
Identifying the values that guide stakeholder expectations

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Abstract

Using the theoretical foundation of human and organisational values found in extant research, this study sought to create an instrument that quantitatively represents the socially desirable values stakeholders use to evaluate organisations. The study builds on research that identified, through focus groups and content analysis, the values and corresponding expectations stakeholders consider to be most important when evaluating an organisation, and the organisational values most frequently communicated by the world's most profitable companies. The purpose of the current study is to develop corporate values research by assessing the validity of the values identified in the earlier studies among a nationwide stratified sample of adults. Findings revealed a three-factor solution comprised of the values considered most important by members of the general population when evaluating organisations with which they interact or do business. The study concludes with a brief discussion of how these findings are applicable to research in the areas of stakeholder engagement, organisational legitimacy and corporate social responsibility.

Introduction

The emergence of social media has spawned an era in which well-informed stakeholders, most of whom are connected via new media technologies, now have the power to openly voice their opinions and spark public debate about the lack of ethics displayed by organisations. To be perceived as ethical in today's social, economic and business environments means to operate according to the *ethical expectations of stakeholders*, all of which are characterised by a number of core values that the general population and, thus, an organisation's stakeholders, deem as important when evaluating organisations. In an article about professional values, Grunig (2000) made

the call for public relations scholars and practitioners to also develop a set of values for their client organisations in a way that accurately represents the views and expectations of the general public. Surprisingly, this important contribution to public relations research has yet to be accomplished.

The purpose of this study is to provide a research-based overview of socially desirable values that are applicable to those practitioners working within the organisational setting. First, this article discusses the connection between values and public relations. Next, using Rokeach's (1973) mixed methods values framework and three separate data sets (focus groups with members of the general public; a content analysis of *Fortune* 500 Websites; and a quantitative survey with a nationwide sample of the general public), this paper identifies the values and corresponding expectations that members of the public deem as most important when evaluating organisations.

Literature review

Rokeach's values framework

Rokeach's (1973) values framework is centred on the operational definition of a value as "an enduring belief that a particular mode of conduct or that a particular end-state of existence is personally and socially preferable to alternative modes of conduct or end states of existence" (p. 5). Rokeach also suggested there are two types of values – instrumental (i.e. modes of conduct), and terminal (i.e. end states of existence). The relationship between the two is that instrumental values serve as the means or modes of behaviour that lead to the enactment of terminal values or end states of existence. According to Rokeach (1968), "an instrumental value is therefore defined as a single belief that always takes the following form: 'I believe that [a particular mode of conduct] is personally and socially preferable in all situations with respect to all objects' [while]

a terminal value takes a comparable form [of] 'I believe that [a specific end state of existence] is personally worth striving for' (p. 160).

Using these operational definitions as a guide, Rokeach (1973) developed a values framework with the use of a value generation process that produced what he labelled as a "reasonably comprehensive" list of human values that were predominant in American culture at the time. His process involved the use of a thorough review of the American values expressed in popular literature, as well as in-depth interviews with 30 graduate students and 100 members of the general public. These efforts resulted in a preliminary list of 100 terminal values that was ultimately shortened to one list of 18 terminal values by "omitting values that were more or less synonymous with one another...or did not represent end states of existence" (p. 29).

Next, Rokeach (1973) compiled a list of instrumental values using Anderson's (1968) list of positive individual personality traits. Although Anderson's (1968) original list was comprised of over 500 different personality traits, Rokeach (1973) shortened it by omitting items (i.e. values) that were judged to be "maximally different from one another" or they "did not represent the most important values in American society..." (p. 29). This item generation process resulted in a 36-item survey that asked respondents to rank order both 18-item lists – terminal and instrumental values – according to the listed values' importance in their own lives.

Recognising the potential for criticism, Rokeach (1973) regarded his value generation process as "an intuitive one" and claimed, "there is no reason to think that others working independently would have come up with precisely the same list of instrumental and terminal values" (p. 30). He concluded by arguing, "it would be interesting to see which values others might produce working independently and using the same criteria described here" (p. 30).

