



## **CULTURE**

**August 2020**

**ABC Consulting**

**Compiled by:  
JvR Psychometrics**

### **CONFIDENTIAL REPORT**

The information in this report is confidential and must not be made known to anyone other than authorised personnel, unless released by the expressed written permission of the person taking the assessment. The information should be considered together with all other information gathered in the assessment process.



## **INTRODUCTION**

The Corporate Values Questionnaire (CoVaQ) Culture Report was designed within the South African context to address the need to assess values culture within organisations. The scales of the CoVaQ Culture is based on an extensive literature review and qualitative analysis of espoused values within the South African context and gives an indication of how well these corporate values are represented within an organisation.

The design of the CoVaQ is based on the *Dynamic Perspective of Organisational Values* as proposed by Bourne and Jenkins (2013).

## **REPORT OVERVIEW**

This report consists of 5 sections: The CoVaQ Model, Scale Definitions, Organisation's Espoused Values, Results and Recommendations.

### **CoVaQ Model**

The CoVaQ model consists of four broad domains with 11 specific values grouped into these four domains. In this section, a brief overview of the four domains are provided.

### **Scale Definitions**

The scales of the CoVaQ are based on 11 values that were identified through an extensive literature review and qualitative analysis of espoused values from the Top 60 South African companies. In this section a brief definition for each of the values is provided.

### **Organisation's Espoused Values**

In this section we report on the espoused values of the organisation as discussed and determined in collaboration with the consultant before the questionnaire was completed by employees.

### **Results**

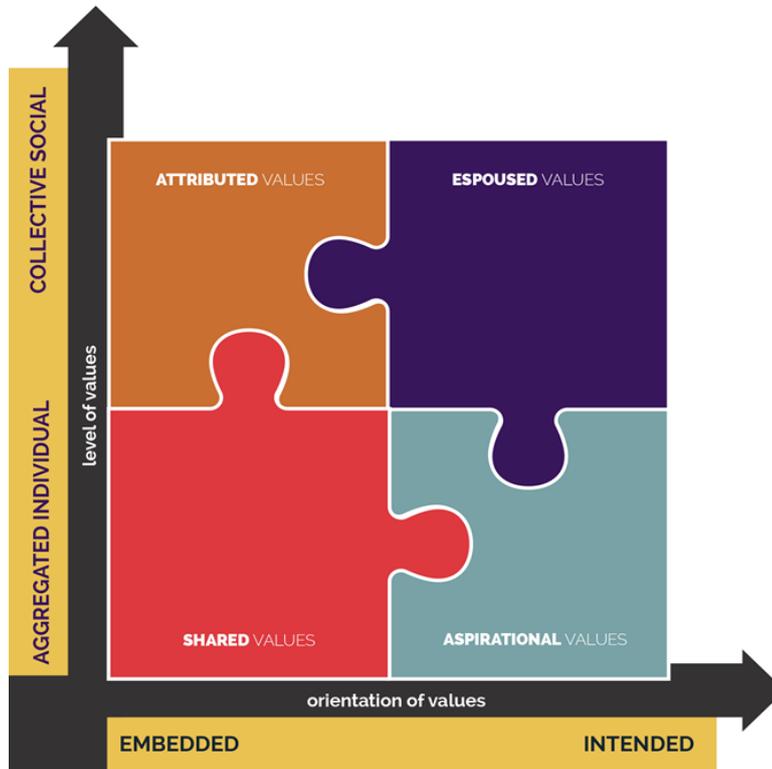
The results section of the report focus on three aspects:

1. An overview of the company's stance on all eleven corporate values
2. Identifying the top five values for the company across four value levels
3. Gaps identified from the data
  - a. Management gap
  - b. Expectation gap
  - c. Dislocation gap

### **Recommendations**

In the recommendation section we address the gap areas and suggest ways in which these gaps could be addressed within the company setting.

CoVaQ MODEL:



The CoVaQ Culture tool places corporate values on four different levels that are plotted against two continuums, namely embedded or intended, and collective social or individual:

**Espoused values:**

Espoused values fall within the collective social and intended continuums. These are typically the values that are promulgated by companies and present within the values statements. Espoused values give companies legitimacy and builds trust by communicating the values of the company to their clients. These are generally determined by top management.

**Attributed values:**

Attributed values are those values that employees associate with the company based on the history and reputation of the company. These values are embedded in the company and present on the collective level. These are different from the espoused values as they are a reflection of the company based on what employees experience, rather than a set of values promulgated from top management.

