

# What Makes Integrity Such a Special Value?

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## Goes Deeper Than Honesty

When it comes to organizational values, it seems that integrity is the poster child, the go-to, the motherhood and apple pie, the essential ingredient. In a recent study<sup>1</sup> conducted by Consilient Inc., integrity was found to be included in the core value statements and codes of conduct of about two-thirds of the world's leading organizations. One has to ask why? What is it about integrity that makes it so prominent in the common language of business?

**in·teg·ri·ty** / the quality of being honest and having strong moral principles  
**2 business:** strict adherence to a moral code, reflected in transparent honesty and complete harmony in what one thinks, says, and does

The Oxford dictionary defines integrity as: “*The quality of being honest and having strong moral principles*”. The online Business dictionary says integrity is: “*Strict adherence to a moral code, reflected in transparent honesty and complete harmony in what one thinks, says, and does*”. Our study confirms that organizations mention honesty in conjunction

with integrity roughly half the time, so it's clear that integrity is most commonly associated with honesty. But the story goes much deeper than that. In fact, unpacking some of the semantics underpinning integrity may cause you to see this apparently overused value in a new light.

## Leading By Example

It's often said that integrity is doing the right thing when no one is watching.

But is that the true test of moral fibre? In my opinion, it takes far more guts to stand up for your principles and make an unpopular decision when *everyone* is watching. Consider the decision taken by Unilever CEO Paul Polman to eliminate quarterly profit reporting in order to create an environment for the business to focus on the longer-term. A brave decision indeed, and one requiring steely resolve to see it through after Unilever's share price fell 8% as short-term investors pulled out. Think of the message this single decision sent to Unilever managers and employees. First it told them their boss doesn't compromise on matters of principle – values mean something to him. Second, it reassured them that he had their back. The hedge funds wouldn't succeed in pressuring management into compromising the organization's core values for short-term

<sup>1</sup> This study examined the core value statements and codes of conduct of 225 of the world's leading organizations

results. Finally, it demonstrated their CEO's faith in them and in the long-term future of the business. The result? The sky didn't fall. In the five years since that decision was taken, Unilever has shown "consistent sales growth and margin expansion coupled with strong cash flow"<sup>2</sup>. As a result, its share price has roughly doubled over the period.

## No Accident

Here's how I would define integrity:

- Being honest when no one is looking
- Doing the honourable thing even when it's not fashionable
- Loyalty under temptation or duress

- Never compromising on a principle, even when encouraged or threatened by others to make you do so

When it comes to values, integrity isn't simply one amongst many. Rather, it could be looked upon as the value that ensures other values are lived up to. Seen in that light it clearly isn't an accident that two thirds of the world's major organizations claim Integrity as one of their core values. What is surprising is that one third of organizations do not.

Perhaps, in those organizations, integrity is considered to be such an obvious value that it simply goes without saying. After all, Unilever is one of them.

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*Consilient Inc. harnesses the power of converging knowledge from diverse data, information and knowledge sources to develop solutions to complex business problems. The Consilient Universal Organizational Values Framework allows companies to measure the extent to which their organizations are effective in embedding their core values into their organizations. The company works in collaboration with a network of specialist partners to effect business transformation. For more information please see: [www.consilientinc.com](http://www.consilientinc.com)*

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<sup>2</sup> Source: 2014 press release: "Unilever reports growth ahead of markets in 2013"