

Company Values

- Brooke: Okay, so now you have your vision. The next thing we want to work on are your core values. Anytime you set a new goal, it will be to fulfill that vision. The next thing we want you to do is come up with values. And I have to say, I have seen this done very poorly.
- Kris: Terribly and very expensively.
- Brooke: Yes, you don't need to hire a team of consultants to come and help you figure this out. Here's the very simple formula. You want to pick the three things that you, as the founder of the business, value in the people you hire. That is how you figure out your values. I was just talking to someone about this the other day and they're like, "Our values are integrity and compassion," and I looked at them and I said, "So when you hire someone, what's the most important thing?" And he's like, "Ambition," I'm like okay, so here's what you need to know. Your values for your company will determine its culture. The way you determine the culture in your company is by who you hire. You don't bring a bunch of people together and then give them values. That is not how it works. You hire people with the values that you want in your business.
- Brooke: So ask yourself this question, "What are the three most important things you want in employees?" My personal three most important things are you got to be blue-collar is the first one. You've got to be an example of what is possible, which is very in line with my vision, and the third one is you have to know how to have fun. You have to be fun. Now, when we hire people, we look for those qualities. Those are the most important qualities, and when we evaluate people, that's what we evaluate them on. Please don't have more than three core values. You won't remember them. Everyone needs to know and have them by heart. So what do you see with organizations that have values but don't use them or don't have values? Share some of the pitfalls here.
- Kris: Well, what's the most common thing is people think, "Oh, I need values, and so then they hire someone to help them figure out their values and they pay lots of money and they spend hours trying to cultivate what are their values and then they make very pretty documents that have their values, and then nobody knows what the hell any of them are.
- Brooke: Well, and here's what's so funny about that. When you bring in this consulting group and everyone picks what they want their values to be, that doesn't work. The values are already there my friends.
- Kris: Exactly, and that's the point, right?
- Brooke: Yeah.
- Kris: If you don't call out what your values are, they're still there and you're still holding people in your brain to the expectation that they will align

with their values. So to your example, this guy, he values ambition, but he's not telling anybody.

Brooke: He said, "No, it's compassion," right.

Kris: No, it's not. So you have to just be honest what you value because you are the heart of your business and you're building a business around what you value, so let's just name it and be honest about it. The biggest trap I think is people think it's a process that you go through like it's an exercise and then you write them down and then nobody talks about them. And the thing that's so awesome is when you've identified them and then you hire to them, then you can actually hold people accountable to them. If you don't ever talk about them again, then they're not really a part of your performance structure. It's not really part of how you hold people accountable. It's just some words on a piece of paper. So I think the biggest thing I see is people who say, "Oh, yeah, I know my values. We have core values." "What are they?" "Hang on a minute."

Brooke: And they're aspirational, that's the other problem. Core values are not goals. They're not something you aspire to be. It's what you are, and so when someone comes into your organization that doesn't share your core values, they will stick out. It will be very obvious. So let me just talk about mine briefly because yours will be different. And a lot of people are like, "Well, what should mine be?" Don't do that. Find out what they are. What do you value in yourself? What has gotten you to this place? So for me, my husband, Chris, we value blue-collar mentality. And what we mean by that is no job is too big for you. You know how to come in. You know how to do a full eight hours of work. You like to work more than you like to talk about working.

Brooke: We've had people that have come in and they want to talk about work and they want to talk about meetings more than they really want to get to work so they don't fit into our values. Now, there's nothing wrong with that. It doesn't mean that there's something wrong with that person. It's just not a good fit and we know it right away. Now, here's the thing. When you hire and hold people accountable to your core values, everybody's on the same page. So it's really clear.

Brooke: The other thing that we really value is having fun. We value it more than compassion in our organization, a 100%. There's a lot of sarcasm, there's a lot of joking around, there's a lot of ribbing. That's not for everyone. Some people this would be a torturous environment for them. With all of that that goes on in our organization, we want to make sure we don't put someone in there that's not going to enjoy it, that's not going to have fun with our idea of fun, and so we tell people right from the beginning that's super important to us. It's way more important to us than say being kind and I really want to speak to this because I think a lot of people think their core values need to be these very important altruistic things and they just need to be true.

Kris: True and honest because the clearer you are, the more honest you are about the kind of culture because that's what values do, right? They start to drive the culture because it influences who you hire. Just get

really clear and honest about it. Then there's no friction. If you lie to yourself about what you think your values should be, right? There's all this should around it.

Brooke: Yeah, right.

Kris: Then you don't actually end up having employees who are doing what you really want them to be doing.

Brooke: Right, you're like, "No one's following our core values."

Kris: But they didn't name them right, right?

Brooke: Yeah.

Kris: So really if you just sit down and you just ask yourself, "What do I value in other people? What do I value about myself?" And you can also arrive at this by doing a contrast, "What don't I value?"

Brooke: In in employees. This just occurred to me just as she was saying that what you value in human beings, what you value in your husband, what you value in your wife, what you value in your family is very different than what you might value in the employees that work for you at work. Okay? So make sure that that's super clear as well.

Kris: So you can write out, even if you have to start with the things that you don't want in an employee, and then contrast that then to arrive at what you do want. And this can be a little tough if you've never had an employee, right? So let's think about some contractors you've brought in, right? Really thinking through what do you value? And I love Brooke's perspective and what she talks about in just having three. I've had a lot of clients who've done this work and they have 15 or eight and that is not direction for behavior. That's just a bunch of stuff, right? When you get three and then she lives by it. Her business is built around it. And so what we're teaching you through this process is how to simplify your business so that you have clarity. So your employees have clarity. Having a one sentence vision, having your core three values. Now, everybody knows which way this ship goes and how we do the work.

Brooke: So our third value is be an example of what is possible, so that doesn't mean come in and do your job. That isn't what that means. That's the baseline. We want you to come in and do your job as an example of what is possible for that job. We want you to do that job better than anyone in the universe has ever done that job to show everybody else how to do that job. And so when people come in and they just feel completely overwhelmed by the pace and the job description, all that, they're never going to be able to be an example of what is possible. They're barely keeping up with the job. We know right away that it's not going to be a good fit.

Brooke: So that's the key. Once you have those core values, then you have to live by them. The way that you do that is we have quarterly reviews. So every quarter we sit down and we evaluate each other on the core values. Here's how you're doing in terms of having fun. And for example,

I'll tell some of my employees, I'm like, "You're not having enough fun. You're way too serious and you're way too stressed out and you're focused too much. You've got to lighten up or you're not going to make it around here." You got to be an example of what is possible, right? Show me how you're doing that and I'll give them feedback on how they're doing that or not doing that. And they have to be blue-collar, showing up and doing the work. And I'll give them examples of how they're doing that or not doing that.

Brooke: Whenever we let someone go, it's because they're not living into our core values. So core values aren't just an idea. They're not just pretty, they're not just on a piece of paper. They are the lifeblood of how you determine who you hire, who you keep, how you evaluate them, how much you pay them, and who you fire.

Kris: And I want to slip in there. She just sort of said that we do our quarterly reviews around our values. That is so powerful, right? So not only do we set them, not only do we talk about them, but then we evaluate people's performance based on them. And you can't overlook that. And now I want you to think about how simple evaluating someone's performance just got, right. Because that's also something that people get really confused by. How do I know if people are doing a good job? She just told you exactly how she does that.

Brooke: And I'll share the exact sheet with you. It's three core values, three ways of evaluating it.

Kris: Yeah, so good.