Nokia's Values and Leadership Efficiency Diagnosis

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Keywords

Corporate Values, Leadership, Effectiveness, Multi-Stakeholder Feedback, Type-Value Profiles

Corporate values can be used to provide guidance in complex situations and day-to-day work, and to support the integrity of employees. In this paper we will examine the connection between the four Nokia values, developed via a bottom-up strategy, and the Leadership Effectiveness Development produced by the consulting company 1492 GmbH. Our main intention is to link these two concepts and analyse the results. These results will help move us towards the development of a tool for optimising staffing, and thus Nokia's corporate performance. They will also enable us to offer general recommendations regarding the education and training needs of employees, as well as the adjustment of corporate values. However, this paper concentrates primarily on matching Nokia's values with 1492's corresponding leadership types.

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1. Introduction

The last decade has seen the implementation of more and more Codes of Conduct and Codes of Ethics by a wide variety of companies. In the U.S., this was largely the result of the 2002 Sarbanes-Oaxley Act, which granted sentence reductions to companies holding such codes if they should be charged with infringement, regardless of whether the code was implemented in daily work or not.

Corporate values represent another means to ensure a law-abiding corporate culture, though they rely on integrity rather than compliance. Yet corporate values are often seen ambiguously. On the one hand, they seem trivial and shallow, even non-binding and meaningless, presented as mere catchwords. On the other hand, corporate values can help establish and develop universal standards for a company, and offer assistance in the decision-making process. Of course, not every catalogue of values can provide such guidance, and the effects produced by corporate values may vary significantly depending on whether they were developed in a top-down or bottom-up manner.

Furthermore a continuous improvement process, like constantly elaborating on the definition of company values, a process is initiated which is crucial to the constant evolution of those values. In Nokia's case, the company chose to define its corporate values using a bottom-up strategy. These values were to serve as guidelines during Nokia's transformation into a network company. Yet are Nokia's Values mere catchwords? Do they have a practical meaning and provide guidance? Are they relevant to the company's actions and decision-making?

To answer these questions, we will first describe the four relevant Nokia Values as well as 1492's Leadership Effectiveness Development (LED) Model in its entirety. Thus, we will introduce and concretise two essential parts of our proposed programme. Second, we will introduce the underlying assumptions and methods which allow us to correlate LED soft skills with the Nokia Values. The results of this process will be presented in a number of diagrams and statements. This will also allow us to look for further development in our programme. However, the underlying objective of this paper is the development of a tool for optimising staffing and thereby for optimising Nokia's corporate performance. Accordingly, we will offer some general propositions about evaluating education and the training needs of employees as well as the adjustment of corporate values.

2. Conceptual Basics

2.1 The Nokia Values

In 2007, Nokia organised 16 'Nokia Way Cafés', bringing together approximately 2,500 participating Nokia employees to discuss the renewal of the company's values. The idea of the 'Nokia Way Cafés' was based on the concept of the 'World Café', a workshop method which was designed to integrate high numbers of stakeholders in the processes of development and change. The basic idea behind the 'World Café' was to acquire collective knowledge and to profit from collective intelligence. It has often been used in the early conception phases of strategic reformation.¹ During a World Café workshop, participants meet in a relaxed atmosphere, in small, moderated, discussion rounds with alternating participants. The groups come together at tables with white paper tablecloths onto which they can write their ideas. After 15–30 minutes, the group members leave the table, while the moderator stays and welcomes a new group that resumes the thoughts of their predecessors. The workshop then ends with a reflection phase.

In May 2007, a 72-hour online discussion followed the 'Nokia Way Cafés', called the 'Nokia Way Jam'. About 13,000 Nokia employees registered, not only to talk about the new company values that had been developed in the course of the Nokia Way Cafés, but also to discuss future business strategies. Finally, as a first demonstration of the values 'in action', the company launched a photo competition aimed at taking pictures suited for communicating the new Nokia values. Over its entire course, the process of value development was accompanied by various internet applications such as video hubs, Wikis and blogs. They were designed to express and represent Nokia's collaborative company culture, and to nominate Nokia's new future profile as an internet company.

Finally, Nokia's efforts resulted in the development of four basic values: Engaging You, Achieving Together, Passion for Innovation and Very Human. Each of these values was backed up by a range of detailed descriptors (referred to below as subvalues) and a short interpretative description. Table 1 lists the four Nokia Values on the left, with the subvalues on the right, and the description below.²

¹ For more information about the "World Café" see: www.theworldcafe.com.

² For an analysis of Nokia's value development see: Schwörer/Waffenschmidt/Winke 2010:87-107.