Rokeach's (1973) framework, although dated, still serves as the foundation for more recent values research (e.g. Burnes & Jackson, 2011; Carpenter, Hoag, Grant, & Bowe, 2014; Garcia, Mendez, Ellis, & Gautney, 2014; Parks

& Guay, 2009; Pinto, Nique, Añaña, & Herter, 2011; Ralston et al., 2011; Vaclair, Hanke, Fischer, & Fontaine, 2011). For example, 20 years after Rokeach, Feather (1995) defined values in a similar manner by calling them "abstract structures that involve the beliefs that people hold about desirable *ways of behaving* or about *desirable end states*" (p. 1). More recently, Parks and Guay (2009) defined values as "guiding principles regarding how individuals ought to behave" – all of which are evaluative and general in nature, meaning they guide the judgments individuals make of others and are applicable to multiple contexts, individuals and objects (p. 676). Both definitions reflect various components of Rokeach's (1973) original conceptualisation of values by emphasising how they are representative of, or defined by, certain actions, and evaluative in nature – meaning they serve as standards and norms that regulate behaviour.

Organisational values

Rokeach's (1968, 1973) work was influential as it served as a framework for research on organisational values. When applied to an organisational context, values are similarly defined and serve comparable functions for organisations as they do with humans. Similar to Rokeach's (1968, 1973) conceptualisation of human values, organisational values serve an action-related function as they drive an organisation's activities and policies and represent its top priorities (van Rekom, van Reil, & Wierenga, 2006). Schwartz (1999) argued that values are "desirable transsituational goals, varying in importance, which serve as guiding principles in the life of a person or other social entity" (p. 21).

Hassan (2007) claimed that organisational values serve a second function of "represent[ing] the ambitions that people hold for the organization as a living system" (p. 437). Furthermore, he claimed that an organisation's values "set the tone of the environment... facilitate work behaviors and achievement of shared goals" (p. 437). Thus, organisational values, just like their human counterparts, also serve an evaluative function as they imply that an organisation acts or behaves in ways that are indicative of the way

those values are defined by others – they combine to exemplify its culture and determine how it is perceived by its external constituents (Schein, 1990). For stakeholders, the terminal values of an organisation “reflect [its] corporate mission and vision, while instrumental values are standards for attaining these ends” (Schein, 1990, p. 34). From the perspective of the stakeholder, an organisation’s values represent “the means and ends that matter most” (Dobni, Brent-Ritchie & Zerbe 2000, p. 91), and are the blueprints for an organisation’s actions and behaviours.

Values in the context of public relations

According to Rokeach and Ball-Rokeach (1989), values are “among the very few social psychological concepts that have been successfully employed across all social science disciplines” (p. 775). Researchers in the academic disciplines of business, communication and psychology have emphasised the pervasive nature of values in interpersonal (e.g. Casas, González, Figuer, & Coenders, 2004; Locke, Craig, Baik & Gohil, 2012; Locke & Sadler, 2007; Sorthaix & Lönnqvist, 2014), cultural (e.g. Bachika & Schulz, 2011; Barni, Knafo, Ben-Arieh, Haj-Yahia, 2014; Coenders, Casas, Figuer & Gonzalez, 2005; de Graaf & Van Der Wal, 2010), and organisational (e.g. Gehman, Trevino, & Garud, 2012; Winter & Jackson, 2014) contexts.

Values have also received attention in public relations scholarship, specifically in terms of identifying and defining those values that should guide or characterise the public relations profession (Boynton, 2006; Grunig, Toth, & Hon, 2000; Grunig, 2000; Spicer, 2000; Holtzhausen, 2000). Furthermore, they have been directly linked to favourable business outcomes that include corporate social responsibility (Hammann, Habisch, & Pechlaner, 2009), positive organisation-public relationships (Boynton, 2006) and organisational legitimacy (Dowling & Pfeffer, 1975). Boynton (2006) claimed that the multiple dimensions of Ledingham and Bruning’s (1998, 2000) relationship theory (i.e. trust, openness, involvement, investment, and commitment) can be synonymously labelled as *values* “that are common to and reciprocal

among organizations and their publics” (p. 326).

Furthermore, research has demonstrated that organisations can acquire legitimacy through the use of values advocacy (Bostdorff & Vibbert, 1994), which involves the use of strategies that “identify with symbols, values, and institutions that already possess strong social legitimacy...” (Boyd, 2000, p. 345). Kent and Taylor (2002) suggested that dialogue, the fundamental component of their dialogic theory of public relations, is analogous to the notion of “intersubjectivity [which implies that] both parties attempt to understand and appreciate the values and interests of the other” (p. 30).

Values have also been identified as important elements in the stakeholder engagement process. For example, Mathur, Price, and Austin (2008) defined stakeholder engagement as “a social process where diverse stakeholders share a common forum, learn about each others’ values, reflect upon their own values and create a shared vision and shared objectives” (p. 1). Stakeholder engagement has also been viewed as a process that “encourage[s] unity of values” (Greenwood, 2007, p. 319). Noland and Phillips (2010) argued “‘engagement’ is used to recommend a type of interaction that involves, at minimum, recognition and respect of common humanity and the ways in which the actions of each may affect the other (p. 40).

