Master Thesis

THE POWER OF VALUES: CONCEPTUALISING THE THEORY OF VALUES-DRIVEN LEADERSHIP

Sustainable Entrepreneurship (MSc), Campus Fryslân

University of Groningen

June 4, 2023

Patrick Zandberg

S5150051

ABSTRACT

Organisations attempt to balance satisfying the stakeholders' requirements and maintaining long-term viability, leading to the crucial challenge of sustainable growth. Entrepreneurs play an important role in addressing these challenges. A critical stage in the entrepreneurial process involves scaling, whereby a challenge is incorporating various value systems into the organisation. Personal values are developed through the individual's social context and serve as a blueprint and foundation for making decisions. Organisational culture is the consideration of the different values systems of its members and the organisational values. A conceptual model is proposed where values-driven leadership lies in the middle of the entrepreneurs' values, organisational culture and the decision-making process and how sustainable practices can be supported through values-driven leadership within an organisation. In conceptualising values-driven leadership, the study underlines the importance of aligning a leader's values with those of the organisation and creating a culture that prioritises values. The leader is responsible for creating a structure facilitating a values-driven culture. By establishing a value-driven organisation, organisations can enhance their reputation within the market and attract and retain talent. This study emphasises the transformative potential of values-driven leadership in guiding organisational decision-making and supporting sustainable practices.

INTRODUCTION

Currently, organisations attempt to find a balance between satisfying the stakeholders' requirements and maintaining long-term viability, leading to the crucial challenge of sustainable growth. Achieving such sustainable growth requires focusing on environmental, social, and economic factors, which can be a complex and wicked problem for leaders. Leaders and organisations must balance short-term financial gains with long-term sustainability while also considering the impact of their activities on the environment and society (1). Additionally, with technological advances, the business landscape is rapidly changing, and organisations must continuously adapt to remain competitive while maintaining their commitment to sustainable growth. Overall, achieving sustainable growth is a significant challenge but essential for organisations' long-term success (2,3).

Entrepreneurs play an important role in addressing these challenges and transforming towards a more sustainable future (4). Sustainable entrepreneurship aims to balance economic, social, and ecological goals, which differs from traditional entrepreneurship as it mainly focuses on financial goals (4). Moreover, individuals that act according to their values are more oriented toward sustainable development and preserving nature (5,6). The entrepreneur assumes a critical position within the organisation, embodying the essential core that drives the enterprise (7). Businesses depend on the entrepreneur's personal development and progress; this influences an organisation's success and growth, as it is likely for a company to fail when the entrepreneur fails.

Moreover, a critical stage in the entrepreneurial process involves scaling, whereby a challenge is incorporating various value systems into the organisation (4,8). In this context, it is plausible that the organisation's values may transform. When the organisational values deviate excessively from those of the entrepreneur, it can result in the entrepreneur becoming preoccupied with organisational management rather than leadership. The role of the entrepreneur is crucial in achieving sustainable growth and the business's long-term success. Therefore, values and leadership are essential for sustainable entrepreneurs as it helps guide them to long-term success in establishing a sustainable society.

Values-driven leadership can play a significant role in creating long-term sustainable growth for organisations. Moreover, values-driven leadership can work as a catalyst for sustainable entrepreneurship (9). By aligning the entrepreneur's values with the organisation, leaders can foster

a culture that emphasises ethical and moral principles, which can guide decision-making towards sustainable practices (10,11). Employees who share the same values as their leaders are more likely to be engaged and committed to the organisation's long-term success. Values-driven leadership also encourages transparency and accountability, which can promote responsible and sustainable practices (11). By prioritising the needs of all stakeholders, including employees, customers, and the environment, values-driven leaders can create a sustainable and resilient organisation that is well-positioned to thrive in the long term. Research is limited to the theory of values-driven leadership. Research has been done to explore the topic and create a framework for defining values-driven leadership (12). The following definition is proposed: "Conscious commitment by leaders at all levels to lead with their values and create a corporate culture that optimises financial performance, ethical practice, social contribution and environmental impact." Linking values-driven leadership in a corporate context with the main emphasis on creating a financial impact. Whilst the theory proposes that values-driven leaders should "lead from a deep sense of purpose and a demonstrated commitment to life-affirming values, such as honesty, integrity, excellence, courage, humility, trust, care for people and social and environmental responsibility" (12). Here, values-driven leadership emphasises leading by example with a sense of purpose without the organisational context and its primary purpose of generating a financial impact for its shareholders (13–16). Yet limited research has been conducted on what outcomes are if leaders start to lead from values and what the role of values is in leadership. Interesting to note that personal values act as a blueprint and foundation for making decisions, solving problems, and resolving conflicts (17). The same argument is made for organisational values, which are believed to provide employees with an internal compass that allows them to act responsibly, publicly, and independently for mainly a financial impact (11).

Therefore, this research aims to prove the theory of values-driven leadership conceptual framework by discovering how the entrepreneurs' values play a role in organisational culture and decision-making. The main research question is, "How does values-driven leadership within an organisation support sustainable practices?" The strategy proposed is to interview entrepreneurs in the Netherlands about their beliefs on values and how it plays a role in their organisation regarding the decision-making process and the organisational culture. The contribution of this research can be measured threefold: 1) it will add to the academic literature on the role of values,

2) it will conceptualise values-driven leadership, and 3) it potentially helps entrepreneurs with a leadership style that can help develop sustainable growth.

THEORY

The Role of Values

Values are fundamental assumptions that influence human behaviour and play a significant role in an individual's identity (18). Personal values are developed through the individual's social context, including national or regional culture, social institutions, family, friends, religion, education, the media, geographic roots, technology and current events (11,17,19). Values can be seen as a form of legitimising oneself within society and why one behaves the way they do. Moreover, it is not limited to behaviour; values give a sense of purpose in life (18). However, what one deems "good" or "bad" values is subjective to individuals. Meaning that implicitly or explicitly, consciously or unconsciously, values can complement one another or can conflict with another (11).

Values give purpose and serve as a blueprint and foundation for making decisions, solving problems, and resolving conflicts, affecting selective perception and interpretation of information and reflecting on choices (11,17). Personal values affect not only the decision-making process at the individual level but also at the organisational level. Having an understanding of values is essential to managers, and personal values influence their decision-making regarding what kind of leader or manager they want to be. Personal values not only help managers in actively choosing what role they play within the organisation, but it also affects their decision on what kind of actions they take within the organisation. Therefore, values play a crucial role in an individual's decision-making process and significantly influence leadership as they affect moral reasoning, behaviour, and leadership style (11,20,21). Leadership is about the process of influencing others to agree about what needs to be done and in a collective approach to accomplish a shared objective. Therefore, the role of values is important because a person's internal values influence the direction they want to continue; accordingly, within an organisation, the values should be shared and aligned, which is essential to achieve the shared objective (22).

This becomes interesting in the role of entrepreneurship, as starting a business provides the opportunity to experience the freedom to pursue one's passion. In the beginning phase of an entrepreneur, the organisation's values are aligned with the entrepreneur's personal values. When the entrepreneur reaches the next stage, the growing stage, more and more individuals will join the

organisation and bring different value systems into the organisation. Having other value systems within an organisation will ultimately lead to the creation of an organisational culture, as it is believed the organisation culture is the consideration of the values systems of its members (11,23). When the organisational values drift too far from the entrepreneur's values, it can lead to the entrepreneur being occupied with managing the organisation rather than leading to the next shared objective, which is an essential part of a leader. This raises the question of how entrepreneurs can stay true to their values and lead the organisation to its next shared objective. A potential solution could be a leadership style called values-driven leadership, which is a style that makes the leader conscious of values within an organisation. It is suggested that these leaders have the following essential values; honesty, integrity, empathy, justice, and fairness, which define their character and influence their leadership style (17).

Values in an organisation context

Organisational culture is the consideration of the different values systems of its members and the organisational values (11). Most of the values come from senior leaders, showing that leaders significantly impact the organisation's culture (11). Organisational values erode over time of conflicts and compromise of previous senior leaders. The values of an organisational culture evolve through a continuous interchange of leader and corporate values. (11). When leaders successfully impose their personal values on organisations with established organisational cultures, the organisation adapts to the values and fits in the culture (11). A leader's personal values may influence the established organisational values. Nevertheless, when an organisation encounters new challenges, they are open to changing the leader as the organisation has the opportunity to establish new or different values. Meaning that personal values strongly influence the guidance encompassed by organisations, but they would never overrule corporate values and, therefore, are subject to change, whereas organisation values are not subject to change (11).