ENGAGING YOU

DELIGHT
UNDERSTAND AND EXPLORE
TURN IT ON
MAKE IT HAPPEN
LIVE IT OUT

FOR US, 'ENGAGING YOU' INCORPORATES THE 'CUSTOMER SATISFACTION' VALUE AND DEALS WITH ENGAGING ALL OUR STAKEHOLDERS, INCLUDING EMPLOYEES, IN WHAT NOKIA STANDS FOR IN THE WORLD

REACHT OUT

SISU AND PERSEVERANCE

CO-CREATION

WILLINGNESS TO WIN RICH COMMUNICATION

TRUST

SHARE RESPONSIBILITY AND SUCCESS

'ACHIEVING TOGETHER' IS MORE THAN COLLABORATION AND PARTNERSHIP. AS WELL AS TRUST, IT INVOLVES SHARING, THE RIGHT MIND-SET AND WORKING IN FORMAL AND INFORMAL NETWORKS.

PASSION FOR INNOVATION

ARCHIEVING TOGETHER

COURAGE
FAST LEARNING
LIVE YOUR DREAMS
REINVENT YOUR DAY

BE CURIOUS

'PASSION FOR INNOVATION' IS BASED ON A DESIRE WE HAVE TO LIVE OUR DREAMS, TO FIND OUR COURAGE AND MAKE THE LEAP INTO THE FUTURE THROUGH INNOVATION IN TECHNOLOGY, WAYS OF WORKING AND THROUGH UNDERSTANDING THE WORLD AROUND US.

VERY HUMAN

RESPECT
CARE
OPTIMISM
SIMPLICITY
JOY

BEING 'VERY HUMAN' ENCOMPASSES WHAT WE OFFER CUSTOMERS, HOW WE DO BUSINESS AND THE IMPACT OF OUR ACTIONS AND BEHAVIOUR ON PEOPLE AND THE ENVIRONMENT. IT IS ABOUT BEING VERY HUMAN IN THE WORLD - MAKING THINGS SIMPLE, RESPECTING AND CARING. IN SHORT, OUR DESIRE IS TO BE A VERY HUMAN COMPANY

TABLE 1: THE NOKIA VALUES (URL: WWW.NOKIA.COM, ACCESSED 10.01.2014)

2.2 1492's LED Model

Nokia's transformation process has been supported by 1492, an Austrian consulting company that specialises in change management. One of 1492's consulting tools, the 'Leadership Effectiveness Development', is the focus of this section. The Leadership Effectiveness Development was designed to reveal gaps and overlaps in relevant leadership characteristics, to enhance employees' skills, and to make them aware of their potential as well as their opportunities for improvement. The diagnosis is embedded within a transformation process and accompanied by a transformation coach.

1492 understands a 'leader' as a person in a position of authority over other people and resources, i.e. a person with a mandate to realise the full potential of the employees and resources under their supervision. 1492 believes that true leaders continuously develop their skills in order to enhance their sphere of influence in the most effective way.

The diagnosis takes into account both self-perception and perception by others. Participants must answer the questionnaire, evaluating their own performance; the questionnaire is then sent to five different rating groups: supervisor, colleague, internal customer, direct report and others. With the help of 15 opposing leadership attribute pairs, the participants are then given a rating. Additionally, two free text questions concerning their improvement opportunities must also be answered. This diagnosis leads to different levels of congruence in five leadership types: Expert, Coach, Strategist, Networker and Shaper. Those types are described as follows:

The Expert

Experts are those persons who have a profound knowledge of their field and match that knowledge with the skills and abilities to support others. They have the competence to answer questions in a clear and understandable manner, and are generous in imparting knowledge. Yet Experts cannot show their full potential in a quickly changing environment.

The Coach

Coaches build lasting relationships based on trustworthiness and honesty and can therefore help people to integrate. They take an observing, outside role, give feedback, support and help. Coaches need time to build relationships and can easily lose trust. They can promote people by standing

behind them, but as soon as others withdraw their confidence, that powerful position reverts to a merely observational role lacking the possibility of positive engagement and encouragement.

The Strategist

Strategists have a strategic vision of a goal matched with an understanding of how that goal can be achieved. They establish guidelines concerning interpersonal behaviour and goal attainment. Furthermore, Strategists act as a role model. They set reachable milestones on the way towards major objectives. Strategists passionately believe in their vision and build spirited teams. Yet their guidelines may lead to an operative overload. In their role as a guide, they must exude confidence, otherwise they may effectively lose their mandate and ability to give orientation.

