

What is “Value”?

How can we make effective decisions unless we understand Value?

How do we gain a sense of fulfilment or of purpose without having a sense of Value in what we do?

How does an enterprise provide value to its customers, suppliers, staff, owners and others?

We have made “Progress”, haven’t we?



Life is really simple,
but we insist on
making it complicated.

- Confucius

“Value” is quite subjective, and requires a context to have any meaning at all.

- Philosophy
- Psychology
- Religion
- Politics
- Economics
- Engineering

All have different ways of defining and measuring both “Value” and “Progress”

An individual's background experience in working with each of these disciplines can then give a sort of woven tapestry of possibilities within which they will define both value and progress for themselves.



A very individual and personal viewpoint!

Individual / Personal

Formed from many things

- Vision
- Purpose
- Meaning
- Aspirations
- Motivation
- Culture
- Peer group
- Family
- Religious Background
- Society

Enterprise

Many enterprises will have a “Mission Statement” which gives an indication of an enterprise’s core Values.



This rarely includes any economic statement as to Value, yet all too often enterprise Value is approached *purely* from the stand-point of economics!

The danger in only using economic measures to define Value and Success is that the very purpose (the core Values) of the enterprise will often be ***compromised*** in attaining what is measured as a “successful” outcome!

A recently received newsletter e-mail;

“As a manager yourself, you would know that no matter how effective your management style or how innovative your ideas, your performance will always be measured in dollars and cents. ...”

Economics are a relatively quick and easy way to measure a form of value, but tend to lead to short-term gains.

Steven Pearlstein was interviewed on Radio New Zealand National. He really made sense as he described how US corporates were suffering from focusing on maximizing shareholder value to the expense of the enterprise.

They will sacrifice long-term advantage for the enterprise in order to achieve short-term gains and receive the personal bonuses on offer!

Business Value

Business Values are slowly changing. Customer expectations are high. Change is inevitable, and businesses **MUST** meet the challenge!



Value Through Collaboration

Business is transacted on the basis of mutual trust and respect, which is created through consistently being aware of and working towards each other's best interests.



Value Through Culture

Corporate culture can be exceedingly hard to define, but is very real, and a major factor in enterprise success.

- “The relationships between people are more important than the people themselves”
- “Physical interaction is crucial, especially in building trust.”

Dave Snowden

Value Through Innovation

Creating Value through innovation is critical to the success of most enterprises.

Change is a constant factor in life and in business, and the ability to adapt to that change is a crucial ability for long-term success. This will force some sort of change regardless of intention.

Creating Value through innovation will require;

- **Autonomy** – Really creative ideas flow in a free and relaxed environment.
- **Acceptance** – Innovation will often come through differences between people in a climate that allows everyone to express their ideas.
- **Supportive Culture** – Any ideas offered need to receive encouragement, and those that can be implemented need to be followed through decisively.
- **Ownership by Management** – Innovation starts at the top, not at the bottom.
- **Reward** – There needs to be some sort of recognition given for the value of ideas.
- **Risk Taking** – Any change will create risk. Avoidance of risk will lead to stagnation.

Value Through Adaptation

It's fine to take inspiration from what others are doing, but in general it is best to avoid copying them. Make your version better! Think about;

- What can you adapt to work for you?
- What changes can you make in approach, materials, or design?
- What specific things can be further enhanced, minimised, or eliminated altogether?
- Are there any twists you can put on what you have learned?
- Where do these new ideas fit in with your existing operation?

Conclusion

Creating Value through collaboration, culture, innovation and adaptation brings diversity and resilience ... making true Progress.

You know you're creating value when you can see tangible positive changes in the world as a result of your creative output. The opportunity is here, now, to really make a difference at all levels – individually, enterprise-wide, nationally and globally.