Organisational values are believed to provide employees with an internal compass that allows them to act responsibly, publicly, and independently for mainly a financial impact (11). The value systems of organisations are driven by their leaders' values, consciously or unconsciously (24). Values play a role in all the different departments within an organisation; therefore, to achieve the most out of the organisation, the values of each department which individual should be aligned. Actively giving a voice to values is beneficiary to individuals. Paper (25) conducted a study

incorporating values into the student's curriculum. As a result, students did not commit to something they did not believe in or thought was not possible, but instead, they developed approaches enabling them to believe in it and that it could be achieved (25). The curriculum helps the students understand how they can "play to their strengths", which benefits the student and influences their decision-making. Decision-making is affected but crafting effective arguments; and the opportunity to identify and practise responses to some of the most frequently heard arguments for not acting on one's values (25). Therefore, it is interesting to research the role of values within an organisation and how they influence the decision-making process.
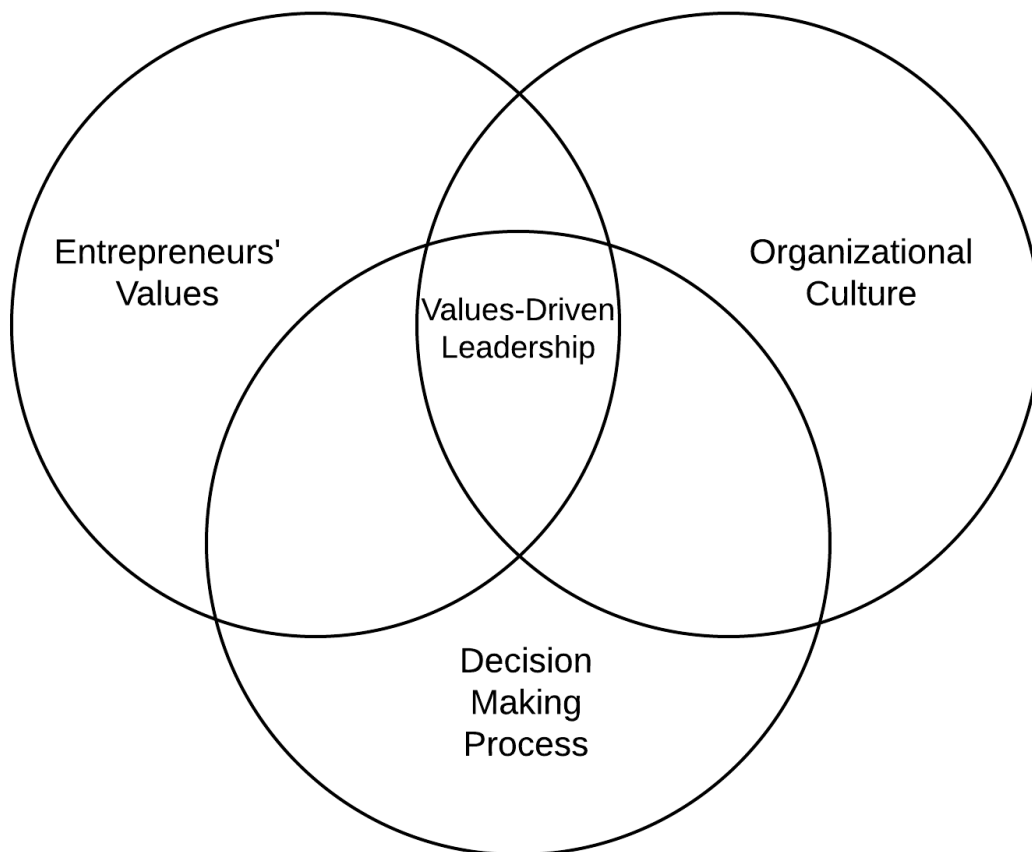

Figure1, Conceptual model

The following conceptual model is proposed in Figure 1. In the literature review, it is established that an entrepreneur's values influence their decision-making process on a personal level choosing what type of leader they want to be and the decisions affecting the organisation on a greater scale.

Moreover, it is established that within the organisational culture, values profoundly influence the decision-making process, and values guide as a compass for the direction an organisation chooses to continue. It is believed that entrepreneurs' values generally focus on creating a social impact, whereas organisational values typically aim for a financial impact (11,13). There are exceptions where entrepreneurs are money driven and become entrepreneurs purely for financial benefit. However, it is believed that is limited, and generally speaking, entrepreneurs' values focus on creating an impact.

To answer the main research question, "How does values-driven leadership within an organisation support sustainable practices?" the conceptual framework, the entrepreneurs' values, the organisational culture, and the decision-making process stand as a basis. Both the values and the culture influence the decision-making process and function as a blueprint for organisations, and it is suggested that leaders that are conscious of values are more inclined to promote sustainable behaviour. Therefore, it is first necessary to conceptualise how values play a role within organisations and what values-driven leadership are. To establish the theory of values-driven leadership, using theory-generating experts as a data collection was proposed and designed following the theoretical dimensions. Moreover, this study investigates entrepreneurs' values and their importance in an organisational environment, as well as their influence in forming organisational culture and decision-making. It analyses if entrepreneurs' values differ from organisational values and how personal values influence organisational culture within an organisation. The objective is to grasp how personal values influence decision-making processes and how organisational values play a role. The study also investigates the function of leaders in upholding personal values in decision-making and influencing the values of others inside the organisation. By investigating the theoretical dimensions of entrepreneurs' values, organisational culture, and decision-making process and their interconnections, the study aims to propose how sustainable practices can be supported through values-driven leadership within an organisation.

METHODOLOGY

Empirical strategy

There is little to nothing known about values-driven Leadership. This phenomenon yet needs to be explored. Therefore, it was proposed to use the grounded theory method for this research. Moreover, grounded theory is a structured and flexible method aiming to explore theory and

uncover processes inherent to the area of inquiry (26). This research seeks to conceptualise the "values-driven leadership" theory and how it influences decision-making. For grounded theory to succeed, a comprehensive literature review was performed, and a conceptual framework was built to explore the phenomenon (26). The conceptual framework for this research has been introduced in the previous section. The conceptual framework was the basis for the data collection part. The data can be gathered through either quantitative or qualitative strategies that can be deemed appropriate (26).

This research investigates how and why individuals make decisions based on values and how it influences sustainable practices. Due to this exploratory nature, a qualitative approach was chosen for the study. This method allows a deeper understanding of the participant's perspectives and experiences. Additionally, it allows for a more focused and in-depth analysis of a smaller sample size. The data collection strategy will be the theory-generating expert interview method, as this allows the researcher to have an analytical and interpretative perspective to outline interrelations in the empirical data and develop theoretical approaches. It stresses inductive theory development based on empirical data and thereby aims at revealing interpretative knowledge (27,28). Performing a theory-generating expert interview data collection method allows the researcher to focus on one specific group and explore the theory of "values-driven leadership" and how it influences the decision-making process within an organisation and the outcomes. The sample size existed out of entrepreneurs as it is believed that their perspective is needed in order to understand how their intrinsic values will affect the decision-making process within the organisation. Moreover, geographic roots are important concerning a person's values. Therefore, this research focused on entrepreneurs from the Netherlands to have a more in-depth and more substantial form of data (11,17,19).

In grounded theory, it is suggested to stop gathering data "when your categories are 'saturated.' So, when collecting new data no longer sparks new theoretical insights and no longer reveals unique properties of your data nor sparks core theoretical categories (26,29,30). The saturation point may not be reached at the final interview, limiting the research by not having a complete overview of the phenomenon.

Data collection

The empirical data was collected through 9 semi-structured interviews. Entrepreneurs were approached via LinkedIn, email, or phone. Eight interviews were held in the native language of the researcher and participant, and one was conducted in a common language such as English. A set of nine open-ended questions was designed, but at the end of each interview, participants had the opportunity to add a question regarding the topic. Only participant one took this opportunity and suggest three additional open-ended questions. Resulting in twelve open-ended questions, and the semi-structured interviews were conducted using an interview guide (Appendix A). This method allowed for open-ended responses with in-depth meaning (31), which led to a complete understanding of the phenomenon (32). Appropriate interview techniques were used to stimulate participants to elaborate on answers. Beforehand, all interviewees and interviewers signed a consent form (Appendix B). Furthermore, each interview lasted approximately between 30 and 60 minutes, was recorded, and was conducted in the last week of April and the first two weeks of May 2023 via Google Meets, teams, or a phone call.

