and a competitive edge over rivals in their sector.² Visit any corporate website today and you will invariably find a list of their corporate values. Visit any relatively modern military organisation around the world and values statements are often very visible and prolific.

5. In Australia, not only does Defence have values, but the three Services each maintain their own unique values sets that complement, expand and overlap Defence’s. One only has to cast a cursory eye around the work environment to see visible evidence of Defence’s various values programs. Values posters adorn walls, publications such as the Defence Leadership Framework (DLF) and the RAN Warfare Officer’s Career Handbook specifically discuss values and their importance in leadership, and seminars such as the Results through People summit discuss them. All of this gives the impression that values are something that the Services and Defence as a whole see as vitally important and integral to the future success of the organisation.

6. In February 2006, the CDF and Secretary released the Defence Values and Behaviours Policy Statement to Service Chiefs and Group Heads. In this document they emphasised the imperative for Defence to be a values-based organisation, one in which decisions are made and activities undertaken that clearly adhere to the Defence values Professionalism, Loyalty, Integrity, Courage, Innovation and Teamwork (PLICIT).³ In addition, the newly released doctrine ADDP 00.6 Leadership, clearly identifies values-based leadership as a priority for the organisation and integral to the overall concept of leadership as espoused by the organisation.⁴

7. Given the focus placed on values and values-based leadership in the various policy documents, high-level statements and marketing material produced by the Services and wider Defence organisation, it begs the question – does the reality in Defence support the values ideal?

8. Scope. This paper will briefly describe what values are and their relationship to individual behaviour, decision making and long term organisational performance. It will examine a range of literature devoted to the development of values-based organisations and attempt to identify the common themes required to be addressed in a successful organisational values program. Ultimately, the paper will expand on the themes identified

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and suggest some practical areas against which the content of existing values programs in Defence can be evaluated.

AIM

9. The aim of this paper is to identify a range of practical areas against which the content of existing values programs in Defence can be evaluated.

WHAT ARE VALUES AND WHY ARE THEY IMPORTANT?

10. There is significant Defence policy in existence that explains the need for organisational values and values-based leadership. Before examining what might be appropriate for an organisational values program, this paper will briefly discuss the concept of values and their purpose. To do this, values will be broken into two groups - individual values and organisational values.

11. An individual’s values can be defined as broad preferences concerning appropriate courses of action or outcomes. As such they reflect a person’s sense of right and wrong or what ‘ought’ to be. ‘Equal rights for all’ and ‘people should be treated with respect and dignity’ are examples of values held by people. Values tend to influence attitudes and behaviour. As an example, someone who strongly values all human life may feel, not unreasonably, that he/she can not join the ADF, because to do so would be to contribute to an organisation that may regularly undertake actions that violate that deeply held value.

12. Collins and Porras define organisational values as: ‘The organisation’s essential and enduring tenets – a small set of guiding principles; not to be confused with specific cultural or operating practices; not to be compromised for financial gain or short term expediency.’ In the case of a military organisation such as the ADF, it is suggested that organisational values might therefore be thought of as:

   a small set of essential and enduring guiding principles not to be compromised for operational outcomes or short term expediency.

13. So, why do organisations adopt values? As Sullivan, Sullivan and Buffton point out:

   ‘Values guide the decisions and actions of values-led organisations. In these organisations, there is less need for detailed procedures and management control to ensure that subordinates’ decisions are consistent with what the organisation wants. Instead, individuals are free to make decisions within the framework provided by the organisations values. This is the basis of empowerment. The

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values act as a moral compass both for routine decisions and for those that are very difficult.’

14. Further to this, Gouillart and Kelly say:8

‘Values define the firm’s non-negotiable behaviours as well as provide the guideposts for navigating through grey areas. They set forth the “do’s” and “don’ts”, the “always under any circumstances” and the “never under any circumstances”.’

15. This has obvious utility for Defence. From the office to the battlefield, SOPs, written rules and well known and understood processes are often quite adequate and continue to serve us well when dealing with familiar or relatively simple situations and problems – the day to day black and white. But how do we cater for the grey – the situations and problems that are unclear or difficult and that often exist in stressful and unfamiliar environments? How can Defence ensure that the decisions its personnel make and the actions they take will be the best possible - the ‘most right’ - whether pursuing operational success on a distant battlefield, or providing business outputs from an office on Russell Hill? In effect, how does Defence intend to win the ‘hearts and minds’ of employees – guiding not just routine behaviour but how they think and feel and choose to act when it really matters? The answer to this it seems, from Defence’s point of view, is to become a values-based organisation.