Coombs and Holladay (2010) also emphasised the often-persuasive nature of some public relations efforts. For example, some public relations strategies, such as values advocacy (Bostdorff & Vibbert, 1994) and strategic issues management [SIM] (Chase, 1977; Heath & Palenchar, 2009) are persuasive in nature as they are focused on communicating about an organisation’s values with the intention to change or influence stakeholders’ perceptions of the organisation.

Research demonstrates how organisations that meet the demands and expectations of their constituents must hold socially accepted values – an outcome that has been labelled as organisational legitimacy (Ashforth & Gibbs, 1990; Dowling & Pfeffer, 1975; Suchman, 1995). Internally, ethical organisations must

have cultures based on values that highlight ethical conduct (Somers, 2001). Communicating about these values implies a level of morality that is necessary for success in today's tumultuous and volatile business environment (van Der Wal, De Graff & Lasthuizen, 2008). From the viewpoint of an organisation's constituents, an organisation that possesses socially accepted values has what Marchand (1998) labelled as "a corporate soul". Similarly, van Der Wal et al. (2008) argued, "morality denotes values and norms taken together..." [and] "ethics can be defined as the 'systematic reflection on morality'" (p. 468).

Grunig et al. (2000) claimed that an increasing conformity between the public and private spheres has heightened the focus on communal values and ethics in the public relations discipline. They argued that adherence to socially desirable values "is a more dependable predictor of ethics [for any organization], than, say, any code of standards established by a professional body" (p. 63). Similarly, Grunig (2000) argued, "ultimately, if we as a scholarly and professional community are to overcome the stigma commonly associated with public relations, we must develop a set of values for the profession, for ourselves personally, and for the organizations that are our clients" (p. 24).

As such a development has not been accomplished in the past 15 years, it appears that in order for values to be developed within those three areas of concern, a scale must first be developed that represents the most socially desirable values from a stakeholder perspective. This scale can then be used to assess various stakeholders in order to gauge if an organisation is meeting their value-driven expectations. Based on this review of the literature, the following research questions were developed to guide the final steps in this scale development process:

RQ1: What values do a random sample of stakeholders look for in the communication and actions of corporations with which they interact?

RQ2: What specific organisational values are deemed as *most important* by stakeholders when they are evaluating the communication

and actions of corporations with which they interact?

Method

This study used a modified version of Rokeach's (1973) procedures for developing values because its area of interest was on identifying the values participants feel are most important for *organisations*, rather than focusing on identifying *human values*. The other modifications made in the study were altering the item-generation process to match the focus of the study, as well as changing the type of items (i.e. rank order to Likert-scale) used in the final survey instrument.

First, the authors generated items that only represented terminal values, rather than identifying both terminal and instrumental values as Rokeach (1973) did. This change matched the scope of the current study, which is to identify the values that stakeholders deem as *most important* when evaluating organisations – which leads to the identification of terminal values. Although the authors recognise the importance of instrumental values in an organisational context, examining them in this study would have required a second and separate set of procedures that duplicated those described in the content analysis and questionnaire sections of this study.

Second, the current study used more detailed item (i.e. value) generation procedures than Rokeach's (1973) original process. The scope of this study required an extensive mixed-methods approach capable of obtaining data that accurately represent stakeholders' expectations for organisations. This feat was accomplished with the use of focus groups and a grounded theory approach that allowed the researchers to gain valuable insight into the multiple themes (i.e. values) that emerge when stakeholders discuss and evaluate organisations. Grunig (2000) claimed that research on values must address the inequality between organisations and their constituents. By holding focus groups with members of the general public and focusing on different types of organisations (e.g. retail, manufacturers, service organisations, etc.), this potential concern was alleviated. Thus, the use of focus groups – an open discussion, qualitative format – addressed

this disparity by obtaining the views and opinions of stakeholders that often go unheard or are ignored by more powerful organisations.

Third, the researchers conducted an extensive content analysis of the online content posted on the websites of *Fortune* 500 companies. The rationale behind this decision is based on the assumptions that values are socially constructed (Howard, 2002; Ramos, Berry & Carvalho, 2002), which implies values and their corresponding meanings are co-constructed (i.e. further modified) by organisations that continually reshape and redefine their values for their constituents, as well as research that suggests values can be assessed “by using content analysis to extract values from [an organization’s] publications ...” (Meglino & Ravlin, 1998, p. 357). This process allowed the researchers to identify the values communicated by a wide variety of organisations identified as “successful” and, more importantly, the manner in which they defined their values for the general public.