Data analysis

For the data to be correctly analysed, transcripts of each interview were made and coded following a few steps (33). The first interview was used to develop the first order of codes which were quotes from the participant. Subsequently, codes with a similar direction were grouped into themes being the second order of codes, and these themes are connected to the theoretical dimension of the conceptual framework being the third order of codes. Using the aforementioned steps, a coding tree was developed (Appendix C). An example of how a code is generated, participant One said, "Values are factors that create a purpose in life," this is the first order of code, a direct quote from the interview. This code developed from the question, "How would you define values?" Therefore, this code was assigned to the theme, definition of values, the second order of codes. The definition of values is associated with the theoretical dimension of the role of values, the third order of the codes.

Participants that followed and stated similar data were assigned to the same quote as the first order of codes. Moreover, participants that followed and brought new insights, new first order of quotes were developed and the same process was used to establish the second and third order of codes. The coding tree was the basis for processing the rest of the data correctly, which allows using the

data for discussion. To ensure the quality of this research, The researcher tested the interview questions with the thesis coach to reflect the interview procedure (34).

Limitations

Performing qualitative research brings limitations (35). First, making causal inferences from qualitative, semi-structured interviews is impossible since alternative explanations cannot be ruled out unless the saturation point is achieved. Furthermore, quantitative research is essential to confirm whether the findings of one study apply to other scenarios (34–36). Additionally, misinterpretation of data and effects on the validity and reliability of study findings can significantly affect the outcome of this study (37). Countermeasures have been taken, such as respondent validation during the interviews, and to prevent a social desirability bias and linkages to participants, the names of the interviewees and their companies are anonymised (38). Additionally, the questions are commonly written without the use of leading words and are organised from general to specific.

Further, this research will have a random bias due to the sampling variability, which can be minimised by outlining a specific target group, such as only interviewing entrepreneurs, yet it does not avoid the bias altogether. Moreover, this research will only focus on one particular target group, which will give a more in-depth discussion of the phenomenon but limits the research to gain an overarching perspective of the phenomenon.

Finally, a pilot interview was conducted to test the structure, probing and concepts used in the questions (38). Possible ethical implications regarding the interviewees are covered by using a consent form (Appendix B). Furthermore, the ethical code of conduct for research integrity of the Netherlands is followed during this research (39). The original data will only be available to the research supervisors and will be entirely erased after ten years.

RESULTS

The results chapter of the thesis presents the study's findings which focused on the role of values in entrepreneurship and the organisational decision-making process. Data was collected through expert interviews in a deductive exploratory manner. The empirical data collected regarding the entrepreneurs' personal values, organisational culture and the decision-making process that might support sustainable practices are presented in a coding tree that can be found in Appendix C. The

most significant first order of codes, direct quotes, will be presented in this chapter according to the literature review and the theoretical dimension in the theoretical framework (figure 1).

Expected results

It was expected that the study would anticipate significant findings to contribute to understanding the role of values in the theory of values-driven leadership that promotes sustainable practices, which could contribute towards sustainable growth. Based on the literature review and theoretical framework, the data is expected to reveal a strong interrelation between entrepreneurs' values and the organisation of values that will affect the decision-making process within an organisation. The literature suggested that entrepreneurs would take more decisions that will financially impact the organisation if their decisions are based on the organisational values (11). This research indicates that when entrepreneurs make decisions regarding personal values, they are more inclined to take sustainable actions (5,6). Therefore, the expected result of this research was that when entrepreneurs act on their values, it will promote sustainable practices within the organisation.

The Role of Values

Participants were asked how they would define values to understand what role values play for entrepreneurs. Participants 4 and 8 had never thought about values and were not actively thinking about values. It was difficult for them to answer the question, but after a brief moment, they would answer that *"values are important factors in life."* The results were more spread for the other seven participants, where participants 2, 3 and 5 would state that *"values are important factors that create a purpose in life."* Participants 1, 6, 7 and 9 states that *"values are who you believe you are and part of your identity."* The aforementioned answers were the initial answers of participants, and some felt the need to add to them. Participant 3 commented, *"Values are the ideal thought of the world we have,"* participant 2 stated that values and norms are together, saying that *"norms are therefore often restrictive, and values are often broadening."*

To describe the importance of values. Participants 1, 2, 4, 5, 8 and 9 would state that *"values are an important factor in conducting business."* Whereas others would give a more personal interpretation of the importance by relating it to friends and how values play a role in a social context, participant 7 said, *"Values give meaning to your surrounding in which friends you want to have",* and participant 6 said *"values help recognise how a person is and how one behaves"* which participant 7 also mentioned.

Participants had the same interpretation of how values are developed. Four would describe that *"the youth have the biggest impact on values"*, and five others would describe that *"parents, teachers, education and an inspirational person"* would impact a person's values. However, participant 3 would add an interesting thought on what also would have an impact on a person's values, stating that *"values also come from the brokenness of existence, the pain and hurt we experience in life."* He followed it up by linking it back to the definition of values that painful experience makes people think how it should be different, stating that *"values are the ideal thought of the world we have."* Additionally, participant 3 said that *"values give substance to the society in which we live,"* which can be seen as a characteristic of values.

An interesting code that developed during an interview was that participant 1 said, *"Behaviour is a characteristic of our values."*

Organisational Culture

The literature suggests that both the entrepreneurs' and organisational values influence the organisational culture (11,20). Participants were asked if there was a difference between the participants' and organisational values. Participants 1,2,3, 5, 6, 7, and 9 stated, "*The values of an organisation slightly differ from the people that work there, but that is normal."* Interestingly, participants 4 and 8, who have a small organisation with around ten employees, stated that their values were similar to that of the organisation. They suggested that their values were also the core of what guides their business. Additionally, they would add that *"organisational culture is created by the values of the employees through the values of the leader."* Moreover, participants 1, 2, 3 and 5 would stipulate that *"values are important in creating behaviour within the organisation"* and participant 4, 6, 7, 8, and 9 that *"the organisational values are the standards within an organisation and can be seen as norms in which to operate."*

Participant 8 had an interesting view on values, stating, "*Values are difficult to understand, you cannot actively show, you have to radiate it, values need to be lived within the organisation."* Participants 1, 2, 3, and 5 would add that *"only defining values is not enough. The organisation has to live the values."* The participants had a common understanding that values play an essential role in the organisation. Values; guide the organisation in conducting business, give an interpretation of which employees to keep and attract and help connect with the younger

generations. Participants 1, 2, and 6 shared that values play an active role within the organisation. They often discuss personal and organisational values regarding *"where do WE want to go."*

Decision-making Process

As expected by the literature review, all participants shared that their personal values play a significant role in their decision-making process. Participants 1, 5, 7, and 8 added that decisions are nothing more than pros vs cons and that values give interpretation to the pros and cons. Moreover, as expected, an interaction between personal and organisational values influences the decision-making process participants 1, 2, 5, 6, 7, 8, and 9 shared this experience. In addition, participants 1, 2, 5, 7, and 9 shared the experience that values determine the direction the organisation wants to go, and which decisions are made within the organisation.

On an interesting note, participants 1, 3, 6, 7, and 8 shared that they have taken decisions for the organisation that were not in line with their values, making them uncomfortable and distressed. Participants 1 and 7 added, *"When values are not aligned, it creates a cognitive dissonance."* Moreover, when it was asked, "Do you think that the decision-making process within the organisation would be influenced when you only take your values into consideration, and we excluded/ eliminated the organisational values?" – participants 1, 3, 6, 7, and 9 shared that they would take different actions when it is allowed to act from their values. In contrast, the other four shared that the organisational values are norms in which their values accommodate decision-making. Still, they felt associated with the organisation's values and could not think of something they wanted to do differently. However, participants 6 and 7 shared that their values are essential regarding sustainability even though it was a value of the organisation. As participant 7 said, *"If I do not ask the sustainability question, no one will"* in an example regarding building a new production facility.

Values-Driven Leadership

No specific questions were asked about values-driven leadership, but interesting quotes that developed during the interview about values that could be seen as characteristics of values-driven leadership are presented. A reoccurring theme was that leaders should regularly have meetings or dialogues about personal and organisational values. It was suggested that the role of the leader is to facilitate dialogues about one's values. This can be both direct and indirect. Direct in the sense that the leader actively involves employees by providing workshops and setting targets about

values, and indirect by creating a safe environment for employees to share and develop themselves. The characteristics of a values-driven leader are integrity, appreciation of freedom, trustworthiness, create harmony and authenticity.

