Value-Based Thinking

Idea In Short

Companies post their values on walls and websites, yet when a hard choice arrives, the posters rarely decide anything. Value-based thinking turns values from slogans into working criteria. It asks what a person or group cares about most, where those commitments pull against each other, and which choice honors the highest priority. Shalom Schwartz's research gives a rigorous map: ten basic values recognized across cultures, arranged in a circle of compatible and conflicting goals. This article explains that map, shows how leaders can use it to clarify priorities, reduce conflict, and make decisions that fit the people and purposes involved, while guarding against empty value statements.

A growing design agency lists "excellence, speed, and care" on its website. A client asks for a rush job with lower quality than usual, and a partner says, "We are all about speed." Another says, "We are all about excellence." The argument gets heated because each partner is serving a different value, and nobody has said which one comes first.

Values as guiding principles

A value is a lasting belief about what matters, and it shapes what people notice and choose. Shalom Schwartz defined values as trans-situational goals that vary in importance and serve as guiding principles in the life of a person or group, a definition quoted in recent work that applies his theory.1

Two parts of this definition matter for leaders. Values apply across situations, so they can guide new choices. And they vary in importance, so ranking is part of the idea. A list of equal values cannot settle a conflict, and the agency partners show why.

Many organizations skip the ranking. They publish a set of attractive words and discover that the words do not decide anything when two of them clash.

Schwartz's map of values

Schwartz's theory offers a tested vocabulary. Wikipedia's summary explains that the theory of basic human values was developed by Schwartz as a theory of cross-cultural psychology and universal values, that it identifies ten basic values distinguished by their underlying motivation or goal, and that later work extended the framework to 19 values.2

A journal overview of the theory adds that the ten values form a circular structure reflecting the motivations each value expresses, capturing conflicts and compatibilities among them. Findings from 82 countries provide evidence for the validity of the theory across cultures, and they also reveal substantial differences in the value priorities of individuals.3

For a manager, the circle is a diagnostic tool. Values next to each other, such as achievement and power, tend to be compatible. Values on opposite sides, such as openness to change and conservation, tend to conflict. Knowing the pattern helps predict where disputes will arise.

Why people disagree

Most workplace conflict about priorities is a conflict about values. A manager who prizes security and a colleague who prizes stimulation will judge the same plan differently. Neither is wrong, and each is serving a goal that is real to them.

The circular structure suggests how to handle this. Look for the underlying values behind each position and ask whether a solution can serve both at some level. A change program might offer stability in core systems and freedom to experiment at the edges, which respects both security and openness.

It also helps to separate value disagreements from factual ones. Facts can be checked, while values call for dialogue and trade-offs. Mixing the two leads to arguments in which each side believes the other is ignoring evidence.

Personal and organizational values

A chapter in a handbook on organizational values asks whether specific measures of organizational values are needed or whether researchers should focus on the basic human

values of individuals in the workplace. The question points to a tension for leaders, since a company's stated values and its people's values may differ.4

A 2025 paper in Frontiers in Psychology builds on Schwartz to propose a circular framework of work values, based on the compatibility and conflict of underlying motivational goals in work contexts, and it connects the idea to person-organization fit and organizational culture.5

Fit matters. People whose values match the organization's tend to find the work meaningful, and those with a poor match often feel strain. Hiring, onboarding, and promotion can all test fit, as long as leaders stay open to differences that add useful tension.

From statements to criteria

To make values work, translate each into decision criteria. "Care" might become "we do not ship work we would be embarrassed to explain to the client." "Speed" might become "we answer every client request within one business day." Criteria are concrete enough to check.

Then rank the values for the main decision areas. For client work, quality may outrank speed. For internal tools, speed may outrank polish. A short ranking, written in advance, spares the team from arguing in the heat of a deadline.

Finally, name the trade-off. When a decision serves one value at the expense of another, say so out loud: "We are choosing speed here and accepting lower polish." Naming the price keeps the organization honest and prepares people for the consequences.

Using values in hard decisions

When a tough call arises, list the options and ask which values each serves and which it sets aside. Ask also whose values are involved: yours, the team's, the customer's, the community's. A decision that honors the values of one group and ignores another's creates resentment.

Test the options by asking whether you could explain the choice to someone who holds the opposing value. If you can describe the trade-off in terms they would recognize as fair, the

choice stands on firmer ground.

Record the decision with its reasoning. Over time, the record shows how values operate in practice and where stated values and actual choices diverge. That gap is where leadership attention is most needed.

Building shared values in a team

Start with discussion, not a document. Ask each member to describe a moment when they were proud of the team and a moment when they were uneasy. The stories reveal values more honestly than abstract lists.

Look for patterns, name the values that emerge, and ask people to rank them. Expect differences, and treat them as information. Teams with some diversity of priorities often make better decisions, since each value acts as a check on the others.

Revisit the ranking when circumstances change. A start-up in its first year and a mature firm in a crisis may need different priorities, and the team should say so.

Values under pressure

Values are tested when they cost something. A team that praises transparency but hides bad news from clients has shown its real priority. Look for moments of pressure, such as a missed target, a difficult client, or a budget cut, and watch which value people protect first.

Use those moments as data. After a hard decision, ask what the team gave up and whether it would make the same trade again. If the answer is no, the stated ranking needs revision. If the answer is yes, the team has learned what it truly stands for, and it can say so with confidence.

A hypothetical example

Imagine a hypothetical regional bank that lists "customer first, integrity, and growth" as its values. A loan product generates strong growth but creates repeat overdraft fees for customers with irregular incomes. The leadership team ranks its values for product decisions and agrees that integrity and customer interest outrank short-term growth.

They redesign the product with fee caps and an early warning message. Growth slows for a year, complaints fall by half, and the bank gains a reputation for fairness among small business owners. The example is invented, but it shows how a stated ranking can resolve a conflict that a list of values could not.

Cautions

Do not treat values as a lever for manipulation. Invoking "our values" to silence dissent betrays the idea. Invite challenge, and listen when people say that practice and principle have split.

Avoid assuming that your values are everyone's. People in your team, customers, and communities may rank values differently, and cultural background can shape priorities. Ask rather than assume.

Finally, watch the gap between words and deeds. If rewards and promotions favor behavior that contradicts the stated values, people will follow the rewards. Align the systems with the values, or change the values you claim.

- 1Whose values? Measuring the subjective expression of basic human values in social media
- 2Theory of basic human values
- 3An overview of the Schwartz theory of basic human values
- 4Basic human values and organizational values, Springer handbook chapter
- 5Unifying work values: establishing a circular framework based on basic human values

Summary

Value-based thinking anchors choices in what a person or group holds important, and it treats values as guiding principles that vary in priority. Schwartz's research found that basic values form a circular structure of compatible and conflicting motivations, with differences in priorities across individuals and groups. Leaders can use this to rank values, expose trade-offs, and test whether decisions match stated commitments. The value of the exercise lies in

the choices it changes, not the words it produces. Ask your team to rank five values, then pick one recent decision and check which value it served and which it set aside.