COMMUNITY BANK LEADERS’ PERCEPTION ON
MAINTAINING VALUES IN DECISION MAKING

by

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Abstract

This qualitative study explored community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. At this stage in the research, the negotiating of decisions were generally defined as resolving conflicts between personal and organizational values. Results provide an understanding of how values-based leadership affects executive level decisions in community banks. A purposeful sample of community bank leaders participated in qualitative interviews. These leaders were selected based on their responsibility to make decisions that influenced their corporate culture and/or had a significant impact on their company. Based on the study, there was a summary of the top instrumental values and intrinsic nature of the values-based leaders.

**Keywords:** values, corporate culture, values-based leadership, decision making
Dedication

To the love of my life, my best friend and husband, Rick, who has been my greatest supporter throughout this long journey. He encouraged me when I was uncertain, he celebrated with me when I reached milestones, and he never doubted my ability even when I was not confident. The completion of this program would not have been possible without my husband’s love, support, and encouragement. Most of all, I thank him for his patience and all the sacrifices he had to make because I had to spend my evenings and weekends sitting at the computer.

Thank you, I love you. To my parents, Roy and Diana, who instilled confidence in me that I can accomplish anything. They taught me to be faithful, honest, caring, hardworking, and grateful. I want to encourage Breslyn, Evan, Riley, Chloe, and Lily to never stop dreaming, you can do anything you set your mind to. I pray I provide the same love and support to all of you that you extend to me.
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Section 1: Foundation of the Study

In today’s world, there are examples of leaders in companies, government, schools, and religious organizations who have disappointed their stakeholders. This has tarnished the faith people have in their chosen community bank leaders to do what is morally and ethically right. A conflict often arises when there is a gap between personal values and core organizational values. Organizations’ shared visions play a role in developing organizational values, which influence the behaviors of its leaders. This study focused on the personal and corporate values involved in the decision-making process.

Frost (2014) explored the power of values-based leadership to create sustainable business success. The most successful and enjoyable organizations to work for invest time and energy to develop a strong value-based culture (Frost, 2014). Everyone has a desire to feel a connection when making decisions in his or her lives and value-based approaches provide them the connection he or she desires. It is not always easy for leaders to make value-based decisions that may require courage, and often requires humility (Frost, 2014).

Background of the Problem

When there is a disconnect between the personal values of a leader, the organization’s core values, and the decisions made by the leader, both the leader and the company can suffer significant losses and ramifications. The purpose of this qualitative study was to explore community bank leaders’ perception of negotiating decisions between their personal values and core corporate values. The research investigated the value priorities of the leaders and how it influences their decisions.

The Canadian College of Health Leaders (CCHL) understands the relevant values at stake in their leaderships’ decisions (Duthie, Bond, & Juzwishin, 2014). They designed a tool for
policy and other decision-making processes to help leaders explore and understand the values at risk in their decisions (Duthie et al., 2014). The Values-Based Decision-Making (VBDM) framework is designed to identify and prioritize the values relevant to a particular decision. Their approach includes five steps: identify the question, develop a shared understanding of the facts, gather the values relevant to the decision and determine which should be most important, brainstorm possible options in response to the question, and evaluate which option best delivers on the values that matter most (Duthie et al., 2014). These types of frameworks can be used to address complex decisions in any industry to make better decisions that promote a values-based organizational culture.

Problem Statement

The general problem to be addressed is the conflict between personal values and core corporate values of bank leaders. This study specifically focused on the conflict between personal values and core corporate values of Virginia community bank leaders when negotiating critical decisions. Personal values define internal factors that influence how a person will act at a subconscious level when making decisions (Cahill-O’Callaghan, 2013). Due to the pressures to achieve optimal financial performance, leaders face real-world business decisions with a solution preferred by the company that does not align with their personal values. The core personal values of leaders can conflict with those of the company.

Public debate continues regarding the role banks played in the global financial crisis of 2008-2009. A collapse of ethical behavior in the financial industry was the outcome of a lack of corporate governance that resulted in excessive risk-taking by bankers, disproportionate bonuses, and greed (Zaal, Jeurissen, & Groenland, 2017). The industry was allowed to act in a vacuum without transparency. Unethical decisions are the product of the decision-maker’s perceived
costs and benefits of deception, especially when the organization offers a financial reward for achieving goals (Zaal et al., 2017). Values-based decision making can be harder if the organization has aggressive goals. Leaders are less likely to recognize ethical issues because it is easier for them to rationalize unethical behaviors in order to maximize financial performance (Zaal et al., 2017).

Media has openly questioned the values of leaders, which has negatively affected customer confidence and caused a decline in the trust of role models, corporate leaders, and government. These leaders feel pressure to make decisions that are illegal or unethical on the job. This results in employees believing their leaders act with dishonesty or a lack of integrity, based on the behaviors they observe. These leaders focus on making money at all costs as opposed to values-based leadership for long-term performance. The final social epidemic is a lack of trust that affects all stakeholders. Honesty is the foundation of trust, which is proven to be a critical component to sustainability (Frost, 2014). Values-based organizations are successful because they focus on learning, growth, and on-going change (Frost, 2014). It is important to understand how community bank executives’ values-based leadership decisions shape corporate culture and performance.

**Purpose Statement**

The purpose of this qualitative study was to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. At this stage in the research, the negotiating of decisions were generally defined as resolving conflicts between personal and organizational values. The results will be used to understand how values-based leadership affects executive level decisions in community banks.
**Nature of the Study**

The research method used for this study was the qualitative narrative approach, as it required gathering subjective information from participants through interviews. This study explored the perceived role of personal values, perceived priority of values, and perceived conflicts between personal values and the corporate values of leaders of community banks. Qualitative research studies people in their real-world roles making it possible to gain insight to explain their behavior and thinking through their personal experience and perception (Yin, 2016).

Quantitative research relies on statistical analysis and measurements to understand some phenomena as a science (Stake, 2010). Quantitative methods often utilize questionnaires with pre-established responses and this study must explore the personal views and perspective of the participants. This is not the preferred approach to understand human nature or personal experiences. Mixed method research is a combination of qualitative and quantitative approaches into one study (Creswell & Poth, 2018). Both quantitative and mixed method research focuses on a limited number of variables or responses, which is not conducive to the nature of this study of personal values and value conflicts (Yin, 2016). The nature of qualitative research allows ideas and meanings of real-world events to emerge from participants versus the values, perceptions, or meanings held by the researcher (Yin, 2016).

**Description and use of narrative design.** A narrative research approach was used to collect experience data from the sample of community bank leaders. This design begins with shared experiences lived and told by individuals (Creswell & Poth, 2018). The phenomenon was studied through the narratives shared by people. This approach is open-ended, fluid, and is not
as structured as other qualitative methods (Bruce, Beuthin, Sheilds, Molzahn, & Schick-Makaroff, 2016). The narrative is an account of events or actions in chronological order.

Stories shared in narrative research through interviews provide insight into the identities of people and how they see themselves. There are also contextual details such as observations, documents, pictures, and other forms of qualitative data (Creswell & Poth, 2018). The process of narrative research is to focus on individuals and their stories and then reporting and chronologically arranging their experiences.

Narrative design explores the lives of people. The approach can be used to better understand living when faced with the uncertainty of a life-threatening illness (Bruce et al., 2018). This research design investigates real-life problems. Narrative is the right design if it fits the research questions.

Chronology is used in narrative design; this order may be defined by the storyteller or the researcher. There is a thematic analysis of what was said by the participants and structure is defined by how the story was told. The dialogic of the design identifies whom the narrative is directed towards. Another feature of narrative design is turning points of the story, which is reflective of tensions. There is also a context of specific places and situations. All of these components are found in narrative design research. Since the research problem of this study was about real-life problems and conflicts or tensions, narrative was the best approach.

Narrative design types include biographical, autoethnography, life history, and oral history. Biographical is a record of an individual’s life written by the researcher. The subject of the study writes and records an autoethnography, but the researcher tells the story. Lastly, a life history is a portrayal of a person’s entire life, and an oral history contains personal reflections on the causes and effects of events. These are the four types of narrative design research.
Narrative design requires extensive information and research to establish integrity in the data. The length of time needed to gather this information can compromise data collected earlier on in the process. It is important that the researcher is able to identify the most appropriate format to capture the story capable of standing the test of time. Another issue can be the biases of the researcher and how that influences the information presented.

**Description and use of case study design.** Case study research is a qualitative research approach that explores a real-life case over time. The theory is the study of a system from the past to help solve a current problem and better understand a specific situation (Gummesson, 2014). This approach makes it possible to investigate and study a phenomenon from multiple perspectives (Taylor & Thomas-Gregory, 2015). Case study research investigates a contemporary phenomenon as it relates to real life by using various sources of evidence. The method can be used to narrow down complex research into more manageable topics.

There are several specific characteristics of case study research. The first step is to identify and define the case to be analyzed. Next, there must be parameters to frame the boundaries of the case. The researcher must define the intent of and an in-depth understanding of the case. An approach for analyzing the data must be defined and themes identified. Upon the completion of the case study, the researcher should provide a conclusion.

Taylor and Thomas-Gregory (2015) explained the approaches to case study research as exploratory, explanatory, descriptive, evaluative, intrinsic, and instrumental. Exploratory helps others understand the phenomenon being studied. Explanatory outlines an explanation for one specific aspect of the phenomenon. Descriptive is the description and evaluative is used by the researcher to verify if something is behaving as expected. Intrinsic is an investigation of a
concepts based on its own merits. Lastly, the reason a researcher conducts specific research is instrumental (Taylor & Thomas-Gregory, 2015).

Case study research is most commonly used in psychology, medicine, sociology, and law. Case studies are the primary component of psychological research (Radley & Chamberlain, 2012). This qualitative research method is proven effective for teaching, practicing, and educating. Taylor and Thomas-Gregory (2015) used the method in the education of nursing students. The students have to analyze various patient case studies. This methodology offers participants the opportunity to explore and develop a deeper knowledge and understanding of real-life scenarios. Analyzing a case invites participants to reconsider assumptions about social and community life. It is imperative to test, revise, and sometimes withdraw the results of case studies. This study was not about one particular case to be explored for psychology, medicine, sociology, or law so case study was not appropriate in this situation.

A challenge is to identify the case study as broad or narrow in scope (Creswell & Poth, 2018). The researcher must also determine the number of case studies to be used in the research. If multiple case studies are used, the researcher must consider resource limitations, case selection, and cross-case analysis (Creswell & Poth, 2018). Another consideration is the more case studies used in research, the less in-depth the researcher can explore any one particular case. It is important to develop some type of data collection matrix to ensure the researcher gathers all the information necessary to conduct the case study. The research is challenged with rigor to conduct high-quality case study research.

**Description and use of phenomenological design.** Phenomenological methodologies are complex and can be difficult for a researcher to apply to a phenomenon (Converse, 2012). Phenomenological research provides an understanding of the human experience through the
personal involvement in the research. According to Wilson (2015), there are seven steps of data
analysis and reporting with phenomenological design. These steps include an overarching idea
of meaning, person, and world, points on the continuum of lived experience, benefits of
phenomenology, key ingredients of phenomenological research, cues and clues in the literature,
and limits and limitations (Wilson, 2015).

People naturally associate specific feelings and practices with different experiences. The
overarching idea of meaning is how people are naturally disposed to experience phenomena;
they view the event as meaningful. Person and world relate to a person’s ability to see beyond
their everyday view by setting aside pre-existing knowledge and assumptions to study the worlds
of others (Wilson, 2015). Points on the continuum of lived experiences reflect how people are
not always conscientious of the meanings they associate with different experiences or the
influence they have on the situation. These lived experiences impact the knowledge people use
to interpret events. The benefit of phenomenology is a deeper understanding of the human
aspect of the situation and others’ lived experiences.

Five ingredients of phenomenological design are research question, a strategy to meet the
goals, good quality data, participants receptive of the open-ended nature, and reliable
interpretation framework (Wilson, 2015). Cues and clues in literature are the focus of people’s
experience and perception. The limits and limitations are patience and the sharing of personal
information. If the investigator is in a hurry, phenomenology is not a good choice. It is not
simply a questionnaire as it often involves the participant sharing confidential, personal
information.

Phenomenology is research on a single concept or idea. The participants of
phenomenological research are a heterogeneous group of various sizes. It is subjective, lived
experiences with common objective experiences with others. This makes the design both qualitative and quantitative (Creswell & Poth, 2018). Data collection typically involves interviewing individuals and analyzing what the participants experienced and how they experienced the phenomena.

There are different types of phenomenological design research. Hermeneutical phenomenology is research toward lived experiences and then interpreting the data. Another type is epoche or bracketing, which is less about the interpretations by the researcher and focuses on the description of the experiences of the participants (Creswell & Poth, 2018). Transcendental phenomenology is the pairing down of data into significant quotes and statements to summarize the themes. Lastly, there are textural and structural descriptions that explain what and how the phenomenon was experienced by the participants.

Phenomenological design research can be used when the researcher needs the knowledge to appreciate the experience of others in complex biological and social systems. An example is found in the research of Converse (2012), which indicated the objective was to help nurses understand the health and healing experience of patients. For the nurses to effectively appraise, treat, and comfort their patients, they had to understand the healing phenomena (Converse, 2012). The research of patients provided a fuller understanding of the experiential way they faced the phenomena to improve the nurses’ ability to provide care. This research design is helpful to therapists, teachers, health personnel, and policymakers (Creswell & Poth, 2018). This approach was not beneficial to this study because it does not examine a common phenomenon.

One of the greatest challenges with phenomenological design is the time it takes to complete as it cannot be rushed. It is impossible to replicate real-world conditions to identify factors that influence outcomes (Bar-Yam, 2015). The structure required to analyze the
interviews may be too structured for qualitative researchers (Creswell & Poth, 2018).

Phenomenology requires the researcher understands various philosophical assumptions so they can identify the abstract assumptions in their research. Another challenge can be finding participants who have all experienced the same phenomenon in certain situations. Bracketing can also be very difficult because it is a challenge to separate the researcher’s assumptions.

**Description and use of grounded theory and ethnography designs.** Grounded theory provides a theoretical explanation for a process defined by the views of many participants. It stimulates concepts to emerge inductively versus following a structured analytic framework. According to Timmermans and Tavory (2012), the theory is based on surprising evidence, which is used to create guiding principles. Grounded theory uses new theoretical insight instead of existing theories. This theory leads researchers away from old theories to new theoretical insights. The theoretical insight is developed throughout the research process and is often referred to as abductive analysis. Grounded theory can be used when the researcher has a significant number of interviews or observations. The data were coded to identify categories and themes. From the data analyzed, the researcher wrote memos, known as memoing, to define the theory created. This design is good to use when there is no theory available to explain a process or there are theories, but they are incomplete.

One of the greatest challenges with grounded theory design is the ability for the researcher to set aside theoretical ideas to allow the analytic, substantive theory to emerge from the findings (Creswell & Poth, 2018). It is also challenging for the investigator to know when a category is saturated to signal enough data has been collected. The researcher must understand the outcome of this research is a theory of a central phenomenon, casual conditions, strategies, context, and consequences (Creswell & Poth, 2018). This approach has been more widely
adopted so there is more guidance for researchers on the abstract concepts of coding and memoing. The lack of limits of what were collected and the extensive categories of grounded theory was not a good fit for this study of conflict between personal and core corporate values.

Ethnographic research uses the concept of grounded theory and further defines the frequency basis of participants who share behaviors, beliefs, and language (Creswell & Poth, 2018). This research approach typically focuses on a large culture-sharing group that interacts over time with shared and learned patterns of values and beliefs. The concept can be used for mixed method qualitative research. Brown (2014) defined ethnographic research as an analysis of at least two philosophical paradigms. This approach makes it possible for the investigator to study culture-sharing groups and the written final product of that research. It is imperative the researcher is immersed in the lives of the participants to understand the meaning of the behaviors and interactions of the members in social situations and the culture (Brown, 2014). Ethnographic research assists investigators with complex problems by providing a holistic understanding that cannot be achieved with simple methods.

Ethnographic is an approach that can be used for mixed method qualitative research. It is an analysis of at least two philosophical paradigms (Brown, 2014). This approach makes it possible for the investigator to accommodate divergent or complementary views. The benefit of ethnographic research is the holistic understanding it provides the researcher on complex problems that cannot be analyzed with simple, traditional methods. Ethnographic research can be combined with quantitative analysis. The approach is based on the immersion of the investigator to obtain the level of understanding of the social situation and culture (Brown, 2014).
Ethnographic methods are effective approaches to criminology (Shover, 2012). The investigator has to immerse themselves in the lives of the subjects to understand their lived experiences. The researcher must strive to develop an emotional connection. “Ethnographic methods potentially can identify, describe and provide grounded interpretations of empirical evidence that significantly increases the odds of credible theoretical explanations” (Shover, 2012, p. 140). It is important for researchers to know that this method is not for all investigators since it requires an ability to think inductively to obtain good results. A test for an investigator would be if they are able to identify patterns in experiences when events are repeated. Criminology, for example, requires the researcher to focus on morally disreputable people (Shover, 2012).

Ethnography design presents a challenge because it requires a high level of cultural knowledge and a lot of time. This includes cultural anthropology, social-cultural systems, and other cultural concepts (Creswell & Poth, 2018). It requires the investigator to look for patterns in a social group based on their actions and behaviors. There is a need to identify tension between what members of a group do versus what they ought to do. Ethnographers must be able to describe the history, religion, politics, economy, and environment of the group being studied (Creswell & Poth, 2018). Lastly, there is a risk the researcher could become too involved in the lives of the participants and cannot complete the study. An ethnography design would not work for this study because the participants were not from a shared culture framework.