What is interesting is that participants 1, 2, and 3 said that *"the leader's values are important in creating the organisational culture,"* but over time, the organisational culture becomes more dominant, and they suggested the question is *", Is the leader strong enough to change the culture, or does the culture change the leader."* Sharing a solution, the leader should *"create a structure that facilitates the culture."*

Participants 1, 2, 3, 5, and 7 suggest that when leaders and employees act from their values, *"the organisation will become more open and vulnerable, which means that the people will be authentic."* This would create a values-driven organisation. All participants could add to the effect of organisations sticking to their values. Participants 1, 2, 3, and 5 suggested that retaining and attracting employees would be easier. In contrast, participant 8 said that they scout new employees precisely if their values match the values systems within the organisation. Moreover, participants 1, 2 and 5 would share that sticking to values would benefit the reputation within the market. Participants 1 and 3 suggest that the organisation *"Become more flexible as there is a continuous conversation about values and where WE want to go."*

To establish a Values-driven Organization, the role of a leader becomes important as participants 1, 2, and 3 would share that *"the value of the leader is important for the organisational culture as they are an example for their employees."* Participant 3 shared that he researched that 40% of the qualities of employees are not utilised. Moreover, he believed that *"to utilise the qualities of employees more, it starts with a dialogue about values. You have to invest in your people in their development rather than their productivity,"* others would accommodate this by sharing that a leader needs to invest in developing employees. Participants 1 and 2 would suggest that *"employees will act from their values when the leader is authentic and when there is a safe environment."*

Sustainability

As organisations attempt to combine economic goals with social and environmental goals, the concept of sustainability has gained importance. This section discusses the anticipated study results in relation to three critical questions: "What is doing good as an organisation according to you?",

"To what extent do you notice a conflict between making money and doing what is right?" and "According to you, which values are important to create a more sustainable organisation?" The insights derived from participants' perspectives on these questions provide valuable insights into the understanding and importance of sustainability within organisational contexts. The main answer regarding what is doing good as an organisation is to earn money to *"sustain and create continuity within an organisation to create legitimacy."* Participant 1 shared that it is about aligning values and care for people, our world and quality above quantity. Whereas Participants 3 and 7 would state that *"A company should be an honest and righteous business which is societal relevant, "* leading to the follow-up question what is righteous? –answered with, *"We need values and a dialogue about our values which give interpretation to what is righteous."* Participants 2, 4, 6, 7, and 8 shared, "*There is not always a conflict between earning money and doing what is right. This is part of being an organisation which can be reinvested,"* and others would simply answer with yes and no.

The results revealed a range of values considered important for creating a more sustainable organisation. Participants stressed honesty and transparency as important values, emphasising the need for ethical behaviours and open communication. Care for people and the environment arose as a critical value, emphasising individual well-being and the significance of environmentally sustainable behaviours. Quality above quantity was emphasised, with a priority on creating long-term value. Sustainability requires commitment and alliance with all stakeholders, including people, the environment, and the planet. Curiosity, open-mindedness, accountability, ownership, discipline, and adaptability were highlighted as values that enable firms to adapt and respond successfully to sustainability concerns. Participant 8 also underlined the importance of having faith and believing in one's ability to make a difference, which provides perspective and chances for long-term growth. Accepting adventure and taking calculated risks were acknowledged and recognised as ways to explore new paths and generate positive change.

To summarise, Values were interpreted differently by the participants, who saw them as essential factors in life, factors that provide purpose, and components that define individual identity. Values were considered necessary in both conducting business and shaping social interactions. Participants gave various explanations for developing values, such as youth, parents, teachers, education, and life experiences. The alignment of personal and organisational values was studied,

with most participants acknowledging slight differences but emphasising the role of organisational culture in influencing behaviour. Personal and organisational values influenced decision-making, with participants expressing discomfort when their decisions conflicted with their values. Values-driven leadership emerged as a topic, with suggestions for leaders to facilitate dialogues about values, create an environment where values are lived, and play a pivotal role in shaping organisational culture. The significance of values such as honesty, transparency, caring for people and the environment, and long-term value creation were highlighted in the discussion of sustainability. Overall, the findings provide insight into the importance of values in entrepreneurship, organisational culture, and decision-making, highlighting the potential for values-driven leadership to encourage sustainable practices within organisations.

DISCUSSION

The study aims to understand the role of values in entrepreneurship and organisational decision-making. Through a comprehensive analysis of the data and the findings presented in the previous section, this discussion aims to provide a deeper understanding of the implications of the results, draw connections with existing literature and propose a conceptual framework for values-driven leadership. Moreover, the discussion aims to answer the main research question, "How does values-driven leadership within an organisation support sustainable practices?"

The Role of Values

The findings suggest that the role of values in personal and organisational contexts is widely recognised and holds significant importance. Literature supports this claim stating that values give individuals a sense of purpose, connecting their actions and decisions to a long-term perspective (11,17). Additionally, it is worth noting that the data of this study indicate that individuals may operate with varying degrees of mindfulness regarding the importance of values. Some individuals prioritise values, consciously keeping them at the forefront of their decision-making processes, while others may not explicitly consider values in their operations.

Moreover, the literature suggests that values are closely intertwined with identity, offering a framework for understanding one's current self and aspirational future, self-compared to our findings that add that an individual's life purpose can be viewed as working towards their ideal thought of the world. In this regard, values serve as instrumental factors that broaden the individual's perspective regarding what can be accomplished and attained. In contrast to norms,

values are often characterised by their capacity to expand possibilities rather than restrict them. Significant influences on value creation include parents, teachers, and inspirational figures, who serve as guiding forces in the value-learning process, a notion supported by existing literature (11,17,19).

Organisational Culture

Existing literature suggests that organisational culture is influenced by a combination of the organisation and a leader's values. Notably, our data suggest that in the context of larger organisations, a difference was observed between the leader's values and those embraced by the organisation. Conversely, in smaller organisations, entrepreneurs stipulate that their values constitute the primary foundation for the organisation's values. Consequently, in larger organisations, the organisational culture emerges as a composite of both the organisational and the leader's values. In comparison, smaller organisations reflect the entrepreneur's values. This research suggests that value disparity challenges larger organisations in effectively embodying and communicating their core values. Thus, it underlines the importance of engaging in discussions concerning personal and organisational values, particularly in addressing the fundamental question of "Where do WE want to go."

Decision-making Process

Findings are consistent with the existing literature that personal values play a significant role in the decision-making processes of individuals. Within the context of organisational decision-making, organisational values are the fundamental basis for guiding decisions related to the organisation and its business operations. Moreover, our findings suggest that leaders should facilitate an environment allowing individuals to incorporate their values within organisations. This interplay between organisational and personal values provides a playing field where personal values can find opportunities for accommodation and integration. Consequently, this study indicates that decisions are nothing more than pros vs cons, and values give interpretation to each advantage and disadvantages option. Resulting in that, individuals will take different decisions when the organisational values are leading. Participants in the study acknowledged this experience, resulting in discomfort, stress, or even cognitive dissonance, highlighting the importance of aligning personal and organisational values. Notably, not all participants agreed that they would make different decisions if given the freedom to rely on their personal values, indicating potential

variations in individual perspectives and decision-making tendencies. Additionally, this may speak to a lack of conviction in personal and organisational values.

Values-Driven Leadership

As previously mentioned, both organisational and personal values play an essential role in the decision-making process of individuals within an organisation. It has been emphasised that leaders are responsible for creating a space for individuals to follow and share their values safely. This study highlights the key characteristics of a leader that can successfully cultivate such an environment are integrity, appreciation of freedom, trustworthiness, harmony, and authenticity. Furthermore, leaders should actively facilitate discussions and dialogues centred around values among employees within the organisation. These initiatives foster a genuine interest in their colleagues as a person rather than their performance, thereby creating a sense of commitment towards the organisation. Additionally, it is important to acknowledge that individuals have different value systems. A values-driven leader engages in regular meetings and discussions about values with employees to ensure the environment is sufficiently safe for sharing.

In order to establish a safe environment, a values-driven leader should strive to create a culture that prioritises values. Whilst the leaders' values are essential in creating the organisational culture, it is crucial to recognise that as the organisation grows, different value systems will integrate within the organisation. The leader must remain committed to their values, as organisational culture, if strong enough, can change the leader. Therefore, the characteristic of the values-driven leader is to create a structure that facilitates the culture. Consequently, the organisational culture may erode and change over time, and the leader's values will become less dominant. Additionally, this value disparity poses challenges for larger organisations in their flexibility.