16. That said, having appropriate organisational values is one thing, getting your employees to behave in a manner consistent with them, or to truly internalise and believe in them is another matter altogether. As Fineman and Gabriel point out, management attempts to successfully inculcate organisational values into personnel can be far from clear-cut: 9

‘Compliance and resistance are not either/or responses. Orders may be obeyed willingly or unwillingly; they may equally be obeyed grudgingly, inaccurately, ritualistically or sarcastically. In all these cases, compliance and resistance can coexist in the same form of behaviour.’

17. So whilst an organisation might aspire to every individual internalising its values, in reality, deep acceptance may actually be displaced by selective or calculative compliance by employees who are only willing to behave in accordance with the values where they see personal advantage to do so.10

18. This is why the way in which a values program is managed within an organisation is so important. A weak program might at best cause some grudging and peripheral behavioural

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change in individuals, particularly when they are being monitored. In the worst case a poorly managed program may actually breed distrust and cynicism.

**CHARACTERISTICS OF A VALUES-BASED ORGANISATION**

19. There is an abundance of literature in existence on how to transform organisations into values-based organisations and how to align employee behaviour with organisational values. This section will identify common themes for consideration when enforcing/supporting practical values programs in Defence. Whilst much of the literature spends considerable time discussing how values should be developed prior to their roll-out, this paper will concentrate on the on-going day-to-day management of values, as Defence and the three Services have already implemented values programs that have existed for some years now. Reviewing some of the literature available that discusses organisational values, the following major themes are drawn out.

20. **Leader commitment.** First and foremost, it is generally accepted that attempting to introduce and maintain a values-based culture in an organisation will fail without leader/manager commitment, in particular at senior levels. This commitment needs to be explicit, observable, continuous and genuine to be effective.In addition, values-based behaviour must be modelled by leaders at all levels, as a failure to consistently and authentically role-model the values at senior and middle management levels will doom any program to failure. It is not enough to ‘talk the talk’, the leaders and influencers of the organisation must also ‘walk it’.

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21. **Employee understanding.** Any program must include clearly defined behaviours that describe to people what is acceptable, and in line with the organisations values, and what is not. This does not have to be an exhaustive list as that is clearly impractical, but some major do’s and don’ts should be spelt out to ensure people understand what the values mean for their day to day behaviour.  

22. **Aligned personnel management.** Values need to be embedded in the organisation’s performance management systems and be a driver for personnel rewards and penalties. When people do well they must understand which values they have demonstrated, and when they do poorly and require sanction, they must be acutely aware of the values they failed to live up to. Recruitment and advancement systems must be optimised to identify and select individuals, who best align with, and display, the organisation’s values. This seeks to ensure that new people entering the organisation will fit in quickly, contribute effectively, and hopefully stay. It also seeks to ensure that as individuals are moved up through the organisation, they are appropriate role-models for subordinates and appropriate decision makers and leaders for the organisation.

23. **Ongoing education and training.** Any attempt to introduce and maintain values must include a commitment to ongoing education and communication of the values and how they shape individual and organisational behaviour and decisions. This needs to be much more...
than posters on walls and glossy magazine inserts. Formal and informal activities to train, educate and build ongoing awareness of the organisation’s values must start with initial induction and continue through a person’s career.

24. **Aligned processes and policies.** The organisation must be prepared to re-engineer processes and policies to ensure that they align to the organisation’s values. This is a fundamental part of ‘walking the talk’. For example, management cannot on one hand say it values families, and then on the other, have a family support system so difficult to access, convoluted and slow to react, that it discourages families from even attempting to use the services provided within it.

25. **Continual monitoring.** No values program will be successful if its effectiveness is not being carefully monitored on a continuing basis. Unless senior management can access up to date data on how well values are being embedded into the organisation, they will have no idea of success or failure and of any areas that may need specific attention.

26. **Manageable numbers.** Any values program should confine itself to a small number of values critical to the organisation’s long term success. A large number of values can invite confusion, overlap, and unnecessary values incongruence significantly jeopardising program success.

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THE PRACTICAL IMPLICATIONS FOR DEFENCE

27. Before taking the above themes and discussing practical measures that Defence should consider in the on-going management of its values programs, it is appropriate to consider the following observation from Lencioni:

‘The debasement of values is a shame, not only because the resulting cynicism poisons the cultural well but also because it wastes a great opportunity...... But coming up with strong values – and sticking to them – requires real guts. Indeed, an organisation considering a values initiative must first come to terms with the fact that, when properly practiced, values inflict pain. They make some employees feel like outcasts. They limit an organisation’s strategic and operational freedom and constrain the behaviour of its people. They leave executives open to heavy criticism for even minor violations. And they demand constant vigilance. If you’re not willing to accept the pain real values incur, don’t bother to go to the trouble of formulating a values statement. You’ll be better off without one.’