The Networker

Networkers are open, communicative and motivating persons. They do not necessarily need to be a team leader or to initially contribute ideas, but they must be a good listener and capable of stepping in for somebody if necessary. Networkers are characterised by a natural sense of authority, charisma and self-discipline. They do not get involved in jealousy games or rivalries of any sort. Also, they will take responsibility for the allocation of tasks for different work phases, thus showing the ability to recognise both the strengths and weaknesses of team members. Networkers are not strong operational leaders, but rather mediators. Therefore, their leadership must be based on strong authenticity or seniority.

The Shaper

Shapers have the courage to leave their comfort zone. In order to promote improvements, advancements and changes they experiment and take risks. Although their actions may lead to failures or mistakes, they regard these mistakes as learning opportunities. Shapers take on all challenges, including rivalries, but reconcile easily and are not resentful. They do not accept tardiness, laziness, weak ideas or empty words. Promoting change, making strong decisions and the respective task orientation can be a burden on people. Thus, Shapers are not always well-liked by others. Yet they must exude self-confidence, even despite their own self-doubts.

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3. Determination of Type-Value Profiles

3.1 Assumptions

In addition to the introduced conceptual basics, there are three crucial assumptions underlying this paper: First, we assume that Nokia employees really are familiar with the Nokia Values. This assumption is based, to a large extent, on the bottom-up way in which the values were formed (see section 2.2). Second, although there are five distinct LED-types (see section 2.1), we propose that real persons will always present as a mixture of two or more types; the actual appearance of pure LED-types is very unlikely.

The final assumption is the most crucial: We hold that there is a meaningful correlation between a specific value profile and each soft-skill type. As this assumption allows us to create links between both central components of our programme – LED-soft-skill types and the Nokia Values – it is worth explaining this point in further detail. Let us start with a less controversial point: Different duties have different ideal LED-types. Moreover, one can also assume that moral values can and should provide practical guidance. Therefore, we can assume the existence of an ideal value-profile for each LED-type. The following example illustrates the concept of this assumption.

Let us consider trustworthiness to be a common value, and compare these across two professions: a police officer and a cashier. Although the scope of their duties is different, it can be said that trustworthiness is an important social value for both the cashier and the police officer. However, for a police officer trustworthiness plays a different role than for the cashier. Without having an intrinsically distinct value of trustworthiness, a police officer will not able to act appropriately within the scope of his or her duties. As for the cashier, being trustworthy is not as vital, since trustworthy action can be provided for externally (e.g. by external accounting). In this way we can see how one value can attain quite a different significance depending on the scope of duties of the person involved and, thus, also for his or her profession.

3.2 Methods

1492's LED-typology is based on the premise that there are ideal profiles composed of different leadership types (see section 2.2) for different duties. Furthermore, we have argued in the preceding section that values vary in their importance depending on the particular duties and professions

	NOKIA-VALUES	ı	ENGA	GIN	G YO	U		ACH	IEVII	IG T	OGE	THER			PAS INN	OVAT	FUR ION			VER	Y HU	MAN	
SOFTSKILLES	S (1492)	DELIGHT	UNDERSTAND AND EXPLORE	TURN IT ON	MAKE IT HAPPEN	LIVE IT OUT	REACH OUT	SISU AND PERSERVANCE	CO-CREATION	WILLINGNESS TO WIN	RICH COMMUNICATION	TRUST	SHARE RESPONSIBILITY	BE CURIOS	COURAGE	FAST LEARNING	LIVE YOUR DREAMS	REINVENT YOUR DAY	RESPECT	CARE	OPTIMISM	SIMPLICITY	JOY
CLEAR SOCIAL COMPETENT BUSINESS SUPPORT EMOTIONAL	UNDERSTANDABLE UNCOMPLICATED CONCISE PRECISE EXPERT KNOWLEDGE CLEAR VALUE PROPOSITION SELF-CRITICAL SKILLED CONTRIBUTING FACILLATING ENABLING GENEROUS		+ + + + + +	+	+				+ + + + + + +		+ + +	+		+		+		+				+ + + +	
STRATEGIST STRATEGIC BUSINESS TEAM SOCIAL STRUCTURED BUSINESS	BIG PICTURE WIDE SCOPE HOLISTIC SUSTAINABLE STRIVES FOR COMMON GOALS COLLABORATIVE CAN DELEGATE METHODICAL SYSTEMATIC ORDERLY CLEAR PRIORITIES			+	+				+			+		+			+	+	+			+ + + +	
INTEGRATING EMOTIONAL CLOSE EMOTIONAL FAIR EMOTIONAL				+	+		+ + + +		+		+ + + + + + + + + +	+ + + + + +							+ + + + + + + + + + + + + + + + + + + +	+ + + +		+	+
SHAPER DECISIVE BUSINESS CHANGE BUSINESS COURAGE SOCIAL	SELF-RESPONSIBLE FAST DECISION MAKING SOLUTION FOCUSED ASSERTIVE PASSIONATE CREATIVE EXCITED BY NEW THINGS WILLING TO LEARN PRO-ACTIVE TAKES INITIATIVE RISK TAKING ADRESSES CONFLICTS		+ +	+ + + + + + +	+ + + + + +	+		+		+				+ +	+ + + + + + + +	+ +	+ +	+			+		+
OPEN EMOTIONAL MOTIVATING SOCIAL AUTHENTIC EMOTIONAL	COMMUNICATIVE OPEN-MINDED OUTGOING INVITING INSPIRING		+	+ + +	+	+ + +	+ + + + + + +					+ + + +		+			+	+	+ + + +	+	+	+	