The fourth and final modification made to Rokeach’s (1973) procedures was the use of Likert-scale items, rather than rank order items in the final survey instrument. This decision was based on the criticism that use of rank order choices limits the types of analyses that can be conducted on the data (Braithwaite & Law, 1985; Brookhart, 1995).

Focus groups – generation of scale items from the stakeholder perspective

Using Rokeach’s (1973) research as a framework, the researchers conducted multiple focus groups and used a grounded theory approach to generate items that represented the respondents’ perceptions of what they saw as the most desirable terminal values possessed by organisations across various industries (e.g. manufacturing, retail, nonprofit, service). During each focus group, the moderators provided the participants with Rokeach’s (1973) definition of a value and asked them to discuss the values (i.e. end states) they felt were most important when evaluating whether or not to do business with or trust the work of an organisation.

Five focus groups with a total of 31 participants were held over a month-long period. The ages of the participants ranged

from the mid-20s to early 60s; there were 13 males and 18 females. Five participants were African or African-American, one was Asian, one was Hispanic and the rest were Caucasian. All of the participants were employed either full or part-time, and all had dealt with the types organisations to be discussed. Each type of organisation was taken separately, and participants discussed the sorts of values that would make them want to do business with or, in the case of nonprofits, donate to, each type of organisation. After the participants identified and discussed several important organisational values, they were asked to elaborate on how each value should be defined or characterised in terms of organisational actions and behaviours. Each focus group discussion was characterised by stories or examples of instances where organisations either met, or failed to meet, standards associated with each value.

Audiotapes were transcribed and notes taken during all sessions were reviewed repeatedly. Using Strauss and Corbin’s (1997) grounded theory development approach, the transcripts and notes were open coded, and then additional coding was done to find common concepts, in this case values, that emerged from the focus groups and represented the most important and socially desired organisational values according to participants’ discussion. This process generated 15 different terminal values participants felt were most important when evaluating whether or not to do business with or trust the work of an organisation.

Content analysis – generation of scale items from the organisational perspective

Next, the researchers conducted a comprehensive, mixed methods content analysis of the values communicated by the *Fortune* 500 corporations on their websites. This population was chosen because *Fortune* 500 corporations often serve as models for other, less profitable, businesses, and their communication about their own values ultimately influences the ways in which values are defined and evaluated by stakeholders. Scott (2002) wrote that content analysis of websites, specifically those that provide access to “annual reports, mission statements, employee newsletters, recruitment brochures, and other similar publications”, can be used to

identify and measure an organisation's values because this content represents "the organization's actual position" in terms of its values (p. 46). Both quantitative and qualitative content analyses were employed in this study. The study analysed both the manifest and latent content of the websites through the use of a structured coding sheet that also allowed for observational comments by the coders. The coders also listed, or cut and pasted in, words/values used on the sites that the corporations claimed as their corporate values. Those values were then grouped according to similarities in meaning (e.g. innovative/adaptable/ creative; honesty/integrity) and coded so that a simple percentage analysis could be run on which values were included most frequently on the websites.

The authors identified 16 value clusters that contained the value-implying words most frequently communicated by *Fortune* 500 companies. The *Fortune* 500 companies were comprised for organisational purposes of retail, service, manufacturing, transportation, technology and agricultural businesses. As the majority of values identified in the content analysis were similar to those identified in the focus groups, the researchers used data obtained to further develop and modify the meanings associated with the values identified in the focus groups. The values uncovered in the two studies ultimately resulted in a final list of 15 values to be tested. In addition, three demographic questions were asked of the respondents.

Exploratory factor analysis – validation of scale items

Participants

The participants in the survey were members of the general population who were divided evenly among males and females (N = 435 males and 465 females). Participants included those aged 18 to older than 65, with a breakdown of 18 to 20 years (6%, $n = 53$), 21 to 44 years (43%, $n = 386$), 45 to 64 years (35%, $n = 318$) and 65 years and over (16%, $n = 143$). All the participants were recruited from geographic regions across the U.S. based on census data. Of the respondents 25% ($n = 227$) were from the Northeast, 24% ($n = 222$) from

the Midwest, 26% ($n = 232$) from the South and 24% ($n = 215$) from the Western region.

