

UNIVERSITY OF KWA-ZULU NATAL

**THE IMPACT OF VALUE SYSTEMS ON THE DEVELOPMENT
OF EFFECTIVE LEADERSHIP**

BY

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DECLARATION

I, Carol Poulton, declare that:

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ABSTRACT

This study was conducted in an organisation in the motor industry, where the senior leadership take the values of the organisation seriously whilst facing the challenge of ensuring that the agreed service levels are met, which may contradict with the way in which the leaders do things. The nature of business demands the leaders of various departments be strict towards their subordinates, as they have a mandate given by senior leadership to meet quality standards as requested by the organisation's clients. This raises a lot of challenges in the organisation because the employees feel that their leaders are not living up to the company's values, while the leaders themselves face the challenge of not knowing how to live the values of the organisation and still meet the organisation's targets. The leaders of the organisation struggle to effectively lead their teams guided by their own personal values, because they cannot identify how value systems have an impact on their subordinates and their performance. The objective of this study is thus to emphasize that value systems are the core foundation of leadership and that they have a profound influence on leaders and organisations.

A qualitative research approach and purposive sampling was employed, which included leaders in various departments of the company under study. Data was collected through fifteen semi-structured interviews and thematic analysis was used for analysing the data. A key finding of the study indicated that the organisation has a challenge whereby its leaders are not sufficiently developed to lead effectively, guided by their values and those of the organisation. Another key finding revealed that value systems are the foundation that guides leaders to make decisions that are moral and ethical in their daily operations, as they rely on their value systems when making a decision that will affect others and the organisation. The findings of the study revealed that value systems have an impact on how a leader deals with problems in the different situations that arise within the day-to-day operations of the organisation.

The recommendations that can be used by senior leadership are interventions such as better communication relating to the values of the organisation, as well as the expectations the company have for leaders within the organisation. There is a gap that exists within the organisation that challenges senior leadership to provide leadership development programmes such as change management sessions and life coaching programmes to entrench personal values in leaders as individuals for their personal development.



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To whom it may concern,

This letter is to confirm that I am a professional editor and proof reader and that I have edited Carol Poulton's thesis, the title being: 'The impact of values systems on the development of leadership'.

For any queries, please contact me on jenniferrenton@live.co.za.

Yours sincerely,

Jennifer Lindsey-Renton

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CHAPTER ONE: INTRODUCTION

1.1. Background of the study

This study was conducted in an organisation that operates within the motor industry, which demands employees meet the deadlines set out by the organisation's clients. The company is international with a head office based in Germany, and supplies the global automotive industry with various products such as engine systems and components, filtration and engine peripherals, thermal management and motor condensers. A great deal of production takes place daily and quality is of the utmost importance within the organisation, which puts pressure on leaders to become more task driven and ensure that production takes priority. This has brought about a significant challenge because the organisation takes its values very seriously, which are based on people orientation.

The organisation believes that people are the most important resource and that they should be happy at work, although they are required to ensure that they produce quality products. The company requested the Organisational Development Department to conduct a climate survey to get feedback if the leaders are living the values of the organisation. The climate survey was conducted using questionnaires that were distributed to all the employees. Most responses revealed that the employees within the organisation feel aggrieved as they believe that the leaders of the organisation care more about production than living the values of the company, which are centered around value systems such as being people oriented, results oriented, respectful, excellence, innovation and accountability. The organisation has the view that these values create the culture of the company and how things are done within the organisation. The expectation from employees of senior leadership is that they should lead by example and be seen to be living the values of the organisation. However there is a challenge between balancing the performance of the organisation and the leaders living up to the stated values. The climate survey results were analysed and reported back to the senior leadership of the organization and it was found that the employees feel that the values of the organisation are not lived by the leaders, and that all the leaders care about is production and meeting the agreed client service levels. The leaders have also been accused by employees of not being consistent in their leadership, which is contradictory to the values of the organisation.

One of the challenges in the study of leadership is that there is a gap in the theory to identify values as the foundation of leadership. Bass (1981) found that Stogdill's (1948) study provided some evidence that a focus on values was not considered among the most critical traits of leadership. Lord and Brown (2001) shared the same view, saying that little attention has been paid to values-based leadership to embed the understanding that value systems are the intervention needed by leaders to influence their followers and improve employee and organisational performance. Instead, much of the research has focused on the relationship between a leader's behaviour and the organisation's performance.

There is sufficient theory on how to equip leaders to benefit from leading others through their personal values. Bass (1981) found that many traits were identified in previous studies, however values were not identified as one of the traits that determine whether an individual has the ability to become a leader. As a result, individuals in leadership positions are failing to put into practice what has been introduced in theory as effective leadership, because they lack an understanding of what their personal values are and how their values influence the decisions that they make across all levels in their lives. Reilly and Ehlinger (2007) found that values-based leadership refers mostly to the fundamental moral principles of an individual, which influence values such as integrity, empowerment and social responsibility.

The values mentioned above are not traits that all leaders can possess, which is why individuals who are given leadership opportunities need personal development coaching to develop and nurture the basic skills needed to lead effectively. Pruzan (1998) questioned if values-based leadership is able to create organisational structures, communication strategies within the organisation, and reward systems that attract and develop the right employees who are intelligent, loyal and responsible. It is thus evident that some organisations focus on the leader being able to deliver on the company's strategy/objectives, but it is not taken into consideration that a leader should possess certain competencies to enable them to lead other people towards that shared goal/purpose.

1.2. Motivation for the study

Value systems are often not identified as important to develop effective leaders, hence, there is vast knowledge on the subject of leadership, however there is little emphasis on the importance

of values-based leadership and the influence it has on developing a follower's values to enhance organisational effectiveness. This relationship will be influenced by introducing the role played by values-based leadership to build leaders who are effective in their areas of expertise. Parry and Proctor-Thomson (2002) identified values and ethics as being necessary for the long-term survival of organisations because they are at the core of organisational behaviour and leadership, which enhances the organisation's culture. Individuals that occupy leadership positions may understand the concept of leadership, but might lack the ability to make decisions that are influenced by their own personal values to lead and influence others.

An employee engagement survey was conducted on the 14th April 2013 to gauge why employees felt that their leaders were not living by the values of the organisation. The survey measured each leader against all the company's values to determine how each one was influencing their team through living the values; the senior leadership believed that the leaders could get the results that they desired from their teams whilst being guided by the values of the organization (<http://www.mahlebehrsa.co.za>). An analysis was compiled from the results of the survey and the themes that arose were: mistrust between employees and their leaders, leaders needed more development on how to lead others, favouritism, unfair processes, bias in benefits and incentives, racism and dictatorship. Feedback was given to each leader so that they could reflect on it and give their views.

Following the survey, the senior leadership intervened by giving each leader an opportunity to enroll on a management development programme to develop skills to equip them to lead more effectively and to change the perceptions that the employees had regarding their leadership ability. This intervention was made because the industry that the organisation operates in relies on the skills of employees, hence the employees have to remain committed to their work. This requires employees to be led effectively so that they strive to perform better. The unhappiness of the employees creates a risk from a business perspective, because if employees are not happy with their leaders, it negatively affects their performance at work. The organisation has also signed service level agreements with their clients which are dependent on how the employees perform at work.

Following the survey, the senior leadership assured all the employees that a follow up climate survey would be administered to gauge whether there had been a change from the previous six months. The second employee engagement survey was administered on the 10th November 2013. However, the same trends were still prevalent in the feedback, which raised a concern. Some of the leaders received positive feedback, but the survey still portrayed negative results with reference to leaders not living the organisation's values. A decision was made by senior leadership that the organisation's values would be included in all performance objectives, which would be measured as part of the leaders' key performance indicators.

1.3. Focus of the study

The purpose of this study is to examine the role of values-based leadership and its contribution to enhancing leadership ability. This research aims to address why individuals in leadership positions fail to lead by their own personal values and how this influences the decisions that they make, as well as to enlighten leaders on the importance of adopting value systems in their leadership styles to influence others and to align their personal values to the organisation's values. In an environment where the organisation's culture is linked to the organisation's values, it becomes important to highlight values-based leadership as an intervention mechanism to change the thinking of leaders when they make decisions that affect the organisation and employees. Oreg (2011) found that the personal values of individuals in leadership positions influence the outcomes for which they reward and punish employees within the organisation. The introduction of values-based leadership will assist individuals in leadership positions to find out which values they subscribe too and how these values influence their behaviour and the decisions that they make in their personal lives and in their careers.

The Organisational Development Department designed a senior management development programme to equip leaders to focus on aspects that relate to bigger-picture thinking and direction, however the study aims to assert that values-based leadership helps individuals to embed effective leadership ability. The programme gives leaders a comprehensive overview of how to execute the daily operations of the business, however without having support from employees for the execution of tasks. It is important for individuals to lead using their personal values, as this creates trust and credibility between the leader and their teams, and in return

subordinates will be motivated to achieve the set targets because they believe in the individual who is leading them.

It is important to highlight the benefits of values-based leadership for leaders, employees and the organisation, and the impact that values-based leadership has on leadership ability. This study also aims to establish that values influence ethical and moral leadership. Most individuals in leadership positions were asked in the climate survey to highlight what their personal values were, none of the leaders were able to give a straightforward answer; all the leaders had to reflect about what their values were. To address the lack of leadership skills in organisations and to create effective leadership, it is important to introduce personal development coaching for organisations to develop and build the necessary skills for leaders to be effective. It is equally important to assist leaders to establish and understand who they are and what they believe in.

1.4. Problem statement

Leadership scholars have focused on the concept of leadership but have put little effort into giving practical guidance as to how an individual becomes an effective leader. The theory has not emphasised the role that value systems play in developing and nurturing individuals into leadership positions. As a result, the gaps in theory mean that value systems have not been recognised as being the foundation of leadership for individuals to enhance their leadership ability and to make decisions that influence the operation of the organisation. In open discussions with the company's Organisational Development Department, questions were posed to individuals in leadership positions to gain a better understanding of why the organisation's values are not an important aspect of their daily lives within the organisation.

Some of the individuals responded that the problem within the organisation is that individuals are exposed to leadership positions when they are not ready to lead others; when an individual is promoted to a leadership position it is taken for granted that they will be able to carry out the responsibility given to them, without considering that they may need to be developed and equipped to lead others. For some individuals in middle management positions, the management programme does not equip them sufficiently because the programme is designed to train them on developing strategy instead of equipping them with skills to lead effectively and what leaders need to take into consideration when making decisions.

This creates a greater challenge, as the knowledge that is gained during the management programme does not add value because leaders need to have confidence when dealing with their subordinates if they are to be effective in executing the organisation's objectives. The management programme is seen as an opportunity to develop the competencies required to tackle management challenges with confidence and to start building a leader's career as a future executive. The programme focuses mainly on how to run the day-to-day operations of the organisation, however there is no mention of how individuals in leadership positions deal with issues that involve other people. After the individuals attend the programme they find that there is a gap between the knowledge gained from the programme and applying the knowledge to assist them to perform the role and responsibilities of a leader. As a result most individuals are promoted to leadership positions after a period of six months, only to come to the realisation that they do not want to be leaders as they view becoming a leader as a challenge because they feel it is a burden to take care of other people's needs.

Another challenge that exists within the organisation is that individuals who are in leadership positions view their promotions as a sign of authority over others, which leads to employees feeling that there is a dictatorial style of leadership. The organisation has further created a culture of giving leaders a second chance, which opens the door to individuals who are not reprimanded for their actions; that is why employees feel that leaders do not live by the organisation's values. This culture leaves no room for corrective behaviour because leaders are not held accountable for the decisions that they make, which leads to unethical decision making and issues being swept under the carpet. In this type of environment no one can be held accountable for their behaviour, because there is no consistency in applying corrective measures to employees. This study will attempt to address this issue by focusing on the role that can be played by values-based leadership to improve the leadership ability of individuals in leadership positions. Individuals who are unsure of their own personal values pose a challenge to the effectiveness of organisations, because they may not positively influence others or build relationships based on trust and credibility between themselves and their subordinates. Individuals in leadership positions who do not have their own set of principles which they abide by can find it difficult to address issues that are complex and make ethical decisions, because they may face difficulty separating what is right from wrong.

Ponnu and Tennakoon (2009) argued that in values-based leadership, leaders should focus on creating the “right” organisational culture to foster the development of values driven behaviour rather than on building a compliance structure, i.e. organisations focus on equipping individuals with skills to increase productivity, but little attention is paid to enhancing an individual’s personal values, which influence how they lead others and benefit the organisation because there is a shared purpose. The importance of introducing values-based leadership is to develop in individuals an attitude of self-reflection before decisions are made, because their decisions should come from their value systems which influence the moral and ethical outcomes for the organisation and employees. The role that values-based leadership plays is that individuals begin to have personal integrity and they become motivated to live guided by their values.

1.5. Aim of the study

The aim of the study is to examine the role that can be played by value systems in leadership and the impact values have on individuals and organisations to improve leadership ability and organisational culture. The objectives of the study are to:

- determine how a leader’s personal values impact followers;
- determine whether values-based leadership influences organisational effectiveness and culture;
- examine whether values-based leadership influences ethical leadership; and
- determine how values-based leadership can be developed.

1.6. Significance of the study

Carpenter, Geletkanycz and Sanders (2004) identified that a leader’s personal attributes and their relationship to employee’s reactions when led by a leader are the basis of creating values focused organisations. The values that individuals adopt contribute to the choices, decisions and leadership styles practiced in organisations. The significance of this study is to highlight that if an organisation has a set of core values that differentiate it from its competitors, it is important that the organisation makes all decisions relating to strategic direction based on their organisational values. Some leadership theorists question the practicality of values-based

leadership; their view is that values-based leadership may come with a great sense of accountability for leaders. As a result it can also put pressure on the organisation to maintain its reputation within the corporate world, i.e. living the organisation's values can create a burden for leaders who may struggle with applying values in all the choices and decisions that they make (Buckley, Beu, Frink, Howard, Berkson, Mob & Ferris, 2001).

Buchko (2007) found that some organisations, such as Enron, Arthur Andersen and WorldCom, had a well-defined and well-articulated set of core values, however they ended in failure. If these organisations had well-defined and well-articulated values then it raises the question: where are companies going wrong? Research done by Graber and Kilpatrick (2008) found that value systems influence ethical decisions which gets employees believing in their leaders and the organisation itself. As a result employees who believe in their leaders and the decisions they make are likely to be productive and motivated. Lack of commitment to values-based leadership has an impact that could be detrimental to the organisation, because companies fail to reward employees who uphold the organisation's values, it can lead to a lack of motivation and commitment to the organisation, which means that the organisation will not have productive employees (Graber & Kilpatrick, 2008).

In difficult situations leaders are challenged and tested to evoke their values and live up to them. Badaracco (1998) argued that when there is controversy or a difficult situation, values need to be in the forefront in those difficulties. It is during those times when leaders are challenged to make difficult decisions that values play their role in ethical decision making and leaders must be able to rely on their values to guide them to make the right decisions. This enables leaders to reflect on their behaviours and the values of the organisation when faced with challenges. A true leader will seek guidance by asking questions such as 'Who am I?', 'Who are we?' and 'Who is the organisation?'

1.7. Contribution

The research will provide recommendations to the senior leadership of the organisation under study to assist them to improve the leadership ability of the individuals who are in leadership positions. The current issues that hinder the effectiveness of applying the values within the organisation will be identified, and recommendations will be made for future researchers to

explore the subject further. This study will assist with finding a solution to develop effective leaders.

1.8. Limitations

Availability was a limitation to the study as the organisation is performance driven and the day-to-day operations do not allow the leaders to be away from their work for long periods of time; production is the core of the business and employees need to be supervised. Time constraints were also a limitation since some interviews had to be rescheduled because of long strategy sessions that were happening at the same time and most of the leaders had to be on site during operations to oversee that production was being done according to quality standards.

1.9. Research Methodology

Qualitative research was used in this study because it allowed the researcher to use her intuition, imagination and interpretation (Silverton, 2004). The aim of the study was to get an in-depth understanding of what the perceptions of individuals are about values-based leadership and the impact it can have on employees and the organisation. All the objectives that were set out were met by the use of descriptive research to gather data that was accurate and detailed directly from the targeted sample. The leaders that participated in the study were from various departments within the business unit, including Engine Cooling, Finance, Production and Maintenance, Quality Assurance, Customer Service, Human Resources, Information Technology and Corporate Governance, and all the individuals in the study led teams. Interviews were used to gather data and themes were created.

Purposive sampling was used in this study. Bernard (2002) found that purposive sampling may also be called judgement sampling, because the researcher may deliberately choose the participants so that he can decide what needs to be known and who can provide the information related to the topic. The participants were purposely selected for this study and interviews were conducted with leaders to get the necessary data from the targeted sample. Roulston (2010) found that interviews are the most common data collection tool used in qualitative research because they provide the interviewer with important information. The researcher also gets an opportunity to ask follow up questions if they need clarity, whereas in a questionnaire the researcher cannot follow up on the data given by the participants.

Musson (1999) found that the use of semi-structured interviews is important for qualitative research because they provide the researcher with the opportunity to engage with the respondents and the researcher has the advantage of getting buy-in from the respondents whilst they elaborate on the desired answers. The interviews for this study were conducted using unstructured and open-ended questions to get more information on the participants' past experiences. Face-to-face interviews during working hours were considered advantageous because they are flexible and the targeted sample was made up of busy individuals.

With the use of interviews the researcher could control the questions and had the opportunity to ask follow up questions to get clarity on the important aspects that would contribute to the research. The disadvantage of conducting interviews is that the interviewer may be biased about the participants' responses because of their own sensitivities about the issue at hand. When conducting face-to-face interviews the interviewer may also have to probe the participants to get the information needed because not all people have the ability to articulate themselves regarding the issues. Heylink and Tymstra (1993) found that it becomes easier for a researcher to categorise interview data into themes so that it becomes easier for the data to be structured.

1.10. Structure of the dissertation

Chapter One – Introduction

This chapter provided an introduction of the study. It also presented an overview of the research problem, the background of the study and the context in which the research was conducted. The chapter outlined the purpose and the research questions to be answered and the motivation of the study. The aim and objectives and the focus of the study were also discussed.

Chapter Two –Literature Review

This chapter is comprised of a literature review which attempts to understand and explain the role of value systems on leaders and organisations.

Chapter Three – Research Methodology

This chapter outlines the research methodology to be used. It describes the design of the study, the sampling method, the data collection methods and the instrument used to collect the data.

Chapter Four – Results and Discussion

This chapter presented the results/findings of the study. The researcher links these results to the literature review.

Chapter Five – Recommendations and Conclusion

This chapter presents the key findings and recommendations for management and future research and also outlines the conclusion of the study.

1.11. Conclusion

Values have been established as an important aspect of any human being because they give direction to an individual on the way that they want to live their life and be remembered by the organisation that they work for and by the employees that they support. Organisations should focus on establishing values that create a culture of trust and credibility with employees so that there can be harmony and empowerment in the companies and amongst their leaders. The next chapter will present the literature review of the study.

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

This research focuses on the researcher's interest in the development of leaders by using value systems as the foundation for any individual, whether they aspire to become a leader or not. This is a subject that the researcher is familiar with. It has an impact on the researcher's work on a daily basis, and includes other people's development and nurturing their talents. The researcher has read the work of other authors who have researched on the topic and found that although the subject has been researched, it still lacked the depth of how leaders can become effective by using values-based leadership. The research will focus on finding out what other researchers have done, the key findings, and the limitations that were characterised in their work. The researcher has constructed a theoretical framework that will be helpful to the investigation of the topic. Moreover, the theoretical framework has been the basis at which the research objectives have been constructed.

This study will look at the different views on the nature of leadership and its meaning and the various theories in leadership will be discussed to highlight how they have evolved. The earliest approach to leadership was the trait theory. Leadership involves an individual's ability to influence others by leading by example to ensure that all employees are aware of what is expected of them to meet the organisation's objectives. Bass (1990) concluded that what matters most in the definition of leadership is an individual's interpretation of leadership, supported by a specific theoretical framework. This study will make reference to theories of leadership mainly (Trait, Path Goal, Equity and Contingency theory) and link them to values-based leadership. All the theories have impacted leadership effectiveness which have created a foundation for leaders to draw knowledge from. Much focus should still be given to leadership theory, however, Rost (1991) found that leadership scholars have written a great deal, but after having assessed many books and journal articles, he found that 366 out of 507 scholars did not provide any definition on leadership.

2.2. Definitions of leadership

Stogdill (1974) argued that many leadership scholars have contributed to the definition of leadership, however a conclusion can be reached that most leadership scholars seem to have a

shared understanding that leadership involves an influence process. The definition given by Stogdill that leadership is an influencing process was supported by research conducted by Cook (1999) within the healthcare industry where leadership was defined as individuals that are able to constantly influence others. Burns (1978) defined leadership as a relationship that induces followers to work towards a common or shared purpose, which influences the values and motivations of both leaders and followers. This then creates a relationship of trust in the leadership by the followers. Building a relationship between leaders and followers requires an appreciation for the personal values of those who are willing to give their energy and talents to accomplish shared objectives. Values form the very core of personality, influencing the choices people make, the appeals they respond to, and the way they invest their time and energy (Posner & Schmidt, 1992).

Kangis and Kelley (2000) defined leadership as the relationship through which one person develops the ability to influence their own behaviours and those of others. Although many expectations are placed on individuals in leadership positions, when individuals are promoted their behaviour can change as leadership is a learnable behaviour (Aimar, Isidro & Stough, 2007). Robbins (1998) argued that over the years, theory has looked at the concept of leadership as one that includes the relationship between a superior and a subordinate. The various approaches to leadership are trait theory, behavioural theory and the contingency theory, even though the trait theory of leadership was a more recognised approach in theory. Diskul (2001) found that the theory does not sufficiently explain leadership behaviour and what is expected of a leader. Research conducted by House and Mitchell (1974) proposed four leadership behaviours that could play a major role as indicators of effective leadership. Those leadership behaviours were known as supportive leadership, directive leadership, achievement-oriented leadership and participative leadership. Participative leadership was viewed to be more effective because leaders allow employees in their teams to take some responsibility for making decisions about how tasks can be achieved.

Condon (2003) viewed leadership as an action rather than as an individual having position that gives them authority over others. The research conducted by Aimar, Isidro and Stough (2007) shared a different view that the emergence of stateless corporations and interdependence is increasing amongst the world's economies. Thus it is important to have leaders' who are capable

of operating in the relative isolation of domestic markets. Badaracco (2006) shared a different view and found that the character of a leader is crucial for them to be effective. The biggest challenge in the new millennium is that leaders will be exposed to different cultures with different lifestyles, which may give rise to the need to have leaders who are able to understand cross-cultural leadership. It is important to note that even though there has been a good foundation of what leadership may be seen as, one must also be mindful that the world is changing rapidly, countries are depending on each other and hence the need for cross-cultural leadership.

There are global changes that are characterised by restructuring, technological advances, outsourcing, and economic, social and political transitions, which may require leaders who are conscious that across countries there are differing perceptions about leadership. A successful leader must be viewed by employees as a person who is highly representative of their team; they must understand their team's identity and should be able to recognise the value that can be found in closely aligning with the team they supposedly represent (Haslam, Reicher & Platow, 2011). The team must see the leader as one of them in order to enable the leader to be influential so that the team will follow the leaders' direction.

2.3. Differences between managers and leaders

Individuals may form part of a management structure as a result of an organisation's hierarchy, which may also be influenced by the level of authority and power the leaders have to make decisions, however it does not mean that an individual is a leader or a manager; the position could be a management role because of the level of accountability it has to influence the organisation's strategy (Bass, 1990). Kotter (1990) argued that there is a distinct difference between leadership and management. Individuals who are managers mostly deal with the complexities that arise within the organisation, and manage people effectively because they have the ability to design and set structural processes and monitor and evaluate results against the initial plan set out by the organisation. In contrast, leadership is seen as a tool that individuals possess to respond to change within the organisation. Leaders are perceived by employees as someone that they can look up to and aspire to emulate. Most employees identify with a leader who has the ability to satisfy their social and emotional needs within the working environment.

Effective leaders are known to be able to identify and nurture others to reach their full potential and to provide direction to the vision of the organisation. Individuals in leadership positions may be perceived by their subordinates to be able to clarify a vision and set realistic goals (Daft, 2014).

Verma and Jain (2001) found that in some Indian organisations, management focuses on four aspects, namely developing a system of planning, and organising, staffing and controlling an organisation. Much focus is placed on maintaining the efficiencies that make the organisation a success; the leaders look to the future of the organisation and leaning towards the right path for future endeavours. Leaders influence their teams through their personal values, whereas managers exercise their authority and power over their teams. Values-based leadership influences the relationship between the leader and their team to accomplish a desired outcome by creating relationships that promote collaboration and partnership because of a shared purpose created by the leaders' values. Leaders are perceived as individuals' who are strategy driven and can take good business risks that can lead the organisation to achieve its set objectives. Bennis (1989) distinguished the different characteristics of a manager and a leader.

