

URL: <https://stvp.stanford.edu/clips/value-tradeoffs>

If company values are going to be useful, suggests Zeus Living CEO and co-founder Kulveer Taggar, they should entail concrete, identifiable tradeoffs. He describes Zeus Living's four core values, and explains that each of those values comes with costs. The value of transparency, for example, might be uncomfortable for employees who miss their goals, because that information is available for all to see. The point isn't to select values with no downside, but to encourage the kinds of tradeoffs that will create long-term value.



Transcript

So we focused on the culture right at the beginning.. The process for us was we decided on what our company values were going to be.. Very quickly I'll outline them.. We picked to be customer-centric, to be humble, to be iterative, and to be transparent.. Now, actually I think values in isolation don't make as much sense versus if you communicate them in terms of trade offs.. So for example, if I was to pick, hey, we should have a company value of like having integrity, I kind of don't think that means a lot because when would you ever not have integrity? So when we talk to people at Zeus about our values and we say, hey, we have this company value around transparency, we're very clear to say this comes with certain costs.. The costs may be, you know, everyone's goals are sort of publicly available, our metrics are accessible by everyone.. Every line of revenue, every line of cost, you can dig in, you can go and question it, and sometimes that can be really uncomfortable.. You know, if you miss your targets, it's there for everyone to see.. If you make some bad decisions like it's out there, but what we say is overall we are willing to endure those costs to live up to our value 'cause I think that's in the best interest for the long-term..

When we talk about being customer-centric, I sort of outline two things.. One, you know, sometimes you have to forgo profit to basically really be customer-centric.. You may have made a mistake, you want to make a customer whole or it can also be in terms of your day-to-day like job description.. Like you have to personally go the extra step to make a customer happy.. You have to endure a bit of frustration, and what we say at Zeus is when you're presented with that situation, pick the value and endure the trade off..