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TITLE:

**Organisation shared values
and
leadership influence**

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Abstract

Values based leadership theories have highlighted how leaders can influence through values. Yet, empirical research has not kept pace in providing evidence so leadership influence on organisation shared values was explored. The study was in three parts, firstly, selection of the business leader and organisation, secondly assessment of values shared compared to the leader's intended values and thirdly, exploration of the leader's causal influences on shared values.

A UK wide technology organisation was selected for the study based on evidence provided by the owner-manager business leader. The evidence demonstrated an intention to share values consistent with theories on values based leadership. The grounded approach then combined quantitative and qualitative methods. Schwartz (1992) values questionnaire identified shared values as rated highly important by the majority of employees. 10 theoretically sampled interviews explored values used in work decisions and beliefs about the values, with staff representing all areas of the business. NLT meta-model questions clarified question responses and NLT meta-programmes were used in categorising Business Leader's language patterns.

No correlation was found between the Business Leader's intended values and the shared values. However, causal relationships could be mapped from frame alignment statements. A grounded model is proposed, revealing the Business Leader's three channels of influence; role modelling, decisions institutionalising intended values and communication through frame alignment and language patterns.

The findings offer support for influence of values in values based leadership theories yet does not support distinctions between transactional and transformational leaders. Of most significance are the causal relationships based on beliefs identified in frame alignment statements. Mapping beliefs expressed by the Business Leader provided opportunities for analysing and comparing both the organisation culture and the leader's influence. Wider implications include the potential for quantifying influence of leaders and knowledge management of value and belief systems. Organisation specific value models can be used to develop future leadership and facilitate culture and change management.

Contents

<u>Chapter</u>	<u>Title</u>	<u>Page</u>
1	Introduction	6
2	Literature Review	12
3	Method	34
4	Data	57
5	Analysis	82
6	Conclusion	96
	Bibliography	102
	Appendices	113

List of Appendices

Appendix		Page
A	Study Question 1 initial invitation letter	114
B	Study Question 1 semi-structured telephone interview	115
C	Company Briefing Document	116
D	Organisation Values Survey (Paper Copy)	122
E	Organisation Values Survey (Internet Screens)	125
F	Organisation Values Survey Motivational goals and dimensions	130
G	Descriptions of Functional Areas	132
H	Interview Briefing Documents	133
I	LAB Profile	135
J	Selection Criteria and SIC codes for Business Organisation Sample	137
K	Organisation Values Survey Results Tables	139
L	Business Leader's LAB Profile Results	152
M	Organisation Processes Detailed Findings	154
N	Interview Value Relationships	163
O	Interview Values List	168

Abbreviations

NLT Neuro-Linguistic Technologies

LAB Language and Behaviour

TUPE Transfer of Undertakings Protection of Employment

ASA Attraction, Selection, Attrition

SIC Standard Industry Classification

1. Introduction

In today's globally competitive and rapidly changing world, organisations need to respond quickly to changes in order to survive. Shared values can facilitate this responsiveness (Senge 1990). Sharing of values within groups can be shown to be a part of decision making, social identification, cultural manifestations and how leaders can motivate organisations to achieve a vision. However, a review of the literature (Chapter 2, p12) reveals a lack of empirical evidence in this area. This study explores shared values and causal influences of the Business Leader within one organisation.

In 1977, House published the 1976 theory of charismatic leadership. One characteristic described was how the leader provides a role model for a value system. This characteristic of a charismatic leader has been included in numerous leadership models and theories (Bass 1985, Conger and Kanungo 1987, Shamir et al 1993, Lord and Brown (2001), Lord and Emrich 2001, Gardner et al 2005). Theories of leadership have a common theme of the leader's intentional influence (Yukl 2006). Yet there is little empirical research about the intention and influence of a leader on follower values. Lord and Brown (2001), Szabo et al (2001) and Sosik (2005) all make this point.

One particular aspect of the charismatic leader's influence on follower values is the concept of shared values or values alignment. Boal and Bryson (1988) refer to the charismatic leadership phenomenon of sharing values as a group analogue of intrinsic validity. Boal and Bryson define 'intrinsic validity' as correspondence between feelings, or cognitions, and behaviour.

The influences on values sharing have achieved far less empirical attention than afforded even to leadership influence on values. Sosik (2005) asked a sample of followers to complete a values survey yet did not consider values sharing. Sosik focused on the relationship of the follower values to the leader's values. The lack of reference to shared values in these studies suggests an assumption that sharing values is a natural consequence of the leadership influence on group values. Yet there are potentially valid and alternative explanations for values sharing suggested within other fields. Gaulin and McBurney (2004) from the developing field of evolutionary psychology, discuss a fundamental motive in humans to avoid exclusion from important social groups. This motive suggests there may be other factors that interact with leadership influences on values sharing. These possibilities raise unknowns which highlight the need for further research. This need for further research is emphasised by the perceived importance of shared values within less academic literature.

Within management literature the phenomenon of shared values, continues to be presented as a critical factor for successful organisations and as an important goal for effective leadership (Senge 1990, Barrett 1998 and 2005, Deering et al 2002,). Senge refers to shared values as

"...guiding stars to navigate and make decisions day to day." (Senge 1990, p225).

Deering et al. describe alignment as the second part of a three part leadership model:

“The congruence of our stated values and our actual practices is pivotal to the organization’s success” (Deering et al. 2002, p129).

Barratt (1998) writes about how shared values build trust and community with cohesion and unity. According to Barratt, lack of shared values creates anarchy and in a strong corporate culture, the values must be lived by everyone. Barrett explains why shared values are so important to an organisation:

“A strong set of organizational shared values allows organizations to remove layers of hierarchy, because the employer can trust the employee to always make the right decision – a decision that reflects the values of the organization.” (Barrett 2005 p2).

It follows then, that a relationship between shared values and a leader’s behaviour and intention is worthy of further empirical exploration.

Schwartz (1992) lends academic support to the perceptions of management theorists by defining values as:

“The criteria people use to select and justify actions and to evaluate people (including the self) and events” Schwartz (1992, p1)

Values may be criteria to the standards and evidences applied in order to make decisions and judgements. Yet values are not entirely synonymous with criteria, as values relate to what is desired and wanted (Dilts 1999). Dilts argument is not incompatible with Schwartz’s definition as Schwartz recognises that values pertain to motivational goals. However, Schwartz’s

definition does not facilitate identification and categorisation of values in language.

Values that describe end states are 'nominalisations', where a process or processes sensed within someone's deep inner experience has been generalised in their language expression as a noun (Bandler and Grinder 1975). Instrumental values, describing behaviour, are also generalised processes. The instrumental value 'Enjoying life' consists of many processes which can be generalised using criteria relevant to that value. Criteria are beliefs about the value such as 'I feel good when I am enjoying life'. Values are therefore operationalised as *generalised processes defined by criteria, that people use as standards and evidence in order to make decisions and judgements*.

The three questions for exploration in this study relate specifically to the relationship between shared values and a leader's behaviour and intention. The first study question relates to the intention of the leader. The focus of this study is to explore a leader's influence on shared values. A leader who has the intention of influencing follower values is assumed to be more likely to engage in behaviours relevant to that intention. Therefore, if a leader intends to encourage values sharing, it will be possible to explore how the leader is attempting to have an influence. It will also be possible to compare the intention against what has been achieved and thus to evaluate causal relationships.

Without any evidence of intention from the leader, a comparison against the organisation shared values is not possible. A lack of explicit intention also

suggests alternative influencing strategies, so a comparison between leaders having or not having explicit intention to share values may be an interesting area for further research. The first study question is therefore closed and is a key criterion for selection of an organisation (section 3.6, p52).

QUESTION 1: Is there sufficient evidence that the leader has the intention to achieve a high level of shared values in the organisation?

The second study question explores whether there is evidence of shared values. Shared values are operationalised, for the purpose of this research, as *those values which are considered as of high importance by the majority of the group*. Values not considered as highly important by the majority of the group may still have influence within the organisation so are of interest but will fall below the shared value threshold (section 3.4.6, p46). The leader's influence may therefore be quantified as the proportion of the group who share the leader's intended values. Values intended by the leader will be used to measure the leader's level of influence on the organisation.

QUESTION 2: To what extent do the organisation shared values correspond with the leader's intended organisation values?

Our third question explores the behaviour of the leader and what might causally explain the shared values.

QUESTION 3: What are the leadership influences on the organisation shared values?

In the next chapter, implications, insights and empirical contributions from leadership and other fields of research are critically considered.

2. Literature Review

2.1 Introduction

Influence on values is a consistent theme in charismatic leadership theories. In this chapter, the literature on leadership is critically assessed in relation to the study questions (Chapter 1, p6). Many different leadership theories contribute to the broad understanding of leadership, and reviews are provided in several studies (Yukl 1999, Hunt 1999, Conger 1999, Mullins 2005, Reave 2005, Yukl 2006), yet this study focuses on theories where the influence on shared values is a key factor. Significant values based theories include the Self-Concept Theory (House 1977 and Shamir, House, Arthur 1993), Attribution Theory (Conger and Kanungo 1987 and 1998, Conger 1989), psychodynamic (Kets de Vries 1988) and Path-Goal theory (House 1971, 1996).

Contributions relevant to values sharing have also been found in other research fields. The empirical and theoretical contributions from psychology of values, organisation culture research and evolutionary psychology, are considered.

In the last section of this chapter, three different empirical studies offer insights on exploring leader-follower values relationships and their methodologies are critically evaluated.

2.2 Leadership models

Of all the leadership theories, charismatic and transformational leadership theories are the most concerned with how values are used as part of the leader's influence. This paradigm is described as "Values Based Leadership" (House 1996, p338). Conceptualisation of charismatic leadership is credited to Weber (1947) by a number of authors (Beyer 1999, House 1999, Shamir 1999, Yukl 1999, Conger 1999). Yet, House's (1977) theory, based on Weber's ideas, is perhaps more appropriate for empirical enquiry.

The essence of House's (1977) theory is that charismatic leaders create the impression of competence and success, they communicate high expectations of and confidence in followers and they arouse motives relevant to the accomplishment of the mission (House, 1977). The leader articulates the goal in ideological terms to create a common or shared vision that is valued by the organisation members and so provides meaning. The more favourable the follower's perception of the leader, the more the follower will identify with and will emulate the leader's attitudes, emotions, behaviours and values. The charismatic leader therefore communicates the values and provides a role model of the value system for the followers. House thus provides the criteria for identifying sufficient evidence in Question 1 (Chapter 1, p6). The focus of House's theory was on psychological factors in the relationship between the leader and follower. Such as, Bandura's Social Learning Theory (Bandura 1978) supporting the use of role modelling. However, consideration of situational and collective factors was limited, and follower motivation was not fully explained.

Shamir, House and Arthur (1993) considered the follower motivational mechanisms in House's (1977) theory. These were described as self-expression, self-consistency and the maintenance and enhancement of self-esteem and self-worth. Shamir et al, proposed a speculative theory which included that followers may actively choose a leader and decide to follow him or her. This choice is based on the extent to which the leader is perceived to represent the follower's own values and identities. Charismatic leaders influence the importance followers place on values through role modelling and communication processes (Shamir et al. 1993). Shamir et al. argue that charismatic leaders do not instil totally new values and identities in the followers' self-concepts, instead they raise the salience of values and connect these values with collective goals and desired behaviours. Following this theory, high values sharing may be achieved by gathering together followers who already have the values and then increasing salience of the values.

Shamir et al. (1993) add detail of how role modelling and communication processes are instrumental in the charismatic leader's influence. Role modelling is through the leader's behaviour, life style, emotional reactions, values, aspirations and preferences which can provide vicarious learning to followers. Communication processes, and frame alignment particularly, amplify certain values and identities and suggest associated behaviours. Frames are interpretive schema, which function to organize experience and guide action (Shamir et al. 1993). So by developing frame alignment, followers can share the leader's interpretation of values.

Considerable social and psychological forces operate through the personal and social identification processes (Shamir et al. 1993). These forces are likely to increase follower commitment to the collective effort. Research has not yet identified the factors leading to emergence of a charismatic leader (Beyer 1999b). However, an individual with an awareness of the influence of these social and psychological forces who develops the skills to master it, would be in a good position to emerge as a charismatic leader. Therefore, Question 3 (Chapter 1, p6) explores the potential leader's awareness of and skills in mastering these forces.

Shamir et al. (1993) found little empirical support for the self-concept theory from a survey of members of the Israeli Defence Force (IDF) (Shamir Zakay Popper 1998). Two situational factors are offered to explain this lack of positive findings. Firstly, service in the IDF is mandatory so soldiers may not be identifying self-concept with the unit identity and leaders may be perceived as representing the army, rather than the soldiers. Secondly, proximity with the leader, armed services are structured, hierarchical and multi-level. Leader behaviours that have charismatic effects may be affected by social distance (Shamir 1995) and have different effects at different levels in the hierarchy (Shamir Zakay Popper 1998).

Significance of a leader's communication and interpretation of values is further emphasized by Boal and Bryson (1988). Boal and Bryson explained two concepts of correspondence. Both correspondences must occur for people to decide a situation has sufficient validity to be real. Firstly, intrinsic validity is the correspondence between feelings or cognitions and behaviour. Secondly,

there is an extrinsic validity which is the correspondence between behaviour and the consequences.

Different types of leader can emerge depending upon the situation and the correspondences (Boal and Bryson 1988). When intrinsic validity is low, feelings and behaviour lack correspondence. In these situations, a leader who can increase correspondence between feelings and behaviour is more likely to emerge. Visionary leaders articulate their vision and goals so increase correspondence by linking individual's needs to important values, purposes or meanings. When extrinsic validity is low, behaviour and consequences do not correspond, a crisis ensues and rapid action is required. In these situations, crisis leaders emerge. Visionary leaders start with values and theories then move to action. Crisis leaders start with action then justify with values and theories (Boal and Bryson 1988). However, crisis leaders are also described as providing solutions to challenge the status quo (House 1996) and situational determinates may favour particular styles of leadership yet do not validate categorisation of leaders (Tannenbaum Schmidt 1973). This suggests greater complexity in leadership and alternative theories may offer new insight.

Communication of the vision and values is central to two other charismatic leadership theories. Firstly, in the attribution theory the leader's inspirational communication of a vision, influences followers to internalise the leader's values (Conger and Kanungo 1987). Attribution theory views charisma as an attribution made by followers. Compared to self-concept theory, there is a slight difference in emphasis. In attribution theory both the leader and

followers validate the leader's charisma through adopting and sharing basic beliefs and values.

Secondly, in psychodynamic theory, an influence on values sharing may occur through three processes (Kets deVries 1988). Firstly, the leader creates meaning by providing a focus for followers. Secondly, the leader manipulates the values associated with myths of the culture as part of a myth making process and thirdly, followers individually identify with and project their values onto the leader. Kets deVries (1988) refers to followers having a common outlet of identification and therefore by deduction, values. However, both the attribution theory (Conger and Kanungo 1987) and the psychodynamic theory (Kets de Vries 1988) consider leadership as a leader-follower interaction so the influence of situational and collective factors is not explained.

The leader-follower focus is continued with the path-goal theory (House 1996). The essence of the path-goal theory is that:

"...leaders, to be effective, engage in behaviours which complement the subordinate's environments and abilities, in a manner that compensates for deficiencies, and is instrumental to subordinate satisfaction and to individual and work unit performance." (House 1996, p323).

House (1996) describes the genre as values based leadership and proposes additional conditions for it to emerge and be effective. Two of these conditions refer to values. Firstly, an opportunity for substantial moral involvement and secondly, values inherent in the leader's vision are compatible with the deeply internalized values of work unit members.

Compatibility of values with the leader's values suggests values sharing. However, the theory does not add any further explanation for the processes influencing sharing of values.

Leadership theories therefore offer communication and role modelling processes as potential theoretical explanations for leader influence on values. Psychological processes of self-concept, social identification, values internalisation and attribution or projection offer explanations for follower involvement. Situational and collective factors lack adequate explanation and values are recognised as key yet empirical evidence is lacking.