Table 1.1: Characteristics of Managers and Leaders

Manager's Characteristics	Leader's Characteristics
Administers	Innovate
A copy	An original
Maintains	Develops
Focuses on systems and structure	Focuses on people
Relies on control	Inspires trust
Asks how and when	Asks what and why
Eye on the bottom line	Eye on the horizon

Imitates	Originates
Accepts the status quo	Challenges the status quo
Classic good soldier	Own person
Does things right	Does the right thing

Source: (Bennis, 1989: 7)

2.4. Personality traits and leadership

Zaccaro (2007) reviewed the studies that have linked personality variables and other personal attributes to leader effectiveness, giving the perception that traits are the foundation of the prediction that a leader will become effective. Zaccaro argued that previous leadership frameworks cannot be limited in their explanation of key leadership attributes, in that most researchers have paid more attention on small sets of differences between individuals that are said to predict leadership. Although other theorists have provided long lists of key leadership attributes, these attributes still lack a coherent and meaningful conceptual construction (Yukl, 2006). Zaccaro (2007) argued that leadership attributes are not integrated to consider how a leader's characteristics influence their leadership. Stogdill (1948) indicated that the influence of a leader's intelligence is determined by the level of intelligence revealed by the average group members. His theory asserted that individuals could be leaders in one situation but not necessarily in others.

Ghiselli (1963) shared the view that leaders who have a very high or low intelligence could be less effective, i.e. a leader could be less effective regardless of whether they are intelligent or not. This researcher's view is that there is a relationship between two variables and the common thing that brings these together is when one variable's increase affects the other variable to do the same. In his research, Zaccaro (2007) concluded that attributes such as intelligence may have complex multiplicative and curvilinear relationships with leadership outcomes, and these complexities should be reflected in leadership theory. This is evident in research undertaken by Moss (1993), who shared the view that cognitive ability without social competence can have a great effect on a leader's ability to lead others and their performance. Individual leadership

effectiveness is based on the different situations that individuals find themselves in, therefore they cannot be judged by their traits because they react differently to different situations. Some leaders may be seen as more stable and cross situational in their influences, whereas another leader could be more situationally bound (Chen, Gully, Whiteman & Kilcullen, 2000). The view is thus that individuals may differ in their responsiveness to leadership behaviours.

2.4.1. Leadership theories

Research has shown that in the late 1940s, the leadership literature became more focused on the behavioural approach, which changed from what leaders were expected to be to what they did in their actions. This behavioural approach suggests that in order for a leader to become effective their behaviours must be reflected in their employees, i.e. it should be easy to identify which employee reports into which leader within the organisation because their behaviour will largely reflect that of their leader. Lierberson and O'Connor's (1972) study critiqued the impact that leadership has on employees and their performance within the organisation. Their research was based on researching who performs the tasks that lead an organisation to succeed. Their research found that employees are the people who are responsible for the success of the organisation merely by performing the tasks given to them when they are employed. The view was that senior leadership is not appointed to do the ground work, it is the responsibility of the employees to be committed to their tasks and contribute to the organisation's profits, and therefore leadership cannot influence organisational performance.

Weiner (1978) established a comprehensive critique of the findings of Lierberson and O'Connor (1972), questioning the data that was used by them for their research, developing another model and re-analysing their research. Weiner found that leaders within the sales industry accounted for 96.1% of the profit variance, which confirmed that leadership does have a major impact on an organisation's performance. Organisations can capitalise on the opportunity to ensure that their leaders have the correct behaviours by providing appropriate training through leadership development programmes so that these can improve and enhance leadership effectiveness. Daft (2011) found that there have been attempts to differentiate between effective and ineffective leadership.

2.4.1.1. Trait Theory

Great man leadership theories were established in the early 20th century, and were based on the perception that individuals born into upper class households possessed the traits for becoming a leader. The trait theory of leadership has received a lot of criticism mostly because of the traits that were used to determine whether a person is born a leader or not. Traits were understood to be qualities that an individual inherited at birth, however, theory evolved and packaged certain qualities and characteristics as traits that distinguished a leader from a non-leader (Zaccaro, 2007). There has been no measurement of the traits that were used to identify an individual as a leader because some of the traits were based on an individual's physical appearance and their household background. Zaccaro and Banks (2004) argued that the traits that individuals portray must not be considered in isolation, but need to be integrated with other skills that can be developed in individuals to influence leadership performance.

The study of leadership has evolved to acknowledge that individuals cannot only be identified as leaders because of their traits such as having a good personality; values-based leadership can influence the development of certain traits needed for individuals to become effective leaders by nurturing the characteristics needed to be successful. Kirkpatrick, Shelley and Locke (1991) found that traits alone cannot be a determining factor regarding whether an individual will become an effective leader, because there are some other elements that come into play if an individual is in a leadership position. For example, individuals in a leadership position still have an obligation to create strategies to assist the organisation to reach their objectives, therefore traits cannot be the only measurement of whether an individual can or cannot become a leader.

This is why individuals can be nurtured and developed to lead with their values to ensure the successful execution of an organisation's strategy. The trait theory of leadership gives guidance to understand how individuals were previously assessed as effective leaders based on their traits, however theory has evolved to claim that traits can be developed.

2.4.1.2. Path-Goal-Theory

The path-goal theory of leadership was established by House and Dessler in 1974, however the theory has received a lot of criticism by leadership scholars because it has produced inconsistent results (Dermer & Hamilton, 1974). Daft (2011) argued that the path-goal theory is a

contingency approach to leadership, in which the organisation can assess whether the leader has the ability to carry out his responsibility to increase his team's motivation by ensuring that the behaviours needed from employees to complete a certain task are clarified and understood. This theory emphasises the effect that leaders have on their subordinates' goals and the paths used to achieve them. Values-based leadership has a role to play in this theory simply because a leader has to possess the appropriate values to facilitate their subordinates' efforts to accomplish their goals.

The theory suggests that a leader's attitude and behaviour has an important role to play in the culture and climate that surrounds their subordinates, which motivates them to perform at a higher standard than requested (House & Michelle, 1974). Although the path-goal theory has received a lot of criticism, there are great outcomes that have contributed to the study of leadership and developing leaders to encourage a learning environment within the organisation; employees feel motivated if leaders are concerned about their growth and development because their roles are challenging and interesting, which increases productivity and teamwork (Dunbar, 2009). Leader cannot influence employees if they do not display the right behaviour and attitude, and can only get support and cooperation from their subordinates if they lead through their personal values in breaking down the tasks that need to be done towards achieving the goals of the organisation.

2.4.1.3. Equity Theory

The equity theory makes sense of the relationship between employees and the organisation, and how the organisation rewards them for their contribution. Employees are motivated and satisfied when they feel that they are recognised for their outputs. Employees hold certain beliefs about the outcomes they gain from their jobs, as well as the inputs they invest to obtain these outcomes (DuBrin, 2013). An individual's perceptions of what he is giving to their job (inputs) and what he is receiving (output) are compared rather to what others are giving and receiving. That is where the imbalance arises; if employees feel that they are doing a good job and exceeding their job expectations, they are likely to think that they deserve better rewards than someone doing the same job without putting in any effort. If they are given the same reward without having performed at the same level, this leads to demotivated employees. The purpose of the equity theory is to strike a healthy balance within the organisation by measuring the outputs on the one

side and the inputs on the other, and to see these two balancing in a way that seems fair and reasonable. If leaders use values-based leadership there should not be any employees who feel they are not recognised equitably for their efforts, because all decisions made are influenced by the leader's ability to reflect on their decisions.

2.4.1.4. Contingency Theory

The contingency theory led towards situational factors since studies on traits and the behavioural approach were unable to obtain consistency and sufficient results. Fielder (1967) developed the contingency theory in 1967, which suggests that the effectiveness of a team within the organisation is dependent on whether an individual's leadership style is an open interaction with employees and the degree to which the leader maintains control and influence. Diskul (2001) argued that the contingency theory still fell short as a general leadership theory, which leads to the perception that the trait, behavioural and contingency theories are not sufficient to explain leadership. It is important that leaders within the organisation not only focus on their main task which is to formulate plans, but also implement those plans in such a way that encourages communication and gets employees to understand exactly what their individual roles are (Mumford, Zaccaro, Harding, Jacobs & Fleishman, 2000). Leaders have the obligation to possess skills to be able to diligently define and understand the strategy of the department they are leading so that they can coordinate tasks that are expected from employees but also motivate them to accomplish those desired tasks. Effective leaders are expected to understand that they will be working with others, which poses a serious challenge to the personality of the individual who is given the responsibility to lead others, i.e. the individual must have social skills.

Nelson, Campos and Leonel (2010) supported the view that leadership literature in the past century has focused mainly on three strands - trait, behavioural and contingency, however they argued that little emphasis has been placed on making leadership practical for the normal individual who is faced with leading others to achieve the organisation's objectives and those of their own. It has taken more than a century of leadership literature to answer the question – 'Is a leader different from his followers?' The most influential theory was that of Carsyle's (1841), whose great man theory argued that great leaders' attributes and views are vastly different from those of the general population. This theory has received great criticism over the years because it gave rise to the thinking that leadership was more of an expression of historical processes

(Yukul, 2006). Bass and Stogdills (1990) found that leadership literature has mostly focused on the theoretical aspect of leadership by identifying the different types of leadership and their impact on the functional demands of society, which has led to leadership not being identified as an art or a science.

2.5. Effective leadership

William and Gardner (2012) shared the view that leadership has been studied by many researchers as a theory which caused a gap when considering what a leader has to know and the practical expectations of a leader. As a result it is sometimes unclear what interaction should take place between a leader and the individuals they lead, and how to identify problems. Meindl (1995) supported the view that researchers have to define leadership based on the followers and not the leaders' perspective. Bempah (2014) argued that although the leadership literature has portrayed the leadership concept as being multi-dimensional and complex, there has been debate regarding effective leadership due to recent leadership scandals and ethical meltdowns in top management in companies such as Enron, General Motors and Lehman Brothers.

The relevance of the definitions of effective leadership have been questioned and greatly debated as a result of the inconsistencies regarding the concept of effective leadership. Walumbwa, Luthans, Avey and Oke (2010) found that the controversies regarding the exact make-up of effective leadership have not been resolved when dealing with leadership morality and authenticity. Bempah (2014) identified a common shortfall that many of the definitions of effective leadership have stated that the roles played by leaders are the only key factors in determining effective leadership, whilst ignoring the contributions of followers and their roles in determining if an individual is an effective leader. Douglas and Florence (2014) shared the view that to become an effective leader who is recognised by followers, the leader has to portray a sense of great honesty and transparency.

Karakas and Sarigollu (2013) identified four elements that define the existence of effective leaders within an organisation, i.e. those who are influential in creating an environment that is encouraging and who initiate positive organisational change: an individual becomes an effective leader if they can make ethical decisions, create a sense of meaning amongst employees, inspire and encourage hope, and have a positive impact on the larger community. As an effective leader

one has to set the tone for employees and make interactions with employees more comfortable, which will allow employees to talk to leaders openly.

Some researchers have consistently disagreed on leader roles as key factors in determining effective leadership. It is said that a follower-centric approach is more relevant in determining effective leadership because of the role that followers play in determining and defining effective leadership. Followers' behaviours and reactions to situations portray the leadership ability of the individual that is leading them (Gerstner & Day, 1994). This view is correlated by Foti and Luch (1992), who found that followers are likely to portray the leadership traits of their leader, which is how a leader's effectiveness should be assessed. This was supported by Meindl (1995), who found that the ability of a leader to lead others is determined by the behaviour of their followers. The opinions of a leader's followers should be gathered to determine whether or not an individual is an effective leader (Popper & Sleman, 2001). Moore, Cangemi and Ingram (2013) concluded that each human being has the desire to feel useful and gain a sense of their self-worth, which is experienced when a leader is able to influence and impact others, giving the leader a sense of self-worth.

Sand, Cangemi and Ingram (2011) found that employees have a need to be respected and for their skills to be taken into consideration when decisions are made, i.e. when leaders have faith in their employees. Ngambi (2011) differentiated between leaders by defining the attributes that have an impact on the people who are led by a leader and those who are led by managers. Leadership, said Ngambi, entails being effective and influential, whereas management entails being efficient and using authority. Ngambi (2011) found that the senior leadership of an organisation has the authority to assign tasks to leaders in organisations and define what is expected from them. Whitney, Trosten-Bloom and Rader (2010) argued that effective leaders should showcase what is positive about the organisation in terms of its values, vision and mission, which creates an environment that is appreciative. Individuals who are recognised as effective leaders by their employees are those who are able to identify the behaviours portrayed by employees that bring the organisation success; these behaviours must be continuously praised by the leaders. It is likely that if the positive behaviours are continuously praised, those behaviours will reappear and the organisation will have employees that are motivated to do their best at all times (Weiten, Lloyd, Dunn & Hammer, 2006).

Research has shown that effective leadership is dependent on particular cultures that are practiced in a particular country. For example, in countries such as Russia and the United States of America, autocratic leadership is dominant and followers prefer leaders who demonstrate assertiveness and show that they are in charge. In countries such as Norway and Japan, however, followers find effective leaders to be those that are less visible and work behind the scenes to accomplish the organisation's objectives (Tsui, Nifadkar & Ou, 2007). In Mexico and Spain followers see effectiveness when an individual in a leadership position stands above others and commands respect, whereas in Malaysia and Laos, followers see leader effectiveness in a leader who is humble and has the ability to remain part of the crowd (Aycan, 2008). Effective leadership is dependent on how followers perceive the leadership ability of the individual leading them, hence some authors argue that it is important that when defining effective leadership, followers' expectations and preferences are taken into consideration because the leadership style that may work in some cultures may be ineffective in another (Li, Lam & Quin, 2001). De Rue and Ashford (2010) argued that an individual's self-concept defines their leadership identity, which is later confirmed by their followers' perceptions of their leadership ability.

2.6. The impact of effective leadership on employee engagement within the organisation

Individuals who become effective leaders do not supervise employees within their team separately, but allow employees to work together as a team. This gives employees the opportunity to have discussions in meetings which leads to improved communication and builds trust within the team (Schyns, Veldhoven & Wood, 2009). The role of an effective leader is to participate in the team meetings, however they should facilitate meetings to ensure that they are productive and take responsibility for the decisions made (Ying & Ahmad, 2009). Effective leadership is determined by certain characteristics that are essential for organisational effectiveness, however if those characteristics are absent then the desirable competencies required from leaders will not be nurtured (McDonald, 2012).

McDonald's (2012) study identified that leadership competence is reliant on three basic skills: the leader's character, their presence when addressing others, and their intellectual capacity to achieve strategic outcomes. Emotional intelligence has over the years become an interesting topic in leadership studies that has given much more weight to the leadership ability of those in leadership positions. Individuals in leadership positions must become aware of their own

emotions and have the ability to control them, and have the competence to be socially aware of others and their emotions; this is identified as the first step to becoming an effective leader (McDonald, 2012). Wiley (2010) found that organisations that have visionary leaders who promote and encourage a culture of employee engagement develop trust and commitment and drive productivity levels to their maximum, thus creating a healthy and profitable organisation.

The critical element that assists leaders to become effective in their organisations is to build confidence and motivate high performance, however this can be achieved by ensuring that top management inspires belief within the organisation and about its future. Leaders who are effective showcase certain characteristics that have to be present and practiced to establish if leaders are leading others effectively. It is said by some authors that employee performance within the organisation, customer satisfaction and revenue growth are some of the indicators that leaders are effective in their roles (Thach & Nyman, 2001). Wiley (2010) argued that there are certain characteristics that an effective leader has to practice in their daily lives to portray that they are effective leaders.

The five characteristics that define effective leadership are: (1) the ability to give employees a clear picture of the direction the company is headed, (2) the ability to handle the organisation's challenges, (3) a genuine commitment to providing high-quality products and services, (4) a demonstrated belief that employees are important to company success, and (5) the ability to inspire confidence in employees. It is of the utmost importance that leaders within organisations are equipped and empowered to create an organisational culture that motivates employees to aspire to achieve the organisation's objectives and promote the organisation to reach its future vision and targeted goals. Employee engagement can be defined as the extent to which employees demonstrate that they are motivated by management to contribute to the organisation's performance and success, and in return employees demonstrate a genuine willingness to excel and do things beyond what is expected of them. If the leadership of an organisation is effective then the employees will also cherish the organisation and its mission statement because they feel appreciated and cared for by their leaders.

The success and the downfall of most organisations is entirely based on the type of leadership styles that employees have been exposed to from the individuals that the organisation has

entrusted to put into leadership roles. Stam, Van Knippenberg and Wisse (2010) suggested that for leaders to be considered effective in their leadership styles, the outcomes should be employees' who are self-determined, competent and have a strong sense of self-fulfillment in their jobs. Effective leaders should be able to introduce a climate that is built on communication and a culture that creates an inspiring vision of their future within the organisation and that of the organisation itself. Locke and Kirkpatrick (1991) asserted that for individuals to become effective leaders they should be achievement-oriented, ambitious, energetic, tenacious and proactive. However, they should not only be full of what is assumed to be the right leadership attributes, but they must also want to lead others. Fu, Tsui, Liu and Li (2010) argued that leaders should not have any trouble getting employees/followers to commit to the organisation's vision because they have the duty to influence and support others to meet their individual tasks, while Cheng, Chou, Wu, Huang and Farh (2004) argued that leaders can only become effective if the organisation encourages a transformational environment because that enables leaders to become effective in uncertain and changing situations. Christensen (2010) shared the view that effective leaders should be identified by how they reward employees by developing them and assisting them with providing social justice such as respect, honour and creating work life balance.

This view was supported by the theory developed by Frederick Herzberg (1972), who believed that a powerful motivator which must be practiced by effective leaders is not the amount of money given to employees, but the opportunity to grow in their responsibilities, acknowledgment of their contribution and recognition of their achievements. Effective leaders are those that see the danger of not allowing employees to view them as human beings. This can be destructive to the organisation because if a leader cannot admit when they are in the wrong, the same behaviour or attitude is passed onto the people that they lead. Employees are likely to emulate the behaviour of their leader hence it is important for a leader to be open to being wrong and be honest about their shortcomings; this gives employees comfort that their leader is able to relate to them, which builds trust and rapport between the leader and their team (Kraemer, 2011). It is of the utmost importance for effective leaders to be able to say "I have made a mistake" when something has gone wrong, because their team will respect a leader who is humble and sincere.

2.7. A comparison of leadership in various countries

House, Javidan, Dorfman and Gupta (2004) shared the view that the question of whether leaders are different from followers has not been answered by leadership literature because the differences between leaders and followers in different countries have not received any attention. A survey was conducted amongst approximately 10 000 workers within the United States of America and 1000 workers from various countries including China, India, Switzerland, France, Italy, the United Kingdom and Finland. The survey was conducted by Work Trends and the participants were chosen according to their industry mix, job type, gender, age, and other organisational and demographic variables. According to the survey, the results indicated that the global rating of senior leadership effectiveness is 55%. All the countries were rated by the workforces within their respective countries, with the country with the highest percentage of leadership effectiveness being India at 72%. The countries with the lowest ratings were France, Italy, the United Kingdom (UK) and Finland at 47%.

A study conducted amongst 69 Japanese subjects by Fukushige and Spicer (2011) identified four leadership styles as being preferred in Japan. These leadership styles were identified as directive leadership, supportive leadership, participative leadership and achievement-oriented leadership. Leaders are found to be effective in the UK, on the other hand, if the organisation takes care of their employees and provides them with the means to assist their family's needs, whereas in Japan leaders are found to be effective if their skills and abilities are fully utilised (Fukushige & Spicer, 2011). Harpaz (1990) found that the Japanese workforce, identify their leaders as being effective when they use autonomy to lead others.

Bass and Avolio (1997) correlates that the workforce within the United Kingdom views effective leadership in organisations as giving employees the opportunity to spend sufficient time with their families and the privilege to enjoy their personal life, whereas the Japanese workforce prefers a stress free work environment. Zhang, Tsui and Wang (2011) found that this is contrary to the Chinese workforce, whose idea of effective leadership is when their leaders use an authoritarian style of leadership where individuals in leadership positions dominate decision making. This type of leadership shows a disregard of the opinions of the employees within the organisation.

Pellegrini and Scandura (2008) described Chinese leadership as being one that could bring about negativity amongst employees if practiced in the United Kingdom because of the differences in

the leadership preferences that followers have. This type of leadership if practiced in any other country could be destructive to any individual because while it motivates employees to strive to do more, employees will show less commitment to their roles and work only to meet the minimum threshold of what they are tasked with. Pellegrini and Scandura describe authoritarian leaders as individuals' who display a certain degree of discouragement towards their followers when the organisation introduces certain ideas that could bring about risky business decisions to improve the organisation's functioning. The Chinese workforce may feel powerless when faced with authoritarian leaders because followers may not believe that management has their best interests at heart and this may lead to discrepancies if organisational changes have to be implemented if leaders do not listen to the opinions of their followers (Cheng, Chou, Wu, Huang & Farh, 2004).

In the Chinese context the authoritarian leadership style encourages strict rules and procedures that are consistent so that the leaders can exercise their power and control over their followers/employees. This type of leadership see leaders demanding complete command over and obedience from followers/employees, because in the Chinese economy the focus is more on productivity than making sure that employees are well taken care of (Charbonnier-Voirin, Akremi & van den Berge, 2010). In Argentina, on the other hand, an individual in a leadership position should display a great amount of charisma and should be popular (Leaman, 1999). Research undertaken by Aimar, Isidro and Stough (2007) showed that leaders in Argentina show a very high sense of belief in their religion and that there is an absolute truth that individuals possess which is seen in their leadership styles.

This is said to be contrary to the leadership behaviours that are seen amongst American leaders, who show a greater tolerance for uncertainty. There is also a strong sense of diversity in their leadership and a lesser belief in absolute truth. Dahlgaard, Pettersen and Dahlgaard-Park (2011) found that American leaders must reflect on the organizations values to improve their leadership ability since there is a rapidly changing global environment that demands leaders to be open to different leadership cultures. A study conducted by the American Institute of Stress (2011) revealed that leaders and organisations that are employee-focused create an environment in which employees are valued, respected and given opportunities for growth, which are important to create leader effectiveness. Some of the organisations in various countries have responded to

this by creating workplaces that not only focus on productivity, but aim to build a strong organisational culture that supports the employees and the organisation itself.

Ngambi (2011) explored leadership in Africa and the interventions that need to be done to ensure that individuals are equipped to become effective leaders. The current situation in Africa requires leaders to deal with realities that are stumbling blocks, so that the leaders of tomorrow can be developed. If Africa is to succeed in the near future, leaders need to be driven by values and principles that avoid appointing leaders who support incompetence in crucial positions based on political power, and eradicate the toxic behaviours that exist in the public sector. This calls for leadership which is committed to educating, training, developing, retaining and rewarding individuals' who have talent, and not promoting mediocrity.

2.8. Definition of value systems

Leadership writers and theorists have increasingly described values as a key component of effective leadership. A common theme is that leaders should possess a strong foundation of personal values, principles, or ethics to lead others effectively and develop strong relationships with employees. Graber and Kilpatrick (2008) found that the values of a leader should reflect and be in-line with the organisation's values, which should be accepted by other members of the organisation. Values form the very core of personality and influence the choices people make, the appeals they respond to, and the way they invest their time and energy (Posner & Schmidt, 1992).

One of the most important aspects leadership theory should focus on is an understanding from a human development aspect of the implementation of value systems and the effect they have on individuals personally. Krishan (2002) found that the value systems that a leader shares with his followers are defined as the similarities between that leader's personal values and those of his followers. Bass (1981) found that Stogdill's (1948) study provided some evidence that a focus on values was not considered among the most critical traits of leadership. Individuals who are in leadership positions tend to assume that they have power and authority over others without taking into consideration what really makes an effective leader and the characteristics that should be displayed by a leader to get support and followership from their subordinates. Davis (2011) found that value systems serve as a moral compass to guide the decisions and actions of a leader

that provide stability and growth for employees; leaders' values are perceived by employees as a magnet that holds teams together, even in the most adverse times. Research done by Mancheno, Endres, Polak and Athanasaw (2009) argued that there is a need to focus on values as the foundation of leadership, since an individual's personal values have a positive effect on the organisation and its employees.

2.9. The importance of value systems on leadership

For human beings, values are the essence of who people are as individuals and form part of the principles that individuals create for themselves. These values influences what inspires individuals to become better and how they respond to any situation that they are faced with. Rue (2001) stated that people's values influence how they make decisions and how those decisions reflect their personal values; values are important to individuals because they are the brand that a person creates for themselves and lives by. Research conducted in America found that an individual will complete basic schooling within an established value system that is based on his or her family, religious, cultural, and national background. Values are the basis of our beliefs as individuals and influence everything that we do. Value systems also have an influence on an individual's attitude and behaviour, because they determine the actions that people take when faced with challenging decisions. Value systems enable leaders to build trust around them, making it easier for employees not to doubt any decisions made by their leader; values are also the cornerstone that an individual needs to possess to become an effective leader who shapes the future for others.

Vogel (2012) found that a leader's system of values or deeply held beliefs form the ethical framework from which they develop a vision, define and shape the change process, and take action to make their vision a reality, therefore values can play a major role in giving strategic direction to both the organisation and employees. Values-based leadership can be used to build credibility and trust between a leader and an employee, which encourages leaders to make decisions that are ethical. If employees feel that they can trust their leader, the leader's value system motivates the leader to communicate the organisation's mission and goals (Messick & Bazerman, 1996). For individuals to become effective and efficient leaders they need to understand themselves first and transfer the same values to their subordinates.