**Shared value:**

Shared values refer to those values that are shared among employees or groups of employees. They are individual values that the employees have and share among themselves - not necessarily related to the working environment, but rather due to them having common values.

**Aspirational values:**

Aspirational values are future-orientated and refer to those values that individuals within the company feel are important values for the company moving forward. These values are the ones that the individuals believe the company should introduce to their espoused values. They could be similar to the current espoused values, but are a reflection of the individual's own set of values.

**SCALE DEFINITIONS:**

**Excellence:**

A commitment to rendering services of a high quality, adhering to business standards, actively enhancing the services/product in the organisation.

**Client-centeredness:**

Putting clients first, maintaining client relationships, willingness to put in extra effort in solving client problems.

**Innovation:**

Ability to generate new ideas, identify potential new opportunities, find creative solutions, and be an industry leader.

**Integrity:**

Committed to ethical actions, honesty, depicts self-discipline, trustworthiness and diligence in completing their tasks.

**Accountability:**

Takes responsibility for own actions, shows transparency in actions, and adhere to company rules and regulations.

**Social equity:**

Strives for the fair and equal treatment of others, showing respect, doesn't discriminate.

**Personnel development:**

Focus on continuous development of own skills and those of others, continued learning, open to feedback, assists others.

**Teamwork:**

Able to cooperate with others, communicate their ideas clearly and adapt to working in groups.

**Environmental impact:**

Desire to minimise negative impacts on the environment, effectively manage and conserve resources, participation in environmental initiatives.

**Social responsibility:**

Serving less fortunate communities, participation in community upliftment projects.

**Putting safety first:**

Adhering to safety protocols, acting responsibly, encouraging others to act safely.