Lack of evidence on values is surprising considering their central role values based leadership. One explanation may be the range of different terms meaning similar things (Beyer 1999b). Different terms, such as sharing, homogeneity, congruence and alignment, add ambiguity and synonyms, increase the difficulty of tracking related research. Insights may therefore be available in other research fields.

2.3 *Psychology of Values*

Progress in values research has not been as great as it should have been (Meglino and Ravin 1998). Meglino and Ravin reviewed empirical studies between 1987 and 1997. They defined a value as a person's internalized belief about how he/she should or ought to behave. This definition differs from this study (Chapter 1, p6) in several respects: 1) a value is a belief rather than a generalised process defined by criteria, 2) the focus on 'how' rather than on standards and evidence, 3) use of values limited to behaviour rather than any

decisions or judgements, 4) there is an imperative 'should' or 'ought' rather than importance reflected by criteria. Based on their definition, Meglino and Ravin selected studies on instrumental or behaviour values rather than terminal or evaluative values. Their review therefore omits some evidence relevant to values as defined in this study.

Meglino and Ravin (1998) report finding 30 studies into value congruence, focusing on demographic factors, person-organisation fit, congruence with recruiters, job choice, job satisfaction, commitment and turnover. Study findings indicate positive relationships with value congruence and interviewer hiring recommendations, organizational hiring decisions, job choice intentions, met expectations, self-reported health, optimism about the organization's future and adaptability. Negative relationships were noted with performance, blood pressure, retaliation for whistle-blowing, job search behaviour and intent to leave the organization. None of these studies investigated which values were shared nor why, nor the level of values sharing within the organisation.

The negative relationship between value congruence and performance was consistent in several findings (Meglino and Ravin 1998). Value congruence appears to inhibit performance in non-routine group tasks which require decision making, judgement and constructive conflict in ideas and approaches. If performance increase from values sharing is task specific, then the values shared must therefore, be considered for appropriateness to the task and the benefits of values sharing need more careful consideration.

"We as human beings do not operate directly on the world. Each of us creates a representation of the world in which we live, that is, we create

a map or model which we use to generate our behaviour. Our representation of the world determines to a large degree what our experience of the world will be, how we will perceive the world, what choices we will see available to us as we live in the world.” (Bandler and Grinder 1975 p7)

Sharing a representation is likely to lead to shared perception of the choices available to us and a more accurate interpretation and prediction of the behaviour of others. Clarity of interactions is thus improved, and actions and behaviours can be coordinated more easily to achieve common goals. Values sharing therefore, can lead to greater clarity of interpersonal communications and similarity of behaviour (Meglino and Ravin 1998) and charismatic leaders may well seek this benefit (Kets de Vries 1988, Boal and Bryson 1988, House 1996,). Individuals with similar values may also experience greater satisfaction in their interpersonal relationships (Meglino and Ravin 1998). Tasks therefore, which require good communication, similarity of behaviour and good interpersonal relationships are likely to benefit from values sharing.

In comparing appropriateness of values it is necessary to consider the structure of their criteria and how values are used as standards and evidence (Chapter 1, p6). Relative importance of values can be assessed by asking people to compare level of importance or ranking (Rokeach 1973). A belief amongst many values theorists and researchers is that a person's values are hierarchically organized according to relative importance (Meglino and Ravin 1998). A hierarchal organisation of values infers that decisions are made based on one critical value at the highest relevant level of importance. Other

scholars argue that values are related within a network or system (Schwartz 1992, 1996, Lord and Brown 2001, Elizur and Sagie 1999).

A systemic organisation or structure of values has dimensions rather than hierarchy. Schwartz (1992) identified two dimensions, self-transcendent vs self-enhancing and openness to change vs conservatism. Other dimensions that have been explored include terminal vs Instrumental (Rokeach 1973), power distance, uncertainty avoidance, collectivism vs individualism and masculinity vs femininity (Hofstede 1980), long-term vs short term (Hofstede and Bond 1988), cognitive vs affective, system vs performance contingency and focused vs diffuse (Elizur and Sagie 1999). Dimensions have been identified using mathematical techniques such as small space analysis and factor analysis. There is limited convergence between studies (Roe and Ester 1999) and the methodologies used may assume comparisons which are not valid (Heine et al. 2002). So the understanding of values structures and the part they play still leaves much unexplored.

Lack of convergence in findings may be due to measurement and operationalisation differences (Roe and Ester 1999) yet there is also an influence from context that is inadequately considered. Values research has considered work values and life values in separate streams. Empirical results indicate that taking a more holistic view, integrating work and non-work values, may be more productive (Elizur and Sagie 1999). Individual values can also be shared at group and at country levels (Roe and Ester 1999). Economic factors have been found to be an influence within countries on preferences for reward systems which were differentiated by Hofstede's value

dimensions (Chiang 2005). Different social comparisons have been found to influence value ratings to invalidate value comparisons between cultures (Heine et al. 2002). So influences from country and culture context is significant.

2.4 Values and Culture Research

Two contributions from culture research are considered, firstly, interpretation of values through systems and processes. Secondly, the ontology of culture and implications for shared values research.

Martin (1992) described a framework for characterising a culture which involved three kinds of manifestations, forms, practices and content themes. Forms are aspects of organisational life that can provide important clues as to what employees are thinking, believing and doing. Forms can be identified as stories, rituals, jargon and physical arrangements. Practices can be informal or formal systems and processes. Formal practices could be documented job descriptions and financial controls. Informal practices might be common communication patterns or unwritten norms. Content themes are common threads of concern and can be external such as a corporate objective or internal such as a policy or a deeply held assumption. The most salient values of a culture tend to be reflected in these manifestations, so these manifestations can be considered in evaluating evidence of values.

Manifestations of culture within a country are reflected and influenced by systems for politics, education, law, religion and language as well as values (Mullins 2005). Influences on culture from an organisation's systems have

also been found (Tsui et al. 2006) and institutionalisation of values has been theorised as a process by which charismatic leaders maintain charismatic influence (Beyer 1999b). Institutionalisation of systems and processes which reflect, embody and uphold the values is a common feature of cultural manifestations (Martin 1992). Therefore, how systems and processes might be used by a Business Leader is a key question for observation in shared values research.

Country sets a context affecting an organisation's values. Research between national cultures has shown significant differences in value importance (Roe and Ester 1999). Hofstede (1980) explored the cultural differences between IBM employees in 40 countries using data from company employee surveys. Whilst Hofstede did not explore values sharing, his findings suggest significant differences in values between countries.

Another question debated within culture research is 'what is a culture?'. Different interpretations of culture by different scholars include integrated cultures, differentiated cultures and fragmented cultures (Martin 1992). Sharing of values differs between these interpretations. Firstly, integrated cultures have organisation wide consensus on values. They have consistency throughout and a good metaphor would be a hologram. Secondly, differentiated cultures have consensus within sub-cultures. There is inconsistency between sub-cultures so values are shared within but not between sub-cultures. A good metaphor for a differentiated culture would be islands of clarity in a sea of ambiguity. Hofstede's organisation (Hofstede 1980, referring to IBM) might therefore be regarded as differentiated on the

basis of having sub-cultures within each country. Thirdly, fragmented cultures have a multiplicity of views with a focus on ambiguity and indicate no consistent sharing of values. A good metaphor for a fragmented culture could be an internet blog site.

These interpretations of culture can be applied to the same organisation simultaneously or they can be regarded as a sequence over time (Martin 1992). A sequence could be a fragmented culture evolving into a differentiated culture which then develops into an integrated culture. The potential for these alternative interpretations highlights the importance of clarity in what is being measured and the need for consideration of multiple factors. Value congruence, interpretations and manifestations are all factors identified in organisation culture research (Martin 1992, Hofstede 1980). Time and the evolution of human social groupings is explored in the next section.

2.5 *Evolutionary Psychology*

Charles Darwin described the process of natural selection in his seminal book "The origin of species" (1872). According to Darwin, evolution occurs through those organisms that reproduce and whose offspring survive. Those that reproduce pass on their genes and physical characteristics to later generations. It is therefore the genes and physical characteristics which have best facilitated reproduction and survival over time which continue to survive today. Leadership influence on shared values can be considered in the context of evolutionary theory.

Humans have the advantage of being able to select, learn and adapt behaviours to be even more favourable to reproduction and survival. However, natural selection as Darwin defined it, works positively for those mechanisms which produce behaviours and not for the behaviours themselves (Gaulin and McBurney 2004). A mechanism which supports learning and selection of the most favourable behaviours would clearly be advantageous. If values provide the standards and evidence in order to make decisions and judgements (Chapter 1, p6), they may well be the manifestation of such a mechanism.

Values and beliefs influence interpretation of events (Bandler and Grinder 1975). What the best decision is, in any particular circumstance would depend upon the situation as well as the learning and ideas of the social grouping (Gaulin and McBurney 2004). Values and beliefs thus have a significant influence on survival and fitness and because of this association, values and belief systems may themselves have a natural evolution (Beck and Cowan 1996). Any mechanism which operates to improve selection of advantageous behaviours, such as values and beliefs, is therefore more likely to survive.

Access to the resources required for survival may well be the driver behind evolution of leadership skills and values sharing processes (Gaulin and McBurney 2004). Selection of favourable behaviours within the social group continued in importance as human society evolved. One factor affecting fitness and survival within human social groups would be status. Status would be important as it has implications regarding ability to compete for all kinds of resources. Those individuals with the greater ability and who select the more

favourable behaviours could gain greater influence and increase status. Increased status increases access to resources hence better chance of survival and greater attractiveness as a mate. Individuals who wish to increase their status in the group, or to gain access to critical resources, would need strategies to gain favour from or to emulate individuals with higher status (Gaulin and McBurney 2004). The need for such strategies may provide an explanation for processes of personal and social identification, and the sharing of vision and values with those of higher status. Thus evolutionary theories may offer explanations for the social and psychological forces referred to in the charismatic leadership theories (House 1977, Shamir, House, Arthur 1993, Conger and Kanungo 1987 and 1998, Kets de Vries 1988).

The field of evolutionary psychology developed relatively recently so empirical evidence is still required. A lack of empirical evidence concerning values sharing has already been identified in other research fields (this chapter). However, a number of recent empirical studies have provided some evidence for leadership influence on shared organisation values.

2.6 Empirical studies into leader influence on shared organisation values

Three studies were found which sought to measure the extent of shared values and offered explanations for a leader's influence (Posner, 1992, Cha and Edmondson, 2006, Tsui et al. 2006). A critical examination of methodologies and findings from these studies reveals that qualitative method

provides more valuable insights than a purely quantitative method and a combination of both methods provides the benefits from both.

The first study is Posner (1992). Posner used a quantitative approach to explore person-organisation values congruency and work attitudes. He used a survey sent to all staff with questions on six company core values. Questions asked respondents to rate their clarity of understanding, their rating of the employee consensus and the intensity of their support for the value. Ratings were collected on a Likert scale then combined into a 'Values Congruency Index'. The index was used to allocate individuals into equal size groups low, moderate and high. Statistically significant differences were found between each of the groups. However, allocation of any sample population to scoring groups might result in significant differences based on the scores. It is also likely that by asking the same respondents to rate on all three categories, common method variance (Podsakoff and Organ 1986) could produce the positive correlations found.

There are a few other important critical observations to raise about the Posner (1992) study. (1) It is the only study found which operationalised values congruence using a quantitative survey of a consensus sample. The general lack of empirical studies on organisation shared values may be an explanation. Yet, there are other empirical studies concerning values congruence which operationalised the phenomenon in other ways (Meglino and Ravin 1998). The studies reviewed by Meglino and Ravin (1998) generally analyzed values congruence as a variable in relation to other variables, such as demographic factors or congruence between interviewer

and interviewee. None of the other studies found, have explored the possibility of values being shared within the organisation as a whole. (2) Posner's respondents only rated against the organisation's core values and were not asked to rate their own values. Values have been recognised as operating within a system (Schwartz 1992, Lord and Brown 2001). So rating just a subset of values may not reveal which values are shared and to what extent. (3) The questions on consensus requested respondent's ratings on other employee's values without explanation as to how respondents were to make this assessment. No evidence was provided to demonstrate that this would be a valid measure of the level of consensus. (4) Evidence from other possible organisational or leadership factors was not provided. Leadership theories described earlier in this section, describe potentially complex interactions taking place between leader and followers. Additional contextual information is required to provide evidence on factors affecting leader and follower interaction.

One answer to the failings in Posner's (1992) method may be to use a grounded theory approach, as recommended by Beyer (1999b).

The second study is Cha and Edmondson (2006). Cha and Edmondson performed a longitudinal case study using a qualitative grounded theory approach on how follower perceptions of both charismatic leaders and organizational values shift over time. Two phases of interviews took place during which the company grew from 12 to 31 full-time employees. All but one of the employees from phase 1 was present in phase 2. Interviews were fairly structured with a list of mainly open questions. The focus was on one

company through which, Cha and Edmondson were able to explore interactions relating to specific values. Their qualitative approach allowed them to discover causal explanations and phenomena which could not be revealed by quantitative surveys.

Cha and Edmondson (2006) described two key processes in their findings, values expansion and hypocrisy attribution. These processes describe the affects of the CEO's attempts to influence values so are worthy of a more detailed consideration. Firstly, values expansion was explained as a sense making process where the employees had a different interpretation of the CEO's values. The CEO emphasised being a different kind of company, unpretentiousness, a community with employee growth and diversity. The resulting open communication, no job titles, unglamorous company work-shirts with people's names on the back and fun teamwork, were interpreted by the employees as equality, openness and family. The expanded values were more universal and ideological than the CEO's pragmatic values.

The second key process, hypocrisy attribution came about where several of the CEO's actions had been interpreted by the employees as breaching shared equality, openness and family values. Employees had attributed the CEO with hypocrisy and deliberate violation of the company values without considering that the CEO might have alternative, legitimate explanations for his actions. The CEO's attempts to influence values initially produced positive outcomes and eventually backfired and led to disenchantment.

Cha and Edmondson's method reveals considerably more information of explanatory value than Posner (1992). However, the method has two major

failings in respect of leadership influence on shared values. Firstly, Cha and Edmondson recognise but do not explain the CEO's apparent failure to communicate his intentions. Apart from a reference to the CEO's frequent absence from meetings (p71) there is no evidence presented of the CEO's verbal or written communication. Articulation and framing is presented as critical to a charismatic leader's communication of values (Shamir et al. 1993, Conger and Kanungo 1987, House 1996) so the attribution of charismatic leadership to Cha and Edmondson's CEO is inconsistent in this respect.

Secondly, whilst a grounded theory approach is good for exploring the multiplicity of phenomena in a situation (Glaser and Strauss 1967), it is perhaps not so effective at providing a consistent comparative measure of consensus and intensity. Comparison of values between individuals in separate interviews is unreliable without going into the evidence and processes each individual uses. People tend to use words which generalise their experiences so their evidence is not explained each time (Bandler and Grinder 1975). Individuals are not necessarily consciously aware that they are using generalisations.

Individuals can also use different words to mean similar things Beyer (1999b). Two individuals can claim to have the same values and yet act quite differently in similar situations. This is because they may have very different forms of evidence for judging whether these criteria have been met or violated (Dilts 1999, Heine et al. 2002).

Exploration of the evidence, on which interpretation of a value is based, can take time. Doing this depth of exploration through interviews with all individuals would require considerable amounts of time.

Individuals are also likely to be more affected by temporal proximity of experiences (Larsen and Fredrichson 1999). So duration of interviews and depth of exploration is likely to influence interpretations. Thus a qualitative method has significant weaknesses when assessing organisation value consensus and intensity. Cha and Edmondson (2006) fail to consider this issue.

The third study, Tsui et al. (2006) explored leadership influence on values within organisation cultures in China. A combination of quantitative and qualitative methods was used. Tsui et al. (2006) explore leadership as the main influence on the organizational culture. The study was performed in two parts. The first part used surveys where respondents rated CEO behaviours and the corporate culture on a Likert scale. Findings in the first part of the study showed that ratings of CEO behaviour and culture had lower co-variance for CEOs in state-owned enterprises and foreign-invested companies. Private firms showed higher co-variance of CEO behaviour and culture ratings. These findings indicated that under certain circumstances, strong leaders were not attributed with influencing the culture. Findings in this quantitative part of the study did not provide any causal explanation.