Instrumentation and procedures

In addition to three demographic questions related to gender, age and geographic location, the survey contained 15 additional items that asked respondents to rate how important the following organisational values were in guiding their evaluations of organisations with which they do business: accountable, caring, competent, efficient, fair, trustworthy, accredited (accreditation), honest, innovative, having longevity, personalisation, quality, respect, responsible, and transparent. Each item was accompanied by a short description of the value and responses were solicited on a 7-point Likert scale ranging from strongly disagree (1) to strongly agree (7). Examples of items used in the study were: (a) *Honest* – not being deceptive in their communication with the public; (b) *Responsible* – causing minimal damage to the environment and benefitting the surrounding community; (c) *Competent* – being able to successfully achieve their organisational mission; and (d) *Quality* – cost of products or services matches their value.

An 18-item, online survey was administered via Qualtrics survey software to examine the research questions related to organisational values. The researchers hired a private research firm to disseminate a survey link to a stratified sample of adults in the U.S. based on three different strata (i.e., age, gender, and geographic location). This sampling strategy allowed the researchers to obtain a sample that was closely proportional to the sample obtained in the 2012 census and that therefore resembled the general U.S. population. Data were collected during a three-week period until responses were obtained from a total of 900 participants.

Results from a Kaiser-Meyer-Olkin measure of sampling adequacy (.95) and a Bartlett's test of sphericity, $\chi^2(210) = 12287$, $p < .001$, indicated that the size of the sample used in the study was acceptable for principal component analyses. The minimum amount of data required for factor analysis was also met, as the ratio of cases per variable was approximately 60 cases per variable and the communalities for each factor were all above .5. To answer the

first research question, a principle component analysis (PCA) with a varimax rotation was conducted to narrow down the 15 items included in the organisational values measure and to further examine the underlying factor structure of the organisational values scale. Factors that were retained had minimum eigenvalues of 1.0, accounted for at least 5% of the variance, and had two or more items with primary factor loadings of .60 or greater with no secondary factor loadings greater than .40 (Field, 2005; McCroskey & Young, 1979).

The first PCA rendered a three-factor solution; however, two of the 15 items, transparency and trustworthiness, failed to meet the loading criteria, which resulted in 13 retained items. Transparency was not retained as an item because it had a primary loading of .56 on one factor, and a secondary loading of .42 on another factor. Similarly, trustworthiness was not retained because it had a primary loading of .645 on one factor, and a secondary loading of .472 on another factor. Although the loading criteria used by the authors are somewhat conservative, they followed McCroskey and Young's suggestion that "if one has carefully chosen items, and if those items appear to be representative of the construct under investigation, then one must be careful to select only those items that will meet the demands of replicability" (1979, p. 380). It is important to note that these findings indicate only that transparency and trustworthiness are not the most important values for stakeholder, not that they are unimportant. The second PCA resulted in a three-factor solution with all 13 items meeting the loading criteria and accounting for 67.5% of the total variance. Finally, the internal consistency for each of the factors was measured using Chronbach's alpha and each factor had moderate to high reliability: .85 for factor one, .86 for factor two and .83 for factor three.

The three factors that emerged from the PCA were labelled as (a) fundamental values, (b) ethical values and (c) adaptability values. The fundamental values factor consisted of five

items and accounted for 48.6% of the total variance (eigenvalue = 6.32, $\chi = .85$, $M = 6.0$, $SD = .85$). The ethical values factor consisted of four items and accounted for 10.8% of the total variance (eigenvalue = 1.40, $\chi = .86$, $M = 6.3$, $SD = .83$). The adaptability values factor consisted of four items and accounted for 8.1% of the total variance (eigenvalue = 1.06, $\chi = .83$, $M = 5.5$, $SD = 1.0$).

The fundamental values factor revealed that stakeholders believe accountability, caring, competence, efficiency and fairness are specific end states of existence that organisations should strive for. These values can be combined to represent the five vital standards to which an organisation must adhere in order to be considered desirable by its constituents. The ethical value factor indicated that the general population has ethical expectations for all organisations with which they do business and those expectations revolve around the values of honesty, quality, respect and responsibility. This factor is comprised of the values that make up society's views and standards regarding the ethicality of organisations with which they choose to do business. The authors labelled the third factor the adaptability values factor because its components – innovation, longevity, personalisation and accreditation – indicate a level of responsiveness to its constituents on behalf of the organisation.

Results

The first research question asked what values a random sample of stakeholders look for in the communication and actions of corporations with which they interact. Findings from this study revealed 13 values – accreditation, innovative, longevity, personalisation, quality, respect, responsible, honest, accountable, caring, competent, efficient, and fair – that are viewed by stakeholders as being important when evaluating organisations. Table 1 provides detailed descriptions of these values and the results from the PCA.