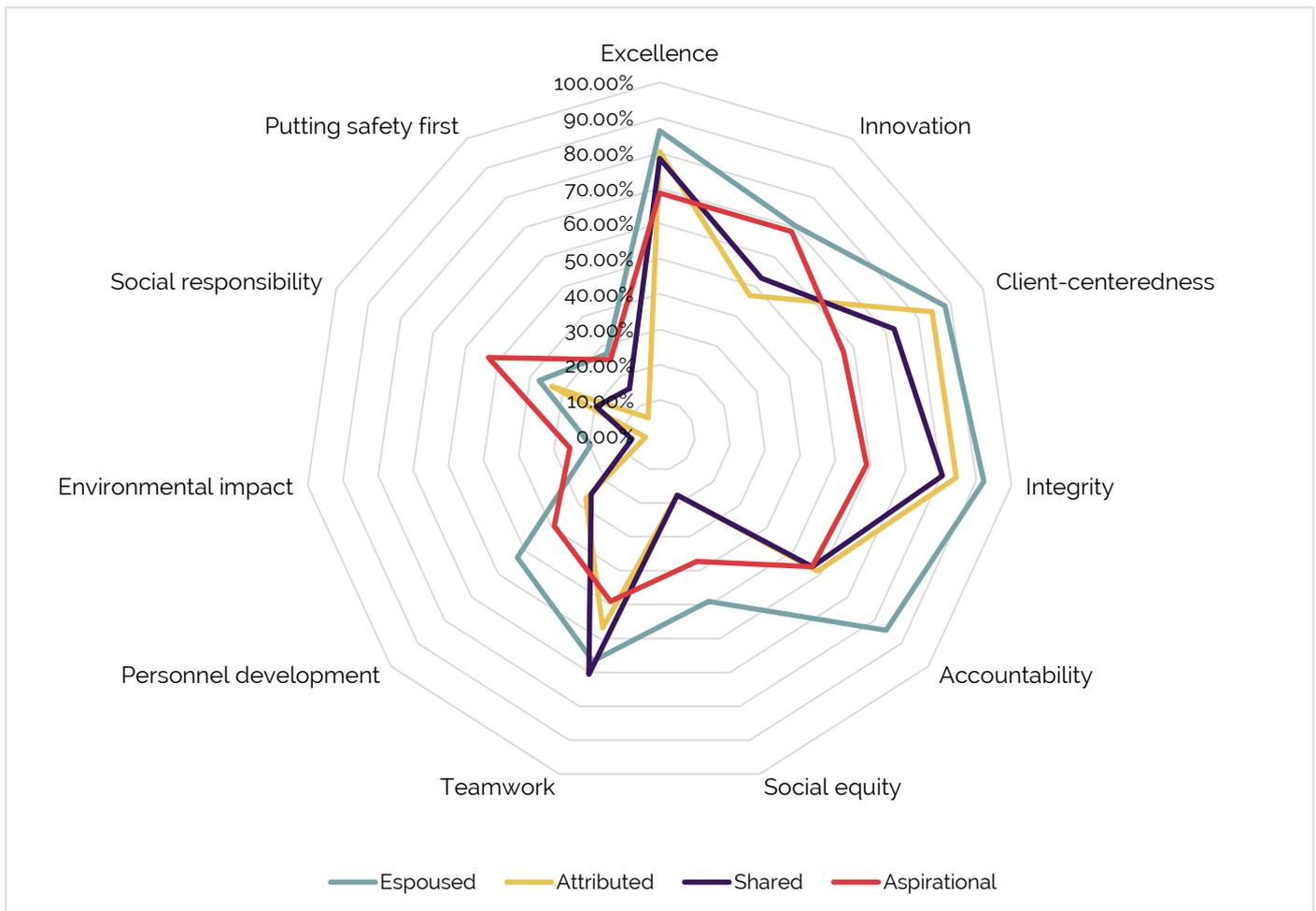


**ORGANISATION'S ESPOUSED VALUES**

**Company values according to value statement**

Fresh and new ideas  
Always do what's right  
We work as a team  
Clients are central to everything

**OVERVIEW OF COMPANY PERFORMANCE ON CORPORATE VALUES**



**The top five values for your company across the four value levels are:**

1. Integrity
2. Excellence
3. Client-centeredness
4. Accountability
5. Teamwork

**Knowledge Gap:**



The *knowledge gap* occurs when employees are uncertain of what the company's formally espoused values are. The values highlighted in this section are those that current employees are not fully aware of and suggests that the company's formally espoused values are not clearly understood or known by all of the employees.

"Known" non-espoused values	"Unknown" espoused values
<p>Excellence Accountability</p>	

Values that are flagged under the "known non-espoused values" heading are those values that the employees believe are espoused in the formal company values but are not the actual espoused values. In other words, employees define the espoused values of the company in a different way from what they are presented as.

Values in the "unknown espoused values" column reflect those values on the actual value statements of the company that the employees did not indicate or see as being espoused. These values are typically ones that employees have not bought in to or do not understand in the context of the company.

When values are identified in the knowledge gap, it indicates that employees may not be aware of current espoused values, may not fully understand how management got to these values or may not define them in the same way as how they are presented in formal documentation. A knowledge gap shows that employees identify with values different from those promulgated by management and espoused by the company. This could be due to various reasons, including instances where the espoused values are relatively new or there was not a consultative process followed when these values were espoused. It could also indicate that the current espoused values need to be better defined and linked to actual company contexts and outcomes.

Identify those values that employees are not yet 'aware' of and try to link them to contexts in the company that will make it easier for employees to understand their purpose:

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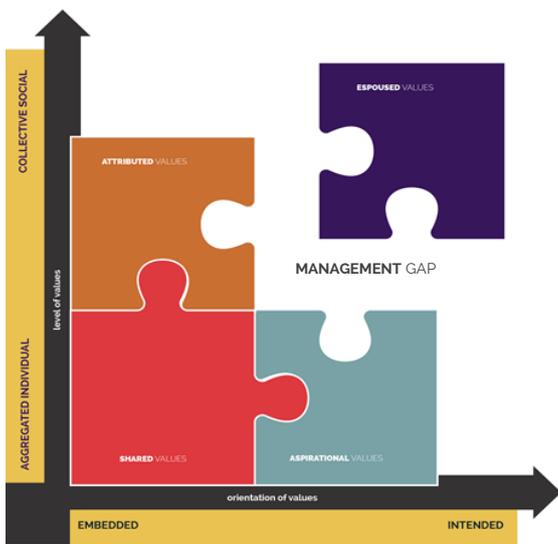
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**Management Gap:**



The *management gap* occurs when the values that are espoused by the organisation are not in alignment with the experiences of the employees within that organisation. The values highlighted in this section are those that either the management of the company view as more important or those that the employees view as more important. Such a misalignment suggests that management and their employees do not share a similar experience within the company.

Not displayed	Displayed but not espoused

Values that are flagged in the "not displayed" side of the table reflect those values that are espoused by the company in formal documentation but are not yet a part of the actual values culture. In other words, they are not actively being displayed by employees within the company.

