

## Values Not Practices

Secrets of Human Capital Management, March 2004

*Discuss the use of the expression “best practices” in the organizations and suggests the terms “values” or “beliefs”.*

**David Creelman**

One of the continuing themes in management is the search for best practices. Decades ago Tom Peters popularizing the notion of best practices in *The Search for Excellence*. Since then consultants, businesses, and academics have poured considerable energy into defining and implementing "best practices".

This is all good, but what if there are no best practices?

Tom Peters has turned from best practice advocate to sceptic. He now believes that the world is too turbulent for best practices to exist. The world also appears a little too turbulent for Peters to write coherent books so summarizing his ideas is difficult. It is fair to say he believes in energetically and innovatively tackling issues as they confront you, rather than looking for what worked once upon a time, someplace else.

A more mainstream view is simply that business situations vary so much that what is a best practice in one company will not be a best practice

elsewhere. The implication is companies need to find what works for them rather than look for generic best practices—much the same as Peters' conclusion.

A more profound view is that best practices are not so important because practices of any kind are not so important. Bob Gandossy, author of *Leading the Way* tells how a manager eagerly toured a really great company to look for lessons, but left unimpressed. She looked at their practices and muttered, "We do all those things." They do the same practices yes, but there was something subtle that differentiated this great company from average ones.

Gandossy, says the subtle difference is beliefs and values. The CEOs in all companies communicate, but the CEOs in great companies honestly believe communication is extremely important. CEOs in all companies will make an appearance at leadership development programs, but the CEOs of great companies spend much more

time at—and put more energy into—the programs. Managers who really believe in something may follow the same practices as others, but how they do things is remarkably different.

Stanford professor Jeffrey Pfeffer reaches a similar conclusion. He has written several books (most notably *The Human Equation*) on best practices in managing people. Yet, when he was asked, "If we do all these things, but don't really believe it, will it still work?" Pfeffer had to admit the answer was probably no. The great companies really, truly value people. The subtlety of their practice reflects these underlying values.

The issue of how to choose the right practices has a straightforward answer. It's a great idea to go around and see what other companies are doing and base your practices on what you learn. The essential point is that you are going out to learn a lot about selection methods or supply chain management or board governance so that you can build better methods. This is entirely different from going out and looking for a best practice to copy.

The second issue is tougher because you can't do a lot to change underlying values. The implication is that you'd better look hard at the values and beliefs of those you

**“Strategy, like practices, are the big ideas about what you intend to do. Execution, like values, is reflected in the moment to moment working life of managers.”**

The question between what matters, values or practices, parallels the debate about what matters, execution or strategy. Strategy, like practices, are the big ideas about what you intend to do. Execution, like values, is reflected in the moment to moment working life of managers. A manager who really cares about who is hired, will always do a better job of hiring than a manager who doesn't value it so much—almost irrespective of which manager follows 'best practice' selection processes.

So, if there are no best practices then how do we decide what to do? Secondly, if values and beliefs really make for great companies how do we get our managers to adopt the right values?

promote to senior positions—rather than just experience and competencies—because it is these underlying factors that create greatness.

While the notion of best practices is unlikely to disappear the arguments against relying on them are compelling. This is lesson is particularly important for countries who look to US management as a model. Sure there are lots of things you can learn from the US. However, simply copying their "best practices" is not the way to go.

\*\*\*

**David Creelman** is a contributor editor to TerraForum Consultores.

### Artigos Relacionados

Recursos Humanos, Negócios e Aprendizado

Seleção de Profissionais Criativos

O Papel do RH na Gestão do Conhecimento

### A EMPRESA

A TerraForum Consultores é uma empresa de consultoria e treinamento em Gestão do Conhecimento (GC) e Tecnologia da Informação. Os clientes da empresa são, em sua maioria, grandes e médias organizações dos setores público, privado e terceiro setor. A empresa atua em todo o Brasil e também no exterior, tendo escritórios em São Paulo, Brasília e Ottawa no Canadá. É dirigida pelo Dr. José Cláudio Terra, pioneiro e maior referência em Gestão do Conhecimento no país. Além disso, conta com uma equipe especializada e internacional de consultores.

### PUBLICAÇÕES TERRAFORUM

Gestão do Conhecimento e E-learning na Prática

Portais Corporativos, a Revolução na Gestão do Conhecimento

Gestão do Conhecimento - O Grande Desafio Empresarial

Gestão do Conhecimento em pequenas e médias empresas

Realizing the Promise of Corporate Portals: Leveraging Knowledge for Business Success

Gestão de Empresas na Era do Conhecimento