TABLE 2: TYPE VALUE MATRIX (OWN SOURCE)

that must be performed; this also supports the assumption that specific ideal value profiles may be assigned to LED-types. In this section, we will illustrate how particular ideal value profiles may be developed, and will identify ideal value profiles for pure LED-types. Potentially, these profiles could, in a next step, be applied to mixed LED-profiles, though such a task is beyond the scope of this essay.

In order to determine optimal value profiles of singular LED-types we have matched Nokia Values and LED-types using the matrix shown in Table 2. We have used a twofold matching process: On the one hand, we match the four Nokia Values with the characteristic soft skills of the five LED-types in a rough, intuitive manner. If a value could be associated with a soft skill, this we indicate this using a darker cell colour. If more than one value could be matched with a soft skill, we use a brighter colour. On the other hand, we matched the subvalues in the same way with the

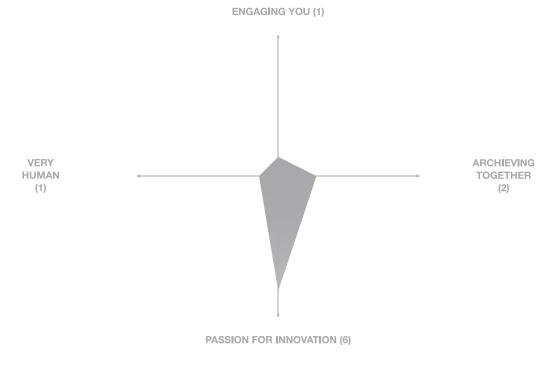


FIGURE 1: EXAMPLE OF A VALUE PROFILE (OWN SOURCE)

descriptors of the characteristic soft skills of every LED-type, thereby going into more detail. Here, the fitting of two elements is indicated by a +. We made no differentiation for the level of fit; we accepted even weak associative fits. However, in our (subsequent) interpretation of the matrix we do take into account cases of very weak or strong associative fit. Although this approach is admittedly based on intuition, we can vouch for its reliability by engaging deeply with the interpretative content of Nokia Values and LED-types. As to the breadth of the study, the presented type-value-matrix is the result of 20 matrices filled out independently by different participants. In the following, we will refer to the matching of Nokia Values and LED-types as the macro-level approach, and to the matching of value descriptors and soft skills as the micro-level approach.

After discussing the differences and the common ground of the various resulting matrices, the single values are assigned a relative impact dependent on the respective LED-type. For this, a total of ten points is distributed for the values, with higher numbers indicating a higher influence for the respective LED-type. For reasons of clarity and readability, this distribution may be depicted in a coordinate system as shown in Figure 1.

Alternatively, value profiles will be described by 4-tuples of the weights assigned to the values in the following order: engaging you, achieving together, passion for innovation, very human. The sample profile shown in Figure 1 could then be rewritten as (1, 2, 6, 1).

Here, it should be noted that we have weighted the values rather than assign them absolute values. This is due to the fact that we are assuming characteristic values for particular LED-types and in particular positions, respectively, with reference to differing scopes of duties (see section 3.1). This essay does not aim to investigate the general effect of having a strong or weak value disposition but only to explore the effect of the value balance. Moreover, by employing a total of only ten points, the weights of the values are quite broad. Accordingly, it is not our objective to formulate unchangeable value profiles and claim exclusive correctness with respect to accuracy of fit, but rather to discover and investigate definite tendencies.

3.3 The Value Profiles

This section summarises the results of our interpretation of the type-value-matrix, and consists of two parts. In the first part, we present the resulting value profiles for each type. For each LED-type some additional explanations will be given regarding the procedure we used to determine the profile. The second part will present more general observations and criticisms.