Value systems have a major impact on transformational leaders, however just because transformational leaders impact other people's lives, one cannot impact another person's life without having a clear understanding of what they want to transfer to the next person (Krishna, 2001). Identifying and developing transformational leaders requires an understanding of the basic characteristics such leaders possess for them to become effective leaders. Values form the very core of personality and value systems provide the most enduring picture of an individual. This conclusion acknowledges that an individual's value system forms the basis of their leadership style because individuals make decisions about employees and organisations based on their individual beliefs and their assumptions of what is right.

Mihelic, Lipicnik and Tekavcic (2010) highlighted that throughout history values have sparked the interest of many researchers in various sciences, however even if this is the case, not much has been done to acknowledge that values are important for effective leadership. The authors found that with the staggering growth of companies, management researchers have become interested in the topic of value systems, however companies have not adopted values-based leadership as the cornerstone of every decision made to take their organisations forward. Leadership writers and theorists have found that values are the key components of effective leadership within organisations. The common view is that leaders should possess a strong foundation of personal values, principles or ethics, to function effectively within organisations, thus organisations have come to the realisation that a leader's personal values must be aligned to an organisation's values to achieve cohesion in the application of those values within companies (Balogu, 2012).

Values have a profound effect on a leader's performance and building morale and motivation amongst employees. It is evident that most scholars from different areas of specialisation have come to realise that values-based leadership enables leaders to perform effectively in their roles to produce organisational effectiveness. Lichenstein (2012) was adamant that leadership as a study has focused too much on the intensity involved in strategy development rather than on the more challenging variables that affects organisations, and identified values as being a more challenging element when enhancing strategy formulation. Values shape the leadership ability of individuals and enhance the efficiency and effectiveness of the organisation. Individuals who are in leadership positions are open to self-reflection, their personal values are likely to discover how

their values can either affect or impact strategy formulation. This can be achieved through values-based leadership because leaders will not make any decisions that they are uncomfortable with. Lebow and Simon (1997) discovered that there are eight basic people values for organisations that can make leaders effective: truth, trust, mentoring, openness, giving, credit, honesty, and caring.

Hester and Killian (2010) found that leadership is about developing relationships between an organisation and its employees and that these relationships are sustained by shared moral values. It is usually the culture created by an organisation through its values that distinguishes it from its competitors, therefore leadership that is values-based is needed for most organisations to function effectively and efficiently. Understanding values-based leadership is a prerequisite to becoming aware of the basic moral principles that comprise the foundations of ethical behaviour. Value systems assist leaders to build relationships based on trust and honesty. These relationships are influenced by individuals' personal values, which lead to ethical decision making in all spheres of the organisation.

Ngami (2010) described that a leader has the responsibility to get employees to commit to reaching their full potential through the adoption of values, passion and integrity. Values-based leadership encourages employees to follow their leader voluntarily, which stems from common values such as respect, integrity and authenticity. Cater, Lang and Szabo (2010) shared the view that management and leadership scholars have tried to ascertain if there is a relationship between culture and leadership styles. The cornerstones of culture are values, beliefs, norms and cultural traditions, which are seen by quite a few authors as having a direct impact on leadership. Quinn (2004) indicated that values play an important role because they force leaders to focus on their inner selves, which leads to their inner and outside worlds becoming aligned and they are able to impact the individuals' behaviour and that of the organisation. Values-based leadership enforces that a leader should be less self-focused and more other-focused so that values can influence those around them (Quinn, 2004). As a result values are believed to motivate employees and to normatively lead their behaviour, interests, thoughts and actions, which is described as leadership behaviour (Schwartz, 1992; 1996; House, Javidan, Hanges & Dorfman, 2002).

2.10. The effect of values-systems on the organisation

Values-based leaders are those who inspire, motivate and have high expectations placed on them by their teams based on their performance, which is prompted by the firmly held core values inherited by the organisation (Dorfman, Javidan, Hanges & Dastmalchian, 2012). It is important also to note that researchers are not in complete agreement regarding the exact role that values play in guiding leadership behaviour. Although leadership studies have supported the assumption that values do motivate behaviour, this may not be entirely correct because the influence values have on leadership behaviour may be dependent on the different pressures that a leader has to deal with in a particular situation (Mihelic & Lipicnik, 2010). These different views stem from the research done by Szabo, Reber, Weibler and Wunderer (2001), who found that organisations cannot be entirely certain that an individual will stay true to their personal values and those of the organisation when faced with factors such as stress, resources and external factors. This may require the leader to make hard decisions, but the question is whether an individual's old habits return and influence those behaviours which make the influence of values on leadership nonexistent.

Organisations thus need to take into consideration that it may take time for values and leadership behaviours to turn into actions that can move the organisation forward. Hofstede (2010) gave clarity to the question that has become prevalent in leadership theory, which seeks to answer whose responsibility it is to develop the right value systems in individuals at an early age (Weibler & Wunderer, 2001). Hofstede was of the view that schools and families have an enormous role to play in developing the correct value systems in people so that individuals are able to differentiate between right and wrong. This is the challenge that faces every country because values are the primary source of influencing future leaders. Kennedy (2010) suggested that a practical solution to attain good leadership is for the organisation to have managers and employees that are emotionally tied to their values and those of the organisation so that they can have the urge to not only preach the values of the organisation, but also to action them when making decisions that influence others. Adullah, Hamid, Mustafa, Suradi, Idris, Liong and Shahabudin (2011) described the role of core values as being the dominant belief within the organisation which dictate what is essential and to be appreciated by an individual, teams and the organisation as a whole. In addition to this, values shape a principle that is consistent, which

creates the desired behaviour within the organisation and creates a true identity for the employees within the organisation.

Abdullah, Hamid, Mustafa, Husain, Idris, Suradi and Mustafa (2012) asserted that a critical issue that an organisation should rather explore is if the organisation's values are developing within the individuals in the organisation. This is because the values of an individual are developed from within the individual before they translate to the outside and impact on the organisation. Helson (2002) argued that organisations must be mindful that people are versatile and that organisations cannot expect the values that mattered to the older generation of leaders to appeal to the younger generation, because people's values can change during their life cycles and life experiences, which may depend on what an individual deems is important to them. Research conducted by Hultman and Gellerman (2002) discovered four criteria that values should possess, i.e. balance, viability, alignment and authenticity.

Definitions were established for all the criteria: balance (the extent to which values must be given proper emphasis), viability (the extent to which organisations view values as workable), alignment (the extent to which organisations must ensure compatibility exists among individuals and the organisation's values), and authenticity (the extent to which employees within the organisation use values in a genuine and sincere manner. Buchko (2007) argued that individuals in leadership positions and the development of organisations have relied on the use of values as a tool for driving improved organisational performance. Collins and Porras (1994) shared the same view that the presence of identifiable values is the main characteristic of organisational success. Tuulik, Kurvits and Ouapuu (2013) described values as being deep-seated because in most instances values cannot be seen, however they can be observed by the ways in which they manifest themselves in an individual through their opinions, attitudes, preferences, fears and desires.

An organisation is made up of people and not the building itself, which means that when organisations are developed individuals who lead the organisation must also be equipped with the right skills to lead effectively guided by value systems. The values, belief systems, culture, shared vision and purpose of the organisation should develop leaders to clearly understand why they are part of the organisation (Anwar & Hasnu, 2013). The influence of value systems on

leadership assists leaders to choose right courses of action in the day-to-day operations of the organisation. Olson (1998) argued that values cannot be ignored by an organisation, because once they are activated within an individual they act as a guide for a leader without the leader consciously being aware. In the 1970s, theorists such as Katz and Khan (1978), House and Baetz (1979) and Burns (1978) argued that even though values are regarded as the foundation of leadership development, they are only effective if they are shared values and if the leader's ability to lead using those values has been validated by their teams.

Meglino and Ravlin (1998) support the view that once there is a commonality or similarity in value systems between two or more individuals, this will generally lead to a number of positive outcomes such as improved communication. Values are seen as a major influential element of crafting an organisation's vision, since they are regarded as an ideology and are purpose driven. Research conducted by Anwar and Hasnu (2010) concluded that once organisations put more effort into working on the core values and practicing them on a daily basis, values will have a profound effect on creating and clarifying the organisation's vision. Goswani (2013) argued that although values have not been recognised by some organisations as a major influencer, they do play a silent but strong influential role in shaping the vision, crafting the mission and validating the strategies that will move the organisation forward. Leaders who are able to assist their teams to identify their personal values are more likely to promote the organisation's integrity, thus giving leaders influence over their teams.

When personal and organisational values are aligned, values play a significant role in influencing leadership, which in turn increases employees' commitment to the organisation and decreases any intention employees may have to leave the organisation (Milliman, 2003). Values allow leaders to be able to engage their employees because they speak the same language through the alignment of personal and organisational values (Kouzes & Posner, 2002). The original concept of values-based leadership was introduced by House (1996), which was later closely linked with the development of charismatic and transformational leadership (MacTavish & Kolb, 2008). Values are a common basis on which individuals in leadership positions are consistently and continuously evaluated, embraced or rejected (Ahn, Etnner & Loupin, 2011). Unlike leaders who practice transactional leadership where authority is placed more on top management, values-based leadership relies on empowering employees to make decisions throughout the organisation

(Yukl, 2012). Pojman (2001) divided values into three categories, namely intrinsic values, which come naturally to people and are not derived from others; instrumental values, which are an effective means of attaining intrinsic values; and combination values, which are those that are good in themselves.

Research undertaken by House (1996) found that values-based leadership is influenced by two leadership dimensions, namely making values visible and meaningful to employees and ensuring that moral engagement takes place within the organisation. Research done by Johnsen (2002) argued with this theory and established that there are in fact three dimensions that influence values-based leadership. He identified these as being that the goals of the organisation must reflect the terminal values; instrumental values must be reflected through leadership behaviour; and linguistic tools must be created to allow values to be integrated into the leadership processes. Our values are dictatorial for all human beings and are extremely important in determining the choices we make as individuals (Russell, 2000). An individual who leads others influenced by value systems is seen as an action oriented leader who takes into account the dynamic and changing values and identities within organisations (Busch & Wennes, 2012).

It is evident that before organisations can expect individuals who lead others to act according to the organisation's values, it has to set out exactly what those values are. Sauser (2008) defined corporate values as the expression that the organisation makes of its personality and the commitment the organisation has towards the conduct of its employees and the basis for organisational success. Values within the organisation are what give sense to the company and they ought to be known and practiced by everyone within the organisation. Each leader is tasked with the obligation to identify the organisation's values and to provide employees with an internal compass which will allow them to act independently and be responsibly influenced by their leader's values. Values are believed to be the most abstract type of social cognition which are used to help guide individuals to adapt to their surroundings and environments (Kahle & Timmer, 1983).

An individual's personal values include factors such as self-respect, broadmindedness and the courage to be able to become an effective leader who emphasises the importance of values. Kanungo and Mendonca (1996) argued that the application of value systems should emanate from and rely on an organisation's code of ethics. In the organisation values must be

characterised as being very important because they are the foundational elements of understanding both ethical reasoning and moral behaviour (Kooskora, 2013). Values-based leadership is aimed at fostering strong values that must consider the personal interests and the degree of power held by people within the organisation, including the employees. Individual needs within the organisation and social power can interfere with the encouragement of certain values if individual needs and degree of power are deeply held by people within the organisation (Prilleltensky, 2000). If the role of values is not taken seriously by top management it means that the leaders have done half their jobs, because an organisation's mission statement cannot be the sole priority of the organisation.

DiTomaso and Hooijberg (1996) argued that values may not be effective within an organisation and may cause harm to an organisation's success if those values are not properly articulated. Employees may also lose commitment to the organisation if leaders do not live up to the communicated values, diminishing the trust relationship. Bass (2008) argued that the role of values within the organisation can be misleading to the employees if leaders are not authentic and are not seen acting on the personal values that they use to influence others. This may cause a major disconnect between employees and the organisation, which will indirectly affect productivity. Not putting values into action by leadership is likely to cause conflict and tension, and leaders may be faced with a challenging dilemma to change the organisation's values which may not be accepted by the employees. Hatch and Schultz (2002) argued that it may be difficult for an organisation to have a strong identity if fundamental values to the organisation are changed, which may pose a question of whether values are really important to the organisation because they may cause a burden to the leaders. Integrity, honesty, trust, listening and respecting employees constitute the effectiveness of a leader who leads according to their values (O'Toole, 1996).

Heather (2009) found that organisational values should be aligned to the individual's personal values so that the employees are able to relate to them. Those values then become who the employees are and employees will work with pride because they identify with the organisational values. Leadership values are important although they are deep and often not visible controlling forces within the organisation, however they define what is appropriate and inappropriate behaviour (Yukl, 1998). Values can be viewed as a tool to communicate and connect employees

to the organisation through the behaviours that are portrayed by the leaders when actioning the organisation's values combined with their own. Grunert and Scherhorn (1990) argued that whilst values are the principles that guide an individual's beliefs, attitudes and behaviour, it is also important to note that values are the fundamental point where individuals intersect with society. The study of values has been recognised as an important aspect of leadership since the early 1950s, as is evident from the research of (Selznik, 1957).

The real task for leaders is to create social structures that have shared values (Selznik, 1957). Research by Fernandez and Hogan (2002) studied the impact that values have on leaders and how the leaders' personal values affect the organisation's strategy. Once the organisation has a destination of where it is going and how it will get to the desired destination, top management must develop strategies that are people oriented. Leaders are entrusted to lead their subordinates using their own personal values to ensure that the organisation's aspirations are successful. Fernandez and Hogan shared the view that values play a vital role within the organisation as they are important to understand leadership and give meaning to the direction of an individual's behaviour and actions. In their research, the authors revealed a relationship between values and leadership where four value clusters were discovered, namely the strategist, the analyst, the mentor and the innovator. Each of these value clusters produces a coherent clear-cut managerial character:

- The strategist creates a work environment that is competitive and confrontational. Their priority in the organisation is to devise a winning strategy and they are reliant on employees they can delegate to.
- The analysts prefer to control resources and pursue stability and predictability within the organisation. Their priority is more concerned with creating an efficient system that provides customers with a consistent and risk-free experience.
- The mentor values collaboration, assisting employees and ensuring that high standards are maintained. They create a culture within the organisation that is comfortable and cordial.

- The innovator cares more about organisations that have employees who are knowledgeable and use their imagination. Their main focus is on promoting change and creating a learning and experimental work environment.

In all four managerial characters, it is evident that the roles are not rigid and cannot be cast on all executives, however the four approaches offer a framework for understanding how work group productivity and commitment are directly influenced by a leader's style. The research concluded that the most effective leaders are those whose personal values are most like those of the organisation, rather than those leaders who have a vast knowledge of the organisation's industry. Leaders may be labeled hypocrites if their actions are inconsistent with their values. Employees develop perceptions of a leader's integrity from their characteristics, which are associated with a leader's ability to lead others and be effective in the organisation.

Darling and Beebe (2007) argued that values are also important for entrepreneurs because organisations become effective through values-based leadership, not because they have clever people. Darling and Beebe added that leaders should possess certain values such as joy, hope, charity and peace, however, these values are meaningless if they are only communicated and not expressed through actions. Cater, Lang and Szabo (2013) argued that researchers do not completely agree that values play an important role in leadership behaviour, however, in reality those leadership behaviours may not be influenced by values when leaders are faced with the pressures that the organisation may face because of external factors that may affect the organisation. It takes an individual who has courage and shows true authenticity to be guided by their values even when the organisation is under pressure from external factors such as legislation, structure and resources. Individuals in leadership positions demonstrate leadership effectiveness by their ability to mobilise and influence employees by sharing a collective identity with the team (Cicero, Pierro & Van Knippenberg, 2010).

Graklar, Duugal and Eylul (2009) asserted that leadership roles may be difficult to evaluate since they are influenced by values, however management must be in a position to assess whether or not those leadership roles are expressed through the leader's behaviour. The executive leadership within the organisation must identify the types of leadership behaviours that are relevant to the organisation's vision, however those leadership behaviours must be functional in teams (Luciano

& Mathieu, 2014). Individuals who practice values-based leadership are those who lead by example, display ethical behaviour within the organisation and have the ability to strike a balance between the principles of what is right or wrong (Reilly & Ehlinger, 2007).

2.11. A comparison of values-based leadership in various countries

Several studies have suggested that values-based leadership is viewed with suspicion in some countries, therefore a conclusion could be reached that values-based leadership is disingenuous in some countries (Hartog, Hanges, House & Ruiz-Quintanilla, 1999). Research conducted by Fu and Liu (2009) revealed that leaders in the United States of America (USA) earn multi-million dollar salaries, bonuses and perks when their organisations have performed well, however the question is how they are held accountable for this. In most cases no one takes the time to investigate why those leaders are in leadership positions, if they understand what the purpose of the organisation is, and most importantly what their values are. Top management in the USA should place individuals in leadership positions who understand their own personal values, since it has been discovered that values play an important role on influencing decisions which may prevent factors leading to the organisation getting bankrupt. Argandona (2003) asserted that values are the basic structure that supports an organisation and without them at an organisational level the organisation cannot survive. Posner (2009) conducted research to determine if American managers are more concerned about values today than they were a few years ago. The study revealed that leaders in America have recently paid more attention to values in leading organisations.

The values of the Americans have become clearer today than in the past. Posner discovered that 54% of all managers agreed that more time should be spent examining personal values, while 65% agreed that more attention should be paid to values in managing business, 25% did not feel more time on personal values was warranted and 13% did not want their organisations to pay more attention to values. In some countries values are considered to be a softer approach (more people oriented) to leadership for managing others effectively (Dolan, 2011). In countries like China, values have become the principal driver for re-engineering and creating a culture of well-being (Dolan, 2006). Research by Schwartz and Bardi (2001) argued that the definition and concept of values must be taken into consideration since values may be different and vary from country to country based on cultural differences. Nelson (2014) conducted research amongst

professionals using personal value profiles in countries such as Brazil, the United States, China, Hong Kong and Singapore. The sample consisted of 734 professionals, 212 of which held middle or upper-level management positions who had at least five employees reporting into them.

The research was done using surveys to answer the question of whether an individual's personal values are influenced by the culture of their country. A comparison between the United States of America, China and Brazil revealed that the United States of America and China have the lowest and second lowest percentages for values such as affect, empathy and loyalty, whereas in Brazil the country has high values based on empathy and loyalty. Derue, Nahrgang, Wellman and Humphrey (2011) found that there is a correlation between a leader's values and those of their employees, in countries like China and the United States of America which may lead to conflict since employees are influenced by a leader's values. In countries like these employees are likely to be disgruntled because their personal values may contradict those of their leaders, which may affect productivity and commitment towards the organisation. The Global Leadership and Organisational Behaviour research tool was used to conduct research in Estonia to identify if there was a change in the values of the individuals who were in leadership positions in 2001 compared to the leadership of 2012. Leaders that participated in the 2001 survey were from the previous political system that did not view value systems as an important tool for leadership and organisational effectiveness. Their responses were compared to the leaders of 2012 after Estonia became independent in the beginning of the 1990s; these leaders had changed not only as individuals but their aims and purpose has also changed.

The average mean values for both leaders and managers were calculated based on the data that was received from comparing the views of the leader and subordinates in the years between 2001 and 2012. The questions in the survey were divided into five categories; values that are of no importance to leaders, slightly important values, values that are generally important, values that leaders view as very important and values that should always be considered important and assigned a very high amount of favour within the organisation. The results found by the Enterprise of Estonia (2011) from the survey revealed that leaders prior to the independence of Estonia used an authoritarian leadership style and did not care much about involving employees in the organisation's effectiveness. The characteristics that were important to the employees at the time were leaders who portrayed attributes such as follower confidence, and who were

inspirational, diplomatic and able to define role clarification. The comparison of the survey results between 2001 and 2012 showed that there was a decrease in values such as integrity and team orientation. The results further showed that even though Estonia was independent, the workforce did not trust their leaders and established that their values and ethics were not the same as their leaders. There is a significant push for countries to look at another approach to increase organisational effectiveness so that the organisation can achieve its objectives.

The introduction of values-based leadership can play a significant role in ensuring that the organisation is effective and do their best regardless of different cultures. This can only be achieved if the top management in organisations come to realise that values-based leadership requires all individuals in leadership positions to be courageous. Frost (2014) shared the view that values-based leadership can be difficult in some countries when tough decisions have to be made because of the fact that there are already well entrenched beliefs which can be challenged by using values-based leadership as a new approach for effective leadership. Leaders may also find it difficult to change their leadership behaviours after practicing them for a long time. In their research, Fu and Liu (2009) relied on looking at the impact that values could have on the leadership of the country within the USA using companies such as Levis. House, Hanges and Javidan (2004) asserted that no matter which leadership style a country uses, values-based leadership is far more than leaders who believe that being an effective leader is merely about giving rewards and punishment for employee behaviours. Rather, values-based leadership is the emotional and shared purpose that the leader has with their team.

2.12. The impact of value systems on organisational culture

Schein (2010) found that leaders at all levels of the organisation can influence the basis on which management builds an organisational culture by influencing the behavioural norms, policies, and standards of employees, however this can only be achieved if the leaders are clear about the values of the organisation. Leaders who are guided by values are able to help others within the organisation to align to the organisation's overall culture (Schein, 2010). The literature on organisational culture has paid more attention to whether or not employees agree with the perceptions of organisations rather than focusing on the fact that organisational culture should be investigated based on the perceptions that employees have of the organisation that they work for

(Thomas & Lindsay, 2003). Day, Harris and Hadfield (2001) suggest that the values adopted by the organisation should be morally based to lead to ethical decisions. Ownes and Steinhoff (1989) asserted that the definition of organisational culture emanates from six interlocking dimensions, including values and beliefs; myths and stories explaining the organisation; organisational history; cultural norms; traditions, rituals and ceremonies; and heroes and heroines.

Cater, Lang and Szabo (2013) acknowledged in their research that there has been vigorous debate amongst anthropologists such as Schneider and Barsoux (2005), who disagreed on the actual definition of culture. The definition of culture has included anything from law and religion to art, whilst others have put more emphasis on specific value orientations. Abdullah, Husain and Hassan (2003) outlined that there are three types of values namely personal values, work values and organisational values, and argued that while these values are interlinked, they have different roles pertaining to individuals and building the culture of the organisation. It cannot be taken for granted that these values have the same meaning to an individual, whereas, they could be a difference between personal values and organisational values which may affect the culture of the organisation by creating a personal conflict for individuals.

The organisation must ensure that the three types of values mentioned by Husain and Hassan (2003) are carefully aligned within the organisation, because the primary reason the three types of values exist is to give the organisation direction and to be used as a guideline so that individuals do not derail from their path and that of the organisation. Kim, Leong and Lee (2005) argued that the perception that employees have about the greater value that organisational culture creates within the organisation is that there is a common message about the values of the organisation. Organisational culture is important to the senior leadership of the organisation because it creates a common message throughout the company. It is critical for organisations to realise that when new employees join the organisation they have their own values and beliefs that govern their attitudes, behaviour and identities (Ogbonna & Harris, 2000). If an individual is promoted to a leadership position those same values, beliefs and assumptions become an influence on the culture of the organisation since the culture stems from value systems. Culture becomes self-perpetuating for employees because the strategic norms that are embedded in the organisation are unconsciously adhered to by employees (Schein, 1996).

A leader's personal values influence the strategic direction of the organisation, which later has an effect on the cultural orientation that is absorbed by the organisation. Employees may have the perception that leaders must automatically show consideration and remorse, which means the leader must be friendly, supportive, concerned, open and always willing to consult employees (Nahas, Abd-El-Salam & Shawky, 2013). Whetten (2006) claimed that organisational culture consists of shared values, beliefs and norms that are considered to assist employees to self-regulate in their day-to-day work operations, and encourage them to act on the problems and opportunities they face within the organisation. Organisational culture is reflected in the manner in which employees perform their tasks and enhance the image of the organisation if values are aligned across the organisation.

For example if a certain organisation is known for its excellent customer service, excellence becomes their culture and everyone who joins the organisation has to follow that standard, therefore that becomes a shared value by all in the organisation. Frost (2014) shared the view that it is problematic if there is no organisational culture because the organisation's success is dependent on the alignment of values between the individual and the organisation. If an individual's personal values contradict those of the organisation and their team, this creates internal conflict. This will thus affect the organisation because if individuals have internal conflicts with the organisation's culture, it may cause rifts between individuals and their teams. Duncan, Green and Herrera (2012) asserted that acknowledging and appreciating the different cultural values and practices around the world is one of the greatest challenges that organisations face.

Even though values have a positive impact on the culture of the organisation, the leaders have to be mindful of the different individual characters and cultural differences that exist amongst employees. Graber and Kilpatrick (2008) asserted that the organisation's values are the key aspect that contributes meaningfully to the culture and the ultimate success of the organisation's strategy. Buchko (2007) argued that the only way that organisations can build brands for themselves in their respective industries is through their culture, which emanates from the shared values that exist in the organisation; the culture of the organisation becomes a standard for the employees within the organisation. Organisational culture becomes effective by developing four elements of values-based leadership regarded as leaders that have personal and professional

values; identifying what the expectations are within the larger organisation; how a leader will implement those values in their team; and to commit to values-based leadership to create a consistent culture for the organisation. The culture of an organisation is a powerful and stable force that organisations rely on to gain strategic success.

Culture is derived from the organisation's values, which translate into the norm of the organisation that creates unity and teamwork (Schein, 1996). Values to a large extent build the culture of an organisation by ensuring that all stakeholders within the organisation speak the same language in the way that they conduct themselves and interact with each other. It is then important that everyone within the organisation speaks with their actions so that the culture of an organisation is not only expressed through words, but it is also seen by the actions of everyone within the organisation. Research done by Hunt (1991) asserted that once the values of the organisation are set out as the underlying principles that the organisation is based on, they set on it as important. The responsibility lies with top management and their team members to ensure that their actions and decisions are ones that create a culture that is closely aligned to the organisation's values (Waldman & Yammarino, 1999).

