



### **Value Analytics Series: III. Barriers to Creating Business Value Awareness**

As we have trained individuals and teams in Business Value Awareness and Communication, we have recognized a remarkable number of common and repeated obstacles or barriers to a full understanding and utilization of Business Value tools. This has in part led to our development of the 5 Levels model, as we've learned that for any particular client, there is usually one logical "next step" for them to take towards a full utilization of Business Value tools - no one goes directly from "where they are at the moment" to a full-blown utilization of an ROI system (except the very few who have already done a lot of Business Value work and for whom that is the next logical step!).

Similarly, there seem to be a number of specific skills or capacities that are required to avoid or overcome these barriers and deliver business value. This is a first attempt to catalog and categorize a number of these specific skills/capacities that support business value awareness and delivery, along with some of the key barriers that go along with each skill or capacity.

#### **Identity-Level Beliefs:**

##### **Identification with the Larger Whole:**

The core identity-level identification will generally define and/or limit the priority of the person's performance: if a person sees her/himself as primarily an "engineer," they are going to evaluate their own performance, and be driven by, the values of "engineers" over the values of a particular team or company they happen to belong to (when "something's gotta give," it won't be the core identity, it will be the other levels...). Similarly, if a person is more highly identified as a "member of such and such team/department" than "as an employee of such and such company," that is going to be manifest in lower levels of Business Value Awareness and performance. Higher Business Value Awareness and performance is reflected by perceptions that one's identity (on the job, at least) is defined by the larger whole that one is part of. This is also a basic principle of ecology, that any particular entity can be best understood, has the fullest meaning, in the context of whatever larger thing it is part of. Business Value Awareness requires of the individual the ability to identify themselves primarily as part of the organization as a whole.

##### **Barriers:**

Self-oriented/small identity level beliefs

Identity beliefs defining self as “other” or “different” than “company person

Motivation:

Genuine “for the good of the whole” Motivation:

In general, selfishness (self-serving orientations) interfere with Business Value Awareness. Business Value is best delivered when the motivations are aligned with some version of “contributing to the good of the whole.” “Contributing to others” is similarly not necessarily useful to business value generation (it is more consistent with Levels 2 and 3 of the model, where there is a strong identification with or awareness of a particular customer group or a larger entity to whom you want to contribute, but not necessarily an integrated awareness that your own particular “customer” group may not be, objectively, the overall target of the organization). For example, a doctor, highly driven to contribute to patients with a specific disease, is not necessarily aligned with the overall pharmaceutical she works for who is looking to assist ALL patients with ALL the targeted disease states addressed by that company.

Objectivity (3<sup>rd</sup> Person Perspective)

The capacity to stand aside from one’s own perspective, desires, interests, etc. and see things from an objective (3<sup>rd</sup> person) perspective is key to developing an accurate and honest business value awareness.

Barriers:

Mistaking one’s own perspective as “the whole truth”

Mistaking one’s own interests/benefits as being equal to the interests/benefits of the larger whole

Confidence/Risk Tolerance

Truly utilizing Business Value tools involves making inquiries into “what is really going on here,” even when the results may be unfavorable to one’s own position/department/personal interests. This is very different from using business value language as a way of better marketing oneself or one’s group - in this case you must be willing to let the job go if the indications are that it does not add value to the company... and this takes a high level of risk tolerance and general confidence that things will work out (whether this is confidence that the company will take care of you, or some other source is not as important, just that the confidence is there).

Barriers:

Risk aversion

Playing it safe (performing to avoid mistakes as opposed to create value)

Protecting one’s job/position/turf

Alignment:

The ability to work out whatever differences or disagreements that may exist in order to fully align oneself to the leadership above you is a critical skill,

since the “business value” that is to be delivered is being shaped and chosen by that leadership.

Barriers:

Marching to one’s own drum

Lack of buy-in to management decisions/direction

#### Strategic Performance Metrics

To drive business value awareness and delivery, metrics need to provide feedback on how the performance impacts the ultimate strategic objectives. Metrics that provide information only at the level of what was done or how well it was done are insufficient. Only metrics that provide information on what impact on success of the strategic measure (financial or otherwise) are going to drive business value awareness.

Barriers:

Measuring what CAN be measured, even if it doesn’t mean anything

Driving behavior toward what is measured instead of what is valuable

Measuring

#### Clear strategy

There cannot be “business value awareness” without a clear, definitive specification of the company’s strategy and how the departments or other divisions support it. Also, the ongoing progress against that strategy must be monitored and communicated.

Barriers:

Lack of strategy

Lack of buy in to strategy

Lack of communication of strategy

Lack of monitoring and communication of progress against strategy

#### Free flow of information

Business value awareness requires a well-informed staff. Employees need to know the details of the strategic direction, as well as the why’s, and the connections between their own jobs and the strategy. They need to receive feedback, both subjective and objective on how the company is doing towards its objectives, and how they are doing towards contributing to that performance. Whatever metrics are being kept must be displayed where people can readily, easily see it.

Barriers:

Lack of sharing of updates, changes and progress on strategy

Lack of sharing of individual and group performance towards those key strategic objectives