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An NPO’s Values and Identity

By William B. Calder

Abstract: Values become an organizational “petri dish” that soon establishes the culture of the workplace. This article reinforces the notion that effective leaders know how to leverage NPO values to ensure positive organizational results. Therefore, values provide a useful context for NPO behaviour and how individuals interact and carry out their assigned tasks. Core beliefs manifest themselves through NPO actions and form the basis of its identity as an organization which permeates everything that it does. Values must be discovered, explained, and put into practice; since they are the basis of initiatives and heighten the further development of an organization’s vision and mission statements. Having a statement of values that is all talk and no commitment undermines NPO leadership and credibility. A culture created from values influences everyone. Constant changes in the service landscape highlight the importance of understanding core values.
Introduction

Understanding values is critical, and anyone who has ever participated in strategic planning exercises knows the importance of this understanding along with other invaluable organizational statements (namely, vision, and mission). However, stakeholders can view these statements in quite different ways often influenced by their values and/or possibly influenced by their unique role within the organization. Their beliefs act as a “perceptual lens” to understand and assess governance policies, administrative practices, planning, and ongoing initiatives. Values are core beliefs defining how an organization behaves or acts. Therefore, all non-profit organizations need a forceful and well-articulated vision and mission to complement their strong values-based initiatives.

Our core values (convictions, beliefs, ideals) may be challenged by others but do define who we are as individuals, influence how we interact, influence decision-making, and identify what we consider to be important. From a broader, societal perspective, values shape the basis of our laws and outline how individuals should act as responsible citizens.

Enduring values provide a very powerful and inescapable presence in the lives of individuals and organizations (Chatman & Cha 2003). From psychological research, we learn that core beliefs are part of an individual’s self-concept and are considered essential to the experience of life’s meaning (Lydon, 1996). The research found evidence that the pursuit of life goals aligned with values is positively associated with personal results, which included job attitudes and work performance, life satisfaction, and subjective well-being (Judge et al, 2005; Sheldon et al, 2004). However, these research findings also reveal many parallels in how values can impact an NPOs operation since values provide a useful backdrop for the workplace.

The power of organizational values matches the degree to which they are consistently believed throughout various stakeholder groups. By investing in their identification, values help to determine a clear strategic direction (vision) and are critical in establishing a meaningful purpose (mission). NPO leaders’ major challenges are a firm commitment to quality and assessment of their organization’s achievements.

Our values express who we are, influence how we relate with others, impact our decisions, and reflect what we consider important. These values, beliefs, or personal convictions guide our actions in a particular way and critically impact us throughout life. Expressed values can account for why some individuals gain a reputation for having leadership qualities, for example being confident, and empathetic, or can guide other individuals in their career pursuits. We soon recognize that the discovery of one’s core values and how well they are articulated to others can have a significant role in developing one’s personal “brand” or identity.

Undeniably, values can be refined and interpreted; they can be breached and returned to; practiced and improved upon but rarely do one’s core values change. One’s core values, then, come from many experiences in our lives and perspectives. They are also drawn from one’s ethnic, religious, or cultural backgrounds and often from generational perspectives, for example, Generation X or Baby Boomers. Also, values are derived from an individual’s academic studies or discipline. For example, one might expect that accountants and psychologists would have very different perspectives.

Certainly, generational issues cloud value viewpoints. Generation Y and millennials would have different values-based positions often reflective of the period in which they were raised. As well, values may also derive from one’s primary role in life, such as a mother, father, student, and even leadership positions in the work world including manager, director, and coordinator. These role-based groupings can adopt different views from other values-based group perspectives. Identifying core values is an unending process of discovery.

Strong values guide NPOs in a particular way not because it is expedient to do so, but rather because they have intrinsic worth towards achieving strategic goals and objectives. Values increase the constancy of conduct especially in confusing, changing, and
stressful circumstances. The workplace is less likely to mistake the distinction between what is right and what is wrong with clearly defined values. Continuously behaving aligned with established and shared values should be a lasting stakeholder expectation.