In the South African context, when organisations create their values it is important to take into consideration the varying cultural values of the diverse groups that exist within the country, because they make up the employee population (Thomas & Turpin, 2002). The challenge in South Africa is that the country has put much reliance on European and American models, which may pose a threat to managing and developing South Africa's diverse workforce (Poovan, Du Toit & Engelbrecht, 2006). The research revealed that South Africa has always relied on the principal of 'ubuntu' which is known as the dominant cultural values even in organisations (Thomas & Turpin, 2002). A leadership model in South Africa is yet to be developed that will consider the different cultural beliefs and optimise the benefits of having diverse beliefs, values and principles to influence the organisation's performance. Individuals can only become effective in organisations if they display values such as compassion, dignity, humility and reciprocity, which reveal that caring for others forms the basis of the belief that a person is a person through others. Thomas and Bendixen (2000) found that middle managers within South Africa are seen as effective leaders by senior leadership because they share similar cultural values regardless of their ethnic backgrounds.

Van der Post (1998) discovered that in South Africa a significant relationship has developed between organisational culture and an organisation's financial success. In the South African context research has shown that organisational culture has a positive role to play in an organisation's performance. A study done by Thomas and Lindsay (2003) found that in South Africa organisational culture in middle management can be compared to countries such as the USA, Great Britain and Holland, where culture manifests in a lower tolerance of hierarchy within the workplace with a focus on equality. Deshpande and Farley (1999) found that in India and Japan there are four types of corporate cultures that are practiced competitive culture, entrepreneurial culture, bureaucratic culture and consensual culture. Organisations that are successful, efficient and effective are those that create organisational culture through values and put the organisation's culture above the vision and mission statement (Abdullah, Husain & Hassan, 2008).

Research undertaken in Slovakia by Vanova and Babelova (2012) revealed that large companies pay more attention to corporate culture and its creation, whereas smaller companies do not because focus is placed on productivity; however smaller companies have the opportunity for employees to get to know each other quicker and build the values that will influence corporate culture. Paul and Berry (2013) found that it is important for executive leadership to be responsible for the creation of organisational culture which will enable the working environment to be conducive for all employees.

2.13. The impact of value systems on ethical leadership

Olli-Pekka (2012) concluded that values-based leadership is tested and put into practice according to how well leaders are able to use their values to influence ethical leadership. A common problem identified as existing in organisations is that values and ethics are known, but are not present in decision making or prioritisations. Leaders are unable to give ethical meaning to their decisions without the use of value systems in their decision making. If leaders exercise values-based leadership, employees will know ahead of time that all decisions made by their leaders are based on their personal value systems, therefore they are ethical and moral. Employees become aware of a leader's personal values because the leader sets a certain consistency of behaviour in everything that they do, therefore employees will know that the leader's intentions are pure and genuine.

Brown, Treviño and Harrison (2005) defined ethical leadership as the demonstration or display of appropriate behaviour and conduct by an individual's actions and decisions in leadership positions. Other researchers such as Walumbwa, Mayer, Wang, Wang, Workman and Christensen (2011) supported this definition, saying that employees look up to leaders who portray ethical behaviour in their actions and in the decisions that they make. Therefore, the organisation benefits from their leaders because employees become motivated to perform their tasks with great effort since they believe in an organisation that promotes ethical and moral behaviour. Employees who believe in those leaders follow them based on their ethical decision making, they will not question the actions of the leaders, even if there is controversy and difficult decisions to be made. Ethical leadership in organisations reduces the negative characteristics and thoughts about the leaders and the organisation.

The organisation becomes free of unethical behaviour and conflict because employees trust in the culture created by the organisation and the values of the leaders in the organisation (Mayer, Aquino, Greenbaum & Kuenzi, 2012). Brown, Treviño and Harrison (2005) provided a concept of ethical leadership which found that there are three components of ethical behaviour that employees observe from a leader's action: being an ethical example, treating people fairly, and actively managing morality. Leaders who are guided by their personal values do not exercise their authority to make unethical decisions, and have the ability to differentiate between what is right and wrong (Aquino, Reed, Thau & Freeman, 2007). Organisations that have strong ethical leadership and cultures have employees who are not afraid to speak up if there is anything that they perceive as being unethical, because they feel safe in the environment that they are in; they are able to voice their suspicions without worrying that they may be victimised for doing so. Leaders make decisions based on ethics because they live by their personal values that influence them to make ethical decisions (Brown, Treviño & Harrison, 2005).

Ethical leadership in the field of organisational behaviour has received minimal attention, even though other philosophers have recognised that the ethical components of leadership are critical for an organisation's success. Yukl (2002) stated that ethical components are critical for leaders to make good management decisions, as ethics are fundamental to everything that an individual does and are deeply rooted in our values and in the understanding that everything we do has consequences (April, Peters, Locke & Mlambo, 2010). The development of the concept of

ethical leadership began with the research of Trevino, Hartman and Brown (2000), which found that the reputation of ethical leaders is based on two pillars, the perceptions of the leader as a moral person and as a moral manager. The Centre for Ethical Leadership (2007) described ethical leadership as knowing your core values and having the courage to live them in all parts of your life, motivated by the act of common good. Cashman (1997) further elaborated on the meaning of an individual who is authentic, saying that authentic individuals know themselves and every day they practice being what they wish others to become.

Kalshoven and Boon (2012) argued that ethical leaders are also described as moral managers because not only do they comply with laws and regulations, but have to go the extra mile of creating, maintaining and implementing organisational systems that are based on just and fair principles. Ethical leaders are principled decision makers who generally care about others and responsible citizenship, and who demonstrate and embody loyalty to their values (Saban, 2011). Copeland (2004) shared his view that until an individual understands and identifies their potential to engage in unethical behaviour they cannot inspire others to do the same. However, if an individual is not motivated by their values to engage in ethical behaviour they do not have the right to work in organisations that practice ethical decision making. Yidong and Xinxin (2013) suggested that the literature on ethical leadership should also test the impact of values in motivating employees to showcase ethical behaviour, rather than paying more attention to the moral aspect of ethical leadership. Ethical leaders shape the individual intrinsic motivation of employees through their values and structuring the objective and subjective characteristics of the work thus increasing job performance (Piccolo, Greenbaum, Hartog & Folger, 2010).

Marsh (2013) asserted that both executives within the organisation and leadership scholars realise that even though legislation is important, leadership might be the most prominent determinant of ethical action. It is important to understand that ethics in leadership affect the ethos of the workplace and inform the ethical choices that leaders and employees make. Pollard (2005) found that leadership assists with the development of moral communities that influence human character and behaviour guided by values rather than having rules that bring about strict standards and policies. Leaders who demonstrate values-based leadership focus mainly on making ethical decisions. However, those ethical decisions are influenced by having the ability to maintain moral and personal responsibility. Ethical leaders may be identified with values such

as selflessness, honesty, fairness and ensuring that a leader holds himself accountable for the obligations made to stakeholders (Osiyemi, 2006). Organisations that rely on ethical leadership positively impact the values of the employee to enable them to report any unethical behaviour they might witness within the organisation (Resick, Martin, Keating, Dickson, Kwan & Peng, 2011).

The CEO of Johnson & Johnson is an example of a leader that used values-based leadership as his primary source of making ethical decisions. The CEO ordered a very costly recall of Tylenol when it was discovered that cyanide was inserted into some of the bottles after it was manufactured. It was concluded that tamperproof packaging could not guarantee the safety of the capsules and a decision was made that the company would abandon the capsule permanently (Bass & Steidlmeier, 1999). When the CEO was confronted with this reasoning his response was that the decision he made was the right thing to do and was consistent with his moral beliefs and values. This honesty with the public earned Johnson & Johnson more success with their products and profits increased immensely compared to the targeted profits from the abandoned capsule, because consumers believed that the organisation had their best interests at heart. Lestrangle and Mast (2013) suggested that leadership scholars are of the view that values-based leadership offers a universal approach towards the development of corporate governance strategies that resist unethical behaviour in organisations because of the ethical cores that exist. Brown, Harrison and Trevino (2005) asserted that ethical leadership is seen when a leader possesses the ability to use social influences to promote ethical conduct.

The ethical conduct of employees should be revealed at various levels of the organisational hierarchy; ethical conduct that is influenced by the organisation's values should not only indirectly influence a leader's immediate subordinates, but they must extend indirectly to influence the ethical beliefs and conduct of employees at lower levels. Leaders within the organisation should be individuals who repeatedly demonstrate ethical behaviours so that employees follow in their footsteps. The observable elements of a department's ethical culture are based on the embedding of a shared understanding of what constitutes ethical behaviour within the organisation (Brown & Mitchell, 2010). Ethical behaviour can be transferred to employees through their leaders by embedding their assumptions into the thinking, behaviour and feelings of their teams. The values of the organisation should be able to lay a foundation of

ethical culture which refers to the foundation of cultural artifacts that are observable, including the organisation's code of ethics which are aligned to the values of the organisation (Schaubroeck, Avolio, Kozlowski, Lord, Trevino, Dimotakis & Peng, 2012).

In the organisation a collective understanding must exist regarding ethical conduct which is embedded in the organisation's culture so that it encourages stronger beliefs in the employees' ability to report other people's ethical violations (Hannah, Avolio & May, 2011). The responsibility of ethical leaders is seen as being a role model for their teams because they encourage their subordinates to strive towards their own moral ideals and exceed expectations of showcasing ethical behaviour (Brown & Trevino, 2006). Research has demonstrated that ethical leadership trickles down from top management and has an enormous impact on employees in terms of ethical behaviour. The culture that is created by the values of the organisation becomes the mediator for managing the relationship between ethical leadership and employees' misconduct (Mayer, Kuenzi & Greenbaum, 2011). The impact of values on ethical leadership is showcased by employees' ethical conduct mainly in two ways: the relationship that exists between ethical leadership and the ethical decisions made by employees; and the way in which values impact on ethical leadership is the relationship that exists between ethical leadership and the employees' self-leadership focused on ethics (Steinbauer, Renn, Taylor & Njoroge, 2014).

Walumbwa, Avolio, Gardner, Wernsing and Peterson (2008) shared the view that individuals in leadership positions who practice ethical leadership set the tone in the organisation by showcasing that the organisation is serious about communicating and reinforcing appropriate behaviour amongst all employees. Ethical leaders influenced by values-based leadership ensure that they provide a work environment that is meaningful, foster vigorous learning for employees, and maintain their personal values which enable them to become role models to their teams through their ethical behaviour (Mayer, Aquino, Greenbaum & Kuenzi, 2012). The two characteristics of leaders that are reflected are being fair and trustworthy, so that in a moral leader those characteristics become the component that leads to ethical leadership (Brown, Trevino & Harrison, 2005). Employees are less likely to engage in unethical behaviour if ethical leaders embed values such as honesty, integrity and accountability.

To achieve this leaders have the duty to create group norms that are deemed as acceptable behaviour. Ethical leadership can be successful in organisations by ensuring that they initiate programmes that reward or punish employees for unethical behaviour (Mayer, Aquino, Greenbaum & Kuenzi, 2012). Employees who are led by ethical leaders avoid personal attacks from co-workers because the environment that they work in promotes values that allow all the employees to appreciate the views and opinions of others; there is a huge amount of respect and trust within teams and the organisation (Walz & Niehoff, 2000). Leaders' and employees' value systems maybe similar with regards to the importance of having employees who portray ethical behaviour at work. The similarity in the values of leaders and employees are the main source that drives the behaviour of employees (Mayer, Aquino, Greenbaum & Kuenzi, 2012). Rubin, Dierdorff and Brown (2010) examined the relationship that exists between ethical leader behaviour and leader outcomes, specifically focusing on the promotability of ethical leaders. The focus has been more on the effect ethical leaders have on employees but little attention has been paid to the outcomes of what a leaders' ethical behaviour can achieve for the individual.

Detert, Trevino, Burris and Andiappaan (2007) implied that leaders who engage in ethical behaviour send a strong message to management that they have the ability to deal with ethically challenging situations and they are likely to be promoted to higher positions within the organisation. DePater, Van-Vianen, Bechtoldt and Klehe (2009) argued that when organisations think of promoting leaders to higher positions they take into consideration a leader's ability to perform beyond their immediate roles, i.e. leading ethically goes beyond the normal duties of a leader.

2.14. The impact of values on ethical leadership in various countries

Javidan (2006) revealed other sources that suggested that a universal core of basic ethical principles exists, which could be similar in some countries. Research by Alas (2006) split the twelve countries from the Denki Ringo (2004) study into two groups based on their ranking in the ethical value hierarchy. The first group consisted of countries such as China, Poland, Hong-Kong, South Korea, the United States of America and Hungary, which were found to value ethics more highly. The second group consisted of countries such as Japan, Italy, France, Finland, Estonia and Spain, which were found to value ethics less highly. In the public sector in

China ethical behaviour is a key element for improving the performance of public administration, and ethical leadership and organisational citizenship behaviour are important to ensure that leaders are influenced by the organisation's values. In China ethical leadership plays a major role in building affective trust, which is strongly aligned to motivating performance in the public sector. Corporate scandals worldwide have raised awareness for organisations to pay more attention to ethical leadership, however ethical issues come with their own challenges of leading ethically across cultures, which requires a leader to be willing to understand differences in cultures when it comes to ethics (Carroll, 2004).

Research done by Schneider and Barsoux (2003) found that activities such as whistle-blowing tend to differ across cultures in terms of ethical appropriateness, whereas factors such as integrity are appreciated and universally supported ethical standards. The meaning of integrity is likely to be culturally bound as a value that influences ethical leadership (Audi & Murphy, 2006). There has been a need for a practical and theoretical component of ethical issues, since the existence of ethical issues that need universally supported and culturally specific expectations for behavioural ethics and ethical leadership (Brown & Trevino, 2006). The characteristics of ethical leadership that have been viewed as the facilitators of leaders across cultures even though the degree of emphasis varied across countries (Resick, Hanges, Dickson & Mitchelson, 2006). Research by Resick, Martin, Keating, Dickson, Kwan and Peng (2011) found that leaders in countries such as Ireland, the USA and Taiwan are likely to link ethical leadership through the leaders' character and their accountability, whereas in Germany and Hong-Kong they view ethical leaders as individuals that must have values that primarily emphasise consideration for employees and leaders that have respect for others.

Lu and Guy (2014) asserted that ethical leaders promote engagement amongst employees in the organisation because it is guided by strong ethical behaviours that require leaders to be authentic. Ethical decisions made by leaders in some countries are more critical in the public sector than decisions that are short of moral intensity because of the levels of trust that the public put in government (Tomescu & Popescu, 2013). For government to gain public trust and confidence, ethical leadership is of the utmost importance as it ensures efficient and effective government administration (Paraschiv, 2013). The conduct of employees within public sector institutions is highly dependent on how the individuals behave and gives expression of their values that

enhance ethical leadership (Lazaroiu, 2013). In South Africa ethical leadership is regarded as a serious component of leadership because of the responsibility that the government has towards the citizens of the country (Van Rensburg & Van Rensburg, 2013). The expectation is placed on ethical leaders to ensure that the values in any organisation are translated through ethical behaviour, however there must be joint responsibility between the leader and employees in that the leader must hold the employees accountable for their ethical decisions (Brown & Trevino, 2006).

If leaders hold employees accountable for their unethical behaviours they are likely to become sensitive to this and be motivated to do better at ensuring that all their decisions are aligned with their values to guide them to make ethical decisions (Jordan & Monin, 2008). Neubert, Wu and Roberts (2013) shared the view that ethical leadership is a special form of leadership that is distinct when compared to any other form of leadership, since ethical leaders are influenced greatly by leaders' who contribute to a range of crucial work outcomes in various countries. Employees led by ethical leaders show inherent compliance behaviour and adopt a preventative focus towards unethical behaviour which is an important aspect both in the public and private sector (Higgins, Roney, Crowe & Hymes, 1994). Research conducted by Martin, Resick, Keating and Dickson (2009) examined if there are any differences in beliefs regarding ethical leaders at the middle management level in countries like Germany and the United States of America, to examine if there is different view when it comes to the characteristics of ethical leaders. Both countries have a long history of cross-national partnerships, and a distinctive philosophical framework, values and cultural norms are maintained.

The approach of the USA regarding ethics is largely based on utilitarianism and pays more attention to an individual's moral responsibility and the relationship that exists between the individual and the organisation (Palazzo, 2002), while in Germany there is a greater focus on consensual and communicative ethics (Luijck, 1990). On the African continent the responsibility lies with the voters to deal with unethical behaviour; there needs to be stern action from the citizens of African countries who want to eradicate the unethical behaviour of political leaders, which can be done by simply not voting out of loyalty and the emotional burdens that are attached to liberation politics for certain parties (Odom & Green, 2003). Irrespective of which country leaders belong to ethical leadership is needed to create a society that relies and trusts in

the countries leadership because of the ethical behaviour showcased by the leadership of the country. Every country needs to have leaders who are capable of identifying ethical issues, utilizing ethical decision making processes for resolving unethical issues, and making ethical decisions (Odom & Green, 2003).

2.15. Ethical leadership in the private and public sectors

In America, public officials are expected to show leadership and all decisions made should be ethical (Behn, 1998); the nature of the tasks entrusted to public officials encourages them to apply ethical leadership because they are held accountable by the public for everything that they do. Therefore, for leaders to be successful in the public sector they need to lead by example because that is what is expected of them. Luk (2012) found that ethics in government are associated with rules and standards, morals, right and wrong, and values of honesty and integrity, so that leaders develop the ability to self-reflect on what is right and wrong to improve leadership ability. Public servants within the Hong Kong government, for example, are required to have higher moral standards than employees in the private sector.

Barnard and Simbhoo (2013) found that in the South African public sector, senior managers in the provincial government struggle with authentic self-expression in their daily operations as the environment is driven by a contradictory political supremacy instead of focusing on servicing the communities. Leadership effectiveness and free self-expression are often compromised in this way. The research also found that much of the time public sector employees are forced to turn to grievance procedures to resolve conflicts because of the lack of values within the organisations and the breakdown of relationships because there is no trust in management. Ashmore (2013) found that there is a vast difference between employees in the public sector and private sector because of the differences in leadership styles between them. Employees in the private sector are highly motivated because of the culture that is created in the sector; there is a sense of belonging and accountability created by the impact of ethics, and employees are appreciated by their organisations because of the leadership styles that are practiced. The private sector relies more on instilling values in employees and ensuring that they deliver on their targets, whereas public sector employees are more used to a culture that is not pressurised by living the values of the

organisation. Ashmore (2013) found that training can be beneficial for leaders to be developed and nurtured to becoming ethical leaders by embedding value systems in them.

2.16. The impact of value systems on Servant leadership

Theory on servant leadership emerged from research done by Greenleaf (1904) who believed that it must come naturally to an individual to want to serve then the aspiration to lead others will follow. An individual who aspires to be a servant leader must have the willingness to meet the needs of others by displaying their personal value systems (Greenleaf, 1997). Research done by Baggett (1997) indicates that the motivation of any person who aspires to be a leader must be their desire to serve others guided by a set of grounded personal values. The choice of becoming a servant allows the leader to understand their role and adapt to the values of the organisation. Therefore, value systems play a significant role in developing the foundation of leadership within the servant and the leader relies less on leading with power and material possessions (Greenleaf, 1996). Batten (1996) found that value systems are the guiding principle for leaders that wish to serve others because it allows the leader to care for his or her self and also learn to care for others. Harvey (2001) asserts that the primary role of a servant leader is the development and wellbeing of others that stem from the leaders personal value systems which directs them to put the needs of others first.

Greenleaf (1996) found that values play a significant role in building a leaders' character to become a servant to the work that is done and the employees that they lead. Individuals who are in leadership positions lead their subordinates guided by their values and beliefs, therefore a servant leader has to possess personal values that define everything that they do (Woodward, 1994). Russell (2001) identified value systems as the foundation of an individuals' psyche that servant leaders should adopt since they are expected to lead with values such as trust, honesty and integrity. Covey (1998) acknowledged that it is a great challenge for any individual to align their value systems to their leadership styles as such servant leadership requires self-insight in everything that the leader does. Waterman (2011) argued that although servant leaders yield great results from their followers, caution must be placed on the notion that others may regard servant leadership as being under the will of others. A challenge argued by Waterman (2011) is that some employees may not subscribe to the approach and attach a certain weakness to their leaders. Covey (1996) shares the view that servant leadership guided by value systems can lead

to success for organisations; however, it should also be practiced by the organisation itself to avoid extinction of the concept if ignored. Autry (2004) argues that all organisations need people to become effective, however, leaders that lead with value systems such as servant leaders are courageous and beneficial to the organisation because they develop subordinates that are similar to them. Graham (1996) found that organisations that invest in servant leadership are likely to have employees that are values driven and want to serve the organization because that is what they are taught by their leaders. Stubbs (1996) correlates this view and identifies servant leaders as individuals who are guided by value systems, which benefit the organisation by allowing employees the freedom to work smarter, work in collaboration with others and everyone in the organisation is encouraged to do the same. A leader's ability to achieve the organisation's purpose is enabled by value systems and a willingness to serve others, which may change their followers' behavior and attitudes for the best.

2.17. Conclusion

It is clear from the above discussion that value systems are a very important foundation for any individual as they guide and give direction to an individual's attitude and behaviour, which in turn translates to how they live their life and what influences the decisions that they make. Values are the core of what individuals think of themselves, their surroundings and the world at large. However for values to become effective, an individual has to make a conscious decision to practice the values that they have chosen to live by. Values influence individuals' decisions and actions before they know whether or not they aspire to become a leader. Values are not only important for an individual but also for organisations, because they create the culture of the organisation which assists the company to understand who they are and where they are going. Without values as the foundation of the organisation it cannot distinguish itself from its competitors and the organisation cannot define why it exists. Values influence ethical decision making, the organisation's culture, and transforms the leaders and employees within the organisation. The next chapter will present the research methodology used by the researcher to conduct the study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

Qualitative research methods have gained great acceptance in many of the areas that explore the development of new products and services, and they also serve as a good tool for exploring the meaning behind what participants think of the things that they experience in their daily lives and how they are motivated by their surroundings (Bailey, 2013). Qualitative research can be described as a set of interpretive activities that aim to explore the exact meaning behind the actions and behaviours of others. These activities rely on the researcher to become a unique interpreter of the data received from the participants in their study (Alfoldi & Sinkovics, 2012). A descriptive qualitative design was used to conduct this research, while qualitative methods were used as a tool for data collection and to provide answers to the research objectives of the study.

3.2. The nature of qualitative research

Qualitative methods give voice to the experiences of the individuals who participate in the research. Nagata and Ming (2014) agreed that qualitative research is the better choice for conducting research because it allows the researcher to gain knowledge of the existence of multiple truths relating to the subject at hand. Qualitative research gives the researcher the opportunity to examine the depth of the human experience and participants' thoughts more precisely. Heyink and Tymstra (1993), on the other hand, argued that it is extremely difficult to prevent vagueness in qualitative research because of the use of soft data taken from individuals who may be biased when answering questions during the interview.

For some researchers, qualitative research is preferred to quantitative research because it is more about getting to the bottom of a problem and discovering the process of how things happen in reality. Das (1983) found that although quantitative methods can give statistical reasoning to research, qualitative research broadens the findings and gives a more holistic and realistic view based on the human experiences of the participants. Hammersley (2004) argued that results from the qualitative method are often best achieved if there is a lot of interaction with the participants. With qualitative research the researcher starts with identifying a problem, then collects the data, analyses it, starts to formulate a theory, re-examines the data and/or collects more data.

Silverman (2004) found that researchers decide on the method of analysis, including statistical technique, before they start with data collection, and argued that the opposite happens when researchers choose qualitative research because the process is a lot more messy, which makes it common for the theory, design, collection and analysis phases to overlap. Bansal and Corley (2012) found that qualitative researchers attempt to create narratives which consist of current and emergent theory.

The key advantage with using qualitative research is flexibility. A researcher who uses qualitative methods generally asks open-ended questions which may not be worded necessarily in a particular order for each participant. With the use of open-ended questions the researcher allows the participants to use their own words; in most instances the responses are more complex than giving a yes or no answer, so this allows the researcher to gain a greater understanding of how the participant gives meaning to their life experiences and their perceptions. An advantage that qualitative methods have is that the relationship that is created between the researcher and the participant is often less formal. This allows the participant to elaborate more in their responses and in greater detail. The researcher has the opportunity to respond immediately to the participants' responses by posing subsequent questions related to the question that is asked at a time.

Having said the above, the researcher must be mindful of the fact that flexibility must not be seen as an indication of how scientifically vigorous a certain method is because flexibility is mainly based on the researcher's understanding of the research problem that he is pursuing using either of the two research methods (Mack, Woodsong, MacQueen, Guest & Namey, 2011). A greater advantage of qualitative methods is the use of exploratory research by getting the appropriate responses from the participants through the use of open-ended questions, which have the ability to evoke responses from participants that are meaningful and culturally important to the participant. Some responses from the participants are not anticipated by the researcher since they are based on the participants' meaning on a particular subject, and the responses from the participants are also rich and explanatory in nature because the researcher allows the participant to elaborate more on their responses.