28. This comment is a sobering reminder that it is not enough to simply release some values and then expect good things to happen. In particular senior leaders within organisations must realise that the benefits of a values-based culture do come at a cost. Advocates in this field might argue that the cost is worthwhile as the positives accrued in the long-term will far outweigh any short-term negatives. That argument can however, be difficult to win in many organisational and corporate cultures where meeting short term performance goals, rigid hierarchies, ‘can-do’ attitudes and a fear of failure often rule the day.

29. Implementing organisational values without a well designed, comprehensive and ongoing program that crosses a multitude of areas such as recruitment, performance management, personnel development, policy development, process re-engineering, training and education is unlikely to see any positive effect. Alarmingly, a poorly designed and implemented values program that promotes a set of values that are obviously not being meaningfully embraced by the organisation and its leaders, often results in significant worker cynicism, with associated performance and morale issues.

With this in mind,

the following paragraphs discuss some areas that Defence may wish to further explore when considering the adequacy of its various values-programs.

30. **Leadership.** Leadership at all levels in the organisation is a major factor in maintaining a successful values-based culture. As discussed earlier senior leader commitment to values needs to be explicit, observable, continuous and genuine to be effective. In addition, role-modelling of appropriate values-based behaviours by leaders at all levels in Defence is critical. This has significant implications for all leaders from the Senior Leadership Group (SLG) down and invites an obvious series of questions:

   a. How well understood and practiced are Defence’s values by leaders? Have leaders been given opportunity to assess their own personal values against organisational values and identify and address potential conflicts or are they just expected to ‘know and follow them’ (a totally unrealistic expectation)?

   b. Have leaders been educated in the consequences of introducing values-based leadership and organisational values and are they prepared to live with the consequences of upholding values verses delivering outputs?

   c. Are leader’s decisions and actions routinely reviewed against the organisation’s values and aligned as necessary?

   d. Are leaders encouraged, defended and rewarded for making decisions that support the organisation’s values and long-term health, even if there is a short-term cost?

31. Of course, it is not simply enough to tell leaders to ‘get out there and lead using values’. Just like everyone else in the organisation, the amount of effort a leader might expend in this area relies on a lot of inter-related factors as discussed below.

32. **Behaviour.** One of the goals of introducing values into an organisation is to minimise rules and regulations, empowering people to recognise the inherent requirements of any situation and act appropriately. As such long lists of detailed rules and expected behaviours are counter-intuitive to the very purpose of values. That said however, people must still be given some clear, simple and relevant examples of how to behave based on the organisation’s values. As such the following should be considered:

   a. Does the organisation have a clear, simple and easily understood code of conduct that helps people understand how they are to behave in order to meet the organisation’s values? If not, should one exist?

   b. Are there clear and unambiguous definitions provided with each organisational value to properly explain their meaning? Whenever the values are displayed, are definitions included in order to remove ambiguity, acquaint new employees with their meaning, and also to reinforce that meaning to existing employees?

   c. Does the organisation provide workplace specific examples of behaviours that meet the organisations values, providing context for employees? Whilst well
written definitions of the organisation’s values go a long way to explaining them, examples of desired behaviour contextualised to specific workplaces can go even further in helping employees understand how the values can be displayed in their day to day work.

33. **Performance assessment and management.** As noted by Connock and Johns, ‘people do what is rewarded, and avoid doing that which is punished.’

This might seem to be a statement of the obvious, but it requires significant attention if an organisation is to successfully maintain a values-based culture. Defence’s values need to be embedded into its routine performance management systems and must be a major and obvious factor driving personnel rewards and penalties at all levels in all situations. In particular Defence should consider such things as:

a. Are existing Officer and OR performance assessment tools designed to focus on assessing performance under an umbrella of the organisation’s values rather than lists of isolated behaviours? Designing performance assessment tools around values allows the organisation to clearly articulate how an individual’s performance and behaviour has/has not met particular values, reinforcing their importance. Values cannot simply be tacked onto the side of existing assessment systems and treated as just another criterion against which someone is assessed (potentially occupying less paper than the assessment of a person’s ability to write and talk). They must drive the design of the assessment system and all assessed behaviours should link clearly back to the organisation’s values.

b. Do the many existing commendation and award programs in Defence clearly articulate how the recipient’s behaviour meets the organisation’s values? A long list of positive achievements and behaviours laid out in on paper is nice but without framing them within the organisation’s values, their context is lost, as is a valuable opportunity to clearly show to others the rewards associated with demonstrating the organisation’s values.

c. Do DFDA proceedings routinely include reference to how individuals may have failed to live up to the organisation’s values, rather than just determining what they did wrong and the consequences?

d. Have leaders at every level been trained and educated to provide routine, day-to-day performance feedback, both good and bad, that includes reference to the organisation’s values?