Our findings suggest that the outcome of a value-driven culture is that employees become more open and vulnerable, fostering authenticity among employees. Authenticity facilitates the development of a distinct employee profile that resonates with the company, contributing to employee retention and attraction. An organisation that embraces authenticity will also enhance its brand reputation, becoming a respected entity. When a values-driven leader creates a culture that cares about individuals' values, the organisation becomes values-driven.

A values-driven organisation can unlock greater potential from its employees through continuous dialogue focused on values and the collective vision of *"where do we want to go,"* rather than

solely adhering to the organisation's objectives. Organisations can leverage each employee's diverse qualities and talents by genuinely investing in employees' values and personal development rather than solely focusing on productivity.

Sustainability

The participants were asked to identify what constitutes a good organisation according to their values. Notably, the primary response centred around the notion of earning sufficient financial resources, as money serves as a means to accomplish broader goals. Acquiring adequate funds is necessary to sustain and ensure continuity within an organisation, but it is not a given factor. Once financial stability is achieved, money is utilised as a tool for investing in employee development and welfare, as well as for caring for people, the planet, and prioritising quality over quantity. Moreover, besides earning money, a company should be honest and righteous, which raises the philosophical question regarding the definition of righteousness. Discussions and conversations about values become essential to determine what constitutes righteousness, which will be different for organisations, as values provide interpretation and meaning. According to the participants, an organisation can be considered good when it earns enough money to sustain itself, takes care of people and the planet, and engages in discussions about values to create continuity. This concept establishes a link between a sustainable organisation and a values-driven organisation. A values-driven organisation can be seen as equal to a sustainable organisation by aligning core values regarding sustainable practices.

In examining the core values that support sustainable practices, participants highlighted the significance of honesty and transparency as fundamental values for an organisation in its pursuit of sustainability. Furthermore, participants emphasised the importance of the well-being of individuals both within and outside the organisation. Additionally, operational strategies should prioritise quality over quantity, focusing on creating long-term value. From the outset of the discussion, it became evident that values are crucial in establishing a long-term perspective, providing individuals with a sense of purpose, and linking their actions and decision-making to a long-term perspective. Values such as curiosity, open-mindedness, accountability, ownership, discipline, and adaptability enable firms to respond effectively to and address sustainability concerns. Lastly, participants recognised adventure and taking calculated risks as values that encourage the exploration of new paths and drive positive change.

Conceptualizing Values-Driven Leadership

In recent years, there has been a growing acknowledgement of values' critical role in effective leadership (9,11,25). At its foundation, values-driven Leadership emphasises aligning a leader's personal values with the organisation's, establishing a values-based culture, and guiding decision-making processes. This conceptual framework provides a deeper understanding of how leaders can capitalise on the power of values to inspire and direct their organisations toward sustainable success, ethical decision-making, and beneficial social impact through investigating theoretical foundations and empirical evidence.
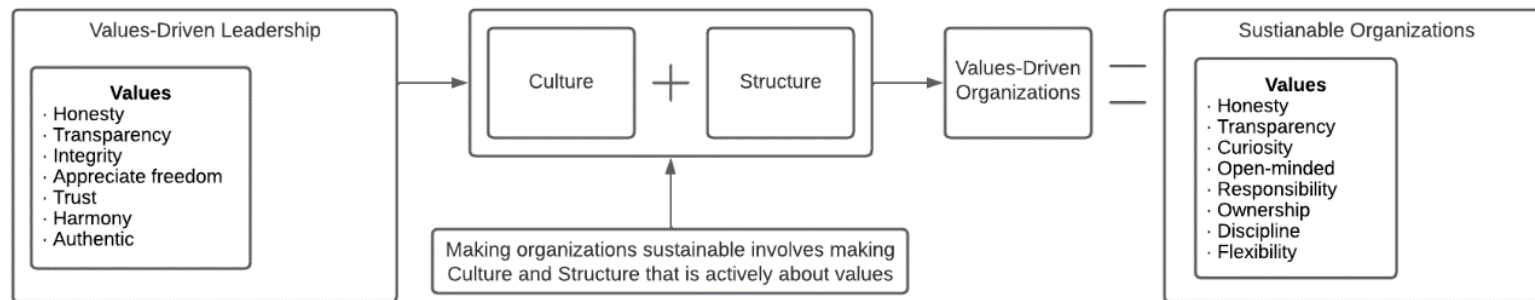
Figure 2, Conceptual Model of Values-Driven Leadership and Values-Driven Organizations

A values-driven leadership style refers to a leadership approach wherein the leader is conscious of the values' role within the organisation. This leadership style capitalises on the power of values and utilises all the employees' qualities by focusing on their values. It emerges by assessing the leader's characteristics, who should embody values such as honesty, transparency, integrity, appreciation for freedom, trust, harmony, and authenticity. When a leader possesses these aforementioned values, their responsibility is to create a culture within the organisation that places significance on values and provides a secure environment for individuals to express their personal values. Recognising that culture alone is insufficient, the leader must establish a structure facilitating dialogue and discussions concerning

values within the organisation. Accomplishing this outcome will result in employees within the organisation will become authentic and caring towards their colleagues and encouraging trust among one another. Additionally, when individuals can openly share their values and personal interests and are allowed to experiment, it reduces stress, cognitive dissonance, and sick leave. Consequently, an organisation that operates on a values-driven basis will develop a more substantial reputation in the market, knowing what kind of employees it wants to attract, and it will be easier to retain those employees. Moreover, a values-driven organisation will realise a clear direction due to continuous discussions centred around values, which creates greater organisational flexibility. Furthermore, it is observed that employees that act more on their values are more inclined to make sustainable decisions. Thus, a values-driven organisation can align with a sustainable organisation by incorporating honesty, transparency, curiosity, open-mindedness, responsibility, ownership, and discipline into its organisational culture.

Therefore, to answer the main research question, "How does values-driven leadership within an organisation support sustainable practices?" Values-driven leadership can support sustainable practices when it actively cultivates a culture that understands the importance of values and establishes a structure that facilitates the development of a values-driven organisation.

CONCLUSION AND FUTURE RESEARCH

Conclusion

This study has comprehensively explored values-driven Leadership in a transdisciplinary setting by incorporating multiple disciplines, such as leadership, organisational behaviour, and values. It provides a comprehensive and holistic understanding of values-driven leadership and its implications.

In conclusion, the role of values was explored in entrepreneurship and the decision-making process, aiming to provide a deeper understanding of the implications and propose a conceptual framework for values-driven leadership. The findings and discussion contribute to the literature on the role of values and highlight the importance of values in personal and organisational contexts. It is emphasised that values provide a sense of purpose and guide the decision-making process of individuals. The interrelation between personal and organisational values influences the organisational culture. In large organisations, the leader has more implications in aligning their values with those of the organisation. However, in smaller organisations, the entrepreneur's values

are predominantly reflected within the organisation. To bridge the gap between personal and organisational values, values-driven leaders play a crucial role in creating a safe environment where individuals can incorporate their personal values. By establishing a value-driven organisation, organisations can enhance their reputation within the market, attract and retain talent, and operate more flexibly.

In conceptualising values-driven leadership, the study underlines the importance of aligning a leader's personal values with those of the organisation. Leaders who embody values such as integrity, honesty, transparency, and authenticity create a culture that prioritises values and provides a safe environment for individuals to express their values. The leader's responsible for creating a structure that can facilitate a values-driven culture, thus increasing trust and reducing employee stress and cognitive dissonance. By integrating continuously discussing about values into the organisational culture, a values-driven organisation can utilise the employee's potential, increase flexibility to changing circumstances, and help make sustainable decisions. This can be accomplished through various ways, such as having weekly team meetings or monthly sessions dedicated to values. Alternatively, organisations can establish an environment that encourages open dialogues and exploration of values by incorporating workshops focused on values.

Moreover, the study highlights a link between a values-driven organisation and sustainable practices. Participants emphasised the importance of values, such as honesty, transparency, curiosity, openminded, responsibility, care for people and the planet, and long-term value creation in pursuing sustainable practices.

Overall, this study emphasises the transformative potential of values-driven leadership in guiding organisational decision-making and supporting sustainable practices. By embracing a values-driven approach, organisations can cultivate a strong organisational culture, attract and retain talent, and contribute to a sustainable future. By implementing these recommendations, organisations can strengthen their values-driven leadership practices, create a positive work culture, and enhance overall organisational performance and sustainability. Further research and practical implementation of values-driven leadership is recommended to enhance the understanding and application of this leadership approach.