Qualitative methods are more favourable because the researcher can ask questions such as 'how' and 'why' emanating from the participants' responses. In qualitative methods the more the

researcher probes the responses given by the participants, the more helpful it is to assist the researcher to clearly understand the details of why a participant feels a certain way regarding a particular subject. For example, if a researcher using qualitative methods wants to find out the perceptions of participants regarding a novel, they could ask questions such as ‘What is your overall impression of the novel?’ The responses that can come out of that question could vary, but with the flexibility attached to qualitative methods the researcher can further probe to find out more detail basking questions such as ‘Why do you think so?’ or ‘What in particular did you not like in the novel?’ In this case the researcher can get more data to uncover the underlying truths.

Bansal and Kevin (2012) found that the significance of the qualitative method is that it has a solid foundation of the facts in the research and the researchers’ ability to uncover opinions and perceptions that are unique and nonlinear. The researcher has the opportunity to expand on their methods of collecting data through the use of interviews and the techniques that are used to analyse data are flexible, whereas with quantitative methods they can reference with well-known data sets and statistical tests. It is critical for the researcher using qualitative methods to have detailed accounts of the data collected to establish the trustworthiness of the data and the research itself. Qualitative researchers tend to reserve their biggest ‘punch’ for the back end which is supported by a very strong discussion.

3.3. Benefits of Qualitative Research

Patton and Cochran (2002) found that it is important for the researcher to decide which research method to use to achieve the set out objectives. To determine whether qualitative methods are the most appropriate approach, the researcher will need to understand whether they wish to understand what the perceptions of the participants are, whether the researcher wishes to further explore the meaning that the participants give to a certain perception, and the extent to which the researcher wants to observe the process in-depth to reach a conclusion on a particular subject. Mack, Woodsong, MacQueen, Guest and Namey (2011) shared the view that qualitative methods are a type of technical research, which is made up of an investigation that seeks to provide an answer to a question. The investigations also use predefined sets of protocols that answer the question that the research seeks to answer, accumulate verification that is pertinent to the examination of the question, provides findings that the researcher has not predetermined, and

manufactures findings that are relevant and appropriate beyond the instant boundaries of the research.

Patton and Cochran (2002) described qualitative methods as effective tools if the aim of the researcher is to answer questions such as ‘what’, ‘how’, or ‘why’ to gain a better understanding of why certain things happen in a prescribed way, rather than focus on ‘how many’ or ‘how much’, which is greatly used in quantitative methods which do not give the researcher the opportunity to get the real facts of why certain things happen and to gauge the perception of others on why those things are happening. Few definitions of qualitative research have been established that define qualitative research as a means of understanding the perceptions and experiences that different individuals have about a particular subject, which cannot be gathered if using quantitative research (Merriam, 2009). Nkwi, Nyamongo and Ryan (2001) gave a more simplified definition of qualitative research as research that applies data that does not specify an ordinal number. The aim of this study is to determine to what extent value systems impact on leadership development through the use of qualitative methods such as audio interviews as a data collection method.

To test the above research questions, the researcher needs to determine whether or not values play a role in ethical behaviours that are portrayed by leaders and which specific values are most influential when leaders make decisions that affect the success of this organisation. Denzin and Lincoln (2002) suggested that to gain a better understanding of the subjective opinions of participants, they must be given from the participants’ own life experiences which can only be expressed through qualitative research. Although quantitative analysis has been the preferred method for collecting data in most leadership studies, the focus has shifted to involve the practical theory of what really qualifies an individual to be identified as an effective leader. The shift has focused on a more exploratory analysis that includes qualitative research methods as a means of collecting data because the researcher has the opportunity to engage with participants who have life experiences on a particular subject (Conger, 1998).

Qualitative methods are most appropriate since leadership is such a complex subject that exists from identifying the abilities that an individual portrays to be classified as leaders. This technique enables the researcher to gain a deeper meaning across distinct contexts and to investigate previously unexplored aspects of the particular subject, whilst also giving the

researcher the opportunity to acquaint themselves with the context of what they seek to explore (Rauscher & Greenfield, 2009). Taylor and Bogdan (1998) expanded on the suitability of using qualitative research, especially if the researcher has the opportunity to meet the respondents personally. The respondents' own words, combined with their observable behaviour, allow the researcher to make sense of the data because qualitative research enables the researcher to collect descriptive data from the respondents, which cannot be done when using quantitative techniques. Denzin and Lincoln (2000) shared the view that a researcher who opts to use qualitative techniques interprets opinions and perceptions according to the meanings that the respondents give them.

Owusu-Bempah (2014) identified qualitative researchers as individuals who use different techniques that have a profound impact on them, because they will allow the researcher to build rapport with the respondents and gain their trust so that the researcher gets a deeper understanding of how and why the respondents respond to situations without any prejudice. Zikmund (2003) agreed that quantitative methods cannot give the respondents a sense of belonging because the researcher deals mostly with the statistical variables attached to their research outcomes rather than getting to the crux of how the respondents give meaning to things. Kelle (2006) further explained that qualitative research can also be useful to produce statistical associations from the responses given by the respondents and can reveal further explanations which can be tested quantitatively.

Carcary (2009) described qualitative research as a method that is flexible as it sometimes challenges the researcher to tackle sensitive issues; the researcher has to demonstrate a great level of understanding when dealing with complex issues. Saunders, Lewis and Thornhill (2007) argued that qualitative research gives the researcher the advantage of considering the realities of the participants who are involved in the subject being explored. Bannister (2005) shared the view that qualitative research is a much better research method because it deals with issues that occur in the physical world for the people that participate in the research, and their experiences are taken into consideration because they are subjective and unique to each individual. Keegan (2006) stressed the need for researchers to develop interviewing skills, the ability to interpret their findings after data has been gathered, and to be equipped with the right tools to advise on recommendations that can be implemented so that the research can have a reliable audit trail.

Qualitative research has been used a data collection approach in many successful studies to discover how and why societal changes occur, which provide more information on why certain individuals benefit from interventions and others do not (Prowse, 2013). Thomas and Magilvy (2011) found that qualitative researchers are more focused on collecting information on one specific topic/subject, which assists them with gaining a deep understanding of that particular topic/subject.

The aim of choosing qualitative research is not necessarily to generalise the topic/subject, but to deeply explore a specific fact that exists within the chosen subject and to build on the knowledge that already exists, which develops a patient-focused practice that is sensitive to the people who agree to participate in the study/research. Although both qualitative and quantitative methods have value and give the researcher support, qualitative research is more appropriate in this context because it provides a close-up view on the subject that is being explored and requires a deeper and richer understanding of the context of the subject being explored, whereas quantitative methods can miss the essence of exploring the topic in a more detailed context. Bansal and Corley (2011) conducted research and found that qualitative methods are much more appropriate research tool compared to quantitative methods, since qualitative researchers have the advantage of allowing the readers to get up close and personal with the ideas of the researcher, the person involved in the research, the intentions of the researcher proposing to study a certain topic/subject, and the reasons why the qualitative researcher was stimulated to uncover their curiosity of the topic/subject.

The readers are given an opportunity to engage with the topic/subject through the researcher's eyes and to challenge the questions that other researchers have already engaged with. Diefenbach (2009) shared the view that the researcher has responsibility for making qualitative research trustworthy and reliable in ensuring that they ask the right questions and have the courage to change the questions whenever they feel that it is appropriate without offending the participants. They also need to challenge their own basic assumptions regarding the topic/subject, which allows the researcher to see things from different perspectives. This can be achieved by choosing the right type of qualitative method.

3.4. Purposive Sampling

Acharya, Prakash, Saxena and Nigam (2013) argued that the most critical aspect of a study is based largely on the sample. They defined a sample as a subset of a population, which is representative of the larger population; a sample size is needed because the researcher cannot study the entire population. Purposive sampling is the most commonly used sampling method in qualitative research since the participants chosen are the right target to achieve the research objective. Guarte and Barrios (2006) found that purposive sampling can be subjective because the researcher selects individuals who will participate in the research based on the researcher's experience on the topic and their judgment of the individuals that should take part in the research. Purposive sampling was used in this research because of the convenience when it came to choosing the right people to participate in the research. Mack, Woodsong, MacQueen, Guest and Namey (2011) found that the sample size that is selected in purposive sampling is dependent on the how the researcher plans to review, analyse and collect data. The participants in purposive sampling are used to identify the people who will participate in the research based on certain criteria. In this research, the participants were selected based on their positions within the organisation. Participants may be chosen based on certain characteristics when using purposive sampling, which may include age, place of residence, gender, class, profession, marital status, etc.

All the participants were specifically selected based on the criteria that they had. This allowed the researcher to focus on the individuals that were most likely to have experience, and those who knew about the topic/subject and would have more insight into the research topic/subject. There were twenty leaders within the organisation; however, fifteen leaders were selected based on their positions, availability and different departments. The respondents participated in interviews with the researcher, and gave their views and perspectives on the topic. The interviews were done on the premises of the organisation in the various departments where the participants were based. The interviews took about 45 minutes each and took place in July 2014. The table below indicates the information pertaining to the respondents.

Table 3.1: Details of Interviewees

Respondent	Occupational Category	Department
R1	General Manager	Production and Manufacturing
R2	HR Executive	Human Resources
R3	Manager	Tube Production
R4	Manager	Logistics
R5	Head of Department	Quality Assurance
R6	Manager	Finance
R7	Manager	Finance
R8	Finance Executive	Finance
R9	Manager	Information Technology
R10	Head of Department	Engineering
R11	Manager	Maintenance
R12	Manager	Service Centre
R13	Manager	Engine Cooling
R14	Head of Department	Production and Manufacturing
R15	Manager	Engine Cooling

3.5. Types of data collection methods

Mack, Woodson, MacQueen, Guest and Namey (2011) discovered that the three most common qualitative methods that can enable a researcher to achieve their research objectives are participant observation, in-depth interviews and focus groups. Each of these qualitative methods

are beneficial to the researcher, however each are appropriate to the research based on the specific type of data that the researcher seeks to obtain. The authors contextualised the role of the three types of qualitative methods; participant observation is useful to the researcher if they aim to collect data on behaviours that are naturally occurring in their usual contexts, while focus groups may be useful to the researcher if they seek to explore the data based on the cultural norms of the group and there is a need for a researcher to generate wide overviews of issues of distress to the cultural group who are represented in the research. Lastly, in-depth interviews are most appropriate for data collection if the researcher is exploring a sensitive topic and wants to explore the participants' personal history, perceptions, perspectives and their experiences. Whilst all three types of qualitative methods are relevant to a specific research objective for any researcher it is important to note that all the three qualitative methods generate certain outcomes such as field notes, audio recordings and transcripts that assist the research to gather the data.

3.6. Interviews

This study obtained ethical clearance (Appendix 3) from the University of KwaZulu-Natal's Research Office. All the participants volunteered to participate in the research and each of them signed an informed consent form. The written informed consent form (Appendix 2) was explained to all the participants and they were comfortable answering the questions that were prepared by the researcher. The researcher constructed the interview questions based on the topics covered in the literature review. The interview questions were semi-structured (Appendix 1) which allowed flexibility for the researcher to probe more from the answers given by the participants. It is important to note that all the participants were notified why their input was required by explaining the broader context of the subject before the interview began, so that the researcher could gain the trust of the participants. The researcher gained the trust of the participants by ensuring that the intentions of the study were discussed regarding the research objectives. All interviews were done in the strictest confidentiality and this was shared with the participants so that they could trust that whatever they shared during their interviews would not be discussed with fellow participants.

Interviews were used as a data collection tool in this study. Donalek (2005) explained that qualitative researchers share a common view that interviews are a powerful tool to understand others and get to know their thoughts, while Al-Yateem (2012) stated that interviews have been

the most common data collection tool since the origins of qualitative research. Fontana and Frey (2003) found that regardless of whether a researcher uses qualitative or quantitative methods, interviews are the most reliable method of collecting data because they give accurate information about the respondent and their perspectives of how they view the world, because there is no editing that can be done on an audio interview. Griffiee (2005) found that previous researchers perceived interviews as allowing the participants to exercise their natural right to share their opinions, which enable a researcher to gain as much information from the participants as possible and to understand what the contrasts are between participants' answers.

In qualitative research, interviews are used so the researcher can gain a better understanding of the participants' lives, how they live them and how they apply themselves in certain situations based on their perceptions of their life experiences. Interviews are also beneficial for the participants because they are given an opportunity to self-reflect on their lives and their actions based on the subject the researcher is exploring. The choice to use in-depth interviews as a data collection tool in this research was to get a clear picture of what the perspectives of the participants were regarding the subject. It was important for the researcher not to voice their views regarding the subject and seek to learn from the participants' views of the subject (Hollway & Jefferson, 1997).

Interviews were beneficial for this research because the researcher was able to assess how serious the participants were about the subject by reading their body language and gauging their understanding of the subject. The interviews allowed the researcher to become motivated to learn more about what the participants could share about the subject and the researcher was able to probe more on the subject as a neutral listener. The researcher did not lead the participants to give the responses that were more appropriate for the researcher; the participant had the opportunity to express their opinions on the subject without having the researcher approve or disapprove of their responses. The researcher arranged for all the interviews to be conducted face-to-face to allow for one individual to be interviewed at a time to allow the participants time to engage the researcher on the subject. In-depth interviews were more beneficial to gauge how the participants put into perspective and give meaning to what happens within their surroundings, unlike in focus groups which examine the group norms of society or the communities they live in. The researcher was determined to allow the participants to speak about their own personal

feelings, opinions and experiences on the subject without being obliged to relate to societal norms.

The researcher chose to digitally record all the interviews to capture the data as accurately as possible. Given (2004) argued that recording interviews may not be the best way to gather information from the participants because they may become uneasy and uncomfortable with the fact that they are being recorded, hence it may be possible that the quality of the information shared with the interviewer is not a true reflection of the perceptions of the participants regarding the subject. The participants may also be reluctant to express and share their views with the researcher because they may feel intimidated by the fact that they being recorded. Given and Basavanthappa (2007) shared a view that how the participants present themselves during an interview should reflect what they are willing to disclose about themselves and their beliefs.

The participant can choose not to actively engage with the subject, hence they have the authority to choose how much information they want to reveal about their perspective of a certain topic. It is up to the researcher to put the participants at ease and create an environment where the participant feels safe to express their opinions freely without feeling any prejudice. The researcher was able to put the participants at ease and made the participants understand that if at any time they felt uncomfortable with sharing a view, they were welcome to voice their concerns.

Paterson (1994) found that participants who engage in an interview may be affected by the presence of the interviewer, because whatever responses they share with the interviewer during the interview may lead to the interviewer forming a personal judgment of the participant. The recording of the interviews may also become a challenge for the participant because there may be a very high sense of awareness of how much and what the participant can share during the interview, which may lead to the researcher not getting as much information as anticipated. This was managed by the researcher by being aware of the fact that she could not share her views on the subject whilst gathering the data from the participants. Al-Yateem (2012) established that there is a need for researchers to ensure that the interviews are efficient so that the information that is gathered is rich, accurate and is as close enough to reflecting the opinions that are being

studied by the researcher so that the conclusions drawn from the interviews are accurate and reflect exactly what was discussed in the interview.

The researcher ensured that all the data reflected exactly what the participants shared during the interviews. The researcher understood the research topic thoroughly and knew how to ask the right questions that would be beneficial to answer the research questions. Sofaer (2002) shared the view that although in-depth interviews are significant, the researcher has to thoroughly understand the research topic and how to ask the right questions, because if the researcher does not clearly understand his research objective it might be a challenge for the researcher during the interview to pick up responses that need more probing from the participants. The researcher was not conscious of the interviewees' age, gender or race; importance was placed on the interviewees' opinions on the subject based on their life experiences.

Arksey and Knight (2003) highlighted three factors that could hinder the choice of using interviews as a data collection tool, the first being that the interviewees' age, gender, race and their life experiences could be problematic when conducting interviews because the interviewer may be sensitive to the factors mentioned above. The second factor that could hinder the use of interviews as a data collection tool is the participants themselves, because they may try too hard to impress the interviewer, which many lead to their responses not truly reflecting their own personal opinions on the subject. The third factor that could hinder the use of interviews as a data collection tools is the manner in which the questions are formatted, such as leading questions which may impact on the responses that the participants give because the researcher asks questions in the way in which they would like the participants to respond.

In this study the advantage of using qualitative methods was that the researcher could probe more from the responses to get more clarity when needed. The participants had the opportunity to draw from their life experiences and self-reflect on their value systems and the impact that those values have on others and the organisation. The disadvantage of selecting qualitative methods to conduct the study was that it was time consuming for the researcher to gather the data and analyse it because of the sample size and the tight work schedules for the researcher and the participants. When exploring certain areas of the research questions some of the participants had strong feelings which the researcher needed to address with sensitivity.

3.7. Data analysis

All the responses from the interviews were coded and analysed by the themes that emerged from the questions. The researcher created the themes manually using highlighter pens to create themes from the information gathered from the data received. Cassidy (2013) found that it is important for the researcher to create themes or categories for the whole study, which may also include instances that appear to counter the researcher's finding, so that they can develop those themes. The researcher was open to other contrasting views on the subject so that the study could create emerging categories when the researcher was doing interpretative analysis from the information that was gathered during data collection (Charmaz & Mitchell, 1996). The data analysis compared the differences in the views that each participant had regarding the topic. All the responses were recorded and transcribed by a professional transcriber. The participants had a concern that they would not like their names to be included in the analysis of the study because they felt that there may be a comparison of who gave the most valuable data. To protect the anonymity of the participants, none of the participants' names were mentioned in the study.

The transcripts allowed the researcher to identify common and similar responses from the participants based on their different experiences regarding the subject. All the transcripts were read through thoroughly, and codes were established, categorised and examined according to the responses given by the participants (Elo & Kyngas, 2007). All the responses given by the participants were categorised and presented per each question that was asked to create themes. The participants gave responses from two different views some from an individual view, some from an organisational view and others shared both views.

3.8. Reliability and validity

Validity in qualitative research was defined by Maxwell (1992) as the extent to which the information gathered from the respondents is credible and trustworthy and it is data that the researcher can verify. Some researchers have stated that the validation of qualitative research, such as reliability and validity, should not even be considered a criterion for evaluating qualitative research (Guba & Lincoln, 2005), while others have suggested that although validation is important for qualitative research, it should be called something other than reliability and validity to distinguish it from what is done in quantitative research (Lincoln and

Guba, 1985). There are some contradictory views that validation is essential in qualitative research to reduce misunderstandings and to develop a common scientific body of knowledge (Maxwell, 1992). Lee and Hubona (2009) recently highlighted the importance of establishing validity in qualitative research to ensure that data is captured accurately.

The primary purpose of using qualitative research is to capture the authenticity of the data gathered from the participants, therefore, there is a great sense of credibility in the interpretation of data gathered from the participants. The researcher had an advantage that the data gathered in qualitative research is reliable data taken from the participants who are directly affected by a certain circumstance; the researcher is able to gauge whether they have a strong understanding of the case that they are writing about (Golden-Bibble & Locke, 1993). The researcher had no personal interest in the subject that could have hindered with the researchers ability to be objective during the interviews. Van Maanen (1979) found that qualitative research may not be reliable if the researcher has a personal interest in the subject that they wish to explore, and it may lead to the researcher to not be able to be objective to the views of the participants that are used in the data collection process.

The researcher was not part of the organisation where the research was conducted, which allowed her to remain objective during the interviews. If the researcher was working in the organisation where she was conducting the research, she may not have been in a position to detach herself from the responses that the participants gave because she would have been aware of what was happening in the working environment. Struwig and Stead (2001) described validity as the trustworthiness of the information that is gathered and analysed as findings. This view was supported by Welman, Kruger and Mitchell (2005), who said that validity in qualitative research is the ability of the researcher to produce results that are accurately presented from the information that is gathered from participants.

Research by Ali and Yusof (2011) shared the view that qualitative researchers need to ensure that quality in a study is integral when answering the research objectives in order to establish the validity of the study. Ali and Yusof further explained the need for researchers to clarify which criteria will be used in a study to distinguish the validity and reliability of the study. Golafshani (2003) found that the validity and reliability of qualitative research is based on the researchers' ability to reconstruct the criteria used and to be able to produce norms that are suitable for a

qualitative research. Cuba and Lincoln (1994) established that the criteria to produce quality research that is conducted through qualitative methods is to ensure that the data gathered is valid and reliable.

Spencer, Ritchie, Lewis and Dillon (2003) described some of the techniques that researchers can use to produce a valid and reliable qualitative research, such as listening attentively rather than the researcher talking more, recording data accurately, and sharing ideas with others who have prior knowledge of the subject. The researcher ensured that the information gathered was valid and reliable by ensuring that all the transcriptions were thoroughly checked and that the responses from the participants were accurately recorded. The researcher ensured that the responses were quoted directly from the recorded transcriptions to avoid any deviation from what the participants said. The researcher listened attentively during the interviews so that the information collected was accurate and as per the thoughts of the participants.

3.9. Conclusion

The type of research method that a researcher chooses is entirely dependent on what the topic that is being explored seeks to answer. The type of questions that the researcher seeks to answer from their research objective is what differentiates which research method to use between qualitative and quantitative methods. Research methodology gives guidance to the researcher on how they will achieve their set research objectives and how the data will be collected and analysed to assist the researcher to interpret the data that is collected from individuals who agree to respond to the questions asked by the researcher. The choice of research methodology will guide the researcher on how to identify themes in the initial stage of the research design. The researcher will present the results and discussion of the study based on the responses given by the participants.

CHAPTER FOUR: RESULTS AND DISCUSSION

4.1. Introduction

The previous chapter summarised the research design that was used to conduct the study, while this chapter will focus on presenting the key findings of the research. The data analysis identified various facets that are linked to the impact value systems have on leadership based on the audio interviews that were done. The researcher used literature to support the findings. Sixteen main themes and two sub-themes were identified.

Table: 4.1. Themes and sub-themes

Theme 1	Importance of value systems
Theme 1.1	Importance of value systems (individual perspective)
Theme 1.2	Importance of value systems (organisational)
Theme 2	Leading with integrity
Theme 3	Moral leadership
Theme 4	The impact of spiritual beliefs on value systems
Theme 5	Trait approach in leadership
Theme 6	Impact of value systems on followers
Theme 7	Value systems as a tool to develop effective leadership
Theme 8	Emotional Intelligence
Theme 9	The role of value systems in ethical decision making

Theme 10	Situational leadership
Theme 11	Organisational culture
Theme 12	Accountability when leading others
Theme 13	Leading by example
Theme 14	Team leadership
Theme 15	Communication
Theme 16	Value systems distinguish leaders from managers

4.2. Theme 1: Importance of value systems

During the interviews it became clear that there was a good understanding amongst the participants of what value systems are and why they are important. The participants further highlighted where and when value systems are developed and how value systems became a part of their daily lives. Each individual had their own understanding of the subject and their view of why value systems are important. All the participants also had an understanding of whether or not value systems are important for them and the organisation that they work for. Some of the participants answered the question from two perspectives, firstly from an individual perspective of why value systems are important to them and secondly why value systems are important from an organisational perspective, referring to the organisation that they work for. A similar view was established that values can be distinguished at three different levels individual, organisational and group values (Ofori & Sokro 2010). There was a more solid understanding of why value systems are important individually because the participants associated more with how their own value systems influenced their leadership style when answering the questions.

The researcher found that value systems are important as a guide that gives direction to leaders in their daily lives. The responses given by the participants indicated that leaders' personal values reflect in how they lead others.

4.2.1. The importance of value systems (Individual perspective)

The responses given by the participants were based on both the individual and organisational perspectives. There was a common view of why value systems are important to the participants individually, which was that value systems define who a person is and what a person stands for as an individual.

“People are what their value systems are” (R1).

The statement made by this participant correlates with some of the views that other authors have on the impact that value systems have on developing and shaping character within a leader. This is supported by research done by Badaracco (2006), who found that the character of a leader is crucial for the individual to become an effective leader, and the character of the leader is built or based on their own value systems that guide them in everything that they do. The common responses from the participants were that value systems are greatly influenced by the belief systems of an individual, and those beliefs translate to how an individual behaves. The majority of the participants gave a similar response that value systems are important because they give direction to an individual and guide and influence the way that individuals do things.

The reason why value systems are important was summarised by a participant as:

“I think value systems are important as a guide in the way that you lead your life. I think without value systems you are probably like a ship without a captain” (R2).

Whilst all the participants shared their different opinions of why value systems are important, one participant linked the influence value systems have to the way that people behave.

“So why are value systems important to me, I think they are important because they guide your actions and they shape your behaviour. So if you have no values whether they are good or bad values, but everyone has values. So the importance of value systems is that they determine how you behave” (R3).

The researcher’s finding corresponds to the research of Henderson and Thomson (2003) who supported the view that values influence an individual’s personality and that the values that individuals adopt are a result of their preferences. Those preferences develop their personalities

and different value systems that will guide the individual and their behaviour, and can be associated with what an individual likes and deems important to them.

A study done by Gerhart (2008) substantiated the view that values are the beliefs that express what is dear to an individual and the things that an individual chooses to represent. An individual's value system becomes their personal brand that enables them to distinguish themselves from others and to understand why they make the decisions they do concerning their lives and the organisation. The choices that an individual makes are highly motivated by their preferred value system. The importance of value systems is also connected to the manner in which an individual relates to others, as mentioned by a participant. The participant laid out the foundation of how value systems stem from the way in which people are raised in their various family backgrounds.