This researcher chose a qualitative narrative approach to explore shared experiences lived and shared by individuals. The study of the conflict between personal and corporate values when making critical decisions was conducted through narratives was shared by people. This approach is open-ended, fluid, and is not as structured as other qualitative methods (Bruce et al., 2016).
Research Question

This study was focused on the perception of conflicts between personal values and core corporate values for community bank leaders. When considering the negotiation of critical decisions of community bank leaders, the following research questions guided this study:

RQ 1: What is the perceived role of personal values and core corporate values in executive leadership decision making among community bank leaders?

RQ 2: What is the perception of community bank executive leaders’ conflicts they have experienced between personal values and corporate values when making a critical decision?

Conceptual Framework

The development of a conceptual framework for resolving conflicts between community bank leaders’ personal values and core corporate values when making critical decisions synthesized components identified by scholars on values, values-based leadership, values-based thinking, and values alignment. Literature further defines decision-making approaches, including managerial decision-making, moral decision-making, rational decision-making, and naturalistic decision-making. Values are defined as what drives a leader’s actions and they determine why they do what they do (Starr, 2016). Values are a by-product of cultural environment, social groups, religion, and past personal experiences (Shahriari, Mohammadi, Abbaszadeh, & Bahrami, 2013).

A conceptual view of this research indicates leaders must build a corporate culture with well-defined values to promote consistent ethical behaviors, job satisfaction, and organizational performance. In looking at the strategies, tactics, goals, and missions of an organization, the leader should remain steadfast to the core values of the company regardless of new laws,
conditions, or goals. These values shape the organizational culture and should provide the framework for decisions and actions (Starr, 2016).

The issue is the academic studies do not prepare leaders for the pressures they will face when making managerial decisions in the real, high-pressure business world. Over the years there have been many examples of executives who have achieved considerable success and end up making a series of consequential errors. These managerial decisions result in potential criminal convictions for illicit trading, fraud, embezzlement, money laundering, and other crimes. Soltes (2017) found that some former executives, who resorted to criminal activity, were unapologetic stating that morals go out the window when there is intense pressure to meet budget numbers. Often when leaders make ill-fated decisions, they never think about or consider the consequences. According to one economist, if crime is a trade-off between benefits and costs, to the extent the benefits exceed the cost; leaders will rationalize to proceed with criminal behaviors (Soltes, 2017). Managerial decisions are about trade-offs with ethical implications.

Moral decision-making is the process of recognizing a moral issue, determining which action is right or wrong, commitment to follow ethical judgment, and ethical actions (Yadav, Kohli, & Tiwari, 2015). In the daily operation of a business there are financial, production, operational, customer satisfaction, and other issues decision-makers face. Some of these decisions are simple choices, however others are moral issues. The manner of handling an issue may prove to be a conflict with the moral values and standards of the individual or organization. Moral values are essential for stability, growth, and development of any society (Yadav et al., 2015). Immoral practices are costly with both economic and social ramifications (Yadav et al., 2015). If an organization utilizes shortcuts and unethical means, they may achieve short-term goals but not a thriving long-term future. Moral decision-making is a complex process.
Rational decision making is a step-by-step process. It is the process of identifying an issue, determining options, creating alternatives, assessing the alternatives, selecting the best option, implementing the choice, and evaluating the solution (Riaz & Khalili, 2014). The research of Raiz and Khalili (2014) illustrated transformational and transactional leadership styles can predict rational decision-making techniques that will be used by the leader. Transformational leaders are better at gathering, sharing, and exploring knowledge among individuals and groups while transactional leaders share knowledge at organizational levels. These types of leaders promote knowledge management at the individual, group, and organization level to instill the superlative rational style of decision making (Raiz & Khalili, 2014).

Naturalistic decision-making is a humanistic model that outlines variables felt that trigger self-conscious emotions. Some of these emotions that impact behavior are shame, guilt, embarrassment, pride, and empathy (Shah & Amjad, 2016). Naturalistic decision-making is based on intuitive judgment based on past behaviors. When a leader is faced with ethical situations they often exhibit a non-rational naturalistic approach. All individuals have their own self-generated, controlled, justification process for making decisions (Shah & Amjad, 2016).

Value-based leadership was explored in regard to personal and organizational values’ influence on decisions made by community bank executive leaders. Executive leaders were interviewed to identify how they perceived the role of personal and corporate values in decision making. These leaders were asked to prioritize personal values. The perception of community bank executive leaders’ conflicts with their personal values and corporate values was analyzed in terms of the critical decisions they were responsible for making on a daily basis.
Definition of Terms

The following terms are defined for the purpose of this study.

Cognitive Dissonance: The mechanism by which changes in behavior can change beliefs.

Corporate Leaders: The senior-most leaders of an organization.

Corporate Values: An organization’s values drive its actions and policies, which reflect its top priorities. The company must provide value statements that are meaningful, which can be internalized, to achieve performance targets and increase long-term returns (Sheehan & Isaac, 2014). These corporate values must be understood and shared by everyone in the organization. This requires guiding principles that clearly define the values. These values should guide all employees in their everyday work. The actions and behaviors motivated by these values should be consistent with the company’s vision, mission, and corporate goals.

Culture: The values, attitudes, beliefs, and habits shared by employees of an organization.

Figure 1. Critical decision-making model.
**Decision frame:** Organizations often provide an ethical infrastructure to guide individuals away from illegal or unethical conduct and decisions. This framing influences decision outcomes and must be consistent in terms of acceptable decision outcomes.

**Decision making:** In the daily operation of a business there are financial, production, operational, customer satisfaction, and other issues decision-makers face. Some of these decisions are simple choices, however others are moral issues.

**Ethical principles:** For the purpose of this study, ethical principles are a value system, code of ethics, and standard of conduct to steer how bankers actually serve stakeholders (de Tejada, 2015).

**Experienced-based Intuition:** People who apply experience-based intuition rely on cognitive conclusions they are able to draw based on their past experiences (Kaufmann, Meschnig, & Reimann, 2014). These types of decisions are made quickly without consideration for how conclusions are achieved.

**Moral decision-making:** The process of recognizing a moral issue, determining which action is right or wrong, commitment to follow ethical judgement, and ethical actions (Yadav et al., 2015). Moral decision-making is a complex process.

**Moral intensity:** A driver of behaviors when making decisions. Moral intensity is not an independent variable; organizational factors are proven to define the variable (Yu, 2015). If the outcome of the decision has considerable implications, the decision maker is more concerned about the related ethical issues, which increases the degree of morality intensity.

**Naturalistic decision-making:** A humanistic model that outlines variables felt that trigger self-conscious emotions. Some of these emotions that impact behavior are shame, guilt,
embarrassment, pride, and empathy (Shah & Amjad, 2016). Naturalistic decision-making is based on intuitive judgment based on past behaviors.

**Operational principles:** For the purpose of this study, operational principles are controls designed to mitigate the risk of errors resulting in financial loss, fraud, employees exceeding their level of authority, and behaviors that can be deemed unethical or risky (Schwartz-Gârliste, 2013). Banks must maintain sound risk management practices to avoid violations of internal controls.

**Personal values:** Standards for judging objects, events, actions, and the alternatives of these actions (Warwas, 2015). These personal values also are considered to be reflective of personal traits.

**Rational decision:** The process of when an individual stops searching within an option, between options, and strikes a balance between the depth and breadth a solution presents to a complex problem (Tavana, Di Caprio, & Santos Arteaga, 2016). A decision maker must acquire sequential information and choose between the options or start acquiring more information on other options.

**Values:** Values encompass who you are, what you stand for, how you behave and why. Values are defined as what drives actions and determine why people do what they do (Starr, 2016).

**Values alignment:** For the purpose of this study, values alignment is the act of aligning corporate and personal values to determine actions. Alignment enables leaders to motivate employees toward shared goals. It is an integration of professional ethics with personal values (Ametrano, 2014).
Values-based: People behaving authentically to align core values and beliefs (Warwas, 2015).

Values-based leaders: The actions of values-based leaders are congruent with their values of integrity with a focus on what is best for everyone. A values-based leader strives to make a positive impact on others.

Values-based leadership: Berry and Kunz (2014) outlined the four principles of values-based leadership in their strategies and characteristics of a servant leader. The first principle is self-reflection to truly know yourself. A leader must know who they are to lead themselves, which is essential to be able to lead others. The second principle is balance and perspective in order to obtain a holistic understanding of all sides of an issue (Berry & Kunz, 2014). The third principle is true self-confidence in what they know and do not know in order to build a team to complement their own strengths and weaknesses. Lastly, it requires genuine humility to know that the leader is neither better nor worse than anyone else and respects all people equally (Berry & Kunz, 2014).

Assumptions, Limitations, and Delimitations

Assumptions. Assumptions by the researcher were specific to the field of community banking for this study design. The researcher assumed the participants in the study responded truthfully. If participants did not answer honestly, their responses created an inaccurate representation of data. To reduce this risk, respected leaders that act consistently with integrity in Virginia community banks were selected.

The study assumed participants in this study had all experienced values-based decisions at a leadership level in community banking. The risk was if they were not experienced in critical decision-making, the answers may not adequately reflect the true essence of conflicts between
personal and core corporate values. The results may not effectively explain values-based leadership and values alignment. Leaders were selected based on their role at a Virginia-based community bank to ensure they are engaged decision-makers.

To the best of the researcher’s knowledge, the participants possess a sincere interest in being part of this research with no other motives.

**Limitations.** The researcher purposefully selected the participants. The community bank leaders selected for this study were relatively small in number, and therefore, it was not reflective of all community bankers. Seventy-one percent of the participants in the study were female, which may skew the results. The possibility exists that the participants withheld relevant information.

**Delimitations.** This study was limited to Virginia community banks with an asset size of $5 billion or less in order to keep the study manageable. Only leaders with critical decision-making authority were considered for participation in the study. This study did not explore the difference between large regional banks and smaller community banks, and therefore biases between the two were not explored.

**Significance of Study**

This research is significant because it provides information regarding community bank values-based leaders and how their decisions shape corporate culture. Posner’s (2010) survey revealed that managers are confident they understand the values of the employees around them and the organization, which is critical to the alignment of personal and organizational values to create a strong organizational culture. Leaders provide insight into how conflicts between personal and corporate values influence their decisions. Values-based leaders must be willing to learn. Being successful is critical, values-based organizations are proven to be high-performing,
sustainable, and enjoyable places to work (Frost, 2014). This study could help executives drive an ethical corporate culture by adopting values-based leadership styles. New leaders can use this study to expand their knowledge of values-based leadership to help them develop into strong leaders. The research advances leadership and can help executives guide their decisions conducive to a culture of trust and integrity.

**Reduction of gaps.** This study examined approaches to decision-making for community bank leadership to align personal values and core corporate values. The research may close the gap on the challenge that leadership is facing when they are making critical business decisions that determine the success of the company. Understanding and incorporating values-based decision-making and leadership will reduce the pitfalls of unethical actions and decisions banks experienced during the financial crisis of 2008-2009 ((Zaal et al., 2017). From a moral-cultural viewpoint, a factor that contributed to this crisis was human values and the action judgments of financial professionals and executives. Some experts referred to this financial crisis as a moral depression (Jin et al., 2013).

**Biblical integration.** Throughout the Bible Christians are taught to apply moral values to their daily lives. According to Proverbs 19:1, “Better is a poor person who walks in His integrity than one who is crooked in speech and is a fool” (English Standard Version). This verse highlights how followers are to walk with God and possess integrity. Scripture tells us that you cannot serve God and money because you cannot serve two masters.

God seeks people who display integrity. In the Bible, Job suffers because of the battle between God and Satan. His friends believe his suffering is the result of his wrongdoing. They try to convince Job to repent of his sin and ask for God’s mercy. Satan tests Job’s character, and in the end, God restores Job’s fortunes. Job exhibited a pure and simple commitment to God
throughout the test. God had confidence in Job and knew his integrity would prevail in the struggle between the good and evil bestowed upon him. Like Job, God expects all of his disciples to maintain and exhibit strong integrity, regardless of the situation they are facing. God will test and judge his followers’ integrity and will reward those who possess an unwavering commitment to doing what is right.

Matthew 6:24 warns you will be devoted to one and despise the other, stressing the importance of walking with the Lord by applying His values to all aspects of our lives. God warns it is impossible to love and hoard earthly treasures and not share them and serve God at the same time. Christians are expected to share their money and earthly treasures with those in need. The real treasures are stored in heaven through walking and living God’s teachings.

In Hebrews 13:18, we are taught, “Pray for us, for we are sure that we have a clear conscience, desiring to act honorably in all things.” This passage also addresses integrity, as well as acting honestly and sincerely. It teaches Christians they must have a good conscience in all things both towards God and others. A good conscience respects God’s commands and prays for others. The actions of Christians towards others and situations should reflect God’s values in their hearts.

**Relationship to leadership cognate.** Values-based leadership is a style of leadership that is relevant to the leadership cognate of the Doctorate of Business Administration degree at Liberty University. As a DBA leadership student at Liberty University, it is essential to consider the moral values and integrity expected as a Christian champion of our Lord. Applying this leadership style to executive decisions in community banks provides insight into conflicts. This study outlines the importance of personal values, and those reflective of God’s will, when faced with business decisions. The conflict occurs when the leader’s personal values do not align with
the values of the organization. Values-based leadership is proven to be a catalyst for employee job satisfaction, trust, integrity, and the performance of the company.

**Review of the Professional and Academic Literature**

This literature review focused on the concept of values, values-based leadership as it is presented in literature, various ways personal values influence corporate values, the influence of corporate values on the leader, how personal and corporate values align, and the conflicts between the two. This paper took an in-depth look at the background or leadership decisions, the concepts of values, values in banking, values across generations, decision frameworks, moral intensity, and experienced-based intuition. Optimum effectiveness is achieved when personal and organizational values align.

**Background.** Personal and organizational values have a significant influence on the performance of a company. Executive leaders who make poor decisions can create an organizational crisis, while strong leadership making good decisions can make a company thrive. These decisions, both good and bad, can have lasting impacts. Throughout the life of a company, the leaders may face significantly different arduous decisions, all of which will have either a positive or negative outcome. The executive leadership of any organization is heavily influenced by values when faced with these pivotal decisions. This paper described various types of decision frameworks and how values influence decisions, specifically in community banking.

**The concept of values.** Values provide a framework that leaders and organizations use to operate. Personal values encompass who you are, what you stand for, how you behave, and why. Values are defined as what drives a leader’s actions and determine why they do what they do (Starr, 2016). Values are a by-product of cultural environment, social groups, religion, and
past personal experiences (Shahriari et al., 2013). Leaders must build a corporate culture with well-defined values. In looking at the strategies, tactics, goals, and missions of an organization, the leader should remain steadfast to the core values of the company regardless of new laws, conditions, or goals. These values shape the organizational culture and should provide the framework for decisions and actions (Starr, 2016).

Ayal, Gino, Barkan, and Ariely (2015) reported that most people desire to maintain a positive moral image of themselves. When they are faced with the temptation to profit from an unethical behavior, they will experience psychological tension. The challenge is the people will often use self-serving justifications to allow themselves to do wrong but feel good morally about the decision (Ayal et al., 2015). This is a result of using the grey areas to actually justify dishonest actions or behaviors. The challenge is to design policies to stress high moral values.

Values shape all aspects of people’s lives. The concept of values determines what we do and do not connect to. These connections determine the decisions we make in our daily lives. Where people want to work, what products they buy, and who they follow is based on their values (Frost, 2014). For someone to connect to a leader, they must also connect with the values the leader brings to the leadership role. Leader’s moral values are of utmost importance to their leadership efficacy (Chen, 2009).

Huldtgren, Wiggers, and Jonker (2014) research suggests that a stronger focus on personal values lead to better decisions, although it can often be more difficult for people to apply than using analytical tools. Decision making is a balance between an individual’s needs with the needs of other stakeholders. To do this, decision makers must assess a vast set of alternatives. People who navigate decisions by values are more comfortable with their decisions,
possess more knowledge about the issues, make informed decisions, and consider more relevant issues (Huldtgren et al., 2014).

There are many definitions of values. One description is “enduring beliefs that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence” (Giacomino, Li, & Akers, 2013, p. 119). Values have a new emphasis in the business world as a result of the financial fraud that has been discovered over the past decades. Organizations have developed a code of conduct, policies, and procedures for added internal controls to identify unethical behavior (Giacomino et al., 2013). According to Giacomino et al. (2013), there are considerable differences between the personal values of individuals from other cultures. It is important for corporations to consider the values best suited for their culture.

Personal values offer critical insight into a leader’s beliefs, attitudes, and behaviors. The values and visions possessed by business leaders define the direction and vitality of corporate America (Posner, 2010). Values are the foundation for choices leaders make, who they trust, how they respond, and how they invest their time and energy. There are professional, personal, corporate, and societal values that are interrelated with various degrees of influence over the decisions, attitudes, desires, and preferences of each individual (Posner, 2010). These values silently give direction to thousands of decisions made in organizations at all levels every day. Values not only drive decisions, they are the heart of any corporate culture and dominate the ethical climate. Posner’s (2010) survey revealed that managers are confident they understand the values of the employees around them and the organization, which is critical to the alignment of personal and organizational values to create a strong organizational culture.
Values-based leadership. Values-based leaders must be courageous (Frost, 2014). This is essential considering the difficult decisions they face. The decisions require courage because when they follow values-based approach traditional beliefs and behaviors often have to change. This will require humility as the leaders learn, grow, and change. Values-based leaders must be willing to learn. Critical to their success, values-based organizations are proven to be high-performing, sustainable, and enjoyable places to work (Frost, 2014). If a leader bases their decisions on their values, they will exhibit consistent behaviors and that will build the confidence others have in them.