For the second part of their study, Tsui et al. (2006) used a grounded approach to explore the relationship between CEO leadership behaviour and organizational culture. Two categories of leadership role were defined. The

first, performance builders, focus on building the company's business and performance with less attention to developing systems and processes within the firm. The second type, institution builders, devotes efforts to creating systems which institutionalize the cultural values that are important for the organization to compete and survive. In Tsui et al.'s conclusion:

“Leaders can shape culture by understanding the context, taking advantage of it, and introducing systems and processes to institutionalize the values that are created within or imported from outside. However, what seem like weak leaders in fact may be strong leaders through creating the infrastructure in their quiet unassuming manner. What seem like strong dynamic leaders in fact may be weak leaders because their attention is on creating firm wealth in the short term to the neglect of building a strong foundation for the organization's future.” Tsui et al. (2006, p134)

The methodology used by Tsui et al. (2006) provides findings that offer substantial explanatory potential within the context of the study. Yet, Tsui et al. did not take their findings further to question or compare with existing charismatic leadership theories and findings in other cultures. If they had done this, two key points that Tsui et al. could have made are that firstly, they demonstrate with causal evidence that a high profile, charismatic style is not required to successfully shape a visionary company in a Chinese culture organisation. If this phenomenon is applicable in western culture then the 'heroic' treatment given to charismatic leaders is of questionable validity, as previously suggested by Beyer (1999a). Secondly, the leaders rated low in

charisma, institutionalise the values to shape the culture (Tsui et al. 2006). The leadership behaviours against which they were rated low in charisma were partly based on charismatic attribution theory of Conger and Kanungo (1987). Yet charismatic leaders who maintain charisma once it is well-established, supposedly institutionalise or routinize the influence of that charisma (Beyer 1999b, Bass 1999). Thus the leaders rated low in charisma were either rated unreliably, or else institutionalising of values is a strategy used more widely than just by charismatic leaders. Further research is required to answer this question.

The combined qualitative and quantitative methods used by Tsui et al. (2006) provided both a quantitative comparative assessment and a qualitative phenomenological analysis. The comparative assessment was in multiple organisations and Tsui et al. did not aim to sample a consensus population thus they could not reliably assess the level of shared values. However, they did identify relevant phenomena and were then able to explore causal explanations through qualitative methods.

Having demonstrated the utility and potential for a combined quantitative and qualitative analysis, it is now possible to explain how this study can quantify a leader's influence on shared values and explore causal explanations.

3. Method

3.1 Introduction

The aim of this social research is:

“... to produce valid knowledge about the social world and to create as reliable a picture of social reality as possible.” O’Connell Davidson and Layder (1994, p49)

This study aims to produce valid knowledge on three specific questions (Chapter 1, p6):

Question 1: Is there sufficient evidence that the leader has the intention to achieve a high level of shared values in the organisation?

Question 2: To what extent do the organisation shared values correspond with the leader’s intended organisation values?

Question 3: What are the leadership influences on the organisation shared values?

In this chapter, the methodology is described (section 3.2, p35). Methods are chosen by study question (section 3.3, p38). The chosen quantitative (section 3.4, p40) and qualitative (section 3.5 p48) methods are evaluated. Sampling strategy (section 3.6, p52) is fully detailed also implementation of ethical safeguards (section 3.7, p55). Maintenance of rigour and validity through analysis is thoroughly explained (Section 3.8, p55).

3.2 *Choice of Methodology*

The author recognises that the knowledge gathered in this study is filtered through beliefs of a caucasian male in mid-forties, no dependents, half French, brought up in South East London with a roman catholic grammar school and university education. Other belief systems are acknowledged to exist and believed to provide learning that can enrich awareness and understanding. These beliefs give rise to a philosophical influence on the methodology.

3.2.1 Philosophical Influence

The methodological approach is founded in the interpretivist philosophy with realist, phenomenological and symbolic interactionist contributions. There is believed to be an absolute reality in a realist sense. Yet the world humans are aware of is a creation of the mind as perceived and interpreted through the senses. An interpretivist seeks to understand the subjective reality of those that they study in order to be able to interpret behaviour in the light of meanings, motives and the intentions behind actions (Saunders et al 2003). Through studying leadership and values, social meaning making and the interpretive processes are explored. These determine criteria for choices and actions. People have agency and make choices so they interact with their world (Williams and May 1996). Meaning arises through interaction with the world and in particular from our social interactions. Meaning is modified through an ongoing interpretive and meaning making process (Locke 2001). This process of interaction and meaning making allows people to progressively come nearer to the truth yet awareness of reality is always

limited (Williams and May 1996). Limitations come from the senses, the reductionism of measurement tools, the scale of complexity in the world, speed of change and from dependance of the sense making capability upon interpretations made. Hence it is not possible to reduce the factors in a situation to just those considered in known theories.

Falsification testing presupposes that it is possible to reduce factors in a situation to just those considered in a theory. Logical positivist assertions depend upon falsification of theories as an empirical means of finding truth (Williams and May 1996). Yet, falsification testing is argued to be too narrow in focus (O'Connell Davidson and Layder 1994) and theories have been falsified by tests and observations which are in themselves, false (Williams and May 1996). Therefore interpretivist methodology requires an alternative empirical means of finding truth.

Glaser and Strauss (1967) offer grounded theory as an empirical qualitative method. They assert that prior to verifying theories the theories must first be developed. Grounded theory produces substantive theories that link well into practice (Glaser and Strauss 1967). Mainstream leadership research methodologies have only partially been successful in theorizing about the nature of leadership processes (Parry 1998). Grounded theory can therefore help to overcome the deficiencies in leadership research methodology through generating leadership theory rather than testing it.

3.2.2 Use of Grounded Theory

Three main criticisms of grounded theory are resolved in this study (Parry 1998). Firstly, the analytical process by which concepts are built up to higher levels of abstraction lacks explanation. Secondly, there is a lack of explanation for the method of determining the nature of relationships between categories. Thirdly, Parry suggests that grounded theory is implicitly longitudinal and studies on social influence processes such as change leadership take a predominantly static stance.

Taking Parry's (1998) first two criticisms, the full analysis and coding approach used in this study is explained in section 3.8 (p55). However, Glaser and Strauss (1976) point out that it is contrary to the creative and generative nature of grounded theory that the analytic process is prescribed in detail beforehand. Consequently, a range of analytical techniques were planned prior to research then adapted in response to findings (section 3.8, p55). In addition, existing literature was reviewed after initial analysis of data so generating comparison rather than prescribing hypothesis.

Parry's (1998) third criticism is based on the presupposition that social influence on change can only be measured in longitudinal studies. However, an individual's interpretations in the present are founded upon memories of past experiences and therefore hold an implicit longitudinal element. Consequently, particular attention is focused on the individual's interpretation of past experiences which they believe have led to their present values and belief system (section 3.5, p48).

The next section considers the choice of method and how grounded theory can be applied in finding resolutions to the study questions (Chapter 1, p6).

3.3 *Choice of method for study questions*

The research methods selected match criteria recommended by Williams and May (1996). These criteria are philosophical commitment, practicality and appropriateness of the measures.

Philosophical commitment favours a grounded theory methodology (section 3.2, p35). However, both quantitative and qualitative evidence is required by the study questions (section 3.1, p34). Use of quantitative methods within a qualitative grounded theory approach has been recommended by several scholars as philosophically valid (Larsen and Fredrichson 1999, O'Connell Davidson and Layder 1994, Strauss and Corbin 1998, Locke 2001). Reliability can be improved using cross correlation of a phenomenon with multiple methods, or 'Triangulation', to compensate for a weakness in one approach (Larsen and Fredrichson 1999). Strauss and Corbin (1998) support the use of quantified census or background information. Use of triangulation can also offer substantial explanatory potential within leadership research (section 2.6, p26). Use of a quantitative approach is therefore justified in grounded theory as providing relevant additional information.

Method practicality and appropriateness is defined separately for each of the study questions.

Question 1 (section 3.1, p34): The evidence required to demonstrate intention is the definition, documentation and communication of leadership values to the

organisation. In addition, a value based leader's communication develops frame alignment so that followers can share the leader's interpretation of values (Shamir et al. 1993). So for evidence of intention to be sufficient, the leader must also demonstrate frame alignment and be able to provide their interpretation of the values. Therefore a practical and appropriate method for question 1, will select an organisation verifying that it meets these evidence criteria, as well as practical logistical criteria (section 3.6, p52)

The method used for question 1 started with a letter (Appendix A, p114) inviting business leaders in the sample population to participate, followed by a semi-structured telephone interview. The telephone interview explained the purpose of the research then checked both the criteria for study question 1 and availability for inclusion in the study (Appendix B, p115). Subject to criteria, a face-to-face interview was arranged with the business leader. The face-to-face interview verified criteria, gathered secondary data evidence for study question 1 and fully briefed the business leader on the organisations involvement in the study (Appendix C, p116). Only one organisation was to be selected for the study.

Question 2 (section 3.1, p34): Qualitative comparison of value consensus and intensity is unreliable (section 2.6, p26) therefore practicality favours a quantitative survey for obtaining value ratings from a population of 250 to 300 people (section 3.6, p52). Appropriateness is demonstrated in sections 3.4.

Question 3 (section 3.1, p34): Grounded theory is appropriate to researching leadership influence on shared values (Parry 1998, Beyer 1999b, Cha and Edmundson 2006, Tsui et al. 2006) and the qualitative data is to be gathered

through semi-structured interviews. Practically, a grounded theory can present difficulties. Rigour and validity is maintained through conduct of interviews (section 3.5, p48), interview sampling (section 3.6, p52), ethical safeguards (section 3.7, p55) and the analysis and coding method (section 3.8, p55).

3.4 Values survey method for study question 2

In this section, a survey questionnaire is selected for reliability and validity (section 3.4.1, p40). Potential bias are reduced or overcome through Interpretation of survey questions (section 3.4.2, p42) and situational factors (section 3.4.3, p43). This section also explains how the response rate (section 3.4.4, p45) is maximised by the delivery method (section 3.4.5, p45) and how results are analysed (section 3.4.6, p46).

3.4.1 Choice of Survey Questionnaire

A practical and appropriate survey questionnaire with proven validity and reliability is required as an instrument to measure value ratings in the selected target population. In meeting these criteria, Schwartz (1992) questionnaire was selected (Appendix D, p122 and E, p125). Schwartz selected 56 values to represent a complete range of values that he argued would test for values as a system. A 9 point Likert scale was used, with ratings from 'opposed to my values' through to 'of supreme importance'. Schwartz included values from Rokeach (1973). The survey's reliability was founded on value scores from over 35,000 respondents in 49 countries (Schwartz 1999).

Alternative values surveys considered less appropriate included Rokeach (1973), the European Values Survey (1988) and Rohan and Zanna (1996).

Rokeach found a significant order effect and reported that respondents found the test very difficult. Rokeach also found differences in reliability between terminal and instrumental values which he was not able to explain. Schwartz's (1992) survey also uses terminal and instrumental values. However, Schwartz was unable to discover any significant differences between the two types. The European Values survey has over 110 questions and requires an interview taking over an hour to complete. The European Values survey was therefore not practical for up to 300 potential respondents. Rohan and Zanna report extracting the List of Values (LOV) from Rokeach's survey. Findings on the LOV reported 92% and 85% reliability, after wide testing, yet only includes 9 value distinctions, whereas Schwartz's survey is systemic and comprehensive (Schwartz 1992).

Schwartz's survey is based on a systemic model. Content of a value is primarily the type of goal or motivational concern that it expresses (Schwartz 1992). Motivational goals are based on needs of individuals as biological organisms and also the survival and welfare needs of groups (Appendix F, p130). Schwartz found the motivational goal arranged in two dimensions, self-transcendence vs self-enhancement and traditional vs openness to change. These dimensions are widely cited in studies of leadership phenomena (Egri and Herman 2000, Lord and Brown 2001, Avolio and Gardner 2005, Klenke 2005, Michie and Gooty 2005, Sosik 2005, Cha and Edmondson 2006).

In the next section potential weaknesses in interpretation of the Schwartz survey (Larsen and Fredrickson 1999, Peng et al. 1997, Meglino and Ravin 1998, Heine et al. 2002) are minimised and overcome.

3.4.2 Interpretation of questions

This study is exploring values within a specific work context. Respondents are therefore asked to consider the values as guiding principles in their work rather than their life. Values are expressed as abstract terms in the Schwartz survey, so respondents will generate their own mental representation. People may therefore have different meanings or interpretations for values (Peng et al. 1997).

Two factors that could increase the potential for different interpretations are firstly, cultural and language issues and secondly, respondents not being aware of their value system (Larsen and Fredrichson 1999).

Firstly, cultural and language variance in interpretation has been minimised within Schwartz's design. Schwartz selected values for their relatively equivalent meanings across cultures and languages and cross validated the questionnaire in 49 countries (Schwartz 1999). Yet, when compared to statements made by a group of culture experts, Schwartz's survey results showed poor convergence (Peng et al. 1997). Peng et al. used a survey sample of 74 Chinese students in Singapore, yet failed to justify how this small sample could be representative of Chinese cultural values. Heine et al. (2002) also criticised use of subjective Likert scales, such as Schwartz (1992), for cross-cultural comparison. Heine et al. found that when respondents rate values they compare against a reference without being deliberately aware. Heine et al. suggest that the reference is likely to be a social comparison against similar others. However, Heine et al. note that the reference-group

effect is not likely to be a problem when used where there is a common referent, such as within the same group or organisation.

Secondly, respondents may not be aware of their values system. Ratings based on a lack of awareness are likely to be more random. High randomness is likely to evenly spread ratings and therefore reduce the possibility of a value reaching the shared value threshold (section 3.4.6, p46). Values which have different interpretations are also likely to be rated more randomly. Conversely, where large numbers of respondents rate a value highly there is a greater likelihood of common interpretation.

Potential bias can arise from sources other than interpretation.

3.4.3 Minimising Potential Bias

This section explains how potential bias at individual level is minimised within the quantitative method and any effect of bias at group level can be assessed within the qualitative part of the study.

Potential bias at individual level can come from recent experiences and emotional state. Memories of more recent experiences have a greater influence on subjective assessment of well-being (Kahneman et al. 1999). Emotional states and values are associated (Gaulin McBurney 2004, p122). Therefore, it is possible that more recent experiences will also influence respondents on values questions. Phenomena where recent experiences may bias responses to values questions, include perceived deprivation in a particular value (Peng et al. 1997), social approval (Meglino and Ravin 1998) and the act of measuring values which can change a rating (Larsen and

Fredrichson 1999). The physical or emotional state of the respondent when completing the survey may also cause bias through lack of concentration and fatigue (Larsen and Fredrichson 1999).

Ratings for socially desirable values tend to inflate with increasing desire for social approval (Meglino and Ravin 1998). Socially desirable values are those values perceived as most important within the organisation and therefore most likely to be the shared values. Thus desire for social approval will tend to raise ratings of shared values and increase the likelihood of them going over the threshold (section 3.4.6, p46). Individuals who have a greater desire or need for social approval are more likely to be influenced. Yet, anonymity of respondents will tend to reduce the effect as there will be no opportunity for approval (Meglino and Ravin 1998).

Potential bias from respondents using different social comparison referents is less likely for within group use of Likert scales (Heine et al. 2002).

Potential biases which might affect ratings across a group of individuals, such as a general perception of deprivation, are of most concern as these will have the greatest impact on which values achieve the shared value threshold (section 3.4.6, p46). Biases are therefore evaluated for their potential influence on the group rather than on separate individuals. Large biases such as a group perception of deprivation (Peng et al 1997) will be explored within the qualitative part of this study.

Other biases which affect individual ratings can possibly be identified from extreme outlier responses or inconsistency of ratings for shared values. The accurate assessment of bias as distinct from valid response offers an

interesting opportunity for future research and particularly in the field of values research. The greatest potential source of bias, however, will come from non-responses.