	NOKIA-VALUES	Е	ENGA	GING	a YO	J		ACH	IEVIN	IG TO	OGET	HER		PASSION FOR INNOVATION						VER'	Y HU	MAN	
SOFTSKILLES (1492)		DELIGHT	UNDERSTAND AND EXPLORE	TURN IT ON	MAKE IT HAPPEN	LIVE IT OUT	REACH OUT	SISU AND PERSERVANCE	CO-CREATION	WILLINGNESS TO WIN	RICH COMMUNICATION	TRUST	SHARE RESPONSIBILITY	BE CURIOS	COURAGE	FAST LEARNING	LIVE YOUR DREAMS	REINVENT YOUR DAY	RESPECT	CARE	OPTIMISM	SIMPLICITY	JOY
EXPERT																							
	UNDERSTANDABLE		+						+		+											+	
CLEAR	UNCOMPLICATED			+					+													+	
SOCIAL	CONCISE		+								+											+	
	PRECISE		+								+			_								+	
COMPETENT	EXPERT KNOWLEDGE		+											+		+							
COMPETENT	CLEAR VALUE PROPOSITION																						
BUSINESS	SUSINESS SELF-CRITICAL SKILLED																	+					
	CONTRIBUTING								+														_
SLIDDORT	FACILIATING								+														
	ENABLING			+	+				+														
LINOTIONAL	GENEROUS								+			+											

TABLE 3: THE EXPERT TYPE VALUE MATRIX (OWN SOURCE)

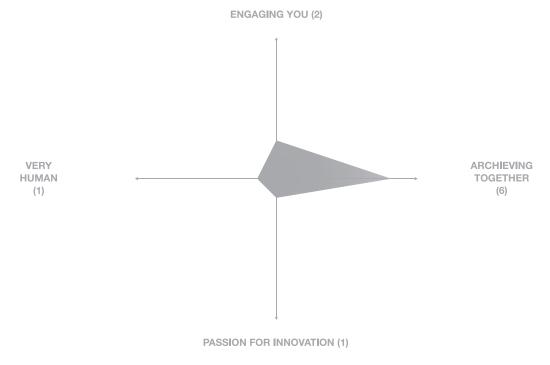


FIGURE 2: THE EXPERT'S VALUE PROFILE (OWN SOURCE)

	NOKIA-VALUES	E	ENGA	GING	3 YO	U		ACHIEVING TOGETHER							PASSION FOR INNOVATION						Y HU	MAN	
SOFTSKILLES (1492)		DELIGHT	JNDERSTAND AND EXPLORE	URN IT ON	MAKE IT HAPPEN	IVE IT OUT	REACH OUT	SISU AND PERSERVANCE	CO-CREATION	VILLINGNESS TO WIN	RICH COMMUNICATION	TRUST	SHARE RESPONSIBILITY	BE CURIOS	SOURAGE	FAST LEARNING	IVE YOUR DREAMS	REINVENT YOUR DAY	RESPECT	SARE	OPTIMISM	SIMPLICITY	JOY
STRATEGIST			5	-	2			()	0	>	CC	-	()		0	IL.		000	000	0	0	(C)	7
	BIG PICTURE							+									+	+					
STRATEGIC BUSINESS	WIDE SCOPE HOLISTIC							+						+									
DOSINESS	SUSTAINABLE							+															
	STRIVES FOR COMMON GOALS								+														
TEAM	COLLABORATIVE								+				+						+				
SOCIAL	COMPREHENSIVE								+														
	CAN DELEGATE METHODICAL			+	+				+		+	+	+	_								+	
STRUCTURE				-	-			+														+	
BUSINESS	ORDERLY							+														+	
	CLEAR PRIORITIES									+												+	

TABLE 4: THE STRATEGIST TYPE VALUE MATRIX (OWN SOURCE)

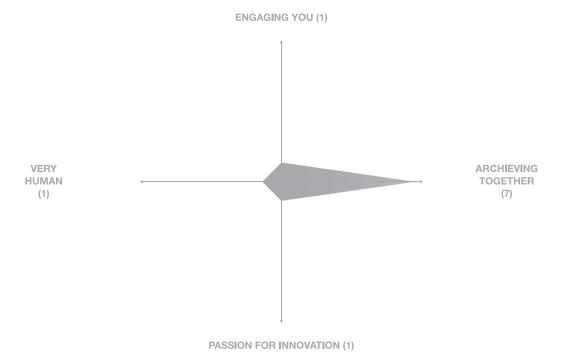


FIGURE 3: THE STRATEGIST'S VALUE PROFILE (OWN SOURCE)