Future Research

Future research should explore the implementation and effectiveness of values-driven leadership in various organisational contexts, such as different industries or cultural settings. This would provide a deeper understanding of how values-driven leadership practices can be adapted and tailored to specific organisational environments.

Moreover, it should be noted that the data collection process in this study was conducted in a short time frame, which resulted in insufficiency in achieving data saturation. Consequently, the study may have been limited in fully grasping the context of values-driven leadership. Therefore, assessing the long-term impact of values-driven leadership on organisational performance and sustainability is recommended. Moreover, studies can be conducted to examine the relationship between sustainability and the role of values-driven leadership within the added-value business model.

Furthermore, a limitation of this study is that it was explicitly conducted within a Dutch cultural setting. Cross-culture studies are needed to examine how cultural factors influence the manifestation and effectiveness of values-driven leadership. Comparing different cultural contexts can shed light on the cultural nuances that affect the interpretation and implementation of values within leadership practices and provide valuable insights for leaders operating in diverse global environments.

The role of finance in values-driven leadership is a practical consideration. Participants in this study acknowledged the necessity of earning sufficient financial resources to sustain an organisation and achieve sustainability goals which were limited investigated in this study. However, the relationship between values-driven practices and financial outcomes remains an area that requires empirical exploration. Previous studies have already highlighted the link between financial performance in sustainable entrepreneurship, demonstrating its importance as a topic (4,6,8). It is essential to investigate if organisations that actively uphold their core values favourably impact their financial performance. Conducting a practical study on the role of finance in values-driven leadership will help gain a better understanding of how values affect financial performance. The findings of such research can guide organisational leaders in making informed decisions about integrating values into financial strategies. Ultimately, this knowledge can help

organisations cultivate a values-driven culture that aligns with their core values and promotes financial stability and success.

Acknowledgements

REFERENCE

1. Long TB. Sustainable Business Strategies. In: Leal Filho W, Wall T, Azeiteiro U, Azul AM, Brandli L, Özuyar PG, editors. Good Health and Well-Being [Internet]. Cham: Springer International Publishing; 2019 [cited 2023 Apr 25]. p. 1–11. (Encyclopedia of the UN Sustainable Development Goals). Available from: http://link.springer.com/10.1007/978-3-319-71058-7_49-1

2. Hart SL, Milstein MB. Creating sustainable value. Acad Manag Perspect. 2003 May;17(2):56–67.

3. Edwards MG. The growth paradox, sustainable development, and business strategy. Bus Strategy Environ. 2021 Nov;30(7):3079–94.

4. Belz FM, Binder JK. Sustainable Entrepreneurship: A Convergent Process Model: Sustainable Entrepreneurship: A Convergent Process Model. Bus Strategy Environ. 2017 Jan;26(1):1–17.

5. Bruyere B, Rappe S. Identifying the motivations of environmental volunteers. J Environ Plan Manag. 2007 Jul;50(4):503–16.

6. Vuorio AM, Puumalainen K, Fellnhofer K. Drivers of entrepreneurial intentions in sustainable entrepreneurship. Int J Entrep Behav Res. 2017 Jan 1;24(2):359–81.

7. Gaddefors J, Anderson AR. Entrepreneursheep and context: when entrepreneurship is greater than entrepreneurs. Int J Entrep Behav Res. 2017 Jan 1;23(2):267–78.

8. Perrini F, Vurro C, Costanzo LA. A process-based view of social entrepreneurship: From opportunity identification to scaling-up social change in the case of San Patrignano. Entrep Reg Dev. 2010 Oct 1;22(6):515–34.

9. Kirkley WW. Entrepreneurial behaviour: the role of values. Int J Entrep Behav Res. 2016 Jan 1;22(3):290–328.

10. Anderson I, Uiterwijk-Luijk L, van der Vloed K. Woorden, waarden en werkelijkheid, Pica Onderwijsmanagement | Boek | 9789493209633. 2022.

11. Russell RF. The role of values in servant leadership. Leadersh Organ Dev J. 2001 Jan 1;22(2):76–84.

12. Leadership Framework | What Is Values Driven Leadership [Internet]. Benedictine University CVDL. [cited 2023 Apr 24]. Available from: https://cvdl.ben.edu/leadership-framework/

13. Friedman M. A Friedman doctrine-- The Social Responsibility Of Business Is to Increase Its Profits. The New York Times [Internet]. 1970 Sep 13 [cited 2023 Apr 24]; Available from: https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html

14.   Jensen MC. Value Maximisation, Stakeholder Theory, and the Corporate Objective Function.

15.   Lazonick W. The Financialization of the U.S. Corporation: What Has Been Lost, and How It Can Be Regained. 36.

16.   Porter, M.E. & Kramer, M.R. (2011). Creating shared value. Harvard Business Review, January February, 89: 62-77.

17.   Massey ME. The people puzzle ; understanding yourself and others. Reston, Va.: Reston Pub. Co.; 1980. 298 p.

18.   Dilts R. The study of the structure of subjective experience. Cupertino, Calif.: Meta Publications; 1980. (Neuro-linguistic programming).

19.   Donaldson L. Strategic Leadership: Top Executives and Their Effects on Organisations. Aust J Manag. 1997 Dec 1;22(2):221–4.

20.   Rokeach M. The nature of human values. New York: The Free Press ; 1973. 438 p.

21.   Hofstede G. Culture's consequences: international differences in work-related values [Internet]. Beverly Hills, Calif.: Sage Publications; 1980 [cited 2023 Apr 2]. 475 p. (Cross-cultural research and methodology series). Available from: https://bac-lac.on.worldcat.org/oclc/1033217518

22.   Chatwani N, editor. Distributed Leadership: The Dynamics of Balancing Leadership with Followership [Internet]. Cham: Springer International Publishing; 2018 [cited 2023 Apr 18]. Available from: http://link.springer.com/10.1007/978-3-319-59581-8

23.   Hoe ontstaat een bedrijfscultuur? [Pieterpraat] [Internet]. 2020 [cited 2023 May 16]. Available from: https://www.youtube.com/watch?v=Kb-9JYT__f4

24.   Bean WC, Domb E. Strategic planning that makes things happen [Internet]. Human Resource Development Press; 1993 [cited 2023 Apr 2]. Available from: https://scholar.google.com/scholar_lookup?title=Strategic+planning+that+makes+things+happen&author=Bean%2C+William+C.&publication_year=1993

25.   Gentile MC, Barreiro TD, Stone MM. Educating for Values-driven Leadership: Giving Voice to Values Across the Curriculum [Internet]. New York, UNITED STATES: Business Expert Press; 2013 [cited 2023 Mar 27]. Available from: http://ebookcentral.proquest.com/lib/rug/detail.action?docID=1365264

26.   Chun Tie Y, Birks M, Francis K. Grounded theory research: A design framework for novice researchers. SAGE Open Med. 2019 Jan 2;7:2050312118822927.

27.   Döringer S. 'The problem-centred expert interview'. Combining qualitative interviewing approaches for investigating implicit expert knowledge. Int J Soc Res Methodol. 2021 May 4;24(3):265–78.

28.   Bogner A, Menz W. The Theory-Generating Expert Interview: Epistemological Interest, Forms of Knowledge, Interaction. In: Bogner A, Littig B, Menz W, editors. Interviewing Experts [Internet]. London: Palgrave Macmillan UK; 2009 [cited 2023 Mar 27]. p. 43–80. (Research Methods Series). Available from: https://doi.org/10.1057/9780230244276_3

29.   Kathleen Duffy CF. Data collecting in grounded theory - some practical issues [Internet]. Nurse Researcher; [cited 2022 Oct 2]. Available from: https://journals.rcni.com/nurse-researcher/data-collecting-in-grounded-theory-some-practical-issues-nr2004.07.11.4.67.c6216

30.   Charmaz K. Constructing grounded theory. 2nd ed. London: SAGE; 2014. xxi, 388 p. (Introducing qualitative methods).

31.   Ritchie J, Lewis J (Jane E). Qualitative research practice: a guide for social science students and researchers [Internet]. London: Sage; 2003 [cited 2023 Apr 20]. 336 p. Available from: http://catdir.loc.gov/catdir/toc/fy037/2002109391.html

32.   Wildemuth BM, Walster D. Barbara M.; Wildemuth; Applications of Social Research Methods to Questions in Library and Information Science; 2009; Westport, CT; Libraries Unlimited; 978-1591585039; 421 pp. $50 (pbk). Libr Inf Sci Res. 2011;33(1):98–9.