It was established that value systems are important to people from an individual perspective because everyone has to have a point of reference where they make sense of how they perceive how the world thinks and how things are done. The researcher found that value systems drive the behaviour and attitudes of leaders. Value systems are reflected in everything that a leader does because of who they are, what they stand for and what they display to others.

4.2.2. Importance of value systems (organisational perspective)

An organisation that has corporate values gives the leaders and their subordinates a sense of direction of where they are going, what the organisation stands for and who they are. All the participants had a common view of why value systems are important from an organisational point of view. There were common words that the participants referred to when answering the question and it was established that the values of the organisation are brainstormed by senior leadership in the head office of the organisation in Germany. The organisation's values are hung on the walls and they are available on the organisation's intranet. The organisation acknowledges the importance of value systems within the company and has sent a communiqué informing all employees of a plan to launch the organisation's values, as there have been concerns with employees challenging the values of the organisation, saying that those values are not practiced by the leaders of the organisation.

Although the values of leaders can be challenged by employees, it is up to a leader to make an effort to change their behaviour. From the response given by the participants, the researcher's findings correspond to the findings of Bennis and Thomas (2002) found the impact of value systems on their transformative experience in their lives through teaching them to be more adaptable to personal change and having the ability to make the right decisions based on a core set of value systems. The importance of value systems within the organisation sets the tone of how things are done and what the organisation expects from their employees. One of the participants said:

“From an organisational point of view without a value system it would be difficult to get people to work together as a team because for example if I didn't have a value system and I was part of the team I would just go on and do my own individual thing and forget about the rest of the team”(R4).

The participant continued to explain that value systems are important because they channel an individual to the right direction personally and that translates into how that individual relates to the organisation and the people they work with. An individual's value system begins with knowing one's self and living by certain values that guide behaviour within the working environment, and how the individual perceives the world which translates into what the organisation and the people around that particular individual experience. Banerji and Krishna (2000) supported the view that values have a significant role to play within the organisation because they form the core of the attitudes of the leaders within the organisation and what the organisation appeals to, and where the leaders of the organisation invest their time which creates a culture of employee engagement. Daft (2008) supported the view that a participant had that an individual's attitude is how they evaluate things that are negative or positive, which becomes the way in which that particular individual behaves and views life, events, people and any other circumstances they come across in life.

Some of the participants acknowledged that the organisation that they currently work for has a set of values that they consider important because they drive the nature of the business. Some of the organisation's values are being results orientated, reliable and cooperative. One of the participants said that:

“These are some of the very strong values that we consider important and promote them throughout the entire business and I can personally associate with” (R5).

It is critically important for the organisation to have value systems that are aligned to what is expected from employees, and those values must represent what the organisation is offering because the organisation’s value systems are what drives everything that happens within the company and creates a culture that is distinct from their rivals or competitors. This view is supported by research done by Dorfman, Javidan, Hanges and Dastmalchian (2012) that values-based leaders are those that inspire, motivate and have high expectations from their teams based on their performance, which is prompted by the firmly held core values inherited by the organisation. It is critically important for people who join any organisation to aspire to work for the company because their personal values are aligned with the organisation, so that the person can relate to the environment that they are coming into. This was corroborated by a response given by a participant:

“My personal values and the values of the organisation are very much aligned. I can very well associate with the values and that is purely predominantly maybe because of my personal history and my background. I can relate better with the company because I was born in Germany, I’ve got German parents and the company is essentially a German company and the value system that we have is very much something that I can associate with from a business perspective. So values would be like results orientated reliability and being cooperative and those are strong values that we promote and that I can personally associate with” (R1).

The view given above correlates with research done by Adullah, Hamid, Mustafa, Suradi, Idris, Liong and Shahabudin (2011), who described the role of core values as being the dominant belief within the organisation that dictates what is essential, and must be appreciated by individuals, teams and the organisation as a whole. In addition to this, values shape a principle that is consistent, which creates the desired behaviour within the organisation and a true identity for the employees within the organisation.

The researcher found that value systems are important in organisations because they create the culture of the organisation. It was established that value systems within the organisation create the standard that is expected from each individual in the organisation. The responses given by the

participants indicated that value systems are important to the organisation because they define what the organisation stands for and what distinguishes itself from competitors. Value systems become the core foundation of how leaders should lead others.

4.3. Theme 2: Leading with integrity

The word ‘consistency’ was continuously mentioned throughout the responses from the participants when they spoke about why value systems are important from an organisational point of view. The view from the participants was that value systems set the tone for the organisation in the way that they do things and how the organisation builds trust and integrity throughout the organisation in a way that promotes consistency in implementing strategies that are aligned to the organisation’s values. Daft (2008) was of the view that integrity challenges leadership within the organisation to act in accordance with their moral principles, which assists leaders to become consistent in everything that they do and gain trust from their employees. Research done by Henderson and Thomson (2003) supported the views of the participants that value systems become the DNA of the organisation, which embeds the codes of how things are done and what and why things happen in a certain way.

Value systems guide the organisation to consistently apply their policies and procedures throughout the organisation, which creates transparency and fairness in how the organisation implements their policies across the company. This can be explained further by research done by Adams, Manz, Manz and Shipper (2010), who shared the view that an organisation is made up of the human resources that are employed to perform certain tasks that are aimed at achieving certain objectives. The organisation must communicate their value systems that set the standard for what the organisation is. In their research it was found that they support the view that value systems create consistency in the decisions that leaders make inside and outside of the organisation. They further gave an example of how value systems create consistency in applying the organisation’s policies and procedures.

In a study conducted by Adams, Manz, Manz and Shipper (2010), it was established through responses given by some respondents that value systems create consistency in how their organisation’s policies and procedures are applied. When the leadership of the organisation were faced with making hard decisions regarding workforce adjustments, the organisation ensured that

the values of the organisation were visible in how the decisions were made. The values of the organisation included respect, which had an influence on the leadership tasked with making the workforce adjustments; the leaders ensured that the employees were honoured for their contribution to the organisation despite the fact that some employees would lose their jobs. One participant stressed the importance of leadership getting buy-in from employees regarding adopting the values of the organisation.

“From a business perspective I think your employees need to know who you are and what you stand for. Without them knowing that they wouldn’t know what they are working for and what the objectives of the company are from a social aspect and from an economical aspect. They want to know exactly where they stand and I believe your value system is important for letting your employees know exactly what you as a leader stands for so that your subordinates have a reference point how they should behave within the organisation”(R1).

Another participant emphasised that integrity is important in leadership to enable the leader to make decisions in a fair manner. The participant made an example of themselves and said:

“Oh yes, definitely. If I have to use myself as an example, I believe a lot, especially in my position as a production manager, I am successful because I treat individuals that work for me in a fair manner, I am open and honest with them, I am fair with them but at the same time I will still maintain discipline. So if they have personal issues, work issues, they can be comfortable to talk to me. If I didn’t have that type of value system the individuals that I am leading would be more fearful of me and not being able to relate to me especially when they have personal problems and issues, and that will impact in the way that they are doing their functions. So I believe that firstly again looking at me that is the type of person that is honest, has integrity and so on, helps them to interact with me knowing that if I am telling them something that I am not lying to them even if it is something that they don’t want to hear it’s the truth and it’s something that they have to live with and something that they have to work with. Generally I would say nine out of ten times I would go with my personal values” (R1).

Dickson, Hanges, Mitchelson and Resick (2006) supported the view that value systems have a profound impact on a leader’s ability to lead with integrity. They further highlighted that leaders who lead others with integrity are usually seen as facilitators of effective leadership. The

researcher's finding is that although leaders may be expected to lead others with integrity in their daily operations, a leader may behave unethically because of individual and contextual factors that may arise within the working environment (Meyers, 2004). It was established that in some instances an individual may lead with integrity, but there will be times when hard business decisions that a leader has to make may go against the leader's personal values. This can be explained by research done by Brown and Trevino (2006), who found that leading with integrity, is one of the most important elements of promoting an organisation that always does things in the right way.

It was established that value systems creates consistency within the organisation in terms of how things are done and creates an environment that treats employees with fairness. The researcher found that value systems develop integrity in leaders which enable both leaders and the organisation to remain consistent in everything that they do.

4.4. Theme 3: Moral Leadership

Some of the participants identified that value systems are developed in the early stages of childhood by parents, schools and churches, when moral behaviour is established. There have been different views on whether or not value systems can be taught to people to establish moral behaviour, but this researcher found that value systems can be taught and leaders can be developed to lead guided by their values. Research by McKenzie and Machan (2003) found that value systems cannot be taught and that people are born with traits, while research done by Gautschi and Jones (1998) supported the view that value systems can be taught and developed by various institutions that are responsible for establishing moral behaviour, such as schools and churches. Brown, Trevino and Harrison (2005) found that it is the responsibility of a leader to continuously evaluate whether or not they live according to the value systems that they have been taught, since as people get older their priorities change and so do their value systems. This was confirmed by a participant's view about why value systems are important:

“Each of us is brought up with a certain value system of morals and if we did not have such a value system it would be quite difficult to relate to other people, to work with them and to explain certain things. If you are a manager it would be difficult to direct colleagues” (R6).

The participant's view is supported by research conducted by various behavioural scientists such as April, Peters, Locke and Mlambo (2010), who found that morals are developed in the earlier life stages of people which build strong value systems of ethics and integrity. Research by Fransworth and Kleiner (2003) stated that it is parents, teachers, churches, coaches, family, friends, colleagues and mentors who influence the morals of any individual from their childhood. Copeland (2004) supported this view that it is the responsibility of parents, churches and schools to teach children in their early childhood to adopt certain value systems of morality and humanity. This responsibility given to parents, schools and churches develops future leaders who have integrity and have the willingness to drive values-based leadership. Research undertaken by Pollard (2005) supported the view that leadership assists with the development of moral communities that influence human character and behaviour guided by values rather than having rules that bring about strict standards and policies.

The responses given by the participants indicated that value systems are the foundation that assists leaders to make moral decisions which are defined by having good values that build the leaders' character. The researcher found that value systems are instilled at an early stage in one's life therefore they are what guide individuals to make moral decisions.

4.5. Theme 4: The impact of spiritual beliefs on values-based leadership

This study found that most participants shared the view that their value systems are influenced and based on their spiritual beliefs, regardless of the differences in religious dominations.

"I am a Christian and my value systems are based on my beliefs" (R8).

Research by Striepe, Clarke and O'Donoghue (2014) corroborated the view that spiritual leadership has a tremendous impact on values-driven leaders, who are greatly influenced by value systems such as serving others, trust, respect, support and empowerment. These value-systems are usually developed in places such as churches. Strachan, Akao, Kilavanawa and Warsal (2009) conducted a study in Catholic and Islamic schools and found that all the participants felt that their spirituality had a profound impact on the development of their value systems, which in turn had a powerful impact on leadership. In the study the participants mentioned that religious or spiritual values, whether Catholic or Muslim, have an impact on how an individual does things and leads others. A few participants shared the view that an

individual's value systems stem from their spiritual beliefs or their religions. The participants indicated that spirituality or religion are an important aspect of how value systems develop, which guides the way that an individual conducts themselves in all aspects of their lives.

The influence of religion was also spoken about by another participant, who held the view that value systems are important to him as an individual because they are influenced by his Muslim faith, which encourages values such as being non-judgmental, fair, honest and transparent. A participant also referred to his religion as the main source of his value systems and said that they influence everything that he does and the decisions that he makes as a manager. In his response he added:

“For me being a Muslim; my life is dedicated around my religion. For me personally I made a choice and I believe in my religious values of peace, integrity, honesty and truthfulness which I believe are my core beliefs and if these values are adopted by everyone in the world, the world would be a much better place” (R11).

The participant highlighted that his personal values are influenced by his religion and how he leads his life will be translated to how he perceives the organisation and its values. Striepe, Clarke and O'Donoghue (2014) corroborated the view that spirituality serves as guide or a model for leaders to lead others based on different values that are taught and developed by a religious institution such as Christianity, where the values of Jesus Christ are transferred to any individual who practices Christianity.

The researcher found that values systems are taught mainly in places of worship and are guided by an individual's spiritual beliefs. It was established that value systems form the basis of a leader's spiritual beliefs and those beliefs are what influence a leader to know the difference between right and wrong.

4.6. Theme 5: The trait approach in leadership

The researcher found that there was a view that leaders need to possess certain characteristics that can only be entrenched by having good value systems that others can identify with.

“There are numerous traits or characteristics that need to be obtained and one can only achieve that by having good value systems” (R10).

Arvey, Zhang, Avolio and Krueger (2007) conducted research and found that a common thread re-occurred amongst the responses given by all the participants when they identified which values each leader considers to be important. The common values that were repeatedly identified by the participants throughout the responses to the question were honesty, integrity and trust. Some of the other values that were considered important by the other participants were transparency, fairness, respect, sincerity, openness, innovation, people orientation, reliability, results focus, cooperative and teamwork. Traits were understood to be qualities that an individual inherited at birth, however as theory evolved it packaged certain qualities and characteristics as traits that distinguished a leader from a non-leader (Zaccaro, 2007). One participant named a few traits such as integrity, honesty and trust that a leader needs to display to be an effective leader who is guided by their value systems.

Daft (2008) supported the view that values such as honesty, integrity, trust and self-confidence are some of the traits that distinguish a leader's personal characteristics, which become visible in the manner that they conduct themselves. One of the characteristics that people seek in a leader is the ability to motivate others to do what is required of them and to nurture the talent that each individual brings to the organisation. The responses given by the participants were diverse, which confirmed that values may not be the same, however it depends on the impact that those values have on the individual and the organisation. The importance of having value systems is that they allow individuals to have a mirror that they can reflect on, even in circumstances that are complex. Most of the participants had a common understanding that the values of trust and honesty are critical to individuals and the organisation because they are the foundation of a healthy employment relationship.

Each individual has a different value system which may change over time as they get older and go through certain life experiences, but it is important to align personal values to the organisation's values so that employees do not encounter situations where they find themselves with personal conflicts. Research done by Fernandez and Hogan (2002) supported the view that as people grow older and become mature their values may change depending on their life experiences. One of the participants said:

“I think as you get older and wiser and if you are in different environments you may evolve and you may place more importance on different values. For me right now respect, integrity, fairness, and trust” (R4).

The participant further highlighted that as an individual you may not always live according to your values because people have flaws and are a work in progress. Another participant’s response was:

“For example with my personal value systems I don’t enjoy lying to people, and in a company situation where you might not lie to anybody but not be so forthcoming in terms of information that you might want to share, sometimes I might try and justify my way out of it. I’m not saying it’s right, sometimes afterwards I think maybe it wasn’t correct but we are lucky in a way that the value systems of our company are good values”(R12).

Daft (2008) supported the view given by the previous participant that the organisation may present complexity and uncertainty within the working environment and this may challenge the leader not to only focus on effective leadership, but rather on the organisation’s operational needs which may require tough decisions to be made for the success of the organisation. Value systems such as integrity, trust and honesty within the organisation are crucial because people generally trust easily if they observe that the environment they are in is open and transparent; employees will tend to not to be afraid of working as a team and will want the organisation to be successful. Kraemer (2011) supported the view that teams become effective if the values of trust, integrity and honesty are displayed by the leader. A participant said that:

“The role played by value systems to develop effective leadership is vital because there are numerous traits and characteristics that guide the leader and those traits and characteristics can only be developed if a leader has a proper value system such as integrity, trust, passion and motivation” (R3).

These values influence the consistency of how things are done within the organisation and get employees committed and motivated to work for the organisation.

The researcher found that there are certain characteristics that leaders need to display because they are expected to have good values. It was established that there are certain traits that the leaders are expected to display in their leadership styles such as honesty, trust and integrity.

4.7. Theme 6: Impact of value systems on followers

From the responses given by the participants the researcher found that value systems play a profound role in developing effective leadership. When leaders live by their values their actions inspire the people that surround them, which builds relationships between them and their employees.

“If I display honesty or trustworthiness or something of that sort, people will follow that” (R2).

Research done by Daft (2008) corroborated the view that effective leadership is achieved by having leaders who are guided by value systems that encourage employees to follow a leader and assists to influence employees to do what is required. Chang and Lin (2008) supported the view that employees will not follow a leader because of their skills, however they will follow a leader because of their behaviour which is influenced by their value system. A leader will gain respect from followers because of the value system that they portray to their subordinates/employees. The participants shared a common view that an individual in a leadership position is not based only on what the leader tells others but the leader’s values help the leader make an impact on others and the leader’s actions must inspire others to want to follow them.

Fu, Tsui, Liu and Li (2010) supported the view that leaders should not struggle to get employees/followers to commit to the organisation’s vision if they display certain values that will make employees want to follow a leader, since leaders have the duty to influence and support others to meet their individual tasks. Followership is gained from employees’ who observe leaders displaying certain values through their actions. This view was also shown in the response given by another participant, who said that:

“Without values I think if you look at some of the strong leaders in the world today, they lead by a clear set of personal values and what they expect for themselves they expect for the people that they lead”(R14).

Brewer and Gardner (1996) supported the view that the values that leaders adopt will be visible to their subordinates and they automatically influence others to subscribe to the values of the leader; those around the leader will aspire to be like them and a relationship develops where the leader's subordinates choose to follow and serve the leader. Values help a leader to become consistent in everything that they do and in the decisions that they make, therefore gaining the trust of their employees and setting an example that they can follow. A participant shared the view that values are definitely important and have an impact on how a leader leads others, because if a leader is not leading in a way that is consistent with their own personal values, they are likely to be in conflict with themselves and therefore employees will not follow them. Values are the foundation for effective leadership because they give leaders direction on how they will lead others effectively and gain followers. Values have an important impact on how a leader leads others because values influence not only how a leader leads others, but also influences how the leader creates an atmosphere within the organisation that employees can relate to.

Values within the organisation should build and unite leaders and employees because they create open relationships between the leaders and their subordinates which create trust. Peregrin and Wolff (2013) supported the view that a leader cannot attract followers without having value systems as their core foundation to build trust and honest relationships with their subordinates. The role played by value systems within the organisation are very important to develop effective leaders, because values allow leaders to walk the journey of becoming a leader when they become open to getting feedback from their subordinates to improve and develop their leadership style.

Mengel (2012) shared the view that the beliefs of a leader will lead to the development of the personal values that a leader subscribes to, and those value systems will shape how a leader behaves and the impact those values have on employees. It becomes easier for employees to follow a leader who subscribes to a certain core of values because those values become who the leader is and determines how they make decisions that affect the organisation and others.

The researcher found that if a leader displays certain values that their subordinates relate to, it is evident that their employees will become followers and aspire to be like the leader. It was established that a leader's team may adopt the characteristics of their leader since leader behaviour is a direct reflection of what their team will become. The responses given by the

participants indicated that a leader's subordinates will not follow a leader that has values that they do not subscribe to.

4.8. Theme 7: The role of value systems in developing effective leadership

"I think without values how would you expect to lead people to do what you need them to do and what you would like them to do without a core set of values" (R13).

Value systems were identified by the participants as the core foundation for leaders to become effective in the organisations and amongst the individuals that they lead. Dean (2008) was of the view that value systems have an important role to play in developing effective leadership, because within the organisation values assist the leader to do the right thing for the right reasons, and guides leaders to not compromise the core principles of the organisation. One of the participants shared the view that value systems have an important role to play in developing leaders who are effective and get others to do what is needed from them. One of the participants said:

"Values are an essential component for ensuring good leadership" (R6).

A few participants further explained that the organisation's values were developed within the leaders by having a leadership programme that trained the leaders on the company's values and living those values as leaders. The leadership programme emphasised the importance of living the organisation's values to maintain fairness in everything that is done throughout the organisation, which creates consistency. The leadership programme placed great emphasis on consciously taking the organisation's value systems into consideration when leaders make decisions. This view was supported by research done by Strachan, Akoa, Kilavanwa and Warsal (2010), who found that value systems that are lived consciously by a leader give meaning and purpose to them and how they lead others and make decisions that benefit the organisation. Research done by Cook, Macaulay and Coldicott (2004) supported the view that training and development strategies are essential to the organisation to create awareness within the company, especially in situations where the organisation is crafting its vision for the future. One participant emphasised that the leaders have started to meet and hold group discussions regarding how the organisation can translate what is written on paper into actual action in terms of employees' receiving their leaders and their leadership styles.

A few participants claimed that values may not have a direct role to play in developing effective leadership. One of the participants shared the view that values may not directly influence the leader because an individual may join the organisation from a different cultural background. The attitude of an employee may not fit into the organisation therefore it may be difficult for leaders' values and those of the organisation to have any impact on the individual. Research by Vogel (2012) found that a leader's system of values or deeply held beliefs is the ethical framework from which they develop a vision, define and shape the change process, and take action to make his vision a reality. This view correlates with research done by Rue (2001), which found that there is a view that our values influence how individuals make decisions and how those decisions reflect on individuals' personal values.

A participant shared the view that values in every organisation are different, therefore there is no organisation that is worse or better than another. The participant further added that:

“Values just set parameters, basic foundations and fundamental that the organisation works with and how senior management wants the organisation to look, however, whether those values translate in making individuals better leaders is doubted very much” (R8).

Research conducted by Krishna (2001) found that value systems have major impact on leaders, but they cannot impact another person's life without having a clear understanding of what they want to transfer to the next person.

A participant shared a similar view to the previous participant and said:

“I think because different organisations have different values and for me it's quite possible that the leadership in the organisation could be just as good or just as poor irrespective of the values. So I'm not sure that good leaders, that if you have a specific value system it will develop good leaders; compared to another organisation that has got different values because I don't think you can necessarily say one set of values is better than another set of values, it's what an organisation wants to be, what kind of culture the organisation wants to develop and whether it will be successful as a result of that to develop good leaders, I doubt it. It might be a factor but for me it's a very small factor to leadership, to successful and effective leadership. It will help me as a tool as a leader but I wouldn't think that having the correct set of values gives you the advantage to being a better leader” (R9).

Balogu (2012) found that leaders should possess a strong foundation of personal values, principles or ethics to function effectively within organisations, hence organisations have come to the realisation that a leader's personal values must be aligned to the organisation's values to achieve cohesion in the application of values within the organisation.

The researcher found that value systems are the core foundation for leaders to become effective. It was established that effective leaders are those that use their personal values to gain trust from their teams and the organisation.

4.9. Theme 8: Emotional Intelligence

A participant shared the view that the organisation has a number of leaders that still use authority in their leadership styles, where leaders manage their employees rather than lead them. This could be because leaders need to be developed more on emotional intelligence. The participant emphasised that a leader needs to have emotional intelligence to become an effective leader who is guided by their values. The participant said:

“You need to understand yourself and your emotions as a leader, why you do certain things so that we can fix it if there is something wrong. A program has started with the company on equipping leaders to become emotionally intelligent so that they can lead effectively. So what we are doing is we are having a work group so that people on the shop floor have time to meet and discuss what is happening on the shop floor, if they are happy in terms of the decision making, suggestions, improvements and that type of thing. So yes absolutely values have a huge impact on leadership” (R4).

This view was supported by research by Cook, Macaulay and Coldicott (2004) that emotional intelligence helps leaders to become more self-aware so that they have the ability to understand their emotions and those of others so that appropriate decisions can be taken within the organisation.

The researcher found that value systems assist leaders to lead their subordinates with emotional intelligence because their values are able to guide them to self-reflect on how to deal with situations. It was established that a leader that relies on their values will likely be aware of how

they do things and how they react in certain situations; therefore they will be emotionally intelligent.

4.10. Theme 9: The role of value systems in ethical decision making

A few of the participants explained that value systems influence their decisions and their leadership and gave more insight into why values influence their decisions. A participant shared the view that the most accurate response would come either from the direct line manager of a leader, the team that the leader leads, or fellow colleagues in determining whether or not a leader makes ethical decisions. The participant further explained that the three parties mentioned above would be appropriate to judge whether or not a leader makes ethical decisions because they are the ones that experience the actions and decisions made by a particular leader. This statement was supported by Kraemer (2011), who stated that it will take a leader with a strong belief in their value system and confidence in themselves to use their personal values to make ethical decisions, because those decisions may not always be welcome by others.

The participant further explained that a leader's personal values always come naturally when they have to make decisions regarding how to lead others and to make the organisation a success. The responses given by a few participants were similar to the views of the previous participant, who emphasised that in reality values are the core foundation of what guides a leader when making an ethical decision. The Centre for Ethical Leadership (2007) corroborated this view and described ethical leadership as knowing your core values and having the courage to live them in all parts of an individual's life, motivated by the act of common good. Another participant shared their view that ethical leaders are judged by the decisions that they have to make within the organisation, which give them credibility. One participant further explained why values are important for leaders when they have to make ethical decisions:

“Definitely values influence decisions made by the leader because leadership is not just about getting people to like you, leadership also adds to the business environment essentially what the business is about, there are financial decisions that you need to make and strategic decisions you need to make that will also invite you to rely on your own values to make those decisions. So if you do it with a value system where everything is above board, everything is clear, then your

values definitely help. If I say one thing to you but do another thing this is definitely not going to work” (R5).

April, Peters, Locke and Mlambo (2010) stated that value systems are very important to build credibility and unity within the organisation and for employees to have faith in the decisions that are made by senior management. In so doing, all decisions are made with ethics taken into consideration which are aligned to the leaders’ own values. In their research the authors further emphasised that ethics are fundamental to everything that an individual does which are deeply rooted in our values and in the understanding that everything we do has consequences. A few participants explained that a leader’s natural instinct should guide their decisions and actions, which will transform how the organisation functions on a daily basis. A participant highlighted that his values assist him to make the right decisions:

“Values definitely influence your leadership style to make ethical decision” (R1).