Values that are flagged in the table as "displayed, but not espoused" are those values that seem to be of higher importance to the current employees. They view these values as espoused and display them in their day-to-day behaviour as guidelines for their actions in the company context.

There seems to be good alignment between the espoused values of the company and those that the members in the company live.

**Questions to ask (at leadership level):**

**1. Are the values that employees indicated as espoused values the actual values of the company?**

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**2. When was the last time the company's values were reviewed?**

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**3. How were the espoused values for the company decided on?**

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**4. What could be some of the reasons why there are differences between what employees view as espoused and what is actively lived in the company?**

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**5. Are values ever included in performance appraisals with employees and how are they assessed?**

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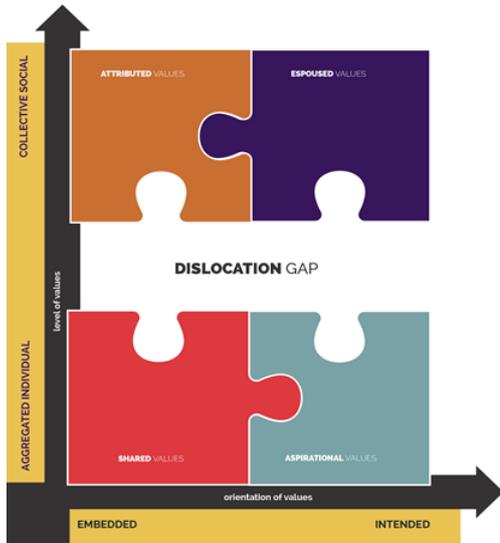
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**Dislocation Gap:**



The *dislocation gap* occurs when there is a gap between the group level and individual level values within the company. This gap indicates those values that are either representative of the company (group) as a whole or are representative of the employees (individuals). When many values are highlighted in this section it suggests a misalignment between the collective and the individual culture within the organisation.

Values at the collective level	Values at the individual level
<p>Client-centeredness Integrity</p>	

Values that are flagged in the "values at the collective level" column reflect those values that form a part of the company's reputation and history. It is the values that current employees associate with their knowledge and experience of the company. These values are, however, not displayed on the individual level. The employees may not share these values or view them as important values for the continued success of the company.

Values that are flagged under the "values at the individual level" column are those values that current employees share amongst themselves and aspire to as potential values that could help the company move forward. These values are not yet a part of the collective of the company, but is rather a result of the individualised culture in the organisation. It could suggest that these values might reflect the actual current culture in the company, rather than the formally espoused or historical values.

Dislocation gaps indicate a significant disconnect between the values of large groups of employees and the values that they attribute to the company or that are espoused by management. This could lead to a sense of "not belonging" among employees. Dislocation gaps are particularly common in companies where large numbers of the employee base are also part of other organisations, where unions or professional registration bodies may instill values different from those espoused in the company. Another important aspect relating to dislocation gaps could be due to cultural influences - some members of specific cultures or sub-departments within a company could share different values among themselves than those that are attributed to the company culture. Through a process of socialisation among these members the tension between the opposing value sets could further distance employees from the espoused values.

**Some actions to help values cascade down to the individual level:**

**1. Identify the values that have not cascaded down to the individual level yet :**

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**2. Identify context specific examples of how it would look if these values were 'lived' by the employees:**

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**Expectation Gap:**



The *expectation gap* occurs when there is a mismatch between the embedded and the intended values within the company. Embedded values are those that are a part of the current company and the employees, while intended values are those that the company strive toward - either in their espoused values or in the values they think the company should aspire to.

Values at the intended level	Values at the embedded level
<p style="text-align: center;">                     Innovation                      Social equity                      Personnel development                      Environmental impact                      Social responsibility                      Putting safety first                 </p>	

Values indicated in the "values at the intended level" are those that are not yet a part of the company values culture. These values are those that management would most likely want the company to strive for as well as the values that current employees view as those that would enable the company to move forward.

Values that are indicated in the "values at the embedded level" reflect those that form part of the historical and current culture within the company. They are very much a representation of the values that are shared among current employees and ascribed to the company. These values are not the ones that the company formally espouses to the public, but rather a reflection of the culture as created by both current and past employees.

An expectation gap typically develops when there is a misalignment between the current and historical culture and a movement to a new culture or new values that are still functioning on only an intended level. This could suggest some resistance to the new values or to a changing culture from those employees who still align with or share values that are embedded in the current and historical aspects of the company. Such misalignment could make it difficult to move these cohorts of employees forward and they will need to fully understand the purpose of any changes to current values. You could also find that large groups of employees would be more open to negotiating around the adjustment of the current culture, rather than being willing to quickly adapt to a new culture.