3.4.4 Minimising non-response

Non-response is reduced through good practice (Saunders et al. 2003). All staff were sent email invitations to participate. Emails included a unique user number and a convenient link to the survey. User numbers allowed responses to be anonymous to the researcher yet duplicate entries, part entries and non-responses could be identified and tracked. A representative in the organisation held the list of names corresponding to user numbers and issued the required emails. Staff were given 10 working days to complete the survey and a reminder email was sent to user numbers that had not responded within the first 5 days. Management for the company issued further emails emphasising benefits to the organisation and encouraging employees to respond.

Alternatives of paper or telephone media were made available in addition to the internet.

3.4.5 Delivery media

The survey questionnaire was developed for the internet using Wextor (<http://psych-wextor.unizh.ch/wextor/en/login.php>). A welcome page included questions on demographic factors. The survey page included instructions and all the values questions to avoid coding and data loss complications (Appendix E, p125).

Research so far indicates that studies on the internet yield the same results as in the laboratory (<http://psych.fullerton.edu/mbirnbaum/web/IntroWeb.htm>). Yet, there are a number of difficulties which can arise from using the internet for surveys (Reips 2002). Non-response can be higher when targeting the general population, yet this has not been shown to be applicable within an organisation. The possibilities of spoilt responses or of duplication are similar to those experienced with self-administered paper surveys (Saunders et al. 2003).

Spoilt responses were identified as outliers or missing data. Unique user numbers allow detection of both non-response and duplication.

The survey was pilot tested using several different versions, with associates known to the researcher. The conclusion from the pilot testing was to ask respondents to find and rate values at extreme ends of the scale first, as per Schwartz (1992) instructions (Appendix D, p122 and E, p125). This approach was simpler than the alternatives tested and still provided a more stable subjective scale of importance (Schwartz 1992). Additional instructions were given to clarify how the survey worked over the internet.

3.4.6 Method of Survey Analysis

The shared value definition, *of high importance by the majority of the group* (Chapter 1, p6), was operationalised to measure level of importance and proportion of the population. The ratings range from -1 (opposed to my values) and 0 (not important) through to 7 (of supreme importance). The percentage of respondents rating high provides an index of the level of

agreement. High importance was operationalised as ratings of 5, 6 and 7 from Schwartz's rating range.

The majority proportion of the population was operationalised as 50% or more. A threshold percentage response level equivalent to 50% of the population was set to allow for non-responses.

Shared values would therefore be those values rated 5, 6 or 7 by more than 50% of the organisation members. Using these criteria, it is possible that non-responses would prevent some shared values from going over threshold and being identified. A lower percentage threshold therefore highlights values that would be most likely to exceed the threshold with a lower non-response.

Missing data on a value is treated as a non-response on that value.

Demographic factors included gender, age, length of service and job function. Age and length of service were grouped into ranges. Age ranges were kept of equal length from 20 through 50 years. Length of service was would provide an indication of increasing values alignment. Change in values alignment may be more pronounced in the early stages so length of service was analysed over increasing durations. Job function can affect value differences (Posner 1992, Martin 1992) so job function groupings were agreed with the organisation (Appendix G, p132). Management levels were included within job function. Ethnicity is excluded as immigration and terrorism are sensitive political issues and may reduce response rates.

Time taken to complete the survey was analysed by time logged for each web page. Time taken is possibly related to a range of factors yet provides a valid

alternative and convenient means of assessing consistency of values sharing. Three ranges were identified. The median range of 10 to 20 minutes was based around the average completion time reported in the pilot tests (15 minutes).

The survey was conducted in parallel with the interviews to ensure rigor and validity for the qualitative interview method.

3.5 Interview method for study question 3

Semi-structured interviews were used for question 3 (section 3.1, p34). Interviews allowed qualitative exploration of influences for the organisation's shared values. This section delivers research credibility by explaining how precision, validity and rigour is achieved in the interview method (Glaser and Strauss 1967).

Prior to each interview the interviewee was briefed in writing (Appendix H, p133). The briefing note introduced the researcher, the purpose of the research, ethical rights of the interviewee and the purpose of the interview. The interviewee was asked to consider the question themes before attending (Saunders et al. 2003). Briefing notes were also explained verbally at the start of each interview.

Communication processes are considered instrumental in the leader's influence (Shamir et al. 1993). There are different aspects of the leader's communication that might merit attention, such as sleight of mouth patterns (Dilts 1999) and use of metaphor (Oberlechner and Mayer-Schönberger 2002). However, research on the delivery aspects of communication requires

much greater access into the organisation. Evidence that does not require this level of access can come from study of language patterns and content. Language patterns were analysed using the Language and Behaviour (LAB) profile (Charvet 1997) and content was gathered by keeping responses relevant to the study context.

The LAB profile provides a series of questions to systematically identify meta-programmes. Meta-programmes are language patterns defined in NLT (Dilts and Delozier 2000). Meta-programmes have been used recently for empirical study (Brown 2004, 2005). Meta-programmes have distinctive identifying phrases, statements or words (Charvet 1997). Structured questions are used to elicit statements which allow meta-programmes to be categorised. The LAB profile defines the questions and how to categorise responses (Appendix I, p135).

People communicate more easily with someone who uses the same meta-programmes as themselves (Charvet 1997). When different meta-programmes are being used, loss of rapport is more likely and there is potential for a complete breakdown in communication. A limitation of meta-programmes is that they are context sensitive. The context, *communicating values in the business*, is maintained by focusing questions on specific examples of relevant experience.

The interview structure (Table 1, p50) follows a sequence, Interviewees were asked to recall decisions made in work and specific experiences justifying those decisions. Attention is focused on the individual's interpretation of past experiences. In particular, past experiences which they believe have lead to

their present values and beliefs. Beliefs are identified as rules or relationships that the interviewee states as being true and have meaning in his/her interpretation of the world (Winch 1990). The values associated with these experiences, and the interviewee's beliefs justifying these values, provide the data required for Question 3 (Chapter 1, p6). Responses describing values were encouraged by use of words which require an evaluative response such as 'the right decision' and 'important' (Table 1).

TABLE 1: Interview Structure for management team and staff

1. What sort of decisions do you have to make in your job?
2. How do you know you have made the right decision?
3. What do you think is important in the business?
4. What do you think is the culture within the company?
5. What specific experiences have you had in company from which you have learnt how things work?

Follow-up questions are used after initial responses to the structure questions. Follow-up questions are either open (Strauss and Corbin 1998), closed, as clarification or followed the meta model (Bandler and Grinder 1975).

The meta-model is a set of language structures which can be used as a tool for exploring full and unconscious linguistic representation (Bandler and Grinder 1975). The meta-model is based on the transformational grammar model of Chomsky (cited in Bandler and Grinder 1975). Chomsky defined a linguistic model involving deletion, generalisation and distortion processes. Bandler and Grinder observed how gaps resulting from these processes

revealed information missing from an individual's conscious interpretation of the world. Bandler and Grinder suggested questions to allow exploration of this missing information. For example, if a person states "I am scared" there is information missing as to what is scaring the person. A question could then be asked "of what?". Dilts and DeLozier (2000) provide summaries of these questions. Meta-model questions were used during the interview when information was identified as missing.

Potential weaknesses for an interview were managed including data quality, reliability and time consuming logistics (Saunders et al. 2003). There can also be political and ethical problems associated with gaining access (Locke 2001).

Data quality or reliability issues can arise through either interviewer or interviewee bias. An interviewer can influence through both verbal and non-verbal behaviours. Saunders et al. (2003) recommend preparation as the best approach for dealing with interviewer bias.

Preparation included the use of briefing documents, a clearly communicated interview structure and the prior NLT training of the interviewer. Questions and strategy were planned in detail so verbal interaction by the researcher was reduced to the minimum. Values survey results were not available at the time of the interviews so questions were not biased towards them.

Preparation to reduce interview bias with non-verbal behaviour is more difficult as it is interactive and often instantaneous. O'Connell Davidson and Layder (1994) recommend that interviews are conducted recognising that the interview participant is a reasoning, conscious, human being to engage with, and not a research 'object' being controlled and systematically investigated.

Strauss and Corbin (1998) suggest that researchers need to be self aware and sensitive to their own reaction and involvement with the data. Consequently, the interviewer used skills trained at practitioner master level in NLT which sensitise the interviewer to matching and pacing in body position, behaviours, vocal variety and language (Dilts and Delozier 2000). Dress code was matched prior to the interview. Throughout the interview evidence of matching and pacing was monitored to ensure the interviewee remained at ease and able to respond to questions.

Interview bias from non-verbal vocal behaviours was checked on the audio recording after the interviews. Audio recording was done with permission, and the interviewee was able to stop recording by request. Interview scripts were fully transcribed verbatim from the audio recording before analysis and coding began.

Sections 3.6 and 3.7 respectively describe how samples were selected for each of the study questions and the ethical safeguards adopted.

3.6 Sampling Strategy

In generating a substantive theory the number of cases is not crucial.

“A single case can indicate a general conceptual category or property.”

(Glaser and Strauss 1967, p30)

This study is therefore performed within a single organisation. Opportunities for comparisons are required for rigorous development of a substantive grounded theory (Glaser and Strauss 1967). Comparisons are provided by

data from the different study questions and by the selection of different interviewees. Therefore different sampling strategies are required for each of the study questions.

Selection of an organisation was purposive and typical case (Saunders et al. 2003) using both theoretical and practical criteria. Criteria for study question 1 were used to select the organisation for study questions 2 and 3. The organisation was selected from a commercially available database listing. The listing provided 208 commercial businesses of between 50 and 300 employees with head offices local to the researcher in South East London (Appendix J, p137). Employee numbers were limited to maximise the opportunity of finding an appropriate organisation within time, budget and with manageable numbers. A range of different businesses were included in the sample population (Appendix J, p137). 128 of the largest businesses were contacted by both invitation letter and telephone interview. The first organisation to meet all the criteria was selected.

Criteria for selection included the provision of sufficient evidence to fully satisfy study question 1 (section 3.3, p38) and criteria for practicality and appropriateness in the study. Practicality and appropriateness criteria include availability of staff at the time of the study, preparedness to adhere to ethical safeguards (section 3.7, p55) and an acceptance of feedback conditions. It was also confirmed that all staff would have sufficient English language to respond to the survey.

The survey sample for study question 2 (section 3.1, p34) allowed the operationalisation of shared values (section 3.4.6, p46). Operationalisation of

shared values required a majority of respondents so a census would provide the best opportunity to gather this data and was also practical for the organisation size targeted (this section). Therefore study question 2 targeted 100% of employees within the organisation selected for study question 1.

Interview sampling for study question 3 (section 3.1, p34) was theoretically based (Glaser and Strauss 1967). Time for up to 10 interviews was practically available. The first interview was with the business leader to gather data on language patterns and frame alignment. The next 6 initial interviews targeted representation in each functional area and level of the business. 3 of the 6 were management team, selected by availability and through their position in managing the main areas of the business. The other 3 initial interviews were staff, selected by availability and representation from each area. The remaining 3 interviews were targeted based on theoretical analysis from initial interviews and included, a member of staff involved in making critical customer relationship management decisions, a member of staff who was responsible for recruitment and a field based member of staff. These remaining 3 interviews respectively provided additional data on critical values in the business, values affecting recruitment and influences on staff at a distance from the leader.

A minimum of 2 years service was required for study question 3 (section 3.1, p34) so that all interviewees had had sufficient opportunity to be influenced by the organisation culture and leadership values.

Sampling was performed in observance of ethical considerations.

3.7 Ethical Considerations

Ethical standards were guided by the code of the British Sociological Society (<http://www.britsoc.co.uk/>). The ethical standards were discussed and agreed by the company in initial meetings (Appendix C, p116). This included protection for participant rights and that confidentiality and anonymity would override any company rights to feedback. Agreement was reached on responsibilities and costs. Each party funded their own costs.

All participants in both the survey and the interviews had briefing documents on their rights and ethical standards prior to participation. Interviews started by verbally checking understanding of the briefing documents. Staff were also informed of the funding agreement and the independence of the researcher.

Anonymity was ensured in survey responses by use of a user number. Names of respondents were not known to the researcher and research data was not revealed to the organisation at an individually identifiable level.

3.8 Analysis and Coding Method

Analysis and coding was performed by the researcher. The use of multiple coders, as suggested by Locke was not available. Analytical tools were employed to reduce researcher influence, increase rigour and provide credible validity. These tools included the grounded theory analysis and coding process (Strauss and Corbin 1998), the constant comparison method and analytical induction (Glaser and Strauss 1967). Follow-up analysis included literature comparisons and presenting back to lay people within the context (Strauss and Corbin 1998).

Strauss and Corbin (1998) caution against deductions and predictions from theories in previous literature. Such predictions could predetermine the focus for exploration and thus affect subsequent findings. The literature review was conducted after the initial qualitative analysis to avoid any bias from predictions. Strauss and Corbin add that literature comparison has value as a:

“... rich source to stimulate thinking on properties for concepts” (Strauss and Corbin 1998, p49).

The sequence of qualitative analysis started with open coding. Shared values from the survey and values from the organisation statement were identified as initial categories. A scan of transcripts identified additional interview values, behaviours and other potential categories. Open coding was followed by axial coding, a more detailed analysis allowing a reduction of the categories to those related to the shared or intended values. Relationships between values were identified from interview statements. Comparisons were performed between study question findings, between interviews and between interview statements. Selective coding involved development of initial theories, repeated comparisons, presentation back to the organisation management team, revisions, re-analysis and finally refining of the theory around a central category (Strauss and Corbin 1998).

The next chapter reviews the data and analyses what findings and categories contribute to the development of a substantive theory in this study.

4 Data

This section presents the data gathered for the three study questions.

4.1 *Question 1 data: Intention to share values*

Question 1 states: Is there sufficient evidence that the leader has the intention to achieve a high level of shared values in the organisation?

The organisation selected (section 3.6, p52) was a privately run technology company. The person who started the business was owner-manager and is referred to as the Business Leader. The Business Leader considered participation in the study as beneficial to human resource policies.

Evidence for question 1 includes the intention of the Business Leader, secondary data documentary evidence and reports of regular team and organisation meetings.

“... if we don't have the right company values we will never hit them [contract levels] or we will never try to hit them anyway” (Business Leader)

The Business Leader frequently mentioned values. He gave detailed examples to support interpretations and was able to describe how values were communicated and monitored to create alignment:

“I have generally set values by agreeing with them [members of staff] what is an acceptable target not just for us but for our clients” (Business Leader)

The Business Leader’s intended values were externally observable and measurable. One value was operationalised as answering the telephone in 20 seconds. Automated reports provided details of calls answered or not answered within that time.

“I get on a daily basis properly about twenty different management reports produced on the previous day’s activity and then on a weekly I probably get half dozen and then on a monthly I probably get another half a dozen reports that are based on individual activities and they pretty much cover the business” (Business Leader)

Intended values (Table 2) were documented on a laminated sheet distributed to all staff and displayed on notice boards.

TABLE 2: Business Leader’s Intended Organisation values

- Continual improvement
- Client retention
- Customer satisfaction
- Service excellence
- Staff development

(Source: secondary data laminated A4 sheet)

Values were communicated verbally through face-to-face meetings with individuals, teams and the organisation as a whole. The annual meeting

provided additional evidence of intent to create alignment. All members of the organisation are present. It was used to link intended values back to organisation processes and the achievements of the year.

4.2 Question 2 data: Survey Findings

Question 2 states: To what extent do the organisation shared values correspond with the Business Leader's intended organisation values?

Non-response, extreme outlier responses and missing data are reviewed prior to considering the percentage of respondents, rating shared values. Findings were analysed by demographic variable; gender, age, time taken on the survey, length of service and functional areas in the company.

Results tables (section 4.2, p59) show the percentages for the number of respondents in that category giving a high rating for that value. Values rated HIGH by a percentage higher than or equal to the threshold are highlighted in bold. Values rated HIGH by 100% of respondents are additionally in a yellow highlight. Full results are in Appendix K (p139).

4.2.1 Survey Non-responses

The overall response rate for the survey was 59% (159 responses out of a possible 270) and all responses were received over the internet. The breakdown of responses by functional area is shown in Table 3. Of those not responding, 8 were absent during the survey period and a further 10 started the survey but did not complete.

