Core Values: The Foundation for Best Contractors

There's an obvious difference between mediocre and outstanding companies. You sense it when you walk through the front doors. Oftentimes, you can tell within the first five minutes exactly which type of business you're visiting.

I continue to find one common denominator among all superior contractors – they have taken the time to lay the right foundation. What kind of foundation? They have a written set of core values, posted for all to see, which are universally understood and practiced. As a dedicated lifelong learner, a contractor for more than 30 years, a member of a national peer group of 12 business owners who share best practices, and now, as a management consultant, I have found this to be 100 percent true.

As you build a great company, you must create and regularly review your core values with your team. This develops the guiding principles that will align the "soul" of your company to the living, breathing people on your team who carry the company banner each day. If you haven't already written down your core values, start with these two important building blocks:

1. **Create or revisit your mission statement.** This describes exactly what you do and why you exist. It distinguishes your business from others and makes it clears to your team what you do each and every day. It should be short, easily understood (e.g., it can be understood by a 12-year-old), and simple to memorize. At your next staff meeting, ask your team to recite your mission statement. If no one can tell you what your mission statement is, there is no mission.

2. **Create or revisit your vision statement.** Your vision statement identifies the ideal future of the company or describes the "end game" of your organization. When Microsoft first began, its vision statement was simple – *A computer on every desk*. Today, the organization's vision statement is very lengthy and involves a number of worldwide initiatives, but its first vision statement made it crystal clear to every employee what they hoped to achieve. A vision statement also serves to create the future business model. It permits you to be unique among your competition.

When you have completed these two important steps and they are fully accepted and embraced by your team, it is time to develop the core values of the company.

Values: important and enduring beliefs or ideals shared by the members of a culture about what is good or desirable and what is not.

Values exert major influence on the behavior of an individual and serve as broad guidelines in all situations. Essentially, they are your Code of Conduct – and the underpinnings of your organization. Core values require no external justification and are only aspirations until they are tested. It should be noted that core values are not operating practices, business strategies, competencies, etc. Core values can include many

qualities and be as long or short as needed. Interestingly, I have found some of the best companies (meaning, the most profitable, best quality, measured growth and performance measured) with amazingly simple core values. For example, one company I admire has the core values of *caring, fun and high expectations.* The employees understand that high expectation includes a deep understanding of "positive anxiety" and "curiosity." The value of curiosity can be active or passive, it will make people more observant, open new world and finally they will create excitement. To see more samples, visit www.sullivanhi.com.

Organizations that have written core values which are accepted and practiced by the whole team often use them to accomplish some of the following objectives:
- Govern personal and business relationships
- Clarifies exactly "who" your organization is
- Articulates what you stand for
- Guides you how to teach and reward good work
- Guides you in decision making

Start the process with the question; what do we want to create?

Are you ready to take the first step to becoming a truly great company?

For more reading on this subject, please visit www.SullivanHi.com. *Garrett Sullivan is the President of Sullivan & Associates, Inc., a management consultancy focusing on the construction industry in Hawaii. Connect with him at GSullivan@SullivanHi.com, www.SullivanHi.com, or 808.478.2564.*