34. **Recruitment and advancement.** Obviously, if performance assessment is based on values, Defence’s recruitment and advancement systems must be optimised to identify and select individuals, who best align with and display, the organisation’s values. In this regard, Defence should consider if:

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a. Potential recruits are provided sufficient information on Defence’s values and what is expected of them.

b. The values of potential recruits are assessed in some way to ensure ‘best-fit’ with the organisation prior to employment.

c. Promotion processes are optimised to consider values as a significant factor in individual assessment and selection.

35. Given that selection for promotion is strongly determined by the information gathered via performance reporting tools (ie PARs), developing assessment tools that visibly and meaningfully incorporate the organisation’s values will naturally tend to build a promotion system that does indeed reward personnel who display high standards of behaviour aligning with the organisation’s values.

36. **Policies and procedures.** Continuing on, a major challenge for any organisation supporting a values-based culture is how to manage new and existing business processes and policies. For large bureaucracies such as Defence this can be a particular challenge but it is one that must be met head-on. As Kuczmarski and Kuczmarski remind us, ‘Making changes and developing new program policies and procedures … will signal to the organisation that the norms and values game is for “keeps”.’66 Most importantly changing and/or removing procedures and policies that either actively or passively block the on-going development of a values-based organisation will give people the best chance of success. Ignoring this area starts individuals and the organisation off with one (or both) hands tied firmly behind their backs, and almost certainly ensures program failure. For example, if innovation is prized, does Defence actively minimise the red tape associated with introducing new ideas? With this in mind, Defence should consider if:

   a. Existing policies and processes have been actively reviewed to ensure they align to the stated values of the organisation.

   b. New policies and procedures are developed consciously taking the organisation’s values into account.

   c. Personnel charged with implementing policies and processes are educated to implement them within the spirit of intent of the stated values of the organisation.

37. **Program monitoring.** Like any on-going program within a large organisation, no values program will be successful if its effectiveness is not being carefully monitored on a continuing basis through the collection of meaningful data. If this is not done then senior managers have no ability to assess how well values are being embedded into the organisation and what actions they may need to take in areas where they are experiencing success or failure. With this in mind, Defence should consider if:

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a. Personnel are regularly surveyed to gauge their impressions of how well the organisation’s values are being displayed by themselves, their peers, supervisors and senior leaders and the organisation itself.

b. The data collected is detailed enough to understand what is working and what is not – and where and why.

c. Channels exist for reporting major values violations.

d. A group or individual has been charged with specifically monitoring and reporting on the effectiveness of Defence’s values programs.

38. **Values numbers.** One of the greatest challenges of any organisational values program is the selection of the values themselves. Whilst the specific values selected by Defence and the Services will not be discussed, the number of values will. Even a cursory glance through Defence and the Services identifies a multitude of values, many of which may overlap quite significantly. For example, if Defence and the three Services are examined (ignoring any values espoused by particular sub-groups or organisations within), then approximately 20 discrete values can be identified from published values statements and programs such as the *Army Rules for a Fair Go*. Indeed, if we look to the CDF and SECDEF’s direction regarding the use of the PLICIT in conjunction with the individual Service values, then the Army, Navy and Air Force are committed to the upholding of around 13, eight and 15 values respectively. If we consider the definition of values as offered earlier in this paper, that being ‘a small set of essential and enduring guiding principles not to be compromised for operational outcomes or short term expediency’ then the sheer number of values routinely advertised within the organisation may be problematic. Given that a large number of values can produce confusion, overlap, and unnecessary values incongruence for individuals trying to make decisions by sifting amongst them, Defence may like to consider if:

a. They have an excessive number of values making it difficult for individuals to remember, understand and apply them all.

b. The values that are used are truly unique and critical to long term organisational success as opposed to ‘nice to haves’ or already common societal expectations.

c. The values do not unnecessarily overlap (for example honesty and integrity).

d. The values, through their sheer numbers, do not promote unnecessary clashes amongst themselves thereby confusing what would otherwise be reasonably straight-forward decision making (for example loyalty verses integrity).