	NOKIA-VALUES	E	ENGA	GING	a YO	U		ACH	IEVIN	IG TO	OGET	HER		PASSION FOR INNOVATION						VER'	Y HU	MAN	
SOFTSKILLES (1492)		DELIGHT	UNDERSTAND AND EXPLORE	TURN IT ON	MAKE IT HAPPEN	LIVE IT OUT	REACH OUT	SISU AND PERSERVANCE	CO-CREATION	WILLINGNESS TO WIN	RICH COMMUNICATION	TRUST	SHARE RESPONSIBILITY	BE CURIOS	COURAGE	FAST LEARNING	LIVE YOUR DREAMS	REINVENT YOUR DAY	RESPECT	CARE	OPTIMISM	SIMPLICITY	JOY
COACH																							
	INVITING						+				+	+											+
INTEGRATING							+		+		+								+				
EMOTIONAL	PROMOTING						+				+												
	COMPREHENSIVE										+												
	ENGAGING			+	+		+												+	+			
CLOSE	WARMHEARTED																						+
EMOTIONAL	UNDERSTANDING										+								+	+			
	SYMPATHETIC																		+	+			
	TRANSPARENT										+	+											
FAIR	HONEST										+	+							+				
EMOTIONAL	BALANCING										+									+			
	UPRIGHT										+	+							+				
	FRANK										+	+							+			+	

TABLE 5: THE COACH TYPE VALUE MATRIX (OWN SOURCE)

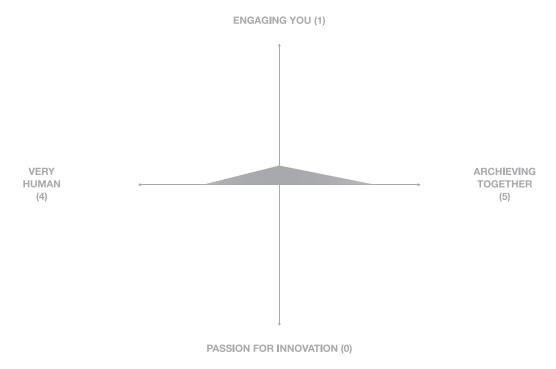


FIGURE 4: THE COACH'S VALUE PROFILE (OWN SOURCE)

	Е	NGA	GING	a YO	U		ACHIEVING TOGETHER							PASS INN	SION OVAT			VER	Y HU	MAN			
SOFTSKILLES (1492)		DELIGHT	UNDERSTAND AND EXPLORE	TURN IT ON	MAKE IT HAPPEN	IVE IT OUT	REACH OUT	SISU AND PERSERVANCE	CO-CREATION	WILLINGNESS TO WIN	RICH COMMUNICATION	rrust	SHARE RESPONSIBILITY	BE CURIOS	SOURAGE	AST LEARNING	IVE YOUR DREAMS	REINVENT YOUR DAY	RESPECT	CARE	OPTIMISM	SIMPLICITY	JOY
SHAPER			5		2		00	(C)	0	>	000		(C)	<u>m</u>	0	II.		000	000	0	0	()	
SHAPER	SELF-RESPONSIBLE														- 4				_				
DECISIVE	FAST DECISION MAKING														-								
BUSINESS	SOLUTION FOCUSED			-	-										-								
DOSINESS	ASSERTIVE			-	-			+		+					+		+						
	PASSIONATE					+									-		+				+		
CHANGE	CREATIVE																	+					
BUSINESS	EXCITED BY NEW THINGS		+	+										+		-							+
DOUNTEDO	WILLING TO LEARN		+											+		+							
	PRO-ACTIVE			+	+	+									+			+					
COURAGE	TAKES INITIATIVE			+	+										+								
	RISK TAKING														+								
	ADRESSES CONFLICTS														+								

TABLE 6: THE SHAPER TYPE VALUE MATRIX (OWN SOURCE)

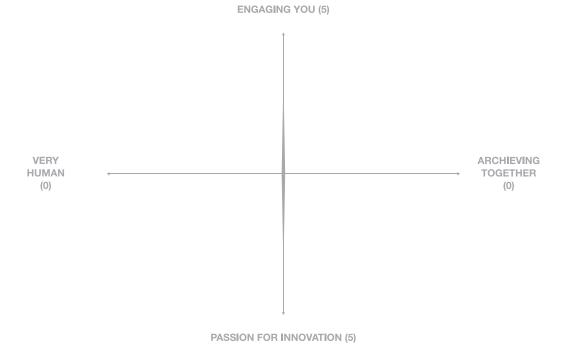


FIGURE 5: THE SHAPER'S VALUE PROFILE (OWN SOURCE)