Table 1: Factor loadings for organisational values factors

Item	Factor loadings		
	Fundamental	Ethical	Adaptability
Accreditation (Having many positive endorsements from professional and regulatory agencies)			.719
Innovative (Using novel and state-of-the-art ideas to adapt to changes in customer needs; applying creativity to be better, faster, or a leader in their field)			.753
Longevity (Being in existence for a reasonable amount of time)			.802
Personalisation (Continually reshaping products and services based on consumer feedback)			.710
Quality (Cost of products or services matches their value)		.769	
Respect (Having first-rate employee benefit programs; treating consumers well)		.780	
Responsible (Causing minimal damage to the environment and benefitting the surrounding community)		.684	
Honest (Not being deceptive in their communication with the public)		.758	
Accountable (Accepting responsibility by demonstrating a willingness to explain their actions and admit their mistakes to the public)	.742		
Caring (Carefully considering constituents' needs and expectations in business decisions)	.735		
Competent (Being able to successfully achieve their organisational mission)	.763		
Efficient (Achieving organisational goals and objectives without wasting (i.e. using the smallest amount of resources possible))	.771		
Fair (Being committed to the ethical and just treatment of all organisational constituents (e.g. employees, customers, and clients))	.667		
Eigenvalues	6.3	1.4	1.1
% of variance	49%	11%	8%

Extraction method: Principal component analysis. Rotation method: Varimax with Kaiser normalisation.

The second research question asked what specific organisational values are deemed as most important by stakeholders when they are evaluating the communication and actions of corporations with which they interact. Means and standard deviations were calculated for each of the organisational values items. Mean rankings that revealed the top five most important values included all of the items in the ethical values factor, (1) honesty, (2) quality,

(3) respect and (5) responsible, as well as (4) fairness, a value in the fundamental values factor. The remaining items that comprised the fundamental values factor ranked as the next four most important values according to members of the general population: (6) accountable, (7) competent (8) efficient, (9) caring. Table 2 lists the 13 most important organisational values in descending rank order.

Table 2: Importance of value when deciding whether to do business with an organisation

Item	N	Mean	Std. Deviation
Honesty (Not being deceptive in their communication with the public)	900	6.41	.972
Quality (Cost of products or services matches their value)	900	6.35	.926
Respect (Having first-rate employee benefit programs; treating consumers well)	900	6.23	.988
Fair (Being committed to the ethical and just treatment of all organisational constituents (e.g. employees, customers, and clients)	900	6.14	.977
Responsible (Causing minimal damage to the environment and benefitting the surrounding community)	900	6.13	1.078
Accountable (Accepting responsibility by demonstrating a willingness to explain their actions and admit their mistakes to the public)	900	6.08	1.069
Competent (Being able to successfully achieve their organisational mission)	900	6.04	1.038
Efficient (Achieving organisational goals and objectives without wasting (i.e. using the smallest amount of resources possible)	900	5.89	1.108
Caring (Carefully considering constituents' needs and expectations in business decisions)	900	5.81	1.123
Innovative (Using novel and state of the art ideas to adapt to changes in customer needs; applying creativity to be better, faster, or a leader in their field)	900	5.61	1.159

Personalisation (Continually reshaping products and services based on consumer feedback)	900	5.56	1.188
Longevity (Being in existence for a reasonable amount of time)	900	5.43	1.285
Accreditation (Having many positive endorsements from professional and regulatory agencies)	900	5.29	1.328

Discussion

Feather (1995) claimed that values are, in fact, abstract and intangible constructs that provide many obstacles for researchers attempting to produce empirical evidence of their precise meanings and the effects they have on individuals. Their subjective nature makes it difficult for researchers to determine how they are defined within a specific population and, more importantly, how they affect the actions and judgments of others. The search for a universal truth regarding the importance of values within a larger society – one that withstands the tests of time – may not be feasible simply because values combine to represent a snapshot of a dynamic culture or society. In an attempt to overcome the obstacles that stem from the arduous ontological orientation presented by values, this study produced empirical evidence that members of the general population evaluate organisations based on a logical, specific, and measurable set of values that represent the basic expectations stakeholders have for the archetypical organisation.

Fundamental values factor

The five values that comprise the fundamental values factor (e.g. accountability, caring, competence, efficiency and fairness) represent the minimum standards stakeholders expect to be displayed by organisations. When viewed collectively, these values match those one would expect from a friend or trusted colleague. These similarities that exist between organisational values and human values should not be unexpected as the organisational value construct was derived from Rokeach's (1973) earlier research on human values.