One reason anticipated for a high level of non-responses were the site, field and project staff who are field based. Therefore an even lower response rate (49%) for the Sales Team was unexpected. Some verbal interaction with the Sales Team indicated that they may be finding the survey demanded more attention than they were prepared to give it. The company provides technology services so all staff were presumed competent in using the internet. Ethical considerations restrict further exploration of non-responses. However, in most functional areas there was a large enough response for above threshold responses (section 3.4.6, p46) to be valid as shared values.

TABLE 3: Percentages of respondents and non-response by job function:

Grouping by Functional Area	Group response as % of Respondents	% Response within group	% NON-Response within group
Management Team	9%	100%	0%
Office Staff - All others	15%	63%	37%
Office Staff – Technical	18%	60%	40%
Sales Team	13%	49%	51%
Site Staff	25%	61%	39%
Field Staff	17%	53%	47%
Project Staff	4%	47%	53%
OVERALL	100%	59%	41%

4.2.2 Survey Outliers

Schwartz (1992) excluded outliers from his survey results on the basis they had not made any serious effort to differentiate their values. The criteria Schwartz used were:

- Respondents scoring more than 21 values as 'of Supreme Importance'.
- Respondents scoring more than 35 values at the same level of importance.
- Respondents who rated fewer than 41 values.

18% of respondents in this study would be excluded as outliers by these criteria. However, a more detailed analysis of the data revealed evidence that outliers should be included. Respondents opting to participate not only took the time to complete the survey but also had to select the option "I would like to seriously participate now" (Appendix E, p125). Values affected by outlier differences were those generally rated of medium importance by the rest of the organisation. Inclusion of outliers created at most a 1 or 2 % difference on shared value percentages and did not move any values across the thresholds (section 4.2.4, p61). Demographic proportions of outliers also matched the ratios for the rest of the population. Outliers are therefore included in all findings (Appendix K, p139).

4.2.3 Survey Missing data

Percentages in the results are based on the number of respondents where a rating was given, thus allowing for missing data. Instances of missing data were small. The maximum missing data for any one value was 5 respondents on 'Unity with Nature', rated low by over 50% of other respondents.

4.2.4 Organisation Shared Values

The survey ratings were banded into High, Medium and Low importance as explained in the Survey Method (section 3.4.6, p46). 85% of respondents was

equivalent to 50% of the organisation population, so anything over the 85% threshold represents a majority of the organisation. Table 4 shows the shared values. A lower threshold of 75%, equivalent to 44% of the organisation population, was selected to give an indication of values potentially above shared value threshold, with a higher response level. 75% threshold values are shown in Table 5.

TABLE 4: Shared Values: Values rated HIGH by over 85% of respondents

Values	% of all respondents
HONEST (genuine, sincere)	93%
RESPONSIBLE (dependable, reliable)	89%
FAMILY SECURITY (safety for loved ones)	89%
HEALTHY (not being sick physically or mentally)	89%
LOYAL (faithful to my friends, group)	88%
POLITENESS (courtesy, good manners)	88%
SELF-RESPECT (Belief in one's own worth)	87%

No correlation was found between the intended values (Table 2, p58) and the survey data shared values (Table 4).

75% threshold values (Table 5) were found to have a higher level of variation when analysed against demographic variables. 75% threshold values in some demographic categories exceeded the 85% threshold and even some achieved 100% agreement. There still remained a fairly high level of consistency across variable categories (Appendix K, p139).

TABLE 5: Values rated HIGH by over 75% of respondents

Values	% of all respondents
Intelligent	84%
Capable	84%
Ambitious	84%
Enjoying life	84%
Successful	82%
Freedom	82%
Honouring of parents and elders	77%
Equality	76%
True friendship	76%
Helpful	76%
Broad-minded	75%

Findings on the demographic variables are reported in the following sections for gender, age group, time taken to complete, length of service and job function.

4.2.5 Demographic variables: Male vs Female

TABLE 6: Respondent ratings for shared values by gender

Gender Number of respondents/% of all respondents	% of respondents		
	All	Male (125/79%).	Female (34/21%)
Honest	93%	92%	97%
Responsible	89%	89%	88%
Family security	89%	89%	91%
Healthy	89%	88%	91%
Loyal	88%	88%	88%
Politeness	88%	88%	88%
Self-respect	87%	86%	91%

Gender ratings on shared values were all above threshold and vary by up to 5%. The average was 2% higher for females.

4.2.6 Demographic variables: Age Groups

Shared values receive HIGH ratings from 85% or more respondents across most age ranges (Table 7).

The early twenties group drops as low as 71% in shared values and thus tend to rate values generally as lower in importance. Over 90% of the early twenties group were office based. More than 50% were female and only one had a length of service over 5 years.

Respondents in their late forties showed 100% alignment on all the shared values. None were new starters and they were distributed across gender and job function. The only significant difference with the early twenties category was that 70% of them had service longer than 5 years.

TABLE 7: Respondent ratings for shared values by age range

AGE RANGE in years FROM	20	25	30	35	40	45	50
<i>Number of respondents/ % of all respondents</i>	24/ 15%	30/ 19%	34/ 21%	27/ 17%	21/ 13%	10/ 6%	12/ 8%
Honest	88%	97%	91%	89%	100%	100%	100%
Responsible	79%	93%	85%	93%	90%	100%	92%
Family security	74%	90%	94%	93%	95%	100%	83%
Healthy	71%	90%	94%	85%	95%	100%	100%
Loyal	79%	83%	91%	96%	86%	100%	92%
Politeness	71%	93%	88%	93%	86%	100%	100%
Self-respect	79%	87%	88%	89%	90%	100%	92%

4.2.7 Time Taken to Complete Survey

Ratings across response time ranges were all above 82% (Table 8).

Those taking 10 to 20 minutes to complete showed a generally higher level of alignment on shared values (average 95%) than those completing in less (average 86%) or more (average 90%) time. They also had 100% alignment (out of 50 respondents) for *Honesty*. Staff who took less time also had significantly higher percentages on *Enjoying life* (88%) and *Freedom* (88%). Those that took longer had 100% alignment on *Honouring of Parents and Elders (showing respect)* and were high for *True Friendship* (89%). The longest time taken was over 2.5 hours.

TABLE 8: Respondent ratings for shared values by time taken to complete

TIME TAKEN PERIOD:		Up to 10 Mins	10 to 20 mins	20 Mins Plus
<i>No of group respondents/ % of all respondents</i>	ALL	91/ 57%	50/ 31%	18/ 11%
Honest	93%	89%	100%	94%
Responsible	89%	84%	96%	89%
Family security	89%	87%	96%	83%
Healthy	89%	87%	90%	94%
Loyal	88%	85%	92%	94%
Politeness	88%	85%	96%	83%
Self-respect	87%	82%	94%	94%

4.2.8 Demographic variables: Length of Service

Length of Service (Table 9) was split into new starters during 6 month probation, those passed probation up to 12 months, then progressively longer periods.

Most ratings for shared values were around 85% threshold (section 4.2.4, p61). The lowest rating was 78% on Health for those with over 10 years service. New starters showed 100% alignment with 4% of respondents and did not disproportionately include any other grouping.

TABLE 9: Respondent ratings for shared values by length of service

LENGTH OF SERVICE PERIOD:		<6mths	6-12 mths	1-2yrs	3-5yrs	6-10 yrs	>10yrs
<i>No of group respondents/ % of all respondents</i>	ALL	7/ 4%	20/ 13%	48/ 30%	31/ 19%	44/ 28%	9/ 6%
Honest	93%	100%	85%	90%	97%	98%	89%
Responsible	89%	100%	90%	85%	87%	91%	89%
Family security	89%	100%	84%	92%	81%	93%	89%
Healthy	89%	100%	80%	88%	87%	95%	78%
Loyal	88%	100%	80%	81%	87%	98%	89%
Politeness	88%	100%	85%	83%	90%	91%	89%
Self-respect	87%	100%	85%	88%	81%	91%	89%

4.2.9 Demographic variables: Job Function

Table 10 shows survey results by Job Function.

Site based staff averaged 94% alignment on shared values with 25% of respondents.

Project staff had 100% alignment on 20 out of 56 values including the shared values with 4% of respondents. None were new starters, only one was in late forties age range and they were distributed proportionately across other factors. Project staff were field based, had the highest non-response rate and three of them met Schwartz's outlier criteria. The management team had the lowest rating with 71% for responsibility yet had 100% alignment on loyalty.

TABLE 10: Respondent ratings for shared values by job functional

FUNCTIONAL AREA:		Mgmt Team	Sales Team	Office Tech.	Office Other	Prj. staff	Field staff	Site staff
No of group respondents/% of all respondents	ALL	14/ 9%	20/ 13%	28/ 18%	24/ 15%	7/ 4%	27/ 17%	39/ 25%
Honest	93%	86%	85%	96%	96%	100%	89%	97%
Responsible	89%	71%	90%	96%	88%	100%	81%	92%
Family security	89%	86%	95%	86%	91%	100%	81%	92%
Healthy	89%	86%	90%	75%	92%	100%	89%	95%
Loyal	88%	100%	90%	82%	88%	100%	81%	90%
Politeness	88%	86%	85%	86%	88%	100%	81%	95%
Self-respect	87%	85%	75%	86%	88%	100%	85%	95%

Job function differences were also found in qualitative research.

4.3 Question 3 data: Interview Findings

4.3.1 Introduction

Question 3 states: What are the leadership influences on the organisation shared values?

Categories from the interviews are reported as the Business Leader's influential behaviours (section 4.3.2, p68), meta-programmes (section 4.3.3, p70), organisation processes (section 4.3.4, p72) and causal relationships between shared and intended values (section 4.3.5, p74).

4.3.2 Business Leader's influential behaviours

Behaviours of the Business Leader which were identified as having an influence include his authority, frame alignment (Shamir et al. 1993), consultation, role modelling (House 1977) and internal communication.

The Business Leader had ultimate group membership authority as the business owner. The Business Leader talked openly about his preparedness to terminate employment if staff did not conform to the required values:

“ ... so I sacked him because he wouldn't change.” (Business Leader)

Other interviewees framed termination of employment policies and supported them. The Business Leader consulted before making decisions and provided full explanations afterwards. Frames given for decisions included, lack of politeness, treating the client as an inconvenience, no responsibility for attendance and excessive sick leave. Staff were perceived as being treated fairly with adequate warnings and opportunities to reform. The management team reported being content to follow decisions after consultation by the Business Leader, even when they had opposed the decision. In justifying these follower behaviours, two of the management team members referred to the Business Leader's track record of success.

Management interviews provided anecdotes of the Business Leader's role modelling as evidence validating their own decision criteria. Site based staff were unable to refer to any leadership behaviours yet used emails received from the Business Leader as recognition of good or poor decision making. Office based staff having greater contact with the Business Leader used more similar words to the Business Leader and were able to refer to some Business Leader behaviours though did not give anecdotal evidence to support their decision making.

'...do what I do' (Business Leader)

The Business Leader stated that doing jobs oneself was important for understanding how to delegate. Staff interpreted this management team behaviour as being 'hands-on'. Anecdotal examples of the Business Leader role modelling self-sacrifice included one occasion where the Business Leader took a broom and swept-up. The Business Leader also described modelling trust. By delegation of significant business responsibility, even to young members of staff, the Business Leader's trust could be given as a reward for loyalty.

Internal communication was given very high priority and performed in four main ways. Firstly, cultural jargon, 'approachability' was used in nearly all interviews. For managers, this meant either keeping office doors open or sitting amongst staff in the open plan office. For most staff, approachability meant being able to go up and ask people for help or to talk things through. Staff reported being welcomed when they asked questions. Field based staff were able to use the telephone. Personal issues with managers were

reported where approachability was less effective, yet all recognised it was an important process. Secondly, face-to-face meetings, normally one-to-one were held frequently and informally. Face-to-face meetings were used particularly when issues were identified and needed to be resolved. Thirdly, managers model the Business Leader walking and talking, daily, with staff. By walking and talking, feedback and updates about issues were quickly and informally obtained. It also allowed relationships to be maintained, giving attention, treating staff as important, asking for opinions, listening and giving recognition. Staff described positive self-perceptions increasing from these behaviours. Fourthly, communication by emails and newsletters to field staff was supported by regular phone calls and occasional face-to-face meetings.

4.3.3 Business Leader meta-programmes

Meta-programmes reflect Business Leader language during the interview. The context was communication of values to the business (Appendix L, p152).

Researcher bias was reduced by minimising the amount spoken by the researcher. The researcher used 627 words compared to 9264 by the Business Leader. Standard questions were used from the LAB profile (Charvet 1997, Appendix I, p135). Specific examples were requested. The researcher maintained rapport during the interview and was neutral when responding to minimise non-verbal influences. The number and types of statements from the LAB profile were counted in the interview transcript.

The LAB Profile revealed the meta-programmes preferred when the Business Leader's communicated about values and beliefs (Table 11 and Appendix L,

p152). Table 11 shows correlations between meta-programmes and characteristics and policies in the organisation.

Table 11: Business Leader LAB Profile Results

LAB Profile Category	Preferred meta-programmes	Correlations
LEVEL:	Proactive (80%) Reactive (20%)	Proactive in finding customers and meeting needs
CRITERIA:	<ul style="list-style-type: none"> • Clear defined values • A stretch for people to achieve • To do what I do rather than what I say • Having agreed targets for measuring • Reporting on targets one to one • Driven by client expectations 	
DIRECTION:	Toward (50%) Away-From (50%)	
SOURCE:	External (100%)	Dependence on objective measures of performance
REASON:	Procedure (60%) Options (40%)	Valuing both procedures for quality and varied business possibilities
DECISION FACTOR:	Sameness with Exception (100%)	Continuous improvement an organisation stated value
SCOPE:	Specific (50%) General (50%)	
ATTENTION DIRECTION:	Self (40%) Other (60%)	
STRESS RESPONSE:	Choice (100%)	Coping with the stresses caused by a 'can do' approach to getting business
STYLE:	Proximity (20%) Co-operative (80%)	Highly valuing team spirit and involvement
ORGANISATION :	Person (20%) Thing (80%)	Task and target focus
RULE STRUCTURE:	My/My (80%) My/Your (20%)	'Do what I do' philosophy
CONVINCER MODE:	See (30%) Hear (20%) Read (20%) Do (30%)	Reports combined with walk and talk plus face to face
CONVINCER CHANNEL:	Consistent (80%) Period of time (20%)	Automated frequent monitoring

4.3.4 Institutionalisation of intended values

The organisation was small enough that the Business Leader could be involved in all key processes so processes reflected the Business Leader's beliefs. Recruitment and probation processes institutionalised the Business Leader's belief that like attracts like.

"I am a big believer in that people do recruit people of a similar nature to them, people of a similar character, who they feel will live up to them and their work ethics and their values." (Business Leader)

Recruits came from selected agencies, staff connections and TUPE. Recruitment was done by teams or supervisors. Staff gave evidence that they had their values before joining.

"I have always been very polite, very professional ... the way my whole family is." (Interview 08 Staff)

Selected recruitment agencies had a good working relationship with the organisation and were:

"... on the same wavelength" (Interview 10 Staff).

Probation consisted of the first six months of employment. The open plan office and team seating arrangements meant that office based new starters were overheard and listened to by colleagues.

“... your colleagues will soon tell you if you are not or they will tell the supervisor and before you know it, that individual does not fit in, and they will not last” (Business Leader)

Evidence of value conflicts arose quickly due to strong peer influences.

“...anybody who does not fall into that mode almost gets ostracized by their team.” (Business Leader)

TUPE affected out-of-office staff. TUPE staff showing evidence of value conflicts during the probation period, were re-allocated to more suitable tasks. Out-of-office staff were all brought into the office for training days to increase involvement.