33.   Skjott Linneberg M., Korsgaard S. Coding qualitative data: a synthesis guiding the novice. Qual Res J. 2019;19(3):259–70.

34.   Leung L. Validity, reliability, and generalizability in qualitative research. J Fam Med Prim Care. 2015 Sep;4(3):324–7.

35.   Bell E, Bryman A, Harley B. Business research methods. Fifth edition. Oxford, United Kingdom ; Oxford University Press; 2019. xli, 642 p.

36.   Assumptions-Limitations-Delimitations-and-Scope-of-the-Study.pdf [Internet]. [cited 2023 Apr 20]. Available from: http://lucalongo.eu/courses/2022-2023/researchDesign/semester2/material/Assumptions-Limitations-Delimitations-and-Scope-of-the-Study.pdf

37.   Smith J, Noble H. Bias in research. Evid Based Nurs. 2014 Oct 1;17(4):100–1.

38.   Nederhof AJ. Methods of coping with social desirability bias: A review. Eur J Soc Psychol. 1985;15(3):263–80.

39.   Academic integrity [Internet]. University of Groningen. 2014 [cited 2023 Apr 20]. Available from: https://www.rug.nl/about-ug/organization/rules-and-regulations/general/gedragscodes-nederlandse-universiteiten/wetenschappelijke-integriteit

APPENDIX A, INTERVIEW GUIDE IN ENGLISH AND DUTCH

Introduction

Welcome, first of all, I would like to thank you for agreeing to participate in this research and allowing me to interview you. Before we start the interview, I would like to introduce myself. My name is Patrick, and I am studying the Master of Sustainable Entrepreneurship at the University of Groningen. I am researching How does values-driven leadership within an organisation support sustainable practices? We have allocated one hour for this interview. The information you share with me will be used for the research report. I would like to emphasise that the data will be treated confidentially. Also, I would like to record the interview by using an audio recording, so that I can focus on your story, and I will be able to transcribe and analyse the data. In order for me to use the data of the interview you have to sign a consent form which I will send after the interview. Do you have any questions? Let's start the interview.

Starting questions

- How would you define values?
    - Could you describe the importance of values to me?
    - Do you have an idea where values come from?
- How important is it for an organisation to have clearly defined values?
    - To what extent will it affect the internal/external processes and people (employees and customers)?
- Do your values influence the organisational culture within the company that you operate in?
- How do your personal values influence the organisational culture that you build in the company?
    - Why?
- Do you think that your personal values play an important role in the decision-making process?
    - how do they influence it?
- Do you think organisational values play an important role in the decision-making process?
    - How do they influence it?
- Do you think that the decision-making process within the organisation would be influenced when you only take your personal values into consideration, and we excluded/ eliminated the organisational values?
    - What would be influenced, and what actions would you take differently when you only make decisions from your personal values for the organisation?
    - Can you provide examples?
- What role can leaders play in ensuring that personal values are upheld in decision-making processes?
    - How can you as a leader impact other people's personal value within the organisation
    - What for impact would that have on the organisation's culture?
- What is doing good as an organisation according to you?
- To what extent do you notice a conflict between making money and doing what is right?
- Did you ever compensate for your personal values when taking decisions?

- o Why did it happen?
- o How did that affect you?
- According to you which values are important to create a more sustainable organisation?
    - o Could you elaborate?

End

I have now come to the end of my questions. Did I miss something that you would like to share regarding values and the decision-making process? Thank you very much for your time, contribution, and cooperation. I will process the data from the interview confidential in my research report. I would like to thank you again for your valuable contribution to the research.

Introductie

Hallo, allereerst zou ik je graag willen bedanken om mee te doen met mijn onderzoek. Voor we starten zou ik graag eerst mezelf willen voorstellen. Ik ben Patrick Zandberg en student aan Universiteit van Groningen en ik studeer Sustainable Entrepreneurship. Ik probeer te onderzoeken hoe waarden-gedreven leiderschap ertoe kan leiden dat een organisatie duurzamer gaat handelen. Er staat een uur voor het interview gepland en informatie die u met me deelt wordt gebruikt van mijn scriptie. Graag zou ik het interview willen opnemen door middel van een audio opname zodat ik mij kan focussen op het verhaal. Ik zou willen benadrukken dat de audio alleen wordt gebuikt om het interview te transcriberen zodat ik het kan gebruiken voor het analyseren van de data. Na het transcriberen zal et audiobestand worden verwijderd. Is dit oké met u? Heeft u nog vragen? Laten we beginnen met het interview.

Hoofdvragen

- Hoe zou u waarden omschrijven?
    - o Hoe belangrijk zijn waarden voor u?
    - o Heeft u een idee waar waarden vandaan komen of hoe ze ontstaan?
- Hoe belangrijk is het volgens u om voor een organisatie een heldere definities van waarden te hebben?
    - o In hoeverre zou een heldere definitie invloed hebben op de interne en externe processen en mensen (medewerkers als klanten)?
- Hoe hebben uw waarden een invloed op de bedrijfscultuur dat er is/u heeft gecreëerd?
- Denkt u dat uw persoonlijke waarden een belangrijke rol spelen in uw besluitvorming proces?
    - o Heeft u ook enig idee hoe uw waarden daarin een rol spelen?
- Denkt u dat de organisatie waarden een belangrijke rol spelen in besluitvorming proces?
    - o Heeft u ook een enig idee hoe de bedrijfswaarde daarin een rol spelen?

- Denkt u dat het besluitvorming proces binnen de organisatie zou veranderen wanneer er wordt gehandeld vanuit jouw persoonlijke waarde in plaats van dat ze gebaseerd zijn op de waarde van de organisatie?
    - Wat zou er dan veranderen en wat voor andere acties zou er genomen worden als er alleen gehandeld wordt vanuit uw persoonlijke waarden?
    - Heeft u daar ook een voorbeeld voor?
- Wat zou de rol van de leider kunnen zijn dat helpt dat persoonlijke waarden een grotere invloed heeft in een besluitvormingsproces binnen de organisatie?
    - Hoe zou u als leider impact kunnen hebben op uw medewerkers, zodat ze gaan handelen vanuit hun persoonlijke waarden?
    - En wat voor impact zou dat hebben op de bedrijfscultuur?
- Wat is volgens u goed doen als bedrijf?
- In hoeverre merkt u een tweestrijd tussen geld verdienen en doen wat goed is?
- Heeft u ooit keuzes gemaakt in de organisatie die niet in lijn waren met uw eigen waarden?
    - Waarom deed u dat?
    - Hoe voelde u zich daarbij.
- Welke waarden zijn volgens u belangrijk om duurzamer te produceren?
    - Zou je het ook kunnen toelichten?

Einde

Dit is het einde van mijn vragenlijst, heb ik iets gemist wat u nog zou graag zou willen delen dat betrekking heeft tot waarden gedreven leiderschap en het besluitvorming proces? Graag zou ik willen bedanken voor uw tijd bijdragen en medewerking. Het interview wordt anoniem getranscribeerd en graag ik u willen bedanken voor uw tijd en uw waardige contributie aan dit onderzoek.

APPENDIX B CONSENT FORM

Research title: The Power of Values: Conceptualising the Theory of Values-driven Leadership

Research investigator:
Research participant's name:

This interview is part of a larger research project that is conducted as a final thesis for the Master of Sustainable Entrepreneurship, at the University of Groningen. The purpose of the research is to discover the role of intrinsic values in leadership positions and how it influences the decision-making process within an organisation. The researchers selected the entrepreneur(s) located in the Netherlands.

The gathered information should help the researchers to answer the main research question, which is as follows: "How will the decision-making process within an organisation be influenced when the organisational culture is equivalent to that of the entrepreneurs' values?". By participating in this research

there will be no direct benefit to you as a participant. However, we hope that the information obtained from this study may contribute to academia and sustainable entrepreneurship literature.

The interview will take a maximum amount of 45 to 60 minutes. It is not anticipated that there are any risks associated with your participation, but you have the right to stop the interview or withdraw from the research at any time, without justifying and without any negative consequences. Also, you have the right to decline to answer any questions.

The interview will be recorded, and a transcript will be produced. The transcript of the interview will be analysed and used solely for the mentioned study by Patrick Zandberg. Access to the interview transcript will be limited to the research investigator and supervisor Tom Long. The data will be stored accordingly to University of Groningen guidelines and deleted once the project is finished.

