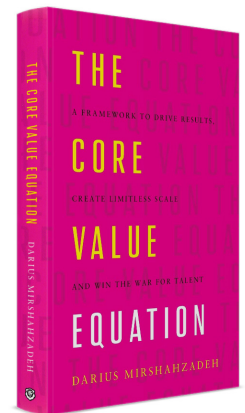


The Core Value Equation

A Framework to Drive Results, Create Limitless Scale and Win the War for Talent

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THE SUMMARY IN BRIEF

As a CEO, three of the biggest challenges you will face include making tough decisions in less than clear situations, creating and maintaining a consistent culture, and attracting the right people who fit that culture. These problems often make or break a company, and you must learn how to tackle them in order to create and grow a business that you recognize and can manage effectively. In *The Core Value Equation: A Framework to Drive Results, Create Limitless Scale and Win the War for Talent*, Darius Mirshahzadeh explains how creating and implementing core values is the key to tackling all of these problems.

Once you know your core values, you can more easily make decisions that create a consistent culture and attract the right people. All in all, Mirshahzadeh helps business leaders create and grow a business based on core values that lead and inform their decisions every step of the way.

IN THIS SUMMARY, YOU WILL LEARN:

- Why core values matter in business.
- How to create core values for your business.
- How to create and implement an invisible scale.
- How to use core values when making decisions and hiring.

Introduction

By identifying the lack of core values, explaining how to create core values, and offering advice for implementing those values within a growing business, *The Core Value Equation* helps CEOs, business leaders, and entrepreneurs create businesses that reflect a consistent culture with the most desirable and professional talent on their team.

Are You Managing A Monster?

So, you are finally where you want to be—the CEO of a successful business. Your team is rapidly growing, and you are achieving a lot of success for your company. Despite this success, you feel overwhelmed and discouraged by the business you see in front of you. Even though the company is growing, you barely recognize the business in front of you and don't know what's the matter. What gives?

If you feel this way about your business, you very well may be managing a monster. Even if your business is financially successful and seems to be doing well for the community, your business can still be a monster in how it is patched together with conflicting ideas and cultures that don't match. From a CEO's perspective, managing a monster makes your already high-stress job even more stressful.

As the CEO, it is your job to make decisions in uncertain scenarios, create a consistent culture, and set the standards for recruiting successful team members. If your business includes different cultures and ideas that are simply patched together like a business Frankenstein, then it will be much more difficult to do your job. When your company is conflicted on its culture and attitude, you have very little to go off of when making hard decisions or hiring.

There Is A Solution: Core Values

Luckily, there is a solution to business Frankenstein monsters. If you can create a consistent culture with consistent values, you can compare your decisions based on your business's accepted core values and assumptions. You may be wondering, "OK, but how do you create a consistent culture?" The answer is quite simple: core values.

Core values are the beliefs, goals, and assumptions that your business and workers hold to be true for the business. The purpose of the core value is to get everyone on the same page to work together for a single cause. Without these core values, your team members may have different attitudes and goals for work, making your job harder.

Now, it isn't enough to just establish core values. Tons of businesses have core values that mean nothing. To simply claim you have core values but don't do anything to implement them means that your core beliefs are nothing more than words on paper. When your core values are nothing more than words on paper, they do nothing to help you and leave you in the same place as before.

Companies Do Not Have Core Values; People Have Core Values

Instead of letting your core beliefs simply be words on paper, you need to implement your core values so that all of your employees and customers can recite your business' core values by heart. That's right. It isn't enough for you alone to know your core values. Every employee and customer should also know the core values to work together under the same assumptions.

The reason for this is that companies do not have core values; People have core values.

Think about it this way: companies are simply an amalgamation of a group of people. If the people do not have the core values, then the business doesn't have it either. In contrast, the business has the core values of the people within it do. In order to make your job easier, you have to make sure that every member of your team has the same core values so that everyone has the same starting basis and motivation to get the job done.

How To Build Core Values

OK, so it's time to establish your core beliefs, but what if you don't know where to start? How can you create core values that are more than just mere words on the page?

For starters, it is important to incorporate the user and success of the core values into the discovery process. You don't want your core values to be meaningless. Instead, create them, so they actually are indicative of the successful business you want to create. The best way to create a core belief system that is effective is to discover them, not define them.

When you discover your core beliefs, you find out where your beliefs actually lie and figure out what works and what doesn't. Defining your core values, in contrast, is nothing more than creating a wish list that turns into words on paper. Let your senior management team discover the core values they hold so that they can organically trickle throughout the entire business, creating an invisible scale by which everyone is measured.

As you discover your core values, you need to build them in a conducive way to your company. No matter what you find out in the discovery process, it will be meaningless if you don't view your core values as an opportunity for craftsmanship. Only if you build up your core values will you be able to incorporate them into your business in a meaningful and effective way.