In other organisation processes, the Business Leader delegated responsibility guided by what he believed he could do himself. Performance was monitored using automated systems which provided frequent reports. These reports highlighted where targets had been either exceeded or not achieved. The Business Leader acted on exceptions in the reports and provided recognition and financial bonuses for high achievement. There was no formal pay structure so inequalities in reward were arising and causing occasional discontent. Another reward process was promotion. Promotions were done selectively. The management team has been promoted from within the organisation. They had all been in the organisation for a number of years and had held several roles. The main criteria on which they had been promoted were to encourage loyalty and understanding the Business Leader's beliefs and values (Appendix M, p154).

4.3.5 Perceptions of values and relationships between values

Values were operationalised as generalised processes (Chapter 1, p6) and this facilitated analysis and categorisation. Though no correspondence was found between intended and shared values (section 4.2.4, p61), it was noticed that many interview statements referred to relationships between values. Values named in the same statement inferred an association in the mental representation of the speaker. Value relationships were explicitly described in statements providing frame alignment and thus the belief system for the values.

“It all links back to their development and therefore their development should and does link back to better client loyalty because you are building a much better relationship, you have got a higher skill base, you have got a more motivated workforce because you are investing in them”
(Business Leader, Appendix N, p163 for example analysis).

Frame alignment statements revealed cause-effect and equivalence beliefs. Belief structures can be either cause-effect, where an interviewee describes a causal relationship between two phenomena, or equivalence where an interviewee describes a phenomena as having a particular meaning (Dilts and Delozier 2000). Causal relationships reflected the perception and interpretation of interviewees and could also be inferred from non-verbal indications such as tone of voice and gestures as well as verbal content, context and phrasing. 94 value categories (Appendix O, p168) and 153 causal relationships were identified (Appendix N, p163).

Statements given by the management team and by staff differed in nature. Management spoke about staff behaviour and responses whereas staff used evidence from their own behaviour. Management values of approachability and involvement were interpreted by staff as friendliness, team spirit and family culture, providing evidence of value expansion (Cha and Edmundson 2006).

The causal relationships linking intended and shared values are described in the next two sections. Figures are provided to show the intended and shared values and the hierarchies of contributing causal relationships. However, saturation was not achieved for these categories and relationships as the unravelling of frame alignment was not the focus of this study. The figures are provided to demonstrate the nature, potential and significance of frame alignment statements. Further research is required to minimise potential bias and ensure rigour and validity of elicitation, interpretation and mapping of frame alignment statements.

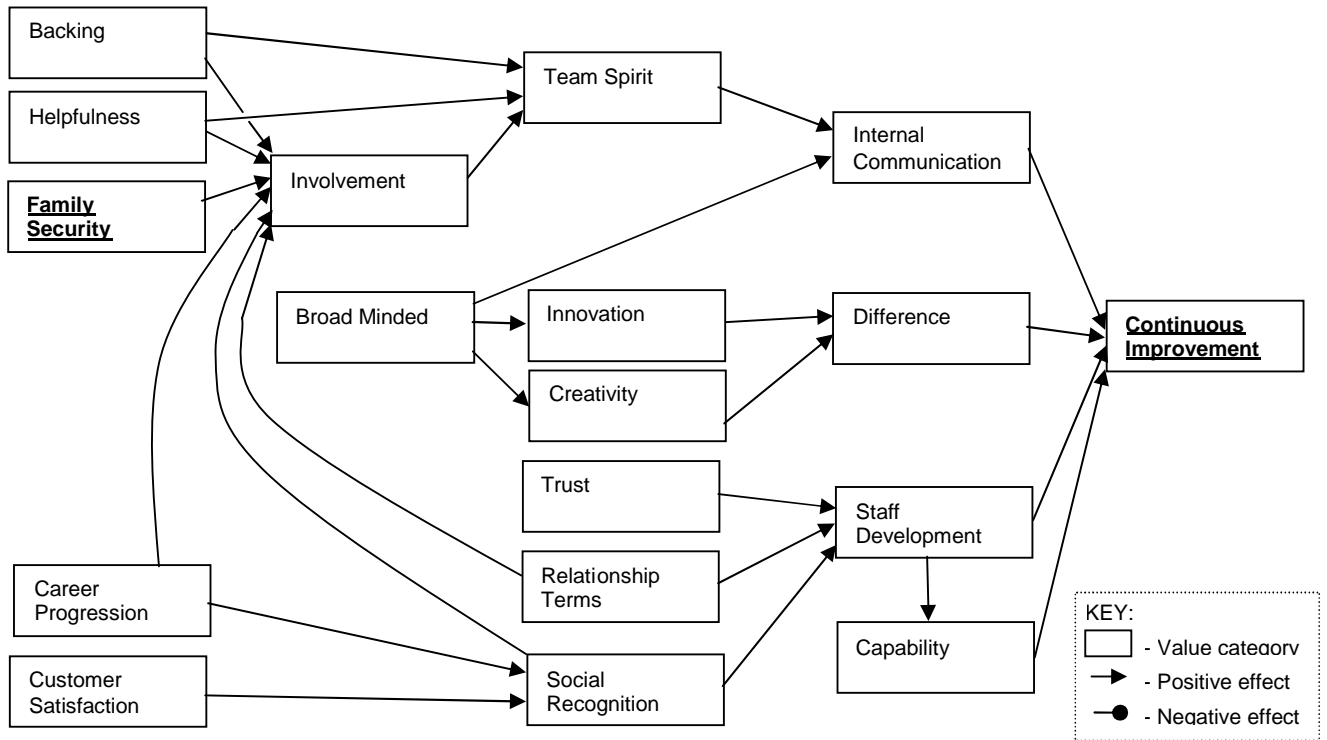
4.3.5.1 Causal influences on the intended organisation values

Figures 1 through 3 show causal relationships inferred (Appendix N, p163) for each of the intended values (Table 2, p58).

The number of connections increases dramatically with each level of categories so depth is limited for readability.

Continuous Improvement (Figure 1). Shared value, family security, contributed to continuous improvement through involvement, team spirit and internal communication.

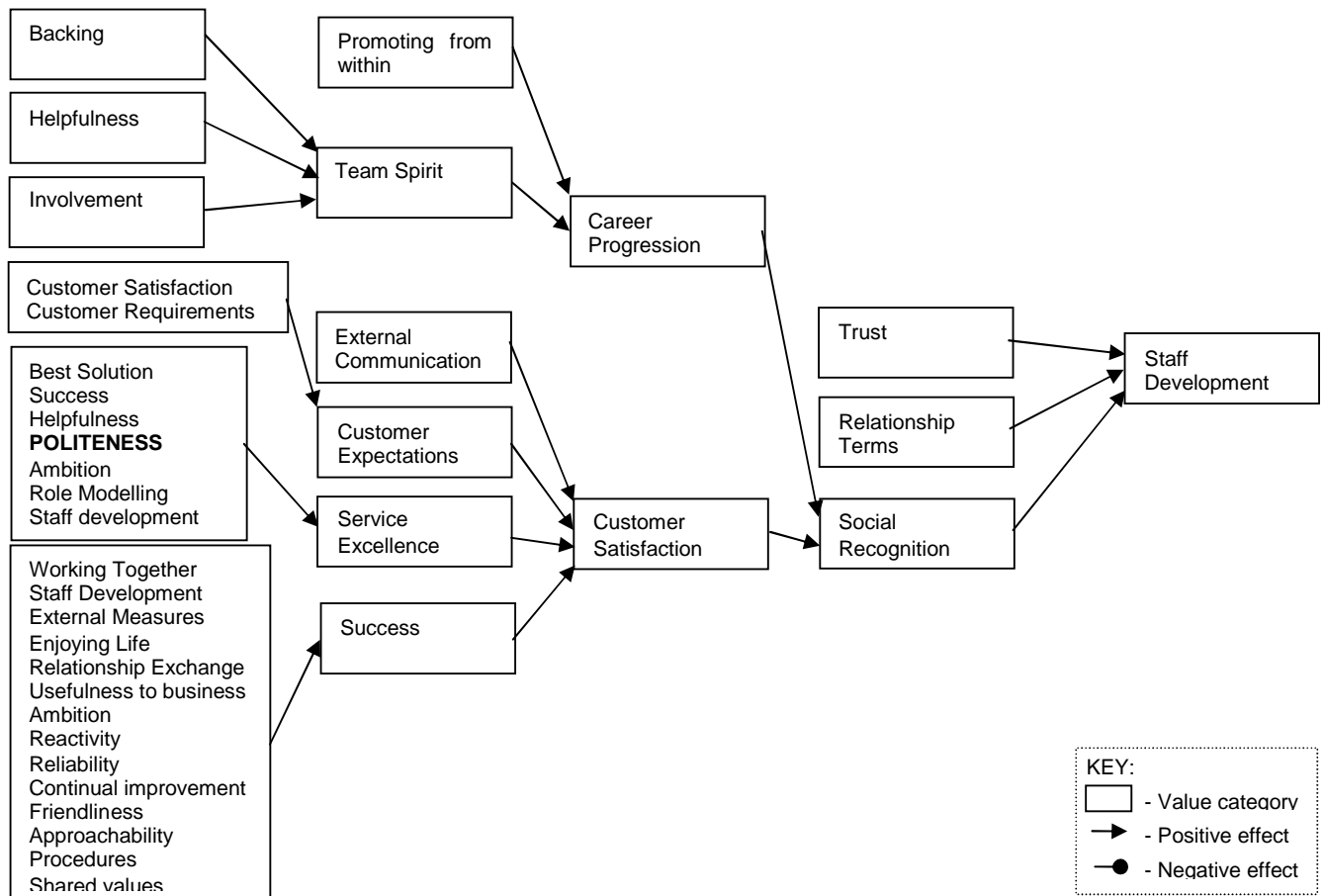
Figure 1: Causal influences in Continuous Improvement



Staff development contributed to continuous improvement (Figure 1).

Recursive loops occur and can be seen where staff development also contributed to both service excellence and success (Figure 2).

Figure 2: Causal influences in Staff Development



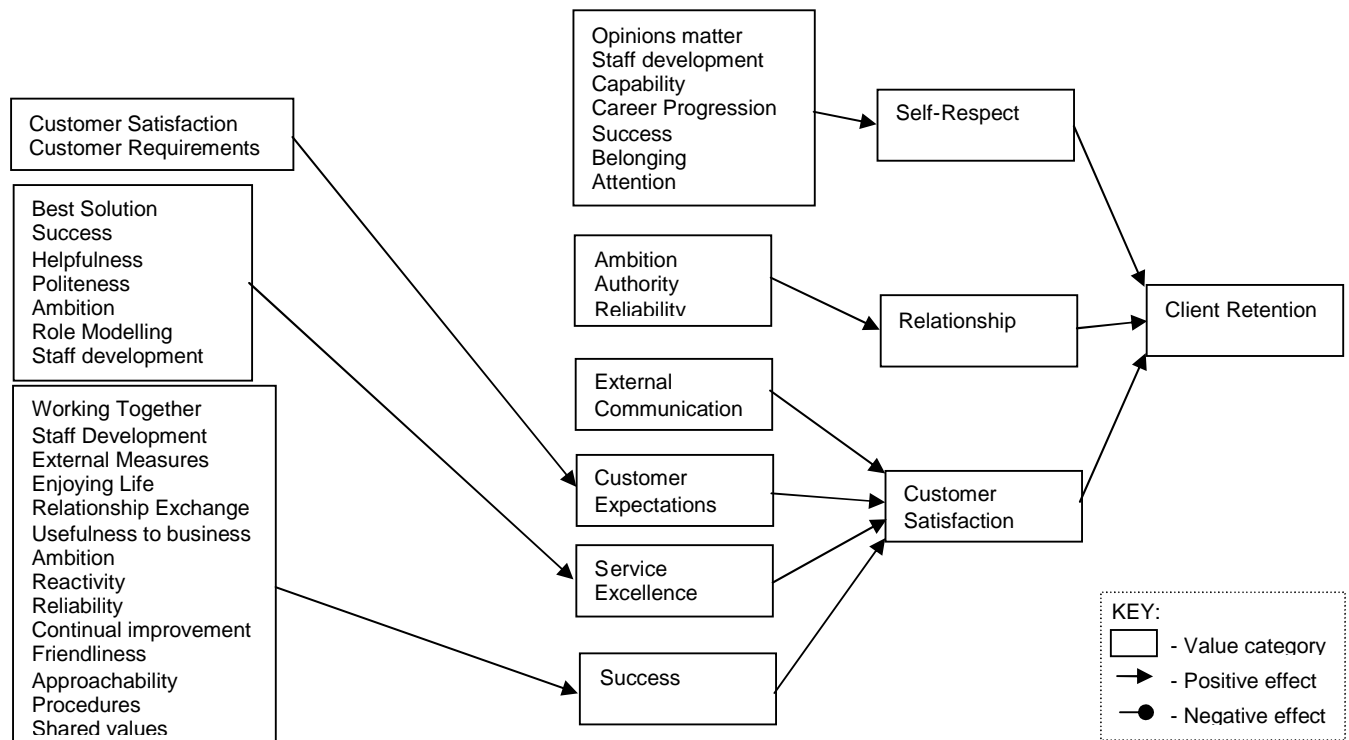
Service excellence (Figure 2) is displayed to one level for readability. The relationships contributing to service excellence, customer satisfaction and success represented the organisations beliefs as to how those values were achieved.

Customer satisfaction (Figure 2) is displayed to two levels for readability. Shared value, politeness, contributed to service excellence, customer satisfaction, social recognition and staff development.

Client retention (Figure 3) was critical to the business model and to organisation growth. All intended values can be seen contributing to client

retention. All shared values also contributed though some are at deeper levels than that shown in Figure 3. A more complex equivalence relationship with loyalty exists but was not fully explored.

Figure 3: Causal influences in Client Retention



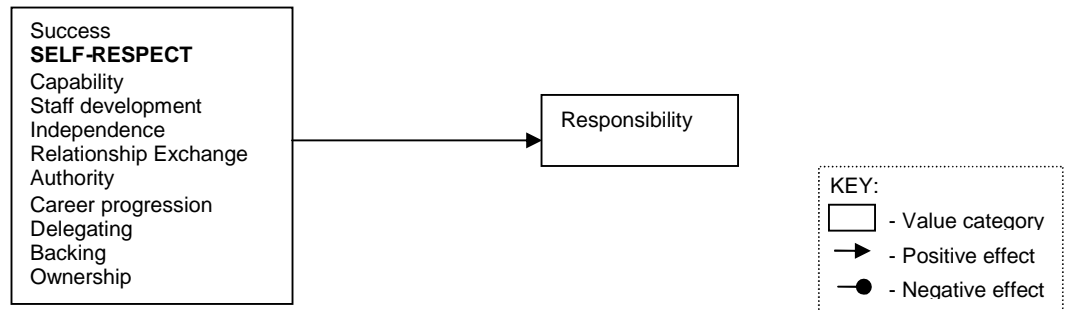
4.3.5.2 Causal influences on the shared values

Causal relationships inferred for each of the shared values (Table 4, p62) are shown in Figures 4 through 6. Shared values were not known at the time of the interviews thus avoiding biases in questioning.

Honesty was not mentioned as a value in interviews and causal inferences could not be verified.