Duthie et al. (2014) created a values-based decision framework for leaders to identify the values relevant to various decisions. This is a five-step approach: identify the key question, develop an understanding of the facts, identify and prioritize the relevant values, brainstorm possible options, and determine which option best delivers on the most important values (Duthie et al., 2014). The core values of those most affected by the decision are a priority. This approach helps to build mutual understanding and trust between everyone involved while offering a systematic way to address complex decisions.

Berry and Kunz (2014) outlined the four principles of values-based leadership in their strategies and characteristics of a servant leader. The first principle is self-reflection to truly know yourself. A leader must know who they are to lead themselves, which is essential to be able to lead others. The second principle is a balance and perspective in order to obtain a holistic understanding of all sides of an issue (Berry & Kunz, 2014). The third principle is true self-confidence in what they know and do not know in order to build a team to complement their own strengths and weaknesses. Lastly, it requires genuine humility to know that the leader is neither better nor worse than anyone else and respect all people equally (Berry & Kunz, 2014).
Nelson (2014) conducted research that identified significant similarities and differences of personal values amongst leaders from different nations. Four factors consistently resulting in favorable leadership behaviors are integrity, foresight, encouragement, and communication (Nelson, 2014). In this study, Nelson (2014) was not able to affirm that a robust profile of personal values positively relates to the effectiveness of a leader. There does appear to be a certain personal value profile amongst leaders that is not possessed by their subordinates. The personal value profile was found to be a rare commodity, not more than 20 percent in a sample of college-educated professional (Nelson, 2014). This may indicate that careful selection is more important than leadership training.

Zhu’s (2014) research reveals that values positively affect ethical leadership, which in turn impacts the reputation of the organization. Ethical leadership is the demonstration of appropriate conduct through actions and relationships (Zhu, 2014). This conduct is promoted by communication, decision-making, engagement, and influencing others. Reputation and social performance can increase or destroy the profitability of a company. It also determines if an organization is able to recruit new and retain existing employees, as well as influence regulators. Ethical leadership shapes all major organizational outcomes (Zhu, 2014). The behaviors of leaders convey values and expectations to all the employees in the organization. Ethical leaders can move the company in a positive direction and instill values (Zhu, 2014).

Higher education in management has evolved and changed to have a greater emphasis on values. Business ethics has been part of most programs for years; however, contemporary social issues have increased the values-based topics included in core curriculums. These courses are designed to encourage colleagues and students to explore the implications of business decisions on people, planet, and sustainability (Muscat & Whitty, 2009). Performance of sustainable
businesses also measure environmental quality and social justice. Students exhibit a desire to do well and be creative in their career plans (Muscat & Whitty, 2009). A stressed economic environment increases the need to provide for the common good by developing business students who want to be servant leaders and live a purpose-driven life. The demand in higher-education in business curriculums is for more values-based topics, a sustainability focus, and an overall increase in service-learning activities (Muscat & Whitty, 2009).

**Giving voice to values.** Giving Voice to Values (GVV) teaches ethics to future leaders by allowing students to act on their values and the analysis of potential consequences for not following these values (Painter-Morland & Slegers, 2018). The goal of GVV is to provide a business education for values-driven leadership. GVV can improve the analysis of business problems by understanding the blockages to moral action, rationalizations from different assumptions about moral actions, and resolving values conflicts (Painter-Morland & Slegers, 2018). Students have values when they begin learning about values-based leadership. The challenge is to help the student develop a deeper understanding of the valuation of moral reasoning.

Gentile (2017) talked about the pressures placed on business schools from economic pressures and large corporate scandals, triggering the question “what is being taught in business schools?” As these events occur in the world, ethical standards and requirements are reviewed and revised to encompass more relevance to real-life pressures to engage in unethical behaviors. It was difficult for business schools to define how to teach ethics and include morals in the curriculum. GVV was created to go beyond the basic foundation of ethics in leadership development (Gentile, 2017). The purpose of GVV is to close the critical gap between education
and the workplace in regard to values-centered leadership. This behavioral ethics approach requires rehearsal to effectively influence behavior.

GVV is an action-oriented approach for implementing values-based leadership (Gentile, 2014). GVV is a strategy for developing the skills, knowledge, and commitment needed to achieve ethical awareness and analysis in a values-based leader. The focus of GVV is on what a leader will say and do if they are acting solely on their values. There is a call for values and ethics in business practices following the global financial crisis. GVV is a reframing of leadership to an ethical and values-driven approach in management development and corporate programs. The foundation of GVV is understanding the implementation challenges of an ethical decision. It is not based solely on the traditional question of what is the right thing to do, it adds how do you get it done effectively once you identify the right thing to do (Gentile, 2014). There is a template of questions to apply to various scenarios that stresses the values the participant wishes to pursue and identifies what is at risk for everyone involved. Peer coaching is used to review the actions plans and scripts for enacting the solution. Applying action-planning and actual-pre-scripting to rehearse and practice behaviors helps develop morale muscle memory for GVV. The goal is to give the default an informed voice and determine the best actions when faced with value conflicts (Gentile, 2014).

**Personal values influence on leadership behavior.** Freeman and Auster (2011) share the idea of replacing the concept of great man theories of leadership with moral persons’ theories for responsible leadership. Treating employees as right-holders, social responsibility, sustainability, peace, and ethical leaders are all ideas based on an underlying notion of values. Authenticity is based on these values being easy to know but difficult to realize or difficult to know but easy to realize (Freeman & Auster, 2011). It can be difficult to know and difficult to
realize values in today’s business world. There is nothing simple about finding one’s values and then possessing the will, character, and integrity to act on those values. Being true to one’s self is the foundation of authentic leadership. Leaders should be themselves and not something they are not by adopting a textbook leadership styles based on existing circumstances (Freeman & Auster, 2011). Acting with authenticity as a leader is based on the fundamental concept of being true to one’s values. It is difficult to know if a failure to act on one’s values is a simple lapse or an actual absence of the value.

There is a correlation between personal values and leadership behavior (Hsien-Wen & Grier, 2008). Personal values are shaped and developed by the regional culture where the leader lives. Individuals rank the values to create their own value system (Hsien-Wen & Grier, 2008). There are socially desirable values that leaders often state they apply to their lives to maintain a public image. These values may not be used to guide their actual behavior and values-in-use are actually exhibited (Hsien-Wen & Grier, 2008). Values-in-use is the set of values that influence leadership behaviors. Cross-cultural leadership also has a different influence on behaviors based on the values of each culture. Global organizations must understand the influence of personal values, cultural values, and actual values-in-use to understand the correlation between values and leadership. Value conflicts are part of most situations faced by leaders.

Value-laden environments create frames associated with effective leadership in an organization (Hamilton & Bean, 2005). Leadership development must encompass ethics, values, and beliefs from the personal and corporate context. The challenge is to create a shared meaning regardless of national culture and proactively avoid potential clashes (Hamilton & Bean, 2005). Servant leadership continues to gain recognition as being synonymous with values and beliefs. Organizations must be aware of the ethical and moral foundations of servant leadership and how
the values vary from region to region and between the personal values of leaders. This requires strategic leadership development that can adapt to new frames based on the different value contexts encountered globally (Hamilton & Bean, 2005).

**Values-focused thinking.** Values-focused thinking focuses on the philosophy of decision making that meets the company’s objectives (Kunz, Siebert & Mütterlein, 2016). This approach to decision making is guided by the values of an individual or organization. A component of values-focused thinking is to define values as explicit objective statements. These objectives identify managements’ direction for decision makers. To support values-focused thinking, an organization must create a comprehensive set of high-quality objectives reflective of the core values (Kunz et al., 2016). It is mentally more difficult and complex to implement values-focused thinking compared to other approaches. One reason it is more complicated is that it is a non-hierarchical display of relationships (Kunz et al., 2016).

Value-focused thinking provides a holistic analysis of all organizational concerns (Viana & Mota, 2016). It can be used by companies to identify guidelines and improve general practices. Value-focused thinking also seeks support from managers, which enhances their efforts and often gains commitment from all the individuals involved (Viana & Mota, 2016). One of the best features of this model of thinking is the flexibility it offers so quick adjustments can be made based on issues, actions, and resources. The results of value-focused thinking are more efficient action plans (Viana & Mota, 2016).

The ultimate goal of good decisions is to achieve something of value. When a decision maker understands what they hope to achieve they create better alternatives (Morais, Alencar, Costa & Keeney, 2013). Values-focused thinking is focused on values in terms of what the decision maker cares about in the process. The values are defined as objectives and are relevant
to solving the problem. These objectives are structured as a hierarchy of values starting with fundamental objectives (Morais et al., 2013). This structure enables the decision maker to concentrate on high-value alternatives.

May, Dhillon, and Caldeira (2013) cited the high rate of failure, over 60 percent, of Enterprise Resource Planning (ERP) projects on the inability to align existing processes with ERP processes. This requires an exhaustive set of objectives that accurately reflect the stakeholder values (May et al., 2013). The challenge is that the objectives of the ERP do not propose clear, value-driven objectives. Values-focused thinking enables the decision maker to apply their values, resulting in more alternatives, instead of being limited by the constraints of the ERP software. Research reveals that values should be the key driver when an organization is developing objectives (May et al., 2013).

**Corporate culture and organizational performance.** Research proves a strong corporate culture has a positive correlation with performance and leads to organizational success (Oncioiu, Stanciu, Boteanu, & Bilcan, 2017). Culture is how the corporation gets things done; it reflects employees’ attitudes, beliefs, values, and behaviors. Strong performance requires collaboration between organizational structure, leadership influence, and performance management strategies. The most powerful resource of any organization is human capital and the corporate culture is key to make people perform (Oncioiu et al., 2017). Corporate culture must hold the company accountable for its actions to make the world more equitable and sustainable. It is important the organization has faith that people are basically good and smart, and if given the right tools they will do wonderful things (Oncioiu et al., 2017). If the leaders and employees of an organization are committed to collective principles, morals, and values, the company will consistently achieve positive outcomes.
Different cultures from different regions of the world have different values. According to Hopkins and Scott (2016), approximately forty-percent of the labor pools for employers of advanced economies are foreign-born workers. The complexity of a global workforce emphasizes the challenge of achieving the goals of the organization and individual members. Conflicting values systems demand a values-based leadership approach to blend different and conflicting value systems for the diverse workforce to coexist (Hopkins & Scott, 2016). It is essential for the organization to align individual value system differences with the value system of the company for optimal performance. A company’s ability to successfully establish values has a direct correlation to the strength of the organization’s culture (Hopkins & Scott, 2016).

The CEO’s values and leadership style define the climate of the organization as well as the work behaviors of employees (Liden, Fu, Liu, & Song, 2016). According to Liden et al. (2016), the CEO personifies the organizational culture and provides critical context of the organization’s makeup. It is important to understand the influence of the CEO because it is a position of authority and status. The CEO provides the greatest visibility to share the vision for the future of the organization and inspiring members to strive to achieve the goals necessary to successfully fulfill the corporate strategy. CEOs play a dominant role in setting the tone of the organization and influence what takes precedence in the company. Personal values define what is viewed as critical, and the choices reflect self-interest focused values or other-oriented values (Liden et al., 2016). Followers respond with a higher level of job performance when leaders’ contingent behavior appears to be out of genuine concern for the well-being of employees (Liden et al., 2016). CEOs that focus on serving others, rather than on achieving personal goals, have a positive influence on followers.
Organizational culture is considered the strength of an organization; it is a competitive advantage. According to Labovitz and Rosansky (2012), the culture is the product of four dynamically related factors: Attitudes, beliefs, values, and behaviors. A company has influence over behaviors, but little ability to change the attitudes, beliefs, or values of their people. Values, in particular, are ingrained in individuals. Organizations have to get people to behave differently and then reward the new performance with better pay, opportunities for advancement, and other things people value. This strategy can trigger a change in the individuals’ beliefs, attitudes, and values (Labovitz & Rosansky, 2012). When personal values are not aligned with the corporation, the corporation often uses behavioral modification incentives to shift personal values, this is known as cognitive dissonance. This tension leads people to adjust their beliefs to fit the behavior (Labovitz & Rosansky, 2012). An example of this is the belief that lying is wrong, yet there are times people are less than truthful. People get rid of this discomfort about truthfulness by altering their belief to a little white lie never killed anyone. This happens in the workplace when personal values and beliefs do not align with corporate culture and values.

Organizational culture is how the company views itself and its environment (Ardichvili, Mitchell, & Jondle, 2009). It is a complex network of formal and informal processes and interactions. Formal aspects of culture include the leadership, reward systems, policies, socialization, and decision processes (Ardichvili et al., 2009). Behavioral norms, language, role models, and rituals make up the informal components. An ethical corporate culture fosters shared values and beliefs. Employees are expected to not only discern between right and wrong but they are expected to implement ethical decisions (Ardichvili et al., 2009). A strong ethical culture is created by top management who consistently behaves ethically and encourages others
to do the same. Ethical leaders represent and role model high ethical standards with a long-term view of relationships inside and outside the organization.

Baglione and Zimmener (2007) studied both American and Chinese business executives to determine the relationship between ethics and how business is conducted in each country. The survey examined the link between economic benefit, organizational climate, and productivity to values and beliefs. Chinese business leaders possess a much stronger belief that solid ethics generate sales and revenues than US leaders (Baglione & Zimmener, 2007). Shared organizational values are a critical element to build a solid foundation for a lasting business. Strong ethical practices have a positive influence on the overall performance of an organization (Baglione & Zimmener, 2007). Clear shared values are conducive to ethical behaviors, which can improve performance for an economic benefit to the organization.

**Personal values influence on corporate values.** Organizations in today’s market must operate based on the expectations of the general public. An organization’s values drive its actions and policies, which reflect their top priorities. Three key values organizations must display are caring, accountability, and fairness (Brummette & Zoch, 2016). The performance of a company is measured beyond its profitability; it includes them being a good corporate citizen. People seek out organizations whose values align with their personal values, such as trustworthy, honest, and open (Brummette & Zoch, 2016). This is a value-driven social order that regulates the behaviors and actions of organizations and their leadership. Moral and cultural values define these expectations. People use values as a means to evaluate individuals and organizations (Brummette & Zoch, 2016).

There is a linkage between professional values, conditions, and leadership behaviors. Personal values define standards for judging objects, events, actions, and the alternatives of these
actions (Warwas, 2015). These personal values also are considered to be reflective of personal traits. Work and professional values are derivatives of basic human values. People strive to behave authentically to align core values and beliefs (Warwas, 2015).

The study of Coelho, Drozdenko, and Tesch (2014) revealed that organizations with organic core values consistently motivated stronger levels of ethical behaviors as opposed to mechanistic core values. Allowing corporate values to be established through a democratic and collaborative process enables the personal values of the leaders to influence the company’s values. Organic organizations are less rigid with policies to follow and are considered fluid and flexible (Coelho et al., 2014). It is imperative that organizations develop, refine, and practice their corporate values.

Potocan and Nedelko (2014) studied the influence of employees’ personal values on their attitude towards how their organization performs economically, environmentally, and socially. The research revealed that employees’ personal values have a high impact on their corporate social related behaviors. People’s behavior in a company is interrelated with hard and soft factors of the environment and situation (Potocan & Nedelko, 2014). Personal values not only influence how an individual behaves at work, but it also drives how they view the social responsibility performance of their organization.

The influence a leader’s values have on a corporation depends on the leadership theory applied, such as personality traits, not values make great leaders (Ciulla, 1999). Transformational and servant leaders help their followers develop their own values. Hopefully, the individuals’ values are compatible with the values of the organization. Having values does not mean someone will do something about it. A leader is able to influence an organization through actions (Ciulla, 1999). Values often involve improving components such as the quality
of life or being environmentally friendly. It requires the leader to have a vision that illustrates where they want to go and the right way to get there (Ciulla, 1999). Increasing a financial measurement, such as improving the return-on-assets, is a goal, not a vision. Visions contain moral components and are not just about making profits. Leaders’ values shape the values of the organization when coupled with policies and actions (Ciulla, 1999).

**Corporate values influence on leaders.** Corporate stakeholders are concerned about diversity, treatment of employees, pollution, and financial transparency (Jones, Mackey, & Whetten, 2014). These concepts are bundled together under corporate social responsibility. The organizational leadership actually create, implement, sustain, or avoid derogatory actions, with regard to social responsibility. Leaders influence the social responsibility in the organization by their behaviors. The corporate values influence the individual-level of decisions of leaders (Jones et al., 2014).

When an organization has corporate values that align with the personal values of the leaders, it is easier for leaders to make decisions with less reliance on rules. If the organization feels the leader identify with its values, they entrust decision-making power to them (Sheehan & Isaac, 2014). Performance evaluations can be used to measure the leaders’ adherence to expected values. The goal is for the leaders to use the corporate values to proactively guide their everyday decisions (Sheehan & Isaac, 2014). For this to work the company must provide value statements that are meaningful, which can be internalized, and guide the organization to achieve performance targets and increase long-term returns (Sheehan & Isaac, 2014). These corporate values must be understood and shared by everyone in the organization. This requires guiding principles that clearly define the values. These values should guide all employees in their everyday work. The same values should provide a framework that can be used by leaders to
make decisions (Sheehan & Isaac, 2014). The actions and behaviors motivated by these values should be consistent with the company’s vision, mission, and corporate goals.