Direct quotes may be used in the research report to reinforce or clarify research conclusions.

Any interview content can be anonymised to prevent the interviewee from being identified. Care will be taken to ensure that other information in the interview that could identify you is not revealed. If preferred, please mark below.

	I wish my (company) name to be anonymous and that a made-up name (pseudonym) is used.

By signing this form, I agree that I am participating in the interview voluntarily.

Name of interviewee: Signature of interviewee: Date:

_____   _____   _____

Name of interviewer: Signature of interviewer: Date:

_____   _____   _____

In case of additional questions please contact the student researcher or supervisors below.

Student researcher   Supervisor
Name: Patrick Zandberg   Name: Tom Long
Email address: p.zandberg.f@gmail.com   Email address: t.b.long@rug.nl

APPENDIX C CODE BOOK

First order of codes - quote from raw data	second order of codes - themes	third order of codes – theoretical dimension	frequency
values give interpretation to the organisation's culture	definition of values	the role of Values	1
values are like the ideal thought of the world	definition of values	the role of Values	1
values are cultureless	definition of values	the role of Values	1
values are factors that create a purpose in life	definition of values	the role of Values	3
important factors in life	definition of values	the role of Values	6
Values are who you believe you are (identity)	definition of values	the role of Values	6
norms are therefore often restrictive, and values are often broadening	definition of values	the role of Values	1
values help recognise how a person is and how one behaves	Importance of values	the role of Values	2
Values give meaning to your surrounding and which friends you want to have	Importance of values	the role of Values	2
Values are important as it is a factor that helps to conduct business	Importance of values	the role of Values	6
A set of beliefs gives interpretation to values	Importance of values	the role of Values	1
the brokenness of existence, the pain and hurt we experience in life	Where do values come from	the role of Values	1
the youth have the biggest impact on values	Where do values come from	the role of Values	4
Parents, teachers, education, inspirational person	Where do values come from	the role of Values	5

Behaviour is characteristic of our values	characteristic of values	the role of Values	1
values give substance to the society in which we live	Importance of values	the role of Values	1
Values are associated with the culture that you believe fit in		the role of Values	1
Values creates flexibility - people value different things and they should be able to express that within an organisation	personal values	Organisational culture	2
The values of an organisation slightly differ from the people that work there and that is normal	personal values	Organisational culture	7
Personal values need to be associated with the org values otherwise it creates cognitive dissonance	personal values	Organisational culture	1
Important is then to have a dialogue about the different values and to discuss where do WE want to go	the role of values	Organisational culture	3
Values are difficult to understand, you cannot actively show, you have to radiate it, values need to be lived within the organisation	organisational values	Organisational culture	1
values are important in creating behaviour within the organisation	organisational values	Organisational culture	4
marketing perspective answering the question what I find that I am in the market linked to greenwashing	organisational values	Organisational culture	2
organisational culture is created by the values of the employees through the values of the leader	organisational values	Organisational culture	2
Organisation values are the standards within an organisation, it is a norm to operate in	organisational values	Organisational culture	5
The impact on organisational culture is that people will become interested in their fellow colleagues, not about their performance but about them as a person which in turn creates commitment	the impact of a leader	Organisational culture	1
Individuals have different values systems which will have a different impact, but organisational values have a different values system and those needs to be balanced		Values-driven Leadership	1

Is the leader strong enough to change the culture or does the culture change the leader		Values-driven Leadership		1
Leaders' values are important to build the organisational culture	Causal link between entr. Values and org values	Values-driven Leadership		1
leaders have to active create a culture that makes them aware of their value systems in which they operate in	decision making process	Values-driven Leadership		1
Values-driven leaders create a structure that facilitates the culture	organisational culture	Values-driven Leadership		1
leaders can have an impact on employees to act from their values when they are personally concerned and connected with his team	organisational culture	Values-driven Leadership		1
Values are important and have a dialogue about values regularly	characteristics/role of values-driven leaders	personal values of entr.	values driven leadership	8
Would be more active with sustainability	acting on personal values	values-driven leadership		1
People will become more open and Vulnerable, which means that people will be themself	organisational culture	values-driven leadership		5
Integrity	characteristics of values driven leaders	values driven leadership		3
Appreciate freedom	characteristics of values driven leaders	values driven leadership		1
trust	characteristics of values driven leaders	values driven leadership		1
Harmony	characteristics of values driven leaders	values driven leadership		1

authentic	characteristics of values driven leaders	values driven leadership	2
care for people, care for our world and quality above quantity	characteristics of values driven leaders	values driven leadership	1
Giving space to employees to develop themselves	the role of a leader	values driven leadership	4
giving workshop and set target about the topic values	the role of a leader	values driven leadership	1

Personal values play a very important role in decision making process	Personal values	decision making process	9
Decisions are nothing more than a pros vs cons		decision making process	5
Personal values give interpretation to your pros and cons	Personal values	decision making process	5
Leaders that act from their values are able to make quicker and more effective decisions	Personal values	decision making process	1
there is an interplay between personal values and organisational values that influence the decision-making process		decision making process	7
Taking decision that are not in line with his personal values to accommodate the organisation values		decision making process	4
will take different action when it is allowed to act from their personal values	Personal values	decision making process	5

Values determine the direction the organisation wants to, and which decisions are made	organisational values	decision making process	5
When values are not aligned it creates a cognitive dissonance		decision making process	2

Doing good as an organisation is for me to create an organisation which values are aligned with mine, which are care for people, care for our world and quality above quantity	Values	doing good as an organisation	1
care for all stakeholders		doing good as an organisation	1
care for people and employees		doing good as an organisation	3
A company should do honest and righteous business which is societal relevant		doing good as an organisation	2
There is not always a conflict between earning money and doing what is right. This is part of being an organisation which can be reinvested	conflict between money and what is right	doing good as an organisation	5
sustain and create continuity within an organisation to create legitimacy		doing good as an organisation	7
But wat is righteous, therefore we need values and a dialogue about our values which give interpretation to what is righteous. Having a dialogue helps to find the optimum medium between doing what is right and earning money		doing good as an organisation	2
Care for the context in which you as an organisation have an impact		doing good as an organisation	2

honesty	values	produce more sustainable	3
transparency	values	produce more sustainable	2
care for people, care for our world and quality above quantity	values	produce more sustainable	1
Commitment and alliance to all people, environment, and earth	values	produce more sustainable	1
Understanding and creating an economy of what is enough	values	produce more sustainable	1
curiosity	values	produce more sustainable	2
openminded	values	produce more sustainable	1
responsibility	values	produce more sustainable	1
Ownership	values	produce more sustainable	1
Discipline	values	produce more sustainable	1
Flexibility	values	produce more sustainable	1
Have faith and believe will provide perspective and opportunities	values	produce more sustainable	1
adventures	values	produce more sustainable	1

values play an increasing role for organisation as younger generation feels connected through values	the role of values	organisational values	2
values guide an organisation in how they should conduct business	the role of values	organisational values	1
values give interpretation in which employees to keep and attract	the role of values	organisational values	1

only defining values is not enough, the organisation has to life the values	the role of values	organisational values		4

The values of the leader are important in the organisational culture as they are an example for the employees	the role of values	the impact of the leader		3
The role of the leader is very important as he researched that 40% of the qualities of employees are not utilised	the role of values	the impact of the leader		1
To utilise the qualities of employees more it starts with a dialogue about values, you have to invest in your people in their development rather than their productivity		the impact of the leader		3
People will act from their values when the leaders is authentic and when there is a safe environment		the impact of the leader		2
When people can safely share their values, hobbies interested and are allowed to experiment we see a decrease is sick leave and an increase in trust among employees		the impact of the leader		1

Behaviour determines the culture within the organisation		Organisational culture	values driven organisation	2
it will be easier to retain and attract people	values-driven leadership	Organisational culture	values driven organisation	4
a better reputation within the market	values-driven leadership	Organisational culture	values driven organisation	3
Become more flexible as there is continues conversation about values, where do WE want to go	values-driven leadership	Organisational culture	values driven organisation	2
The impact on organisational culture is that people will become interested in their fellow colleagues, not about their performance but about them as a person which in turn creates commitment	the impact of a leader	Organisational culture	values driven organisation	1

The structure within the organisation will change to facilitates a value driven organisation	values-driven leadership	Organisational culture	1

APPENDIX D TRANSCRIPTS

https://drive.google.com/drive/folders/1v8U4Si6EwlsbmNN1kKR8OZesI14CTlnO?usp=drive_link