This factor implies that organisations that survive in modern society, just like humans, must be accountable for their actions and behaviours, achieve their mission and goals in an efficient manner and, most importantly, do so in ways that are fair and considerate to those around them. The values that comprise this factor are broad enough to make sense within multiple types of organisations, such as the retail, manufacturing, nonprofit, government, and service categories, as they capture the true essence or character of an organisation that is judged favourably by its constituents.

Ethical values factor

The factor analysis also rendered an ethical values factor that provides additional insight into how organisations can be perceived as desirable and appropriate by their constituents. Honesty, quality, respect and responsibility, the values that comprise the ethical values factor, combine to represent stakeholders' collective view of the minimum ethical standard for an organisation. Participants in this study revealed that ethical organisations must hold honesty as a top priority in terms of how they communicate with their constituents. This finding is supported by Heath's (1992) claim that truthfulness must always be viewed as an essential ethical requirement of public relations practice.

Findings further revealed that participants believe ethical organisations are also those that treat their constituents in a respectful manner and provide their consumers with quality products and services. Finally, the ethical values factor also indicates that organisations should have a sense of responsibility. This implies they are now held to higher standards, and are expected to operate in ways that protect

the environment and, equally important, provide benefits to the communities in which they operate. In other words, to be ethical in today's business environment means to operate and be perceived as being socially responsible.

Adaptability values factor

The authors labelled the final factor that emerged from the analysis as the adaptability values factor. This factor is comprised of the values accreditation, innovation, longevity and personalisation, all of which are connected with changes that are occurring in today's modern business environment. For example, this factor indicates that the stakeholders now view longevity as an important expectation and value as a result of recently witnessing businesses that have been around for decades, such as Ford Motor Company and General Motors, come to the brink of bankruptcy and possible extinction. According to the findings, stakeholders perceive organisations that have been in business throughout the most recent recession as demonstrating perseverance and an ability to withstand dynamic changes in the business environment.

Additionally, the participants identified innovation and personalisation as important values. Innovation and personalisation, just like longevity, are based on the rapidly changing technological advancements that are occurring within businesses around the world. If organisations want to succeed and remain in business, they must adapt to constituents who have changed their own methods of operation and become accustomed to various new technologies. In this sense, constituents who desire to use new technologies want to do business with companies that do the same; these same consumers use technology such as social media to voice their opinions and force organisations to personalise their operations to meet their needs. Airlines, auto manufacturers and computer companies, no matter how different, are all held to standards of being innovative and creating products or services that meet the needs of their constituents, as well as personalising services and interactions with those same constituents.

Accreditation by a professional organisation, the final value in the adaptability values factor, provides a visible and immediate indication that

an organisation is meeting the current needs of its constituents. Constituents evaluate organisations based on a multitude of lists that rank them according to many favourable outcomes that include, for example, being one of the best nonprofits, the most socially responsible corporation, or being recognised as one of the better businesses in the area. Organisations that find themselves, or work to get themselves, on these lists are creating the perception that they are responding to the current ethical needs and expectations of their constituents.

As noted above, transparency and trustworthiness were dropped as items (i.e. values) as a result of the factor analysis procedures. These findings should not be interpreted as indicating that transparency and trustworthiness should be ignored by organisations. The findings do, however, imply that these two values may play a less important role in comparison with the other values examined in the study. The researchers believe this finding was most likely a result of the overlap between values in terms of the way various concepts are perceived by stakeholders. For example, being honest, a value that was identified as being most significant in the study, may imply to constituents the actions associated with being transparent.

Implications for practitioners

This study used a multi-stage, mixed methods approach that treated values as social constructs that are in part defined by members of society, rather than being defined solely by wealthy and powerful organisations. Although organisations and their communication about values play an important role in how values are ultimately defined, research that focuses solely on organisations is ignoring one of the fundamental components of a value – that it represents *society's take* on what is considered desirable in terms of how organisations should operate. In this sense, management in organisations must realise that organisational values are more than *their preferences* for ways of operating – they are also points of reference from which constituents make judgments about their organisations.

The values identified in this study, and others relevant to an individual organisation,

can be used to categorise stakeholder expectations regarding how the organisation should operate. Values and their inherent meanings provide valuable insights into the standards managers and practitioners must consider during the strategic planning process. The organisation's policies, procedures and methods of operation can be developed with a careful consideration of whether they reflect and are indicative of the values deemed as important by their stakeholders.