Values in banking. There are many value considerations in various aspects of banking. The key principles include operational, financial, economic, ethical, social, and legal within the banking framework (Bidabad & Sherafati, 2016). This framework is supported by a matrix of internal controls throughout the organization. Bidabad and Sherafati (2016) identified key values-based behaviors, they include honesty, belief, virtuosity, and compliance supported by both reward and punishment mechanisms. At the corporate level, values are conveyed to stakeholders through transparency and disclosures. This is achieved with an appropriate level of governance by audits and accounting. Ethical banking promotes the welfare of people, improves the environment, and creates opportunities (Bidabad & Sherafati, 2016).

Davis (2016) explored a case study of Terry Thomas who successfully returned the UK Co-operative Bank to profitability following the post-war British Consumer Cooperative Movement. Thomas was able to transform the subsidiary from a failure to a positive co-operative national brand. This transformation was the result of servant-leadership with a clear strategy based on values and purpose (Davis, 2016). The Terry Thomas case study illustrates the need for value-based professionals with compatible values, ownership, and purpose to be part of management’s education and executive recruitment. Terry was CEO for nine years and he pioneered ethical banking with programs to support and enhance social responsibility, equal opportunities, and ethics standards (Davis, 2016). The ethics standards implemented by Terry were recognized as world-class and were independently audited. Over his tenure as CEO, the Bank consistently experienced record-breaking profitability. This transformational success is contributed to the values-based program Terry Thomas developed and implemented. For this
initiative to be successful it required the enthusiastic support of the entire management team and all employees working at the bank. To keep everyone motivated, Terry continuously explored ways to improve the communication of the leadership’s vision, strategy, and policies. Detailed surveys were used on a regular basis to gather staff opinion to ensure employee satisfaction remained high and communication strategies were effective.

A group of successful independent banks collaborated to build a values-based banking movement, referred to as the Global Alliance for Banking on Values (GABV; Niven, 2014). This group of banks focuses on making banking a more diverse, sustainable, and transparent industry. The mission of the GABV is to meet human needs and promote a better quality of life and avoid another banking crisis like the downturn in 2009 (Niven, 2014). Research shows banks are more sustainable if they lend more than 75 percent of their assets, rely on customer deposits to fund loans, maintain strong capital positions, and deliver comparable returns on assets with a lower level of volatility (Niven, 2014). Banks must put people first in the modern economy for a better future.

The moral environment of an organization is proven to be the driving force behind professional ethical thinking, including ethical choice decisions (Jin, Drozdenko, & Deloughy, 2013). A study by Jin et al. (2013) found that financial professionals who perceive their organization as ethically responsible the higher they perceive performance outcomes. In 2008, there was a catastrophic phenomenon in the United States’ financial system. From a moral-cultural viewpoint, a factor that contributed to this crisis was human values and the action judgments of financial professionals and executives. Some experts referred to this financial crisis as a moral depression (Jin et al., 2013). The health of the economy was restored with a more open, trusting, and truthful financial environment. This example highlights the necessity
Operational principles. Luburić (2017) focuses on three lines of defense for the efficient management of operational risks. The greatest risks exist when there are inadequate process controls, human factors, and external events. To mitigate the risk, banks must strengthen their quality management principles, principles of risk management, and total quality management (Luburić, 2017). The development of these three principles must be a process of continual improvement. These principles must align with current management theories and practices. Synergy between quality management and risk management allow banks to continuously improve overall performance (Luburić, 2017).

There are regulatory requirements that govern how a bank manages operational risks. The goal of these principles is to define good practices regarding operational risk management. These controls are designed to mitigate the risk of errors resulting in financial loss, fraud, employees exceeding their level of authority, and behaviors that can be deemed unethical or risky (Schwartz-Gârliste, 2013). Banks must maintain sound risk management practices to avoid violations of internal controls. The Basel Committee defines operational risk as the potential to suffer a loss due to inadequate or failed internal processes, people, and systems, which includes legal risks (Schwartz-Gârliste, 2013).

Ethical principles. There have been billions of dollars lost due to legal settlements and compensation for unethical behavior in the financial industry (de Tejada, 2015). These events result in irreversible reputation damage and often cause economic instability. In 2014 the Edelman Trust Barometer deemed the financial industry as the least-trusted of all businesses globally (de Tejada, 2015). Integrity must be present, even in the best framework of principles,
rules, and regulations. It is imperative that bankers hold themselves accountable to make decisions and behave based on core values. If bankers have selfish desires for success, power, and money, they often present a higher risk to commit fraud, corruption, or negligence. The culture must possess a value system, code of ethics, and standard of conduct to steer how bankers actually serve the stakeholders (de Tejada, 2015).

There are many challenges to align ethical management and ethical principles with daily bank operations (Ferreira, Jalali, & Ferreira, 2016). Strategic leaders must understand the importance of values and how they influence goals, objectives, and good decisions. This requires well-articulated mental models to map the key aspects of the business and its environment; this is referred to as valued-focused thinking (Ferreira et al., 2016). Values are at the heart of decision-making situations and the basis for thinking about decisions. In today’s banking environment where technology replaces face-to-face contact, there is more anonymity, increasing the potential for unethical behaviors to be more competitive in a fierce, rapidly changing climate (Ferreira et al., 2016).

**Values alignment.** Studies show that the congruence of personal and corporate values is essential to the welfare of the individual and performance of the company (Vveinhardt & Gulbovaite, 2017). Congruence is the key to job satisfaction, loyalty, motivation, and high performance. There are a couple methods that can be used to determine the level of congruence. One way is subjective, where the individual describes both the values of the organization and their own personal values (Vveinhardt & Gulbovaite, 2017). Objective congruence is a comparison of the individual’s personal values and their assessment of the organization’s working environment. The organization culture values are evaluated by company leaders (Vveinhardt & Gulbovaite, 2017).
According to LoMonaco and HaBrookshire (2016), there is an implied social contract between employees and employers; it defines expectations and behaviors from one another. These contracts identify right or wrong social standards and overarching ethical norms. A leader who aligns corporate and personal values to determine their actions are able to influence others to behave the same way in similar situations. When there is alignment, leaders are able to motivate employees toward shared goals. Leaders have to develop a movement from enforcing standards to integrate professional ethics with personal values (Ametrano, 2014).

Organizations experience favorable outcomes when individuals’ values match the values of the company (Brummette & Zoach, 2016). Research identifies a higher level of job satisfaction and commitment when there is congruence between personal and corporate values. This alignment is a positive benefit to a company (Brummette & Zoch, 2016). If the employee is expected to be held accountable, caring, competent, efficient, and fair, then the organization should build their framework on the same values. A code of ethics is a communication of collective expectations; it should reflect the values and moral principles of the corporation and be considered the hallmark of professionalism (Perry & Dugger, 2014).

**Conflicts between personal and corporate values.** Many individuals experience conflicts between their personal morals, religious beliefs, and work ethics (Stones & Klein, 2015). Values and ethics are different concepts. Values are the personal standards used when faced with right and wrong judgments. Ethics are standards that drive social expectations that guide business practices (Stones & Klein, 2015). When personal values conflict with professional values the employee experiences a high level of stress. The decisions are often influenced by the fear of job stability, job advancement, confusion over choices, or the employee uses justification for their choices. According to the study by Stones and Klein (2015),
respondents often feel their religious values supersede expected professional behaviors or expectations.

When executive leaders have to satisfy stakeholders, they can end up making decisions based on bargaining instead of core values. Values-based leaders cannot be afraid to face the uncomfortable elements of critical decisions, even if it makes them unpopular. Personal values can either promote or undermine corporate outcomes (Marcus, MacDonald, & Sulsky, 2015).

There are some value types that can be problematic in achieving corporate goals. In the study by Paprocki (2014), graduate students were expelled from their program for refusing to treat clients who were in same-sex relationships because of their own personal religious beliefs. Addressing these conflicts can be a delicate matter, it is complex.

To resolve conflicts between personal and corporate values, the employee must realize that everyone prioritizes values differently. It will require the employee to determine what are workable differences (Higgins, 2013). The employee must decide if they can do the things they value despite the corporation’s focus. Another consideration is if the employee will be able to balance doing tasks they value against what is required by the company (Higgins, 2013). One strategy to achieve a balance is to work through spheres of influence. It is a strategy that outlines what the employee can control when they have some influence, and what they have no influence over (Higgins, 2013). This helps employees see how they should spend their energy and to balance conflicting values. If there is a high level of dissatisfaction, the employee may need to look for something better aligned with their personal values.

**Leadership values across generations.** It is imperative for corporations to consider the relationship between the core values of the business and the professional values of the employees (Stankiewicz & Łychmus, 2017). These individual preferences should be considered when
defining the corporate values. One significant shift in values is happening now as Generation Y (Millennials) enter the labor market. These individuals possess very different values than those older generations being replaced. The number of representatives from Generation Y will be steadily increasing (Stankiewicz & Łychmus, 2017). They expect their employers to respect employees, possess a high level of integrity, transparency, and fairness. Millennials are flexible, open to change, and possess a willingness to learn. Generation Y does not define success solely by financial performance, but rather by the impact on the quality of life in society and charitable activities (Stankiewicz & Łychmus, 2017). Generation Y is more likely to refuse to work on a project that conflicts with their personal values than any other past generation (Stankiewicz & Łychmus, 2017). Millennials are perceived to be demanding and expect intensive development, professional challenges, career path, and work-life balance with less loyalty than older generations. Corporations must be able to encompass the values that guide different generations to attract ethical employees to sustain ethical business activities.

Research evidence indicates there are significant differences between the values held by people of different generations (Ahn & Ettner, 2014). The biggest difference is that younger generations appear to hold values focused on self-interest and older generations possess more altruistic values (Ahn & Ettner, 2014). Honesty was the most important characteristics of leaders identified across all generations. Due to the significant differences between the leadership values of generations, organizations must establish a shared value system to be successful and sustain. The foundation of values-based leadership is based on integrity, leading by example, good judgment, trust, justice, fairness, and humility (Ahn & Ettner, 2014). There are differences between the values across generations, however, there are a core set of fundamental values.
**Individual value-based decision-making behavior.** Individuals make decisions based on the choices available to them. Their level of confidence in their decision is based on a degree of subjectivity determining if they made the best choice (De Martino, Fleming, Garrett, & Dolan, 2013). Depending on the type of choices, individuals establish values. Xu and Yao (2015) defined values as a standard beyond the single evaluation of choices or beliefs. Decision-making is the individual’s evaluation of a scenario and a combination of alternative actions and behaviors that result in some type of outcome. Perceived values are critical to the decision-making process (Xu & Yao, 2015).

Research has shown that personal values have significant importance in choice behaviors and decision-making (Ariail, Aronson, Aukerman, & Khayati, 2015). An example of the influence of personal values on decisions is a cancer patient who eliminates certain treatment options based on religious values (Ariail et al., 2015). Studies show that individuals make decisions that agree with their values. If an individual has a high concern for others, they are much less likely to make a decision based on the payoffs of the options (Ariail et al., 2015). Personal values influence judgment when faced with a decision. Some organizations provide decision-making models to offer a theoretical basis for decisions.

Ethical decision-making is directly influenced by both personal and corporate factors (Ismail, 2015). Personal emotional intelligence coupled with corporate values and ethical climate determine the level of ethical judgment used by individuals in decision-making (Ismail, 2015). Corporate values are a composite of individual ethical values of management and the defined ethics of the organization (Ismail, 2015). The formal corporate behavioral controls include reward systems and policies. An informal system exists in the beliefs, values, and practices of the people in the organization.
A primary factor considered during decision-making is risk, which is the variance in possible outcomes (Mishra, 2014). An individual’s decision-making behavior is often driven by risk, especially in intense situations. According to Mishra’s (2014) research, when an individual is faced with a high or low-risk option, they go from risk-averse to risk preference to meet a need that cannot be satisfied with a low-risk option. This is true when the individual desires to move their present state or a more desirable state. The result is the decision is not just good enough; a higher level of risk is tolerated to meet their need (Mishra, 2014).

**Decision frame.** Organizations often provide an ethical infrastructure to guide individuals away from illegal or unethical conduct and decisions. The challenge is that leaders often send mixed messages shifting the focus from stockholders to the needs and wants of a broad base of stakeholders (Clark, Quigley, & Stumph, 2013). It is important messages do not target one stakeholder and dismiss or ignore the invested interest of other stakeholders. Focusing on all stakeholders is proven to have a positive influence on long-term performance (Clark et al., 2013). If there is a mixed message, employees may apply different considerations to their decisions, both consciously or subconsciously that will result in favoring one group of stakeholders over another. Stakeholder framing must be applied, versus stockholder, to influence decision outcomes and there must be a consistent message in terms of acceptable decision outcomes with a stakeholder approach.

There is a higher risk of unethical decisions when individuals use personal decision frames to make choices. According to a study conducted by Kouchaki, Smith-Crowe, Brief, and Sousa (2013), money is a factor that influences decisions and is more likely to result in unethical outcomes. When money is at stake the focus shifts from an objective cost and benefit analysis for the majority to personal gains and losses with exclusion of the well-being of others. When
the decision moves to personal gain the social bond to others is weakened, and thus the pull of morality decreases (Kouchaki et al., 2013). Considering the important role of money in organizations, it is imperative companies understand the implications of morality in the decision frame. Money can be a corrupting factor in the decision-making process (Kouchaki et al., 2013).

**Managerial decision-making.** Business schools provide textbook guidance on making the best possible, ethical decision. The issue is that the academic studies do not prepare leaders for the pressures they will face when making managerial decisions in the real, high-pressure business world. Over the years there have been many examples of executives who have achieved considerable success who end up making a series of consequential errors. These managerial decisions result in potential criminal convictions for illicit trading, fraud, embezzlement, money laundering, and other crimes. Mounting financial pressure from creditors is one scenario that can make the most ambitious students falter when faced with moral quandaries later in their career (Soltes, 2017). Soltes (2017) found that some former executives, who resorted to criminal activity, were unapologetic stating that morals go out the window when there is intense pressure to meet budget numbers. Often when leaders make ill-fated decisions they never think about or consider the consequences. According to one economist, crime as a trade-off between benefits and costs, to the extent the benefits exceed the cost; leaders will rationalize to proceed with criminal behaviors (Soltes, 2017). Managerial decisions are about trade-offs with ethical implications.

Business ethics focuses on evaluating the moral acceptability of the actions of management, leaders, and employees (De Cremer et al., 2011). Even with established controls and monitoring systems in place, unethical behavior and decision-making can easily emerge. Greed and self-interest may be put before the organization’s best interest. Management often
provides codes of conduct and moral guidelines define how all employees should act (De Cremer et al., 2011). It is important to understand that employees make both intentional and unintentional ethical and unethical choices (De Cremer et al., 2011). This means that some employees do not realize what they are doing is unethical when faced with certain types of decisions. Management must provide guidance to all employees to help establish a strong culture of morals and values that contribute to ethical decisions.

**Moral decision-making.** Values are formed during the early developmental stages of an individual or business. How these values are applied to decision-making is impacted by individual and organizational factors. In the daily operation of a business there are financial, production, operational, customer satisfaction, and other issues decision-makers face. Some of these decisions are simple choices; however, others are moral issues. The manner of handling an issue may prove to be a conflict between the moral values and standards of the individual or organization. Moral values are essential for stability, growth, and development of any society (Yadav et al., 2015). Immoral practices are costly with both economic and social ramifications (Yadav et al., 2015). If an organization utilizes shortcuts and unethical means, they may achieve short-term goals but not a thriving long-term future. Moral decision-making is the process of recognizing a moral issue, determining which action is right or wrong, commitment to follow ethical judgment, and ethical actions (Yadav et al., 2015). Moral decision-making is a complex process.

A significant factor in value-based decision-making is the organizational climate. If the organizational identification is perceived as ethical, there is an increase in moral decision-making (van Gils, Hogg, Van Quaquebeke & van Knippenberg, 2017). The organization’s culture motivates individuals to conform to norms. The company’s identification can also
motivate moral behaviors. Research indicates that the organization can also be associated with unethical behavior if there are significant benefits to the firm (vans Gils et al., 2017). Another influencer of moral decision-making is the level of commitment the individual has for the organization. Ethical work behaviors are determined by the ethical climate of the organization (van Gils et al., 2017). Employees are more likely to exhibit strong moral decision-making if the organization clearly defines norms.

**Moral intensity.** Research has proven that moral intensity is one essential variable that influences ethical decision-making (Yu, 2015). Moral intensity is a driver of behaviors when making decisions. An individual’s subjective recognition of ethical issues defines moral intensity. The organizational setting can cultivate ethical perceptions for individuals, or it can nurture poor ethical perception (Yu, 2015). Organizational factors affect moral intensity and influence decision-making behaviors. Moral intensity is not an independent variable; organizational factors are proven to define the variable (Yu, 2015). The nature of the ethical decision also defines the degree of moral intensity. If the outcome of the decision has considerable implications the decision maker is more concerned about the related ethical issues which increase the degree of morality intensity.