	NOKIA-VALUES	E	ENGA	GING	G YO	U		ACH	IEVIN	IG TO	OGET	HER			PASS INN	NOI8			VER	Y HU	MAN		
SOFTSKILLES	SOFTSKILLES (1492)		UNDERSTAND AND EXPLORE	TURN IT ON	MAKE IT HAPPEN	LIVE IT OUT	REACH OUT	SISU AND PERSERVANCE	CO-CREATION	WILLINGNESS TO WIN	RICH COMMUNICATION	TRUST	SHARE RESPONSIBILITY	BE CURIOS	COURAGE	FAST LEARNING	LIVE YOUR DREAMS	REINVENT YOUR DAY	RESPECT	CARE	OPTIMISM	SIMPLICITY	YOU
NETWORKER																							
	COMMUNICATIVE						+				+												
OPEN	OPEN-MINDED		+				+							+									
EMOTIONAL	OUTGOING		+			+	+																
	INVITING						+																
	INSPIRING			+			+				+							+					
MOTIVATING	CONVINCING			+	+		+														+	+	
SOCIAL	CHARISMATIC											+					+		+	+			
	SWEEPING			+	+		+			+	+										+		
	SELF-CONFIDENT					+		+															
AUTHENTIC	GENUINE							+				+							+			+	
EMOTIONAL	SINCERE											+							+				
	UNIQUE					+																	

TABLE 7: THE NETWORKER TYPE VALUE MATRIX (OWN SOURCE)

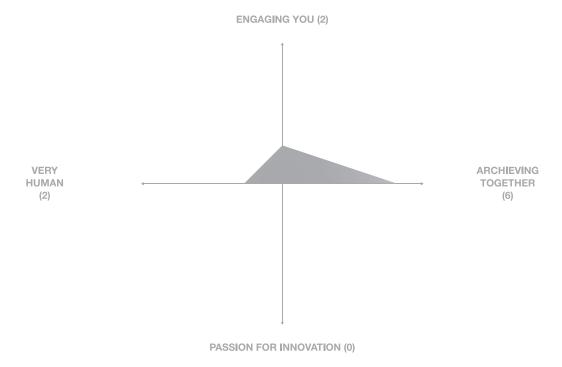


FIGURE 5: THE NETWORKER'S VALUE PROFILE (OWN SOURCE)

For the first type (Expert) we determined the corresponding profile on the micro level (3, 5, 1, 1) and on the macro level (1, 7, 1, 1). Since the soft skill 'competent' can be matched only very poorly with any of the Nokia Values, and because the matching with the value 'Passion for Innovation' is based only on 'weak crosses', i.e. crosses indicating only a weak associative match, the macro-level profile is used solely in order to adjust the micro-level profile. The finalised Expert profile is then (2, 6, 1, 1).

The Strategist's profile is identical on both the micro and macro levels (1, 7, 1, 1). Accordingly, this is also the finalised value profile. However, this profile diverges significantly from what would have been expected according to 1492's type description. The Strategist's visionary character is not mirrored in the value profile: after all, one would have expected a high value of 'passion for innovation'.

For the Coach, the micro profile is (1, 5, 0, 4) and the macro profile is (0, 5, 0, 5). Since the divergence results from weak crosses affecting the macro profile, (1, 5, 0, 4) is chosen as the final value profile. This result fits well with the LED description.

Values for the Shaper micro profile are (1, 4, 1, 4); the macro profile values are (0, 5, 0, 5). Since weak crosses for the values 'Achieving Together' and 'Very Human' have influenced the micro profile, we have taken the macro profile as the finalised profile. It matches the LED-type description.

The Networker has as micro profile (2, 5, 1, 2) and (1, 7, 0, 2) as macro profile. The difference in the value of Passion for Innovation results from weak crosses affecting the micro profile. Because the macro profile indicates a high value of Achieving Together, the final profile is defined as (2, 6, 0, 2). For the final profile the higher value of Engaging You in the micro profile is given priority over the lower value of the macro level, because the micro level seems to be more precise in this case. The Networker micro profile is (2, 5, 1, 2); the macro profile is (1, 7, 0, 2). The difference in the value of 'Passion for Innovation' results from weak crosses which affect the micro profile. Because the macro profile indicates a high value for 'Achieving Together', we have defined the finalised profile as (2, 6, 0, 2). For the finalised profile, we have prioritised the higher value of 'Engaging You' in the micro profile over the lower value in the macro level since the micro level appears to be more precise in this case.

3.4 General Results

There are two general observations that confirm the consistency of our matching method. First, the micro and macro profiles are quite similar; minor differences can be attributed to the higher sensitivity of the micro-level matching. Second, every value profile exhibits a characteristic focus on one or two values. This supports our hypothesis that different positions have different ideal value profiles and 'main values.'