**Some actions to help values move from intended to embedded:**

**1. Identify those values that are still only functioning on the embedded level:**

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## RESULTS SUMMARY

Based on the findings from the survey, the top 5 values within your company across the different value levels appear to be:

### 1. Integrity

Organisations with high integrity have likely created a safe, trusting working environment for all stakeholders and can be positively evaluated against universal business values and principles. They tend to have a transparent and truthful relationship with all their stakeholders and are not regarded as being manipulative or evasive towards their employees or clients. Their practices can be deemed to be fair, consistent and responsible.

### 2. Excellence

Organisations that place high value on excellence tend to be economically profitable, since they are persistently driven to meet their sales targets by providing quality products and services. They are also likely to establish procedures to maximise process efficiency at the most favourable costs. As such, these organisations may be inclined to encourage employee involvement in all aspects of the business, creating a safe and sometimes flexible environment that is open to change and new ideas.

### 3. Client-centeredness

Organisations with high levels of the value of client-centredness are likely to place the client at the centre of their strategic plans, engaging in brainstorming and forecasting activities to identify client needs and requirements. Directors and managers may take the stance that the organisation is led by the customer, that the organisation must adapt and modify their offerings to fit the needs of the customer base. Such organisations tend to focus on understanding customer needs, building customer relationships, and offering superior products and services that fulfil client requirements effectively and efficiently.

### 4. Accountability

Organisations that place high value on accountability are inclined to demonstrate good governance behaviours, with detailed standards and procedures for how to conduct business professionally, responsibly, and fairly. Business transactions of such organisations are conducted in an ethical and transparent manner. Such organisations also tend to engage in stringent activity monitoring, creating an environment that challenges sub-par performance and encourages employees to be answerable and efficient.

### 5. Teamwork

Organisational efficiency and profitability are largely dependent on the staff that lead the various processes – when staff members work well together, it positively influences the productivity and financial status of the business. Organisations that value teamwork may often engage in activities that encourages collaboration, which contributes to increased collective benefits such as team effectiveness, improved task performance, productivity and organisational citizenship behaviour. This organisation has likely emphasized shared purposes and interconnectedness between employees to facilitate interpersonal bonding and synergistic gains.

## CONCLUSION

Value alignment in companies have been linked to many positive organisational outcomes like higher productivity, greater commitment and engagement from staff, higher job satisfaction and lower staff turnover rates. The oppugnant stance is also true, where companies where there are a misalignment between employee and corporate values experience higher levels of burnout, less productivity, and could negatively impact the reputation of the company if it is perceived that their employees do not live the espoused values promulgated in official documentation.

The survey results suggest that there is a large misalignment between the espoused company culture and how employees view the current company culture. Based on the results, most of the formally espoused values as indicated by the company are not currently displayed by the employees.

This could suggest that the current employees are disengaged from the culture of the company and do not 'buy in' to the espoused values of the company. In companies with a large number of values identified across the value gaps, it is often expected that various clusters of employees will share specific values among themselves (either on a departemental, cultural or cohort level) that may not reflect the values shared among the rest of the employees. This could lead to tension between employees and management, but also between different cohorts of employees that do not share similar values.

## RECOMMENDATIONS

Step 1: Clearly define the values that the company wishes to espouse

- What are the expected behaviours that are associated with compliance to this value?
- How will you measure whether or not employees are portraying these values - will it form a part of their performance appraisals?

Step 2: Cascade the values down to the embedded level

- Inform employees of the espoused values, what they mean and what the expected behaviours are
- Start communicating the values - include it in meetings or company briefings, incorporate it into formal documentation and ensure that all employees have a thorough understanding of what the values mean to them and the company
- Provide some form of incentive to employees who actively live the values in order to set an example to other employees to also entrench the values in their own day-to-day work
- Come up with strategies to integrate the values into the daily operations of the company - make sure that employees can see which behaviours are linked to what operational procedures to make the values something that is 'lived' rather than just known

Step 3: Identify who the sponsors for company values will be

- Ensure that leaders, especially on management level, live the values in such a way that they are value role-models to the rest of the employees. Leaders need to sponsor the values in order to gain buy-in from the rest of the employees.

Step 4: Consider including values in your recruitment and selection processes

- Identifying talent that shows high levels of alignment between their own values and that of the company can lead to increases in performance and productivity, and decreases in staff turnover and burnout.