**Experience-based intuition.** Individual decision-making can be based on experience-based intuition. According to the research of Calder et al. (2012), emergency room physicians favor experiential decision making if they are female, rural physicians, or had family-medicine training. Selection decisions are not always based on analytical processes, structured analyses, or other decision aids. Decision makers who apply experience-based intuition rely on cognitive conclusions they are able to draw based on their past experiences (Kaufmann et al., 2014). These types of decisions are made quickly without consideration for how conclusions are
achieved. Experience-based intuition is a holistic approach that does not utilize tangible information (Kaufmann et al., 2014). Intuitive decision-making works well in dynamic environments when objective information is not available or is outdated (Kaufmann et al., 2014).

**Rational decision-making.** Rational decision making is a step-by-step process. It is the process of identifying an issue, determining options, creating alternatives, assessing the alternatives, selecting the best option, implementing the choice, and evaluating the solution (Riaz & Khalili, 2014). The research of Raiz and Khalili (2014) illustrates that transformational and transactional leadership styles can predict rational decision-making techniques will be used by the leader. Transformational leaders are better at gathering, sharing, and exploring knowledge among individuals and groups while transactional leaders share knowledge at organizational levels. These types of leaders promote knowledge management at the individual, group, and organization level to instill the superlative rational style of decision making (Raiz & Khalili, 2014).

Tavana et al. (2016) defined decision making as the process of when an individual stops searching within an option, between options, and strikes a balance between the depth and breadth a solution presents to a complex problem. A decision maker must acquire sequential information and choose between the options or start acquiring more information on other options. According to the research of Calder et al. (2012), emergency room physicians favor rational decision making if they have over five years of specialty training, are in urban areas, and are male. In rational decision making, there is a search for good options, coupled with subjective preferences and beliefs (Tavana et al., 2016). It involves a strategic transmission of information to compute the best option based on observations observed. There is a logical consideration of characteristics, costs, and/or tradeoffs (Tavana et al., 2016). Rational decision-making
incorporates the evaluation of information that requires more time and conscious effort than other intuitive approaches (Calder et al., 2012).

**Naturalistic decision-making.** Naturalistic decision-making is a humanistic model that outlines variables felt that trigger self-conscious emotions. Some of these emotions that impact behavior are shame, guilt, embarrassment, pride, and empathy (Shah & Amjad, 2016). Naturalistic decision-making is based on intuitive judgment based on past behaviors. When a leader is faced with ethical situations they often exhibit a non-rational naturalistic approach. All individuals have their own self-generated, controlled, justification process for making decisions (Shah & Amjad, 2016). These justifications are a rationalization used to avoid self-blame. This model results in deviant behaviors that are influenced by the decision-makers desire to not abide by social norms (Shah & Amjad, 2016). Decision-making starts with the recognition of a moral issue; the leader then develops their moral intent which is followed by an ethical or unethical behavior.

**Transition and Summary**

This literature review focused on the concept of values, values-based leadership as it is presented in literature, various ways personal values influence corporate values, the influence of corporate values on the leader, how personal and corporate values align, and the conflicts between the two. Information was gathered from a host of experts in the field of leadership and decision-making. The literature provided insight into the definition of values, values-based leadership, value alignment, influence of personal and corporate values, and the conflicts that exist between the two sets of values.
Section 2: The Project

The purpose of this section is to outline the research design used for this study. The methodology explained is utilized to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. A qualitative approach with a narrative design is used to gather narrative interview data from a sample of leaders from community banks.

Purpose Statement

The purpose of this qualitative study was to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. At this stage in the research, the negotiating of decisions was generally defined as resolving conflicts between personal and organizational values. Results will be used to understand how values-based leadership affects executive level decisions in community banks.

Role of the Researcher

The researcher had an active role in the data collection for this qualitative research. It is interpretive in nature and the researcher seeks to understand the experiences shared by the participants. The researcher was the primary instrument in the data collection and analysis of the information. The researcher contacted leaders of community banks in the Commonwealth of Virginia to participate in the study. These leaders were identified by the size of their banks, with $5 billion or less in assets in the Commonwealth of Virginia.

The researcher conducted interviews with the decision-making community bank leaders to instill confidentiality and transparency. Potential participants were identified through the Federal Deposit Insurance Corporation’s (FDIC) public website based on asset size and location of the financial institution. The parameters used to identify potential community banks for this
study was an asset size of $5 billion or less in the Commonwealth of Virginia. The researcher contacted potential participants to solicit participation in the study. This study did not ask personal or proprietary questions. Interviews were recorded and enabled community bankers to personalize their responses. The audio recordings of the interviews were transcribed for analysis.

**Participants**

The Institutional Review Board from Liberty University approved the study. Potential participants were identified through the Federal Deposit Insurance Corporation’s (FDIC) public website based on asset size and location of the financial institution. The parameters used to identify potential community banks for this study was an asset size of $5 billion or less in the Commonwealth of Virginia. A sample was selected at random to avoid biases. Bank officers, who are listed as leaders of departments and/or divisions, were identified and names, email addresses, and phone numbers were obtained through the financial institution’s website.

The researcher contacted potential participants via email to solicit participation in the study. An invitation to participate was sent via email (Appendix A). Appendix B includes the consent form that was attached to the invitation to participate. Interviews were scheduled once individuals returned his or her completed, signed consent forms. To provide privacy, the researcher utilized a coding system to assure the anonymity of participants’ information and responses.

**Research Method and Design**

The research method used for this research was the qualitative narrative approach, as it required gathering subjective information from participants through interviews. This research study explored the perceived role of personal values, perceived priority of values, and perceived
conflicts between personal values and the corporate values of leaders of community banks. Data were collected from diverse leaders of community banks in the Commonwealth of Virginia with an asset size of $5 billion or less. The context of the interview questions was best suited to a qualitative method to values-based decision-making research.

**Method.** Qualitative research studies people in their real-world roles making it possible to gain insight to explain their behavior and thinking through their personal experience and perception (Yin, 2016). With the use of qualitative research, the researcher is able to explore logic, attitudes, thinking, attitudes, and motivations of the participants. This made it possible for the researcher to conduct a deeper dive into the research topic.

Researchers collect data from participants in their natural environment when conducting qualitative research (Creswell & Poth, 2018). Information is gathered through conversations and observing behaviors. This researcher interviewed participants at their preferred institution. The focus of the research is on learning the meaning the participants possess about the topic.

Quantitative research relies on statistical analysis and measurements to understand some phenomena as a science (Stake, 2010). Qualitative methods often utilize questionnaires with pre-established responses and this study must explore the personal views and perspective of the participants. This is not the preferred approach to understand human nature or personal experiences. The researcher did not rely on statistical data and allowed themes to emerge from the collected data from participants.

**Research design.** A narrative research approach was used to collect experience data from the sample of community bank leaders. This design begins with shared experiences lived and told by individuals (Creswell & Poth, 2018). The phenomenon was studied through the narratives shared by people. This approach is open-ended, fluid, and is not as structured as other
qualitative methods (Bruce et al., 2016). The narrative was an account of events or actions in chronological order.

Stories shared in narrative research through interviews provide insight into the identities of people and how they see themselves. There are also contextual details such as observations, documents, pictures, and other forms of qualitative data (Creswell & Poth, 2018). The process of narrative research is to focus on individuals and their stories, and then reporting and chronologically arranging their experiences.

Narrative design explores the lives of people. The approach can be used to better understand living when faced with the uncertainty of a life-threatening illness (Bruce et al., 2018). This research design investigated real-life problems. Narrative is the right design if it fits the research questions. Gathering the information using this approach should be conversational. The interviewer asks probing questions to obtain, clarify, and refine the information (Stake, 2010). The issue defines the structure of the interview; however, it is important the researcher ask open questions to allow the interviewee to comment or tell stories (Stake, 2010). Really good interview questions are essential for interviewees to get into the complexity of the concept being studied. Exhibit questions can help by asking the respondents to examine and respond to a specific statement or story to draw out an interpretation or judgment (Stake, 2010). Narrative design needs to be planned and structured with the ability to be adaptable.

Chronology is used in narrative design. This order may be defined by the storyteller or the researcher. There is a thematic analysis of what was said by the participants and structure is defined by how the story was told. The dialogic of the design identifies who the narrative is directed towards. Another feature of narrative design is turning points of the story, which is
reflective of tensions. There is also a context of specific places and situations. All of these components are found in narrative design research.

**Population and Sampling**

For this study, the sample population of community banks with $5 billion or less in assets in the Commonwealth of Virginia was 69. The total population for this study consisted of various Virginia-based community banks. The total leadership staff of all the community banks in the sample population is unknown. Leadership staff includes the presidents, directors, officers, executive vice presidents, senior vice presidents, assistant vice presidents, and vice presidents. The focus of this study was on leaders who were responsible for critical business decisions that influenced the corporate culture and values.

Purposive sampling method was used for this study. A purposive sampling of participants reveals the most relevant and plentiful data (Yin, 2016). The approach consisted of selecting participants that were current or former employees with the responsibility of making critical business decisions for the community bank. Community bank leaders were comprised of retail and commercial bankers in positions of influence over the organization and who are corporate decision-makers that oversee the operations of various areas of the bank. The leadership positions chosen were presidents, directors, officers, executive vice presidents, senior vice presidents, assistant vice presidents, and vice presidents. Participants in the leadership position had to be over the age of 18. Any current or former member of leadership that met the criteria were eligible to participate in the research study. The criteria used for eligibility created an opportunity for the researcher to obtain rich and diverse data pertaining to conflicts between personal and core corporate values. Characteristics of this sample population were diverse in
age, gender, education, and years of decision-making experience at a leadership level that influences the corporate culture and values.

The researcher selected a potential population sample size between five and 20 to achieve a saturation point where there was no new emerging information in the data. There is no predetermined number of participants that provides accurate data and results in a qualitative research (Creswell, 2014). A small study achieves saturation more quickly than a larger study. Saturation impacts the quality of the research and validity (Fusch & Ness, 2015). Data saturation occurs when the study can be replicated from the information obtained, the ability to obtain additional new information is attained, and when it is no longer feasible to continue coding (Fusch & Ness, 2015). Saturation is often hard to define. The sample must be large enough to uncover all the perceptions of participants. The goal is to ensure a diverse sampling to achieve a generalized and unbiased outcome.

Data Collection

This section provides details of the data collection process. Data collection for this study was conducted by the researcher through interviews. Decision making community bank leaders for banks with $5 billion or less in assets in the Commonwealth of Virginia comprised the population. The researcher connected with each community banker to conduct the interviews.

Instruments. The key instrument in this qualitative study is the researcher. Open-ended interview questions, designed and conducted by the researcher, were used to support the qualitative study. This method begins with shared experiences lived and told by individuals (Creswell & Poth, 2018). The phenomenon is studied through the narratives shared by people. This approach is open-ended, fluid, and is not as structured as other qualitative methods (Bruce et al., 2016). Questions were developed to establish the perceptions on maintaining values in
decision-making in community banks, encouraging liberal responses. The researcher conducted face-to-face interviews as the data collection instrument. This approach enabled the participants to have a conversation about their views and personal experiences with values-based decision-making (Creswell, 2014).

Ten open-ended interview questions (Appendix A) were used for the interviews to allow the participant time to elaborate. The interview process took approximately 30-45 minutes. Interview questions are phrased to be easily understood directed at aspects of values in decision-making. All interviews were conducted in the same manner to provide consistency and reliability. Permission was requested and received from the participants to audio record the interviews to be transcribed for analysis.

**Data collection technique.** One-on-one interviews were conducted to allow participants to provide personal responses. Open-ended questions allowed interviewees to share their lived experiences with values-based decision making. Responses were audio recorded and transcribed for analysis. Each participant was assigned a number to provide confidentiality and had an opportunity to edit their remarks for member-checking. The first respondent was assigned number one, and each sequential responder was increased by one number. The researcher conducted a pilot interview with a small sample of bankers to validate the ease of the questions. The interview questions are located in Appendix A.

**Data organization techniques.** Researchers should have kept at least one journal, but it was better to keep two, an electronic version for tracking phone number, reminders, and another to write in (Stake, 2010). It was critical the researcher was organized and took careful notes. The journal was used for field notes during the interviews. This aided in the tracking of data, interviewees, follow up questions, and any other pertinent information. Audio recording was
used during the interview sessions for transcribing to collect data and provide a printed version to the interviewees for member-checking. The data were password protected on the researcher’s personal computer. The interview was transcribed in Microsoft Word and it was coded in Nvivo 12 Mac, which are both password protected as well. Once the study was complete, the data were stored on a flash drive. Password protecting the computer and document serves as a two-factor authentication process for confidentiality.

Data analysis technique. The analysis of the data collected in this qualitative study provides answers to the research questions obtained through interviews. To interpret the data for analysis, the audio recordings from interviews were transcribed. Each participant was provided a copy of the transcription from their interview for member checking to confirm the responses were reflected accurately. Member checking is essential to validate the facts and reduce errors; this confirms credibility of the information (Creswell, 2014). This process presents a written draft of the interview to the interviewee for corrections and comments (Stake, 2010).

To protect the confidentiality of participants, a coding system was used to track interviewees’ responses. Participants were identified with a “P” and a corresponding number, running a coding pattern of P1, P2, P3 and so on. This coding system protects the identity of the participants who participated in the study (Creswell, 2014). A database was created to log interviews and supporting documents. Codes were used to categorize themes from the analysis of the data. Predetermined codes were established by the literature review and others emerged during the data collection process. All of the data were loaded into Nvivo 12 Mac for coding. This step in the data analysis process provided insight and helped establish a framework for the information. The analysis of the themes relative to existing literature provided insight into community bank leaders’ perception on maintaining valued in decision making.
Reliability and Validity

Lincoln and Guba introduced the criteria for determining trustworthiness in qualitative research. In the 1980s, they used trustworthiness to ensure reliability, validity, and credibility during qualitative inquiry (Morse, 2015). Lincoln and Guba defined the overall goal of trustworthiness as credibility, transferability, dependability, and confirmability (Morse, 2015). Transferability is the ability to apply the findings of the research to other situations. Dependability is attained through overlapping methods by splitting data and duplicating data analysis to provide an audit trail. Confirmability is the application of the triangulation strategy and audit trail (Morse, 2015).

Reliability. Reliability is achieved through a prolonged engagement with persistent observation, triangulation, peer briefing, a negative case analysis, checking preliminary findings, and testing the findings. This study was conducted to ensure saturation of the data results. Interviews were all recorded and archived for future reference, if needed, to validate data. The researcher used member checking to ensure the transcripts of the interviews were accurate. Allowing the participants an opportunity to review the transcripts provided credibility of the data collected. The committee chair and committee members examined the findings of this study for potential errors and to ensure the researcher does not exhibit biases, they fulfilled the need for a peer debriefing. This process of collecting and analyzing data developed an audit trail by the independent verification of the data, assessments, and conclusions.

Triangulation is the evidence obtained through multiple data sources (Creswell & Poth, 2018). The researcher used various sources, such as field notes and documents to corroborate evidence from different individuals. This evidence was used to shed light on the themes and perspectives of the research. In this study, field notes, transcriptions, and the review of the
information given during the interviews were used to achieve triangulation. These three methods were used to corroborate the themes and data of this study. To further validate the information, member checking was used. The transcribed interviews were provided to the participants to confirm the accuracy of the information.

**Validity.** The researcher served as an interviewer and interpreter of data from the beginning through conclusion. All information was gathered through interviews that were conducted in a consistent manner to ensure dependability. Researcher bias was eliminated from all facets of the study to make it possible for another researcher to conduct the same study and realize similar results. Validity was enhanced through the meticulous documentation, member checking, and consistency in the research process followed with each participant.

There were no influencing biases presented by the interviewer to the interviewees based on any relationships. Participants were not offered any benefits or incentives and there were no conflicts of interest. All identifying data and personal information were protected to ensure confidentiality. Researcher bias was eliminated from the study to ensure the findings of the study accurately reflect the participants’ responses. The data were from the participants’ point of view only to establish confirmability. To achieve validity transcripts of the interviews were provided to the participants for validation to guarantee accuracy. Member checking provided an audit of the data to confirm there were no potential areas of distortion or bias.

**Transition and Summary**

This qualitative study analyzed community bank leaders’ perception of maintaining valued in decision making. The study provided awareness into the challenges community bank leaders face when contemplating different choices in business decisions based on both personal and corporate values. Section 2 defined the role of the researcher as the main data collection tool
for gathering information through one-on-one interviews with participants. The methodology of the research, with a detailed description of the qualitative study design, was provided. Data collection, organization techniques, and analysis were presented in Section 2 as well. Lastly, Section 2 outlined the reliability, validity, and credibility of the data collection tool and the study.

Section 3 provides the results of the qualitative study. This section contains the findings, applications to practice, and recommendations for actions. Recommendations for further study and research are provided in the conclusion of this section. Throughout this section, the researcher shares the actual experience of the research, including biblical integration.
Section 3: Application to Professional Practice and Implications for Change

In this section, the researcher provided a brief overview of the study and a review of the purpose, research questions, and qualitative research process. Then, the researcher presents the findings from the study and provides an application to professional practices. Next, the researcher provides recommendations for action by those affected and identifies concepts for further study. In closing, the researcher reflects on her experience with the research study and provides a summary in conclusion.

Overview of Study

The purpose of this qualitative study was to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. The findings of this qualitative study addressed the research question and explained how the findings related to scholarly literature. The conceptual framework for this narrative study was derived from resolving conflicts between community bank leaders’ personal values and core corporate values when making critical decisions. This conflict was synthesized with six components identified by scholars on decision-making, core corporate values, corporate culture, personal values, values-based leadership, and values alignment. Values are defined as what drives a leader’s actions and determine why they do what they do (Star, 2016). The study intended to provide awareness to the challenge of values alignment facing community bank leaders when making critical business decisions and how those decisions influence the organization.

