Module 7: Developing the AI Business Strategy using the "Ignition" Process

Lesson 2: Core Values

Core Values

Determining core values is the part of the Ignition process that most people want to skip.

And we get it.

It can sound touchy-feely in a professional environment. But organizations that identify their core values, and keep them front and center, have cohesive teams with noticeably less turnover than their industry average.

Core values are the backbone of a company's culture.

Core values are a set of shared ethics and standards that serve as a guiding light in every decision that every member of your organization makes, from the CEO to your most junior employee.

We not only use our core values to determine who we want to take on as a client but also which vendors to work with, who to hire, and even who to prioritize in our personal lives. Anytime anyone in the organization is unsure of the best next action to take, they can just return to your core values.

Here are a few examples of the impact core values have made in the corporate world.

One of Slack's core values is craftsmanship. In sticking to this value, they spent a lot of time refining their product, aiming to make it as user-friendly as possible. This commitment to creating a quality product has driven the massive growth we've all witnessed lately, and is why ChiefAIOfficer.com uses Slack for their community.

Zappos is a company that's famous for its internal culture. If you were to do a quick search on Zappos' culture, you'd find all kinds of wild stories. One of our favorites is that they offer new employees $2,000 to quit. This helps ensure that every employee there wants to be there. They buy into the culture.

One more example is Costco. Their core value of respect for employees has led them to pay their staff well over minimum wage, unlike their competitors. This has resulted in industry-leading low turnover rates and high employee satisfaction, which means a dedicated workforce providing superior customer service, ultimately driving customer loyalty and boosting sales.

In our resource guide, you'll find a complete list of core values from Slack, Zappos, and Costco and how they define each and apply them in their businesses, so you can have a better idea of what Core Values look like for companies.

Here's how we go about identifying core values:

1. With your leadership team, have everyone write down the name of one person (not in the room) that is a perfect example of the type of person they want to work with. If they could clone this person 100 or 1,000 times and disperse those clones throughout the organization, they would.

2. Have them write down the five characteristics of that individual that they love most about them.

3. On a whiteboard, make a list of the characteristics. Go around the room, having each person list the characteristics that they wrote down. Note any duplicates with a tick mark next to that characteristic.

4. Combine any characteristics that are similar to each other.

5. Now, open the discussion with the leadership team with the purpose of identifying the 3 to 5 that are truly core to the culture of the organization.

Here's the whiteboard from a core values workshop with a CAIO client.
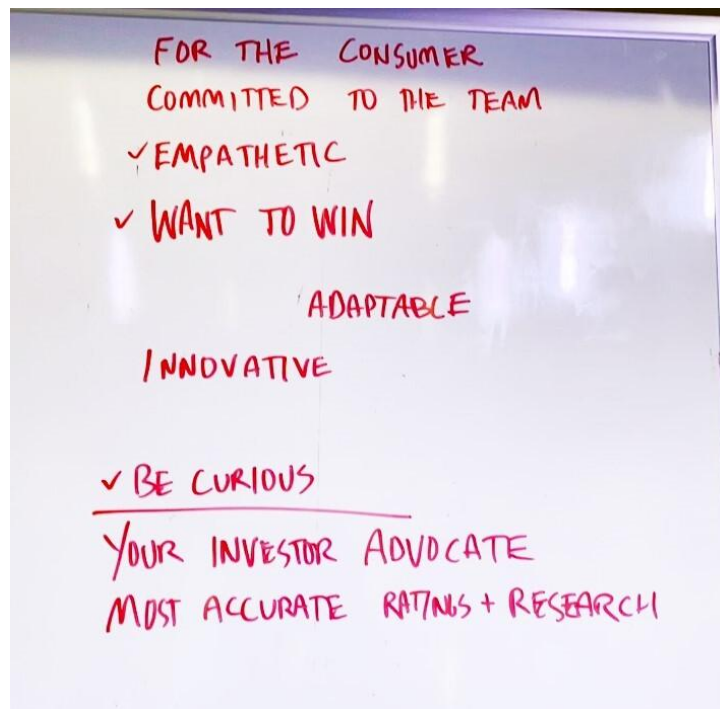
Here are the ChiefAIOfficer.com Core Values that were developed following the process outlined above:

- **Do More With Less**: GSD (Get Sh!t Done), be productive and resource-efficient
- **Do It Now**: Don't wait, don't delay the outcome, plan then act immediately
- **Do It Responsibly**: Keep adapting, value compliance

Your core values are not meant to be aspirational. They should exemplify the actual culture of your organization.

One way to test this is to have core value shout-outs at regular meetings or in your communication channels. If there is a core value that just doesn't come up very often, it probably isn't a core value.

And that's OK. Just remove it.

In the first year of identifying a company's core values, there are often some adjustments when it's realized that certain values are more aspirational and/or new ones come up that weren't thought of during Ignition. After that, the core values are typically pretty well set in, though they are reviewed at each quarterly meeting and sometimes referenced at the beginning of each team meeting.

That said, the initial core values you identify at the beginning of your Ignition will help guide you when you get stuck or have differences of opinion in the rest of this process.

The Core Values can become the decision maker when the leadership team is at an impasse regarding the right choice of actions they are considering - which one best reflects the company's Core Values.