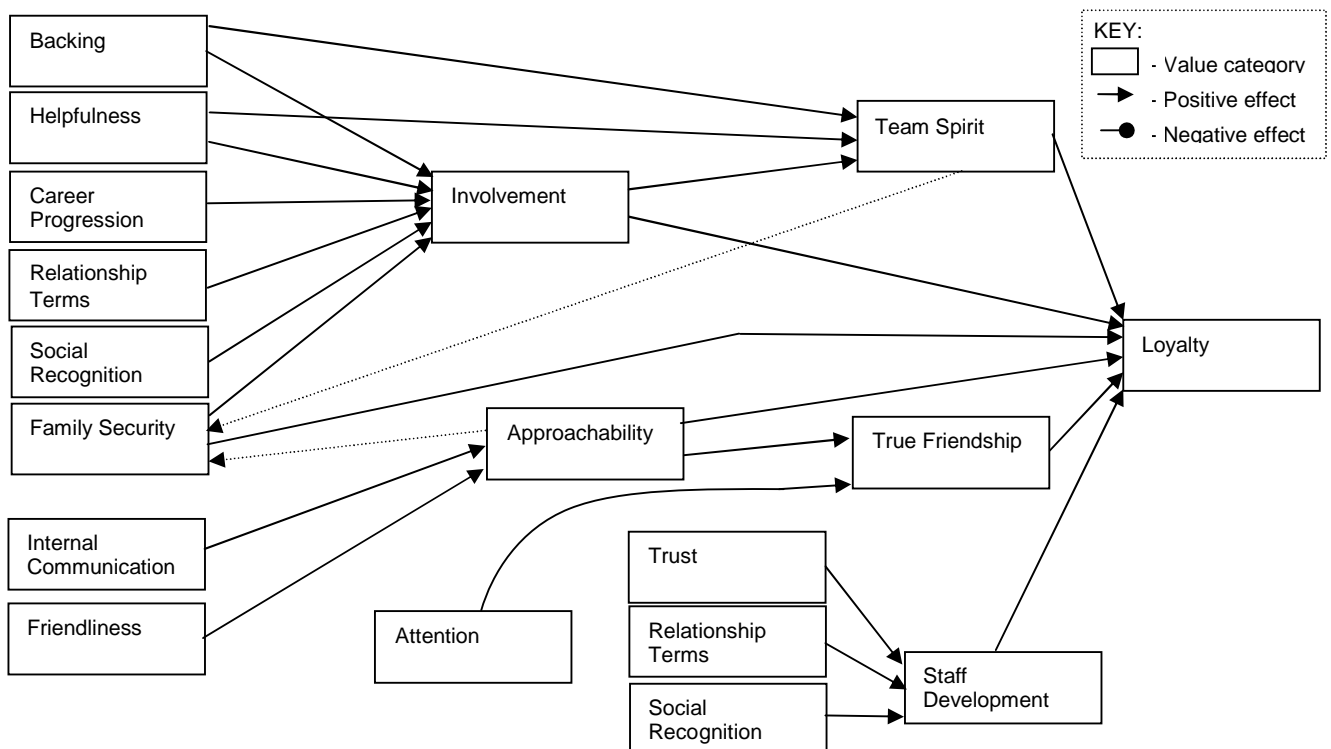
Responsibility (Figure 4) is displayed to one level for readability. Shared value, self-respect, contributed to shared value responsibility.

Figure 4: Causal influences in Responsibility



Loyalty (Figure 5) from customers was critical for the business. A more complex equivalence relationship with client retention is not shown.

Figure 5: Causal influences in Loyalty



Self-respect (Figure 3) was not specifically mentioned in the interviews. However, showing respect was important in the organisation so inferences could be made from management team behaviours. Staff opinions mattered and they were listened to. They were given lots of face-to-face attention by managers. They were trusted with ownership and responsibility for business critical targets. They were also backed-up with all the information and support that they required. Even evidence of staff dissatisfaction was listened to and dealt with face-to-face whilst maintaining the expectations of performance.

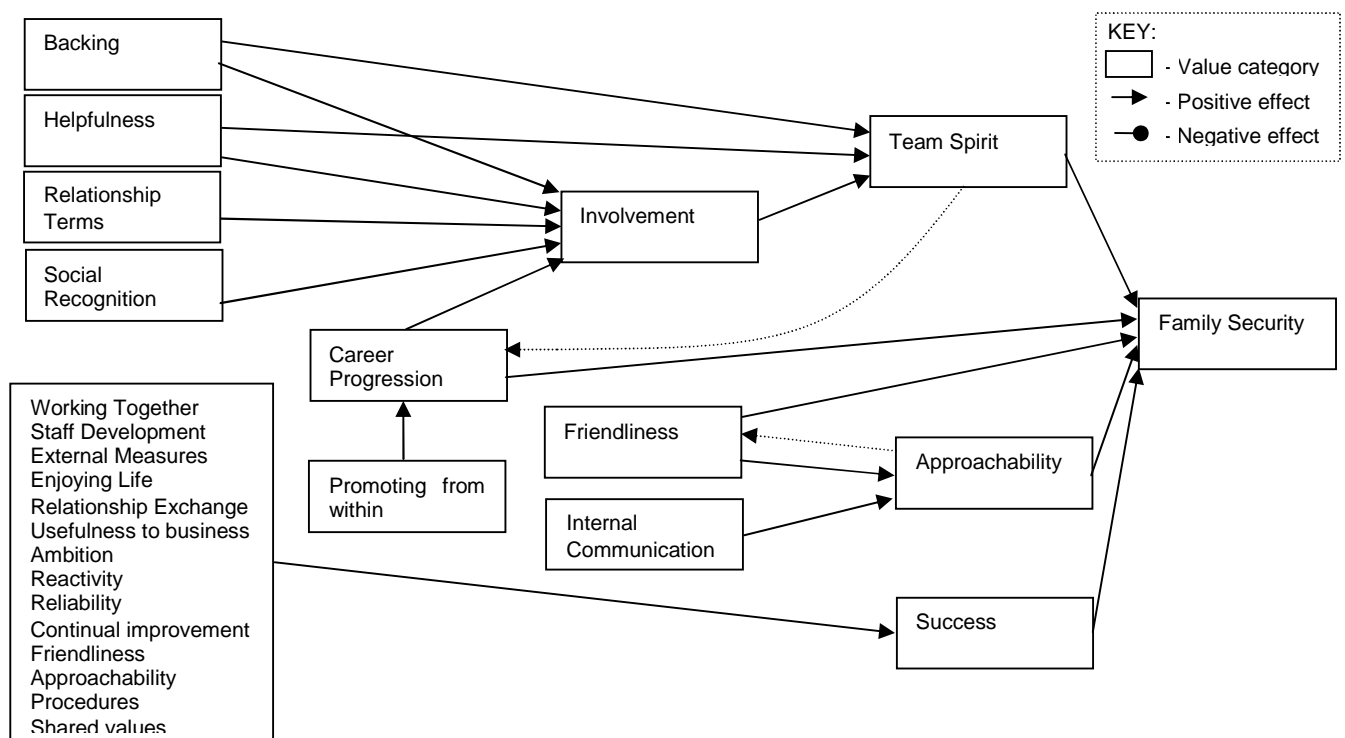
Politeness was not specifically mentioned in the interviews and causal inferences could not be verified. However, staff politeness was noticed in all dealings with the organisation. It was a criterion for how customers were spoken to and it was a criterion for employment. Use as a criterion might have provided support for a deprivation effect (Peng et al. 1997) in new starters. The open door policy and approachability may have provided models for politeness.

Health was not specifically mentioned in the interviews and causal inferences could not be verified. Its importance may well have been related to the sick leave policy. The company had grown rapidly in numbers yet when small, the decision had been taken that sick leave could not be supported. Consequently, if unjustified sick leave was taken, it could result in termination of employment.

Family security (safety for loved ones, in Figure 6) was not specifically mentioned in the interviews. Inferences were taken from statements relating to family. 'everyone knows everyone' was given as evidence of approachability,

team spirit and family culture. This evidence is similar to that interpreted as valuing family by Cha and Edmundson's (2006) employees. One interviewee felt that he would best be able to support his partner and family in the future through staying with a successful organisation.

Figure 6: Causal influences in Family Security



Taken together, these findings present a multi-perspective, thorough and illuminating exploration of the study questions. In the next section, the rigour and validity of the findings is critically interpreted to create a model grounded in the data.

5 Analysis

The analysis is in three sections, study question 1 and 2 are analysed in sections 5.1 and 5.2. Section 5.3 critically examines across all data sources and provides a model for Business Leader influence on shared values.

5.1 *A values based leader?*

The Business Leader intended to communicate his interpretation of the business values and to develop alignment within the organisation (section 4.1, p57). He provided a role model of the value system for the followers which satisfied the criteria for a charismatic leader (House 1977, Chapter 2, p12) and for Question 1 (Chapter 1, p6). However, other evidence suggests that the Business Leader was transactional rather than charismatic.

The organisation provided a fertile culture for charismatic leadership to emerge and be effective. Charismatic leadership is more likely to emerge and in adaptive cultures, characterized by common values and ways of behaving that emphasize innovation, risk taking, candid communication, integrity, teamwork, and enthusiasm (Shamir Howell 1999). The organisation fulfils these criteria (section 4.3.5, p74) and other key charismatic indicators. The Business Leader was a successful entrepreneur (Conger and Kanungo 1987) and intentionally stretched staff, placing higher demands on them (House 1977). The Business Leader's modelling of self sacrifice encouraged reciprocity from staff to adapt (Choi Mai-Dalton 1998) and a key organisation

behaviour, 'approachability', has been recognised as routinised individual consideration (Avolio and Bass 1995).

Despite evidence for a charismatic style, the Business Leader was not attributed with charismatic behaviours (Conger and Kanungo 1987). Transactional motivation strategies were used, management by exception and contingent reward (section 4.3.4, p72). Continuous improvement a transactional trait (Bass 1985) was an intended value and a preferred meta-programme (section 4.3.3, p70). Transactional leadership values including short term objectives, conformity, a sense of equity, responsive, cooperative, friendly, a social approach and peer pressure (Bass 1985, p178), correlate with the Business Leader's annual business objectives, belief in similar values, 'do what I do', external and cooperative meta-programmes (section 4.3.3, p70), approachability (section 4.3.2, p68) and peer influence (section 4.3.4, p72)

Understanding of the Business Leader's influence was therefore not facilitated by defining the Business Leader as charismatic or transactional. In this sense Beyer (1999a) was perhaps correct in describing such labelling as an oversimplified interpretation of the situations that can arise.

5.2 Correspondence between intended and shared values

There was no correspondence between the Business Leader's intended values (Table 2, p58) and shared values (Table 4, p62). This might be interpreted as lack of leader influence, based on the quantitative method alone (Chapter 1, p6). Differences in terminology may provide some explanation.

However, explanatory relationships were revealed by qualitative methods and are discussed in section 5.3 (p86).

Feedback on the questionnaire indicated the terminology used was more applicable to life than to work. Absence of specific work values may have made the survey more difficult for respondents. People have encapsulated, modular, or multiple value systems associated with different issues (Seligman and Katz 1996). So people are likely to construct value systems relevant to specific issues rather than applying a general value system. This may make it more difficult to associate abstract value statements to a specific context such as work. Work values correlate more with other work values than with general life values (Elizur and Sagie 1999). Yet, when added to Schwartz's survey, 'work' was found to correlate closely with the other values so is likely to serve as an organising principle (Ros, Schwartz and Surkiss 1999). Seligman and Katz (1996) found rankings differed significantly between general and specific contexts with the Rokeach (1973) survey. Work related values and terminology may therefore be independent from and different to life values and terminology. Hence the lack of correspondence found for study question 2. Specific terminology and jargon can be used within organisations and widely tested and reliable surveys on work values are not readily available. So further research is required to explore the need for value survey terminology, specifically customised and validated for each organisation.

Operationalising at the 85% threshold allowed satisfactory identification of shared values and a high level of alignment was found (section 4.2, p59). The 41% non-response rate reflected the organisation's previous survey

response patterns and feedback received on the questionnaire. Alignment overall was consistent across demographic and analysis factors with a small number of exceptions (section 4.2, p59).

Of the exceptions to shared value consistency in the survey findings, one group rated low in alignment and several rated particularly high. Low ratings were by the early twenties age group. The group were mostly office based with a high ratio of females (50%) suggesting higher alignment as female alignment was higher (Table 6, p63). One possible explanation is that interpretations of the values are less clear in this age group so responses vary more widely. A wider spread of ratings would tend to reduce the ratings overall.

Sub-groups that stand out as having particularly high levels of alignment are new starters, project staff and staff in their late forties. There was negligible overlap between the groups and the only common factor was that each is the smallest group. 100% alignment on 20 of 56 values was still high even for 7 project staff when they were based in different areas of the country (section 4.2.9, p66). One group of 50 respondents are 100% aligned on honesty (Table 8, p65) suggesting group size was not the significant factor. Desire for social approval (Meglino and Ravin 1998) or deprivation effect (Peng et al. 1997) might offer explanations for high alignment of new starters who, seek approval and have a need to demonstrate shared values to keep employment.

Social comparison with similar others as referent-groups (Heine et al. 2002) would support higher alignment where individuals identify more with their gender, age group or job function than with the organisation. Yet the high level

of alignment on shared values suggests that if the comparison referent-group is a factor then the referent is more likely to be at organisation level than within sub-group. This raises interesting questions beyond the scope of this study thus recommending further research into selection of social comparison referents and its impact on leadership, identification processes and values sharing.

The survey data indicates that alignment does not increase with length of service and may actually decrease after the probation period, office based staff are not more aligned than field based staff. Field based staff may even be more aligned, and there was a slight tendency for alignment to be higher with older age groups. Significance of these variations provides an opportunity for further research which might consider the longitudinal affects of length of service on values (Table 9, p66) and the variations and value correlations found in time taken to complete the survey (Table 8, p65).

The next section analyses how these interpretations reflect Business Leader influence on shared values.

5.3 Leadership influences on shared values

In this section a model is presented (Figure 7), representing the influence that the Business Leader was having on the organisation's shared values.

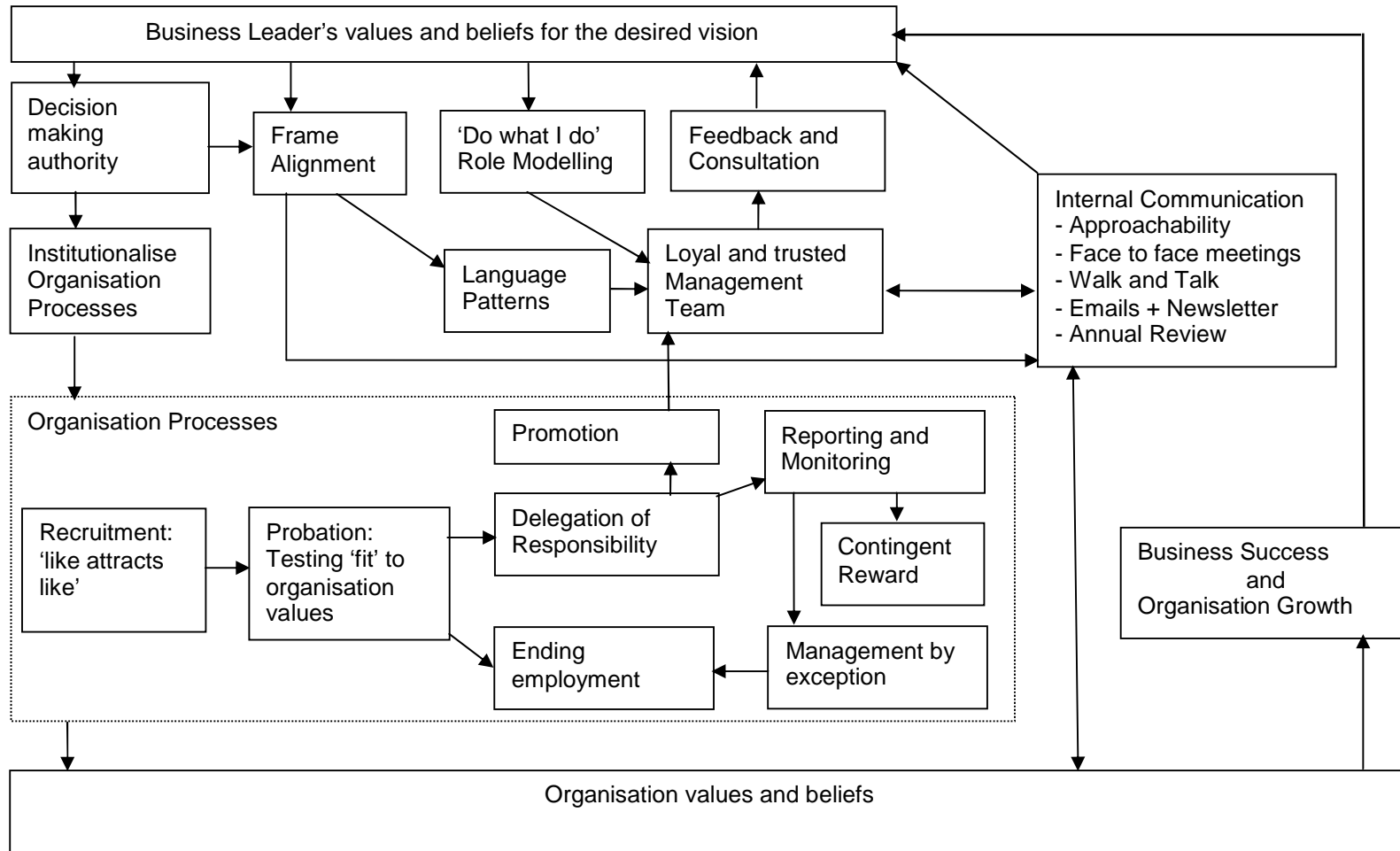
The Business Leader described his desired vision in terms of his values and beliefs for the organisation. Beliefs were about what the values mean and the causal relationships between values (section 4.3.5, p74). Management team perceptions of the Business Leader's decisions and behaviour were consistent

with his communicated values and beliefs. The communicated vision was therefore the source of the Business Leader's influence.