This research studied community banks with an asset size of $5 billion or less in the Commonwealth of Virginia. The banks’ studied ranged from slightly over $500 million to over $3 billion with 70 to 400 employees. Each of the banks studied met this criterion and are
considered community banks. Bank officers who were leaders of departments and/or divisions were interviewed.

The researcher selected a population sample size to achieve a saturation point where there was no new emerging information in the data. There is no predetermined number of participants that provides accurate data and results in a qualitative research (Creswell, 2014). A small study achieves saturation more quickly than a larger study. Participants were selected to ensure a diverse sampling to achieve a generalized and unbiased outcome. In this study, saturation occurred after seven community bank leaders had been interviewed. This means that additional participation would not have provided new emerging concepts or ideas. Therefore, the researcher did not deem it necessary to interview additional participants. All of the participants had worked for other financial institutions, some were community banks and others were larger institutions. The extensive banking experience of all the participants enriched the interview process, allowing them to compare and contrast their personal past professional experiences with different organizations throughout their banking career.

Triangulation is the evidence obtained through multiple data sources (Creswell & Poth, 2018). The researcher used various sources, such as field notes and transcriptions to corroborate evidence from different individuals. This evidence was used to shed light on the themes and perspectives of the research. In this study field notes, transcriptions, and the interpretation of the information given during the interviews were used to achieve triangulation. These three methods were used to corroborate the themes and data of this study. To further validate the information, member checking was used. The transcribed interviews were provided to the participants to confirm the accuracy of the information.
A set of interview questions were developed by the researcher to gather information from participants regarding the six components described in the conceptual framework, they are decision-making, core corporate values, corporate culture, personal values, values-based leadership, and values alignment. Participants were interviewed in-person, one-on-one and presented ten open-ended questions to allow for their freethinking responses. In this field study, face-to-face interviews were conducted with bank officers from community banks with an asset size of $5 billion or less in the Commonwealth of Virginia. The participants of this qualitative study consisted of bankers holding positions as executive directors, principal vice presidents, executive vice presidents, senior vice presidents, and administrators. Participants were contacted by email and consisted of one executive director, one principal vice president, three executive vice presidents, one senior vice president, and one administrator. All participants had worked at community banks in Virginia for more than five years. Participants answered 10 unstructured open-ended interview questions (see Appendix A) with additional penetrating questions when needed for clarity or more in-depth responses. Each participant provided written consent to be audio recorded by the researcher during the interview and then transcribed for analysis. Member checking was performed by the researcher by emailing each participant with an encrypted transcription of their responses to confirm that the responses were captured accurately.

The researcher uploaded the transcripts, which were all created as Microsoft Word documents, from the interviews into NVivo12 Mac. Next, the researcher created nodes for each interview question in NVivo. From these nodes, the researcher coded data by sorting themes into categories of the five components outlined in the conceptual framework. The researcher reviewed field notes to validate the themes that emerged from the transcripts. All of the themes
were merged into similar categories. Then, the findings were scaled down to main themes centered on the research questions.

All interviews were recorded and archived for future reference, if needed, to validate data. The researcher used member checking to ensure the transcripts of the interviews were accurate. Allowing the participants an opportunity to review the transcripts provided credibility of the data collected. This process of collecting and analyzing data developed an audit trail by the independent verification of the data, assessments, and conclusions.

Understanding the themes found in literature pertaining to values alignment, the researcher interpreted and observed emerging concepts of the influence of personal values, influence of core corporate values, corporate culture, decision-making, values-based leadership, and bank performance within this qualitative research study. The emerging themes uncovered were essential to responding to the two research questions that were compared to reviewed literature. The objective of the interviews was to answer the research questions: What is the perceived role of personal values and core corporate values in executive leadership decision making among community bank leaders? What is the perception of community bank executive leaders’ conflicts they have experienced between personal values and corporate values when making a critical decision? This section presents emerging themes and the analyzed data of this qualitative research study.

**Presentation of Findings**

The presentation of findings of this qualitative study included interpretation of literature and conceptual framework to resolve conflicts between community bank leaders’ personal values and core corporate values when making critical business decisions. Interview findings were synthesized with six components identified by scholars on decision-making, core corporate
values, corporate culture, personal values, values-based leadership, and values alignment. The population for this research included seven community bank decision-makers in the Commonwealth of Virginia. The researcher conducted face-to-face interviews using the questions developed to address the research questions. The researcher confirmed all participants were over 18-years-old and worked for a community bank with asset size less than $5 billion in the Commonwealth of Virginia. Interviews were approximately 30 minutes and were audio-recorded. At the end of the interview, the researcher explained the transcribing process and assured each participant of confidentiality. Password protected transcripts were emailed to each participant to confirm accuracy of the interview to ensure reliability in the study (Creswell, 2018).

Interview questions one, two, three, four, and five were developed to promote responses to the corporate aspect of the first research question regarding the perceived role of core corporate values in leadership decision-making among community bank leaders. What is the perceived role of personal values and core corporate values in executive leadership decision-making among community bank leaders? The interview questions begin by asking the participants to define the types of critical business decisions they make that influences the direction, culture, and corporate values of their organization. This question was used to confirm the level of decision making was appropriate for the research study. All the participants were responsible of executive level decisions.

Interview questions six, seven, eight, and nine were developed to promote responses to the personal values aspect of the first research question regarding the perceived role of core corporate values in leadership decision making among community bank leaders. What is the perceived role of personal values and core corporate values in executive leadership decision
making among community bank leaders? To address the research question, the researcher must understand the role of personal values. One interview question asked participants to define their personal values. Next, they were asked to share their perception of values-based leadership. The purpose of this question was to gather data regarding the role of personal values. After they discussed values-based leadership they were asked if personal values influenced leadership behaviors. These questions were designed to outline leadership actions and behaviors the participants thought were influenced by their personal values. After discussing corporate values, culture, and personal values, the participants were asked if their personal values influenced the corporate values, which in turn influences the culture. These questions were designed to answer the research question by exploring the perception of how both personal values and core corporate values influenced decision making, which defines the culture and drives performance.

Interview question ten was developed to promote responses to the second research question regarding conflicts between personal and corporate values. What is the perception of community bank executive leaders’ conflicts they have experienced between personal values and corporate values when making a critical decision? Participants were asked to reflect on instances when they felt their personal values did not align with the corporate values when making critical decisions. The interview question provided insight into how these conflicts were resolved and the potential impact on the decision-maker, culture, and bank performance. Participant five explained how a specific product, such as courtesy overdraft, creates a personal values conflict for some employees. There is a conflict because the customer is allowed to overdraw their account up to a certain pre-established limit but they are still charged overdraft fees. Some bankers do not feel this is in the best interest of the customer and costs them too much money
when they do not have sufficient funds at the beginning. Participant five elaborated on the conflict:

Whatever you want to call the overdraft protection programs that are out there. Because that is a huge struggle with many, many employees. I hear that consistently because I do manage that program … that's tough for them. They really don't like the program. … But for them they're seeing directly the result of the customer struggling. The elderly person who didn't understand their right with that situation. And they really struggle with it and to sell it or discuss … they feel like they're promoting that situation. It's really been a conflict ever since that program was brought on board … I would look at that program and say that is easily the biggest conflict we have in terms of your personal values, not aligning with the corporate goals.

The participant pointed out that when a banker has a conflict between their personal value of doing what they feel is right and this product being promoted by the bank, their performance numbers are anemic. This example outlined how personal values can create a conflict that directly influences performance. The banker does not achieve their sales goal and the bank does not reach the non-interest income it has budgeted for the product. All of the participants said that personal values would have to take precedence if there was a conflict with the core corporate values of the bank.

**Types of critical business decisions.** Interview question one asked the participants to describe the types of critical business decisions you make for your community bank that influences the direction and/or culture and corporate values of the organization. The types of business decisions included the development of core corporate values, financial, lending, loan policy, resource allocation, technology, risk, and varying degrees of protecting all of the bank’s
assets, including employees, the bank, and customers and their data. A few bankers actively participated on core value teams that defined the institutions’ values that influenced the culture, including recognition and awards programs for exhibiting those values.

According to literature, the ultimate goal of good decisions is to achieve something of value. When a decision maker understands what they hope to achieve they create better alternatives (Morais et al., 2013). Values-focused thinking is focused on values in terms of what the decision maker cares about in the process. The values are defined as objectives and are relevant to solving the problem. These objectives are structured as a hierarchy of values starting with fundamental objectives (Morais et al., 2013). This structure enables the decision maker to concentrate on high-value alternatives. According the participants, the majority of them care about the well-being of the people and the bank. They each apply values-focused thinking to their decisions based on their position, nature of the decision, and impact on people and the bank.

Decision making is a balance between an individual’s needs with the needs of other stakeholders. To do this, decision makers must assess a vast set of alternatives. People who navigate decisions by values are more comfortable with their decisions, possess more knowledge about the issues, make informed decisions, and consider more relevant issues (Huldtgren et al., 2014).

Core corporate values influence on decision-making. When an organization has corporate values that align with the personal values of the leaders, it is easier for leaders to make decisions with less reliance on rules. If the organization feel the leader identify with its values, they entrust decision-making power to them (Sheehan & Isaac, 2014). The goal is for the leaders to use the corporate values to proactively guide their everyday decisions (Sheehan & Isaac, 2014). Question three focused on how the core corporate values of the organization influenced
the decision-making of the participant. Three of the participants explained their decisions were based on strong core corporate values. Participant five stated, “They're really the foundation for our success that you have to keep those values to the forefront of your mind.” Another participant stated, “I felt like I could always come back to those core values, at least one of those values in every major decision.” All three of these participants were able to recite their bank’s core corporate values and viewed those values as the driving force behind their decisions and the company’s culture. The corporate values influence the individual-level of decisions of leaders (Jones et al., 2014). According to literature, the goal is for the leaders to use the corporate values to proactively guide their everyday decisions (Sheehan & Isaac, 2014). The conceptual framework of the study illustrates that corporate values have a direct influence on the critical business decisions of community bank leaders. Both the field study of participants and literature support this concept. Literature reveals that corporate values influence the individual-level decisions of leaders and the majority of the bank leaders who participated in this study acknowledged their decisions are based on strong core corporate values.

**Decision-making approaches and theories.** Literature further defines decision-making approaches, including managerial decision-making, moral decision-making, rational decision-making, and naturalistic decision-making. Values are a by-product of cultural environment, social groups, religion, and past personal experiences (Shahriari et al., 2013).

**Core corporate values.** Values have a new emphasis in the business world as a result of the financial fraud that has been discovered over the past decades. Organizations have developed a code of conduct, policies, and procedures for added internal controls to identify unethical behavior (Giacomino et al., 2013). To analyze the role of personal and core corporate values, the researcher used interview questions to establish the core corporate values of each
community bank. To analyze the role of core corporate values it is necessary to know what those existing values are for the organization. Next, the interviewer asked the participants if those core corporate values influence their decision-making. This allows the participant to explain the role of the defined core corporate values in their decision-making. In regard to the research question, these responses establish the perceived role of core corporate values in executive leadership decision making among the community bank leaders. Honesty, accountability, integrity, team unity, and trust were mentioned by multiple participants as core corporate values that influence their decisions and are the foundation of the corporate culture.

An organization’s values drive its actions and policies, which reflect their top priorities. Literature revealed there are three key values organizations need to display and they are caring, accountability, and fairness (Brummette & Zoch, 2016). Caring is referenced by the participants of this study with an employee first philosophy. Participants stressed the importance of caring for employees to make sure they care about customers. Accountability was mentioned by the participants as a value; however there was no direct mention of fairness, just doing what is right for the customer.

**Employees first make happy employees.** Question two asked the participant to share the core corporate values of the financial institution. One-half of the participants explained their core corporate value was employees first, with a philosophy that happy employees provide the best service, which results in happy customers, who bring in the business to generate happy shareholders. Participant one stated, “If your employees are happy, then your customers are happy, and then your shareholders are happy because you're providing value.” Participant five stated,
Taking care of the employees who in turn of course take care of your customers. And if your customers are happy, you're making money and your shareholders are happy. And through your shareholders being happy you can support your community.

**Community-oriented and customer focused.** The next most mentioned values were community-oriented and customer focused. Participant four stated, “To be an everlasting part of the community and to do that with good strong business decisions and contributions to the locality as far as time and money and investing dollars back into the economy through our customers.” Participant seven stated, “We have the same values that small towns have towards our customers and I think that's contributed to our longevity and our likability and the community.” These participants felt that their bank strives to always do what is right for the customer. A stark difference between community banks’ core corporate values and the values found in literature, are community-oriented and customer focused. The majority of the participants mentioned these values and they are not identified in literature as core corporate values. Community-oriented may not be prevalent with larger banks and customer focused may not be a value in a non-service-based industry.

**Long-term sustainable and short-term unsustainable values.** A couple of participants mentioned there are two types of core corporate values. One is long-term sustainable values, outline above, and the other is short-term values that are not sustainable. The primary short-term value that is not viewed as long-term is profitability. Literature reveals that the performance of a company is measured beyond its profitability; it includes them being a good corporate citizen. These bankers had past experiences with other banks where profitability was the driving corporate value, and in each case, the bank ended up being acquired by a larger bank. Participant two stated:
At a previous employer where I felt like the corporate culture was not defined well and it was focused more on shareholder value, the bank ended up selling because that was the main way the shareholders could get the value out of it.

According to literature, increasing a financial measurement, such as improving the return-on-assets, is a goal, not a vision. Visions contain moral components and are not just about making profits. Leaders’ values shape the values of the organization when coupled with policies and actions (Ciulla, 1999). The short-term unsustainable values mentioned by a couple participants are defined as goals in literature, they are not considered values. According to these participants, these goals are communicated as values to drive performance.

**Corporate culture reflects core corporate values.** Organizational culture is considered the strength of an organization; it is a competitive advantage. According to Labovitz and Rosansky (2012), the culture is the product of four dynamically related factors: Attitudes, beliefs, values, and behaviors. The conceptual view of this research indicated leaders must build a corporate culture with well-defined values to promote consistent ethical behaviors, job satisfaction, and organizational performance. Corporate values are the foundation of the culture, and personal values influence the corporate values and culture. Critical business decisions are made with a blend of personal values, core corporate values, and corporate culture. In looking at the strategies, tactics, goals, and missions of an organization, the leader should remain steadfast to the core values of the company regardless of new laws, conditions, or goals. These values shape the organizational culture and should provide the framework for decisions and actions (Star, 2016).

Research indicates leaders must build a corporate culture with well-defined values (Starr, 2016). To link the values to the culture, the interviewer asked the participants to describe the
culture of their bank and to explain how the culture influences the bank’s performance. Asking questions to make this link between values, culture, and performance helps define the decision-making environment. This outlines the role of values in the decision-making process, corporate culture, and organizational performance.

Interview question four explored the culture of the community banks. This question triggered an array of responses. A culture of taking care of employees and creating a sense of family, camaraderie, which results in a strong sense of loyalty were the most popular concepts. Participant three stated, “I’d say one word and that is loyalty, the culture of the bank is total outright loyalty.” This participant went on to say about their customers, “They care a lot about this bank, they love this bank, and they’re not going to leave this bank.” According to the literature review values not only drive decisions, they are the heart of any corporate culture and dominate the ethical climate (Posner, 2010).

A couple of the participants stressed the importance of communication, fairness, and not being too results-driven because it can negatively influence the corporate culture. Participant two cited a cultural concern as, “Focusing too heavily on shareholder value without a good balance of employee, caring for the employees and looking out for the employees and having collaboration with the employees.” Literature revealed that corporate values are the heart of any corporate culture and the participants defined the primary cultures as taking care of employees, loyalty, communication, and fairness. The cultures described by the participants do reflect the core corporate values identified earlier in literature; caring, accountability, and fairness. There was not a direct correlation between the corporate values identified by participants to literature; however there is a similarity between the cultures identified by participants and literature. This
is reflective of values driving decisions and being the heart of the corporate culture, defining the ethical climate.

Formal aspects of culture include the leadership, reward systems, policies, socialization, and decision processes (Ardichvili et al., 2009). Behavioral norms, language, role models, and rituals make up the informal components. An ethical corporate culture fosters shared values and beliefs. Employees are expected to not only discern between right and wrong but they are expected to implement ethical decisions (Ardichvili et al., 2009). A strong ethical culture is created by top management who consistently behaves ethically and encourages others to do the same. Ethical leaders represent and role model high ethical standards with a long-term view of relationships inside and outside the organization. The participants of the study appear to understand their ability to influence the culture by being an ethical leader and consider themselves role models who lead by example.

**Corporate culture’s influence on performance.** Interview question five asked the participants to explain how the corporate culture influences the bank’s performance. The participants unanimously agreed that the corporate culture has a strong influence on the bank’s performance. Participant three cited loyal customers as a key to the success, “We've been doing everything right. This calls to that culture does influence the bank's performance because again when you have a deposit base of three billion.” Participant two was asked if the culture influences performance stated:

I think it directly relates and I think it can, if there's not a strong corporate culture that is defined, I think the bank can perform well on a short-term basis, but it may not perform on a long-term basis.
Literature revealed that research proves a strong corporate culture has a positive correlation with performance and leads to organizational success (Oncioiu et al., 2017). Culture is how the corporation gets things done; it reflects employees’ attitudes, beliefs, values, and behaviors. Strong performance requires collaboration between organizational structure, leadership influence, and performance management strategies. The most powerful resource of any organization is human capital and the corporate culture is key to make people perform (Oncioiu et al., 2017).