From a strategic issues management (SIM) approach, issues between organisations and their constituents can be addressed in part through the use of communication about values and, most importantly, by using feedback, such as the results from this study, to identify potential issues that exist between an organisation and its constituents. The fundamental SIM stages of systematically examining the external environment and continually communicating with diverse stakeholders should be partly focused on assessing their values and expectations. Obtaining this feedback may enable issue managers to predict how various constituents will interpret certain organisational behaviours and policies and determine the potential for any issues arising (Ng & Burke, 2010).

Implications for scholars

The findings of this study are also applicable to several other areas of public relations and general organisational research. As stakeholder engagement continues to be developed in public relations scholarship, there is a need to determine how to accurately define and measure what it means to *engage* stakeholders. Engagement has been directly related to values as it is characterised as a process whereby organisations learn and accept the values of their stakeholders in order to create shared goals (Mathur et al., 2008). Thus, the methodology and findings from this study contribute to the stakeholder engagement research by identifying a systematic process of identifying and learning the stakeholder values that are crucial to the engagement process.

Organisational legitimacy, a concept that is defined in extant literature as the balance or harmony that stems from a congruence between the values of an organisation and those of its

constituents (Dowling & Pfeffer, 1975; Suchman, 1995), has been described as an important concept in public relations research and practice (Boyd, 2009). According to Bostdorff and Vibbert (1994), organisational legitimacy can be established with the use of values advocacy – a rhetorical process that involves “search[ing] for positive areas of agreement with the public” which, in this case, are represented by shared values among an organisation and its constituents (p. 144). By identifying the values that have been deemed as being most important by the general public, this study provides insight that can revive the development of the organisational legitimacy construct, as well as provide strategic direction for values advocacy efforts.

Similarly, Schwartz and Carroll's (2003) multi-dimensional model of corporate social responsibility is comprised of an ethical component that vaguely suggests that socially responsible organisations should “be ethical” (p. 504). What is missing from this research is an indication of how organisations can achieve this feat with any level of certainty. Honesty, quality, respect and responsibility, the values that comprise the ethical values factor identified in this study, and their corresponding stakeholder expectations, provide further insight into the manner in which the ethical dimension of CSR can be operationalised and measured.

Suggestions for future research

Although the current study identified values perceived as important by constituents and therefore important in public relations practice, additional research must be conducted to identify exactly what specific substantive actions organisations must use to imply the values identified in the study. Ultimately, the actions must be identified for a variety of industry sectors (e.g. retail, manufacturing, nonprofit, government, service, etc.) to determine if there is a commonality of expected action, as there is for the expected values. For example, such studies must determine how a manufacturing organisation can demonstrate adherence to the expectations associated with the value of responsibility in comparison with organisations in the retail or service industries. Rather than asking the management in

organisations or their public relations practitioners how they *think* they are demonstrating the value, future studies should involve members of the general population to obtain their views regarding the specific actions and messages that make them view an organisation as being responsible.

Further studies must also be conducted to determine how the most important values for organisations change over time; this need points to a series of longitudinal studies that will follow and reassess the values identified in this study to determine if they remain salient among the general population. This information will be extremely important for public relations practitioners and managers attempting to make socially desirable strategic management decisions.

Limitations of the study

One limitation of the current study is the values identified in its findings may not be exhaustive and the values and their meanings may change with time. Even though Rokeach (1973) claimed that values are relatively stable and enduring constructs, certain values and their meanings may take on a different level of importance in the future. For example, what it means to demonstrate respect for constituents has changed drastically over the past few decades, just as innovation has taken on an entirely new level of importance for organisations from what it had been, as short a time ago as the middle of the last century.

Another limitation of the study is that its data were obtained and analysed through the use of exploratory factor analysis procedures. The focus of the stage of research presented here was that of reducing a list of generated items in order to further develop an instrument capable of assessing the most important values used by a diverse array of constituents. Further studies must be conducted to further test the validity of the current findings through the use of additional factor analysis procedures to determine if the results identified in this study can be replicated among varying populations.

Conclusion

This study's ultimate finding, that a generalisable sample of the general public identified 13 common values they expect

organisations to hold and communicate, is an extremely useful one for communicators within those organisations, even without any of the additional research noted above. Knowing what an organisation's constituents believe is important for an organisation to be considered a socially desirable organisation with which they wish to do business is a first step for public relations practitioners. Characteristics that match expected values must be communicated to constituents in every way possible and at every level, at the same time the communicators work internally to ensure management understands their bottom line is connected to those expectations being realised.

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