



## How do you set and maintain corporate values in tough times?

By Laura Reid, first published in Peopletalk Magazine, Fall 2003

Be honest. Be humble, not boastful. Do unto others as you would have them do unto you. Most of us had such values ingrained in us as children. Parents and authority figures told us: Be loyal to your family and friends. Be respectful and listen to your elders. Live with integrity. Our culture promotes values such as peace, cooperation, harmony, equity and democracy. Why, then, do such values often diminish or disappear in the workplace?

Studies show that work values have indeed shifted over time. Previous generations held grin-and-bear-it values such as "If you work long and hard hours, you will be successful" or "Stay at your job, even if you don't like it." By contrast, today's younger workers put greater importance on leisure time, the search for fulfilling and meaningful jobs and control over one's activities on the job. They place more emphasis on personal freedom, individualism and openness than their parents and grandparents did. Personal values, of both young and old, create expectations regarding our treatment and behaviour at work. They create judgments, a personal sense of right and wrong. All these attitudes come into play at times of uncertainty; if we feel that an organization does not uphold its stated values, or disregards our own, we can grow resentful and bitter.

At the start-up of any organization, its founders set the initial workplace values and determine priorities. For instance, some organizations take pride in their goals as a tough-nosed business while others put safety first. Yet, as times change, so do many corporate values. This can result in a clash between traditionalists and new thinkers. Many organizations try to blend conflicting values without success. A CEO might focus strictly on the bottom line while HR puts people first at all costs. Or a board of directors claims to be honest and forthright, but does not want to give employees any financial details. How can HR handle such disparities? Focus on all individuals in the organization, not just the interests of some. Act as the ambassador who sets or implements the values of the corporation. Be fair, treat everyone – from temps to executives – with respect and without judgment. *Your job is to do the right thing for both the individual and the organization – it's a demanding task.* Let clear values guide you. In good times, when organizations thrive and do well, many executives or managers will brag about their corporate values. We've all heard variations of the following:

"People are our best resource";

"People come first in our organization"; and

"We are loyal to our employees and they are loyal to us."

However, when times are tough, companies face layoffs (now called downsizing) and personal and organizational values come into conflict. HR staff face the crisis of having to maintain corporate values while breaking them. After all, how can you stick to the value "People come first" when sending them out the door? Some HR staff will see their organization through this difficult time but end up leaving because the process has broken their spirit. Others will view the situation as an opportunity to display strong leadership and stick to company values. Guided by a clear set of values, leadership is crucial at such precarious times. For those who want to stay in the driver's seat, so to speak, here are some key rules of the road:

**Treat people honestly.** Tell them what the organization is facing. Do not get stuck in fear or halfway measures. Some organizations will say "We cannot tell employees the truth. If we do we will lose our top performers."

During downsizing, the CEO, HR or frontline managers will often start to look at the company's "weak links" average or below-average performers or those with difficult personalities. Decision-makers will evaluate these people according to a higher-than-usual standard and not deal with poor performance in a timely, efficient way. This can bog down the goals of the company. It can appear that the employer has not dealt honestly with these individuals, even though HR might view this as having "held-out" letting someone go as long as possible. This often breeds a competitive environment that mistrusts management. Problem cases can wind up handled as a downsizing rather than a performance issue. Therefore, if the rules change, be clear about this well in advance. Giving individuals the chance to improve is critical to overall health and values.

**Be decisive.** Have a clear understanding of what you are going to do and how you are going to do it. Put in time thinking about what impact it will have on individuals. Ensure that when you make the decision to downsize, you are managing the process with integrity.

**Treat people with respect and consideration.** If the company is letting them go for financial reasons, do not make up excuses or start to evaluate performance at the same time. If it is a financial decision, say so.

**Put individuals first.** Do not escort them out the door after 15 years of service. Let them have some dignity. Assist them with job placement, career counseling, references, and choosing different options. Consider the impact on their families and others, and the long-term impact on the organization.

**Communicate, communicate and communicate.** Make sure that everyone in the organization knows that cuts are being made, why, and when they will stop. At what point will the company reassess its financial status? It is vital that HR asks the tough questions and prepares a strong communication strategy. Too often during changes, no one stands up and takes charge. Fear has crept in the door and uncertainty makes everyone hide. If the organization faces unstable economic times during no clear path, communicate this in an honest and direct way.

**Mobilize everyone in the organization to cut costs.** It is often hard to swallow layoffs when top brass get large increases or people at different levels receive big bonuses. Make it a goal that the company and its employees help each other. Create a goal to get everyone a position.

A recent roundtable discussion highlighted human resources professionals who did the right thing during challenging times. Their secret? They put people first. They communicated the changes and created a program to help all staff gain new employment. Since they invited everyone to help out, even those who stayed at the company felt they had done their best in difficult circumstances.

If you have never faced a layoff crisis in your company, be grateful, but be prepared when and if it happens. Think clearly and ask the tough questions beforehand. Create a plan that incorporates employee values. After all, people who leave an organization will tell others of their experience. If you handle the situation well, you will often get positive press and might end up rehiring or attracting others when circumstances change.

**Remember: Your actions can have far-reaching after-effects. At the end of the day, you want to say, "I did the right thing in difficult times."**