**Corporate culture’s influence on critical business decisions.** The conceptual framework of the study illustrates that corporate culture has a direct influence on the critical business decisions of community bank leaders. The interviews with the participants and literature support this concept. Literature reveals culture defines how things are done and reflects employees’ attitudes, beliefs, values, and behaviors. Several participants felt there was a direct correlation between corporate culture and performance. Critical business decisions are a fundamental element of strong corporate performance. Participants in this study make business decisions regarding the development of core corporate values, financial, lending, loan policy, resource allocation, technology, risk, and varying degrees of protecting all of the bank’s assets, including employees, the bank, and customers and their data. Both literature and participants’ responses support that corporate culture influences how the leaders make critical business decisions and these decisions drive the performance of the organization.

**Personal values.** Interview question six asked the participants to define their personal values. Honesty was the top personal value identified by over one-half of the participants. Participant six stated, “You have just core personal values, honesty, fairness, trusted, and trying to do the right thing.” Participant one cited values, “I'm not going to let my personal values of
being honest or trustworthy,” in reference to being compromised by a corporate expectation. Lastly, this participant stated, “I've always been all about fairness, honesty, and integrity.” The next personal value identified by participants was doing what is right. This value overlapped with a couple of the participants who cited honesty. Participant two stated, “It is to do what is right every day.”

**Personal values influence on critical business decisions.** Literature revealed that research has shown that personal values have significant importance in choice behaviors and decision-making (Ariail et al., 2015). The conceptual framework of the study illustrates that personal values has a direct influence on the critical business decisions of community bank leaders. The interviews with the participants and literature support this concept. Literature reveals that personal values have significant importance in choice behaviors and decision-making (Ariail et al., 2015). Participants identified doing what is right as a common personal value. The participants in this study stated they would not let their personal values be compromised when making critical business decisions. Personal values influence the critical business decisions of bank leaders. Huldtgren et al.’s (2014) research suggested that a stronger focus on personal values lead to better decisions, although it can often be more difficult for people to apply than using analytical tools.

**Personal values influence on core corporate values.** Question nine asked participants to describe how personal values influence the bank’s corporate values. Participant one commented, “I'm not sure they do.” Participant two stated:

I think it takes time. But I think if people are true to their personal values and they’re committed to the organization and committed to help make change that I think that the personal values would influence those over time.
Several of the participants struggled with this question. Some organizations, with well-defined core corporate values, use a team approach and those people felt their personal values influenced the corporate values. Participant five stated:

So, it was nice to be included in that process and to feel a part of building the corporate values based on how we all felt personally about that and that really built out that whole thing and that's what we incorporate today. So, it was a nice thing to be involved and being included, get your buy in to the end result.

Scholarly literature supports this approach, the study of Coelho et al. (2014) revealed that organizations with organic core values consistently motivated stronger levels of ethical behaviors as opposed to mechanistic core values. Allowing corporate values to be established through a democratic and collaborative process enables the personal values of the leaders to influence the company’s values.

Two of the participants in the study felt their core corporate values were the result of a democratic and collaborative process as discussed in literature. The leaders of these banks felt their personal values influenced the company’s values. One participant did not feel their personal values can influence the core corporate values. Not all of the participants interviewed for this study had core corporate values that were the results of a collaborative process. These bankers did feel the values were more mechanistic driven by numbers and financial results instead of organic core values.

**Values-based leadership.** Critical to their success, values-based organizations are proven to be high-performing, sustainable, and enjoyable places to work (Frost, 2014). If a leader bases their decisions on their values, they will exhibit consistent behaviors and that will build the confidence others have in them. Zhu’s (2014) research revealed that values positively
affect ethical leadership, which in turn impacts the reputation of the organization. Ethical leadership is the demonstration of appropriate conduct through actions and relationships (Zhu, 2014). This conduct is promoted by communication, decision-making, engagement, and influencing others. Reputation and social performance can increase or destroy the profitability of a company. It also determines if an organization is able to recruit new and retain existing employees, as well as influence regulators. Ethical leadership shapes all major organizational outcomes (Zhu, 2014).

Interview question eight asked the participants if they think personal values influence leadership behaviors. All of the participants in the study stated that their personal values strongly influence their leadership behaviors. One participant highlighted that the actions driven by their personal values exhibit their beliefs more than words. Participant one stated, “I think anybody's personal values very much influence their behaviors and it's not necessarily what you might say your values are, but what your actions are.” Participant six mentioned how personal values may influence behaviors, they said:

You're tested constantly within that realm of your own personal values and what's right for the employee, the organization, customer, that type of thing. You may have to do something that's not fair to an employee, but it's fair to a customer.

Participant seven explained it can be challenging for a leader in an organization if their personal values do not align with the core corporate values. This participant stated:

I think a strong company tends to enforce its culture and its values with its people and people that do not have personal values that align with the company tend to get weeded out or hopefully they do. Folks that are not honest, folks that do not have the best interests of the customers and the employees at heart tend to fall out because they just
don't fit in. I think at some level, however, the personal values of the leadership, if they
don't align with the corporate culture, I think that's a danger.

Personal values influence a person’s ability to be a strong leader, participant two stated, “If you
find out that someone did something in their past or if they just don't have the personal values
that may be consistent with others in the organization than it diminishes their leadership ability.”

These responses are consistent with scholarly literature, which revealed there is a
correlation between personal values and leadership behavior (Hsien-Wen & Grier, 2008).
Freeman and Auster (2011) shared the idea of replacing the concept of great man theories of
leadership with moral persons’ theories for responsible leadership. Treating employees as right-
holders, social responsibility, sustainability, peace, and ethical leaders are all ideas based on an
underlying notion of values. There is nothing simple about finding one’s values and then
possessing the will, character, and integrity to act on those values. Being true to one’s self is the
foundation of authentic leadership. Leaders should be themselves and not something they are
not by adopting a textbook leadership styles based on existing circumstances (Freeman & Auster,
2011). Based on the participants’ responses, they strive to be true to themselves, deliver
authentic leadership, and to exhibit consistent behaviors as discussed in the literature.

**Values-based leadership is leading by example.** Interview question seven asked
participants to share their perception of values-based leadership. Several of the participants
defined values-based leadership as leading by example. This was the most popular perception.
Participant two stated, “I think it comes down to doing what you say, saying what you do,
leading by example.” Participant one stated, “Your organization has a set of values, whatever
they are, and your management team is communicating those values down through the staff by
leading by example.” According to the study of Chen (2009), for someone to connect to a
leader, they must also connect with the values the leader brings to the leadership role. Leader’s moral values are of utmost importance to their leadership efficacy (Chen, 2009). Based on the responses of the participants it is essential to lead by example, exhibiting strong personal values, to cultivate a respectful connection with followers.

Literature reveals that values-based leadership is proven to be a catalyst for employee job satisfaction, trust, integrity, and the performance of the company. The foundation of values-based leadership is based on integrity, leading by example, good judgment, trust, justice, fairness, and humility (Ahn & Ettner, 2014). Conflicting values systems demand a values-based leadership approach to blend different and conflicting value systems for the diverse workforce to coexist (Hopkins & Scott, 2016).

Both literature and the participants of this study defined values-based leadership as leading by example. Many of the values-based characteristics identified in literature are reflected in the personal values of the participants. These values include trust, integrity, and fairness. One concept discussed in literature that is not discussed by any participants is using values-based leadership to blend different and conflicting value systems for a diverse workforce to coexist. According to scholarly literature, values-based leadership is proven to be a catalyst for employee job satisfaction and company performance. These two critical components were not mentioned by any of the participants during the interview process.

**Four principals of values-based leadership.** Berry and Kunz (2014) outlined the four principles of values-based leadership in their strategies and characteristics of a servant leader. The first principle is self-reflection to truly know yourself. A leader must know who they are to lead themselves, which is essential to be able to lead others. The second principle is a balance and perspective in order to obtain a holistic understanding of all sides of an issue (Berry & Kunz,
The third principle is true self-confidence in what they know and do not know in order to build a team to complement their own strengths and weaknesses. Lastly, it requires genuine humility to know that the leader is neither better nor worse than anyone else and respect all people equally (Berry & Kunz, 2014). The participants of this study did not directly mention the principles outlined in literature, however they did correlate the same values and concepts. They did discuss leading by example, honesty, fairness, trustworthy, and loyal. All of these characteristics are reflective of the principles defined by Berry and Kunz.

**Values alignment.** Interview question ten asked participants to explain what they do when their personal values do not align with the core corporate values of the bank when making critical business decisions. Participant four stated, “I will express my views to whoever will listen, I want to walk away knowing that I did all I could do and then I can live with myself knowing that I did not fail the bank.” Participant one explained, “I can say what I think, vote my conscience. But that doesn't mean that it's going to happen.” When there is a critical decision and there is not an alignment between personal and corporate values, participant two stated:

> There were others that I align myself with that I felt like had the same core values, which is good because I think individually one or two of us would probably be overwritten.

Whereas if we do work together as a team, then we helped to bring the core values. This concept was found in scholarly literature, one strategy to achieve a balance is to work through spheres of influence. It is a strategy that outlines what the employee can control, when they have some influence, and what they have no influence over (Higgins, 2013). This helps employees see how they should spend their energy and to balance conflicting values.

Participant seven is willing to go against corporate values if they believe it is best for the customer, stating, “I've found that in general, you get through those processes and can defend it
later if you can make others believe that was done in the best interests of the customer and the employees.” This participant acknowledged it is a high-risk approach but felt on occasion it is warranted to go with personal values.

**Personal values take precedence.** All participants acknowledged that personal values take precedence if it is a true ethical conflict, one participant stated, “I feel like my personal values do take precedence in those situations.” One-half of the participants viewed a conflict between values that compromised their core personal values would ultimately have to be a choice to stay or leave the company. None of these participants felt they have faced a conflict of this magnitude in their community banking careers. Participant one said, “If it doesn't align, it doesn't align. I have a choice of you continue to work here or do you go find something else?” Participant four stated, “I either support the organization and their business decision, particularly a critical business decision. And if my personal values cannot align with that, then I need to go elsewhere.” Literature identifies this same resolution that if there is a high-level of dissatisfaction, the employee may need to look for something better aligned with their personal values.

According to LoMonaco and HaBrookshire (2016), the literature review revealed there is an implied social contract between employees and employers, it defines expectations and behaviors from one another. These contracts identify right or wrong social standards and overarching ethical norms. A leader who aligns corporate and personal values to determine their actions are able to influence others to behave the same way in similar situations. When there is alignment, leaders are able to motivate employees toward shared goals. Organizations experience favorable outcomes when individuals’ values match the values of the company (Brummette & Zoach, 2016). In contrast, according to the study of Ayal et al. (2015), most
people desire to maintain a positive moral image of themselves. When they are faced with the temptation to profit from an unethical behavior, they will experience psychological tension. The challenge is the people will often use self-serving justifications to allow themselves to do wrong but feel good morally about the decision (Ayal et al., 2015). This is a potential risk in any decision-making situation if strong corporate values and culture do not exist.

The participants and literature both agree that values alignment is essential to achieve shared goals and to motivate employees. There is also consensus between the participants and literature that if there is a conflict that cannot be resolved the employee may need to look for something that better aligns with their personal values. Both acknowledge that personal values take precedence if there is a conflict. There is also agreement between participants and literature that to achieve a balance is to work through spheres of influence. This can mean aligning oneself with others who share the same values and voting one’s conscience.

Summary of Findings

This study provided the researcher with insight into how core corporate values and personal values of community bank leaders in the Commonwealth of Virginia resolve conflicts between the two when making critical business decisions. Interview questions concerning the influence of values on decision-making included topics on core corporate values, corporate culture, personal values, values-based leadership, and values alignment. The community bank leaders interviewed demonstrated a strong understanding of their corporate values and culture. They were able to clearly articulate their personal values and confidently explained the role each set of values play in their decision-making and leadership performance. All the participants stated their personal values take precedence when there is a conflict.
There have been billions of dollars lost due to legal settlements and compensation for unethical behavior in the financial industry (de Tejada, 2015). These events result in irreversible reputation damage and often cause economic instability. In 2014 the Edelman Trust Barometer deemed the financial industry as the least-trusted of all businesses globally (de Tejada, 2015). Integrity must be present, even in the best framework of principles, rules, and regulations. It is imperative that bankers hold themselves accountable to make decisions and behave based on core values. If bankers have selfish desires for success, power, and money, they often present a higher risk to commit fraud, corruption, or negligence. The culture must possess a value system, code of ethics, and standard of conduct to steer how bankers actually serve the stakeholders (de Tejada, 2015).

There are many challenges to align ethical management and ethical principles with daily bank operations (Ferreira et al., 2016). Strategic leaders must understand the importance of values and how they influence goals, objectives, and good decisions. This requires well-articulated mental models to map the key aspects of the business and its environment; this is referred to as valued-focused thinking (Ferreira et al., 2016). Values are at the heart of decision-making situations and the basis for thinking about decisions. In today’s banking environment where technology replaces face-to-face contact, there is more anonymity, increasing the potential for unethical behaviors to be more competitive in a fierce, rapidly changing climate (Ferreira et al., 2016).

There are professional, personal, corporate, and societal values that are interrelated with various degrees of influence over the decisions, attitudes, desires, and preferences of each individual (Posner, 2010). The banks and participants in this study possess strong value systems. Each participant understands the importance of values and how they influence goals, objectives,
good decisions, culture, and the overall performance of their company. Each bank used a
different core corporate values model; however, the leaders perceived the role of core corporate
values driving decisions with personal values taking precedence in the event of a conflict. The
key is for the core corporate values and personal values to be aligned to avoid conflict. After the
completion of this study, the researcher gained a greater understanding of how to align core
corporate values and personal values to improve bank performance. This knowledge can help
community banks develop a plan to improve their values alignment to support the best critical
business decisions possible.

**Applications to Professional Practice**

Research identifies a higher level of job satisfaction and commitment when there is
congruence between personal and corporate values. This alignment is a positive benefit to a
company (Brummette & Zoch, 2016). This research is meaningful and applicable to the
professional practice of community banks in the Commonwealth of Virginia. The results
provide insight into the importance of alignment between core corporate values and personal
values when leaders are faced with critical business decisions. Strong core corporate values
proved to be the first essential component to developing an ethical and high performing culture.
Research proves a strong corporate culture has a positive correlation with performance and leads
to organizational success (Oncioiu et al., 2017). Culture is how the corporation gets things done,
it reflects employees’ attitudes, beliefs, values, and behaviors. Strong performance requires
collaboration between organizational structure, leadership influence, and performance
management strategies. The most powerful resource of any organization is human capital and
the corporate culture is key to make people perform (Oncioiu et al., 2017).
To create core corporate values the company must provide value statements that are meaningful, which can be internalized, to achieve performance targets and increase long-term returns (Sheehan & Isaac, 2014). These corporate values must be understood and shared by everyone in the organization. This requires guiding principles that clearly define the values. These values should guide all employees in their everyday work. The same values should provide a framework that can be used by leaders to make decisions (Sheehan & Isaac, 2014).

This study supports community banks that use a collaborative process to establish corporate values allowing the personal values of the leaders to influence the company’s values, while instilling open communication and a high level of commitment in the process. The research study shows that there are long-term sustainable core corporate values that focus on happy employees, customer focused, community-oriented, accountability, honesty, trust, team unity, and integrity. Short-term values that are not sustainable and are conducive to being acquired by a larger financial institution, are profitability and results-driven without an appropriate balance of the core long-term values.

Along with core corporate values, personal values play a vital role in the critical decision-making process. The research study provides insight on how personal values influence the decision-making process of community bank leaders. Personal values also influence the corporate values and culture as well. Potocan and Nedelko’s (2014) study was on the influence of employees’ personal values on their attitude towards how their organization performs economically, environmentally, and socially. The research reveals that employees’ personal values have a high impact on their corporate social related behaviors. People’s behavior in a company is interrelated with hard and soft factors of the environment and situation (Potocan &
Nedelko, 2014). Personal values not only influence how an individual behaves at work but it also drives how they view the social responsibility performance of their organization.

Studies show that the congruence of personal and corporate values is essential to the welfare of the individual and performance of the company (Vveinhardt & Gulbovaite, 2017). Congruence is the key to job satisfaction, loyalty, motivation, and high performance. The research study shows that if a bank lacks strong core corporate values the leaders will work through spheres of influence to achieve a balance. It is a strategy that outlines what the employee can control, when they have some influence, and what they have no influence over (Higgins, 2013). When there is a lack of values alignment for a leader, they seek out other leaders who share common personal values in an attempt to align the corporate values. The research study indicates this is not necessary when the bank has established strong core corporate values that are meaningful and internalized by employees. The stronger the core corporate values, the stronger the culture, and the less likely an employee will encounter a conflict when making critical decisions. This results in more consistency in how decisions are made within the organization.

The Bible provides guidance on the importance of values. According to Proverbs 19:1, “Better is a poor person who walks in His integrity than one who is crooked in speech and is a fool” (English Standard Version). This highlights how followers are to walk with God and possess integrity. God seeks people who display integrity. In the Bible, Job suffers because of the battle between God and Satan. His friends believe his suffering is the result of his wrongdoing. Like Job, God expects all of his disciples to maintain and exhibit strong integrity, regardless of the situation they are facing. God will test and judge his followers’ integrity and will reward those who possess an unwavering commitment to doing what is right.
Integrity is a value that appears as a core corporate value and personal value. Organizations and individuals must possess integrity to sustain long-term success. A component of integrity is doing what is right. This is a prevalent concept throughout this study, stressing the importance of doing what is right in regard to employees, customers, shareholders, and the bank. A good conscience respects God’s commands and prays for others. The actions of Christians towards others and situations should reflect God’s values in their hearts. The overarching value shared by most participants is happy employees make happy customers who generate happy shareholders.