Commonly held values provide powerful influences in the workplace. Values define an organization and prove to be a strong foundation for its actions. The diverse nature of today’s NPOs recognizes the diverse nature of their values. Operational challenges have forced many NPOs to reassess their working philosophy and collective beliefs. Values once revealed and acted upon can assist organizations in conducting their business mandate. With commonly held beliefs, a values-based NPO more accurately aligns those defining ideals with its day-to-day actions. Therefore, a non-profit organization’s behavior begins from the ‘inside out,’ meaning that its values represent an important context about “why” NPOs do what they do. Its articulated values are then followed by its actions and activities.

Distinctive Organizational Values
Many values found in the non-profit sector seem distinctive in their contributions to others despite an almost identical service mandate declared by many Boards/trustees and the government. Organizational sizes, an emphasis on the human condition (for example, homelessness, and mental health issues), income sources, and managerial structure, make it difficult to speak in generalities about this distinctiveness. Most NPOs share at least some of their organizational structures, decision-making processes, and responsibility to the greater good with other NPOs within the community and private sectors. Therefore, it can be difficult to see or “feel” large differences between NPOs that have similar purposes and functions.

Values never come neatly packaged for NPOs to select and then adopt as their own organizational beliefs. Discovering an organization’s core values, while not an easy task, is a more enduring and more accurate reflection of an organization’s principles because they weave together stakeholders’ beliefs, creating powerful statements of an NPO’s convictions.

Thus, the term distinctive is approached with caution in defining their value sets, and the term unique values are often avoided. Point in fact; many stakeholders may not be able to sense any quality differences at all. Despite these cautions, almost all NPOs can claim some degree of distinctiveness in most of the following areas:

1. NPO roots are based broadly on partisan government values and mandates in their early formation usually defined through legislative actions.
2. NPOs exist to change individuals and the communities they serve.
3. Traditionally, NPOs have been financed through government grants and donor fundraising.
4. They share a pledge to the underlying values of quality service, good governance (through their Boards and trustees), and lasting development of its staff and beneficiaries.

Most initiatives, such as developing programs to benefit others, building improved delivery systems, and strengthening support services, start from the ‘inside out.’ These actions mean that an organization’s values are articulated first because these values represent an important context about “why” NPOs do what they do.

As compelling statements, values need to be “seen” by others, for example, funders, community, and staff. Unfortunately for many NPOs values appear as just mere bullet points in annual reports, fundraising material, grant proposals, promotional brochures, home pages, and marketing-related documents. However,
beyond those bullet points values must be owned by everyone involved in the organization. From our values, a culture quickly develops, and NPOs with strong cultures achieve higher results because everyone keeps their focus both on what to do and how to do it. Successful NPOs rely on these compelling statements of beliefs to chart new choices in building a future capacity for change.

Values then have those qualities and standards that NPOs genuinely embrace. They are worthwhile as seen by stakeholders because they serve as strong principles for those individuals that govern, lead, serve, and manage, as well as the places where individuals work.

Values become an organization’s identity and permeate everything that it does. For example, an NPO may identify ‘access’ (to its services) as an established value, and when services are planned employees think mainly about how to remove any access barriers to encourage the widest possible participation. As well, another NPO might value ‘performance quality’, especially when building a budget and assigning financial priorities. In this value set, the NPO may opt for improved financing for programs with quality results, which means there needs to be a quality return on investment for financial support. This reasoning is why proper assessments around VVMs need to be in place.

Some NPO or other CED agencies may address their belief systems as being the personal interactions among professional colleagues. Exemplified as follows, ‘our work environment is based on mutual respect, honesty, and ethical treatment of one another.’

While others may see their values as more about alliances or partnerships, identified, such as “our work focuses on teamwork and collaboration.” These organizations soon realize that discovering and clarifying values provides everyone with guiding lights, that is, choosing among competing priorities about how individuals and groups should work together.

Where Do Organizational Values Come From?