The participant further explained in an example that as leader you need to act ethically all the time, and referred to times when an employee did not come to work for five days and does not communicate with the leader. Another person would take the employee for a disciplinary enquiry. The participant emphasised that if you are a leader you must be open-minded and lead your life guided by set of core values so that you are able to engage with employees and get the reasons why the employee is not at work rather than taking the employee into a disciplinary enquiry without knowing the reason. Daft (2008) supported the view that leaders must be open-minded in their decisions and avoid having categorised thinking patterns that have been conditioned by society as correct. Another participant highlighted the importance of value systems when it comes to making the right decisions:

“Definitely; on a daily basis and there once again, especially when you start looking at those decisions that need to be made that come close to the fine line and I think you then need to really make sure that the decision that you are making is based on a sound set of values for the right reasons, that’s very important” (R2).

The researcher found value systems are the guiding principles that help leaders distinguish what is right and wrong. It was established that leaders that use their values to lead others will make decisions that are based on their values, which will lead to leaders wanting to make ethical

decisions. The responses given by the participants indicated that value systems have a great influence to make a leader make ethical decisions and remain consistent.

4.11. Theme 10: Situational leadership

A few participants explained that values have an important role to play in influencing the decisions made by leaders, in different situations. This statement was collaborated by a response given by a participant who shared a similar view that without values a leader cannot expect to lead other people to do what needs to be done. Day, Harris and Hadfield (2001) stated that values that are adopted by the organisation should be morally based so that they can influence leaders to make ethical decisions.

A participant claimed that naturally as a leader you will respond to a situation rather than reacting to it, because the bigger picture is that within the organisation, leaders deal with people and those people are affected by other factors which may impact on their performance within the work environment. A leader must thus have the ability to deal with different situations as they arise. Daft (2008) supported this view that leaders must be effective in their leadership styles and be able to deal with situations that are both favourable and unfavourable. Another participant shared a similar view that sometimes a leader may be in a situation that requires him to make tough decisions, which is why it is important to have values as the foundation to guide a leader to make the right decision. The participant said:

“I think values influence decisions, values influence how I make decisions and what judgments I make and what calls I make as a leader; the decisions that we make are guided by our values. It’s our foundation, we need to work within the values that we have so indirectly definitely. The foundation for our decision making comes from our values. So while I wouldn’t deliberately go back through my decisions and say you know how this fits with our values; it’s something that is inherent to us in decision making”(R3).

Rokeach (1968) supported the view that value systems guide the behaviours of leaders and how they react in different situations that they may encounter in their leadership positions. Without value systems it would be difficult for a leader to manage any situation that arises within the organisation or in their department. McShane and Glinow (2001) shared a different view however, and argued that while values are assumed to guide behaviour in many situations, other

factors need to be considered. Krishnan (2001) supported the view that value systems are important to guide a leader to make decisions quicker in any situation and emphasised that a leader needs to be guided by strong value systems to make difficult decisions in situations where decision making is needed.

The researcher found that value systems become a leaders' point of reference even in situations when a leader has to make a quick decision or to handle difficult situations.

4.12. Theme 11: Organisational culture

The researcher found that participants shared the view that the culture of their organisation is built on the values that the organisation chooses to adopt and those become the norm or the standard of how things are done within the organisation. The values of the organisation determine the culture of the organisation and dictates how things are done within the organisation. One participant said:

“I think value systems are important because it guides the culture of the organisation. The culture is who we are and how we do things. The value system that we have, the values that we have as an organisation is the foundation of the culture. It defines the culture and the culture is what we do and who we are and how we do things. Every organisation has got a very unique and distinct culture; so therefore making sure that the value system is in place and that the values are defined is really important for an organisation”(R11).

Schein (2010) found that leaders at all levels of the organisation can influence on the basis of how leader builds the organisational culture by influencing the behavioural norms, policies, and standards of employees, however, this can only be achieved if the leaders are clear about the values of the organisation. Literature on the impact of value systems on organisational culture has paid more attention to whether employees agree with the perceptions of organisations rather than focusing on the impact of the values that an organisation has adopted and how those values impact on the culture of the organisation. Leaders within the organisation should investigate the perceptions that employees have of the organisation that they work for and the values that the

organisation has adopted to determine whether or not employees believe in the values of the company which influence organisational culture (Thomas & Lindsay, 2003).

A few participants explained that some people join an organisation because of the culture of that organisation, which determines if that individual becomes productive or not. The culture is influenced by values of the organisation which distinguish the leaders and the organisation itself from their competitors. The participant's view is supported by Frost (2014), who found that no organisational culture may be detrimental because the organisation's success is dependent on the alignment of personal values between the individual and the organisation. Creating a good organisational culture is also influenced by value systems in that they make the organisation unique. Graber and Kilpatrick (2008) corroborated the view that the organisation's values are the key aspects that contribute meaningfully to the culture and the ultimate success of the organisation's strategy. One participant said:

"I think value systems set the tone for what the company is about. It is a common thread for employees of dos and don'ts which become the culture of the organisation" (R10).

Another participant claimed that:

"But in actual practice it's often difficult for one to see how real employees make real use of those values" (R9).

A few participants explained that value systems establish the culture of the organisation, which is created by the individuals who are leaders within the organisation, in the way that they do business, the way that they treat other people. Buchko (2007) claimed that the only way that an organisation can build a brand for itself in its respective industry is through its culture, which emanates from the shared values that exist in the organisation. The culture of the organisation dictates how the leaders lead their employees and the way they measure others, even when it comes to productivity. Abdullah, Husain and Hassan (2003) stated that there are three types of values, namely, personal values, work values and organisational values, and argued that these values are interlinked however they have different roles pertaining to individuals and the organisation.

A few participants shared a common view regarding the role that values play in influencing organisational effectiveness and culture. Values are the critical element that leaders and organisations need to build on to create a certain way of doing things, which transform into the culture of the organisation which in turn gives the organisation its own identity. This view was supported by research done by Izzo and Withers (2007), who found that values have a major role to play in impacting the organisation's effectiveness and building a culture of high performance. A participant shared a similar view to what was said by the other participants, stating that:

“It is very similar to what we were saying because the values that come from the top of the organisation and the leadership of the company, those values portrayed to the general workforce will definitely create culture over time. People will say well that's how this organisation operates, this is how it runs and the culture of the organisation will be entrenched. So I think the values that are portrayed by the leadership of the company will definitely come out in the culture” (R5).

The general view was that an organisation has to define itself, what the organisation stands for and how the organisation intends to do things that create the organisation's identity and differentiate itself from others. The key to identifying all those important aspects mentioned above are the values chosen by the organisation, which will be the foundation of answering the above questions. A participant explained further why values have a role to play in influencing organisational effectiveness and culture:

“I think culture and values go hand in hand. Your culture is your values to me; to me I can't really draw a line between the two. Your culture is who you are and what you stand for and your values are exactly the same thing. So for me in terms of culture and values they are the same thing therefore they will have to influence the organisational effectiveness because what your values does is it points everyone in the same direction, or it tries to do that. If everyone is pointing in the same direction the effectiveness of the entire organisation is motivated in one direction. Whereas if you didn't have that sort of alignment of goals, results and targets, then you wouldn't have an organisation that can lead and be competitive in their respective industry. So for me culture is influenced by values that give the organisation its own identity and employees are motivated to work hard every day for the organisation and leadership that they believe in” (R6).

Sheridan (1992) shared the view that value systems have a significant impact on an organisation's effectiveness because values create the culture of the organisation, and that culture leads to greater performance by everyone within the organisation and increases job satisfaction. Cambal and Baran (2006) claimed that value systems greatly influence the performance of employees and leads to a committed and satisfied workforce, however if the organisational culture is not influenced by value systems it could jeopardise the commitment of employees to their work and to the organisation itself. A participant further explained that values influence the culture of the organisation as no matter which values an organisation stands for, it brings employees and the organisation together which creates a family relationship. Yet research conducted by Vanora and Babelova (2012) found that whichever values an organisation adopts it is not guaranteed that employees will be open to accepting the values of the organisation.

Their research further emphasised that if the employees within an organisation cannot relate to the values of the organisation, those feelings could lead to decreased motivation from employees to perform their duties. Hajnik, Stacho and Stachova (2011) shared the view that although value systems have the ability to create a culture that brings the employees and the organisation together, the leadership of the organisation must create an atmosphere where dialogue between employees and leaders happens regarding the values that the organisation has adopted. Leaders who are guided by the organisation's values are able to help others within the organisation to fit into the culture, which increases performance and job satisfaction (Schein, 2010).

The leaders within the organisation have a duty to ensure that the organisation's values are clearly communicated throughout the organisation, especially on the operational level because that is where the productivity happens; those are the people that drive the culture of the organisation by living the values that have been communicated and lived by the leadership of the organisation. The responsibility lies with top management and their team members to ensure that their actions and decisions are ones that create a culture that is closely aligned to the organisation's values (Waldman & Yammarino, 1999).

The participant also acknowledged that if there is confusion within the organisation and there are no values to guide the organisation, the organisation and leadership will be lost and so will their employees. Research done by Frost (2014) supported the view that if the organisation does not have set corporate values, this will affect it negatively because if individuals have internal

conflicts with the organisation's culture it may cause rifts between individuals and their leaders within the organisation.

It was established that values of the organisation become its culture because they give direction to senior leadership on how things should be done. Value systems are used as a benchmark to assess whether or not an organisation is living by what they say and stand for.

4.13. Theme 12: Leadership accountability

A participant shared the view that everyone within the organisation is accountable for ensuring that values-based leadership is promoted. It is the responsibility of every individual that joins an organisation to ensure that the organisation's values are aligned to their personal values so that that individual does not encounter personal conflict during their employment, because that will create unhappiness within the organisation. Dacey (2008) supported this view, saying that a person has the obligation to apply their personal values when they enter into the organisation and the person needs to be comfortable for their values to be assessed so that the organisation can determine whether or not the person fits into the organisation. A participant said that:

"I think every leader has to be accountable and differentiate between normal leadership quality versus the influence of your values" (R3).

A few participants emphasised that values-based leadership can be developed from an early stage in childhood, if institutions such as schools, universities and churches take accountability for instilling the right values in individuals in the early stages. Another participant explained that the organisation's values that create the values-based culture should be owned by everyone within the organisation. Abdullah, Hamid, Mustafa, Husain, Idris, Suradi and Mustafa (2012) stated that the values of an individual are developed from within the individual before they translate to the outside and impact on the organisation. Therefore, the senior leadership of an organisation must be accountable and acknowledge that it is critical that organisations explore if their values are developing within the individuals in the organisation. Another participant explained that leaders have to take accountability to ensure that the organisation's values are taken into consideration:

"That is a difficult one because we talk about leadership so many times. Effective leadership is a whole lot of things you bring together; let me start with this, I need to be able to be seen to live

out the values of the organisation and I can't be seen to be contradicting those values. I think as a leader you have to be able to associate with the values, you have to be able to live out the values of the organisation you cannot say well I am different to those values and I don't really care, but I can live with the organisation and I can work her you know. I think that would be inappropriate; I think as a leader you have to be able to associate with the organisation's values. I think that is a starting point; to be an effective leader in this organisation. Then of course there is a whole lot of other things that make a good leader, to lead people, to look at things about decision making, setting an example, being technically and business capable, that people can trust you and then go again into things like values which I think is a crucial part of leadership''(R8).

The researcher found that value systems allow leaders to become accountable in their organisations and their teams.

4.14. Theme 13: Leading by example

A few participants emphasised that leaders have the obligation to lead by example, not only by having value systems as an individual, but also to put those values into action in the way that they do things and how they relate to others. If an individual does not relate or subscribe to the values of the organisation, they are unlikely to be happy and that same energy will be transferred to their subordinates, which is why it is important that when an individual joins an organisation their own values need to be aligned with those of the organisation. A participant said that:

“I think honesty is critically important for me. I think being able to lead by example is important. The question of having integrity is important to me. I think those are probably the key ones. Well I think when one looks at how one wants to conduct one's life, I think it's important to base your life and the way you work on certain values and live by those values, and be seen to be living by those''(R1).

Chandrakumara (2011) shared the view that values have a profound impact on the leadership within the organisation, because they help leaders to identify future behaviours that the employees may portray which may have an effect on the organisation. If the leaders understand employees' behaviours within the organisation, they are in a better position to predict future management practices and performance objectives. Values also help leaders to lead their

employees by example if their personal values are aligned to the values of the organisation. Senior management cannot expect employees to live the values of the organisation whilst they are going in the opposite direction themselves. The leaders of the organisation have a huge role to play in terms of developing and establishing relationships built on trust within the organisation based on values which influence the behaviours and attitudes of an individual. Chandrakumara further elaborated that values have an important influence on leadership because decisions that are made by leaders within the organisation are usually based more on the leaders' personal values than rational analysis.

This view was supported by Reilly and Ehlinger (2007), who found that individuals who practice values-based leadership are those who lead by example and display ethical behaviour within the organisation, having the ability to strike a balance between the principles of what is right or wrong. The response given by a participant corroborates the above statement that a leader should live by the values that they have adopted and translate those values to their subordinates. Another participant explained that the leader has to be seen doing what the organisation's values promote, so that even if the leader's subordinates challenge the way that the leader does things, the leader can justify their behaviour. Research done by Ralston, Gustafson and Cheung (1993) found that although value systems influence a leader's behaviour, that behaviour can be questioned by employees if a leader does not live by the values of an organisation or their personal values. Kennedy (2010) supported the view given by a participant that a practical solution to attain good leadership is for the organisation to have management and employees who are emotionally tied to their values and those of the organisation, so that they not only preach the values of the organisation, but action them in making decisions that influence others.

The leaders must self-reflect on how to change the perceived behaviour of subordinates and others who are misaligned to the values of the organisation. Daft (2008) claimed that leaders should be both strategic and operational, and must be able to balance the responsibilities that come with being a leader. Another participant highlighted that in his current portfolio he is in a senior management position and makes his own value systems and those of the organisation seen practically by those that he leads in the way that he conducts meetings, builds relationships with his subordinates and ensures that in his business decisions the values of the organisation are always taken into consideration. Another participant emphasised that values are not only for

leaders to acknowledge, but it is crucially important to be seen to be leading by living the organisation's values and those that an individual has adopted.

It was established that values systems assist individuals in leadership positions to lead by example because their value systems become evident in their actions.

4.15. Theme 14: Team leadership

A participant shared the view that values-based leadership can be developed within the organisation if leaders pass on their leadership characteristics to the teams that they lead, which will create a culture that is values-based. The participant further elaborated on his reasoning regarding the subject and made reference to Hitler's leadership ability. The participant associated certain leadership characteristics that Adolf Hitler used to persuade thousands of people to follow him and then created a team of people that followed his leadership style. The participant was of the view that leaders that have influence can change the culture of the organisation, but what differentiates a good leader from a bad leader is their values, i.e. Adolf Hitler was a good leader but had bad values. Research conducted by Posner and Schmidt (1992) found that although a leader may have the expertise to create profits for an organisation, to achieve this goal the leader has to have influence over his team to get them to do what is expected of them and reach the organisation's objectives. The leader will have to lead his team with value systems so that employees are motivated to perform the tasks required of them.

Kirkpatrick and Locke (1996) explained that value systems are the core of an individual's personality, however for a leader to be effective in leading their team they have to have values that are appreciated by the team members. Rokeach and Ball-Rokeach (1989) found that a leader can be a good leader because they can influence others, but that could also be done through manipulation which is why value systems are important in leadership because they distinguish between right and wrong. One participant shared the view that value systems are the core of everyone's life and influence how an individual perceives the world, while another participant had a strong view that values-based leadership is crucial to the organisation, however senior management should be the drivers of the values which need to be lived from the top so that it becomes easier to manage their teams. If an organisation has the desire to be successful and have employees that are motivated, it is the responsibility of the leadership of the organisation to

showcase integrity within their teams and employees must experience the leader's values. Those values must be lived by the leadership so that the organisation's values have meaning to employees that are in the bottom hierarchy within the organisation (Nyambegera, Sparrow & Daniels, 2000).

Research by Chandrakumara (2007) supported the view that if the leaders of the organisation represent the values of the organisation, it is more likely that their teams will subscribe to the same values which will contribute to creating a level of high performance.

One participant said that:

“A leader cannot influence their teams if they lead without value systems that guide them and those value systems become the path that a leader follows, hence, the leader's decisions must be influenced by their value systems. Values are like a lighthouse that provides light for you even if you are in rocky waters and guides you to making the right decisions and choices”(R2)

A participant shared the same view as the previous participant, arguing that the organisation should start holding campaigns that promote the values and create arm bands for the employees to wear so that they are reminded daily of the organisation's values, teamwork and what is expected of them. Leaders must create an environment that promotes empowerment in their teams because they see themselves as mentors rather than as managers, as managers use authority to lead others unlike leaders who inspire their teams to do their best. This view is corroborated by research conducted by Judge and Bretz (1992), which found that value systems help a leader to create a working environment that encourages job commitment and job satisfaction within teams. The executive leadership within the organisation must identify the types of leadership behaviours that are relevant to the organisation's vision, however, those leadership behaviours must be functional in teams (Luciano & Mathieu, 2014).

The researcher found that value systems play an important role for leaders to create a working environment for their teams that is conducive and beneficial for the organisation. Value systems help leaders to achieve cooperation from their teams because of the characteristics the leader displays to their teams.

4.16. Theme 15: Communication

A few participants explained that effective communication and awareness of the organisation's values are essential to develop leaders who practice values-based leadership. It is important for the leadership of an organisation to continuously raise awareness by creating information sessions within the organisation to educate everyone about the organisation's values. A participant added that:

“You need to have a value system that drives and guides the culture; so you need to make it part of your organisation's management system and there has to be values that are clearly defined. Those values need to be communicated and reinforced” (R5).

The participant continued to explain that it is crucial for the organisation to communicate the values and create awareness throughout the organisation, and maybe have activities such as round table discussions within the organisation that remind everyone about what the organisation stands for. Darling and Beebe (2007) stated that values are meaningless if they are communicated but not expressed through actions. Feedback sessions should be part of communicating the values of the organisation. Feedback should be obtained from employees by the use of employee engagement surveys to gauge from the employees whether or not leaders are living up to the values of the organisation. This was further collaborated by the response given by one participant, who stated that:

“I think the fact that you as a leader that has strong values, you can consciously mentor and the values of the organisation need to be communicated. The organisation needs to create two way discussions that are needed to enhance values-based leadership even for leaders to develop their leadership qualities” (R10).

Chandrakumara (2011) shared the view that it is critically important for leadership to communicate the values of the organisation from the time that an employee joins. Training on the organisation's values is the responsibility of the Human Resources Department, which must be communicated from the outset. It is clear that communication is the key factor in creating a values-based culture for both leaders and the organisation. Communication of the organisation's values need not only be done by creating awareness, but through the actions of the leaders within the organisation. This view is supported by research done by Daft (2008), who found that

leadership communication is more effective if it is done through effective communication channels such as team meetings, conferences and information sessions.

A participant explained that there was a very conscious effort made by senior leadership to create awareness of the organisation's values by having information sessions with all the employees and by having around the table discussions with leaders of the organisation to ensure that the values are understood by everyone. A few participants however claimed that in the last five years there has been no communication or awareness of the organisation's values. One participant claimed that:

"It's not something that we consider, it is part of who we are and what we do and how we do things, and I think that's how it should be. You might have to refresh now and then but we wouldn't normally in a strategy session consciously discuss, unless we want to reinforce our values or if that is one of our strategies for the next year to reinforce the values and the culture and to work on that, unless it's a specific issue like that then we wouldn't discuss it or specifically discuss it because we all as a senior management team understand what our values are and the basis from which we work from. We don't have to review them, we have been here long enough and we know each other well enough so it's something that we subconsciously do" (R6).

Some leadership theorists question the practicality of values-based leadership; the view is that values-based leadership may come with a great sense of accountability for leaders. As a result it can also put pressure on the organisation to maintain its reputation within the corporate world, therefore living the organisation's values can create a burden for leaders' who may struggle with applying values in all the choices and decisions that they make (Buckley, Beu, Frink, Howard, 2001). Buchko (2007) found that some organisations such as Enron, Arthur Andersen and WorldCom had well defined and well-articulated sets of core values, however they were not ultimately successful organisations. The researcher found that lack of commitment to values-based leadership could be detrimental because organisations that often fail to reward employees who uphold the organisation's values give the impression that the values of the organisation are less important. The impact of this can lead to a lack of motivation and commitment to the organisation, which means that the organisation will not have productive employees (Graber and Kilpatrick, 2008). Badaracco (1998) found that in organisations, when there is controversy and

difficult situations, values become the forefront in those difficulties to manage those situations and that value systems cannot be ignored in organisations because they exist to give direction to everyone.

It was established that organisations who have defined value systems should encourage effective communication to embed the values to everyone employed by the organisation.

4.17. Theme 16: Value systems distinguish leaders from managers

It was necessary to gauge whether or not leadership is really different from management because of the impact that value systems have on the real work environment. A few participants were clear that value systems are the core of what distinguishes leaders from managers and how the two are different. Research undertaken by Kotter (1990) showed that there is a distinct difference between leadership and management; individuals who are managers mostly deal with the complexities that arise within the organisation. Managers manage people effectively because they have the ability to design and set structural processes, and monitor and evaluate results against the initial plan set out by the organisation. In contrast, leadership is seen as a tool that individuals possess to respond to change within the organisation. Leaders are perceived by employees as someone that they can look up to by virtue of their values and someone that they aspire to become. A few participants referred to a manager as anyone that manages a grocery cupboard in a store, but a leader is someone who has the ability to inspire other people guided by their value systems, especially to influence their subordinates to do what is required of them to their full potential. The participants explained that the difference between a manager and a leader is that they have different skill sets; a manager can be anyone who has people reporting into them and is set on getting the task done with little recognition of the people in their teams, while a leader is influenced by value systems and cares about the people and ensures that they empower others. A few participants claimed that there is certain expectation from a leader that leads guided by values, which distinguishes leaders from managers. The distinction was that:

“I have always seen it as a leader puts the ladder on the correct wall and a manager makes sure that his team climbs it at a certain pace but the leader gives directions, strategic directions as to which wall, where to go and the leader is inspiring and motivating, it’s not about the bottom line. The leader sort of sets the direction like a compass needle” (R4).

A participant explained that managers are not ideal, especially for the new generation who do not like to be closely observed, however, a leader understands their subordinates' strengths, qualities and weaknesses. To achieve this leaders have to be directed by value systems. This view is the same as Hester and Killian (2010), who found that leadership is about developing relationships between the organisation and its employees and how these relationships are sustained by shared moral values, which are usually the culture created by the organisation through their values. A few participants claimed that leaders' who are influenced by value systems build relationships that are built on trust and openness, whereas managers are motivated by getting things done on time and in a particular way.

A few participants emphasised that a leader can stand far away from their subordinates yet the subordinates will still know what is expected from them, whereas a manager leads guided by structure and timelines. This view is supported by Davis (2011), who found that values serve as a moral compass to guide the decisions and actions of a leader that provide stability and growth for employees; a leader's values are perceived by employees as a magnet that holds teams together, even in the most adverse times. A participant explained that values are critical to leaders and highlighted certain aspects of both leadership and management:

“For me leadership is assumed or necessary at a time when the organisation is going through difficulties of change and through leadership or those circumstances. For management is a set of let's say disciplines that you apply. For me as a General Manager I have certain disciplines that I apply in terms of logistics, financial management and human resources; these are management structures on which we work and these are things of how we are managing the organisation. Leadership is more about looking at myself and how I lead the organisation and the things that I need to do. That is things like creating a vision for the organisation, having people that are motivated, and taking the organisation through change and through difficulties that is where leadership shows itself as being successful, whereas, management is purely the set of tools that are used to manage the organisation day to day, leadership is a much bigger issue” (R4).

A participant shared that from his own experience, the values of the organisation changed him from being a manager to a leader and caring about others. The participant continued to explain that he saw a drastic change in himself when he joined his current organisation, which is based on value systems. The participant highlighted that this was a huge challenge for him, but what

really made an impact on him were the values that he saw in his current manager that inspired him to want to become an effective leader. This view is supported by research by Lichtenstein (2012), who found that what differentiates a leader from a manager is that leaders will use their value systems to make decisions that motivate and inspire the employees to create a culture that works towards building the organisation to increase productivity and become a success.

The researcher found that value systems are the distinguishing factor used to establish the difference between a leader and a manager. It was established that leaders use their value systems to lead others and get the best out of their subordinates.