Furthermore, when we analysed the content of Nokia Values, we noted that 'Achieving Together' generally had a strong showing across the value profiles. This should be mirrored in the corporate culture and working atmosphere. Only the Shaper lacks a high 'Achieving Together' value. Furthermore, the general low values for 'Passion for Innovation' were a surprising result, especially with respect to a company engaged in the fast-developing technological industry. These results lend justification to our initial aim of developing a tool for optimizing staffing and, thereby, corporate performance. In light of Nokia's declining sales and profits, and since Nokia's values were developed in a bottom-up strategy by its employees, it seems that there is not only a correlation but also a causation between corporate culture and corporate performance. Demonstrating or refuting this hypothesis is beyond the scope of this study.

Another notable problem is the low compatibility between 1492's LED soft skills and Nokia Values in the cases of the Strategist and the Expert. In order to achieve a higher practical value for LED, soft skills and Nokia Values will need to be synchronised. This will involve either adapting the soft skills to match Nokia's values, or rechecking and adjusting the values in order to fulfil the requirements of the leadership types.

4. Prospects

Matching LED-types and Nokia Values is only a first, and rather small step that paves the way towards a more extensive analysis; it establishes a basic toolkit for handling corporate values. The initial, underlying idea behind this project was to promote the best overall performance of employees. There are two crucial criteria for accomplishing this objective: First, employees must be in an appropriate position in order to realise their full potential. Second, they need a productive working atmosphere. Furthermore, while soft skills play a role, attitude and values also contribute

to the quality of a person's professional performance. Therefore, as a first step, it is necessary to assess both soft skills and values. Matching Nokia Values and LED soft skills shows that there is a significant congruence between the two. However, since soft skills are subordinate to values, a person's true attitude and soft-skill profile may be assessed more precisely if values are also considered.

Following this first step, the next move would be to adjust 1492's Leadership Effectiveness Development and implement a set of questions concerning Nokia's values. The first part of the questionnaire should examine the values that a leader (someone in the position of a Coach, e.g. director of marketing or human resources) ought to hold. The results could then be used to support our matching and to build a nominal value profile. Since there are no pure LED-types and since no position will require a pure LED-type, the results of the classic diagnosis will show that every leadership type will present with a range of values. The results of this first part must be interpreted in light of the leadership type classifications. We will call this profile Nominal Aggregated Value Profile (nominal AVP). Here, we would expect a unique correlation between nominal AVPs and specific positions. Furthermore, this approach would allow us to draw conclusions with respect to a weighting of the values within the company.

The third step would be to use the questionnaire to enquire into the actual values of the Coach. In our view, the best performance will be obtained if the actual value profile matches the nominal AVP for that position. We call this ideal profile the actual Aggregated Value Profile (actual AVP). A comparison of the nominal AVP and the actual AVP will allow us to draw relevant conclusions. A mismatch might imply the need for training or recommend a change of position. If both profiles match, the optimum we can anticipate that an employee will perform in line with expectations.

To conclude the extensive analysis, as we already noted when matching values with soft skills, not all soft skills can be depicted by Nokia's values. We believe that LED-types can be categorised as decision makers and non-decision makers. Moreover, we concluded that Nokia's values are more relevant to non-decision makers. To prove that hypothesis, a third part in the questionnaire would examine how the Coach perceives the influence that values have in day-to-day work. We believe that the Shaper and the Strategist tend to be decision makers; therefore, values will be of no great importance for them. In contrast, the Coach and the Networker will display a tendency towards non-decision making. Therefore, in those instances values will play a significant role in their daily work. The Expert will be indifferent.

If these expectations are confirmed, we will be able to display the importance of different values in relation to an individual's position. This may call into question the general idea of overarching

corporate values and lead to the assumption that different values for different classes of position may be required. Such an analysis would need to be the focus of future studies. Nonetheless, this paper seeks to encourage companies to question and recheck their corporate values with respect to their actual applicability.

5. Conclusion

In a first step, we discussed the way in which Nokia's values were developed via a bottom-up strategy, and also introduced 1492's Leadership Effectiveness Development (LED) as a basic model for our analysis. We noted that the objective of Nokia's transformation process was to develop a network company, and to support their leaders, so that they may continually enhance their leadership skills.

In section 3 we presented our hypotheses, namely that (i) Nokia's values are known by its employees; that (ii) although there are five distinct LED-leadership-types, the occurrence of a pure type is in reality very unlikely; and that (iii) it is possible to match Nokia's values with LED-types. In our attempt to provide a coherent matching we employed both a macro-level approach (related to the correspondence in values and leadership types) and a micro-level approach (concerned with correlating subvalues and soft skills). Our intention was to discover and investigate tendencies in this correlation between values and leadership types. The results display a characteristic focus on one or two values for each respective type. In four of the five types 'Achieving Together' is the (or at least one of the) dominant values; only the Shaper is primarily characterised by 'Engaging You' and 'Passion for Innovation'. Furthermore, the Shaper is the only type that holds 'Passion for Innovation' as a governing value.

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