Launching Your Core Values

Unfortunately, here is where the real work kicks in. Discovering and building your core values are relatively easy compared to launching them and making them stick. Anyone can create values, but it takes a real disciplined leader to implement them within the company.

The first step for implementation is launching them for the company. During the launching process, you should have the goal of making them stick in mind.

First and foremost, your core value launch should be described to be used in the decision-making process. If the core values are not set up in this way, your company will not know how to utilize the core values to transform the culture properly.

More than this, though, you need to have an effective rollout so that all members of the organization have a clear and distinct understanding of the company's core values. The rollout should include 6 general stages. It begins with prework, which includes group dynamics and working agreements. Then, you should implement exercises so that employees can learn firsthand how the core values work in real life.

Before closing your rollout, you have to end strong. Most people remember the beginning and end of presentations but often forget the middle. Make sure you end strong so that all of the employees understand the core values. Your strong ending should include HR paperwork so that they are obligated to follow the core principles. You should also close with a warm thank you and a core value celebration.

Make Your Core Values Stick

Let's be clear: core values are not static. After your rollout, you have to be intentional and decisive in making your core values stick. As the CEO, it is your job to implement the invisible scale so that the core values permeate the entire company, starting at the top-level management and working its way all the way down. In fact, you should think of your core values as being the oxygen for your organization.

You could also think of core values as the language of the business. With this analogy, think back to your high school days when you learn a foreign language. You didn't start out by reading philosophy books in that language or a 400-page novel. Instead, you started with single words and little practices to help you build your knowledge. You should do the same thing when learning the language of your core values.

Start by incorporating your core values in small ways. This helps you and your employees get the hang of the core values to commit to memory. Once the smaller acts are memorized and understood, you can start incorporating other acts and practices of core value into your system. Eventually, the entire organization will be completely fluent in the language that is the core values.

If you have an effective rollout and then do a step by step integration initiative, your core values can stick. More than that, it creates a firm foundation on which you can continue to build and succeed.

Just like with anything else, you cannot grow and flourish if the foundation is rocky. Create a firm foundation with an effective rollout and implementing the initiative intentionally.

Proving That Your Values Are More Than Fluff

Even if you have a successful rollout and initiation of the core values, you have to continue to prove that your core values are more than fluff. In other words, you have to be able to measure your core values, or else they just become words on paper and fluff for the business. If you can't prove that your values are more than fluff, then all of your work has been meaningless thus far.

In order to prove that your values are more than fluff, you have to be able to make them tangible. If your core values are not tangible, then there's no way to measure them. From the CEO's perspective, an intangible core value means that you can't make changes or fix any problems that may be there. From an employee's perspective, intangible core values mean that they are hard to implement within the business. Only by making values tangible can they be more than fluff or words on paper.

Using Your Core Values

Once your core values become tangible, you and other employees can use them as a measurable scale on which to make decisions. As the CEO, this will make your job immensely easier since you have a firm foundation to make

consistent and well-informed decisions. Even when situations are unclear, and you are unsure what decision you should make, you can use your core values as a foundation for making the decision. This makes it more likely that you will make a decision that is good for the company and not simply based on whim or intuition.

More than making hard decisions, tangible core values can also help you snag team members and win the war for talent. Without clear core values, it can be hard to know what kind of a worker you are looking for. Now that you know your values, however, you can compare every applicant based on the values. See how their life, actions, and mentality interact with the core values of your company.

By selecting applicants based on your core values, you are more likely to snag coworkers and employees that are excited to be there. Not only this, but this will also then enhance your core values more because it ensures that your employees understand and believe in your core values too.

No longer do you have your monster company. Instead, you have a business that works under the same core values. After all, businesses don't have core beliefs; People have core beliefs.

Keep The Ball Rolling

As your business begins to succeed, and your core values become apparent in everyday work life, you must continue to enforce the core beliefs. The second the core beliefs go static in top management is the second that the invisible scale fails to exist.

Keep challenging your company by adding more and more initiatives and exercises to keep the core beliefs fresh and integrated within the workers' minds.

Conclusion

All in all, CEOs must create, establish, and implement core beliefs within their business. When you do this, you will have a firm foundation on which all decisions can be made. Your core beliefs create a foundation for a consistent and lucrative business, from risky business ventures to employee selection.



Darius Mirshahzadeh is a high growth CEO, serial entrepreneur, and culture building mad scientist who was ranked #9 on Glassdoor's list of Top CEOs of Small and Medium Companies in the US. He's led organizations that have won numerous Stevie awards, been named "#3 Best Place to Work" by San Francisco Business Times, and have landed at #40 on the Inc. 500 list of fastest-growing companies. Darius has been recognized in the New York Times and Inc. Magazine for innovation in corporate culture, and his business insights and thought leadership have been published in Huffington Post, Entrepreneur.com, Fast Company, and Forbes.

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