Figure: 4.1. Conceptual model of the impact that value systems have on individuals and the organisation

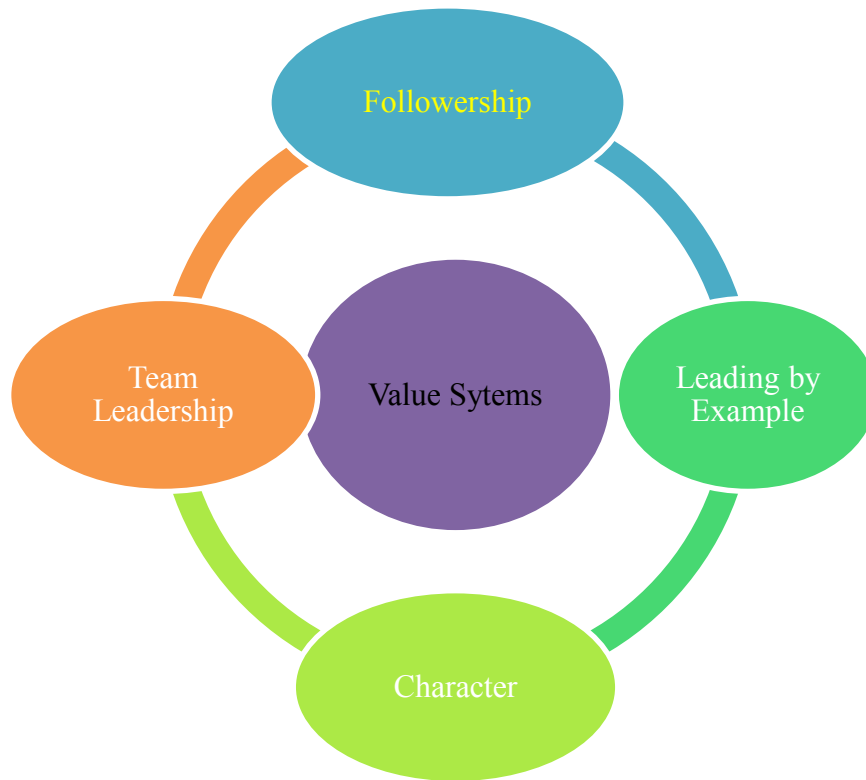


Figure 4.1 was developed based on the researcher's interpretation of the participants' responses. The researcher is of the view that value systems have a profound impact on individuals because the value systems of an individual become their character, which is seen in everything that the leader does. The character of a leader is defined by the choices and decisions that they make which are influenced by strong value systems. Value systems allow leaders to lead their teams effectively because their teams are a reflection of the leaders' ability to lead. If the leaders' values are seen through the actions of the leader, it is likely that the leaders' team and fellow colleagues will aspire to be like the leader, which in turn builds the character of the leader.

4.18. Conclusion

The responses that were given by all the participants gave a clear indication that leadership is driven by values and is very important within the organisation because it is the foundation of greater things. By practicing values-based leadership within the organisation, the working environment becomes a conducive place for everyone working for the organisation. The responses given by the participants confirmed that values-based leadership is the key to unlocking many doors within the organisation and is crucially important to develop leadership within the organisation. The impact of value systems from an individual perspective was acknowledged as being very important because it is the foundation from which an individual draws inspiration on how to lead others and directs a leader's life. Value systems play a fundamental role in influencing decision making within the organisation because values allow the leader to reflect on the notion of separating right from wrong. In the responses given by the participants it is clear that value systems influence the culture of the organisation and help to create an environment that has employees who are self-motivated and engaged.

Although the importance of value systems is deemed critical to develop leadership and influence culture and organisational effectiveness, there is still a huge gap in terms of the practicality of translating value systems into real life action for most of the leaders. The aim of the study was to get an understanding of what challenges are preventing leaders from living their own values, which are then transferred to their subordinates and the whole organisation. The participants identified the solutions that could assist the leadership to develop values-based leadership and ensure that it is embedded in everything that the organisation and its leaders do. The next chapter will provide recommendations that will give solutions as to how leaders can live out their own values and align them to the organisation's values. In the responses given it is clear that the leaders have a good understanding of what constitutes an effective leader, but the challenge that this study aims to address is how the theory of what is expected of a leader can become a reality that the leaders can practice every day in their day-to-day business operations. The recommended solutions will be given to guide leaders on how to become an effective leader by applying personal values that build their character and influence the decisions that they make, which have an effect on the success of the organisation. The next chapter will present the conclusion and recommendations of the study.

CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

This chapter presents the conclusion and recommendations of the study. The researcher will make reference to literature to support the recommendations of the study. The study aimed to examine the role that can be played by value systems to develop effective leadership and the impact values have on individuals and this organisation to improve leadership ability and organisational culture. This study examined the impact that value systems have on followers and ethical leadership on this particular organisation, and identified a need for value systems to be taken seriously by senior leadership so that the leaders are able to practice what the organisation's values mean to them individually. The study identified that there was a need for values-based leadership to be developed in this organisation and that value systems in this organisation have a profound impact on organisational effectiveness. There was controversy when leaders were perceived by employees not to be living by the organisation's values, which was seen in the leadership styles that leaders used to lead their teams. The study established that in the organisation different leadership styles are determined by value systems, thus the values of the leader are transferred to their teams. This study addressed the need for individuals in the researched organisation who are in leadership positions to lead by their own personal values and those of the organisation, and to translate those values into actions. There was also a need to identify how value systems influence ethical decisions that leaders make within this particular organisation and to emphasise the importance of adopting value systems in different leadership styles to influence others within the researched organisation, since value systems have been identified as the foundation of leadership.

This study also identified values-based leadership as the type of leadership that could help develop unity and common purpose within the organisation, leaders and employees. Interventions were identified to assist value-based leaders to become effective in their roles and in creating an organisational culture that is built on trust and integrity. The literature review focused on leadership and the impact that value systems have on leadership for leaders to become effective in their positions. Qualitative research was used as the methodology to obtain

information on the subject by using purposive sampling to gather data from the sample. Fifteen interviews were conducted. The data was obtained from individuals who were responsible for leading others. The interviews were conducted during July 2014. The data was analysed and put into categories and themes were identified that formed the description of the results of the study.

The recommendations of the study are based on the key findings of the research, which suggest various interventions that can be used by future leaders that are guided by value systems to become effective leaders, which is supported by a theoretical background on the subject.

5.2. Key findings

5.2.1. The importance of value systems in leadership

In the study the importance of value systems was established in this organisation as being an essential tool to develop effective leaders and the organisation. The importance of value systems was greatly emphasised by all the participants so that the organisation can be successful in creating a culture within the organisation that everyone identifies with. Value systems have been established by the participants to be the foundation of leadership in that they guide how a leader behaves and determine how they make decisions. Value systems define the character of a leader, which is crucial to become an effective leader (Badaracco, 2006). Values-based leadership refers mostly to the fundamental moral principles of an individual which influence values such as integrity, empowerment and social responsibility (Reilly & Ehlinger, 2007). The study found that not all traits produce effective leaders because those traits are developed through having good value systems. The values that were identified by the participants as good values allow leaders to showcase certain leadership traits. Those values were identified as integrity, honesty, trust, fairness, respect, sincerity, openness, innovation, people orientation, reliability, results focus, cooperation and teamwork. The finding was that individuals that are given leadership opportunities in the organisation need further development to nurture the basic skills needed to lead effectively which are mainly a result of having a core set of value systems. In the study it was established that value systems stem from the belief systems of individuals which are learnt earlier in their childhood and translate into a leaders' behaviour (Abdullah, Husain & Hassan, 2008).

The responses from the participants indicated that value systems have to be clearly defined for a leader to identify with them so that those values translate to a leader's behaviour within the organisation and the teams that they lead. The study established that an organisation that has clearly defined values will have leaders that are focused who share a common purpose to ensure that the organisation's goals are achieved (Malek & Kanji, 2000). There was a lot of emphasis by the participants that value systems are essential to lead effective organisations and gain support from employees and everyone within the organisation to work towards the organisation's goals (Idirs & Ali, 2008). Dahlgaard, Pettersen & Dahlgaard-Park (2011) support the view that successful organisations are led by leaders who are guided by value systems.

5.2.2. Challenges that can be addressed by leaders in organisations

There were concerns from employees that the values of the organisation are not lived by the leaders within the organisation, i.e. the leaders are not leading by example thus the employees do not feel obligated to live the values of the organisation because their leaders are not a good example of how the values of the organisation should be lived. Some of the challenges that hinder leaders from becoming values-based were identified as the lack of effective leadership, poor communication at all levels of the organisation pertaining to the value systems, leaders who are not leading by example in their leadership behaviours, lack of accountability by leaders within the organisation, misalignment between personal values and organisational values, leaders that lack the courage to stand by their value systems when making decisions, lack of training and development programmes for leadership development and fewer leaders that lead with integrity. The findings of the study established that leaders need to address the challenges mentioned above to become effective leaders who have the ability to influence others and make decisions that are based on their own personal values and those of the organisation.

The participants in the study referred to senior leadership as the drivers of everything that happens within the organisation. Senior leadership has the responsibility to lead by example so that everyone in the organisation follows what they do. It was established that a problem exists within the organisation since the values of the organisation are sometimes not taken into consideration when making strategic decisions, which may lead to employees questioning the importance of why the organisation developed a core set of values that give direction to the organisation. Pruzan (1998) asked if values-based leadership is able to create organisational

structures and communication strategies within the organisation and reward systems that attract and develop the right employees who are intelligent, loyal and responsible, i.e. it is evident that some leaders in the organisation focus more on the leader to deliver on the organisation's strategy/objectives, but it is not taken into consideration that a leader should possess certain competencies to enable them to lead other people towards that shared goal/purpose. Another challenge that was established in the study is that leaders emphasise the importance of value systems in the organisation, but in their decisions the values of the organisation are not considered nor seen by the employees; the leaders say things that are aligned to the values of the organisation but make decisions that are contradictory to the values of the company.

In order to obtain collaboration from employees the leaders of the organisation have to integrate values such as trust, honesty and integrity. If values are not lived by the leadership of the organisation it may create controversy and confusion amongst employees. Daft (2008) stated that values such as honesty, integrity, trust and self-confidence are some of the traits that distinguish a leader's personal characteristics, which become visible in the manner that they conduct themselves.

5.2.3. The impact of value systems on followers

The findings of the study established that value systems in this organisation have a profound impact on followers because the subordinates of a leader become followers if they can ascribe to the values that their leader upholds. It is evident that value systems in this organisation are what distinguish one person from another because they are the guidelines that individuals use to lead their teams and the organisation. The researcher suggests that a leader will gain respect from subordinates if there is something that the leader can offer which will inspire others to be like them. In addition, employees will not follow a leader because of their skills, however the employees will follow a leader because of their behaviour, which is influenced by value systems (Chang & Lin, 2008); a leader will gain respect from followers because of the value systems that they portray to their subordinates/employees. The participants shared a common view that an individual in a leadership position is based not only on what the leader tells others but the values of the help them make an impact on others and inspire others to follow them.

The findings of the research revealed that value systems have a profound impact on how leaders in the organisation lead others because of the characteristics that a leader displays to their subordinates. The characteristics that the leader displays will automatically be translated to the leader's subordinates, therefore, the subordinates will follow what the leader does. The findings of the research correlates with the findings of Fu, Tsui, Liu and Li (2010), who stated that leaders should not struggle to get employees/followers to commit to the organisation's vision if they display certain values that will make employees want to follow a leader, since leaders have the duty to influence and support others to meet their individual tasks. The study found that a leader in this organisation can be effective only when they have followers that they have influenced. The finding was that effective leadership is achieved by having followers that leaders can influence to do what is required (Daft, 2008).

The participants shared a common view that it is not only what a leader tells others to do, but their values have to help the leader make an impact on others and their leaders actions must inspire others to want to follow them. It was found in this organisation that the values that leaders adopt will be visible to their subordinates and they automatically influence others to subscribe to the values of the leader, while those around the leader will aspire to be like them and a relationship develops where the leader's subordinates choose to follow and serve them (Brewer & Gardner, 1996). The study found that a leader cannot attract followers without having value systems as their core foundation to build trust and honest relationships with their subordinates (Peregrym & Wollf, 2013).

5.2.4. Value systems as a tool to develop effective leadership

It was evident in the study that the participants emphasised that value systems have a profound effect on leaders because they assist them with making the right decisions and doing the right thing, even in challenging times. However, for some leaders it is difficult to put their values into practice in the daily operations of the organisation. The findings of the study indicated that the role played by value systems to develop effective leadership within this organisation assists leaders to make the right decisions. Value systems will assist leaders to do the right thing for the right reasons and will guide leaders to not compromise the core principles of the organisation (Dean, 2008). A leader's system of values or deeply held beliefs is the ethical framework from which they develop a vision, define and shape the change process, and take action to make his

vision a reality (Vogel, 2012). The study found that value systems in this organisation can play a major role, even giving strategic direction to both the organisation and employees, which makes the leader effective in guiding and giving direction to their subordinates. A few participants shared the view that the organisation's values were developed within the leaders by having a leadership programme designed to train the leaders on the organisation's values and living up to those values as leaders.

5.2.5. The role of value systems in ethical decision making

The key findings of the study revealed that value systems in this organisation are the foundation that guides leaders to make decisions that are moral and ethical in their daily operations, because they rely on their value systems when making a decision that will affect others and the organisation. The findings revealed that the leaders need to have a strong belief in their value systems to enable them to make ethical decisions that will not create personal conflict. It was further explained that it will take a leader with a strong belief in their own value system and confidence in themselves to use their personal values to make ethical decisions, because those decisions may not always be welcomed by others (Kraemer, 2011). The participants highlighted that a leader needs to draw on their value systems to make decisions that are ethical. The Centre for Ethical Leadership (2007) corroborated the statement made by the participants and described ethical leadership as knowing your core values and having the courage to live them in all parts of your life, motivated by acts of common good. Another participant shared the view that ethical leaders are judged by the decisions that they have to make within the organisation, which give them credibility amongst their subordinates, colleagues and senior management. A few participants explained that ethical leadership promotes a leader's natural instinct based on their value system to guide the decisions and actions of the leader.

5.2.6. Influence of value systems on organisational culture

It was established in the study that value systems impact on the culture of this organisation, which dictates how things are done and what everyone within the organisation subscribes to. The literature on organisational culture has paid more attention to whether employees agree with the way things are done by the leaders of an organisation rather than focusing on the fact that organisational culture should be investigated based on the perceptions that employees have of the

organisation that they work for (Thomas & Lindsay, 2003). The study found that it was evident in this organisation that value systems in any organisation form the foundation of how employees respond to the leadership of the organisation, and also affects how employees perform.

The findings of the study revealed that in this organisation value systems create a certain norm or standard that measures how the organisation will operate, which becomes the culture of the organisation. It was established that having no organisational culture may be detrimental to the organisation because the organisation's success is dependent on the alignment of the values of the individual and the organisation (Frost, 2014). Although the culture of the organisation stems from the values of the organisation, that culture becomes the driving force of what the organisation stands for and the standards that are set for everyone who joins the organisation. The impact of value systems was established as being essential for organisations to create the culture. Leaders at all levels of the organisation can influence on the basis of which a leader builds the organisational culture by influencing the behavioural norms, policies, and standards of employees, however, this can only be achieved if the leaders are clear about the values of the organisation (Schein, 2010).

5.3. Recommendations for management

The responses given by participants indicated that there are still gaps that leaders need to work on to develop values-based leadership. The findings indicate that the employees feelings were correct that the leaders are not living the values of the organisation, hence, the recommendations that the researcher will share will give solutions to rectify the situation that exists between the employees and the leads of the organisation. A few of the participants recommended that the interventions that have to be made by senior leadership include implementing strategies such as better communication from senior leadership throughout the organisation relating to the values that the organisation has adopted; providing leadership development programmes; creating more awareness campaigns to revive the organisation's values; leading by example and putting into practice what the organisation stands for; and implementing employee engagement surveys every quarter to gain feedback from employees and test their perceptions of the culture of the organisation and the leaders. Senior leaders in the organisation should provide multiple interventions such as strategic alignment to the organisation's values, communication protocols that are designed for continuous feedback regarding the values of the organisation, change

management programmes that assist leaders to better deal with situations that they may be resistant to, continuous life coaching and mentoring programmes, and continuous career path leadership development training (Ventresca, 2014).

The organisation has the responsibility to ensure that their leaders are trained and developed to become effective leaders. The development programmes that the organisation can implement to ensure that leaders are influenced by the value systems which have been identified as the foundation of leadership include life coaching programmes. Life coaching is effective for individuals who lead others as they challenge leaders to understand themselves better and what they stand for as an individual, before they assume the responsibility of leading others (Grant, 2003). Individuals who are developed by using life coaching techniques are likely to rely more on their value systems and to stand by the value systems that they have adopted, which become visible within the organisation and in their teams (Grant, 2007). It was evident in the study that communication is lacking from the leadership of the organisation pertaining to the company's values. Values should be continuously communicated because they are meaningless if they are only communicated and not expressed through actions (Darling & Beebe, 2007). It is the responsibility of senior leadership to ensure that there is awareness created of the organisation's values and that they are understood by everyone. The organisation's values are the standards that the organisation sets out for itself, therefore, they should be clearly communicated and implemented.

The senior leadership of the organisation has the responsibility to ensure that they obtain feedback from employees regarding the effectiveness of their leaders. The surveys will assist the organisation to assess where the development gaps are for their leaders and make interventions for training and development. With the use of employee engagement surveys the organisation can gather information of whether or not leaders are living the values of the organization, to determine if further awareness of the values is needed. Cook, Macaulay and Coldicott (2004) found that leaders who are not guided by a core set of value systems are likely to be vulnerable to letting go of authority and power.

It was established in the study that leaders may be vulnerable to losing their authority when it comes to leading guided by value systems, hence the need for life coaching programmes to assist leaders to lead effectively and let go of using their authority and power when dealing with issues.

Individuals who are in leadership positions need to be equipped with the skills that can assist them to be adaptable to any changes that the organisation may require, whether personal or business related (Cook, Macaulay & Coldicott, 2004). The senior leadership of the organisation has the responsibility to ensure that all the leaders engage in change management sessions so that they can envisage moving from the current state to a future one, i.e. leading an organisation that is values-based. The leaders of the organisation need to be open to adopting the culture of the organisation which is made up of the organisation's value systems which guide their actions. Therefore it is important for leaders within the organisation to lead by example and be seen to be living the values of the organisation. Change management is therefore necessary to produce leaders who are open to change and have a willingness to continuously learn (Cook, Macaulay & Coldicott, 2004).

5.4. Recommendations for further studies

Future research can focus on how value systems can impact on the performance of an organisation to achieve its profit targets. It was established that many leadership scholars found that leadership guided by value systems has minimal impact on the organisation (Nohria & Khurana, 2010). Some other studies revealed that leadership is needed to give purpose and meaning to the organisation for leaders to influence employees to improve the organisation's performance (Silva, 2014).

The study aimed to put more emphasis on the role that can be played by value systems to develop effective leadership and the impact values have on individuals and organisations to improve leadership ability and organisational culture. One of the participants shared the view that the appropriate individuals to answer the question on whether or not value systems have an impact on leadership are their employees, colleagues and management, since they are the ones that experience an individual's leadership style. Future research can focus on employees' perspectives on values-based leadership and its impact on them as followers.

This study was conducted using qualitative methodology, however a follow up quantitative study could be undertaken to determine the attitudes of followers on the impact of value systems in leadership. A comparison of values-based leadership and other leadership styles can be explored using a quantitative approach.

5.5. Answering the research objectives

The findings of the study indicate that the researcher was able to answer the research objectives that were set. The researcher found that value systems play a major role in the organisation and to develop leaders to lead others effectively. Value systems have been under-researched in leadership theory however; the study found in the organisation that values systems are the core foundation that leaders need to adopt to become effective leaders. It was established that value systems guide leaders in this organisation to possess personal values that influence their teams and others within organisations. The values of the leader become the point of reference for their followers to behave in the same manner as their leader. The responses given by the participants indicated that the teams of leaders become a mirror for their subordinates; thus, the values of the leader create a culture of how things are done. Some responses indicated that value systems have a profound impact on the organisation's effectiveness because value systems are what define the organisation and outline the expectations of senior leadership to the rest of the organisation. The leaders become aligned to the values of the organisation and start actioning them. It was established that value systems form the culture of the organisation because the leaders of the organisation make ethical decisions guided by the principles of what the organisations stand for and what differentiates them from their competitors.

The researcher found that value systems assist leaders in making ethical decisions since those decisions stem from the leader's personal values which direct them in everything that they do. It was established that value systems are the core beliefs that an individual upholds in their daily lives, therefore a leader will make reference to their values when making decisions. Value systems were discovered to be the guidelines that determine what a leader perceives as right or wrong. The researcher found that the participants acknowledged that value systems are what make up the essence of how leaders perceive their surroundings and how they react to situations even when faced with making difficult decisions.

5.6. Implications of the study

The study has made a contribution to enhance literature on the topic researched. It was established that previous literature had not thoroughly engaged the topic and its impact on leaders and organisations. The study has established how leaders can lead effective teams using

their value systems as a guideline. The research topic is under-researched in South Africa hence; it can be used as a reference for companies to develop effective leaders and organisations. The research further explored how value systems could play a significant role in getting everyone in an organisation to operate to the same standard or expectation.

5.7. Limitations of the study

The limitation of the study was that the researcher was unable to get the views of employees on the subject. The subject in South Africa is under-researched hence, there was limited literature which could have assisted the researcher to tackle the challenges faced by leaders in the South African context.

5.8. Conclusion

It is the researcher's credence that the implementation of the suggested recommendations may assist the organisation that was investigated to invest in developing individuals in leadership positions to become effective through the adoption of values-based leadership, by introducing leaders to programmes such as life coaching, change management and career planning. It is clear that value-systems have huge impact in nurturing people to become leaders' who inspire and influence employees to become leaders that others can follow.

The study provided interventions that senior leadership within the organisation need to take into consideration to improve and produce effective leaders. The study identified certain mechanisms that the organisation can implement to enhance organisational effectiveness and build a culture that has leaders' who are open to learning and leading by example. Values-based leadership, if practiced with a sense of accountability and integrity, can increase productivity and create a culture that is transparent and open.

As the conclusion of this study, the researcher would like to share a significant quote on leadership:

"Followers do not trust leaders whose character they know to be flawed and they will not continue following them" (Maxwell, 2009: 167).

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APPENDIX 1: INFORMED CONSENT FORMS

UNIVERSITY OF KWAZULU-NATAL

GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

Master of Commerce: Research Project
Researcher: Carol Poulton (0787722931)
Supervisor: Cecile Proches (0312608318)
Research Office: Ms P Ximba (0312603587)

Dear Respondent,

I, Carol Dainne Pearl, am a Master of Commerce student, at the Graduate School of Business and Leadership, of the University of KwaZulu Natal. You are invited to participate in a research project entitled: **The impact of value systems on the development of leadership**. The aim of this study is to examine the role that can be played by value systems in leadership and the impact values have on individuals and organizations to improve leadership ability and organizational culture.

Through your participation I hope to understand how a leader's values impact on followers, how values-based leadership influences organizational effectiveness and culture, whether values-based leadership influence ethical leadership and how can values-based leadership be developed. The results of the interview are intended to contribute to my finding of the impact of value systems on the development of leadership and organizational culture.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this interview. Confidentiality and anonymity of records identifying you as a participant will be maintained by the Graduate School of Business and Leadership, UKZN.

If you have any questions or concerns about completing the interview or about participating in this study, you may contact me or my supervisor at the numbers listed above.

The interview should take you about 45 minutes to complete. I hope you will take the time to complete this interview.

Sincerely

Investigator's signature _____ Date _____

This page is to be retained by participant

**UNIVERSITY OF KWAZULU-NATAL
GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP**

**Master of Commerce: Research Project
Researcher: Carol Poulton (0787722931)
Supervisor: Cecile Proches (0312608318)
Research Office: Ms P Ximba (0312603587)**

CONSENT

I..... hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project.

I understand that I am at liberty to withdraw from the project at any time, should I so desire.

I hereby consent/do not consent to record the interview.

SIGNATURE OF PARTICIPANT

DATE

.....

This page is to be retained by researcher

APPENDIX 2: INTERVIEW SCHEDULE

UNIVERSITY OF KWAZULU-NATAL GRADUATE SCHOOL OF BUSINESS AND LEADERSHIP

Master of Commerce: Research Project
Researcher: Carol Poulton (0787722931)
Supervisor: Cecile Proches (0312608318)
Research Office: Ms P Ximba (0312603587)

The impact of value systems on the development of leadership

Interview Schedule

- Why are value systems important?
- Which values do you consider important and why?
- Do you think that values have an impact on how you lead others? Please elaborate.
- In your opinion, do you think values have a role to play to develop effective leadership? Please elaborate.
- Would you say values influence your decisions? If yes, how do they influence your leadership style?
- In your opinion, do values play an important role in influencing organisational effectiveness and culture? Please elaborate.
- How can values-based leadership be developed?



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Ms Carol Dainne Pearl Poulton (205521141)
Graduate School of Business & Leadership
Westville Campus

Protocol reference number: HSS/0449/014M

Project title: The impact of value systems on the development of effective leadership

Poulton,

Dear Ms

Approval Notification – Amendment

as

This letter serves to notify you that your application for an amendment dated 10 July 2014, has now been approved follows:

- Change in site

Any alterations to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study must be reviewed and approved through an amendment /modification prior to its implementation. In case you have further queries, please quote the above reference number.

PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

Best wishes for the successful completion of your research protocol.

Yours faithfully

.....
Dr Shenuka Singh (Chair)

/ms

Cc Supervisor: Ms Cecile Gerwel Proches
cc Academic Leader Research: Dr E Munapo
cc School Administrator: Ms Zarina Bullyraj

Humanities & Social Sciences Research Ethics Committee

Dr Shenuka Singh (Chair)

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Flourishing Campuses: Edgewood Howard College Medical School Pietermaritzburg Westville