

Managing Business in a Value-oriented Way is Becoming Increasingly Important

It is becoming increasingly clear in the professional world that the era of classical management is over. It is no longer sufficient to keep systems running “somehow,” and “deploy” human resource in them. That it is only possible to manage, what people can measure, is an age-old credo which no longer applies. Merely organizing is no longer sufficient, but it is of course necessary in spite of this. Why is this true?

The complexity in today’s working world means that one person alone can no longer attain continuous success. He requires other people to achieve this and must cooperate in a flexible way. The much-criticized “silo thinking” in companies must also come to an end, and it must be replaced by a comprehensive collaboration that has an impact on the company’s overall aim and brings about reasonable changes. In this process it is not possible to measure everything to the millimeter, but rather you have to learn to assess and evaluate on an overall basis.

And this has to do with the purpose of the enterprise or its mission, which is something that you should be able to describe in at most three sentences. Ultimately, enriching the universe for man and/or the environment must be inherent in the company mission. The enrichment mentioned here is not explicitly monetary, but rather meant to be value-oriented. Robert S. Hartman states it clearly: Operating a business only for the sake of making money is not only pitiful, but in the end, it is also unsatisfying. Each business needs its very own purpose and meaning. Revenues and profit are necessary for the human being, just like blood and water, but they are not the most important thing in life. But the question is, which values are?

On this topic there are plausible answers, which are profound and at the same time simple to understand. Each human being is aware and unique. Every person has an infinite number of characteristics, which they can combine in their individual manner, in order to create values. They can also destroy values, however, and in this respect we must often even protect us from ourselves.

Human values such as creativity, inspiration, community feeling, motivation or solidarity are infinite in value. They show that we are alive. All material values, on the other hand, are of inferior value. Of course, we require materials to survive. But in the last analysis all the riches of this world do not outweigh a single human life – each of us is that valuable! In addition to material things, however, we also need certain principles or rules. Otherwise human coexistence does not work. Otherwise technology would not be where it is. The exact natural sciences follow universal physical principles. But the rules are there to make human life easier – not the other way around. Businesses are even there for human beings – not the other way around.

And so value-oriented management is easier to systematize than we might think: Human values (human, H) are more valuable than material values (functional, F), which are in turn more valuable than principle-based valued (P). And so: $H > F > P$. Examples can easily be

found that fall for the most part in one of the three categories that we are now calling “value dimensions”:

Principle-based: Discipline, justice, rules, systems, procedures, hierarchies, organization, theory, strategy, sustainability, etc.

Functional: Tasks, functions, case studies, findings, contributions, movements, influences, resources, objects, tools, etc.

Human: Emotion, love, sympathy, empathy, self-esteem, self-confidence, authenticity, assistance, encouragement or similar

Of course, we can view many values through different “lenses.” In this sense, a German may “love” his car, a Swede may “use” it, and a Japanese person may “classify” it as part of the transportation system. In the last analysis, however, it is primarily an object. So as you can see, now we are starting to play with words and systematize them.

In conclusion, I will give you a short exercise: List your company values one below the other in a table in the column on the far right. To the right are three columns for H (human), F (functional) and P (principle-based). Now for each company value – i.e., for each row – you must assign a total of three points in the respective boxes under columns H, F, and P. You can assign all three points to one value dimension or distribute them equally or select combinations of 2:1. Please be guided by the way that the value in question is put into practice in your company. Then add the “points” to each column and see what distribution of points results for the value dimensions. It is best if the inequality mentioned above is observed: $H > F > P$. If it is not, then we must consider whether the values are the correct ones or whether perhaps they must be defined in another way and supported in implementation, so that the general value hierarchy is observed. It is worth the effort. I hope you enjoy working with your values!