Values have a dramatic effect on how organizations work and are often discovered when stakeholders can “see” and experience them in current initiatives and practices. They are shaped through an inherent working culture, permeated internally by employees. They are most likely influenced by their surrounding community’s social beliefs based on an organization’s traditions which are reflected through their foundational roots.

Undeniably, values can be refined and interpreted differently; they can be breached and returned to, practiced, and improved on but rarely do they change. Truly, you can only discover an organization’s values, by observing its actions and initiatives.

Beliefs come from life experiences and perspectives, drawn from academic, ethnic, religious, or cultural backgrounds, including generational perspectives; influenced by an individual’s role, from an NPO’s support staff, professional staff, volunteers, and those individuals in leadership positions.

NPO employees are a diverse group of individuals and have established value systems just like other groups do. Academic disciplines often influence value perspectives. Intuitively one might expect that engineers, accountants, psychologists, social workers, computer technicians, and nurses, as examples, would have different value sets and viewpoints, which could shape NPO goal attainment and priorities.

One might expect that generational groupings would have different value perspectives, which could shape NPO practices. Generational issues veil value viewpoints. Baby boomers, Generation X, Millennials (Generation Y), and Generation Z, all would potentially have quite different values-based positions on NPO initiatives which would be reflective of the time in which they were raised.

One’s title or role within an NPO can also bring cultural perspectives inherent in these responsibilities. Leaders and governing bodies shape organizational values by bringing their own value sets to policy development and
operational processes. NPO positions adopt different viewpoints from their unique perspectives shaping ideas about how an NPO uses its finances, operational risk-taking allowed, and suitable strategic directions.

Values are also drawn from ethnic, religious, and cultural backgrounds influencing ideas about stakeholder relationships; however, the intertwining and sometimes conflicting values of individuals may promote a degree of instability within an NPO. These values-based group networks may create a working tension between individuals which can cause confusion and misinformation about an NPO’s genuine core values. Consistent and suitable value sets assure that all constituent groups agree about what is important and help drive decisions about what priorities will be the focus of strategic planning and continuing operations.

Our beliefs can be refined and interpreted; they can be breached and returned to, but they do not change. Values are an unending process of discovery and rediscovery. Values cannot be "injected" into an organization’s core beliefs; for they must be so inclined to hold them. So, in the spirit of finding them, the question is, "How do we get people to share an NPO’s core values?" The task is finding the right people as future employees who already hold those core values. The hiring of personnel is for the culture that they will be working in. The HR challenge is to attract and retain those individuals who are inclined to share an NPO’s values.

Regardless of a value base and orientation, beliefs become the guiding principles on which plans are formulated around resource allocation and development, and where other informed decisions are being made. Values then become the root of any planning process critically assisting an NPO in conducting its business, strategically. Values and the culture they create are the collective behavior of people using common goals, shared beliefs, habits, working language, systems, and symbols. It is interwoven with processes, technologies, learning, and significant events. If an organization does not act on sound values, each member of a constituent group has an excuse to cut corners or perform less ethically. If an NPO declares, explains, and instills sound values in all its constituent groups it can be a motivating force for advancing teamwork through a shared sense of purpose. Therefore, before developing vision and mission statements, it is essential to discover or at least clarify those things that stakeholders hold important, which are identified in its core values as guiding principles.

Leaders can spend much time drafting, crafting, and redrafting statements like their vision, mission, and goals, and spend little time trying to align organizational actions with its core values. Effective leaders of visionary NPOs concentrate chiefly on the process of alignment between actions and values, not on crafting a perfect "values statement."

False assumptions about values can lead to misunderstandings and failed projects. In a search to understand what values tell us, there is little debate that values have a powerful influence on the way NPOs operate. Here are a few examples that reinforce this value conflict:

- An NPO may identify “transparency” as one of its core values but restricts stakeholder involvement in decision-making processes.
- An NPO declares “diversity” as a value and yet its employee base does not reflect this belief in its staffing make-up (and diversity ratios of staff) compared to the broader community that it serves.