**Recommendations for Action**

Core corporate values should be defined through the collaboration of cross-departmental employees from various levels of the organization structure. These values are proven to be the foundation of the corporate culture, so it is critical they are reflective of the organization’s mission. The values must be maintained in the forefront of everything in the organization. The values committee needs to share the values with the board of directors to get buy in.

The first step would be to identify the members of the group to establish the core corporate values. Once the group is able to identify the core values, they must develop a strategy to communicate and instill those values throughout the organization. They can create and distribute various references to all employees, this could include posters, laminated reference cards, and other visual tools to keep the values front and center. These values need to be incorporated into all training programs and referenced throughout the corporate strategic plan.

Based on the findings community banks should invest in developing core corporate values conducive to long-term sustainability. A conscious effort should be made to include leaders in defining the values, which will drive the corporate culture and build a high level of
commitment. Previous literature research revealed that the CEO’s values and leadership style define the climate of the organization as well as the work behaviors of employees (Liden et al., 2016). According to Liden et al. (2016), the CEO personifies the organizational culture and provides critical context of the organization’s makeup. It is important to understand the influence of the CEO because it is a position of authority and status. The CEO provides the greatest visibility to share the vision for the future of the organization and inspiring members to strive to achieve the goals necessary to successfully fulfill the corporate strategy. CEOs play a dominant role in setting the tone of the organization and influence what takes precedence in the company. Based on this research the CEO’s values, corporate values, and personal values must align to be a thriving community bank.

A couple of the community banks in this study discussed the use of “Value Teams” that are comprised of a mix of cross-departmental employees with varying levels of authority. These teams collaborate to develop the core corporate values, which are reflective of the personal values of the team members. These values are consistently positioned at the forefront of bank activities, meetings, marketing, and training. The bank must establish these core corporate values as the foundation of their culture and performance.

The performance review process should be aligned with these core corporate values to measure employee performance based on behaviors conducive to the values. This will require the involvement of human resources (HR) and the management team. First, the values team will need to work with HR to identify the best tool to use for the performance management process. Next, the behaviors must be identified to be measured in the performance review process. Lastly, a measurement scale must be established to score employees on how well they exhibit the behaviors and actions to support the core corporate values. Training will also have to be
designed to teach all employees the process. This process should measure everyone in the organization on their behaviors and actions based on the core corporate values.

Conduct regularly scheduled employee award and recognition ceremonies to recognize employees who exhibit the behaviors and actions the bank expects in regard to the core corporate values. The first step will be to create a committee of leaders to review all the nominations to determine the honors to be presented. Next, establish a process for employees to nominate other employees for the values-based awards. There should be awards that correlate with each core corporate value. The committee will review all the nominations to determine the honors to be presented at the reception. Some of the awards will be voted on by all employees and others are selected by the awards committee. The awards can be high quality personalized displays. This strategy keeps the focus on the core corporate values and provides real-life examples of the exact behaviors and actions the bank expects in regard to those values.

Once an organization has defined their core corporate values, they need to develop a marketing plan to communicate the values to all stakeholders. The marketing strategy should include how the values will be communicated to all employees and board members. Next, the organization needs to determine how they want to market the values to customers, through displays or other electronic methods. This is an opportunity to enhance corporate branding around the core values that define the culture and drive performance.

Values alignment requires the synthesizing of the CEOs values, core corporate values, and personal values. Reinforcing core corporate values that are developed through the melding of the leaderships’ personal values establishes a culture conducive to employees always doing what is right when making critical business decisions. Literature reveals formal aspects of culture include the leadership, reward systems, policies, socialization, and decision processes
(Ardichvili et al., 2009). Behavioral norms, language, role models, and rituals make up the informal components. An ethical corporate culture fosters shared values and beliefs. Employees are expected to not only discern between right and wrong, but they are expected to implement ethical decisions (Ardichvili et al., 2009). A strong ethical culture is created by top management who consistently behaves ethically and encourages others to do the same. Ethical leaders represent and role model high ethical standards with a long-term view on relationships inside and outside the organization.

**Recommendations for Further Study**

The findings of this study warrant additional research on values alignment processes organizational leaders could use to make critical business decisions at community banks. With community banks facing the increased pressure to perform better with less, most organizations are seeking committed employees who can attract and retain customers to increase shareholder value. Performance is critical to remain independent and not be acquired by a larger financial institution. Based on the collective data from interviews there are recommendations for further research.

One recommendation for further study could be to increase the population size to research multiple community banks from other geographical areas. A study could be conducted with community banks outside the Commonwealth of Virginia as well as larger regional banks. Further studies could compare the difference between community and regional banks. There should also be the exploration of values at large national financial institutions.

Further research studies could look at the differences in values alignment in decision making in different types of businesses other than community banks. This approach may be helpful to leaders in identifying and applying best practices. Another study could focus on other
employees in the organization and not just the leaders used for this research. It is recommended that research be conducted on the financial impact of bad decisions and turnover to determine the cost when corporate values and personal values do not align. Leaders may reconsider the upfront investment in core corporate values and culture if they see the financial impact.

**Reflections**

The researcher made a deliberate effort to avoid preconceived ideas and personal biases about value alignment of community bank decision-making. A series of interview questions was the approach used to initiate responses from participants to gather data and information. The researcher encouraged participants to provide open-ended responses. Participants provided relatively consistent responses with varying perspectives based on bank size, organizational structure, number of employees, age of bank, location of bank, and the banker’s role. The participants were very interested in the research and asked to see the overall results. The researcher appreciated everyone’s participation and enjoyed managing the professional process that could enhance the growth of community banks.

**Summary and Study Conclusions**

The purpose of this qualitative study was to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. The general problem addressed was the conflict between personal values and core corporate values of bank leaders. This study specifically focused on the conflict between personal values and core corporate values of Virginia community bank leaders when negotiating critical decisions. The literature revealed that core corporate values and personal values are the foundation of corporate culture and directly influence bank performance.
The study was conducted using leaders who are decision-makers from community banks in the Commonwealth of Virginia with $5 billion or less in assets. Participants answered 10 open-ended interview questions along with additional penetrating questions when needed for clarity or more in-depth responses. With the themes found in the literature reviewed regarding values alignment, the researcher interpreted emerging themes of corporate values, corporate culture, personal values, and the influence of personal values on critical business decisions.

The results identified core corporate values as the foundation of the corporate culture. Insight was provided on the influence of personal values on core corporate values and the corporate culture. The interaction between personal values, core corporate values, and culture was shown to influence critical business decisions of community bank leaders. This study supported the efforts of community bank leaders that lead by example and banks that invest in developing core corporate values all employees believe in and are committed to exhibiting.

This study was found to be consistent with the literature that core corporate values and personal values must be in alignment for the best business decisions. The added pressure for community banks to survive and thrive in an environment of mergers and acquisitions continues to be at the forefront of financial industry. Values have been a concern since the global financial crisis of 2008-2009. A collapse of ethical behavior in the financial industry was the outcome of a lack of corporate governance that resulted in excessive risk-taking by bankers, disproportionate bonuses, and greed (Zaal et al., 2017). The industry was allowed to act in a vacuum without transparency. It will be vital for bank leaders to keep core corporate values, corporate culture, and personal values in the forefront.
References


Starr, J. P. (2016). Values: Why do we believe what we believe? Leaders must have language that drives their actions; that begins with identifying their personal core values and those of their district. *Phi Delta Kappan, 98*(3), 72.


Appendix A: Interview Questions

1. Please describe the types of critical business decisions your make/made for your community bank that influences/influenced the direction and/or culture and corporate values of the organization.

2. What are the core corporate values of your community bank?

3. How do the core corporate values of your organization influence your decision-making?

4. How would you describe the culture of your community bank where you work/worked?

5. Please explain how the corporate culture influences the bank’s performance.

6. How would you define your personal values that define who you are, what you stand for, and how you behave?

7. Please share your perception of values-based leadership?

8. How do you think personal values influence leadership behaviors?

9. Can you describe how your personal values influence your bank’s corporate values?

10. Please explain what you do when your personal values do not align with the core corporate values of the bank when making a critical business decision.
May 1, 2018

Dear Prospective Participant:

As a graduate student in the School of Business at Liberty University, I am conducting research as part of the requirements for a doctoral degree. The purpose of my research is to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions and I am writing to invite you to participate in my study.

If you are a bank officer in a decision-making role at a community bank with assets of $5 billion or less in the Commonwealth of Virginia, and 18 years or older, and are willing to participate, you will be asked to participate in a face-to-face interview with me. It should take approximately 30 to 45 minutes for you to complete the interview. Your name and/or other identifying information will be requested as part of your participation, but the information will remain confidential.

To participate click on the link provided below to access the consent information. The consent document contains additional information about my research. Please sign the consent document and return to me via email. I will contact you via email to schedule a time and place for the interview.

Thank you for your time and consideration regarding my research study. Please feel free to contact me if you have any questions.

Sincerely,

Jennifer H. Matheny
DBA Student
School of Business
Liberty University
Jmatheny1@liberty.edu

Informed Consent for the “Community Bank Leaders’ Perception on Maintaining Values in Decision Making”
Appendix C: Consent Form

The Liberty University Institutional Review Board has approved this document for use from 7/2/2018 to 7/1/2019  Protocol # 3375.070218

CONSENT FORM
Community Bank Leaders' Perception on Maintaining Values in Decision Making
Jennifer H. Matheny
Liberty University
School of Business

You are invited to be in a research study of Community Bank Leaders' Perception on Maintaining Values in Decision Making. You were selected as a possible participant because you are a bank officer in a decision-making role at a community bank with assets of $5 billion or less in the Commonwealth of Virginia, and because you are 18 years or older. Please read this form and ask any questions you may have before agreeing to be in the study.

Jennifer H. Matheny a doctoral candidate in the School of Business at Liberty University, is conducting this study.

Background Information: The purpose of this study is to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions.

Procedures: If you agree to be in this study, I will ask you to do the following things:
  1. You will be asked to participate in a 30 to 45 minutes face to face interview with me and you will be asked to be audio recorded.
  2. You will be asked in a follow up conversation with me to review the transcription of the interview to confirm your responses were transcribed accurately. This review may take up to 30 minutes.

Risks: The risks involved in this study are minimal, which means they are equal to the risks you would encounter in everyday life.

Benefits: Participants should not expect to receive a direct benefit from taking part in this study.

Compensation: Participants will not be compensated for participating in this study.

Confidentiality: The records of this study will be kept private. In any sort of report, I might publish, I will not include any information that will make it possible to identify a subject. Research records will be stored securely, and only the researcher will have access to the records. To protect the confidentiality of participants, a coding system will be used to track interviewees’ responses. Participants will be identified with a “P” and a corresponding number, running a coding pattern of P1, P2, … and so on. This coding system protects the identity of the participants who participated in the study.

- I will conduct the interviews in a location where others will not easily overhear the conversation.
- All data received during the interview process will be converted to an electronic format that is encrypted and password protected. The researcher will be the only person with
access to the data on a password locked computer. Paper documents will be shredded immediately for proper destruction.

- Once the three-year retention period expires the researcher will delete all electronic data.
- Interviews will be recorded and transcribed. Recordings will be stored on a password locked computer for three years and then erased. Only the researcher will have access to these recordings.

Voluntary Nature of the Study: Participation in this study is voluntary. Your decision whether or not to participate will not affect your current or future relations with Liberty University. If you decide to participate, you are free to not answer any question or withdraw at any time without affecting those relationships.

How to Withdraw from the Study: If you choose to withdraw from the study, please contact the researcher at the email address/phone number included in the next paragraph. Should you choose to withdraw, data collected from you will be destroyed immediately and will not be included in this study.

Contacts and Questions: The researcher conducting this study is Jennifer H. Matheny. You may ask any questions you have now. If you have questions later, you are encouraged to contact him at 540.456.4780 or jhmathen@gmail.com. You may also contact the researcher’s faculty chair, Dr. Jean Gordon at jngordon@liberty.edu.

If you have any questions or concerns regarding this study and would like to talk to someone other than the researcher, you are encouraged to contact the Institutional Review Board, 1971 University Blvd., Green Hall Ste. 1887, Lynchburg, VA 24515 or email at irb@liberty.edu.

Please notify the researcher if you would like a copy of this information for your records.

Statement of Consent: I have read and understood the above information. I have asked questions and have received answers. I consent to participate in the study.

☐ The researcher has my permission to audio-record me as part of my participation in this study.

________________________________________________________________________
Signature of Participant                Date

________________________________________________________________________
Signature of Investigator                Date
Appendix D: Interview Protocol Form

Date: ________________  Interview Protocol Form  Participant Identifier: ______

Scripted Research Problem

The general problem to be addressed is the conflict between personal values and core corporate values of bank leaders. This study specifically focuses on the conflict between personal values and core corporate values of Virginia community bank leaders when negotiating critical decisions. Personal values define internal factors that influence how a person will act at a subconscious level when making decisions (Cahill-O’Callaghan, 2013). Due to the pressures to achieve optimal financial performance, leaders often face real-world business decisions with a solution preferred by the company that does not align with their personal values. The core personal values of leaders can conflict with those of the company.

Public debate continues regarding the role banks played in the global financial crisis of 2008-2009. A collapse of ethical behavior in the financial industry was the outcome of a lack of corporate governance that resulted in excessive risk-taking by bankers, disproportionate bonuses, and greed (Zaal et al., 2017). The industry was allowed to act in a vacuum without transparency. Unethical decisions are the product of the decision-maker’s perceived costs and benefits of deception, especially when the organization offers a financial reward for achieving goals (Zaal et al., 2017). Values-based decision making can be harder if the organization has aggressive goals. Leaders are less likely to recognize ethical issues because it is easier for them to rationalize unethical behaviors in order to maximize financial performance (Zaal et al., 2017).
Media has openly questioned the values of leaders, which has negatively affected customer confidence and caused a decline in the trust of role models, corporate leaders, and government. These leaders feel pressure to make decisions that are illegal or unethical on the job. This results in employees believing their leaders act with dishonesty or a lack of integrity, based on the behaviors they observe. These leaders focus on making money at all cost as opposed to values-based leadership for long-term performance. The final social epidemic is a lack of trust that affects all stakeholders. Honesty is the foundation of trust, which is proven to be a critical component to sustainability (Frost, 2014). Values-based organizations are successful because they focus on learning, growth, and on-going change (Frost, 2014). It is important to understand how community bank executives’ values-based leadership decisions shapes corporate culture and performance.

**Scripted Purpose Statement**

The purpose of this qualitative study is to explore community bank leaders’ perception of conflicts between their personal values and core corporate values when negotiating critical decisions. At this stage in the research, the negotiating of decisions will be generally defined as resolving conflicts between personal and organizational values. Results will be used to understand how values-based leadership affects executive level decisions in community banks.

**Interview Questions**

1. Please describe the types of critical business decisions you make/or made for your community bank that influences/influenced the direction and/or culture and corporate values of the organization.
2. What are the core corporate values of your community bank?

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3. How do the core corporate values of your organization influence your decision-making?

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4. How would you describe the culture of your community bank where you work/worked?

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5. Please explain how the corporate culture influences the bank’s performance.

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________________________________________________________________________
Appendix D: Interview Protocol Form (cont.)

6. How would you define your personal values that express who you are, what you stand for, and how you behave?

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7. Please share your perception of values-based leadership?

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8. How do you think personal values influence leadership behaviors?

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________________________________________________________________________

9. Can you describe how your personal values influence your bank’s corporate values?

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________________________________________________________________________
Appendix D: Interview Protocol Form (cont.)

10. Please explain what you do when your personal values do not align with the core corporate values of the bank when making a critical business decision.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Thank you for participating in this research. I will transcribe your responses to the interview questions. I will phone or email you to deliver the transcription for your review. This transcription will be password protected. The “Track Changes” feature will be turned on in the transcription, please leave track changes on to highlight your changes. Once you approve the written responses I will then begin to analyze, interpret, and prepare my written findings of all the participants in my study. No further participation from you is needed. Your identity will be kept confidential.

Please contact me with any questions, concerns, or if you wish to withdraw from this study @ 540.456.4780 or jhmatheny@gmail.com.

Thanks again for your participation!
Appendix E: Institutional Review Board Approval

LIBERTY UNIVERSITY
INSTITUTIONAL REVIEW BOARD

July 2, 2018

Jennifer Matheny
IRB Approval 3378.070218: Community Bank Leaders’ Perception on Maintaining Values in Decision Making

Dear Jennifer Matheny,

We are pleased to inform you that your study has been approved by the Liberty University IRB. This approval is extended to you for one year from the date provided above with your protocol number. If data collection proceeds past one year or if you make changes in the methodology as it pertains to human subjects, you must submit an appropriate update form to the IRB. The forms for these cases were attached to your approval email.

Your study falls under the expedited review category (45 CFR 46.110), which is applicable to specific, minimal risk studies and minor changes to approved studies for the following reason(s):

6. Collection of data from voice, video, digital, or image recordings made for research purposes.

Thank you for your cooperation with the IRB, and we wish you well with your research project.

Sincerely,

G. Michele Baker, MA, CIP
Administrative Chair of Institutional Research
The Graduate School