The Business Leader employed three primary channels of influence, decision making authority, role modelling behaviours and communication. Decision making authority came from being owner-manager of the business. The most significant decisions affected how the organisation was structured and acceptable behaviours for membership of the organisation. Hence the Business Leader made key decisions on organisation processes including that of continued employment and promotion (section 4.3.4, p72). These decisions correlated with his values and beliefs and he engaged in frame alignment to communicate the significance of this correlation (section 4.3.5, p74).

Frame alignment communicated the Business Leader's interpretation and raised salience of the Business Leader's values (Martin 1992, Shamir et al.). Furthermore, links were built between follower and leader values when inclusive rather than exclusive referents were used, such as 'we', 'our group', or 'our organization' (Fiol et al. 1999), language which was consistent with the Business Leader's meta-programmes (section 4.3.3, p70). Fiol et al. propose that this language pattern indicates a change process, consistent with the intended value of continual improvement. Yet, Fiol et al. go on to propose that the change process involves unfreezing, change and refreezing. No evidence was found in this study to support unfreezing or freezing.

Figure 7: Business Leader's influence on organisation shared values



Key: Arrows show the direction of influence

The Business Leader models his values through behaviour, consistent with previous leadership theory (Shamir et al. 1993). The Business Leader communicates loyalty, respect and trust for the staff through role modelling and frame alignment. The management team describe values through the Business Leader's behaviour whereas staff do not. Role modelling therefore influences management more than staff (section 4.3.2, p68). Loyalty was 100% aligned on the management team (section 4.2.9, p66) and loyalty to the Business Leader's decisions was a high priority (section 4.3.2, p68). Positive perceptions and credibility of the Business Leader are therefore high amongst the management team. Positive perceptions of the Business Leader are not so strong amongst staff though credibility of the Business Leader was still high. Staff attributed the Business Leader's credibility to continued business success and organisation growth. Business success and organisation growth therefore provide an important feedback to the Business Leader in developing, maintaining and achieving his vision.

Distance effect is a likely explanation for differences in perception of the Business Leader (Shamir 1995). Management were more proximal to the Business Leader both socially, geographically, hierarchically and functionally (Antonakis Atwater 2002). Staff distal from the Business Leader were influenced by content of communications, and management were also influenced by the Business Leader's role modelling (section 4.3.2, p68), consistent with Shamir Howell (1999). Distance from the Business Leader increased difficulty of maintaining inclusion and involvement of field and site based staff (section 4.3.4, p72), therefore influence through social

identification processes was lower. However, field based staff still had high levels of alignment (Table 10, p67). Proximity was therefore a factor in the Business Leader's influence yet did not explain alignment levels in field based staff. A more robust explanation is required.

The Business Leader's communication was the third means of influence. Communication involves numerous factors. Frame alignment and 'meta-programme' language patterns are explored in this study (section 3.5, p48). The Business Leader's meta-programmes showed an unexpectedly high level of correlation with characteristics of the organisation and culture (section 4.3.3, p70). Explanations for this level of correlation might be the Business Leader's authority, time as leader, consistency of vision with meta-programmes and the management team promotion criteria.

Preference in meta-programmes was driven by values and beliefs. Use of compatible meta-programmes increases rapport and the effectiveness of communication (Charvet 1997). One of the two key criteria for promotion was that the Business Leader felt the person understood his values. The Business Leader also believed like attracts like. It is therefore likely that the Business Leader's preferred meta-programmes were also preferred patterns of the management team. The Business Leader believed in the policy of recruiting similar people. Hence managers were also likely to recruit people with compatible meta-programmes and higher alignment would result. Further research on the organisations preferred meta-programmes would be required to verify this effect.

Alignment of staff recruited through TUPE was more complex as there was no recruitment and TUPE provides employment protection. These staff followed patterns of selection and attrition during induction, similar to new starters, yet modified to conform to TUPE (section 4.3.4, p72).

Internal communication policies, such as 'approachability', were important in the Business Leader's vision for the organisation and engender the sense of 'everyone knows everyone'. This is likely to be one explanation for the sense of family (Figure 6, p81). Out-of-office staff did not have the same level of internal communication so the policies did not fully explain alignment for out-of-office staff. However, policies such as approachability and walk and talk, do provide the Business Leader and management with early warning of potential issues. This feedback was highly valued by the Business Leader for informing his decisions.

The Business Leader consulted for feedback from the management team on all the key decisions. He thus modelled valuing staff opinion and management followed this practice (section 4.3.2, p68). Valuing staff opinion increased positive self-perceptions (section 4.3.2, p68) and consequently affected self-respect, a shared value (Table 4, p62). Hence valuing staff opinion was one of the Business Leader's behaviours which influence through personal identification processes. Sharing of opinion also encouraged participation in the goal effort and became an expression of the collective identity (Shamir et al. 1993). Thus both personal and social identity forces are employed (Yukl 2006). The management team follow the Business Leader's decisions even when they disagree. So these decision making behaviours demonstrate the

influence of the Business Leader's authority and role modelling on intended values (Table 2, p58).

Organisation processes institutionalised the Business Leader's values and beliefs. Leadership intention to influence culture through institutionalising values has been observed in previous studies (Martin 1992, Beyer 1999b, Tsui et al. 2006). Tsui et al. demonstrate Business Leader influence on culture through organisation processes. They redefine organisational culture as:

"... shared social knowledge about the prevalent rules, norms, or values that shape the preferences or actions of participants." (Tsui et al. 2006, p130).

The Business Leader's intended values (Table 2, p58) and shared values (Table 4, p62) did not correspond. Thus the quantified method did not offer any explanation for the Business Leader's influence on the culture. Causal relationships identified through the qualitative method (section 4.3.5, p74) represent a part of the organisation's shared social knowledge (Tsui et al. 2006). The Business Leader uses his knowledge of these relationships, expressed through frame alignment, in making decisions to institutionalize the values as organisation processes (section 4.3.4, p72). Thus understanding of cause-effect beliefs was critical to understanding the Business Leader's vision and his influence on the culture.

The Business Leader was attentive to detail in the organisation processes as the organisation was small enough. This was likely to present challenges to

the Business Leader as the organisation continued to grow. The organisation appeared to be in Phase 2 of Griener's phases of growth (Greiner 1972). A hierarchy had already formed and additional levels were being created. Informal processes and policies were in place and there was pressure building for more formal structures (section 4.3.4, p72). Internal communication was informal but the Business Leader recognised that it could not continue that way. Organisation processes were in formation. Therefore this organisation demonstrated institutionalisation of values in progress.

Staff selection and induction processes enabled any value conflicts to be identified and either resolved or employment ended. This process imitates the Attraction, Selection, Attrition (ASA) model proposed by Schnieder (1987). Schnieder proposes that similar types of people chose similar work environments. Therefore people select themselves into and out of organisations and that people choose an organization that they believe will be most instrumental in obtaining their valued outcomes. The Business Leader's belief in these principles (section 4.3.4, p72) might explain how he set up selection and induction to be performed by the teams and supervisors. The Business Leader intended to create a situation where followers who had similar self-concepts and values choose to stay (Shamir et al. 1993). The ASA model also offers an explanation for high alignment of out-of-office staff. The demands of the working environment, attracted similar people who needed to have similar values to perform well in similar roles. The high level of monitoring (section 4.1, p57) then identified those staff not sharing the required values sufficiently and either change or attrition followed.

Staff were entrusted with responsibility as they developed. Responsibility was typically given for achieving specific targets. Promotion was achieved through demonstrating competence and understanding of intended values. Promotion to the management team was particularly about values so the Business Leader influenced through selecting role models.

Processes for monitoring staff performance included frequent automated reporting, supervision, customer feedback and peer observation. Exceptions to performance were picked up quickly. There was a process for rewarding performance above the target level. Performance below the target level was managed by face to face meetings, adjusting workload, training or ending employment. Automated reporting, contingent reward and management by exception provide clear indication of behaviour boundaries for staff and specific evidence of the intended values. Staff were therefore able to make choices about their values with awareness of the consequences.

The model proposed in this study is grounded on evidence from all interviews and the values survey. The values system mapping (section 4.3.5, p74) relies on interpretations and analysis of expressed beliefs. Analysis did not progress to saturation on the values system mapping for three reasons. Firstly, the focus of the qualitative research was to explore influence processes and a full values system mapping was not required. Secondly, value systems are potentially very complex. A full values system mapping goes well beyond the scope of this study.

Thirdly, research methods into values systems have not been adequately validated. Qualitative methods for interpretation of values and beliefs data,

depend on criteria such as self-awareness and non-verbal congruence indicators of individuals. The process of questioning values and beliefs can change them (Bandler and Grinder 1975). A research methodology in this field must take into account the effects of interaction with the researcher. NLT offers an approach dependent upon the training and skills of the researcher. Variations in interpretation can therefore occur. Yet, as an approach, NLT offers techniques for objective calibration of non-verbal responses (Dilts and Delozier 2000) and interactive language analysis (Bandler and Grinder 1975). Access to dynamic and ethically sensitive, context dependent, qualitative data is critical for deeper exploration of volatile and individual phenomena such as human values systems. Used in combination with grounded theory methods, NLT offers an opportunity to access valuable information about human behaviour and social processes so is worthy of further research.

This study has therefore uncovered a number of critical insights in relation to the study of leadership influence on organisation values systems that are captured in the final concluding commentary.

6. Conclusion

The significant contribution of this paper is in providing an argument for considering values within systems interconnected by cause-effect and equivalence beliefs, and for highlighting the impact that this might have on the understanding of leadership phenomena. The conclusions bring together the interpretations and research opportunities from findings and analysis. Wider implications for organisations and leadership are highlighted.

6.1 *Conclusions on study questions*

Previous research on leadership and particularly values based leadership has lead to sharing of values being recognised as an important phenomenon (Chapter 2, p12). However, little empirical research has been done to explore what this means. More recent leadership theories have failed to reference empirical evidence on the subject (Gardner et al. 2005). In this study, a leader was found who demonstrated evidence of intention in sharing values (section 5.1, p82). Yet the Business Leader's style had both transformational and transactional characteristics. The organisation therefore presented a more complex situation than predicted by values based leadership theories (section 5.3, p86).

Clear evidence was found for study question 2, that values were shared consistently throughout the organisation. Yet, the shared values did not correspond with the Business Leader's intended values (section 5.2, p83). One conclusion from analysis of this difference is that the values

questionnaire was expressed in different terms to the intended values. However, analysis of interview statements revealed causal relationships could be identified between the intended and shared values. These relationships were based on beliefs stated by the members of organisation (section 5.3, p86).

Beliefs expressed in statements by the Business Leader were represented in a visual form. The Business Leader's statements provided an interpretation or frame alignment for the values. The beliefs frame how the systems and processes institutionalised the values. Figures representing these cause-effect beliefs highlight what the Business Leader is trying to achieve and why particular values and processes were perceived as important. The figures produced in this study (Section 4.3.5, p74) were only reliable and verifiable by members of the organisation and they do not represent generalisable theory.

Three clear conclusions can be made about the Business Leader's influence on shared values (section 5.3, p86) and a grounded model is proposed (Figure 7, p88). Firstly, the Business Leader used authority to make decisions on organisation systems and processes which institutionalised the values. Secondly, that the Business Leader frames beliefs and values for these decisions. Thirdly, that role modelling by the Business Leader has the greatest influence on the most proximal staff.

Of the processes set up by the Business Leader, perhaps the most influential on shared values were recruitment, induction and management approachability. It is these processes which facilitate follower selection and maximise socialisation, identification and peer influences. These phenomena

are also recognised in previous studies (Chapter 2, p12 and section 5.3, p86). However, previous studies have not explained the relationship between intention and influence of a leader on follower values (Chapter 1, p6). This study provides a grounded model for one organisation where the channels of leader influence and the relationships between the leader's values and beliefs, organisation processes and shared values is reliably represented.

6.2 Opportunities for research

This study has generated substantive theory through comparisons within one organisation (section 3.6, p52). Inclusion of other organisations in further research will provide additional richness of comparisons and so increase reliability and potential scope of the theory (Glaser and Strauss 1967).

Further research can increase the reliability and scope of findings in three other respects. Firstly, the survey provided by Schwartz (1992) reflected personal values relevant to life. Terminology used in the business did not reflect these abstract terms so identifying relevant correlations was made more difficult. Future research might explore alternative approaches for improving the rigour and validity of within culture value questionnaires. Questions to explore include use of terminology and jargon from the culture, setting culture relevant scenarios (Peng et al.1997) and within culture, social comparison referent effects (Heine et al. 2002).

Secondly, to validate that interviewees were fully and clearly expressing their key values and beliefs. The nature and structure of questioning used by the interviewer significantly influences interviewee responses. It is not likely to be

possible, nor is it desirable, to fully explore all of an interviewee's values and beliefs. So some selection has to be made. For this reason, theoretical saturation was not pursued in frame alignment statements (Section 4.3.5, p74). Further research is required to validate how selection of values and belief scope might be achieved, how questions would be structured and the criteria for demonstrating rigour.

Thirdly, there is a dependence on the perception, skills and interpretation of the interviewer. Circumstances which allow interviewees to freely and openly express their beliefs and values were affected by trust in the researcher, by style and strategy of questioning and by skill of the researcher in clarifying interviewee responses. The evidence of values can also be expressed non-verbally when describing scenarios so interviewers need to be skilled in calibrating non-verbal indicators and in validly clarifying undefined values.

These later two reliability questions may be resolved through use of NLT. NLT provides structured questioning techniques for revealing specific deeper meaning and for identifying evidence used in internal representation (Dilts and Delozier 2000). Explorations of such data can be gathered and analysed within a rigorous implementation of the qualitative grounded theory method. NLT has been used in this study (section 3.5, p48) based on evidence from previous studies. Further research is required to fully validate the use of NLT.

Further research in these areas is justified by the wider implications.

6.3 *Wider Implications*

Values and beliefs that formed the Business Leader's vision and intention were communicated through frame alignment which was found to be a key channel for influence (section 5.3, p86). Understanding the leader's values and beliefs is therefore fundamental to understanding a leader's intention and influence. Comparison of beliefs from the leader's value system, against that of the organisation, potentially offers quantification of correlation and thus an index of the leader's influence. Conversely, current practice tends to define leadership through a role or through attributed influence. Yet, if these attributions are not relevant to what the leaders themselves intend, any empirical correlations may distract from, rather than further understanding of leadership.

Reliable modelling of belief and value frames has many significant potential implications in business and organisation leadership. An organisation specific values system model can facilitate objective validation of leadership perceptions. Knowledge of specific positive and negative motivational influences can support better management decision making, improved frame alignment communication and more appropriate organisation processes. Knowledge management of cultural drivers and anchors in the values system can provide more effective management of the culture. Hence, management of change can be supported through clear evidence of the values system present state, desired state and change influence factors. Thus, at a time in history when awareness of leadership values is becoming more and more important (McEwan 2001), a deeper understanding of what leaders intend,

rather than a focus on capabilities and behaviours, can contribute significantly to the effectiveness of future leaders.

(20604 words excluding percentages)

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APPENDICES