These examples are just two ways in which an NPO may not adhere to its stated values when decisions are being made. For leaders, one key fact about values stands out—values impact the way strategic direction and change happen. What is important to an NPO? How are strategic decisions made? Who is in charge? How do leaders relate to employees and constituent groups? What employee behaviors are rewarded, and which ones are recognized? The answers to these questions may vary from one NPO to another. Leaders must understand their underlying values. These beliefs directly influence the way direction and change will be accepted and how much work will eventually be required to ensure successful results.
Values and the culture they create are the reflective behavior of people using common goals, shared beliefs, habits, working language, systems, and symbols. It is interwoven with processes, technologies, learning, and significant events. In addition, different individuals bring to the workplace their uniqueness, knowledge, and ethnic culture. So, values and culture encompass moral, social, and behavioral norms based on the beliefs, attitudes, and priorities of employees. Values critically assist an NPO in conducting its business, strategically (Tromp & Ruben, 2004).

Values guide conduct and relationships and form a backdrop for selecting work strategies. In general, culture is concerned with beliefs based on how people interpret experiences and behave, individually and in groups. Cultural statements become operationalized when leaders explain and publish the values which provide patterns for how employees should behave. Organizations with strong cultures achieve higher results because employees focus both on what to do and how to do it. Indeed, an NPO’s culture can be transformed but it takes strong leadership to continue it. Collective beliefs can influence words, policies, procedures, and actions.

Developing a Values Statement

There is not only one way to develop a values statement since they can be culture-specific, but also participants may use a variety of methods ranging from analytical and rational to creative and divergent approaches. The methods may also include, among other approaches, focused discussions or sharing work stories. It is critical to discuss with constituent groups how they might like to discover their organization’s values.

Discovering values is a difficult task and only through clarifying those values that an NPO’s purpose and strategic direction are made. Laying out through discovery an organization’s values always come first in a defining process followed next by its vision and finally its mission. While there are many ways to identify values, the direct approach seems the simplest.

Assessing Values

A statement of values is the basis for what an NPO considers important and drives how it behaves. An assessment of how stakeholders support those declared values through their actions is a signal of their acceptance and the critical role that they play in overall success achievements.

Core values drive critical decisions about priorities in strategic and operational planning. The importance of ideals depends to a greater extent on their integration within an organization’s culture. A value such as ‘transparency in decision making’ and ‘mutual respect among constituent groups’ help to make sense of a multitude of an NPO’s actions.

Assessment and justification are processes and an integral part of any planning process. For those individuals who seek improved success performance measures, the evidence of the realization of accomplishment of its values through initiatives and behaviors is quite useful. Leaders rely on these verifiable statements by which to launch new programs, introduce improved support services, strengthen their operations, and build an organizational ability for change.

Without evaluation of achievement, especially around one’s beliefs, how then can leaders declare that an organization was successful by any
achievement standards? The proof of success is as important as the services that NPOs provide. In an era of distinguishing between competing organizations, a continuous evaluation process helps to explain just how serious an organization is about its existence. Addressing fiscal challenges has forced many organizations to reassess their operations and to re-examine their beliefs, strategic direction, and sense of purpose, which shows confidence and improved understanding by others.

Values statements appear in annual reports, proposals for grant funding, and “promotional” material. Values are deeply held ideals and priorities; their underlying assumptions influence day-to-day behaviors. Values may claim such notions as respect for individuals, accountability practices, quality programming, workplace relevance, fiscal transparency, strategic cooperation, partnerships, and alliances, and an unwavering commitment to learner success among other convictions. Values need not be unique since commonly held values across many NPOs make inter-NPO transactions and cooperation more effective.

Values guide personal conduct for stakeholders, as they realize the strategy to achieve the organizational mission, by realizing its vision. The working environment within which values take place in an organization’s culture. Values once discovered, affirmed, and assessed assure that constituents grasp their importance and how these ideals can drive critical decisions about priorities used in strategic and operational planning.

Leaders will need to assess their organization’s values to assure all those involved are agreeing about what is important and what values drive decisions. The assessment also helps identify what priorities will be the focus of periodic strategic planning. Strong values go with a clear strategic direction which is critical to setting up a strong vision.