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67 Australian Army, 2005, *LWD 0.2.2 Character*, Commonwealth of Australia, pp. 1-20 – 1-21.
39. **Education and Training.** Given the above discussion, it becomes obvious that having values without a commitment to efficient, effective and ongoing education and training is pointless. Any attempt to maintain values must include ongoing education and communication of the values and how they should shape behaviour and decisions. People need to be brought together regularly to discuss the organisation’s values, how they affect their day-to-day behaviour and any ethical dilemmas they might be facing in their work. Even if formal programs exist, the discussion cannot simply cease at the classroom door. Leaders need to be prepared to talk about values with their subordinates when and where possible, just as they might talk about other issues such as OH&S or equity. In particular Defence should consider if:

a. Induction training includes sufficient education and training in the organisation’s values and how they are to be applied on a day-to-day basis in the situations new employees will find themselves in.

b. Existing personnel within the organisation are provided sufficient formal training and education when values are introduced or modified.

c. Existing personnel are given an opportunity to regularly attend mandated training and education sessions to revisit and review values and discuss and resolve workplace issues and problems.

d. Advancement courses include, as a matter of routine, ongoing and relevant education and training on values and values-based leadership contextualised to their level within the organisation.

e. The value of values is regularly and widely communicated and their profile maintained through mediums such as posters, flyers, senior leader speeches, and education campaigns.

f. Independent sources of assistance for personnel, such as telephone advice lines, exist to allow individuals to talk through values issues and ethical questions.

40. It must be pointed out that the areas discussed above are not exhaustive and with consideration, other areas of interest would undoubtedly be identified as well. It should also be pointed out that the areas discussed above are not meant to be prescriptive. For example, not every successful values-based organisation may require a code of conduct. In addition, it is acknowledged that Defence and the Services have already put significant effort into some of these areas. What is important however is that Defence and the Services realise that it is vital that all of the themes and areas discussed above are consciously and carefully considered if they want values to really work. Successfully embedding values into an organisation is a major organisational culture initiative and senior leaders must recognise the need to properly resource and manage that initiative if it is to be successful.\(^1\)\(^2\)\(^3\) A large,

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complex, professional organisation would not undertake a significant divisional restructuring without a well thought out, long-term and properly resourced change management plan so how can a values program aimed at effecting the thoughts and behaviour of every individual in an organisation be any less important?

41. Finally, it might be instructive to consider the following corporate values: Communication, Respect, Integrity and Excellence. They certainly sound pretty good and undoubtedly bear striking similarities to some of the values found in Defence and the Services. The unfortunate thing about them however, as Lencioni points out, is that they were the organisational values of Enron, a company that imploded due to a culture of greed, excessive risk taking and dishonesty. This is an extreme but clear example of the difference between publishing some values and choosing to live by them.

CONCLUSION

42. The aim of this paper was to identify a range of practical areas against which the content of existing values programs in Defence could be evaluated. To do this the paper briefly described what values are and their relationship to individual behaviour, decision making and long term organisational performance. In the case of the ADF, it is proposed that organisational values might best be thought of as:

*a small set of essential and enduring guiding principles not to be compromised for operational outcomes or short term expediency.*

43. Keeping the above definition in mind, introducing a values-based culture into Defence has obvious benefits as it can provide personnel with concrete guidelines to help them make difficult decisions, or guide them towards the ‘most correct’ course of action when things are uncertain, whether that be in an office environment or on operations and from the tactical level to the strategic. In reality however, getting employees to behave in a manner consistent with organisational values, let alone getting them to truly internalise and believe in them, is a difficult process.

44. Reviewing a range of existing literature devoted to the development of values-based organisations, seven major themes can be identified that should be considered when attempting to manage a successful organisational values program. Those being: leader commitment, employee understanding, aligned personnel management, ongoing education and training, aligned processes and policies, continual monitoring, and finally, manageable numbers. Within these themes are multiple areas that Defence and the Services may wish to further examine to evaluate their respective values programs.

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45. Ultimately, successfully introducing values into an organisation is a major organisational change initiative that needs to be carefully planned and resourced. Importantly, senior leaders need to be aware that it is a change initiative without a real end date and the success of it will only be possible with long-term commitment and support. Much of the success of organisational values relies on long-term leader commitment and ongoing education, training and monitoring to truly embed the values as ‘the way we do business around here’.

46. Enron offers a sobering reminder of what can go wrong with an organisation, irrespective of its espoused values. Defence has values, but does it also have the long-term will and means in place to ensure those values will prevail?

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Biblography