The measurement questions around values become “What actions by individuals and constituent groups support each explained value? How does an NPO assess stakeholder support?

And how do the assessment results need to be communicated? For example, an NPO claims “respect and trust” as values but undermines them by doing something completely different. Misalignments between beliefs and actions exist not because the values are false, but rather occur because of years of entrenched and makeshift policies and practices. Assessing actions by leaders to find out how values are practiced and supported would complement any comprehensive evaluation.

Values and the subsequent culture they create are the collective behavior of people using common goals, shared beliefs, habits, working language, and symbols. It is interwoven with processes, technologies, learning, and significant events. Individuals bring to the workplace their uniqueness, knowledge, and ethnic culture.

If an NPO does not work on sound values, then each member of a group has an excuse to cut corners or perform less honorably or ethically. If an NPO declares and instills sound values in all its constituent groups, it can be a motivating force for lasting teamwork through a shared sense of purpose.

NPO values focus on matters such as social learning environment, an excellent standard of quality and performance, accountability, and transparency, as well as commitments to diversity and common respect among stakeholders. Therefore, before setting out on developing those other important statements, namely vision and mission, it is vital to discover or clarify those beliefs that stakeholders hold important—their values and guiding principles.
Success is about upholding organizational values and realizing a vision and mission even through the most demanding times. VVM assessments improve an ability to meet and exceed standards, all of which help an NPO look at its relevance, and progress, and possibly discover if it is indeed the best it can be.

Before setting out to develop a vision and a mission, it is important to identify and clarify those issues that are important. Value statements appear less often than vision or mission statements in organizational writings and material even though they represent one of an organization’s critical foundational pillars. Values guide an organization’s conduct to provide a fair return for all stakeholders, as it carries out its strategy to achieve its mission, by fulfilling its vision. The environment within which these values take place is a non-profit’s working culture.

Values govern strategic initiatives an NPO is either now considering or possibly changing. And when its values are deeply entrenched and widely shared by stakeholders, an NPO’s culture of values soon becomes a way of life in the workplace shaping its strategic goals. Currently, NPOs are voicing their core beliefs as a significant part of their underlying practices or policies and decision-making strategies. Strong values account for a reputation of strategic qualities such as leadership, innovation, and satisfaction rates, which helps in developing an organization’s branding.

### Values Evaluation

NPO leaders (and Boards, as well) need to assess their organization’s values as a continuing activity. This action can ensure everyone involved agrees with the organization’s essential beliefs and what drives their decisions. Also, this assessment helps identify what priorities will be the focus of any type of future strategic planning. A values assessment can be allied with questions, such as:

- What importance do stakeholders place on the NPO’s stated values?
- What operational actions support each articulated value?
- How does an NPO assess this support?

Without a comprehensive evaluation of agreement and achievement, especially around beliefs/convictions, then how can a governing Board and other leaders declare that an NPO was successful or even extraordinary by any standard of behavior? Remember, “What you cannot measure may not matter at all.”

In an era of distinguishing among competing NPOs, a continuous evaluation process helps show stakeholders how serious an NPO is about its existence. However, knowing exactly what shared values are and how they are assessed displays confidence and understanding with stakeholders, government, and funders.

An NPO’s beliefs are a foundational declaration and critical in its overall planning and operations. Values are intrinsic guidelines, not dependent upon a particular situation, for making strategic choices that shape longer-term behavior, which determine what may be expected from an organization. The evaluation of their relevancy and currency in achieving or exceeding organizational, community, and funder expectations need to be looked at by addressing their understanding, acceptance, unique role, and placement in day-to-day practice.

Generally, core values are summarized in just a few words, namely “It is the basis of how NPOs do things.” Values and the culture that it creates is the collective behavior of people using common goals, and shared beliefs. They encompass moral, social, and behavioral norms based on the beliefs, attitudes, and priorities of their stakeholders. Established values match the degree to which they are continuous and normally held throughout various stakeholder groups, such as by Board members, administration, and staff. There can be no greater time for an NPO than now to clearly express its value statements at the first strategic opportunity.

An opinion on values from several internal constituent perspectives may be just the beginning needed for a more comprehensive
assessment process. As NPOs gain more experience with assessments the process can expand to external stakeholder groups as well. NPOs are the strongest when their values, interests, and points of view can pull together for the common good. An engaged and empowered organization works best when everyone understands their tasks and responsibilities along with the rationale behind their assignments. Endless changes in the non-profit landscape highlight the importance of understanding an organization’s core values.

NPOs have always been agents of social, cultural, and economic development. More than ever, they are scrutinized by stakeholders as to how well they are performing; that is, are they achieving the desired future and subsequent results for others? Therefore, an inescapable reality is an unending examination of its VVM statements. NPOs will only sustain their success if groups work together, respecting each other’s roles and understanding their core values, vision, and mission. The cornerstone of future planning and development begins with compelling VVMs statements; initially, no other activity is more important than these three statements. It requires Board members, administrators, and managers with a strong commitment and capacity to steer the whole development process forward in positive ways. Leaders supported by strong VVM statements offer a tremendous competitive advantage over others who operate without them. Therefore, what is needed is a vision and mission with values-based actions to propel non-profit organizations into a preferred future. It is through proper assessments that these critical statements become more relevant, tangible, and understandable.

**Discovering Success through Assessments**

Values, vision, and mission statements are the basis for organizational actions, from their behaviors (actions-based values) to a preferred future (defined through vision), as well as an enduring sense of purpose (mission). Therefore, these statements need to have stakeholder agreement, since every initiative, every decision, and every policy needs to start with the question: how will this action advance this organization’s VVMs, and in what ways? Sorensen (2016) argues for the continued importance of these statements in offering something much more meaningful than repetitive promises of accomplishment and excellence by leaders.

Individuals do not “buy into” core values but rather are predisposed to holding them. Once an organization discovers its values it should set in place processes to apply meaningful assessments. Many evaluation approaches can be used (for example, interviews, and focus groups); which may introduce an evaluation process to discover their relevance in day-to-day operations. NPO beliefs are foundational declarations that are critical in its overall planning and operations. Values are intrinsic guidelines not dependent on any situation, which shape long-term behavior. Evaluating their relevancy and currency in achieving or exceeding expectations may be looked at by addressing several key questions. An evaluation process would yield better quantitative and qualitative data about values if constituent groups were identified with the survey results.

It is important to distinguish individual views since each perspective is essential in defining an NPO’s culture of values. Feedback from different stakeholder groups around an NPO’s interest in defending its declared values in the competitive marketplace would be insightful especially if results were impacted by lower enrollment or reduced revenue. Evaluation of values would include the opinions of external groups as well, such as advisory committees, funders, and community organizations. In this way, the overall evaluation can be seen from
both internal and external perspectives, which addresses objectivity issues.

Discovering values is one issue; living by them in the workplace is something quite different. Having a statement of values that is all talk and no commitment undermines so much in an organization. Occasionally, NPOs may claim “respect and trust” as their core values but also undermine them by doing something different.

Misalignments exist not because these values are false, but rather the misalignments possibly occur because of years of entrenched and improvised policies or practices. Assessing NPO actions to discover how their values are currently practiced and supported would complement any comprehensive evaluation.

**Diverse Value Statements**

Not every organization will approach explaining its values in the same way; therefore, it is important to recognize and respect different approaches used to develop these statements. Some NPOs are passionate about a vision of something specific that needs attention. For example, homelessness or the use of a vaccine to prevent diseases, while others have a broader view of how they would like the future to look and more tentative notions about how to get there. Other agencies do their best at identifying and analyzing problems and working through solutions. While others are motivated by the need to work with people they respect or admire, or to get to know new people with whom they share interests. Different ways of defining values statements may seem foolish or even alarming to some leaders; but NPOs are strongest when many aptitudes, interests, and points of view can pull together for the common good.