

EFFECTS OF MANAGERS' INDIVIDUAL VALUES ON COMPANY'S PERFORMANCE: THE CASE OF FRANCE

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***Abstract.** The values of managers occupy a prominent place in the scientific research. The role played by individual values in decision making within the company is less clear. Despite this attention, this study examines the relationship between managers' individual values and the company's performance. Based on a sample of 1202 French managers, this study aims to explain the system of managers' individual values within the French company SBF120. A questionnaire was sent to 1,202 senior managerial leaders.*

Our results highlight the existence of a positive relationship between the individual preferences of managers for competence, moral and social values and company's performance. This study should have academic and practical contributions particularly for managers seeking to improve the companies' practices and organizational functioning within capital market economy.

***Keywords:** Manager, company's performance, individual values, value system, financial crisis.*

Introduction

The recent international financial crises as Enron and World Com, which were manifested in the United States from the year (2001) gradually propagated to all the countries the most developed in the world. Major theoretical and empirical contributions have manifested about the problematic of these crises, interest has focused on the operation of corporate governance to address the problem posed by these events and find an explanation that mitigates the responsibility of financial institutions managers. The values thus obtained great importance to the scene of crises and different pressures (especially societal) that companies face their duties and roles of their managers. These values require more transparency and communication inside the company with employees and outside the company with the society, while companies seek to improve the degree of control and empower executives to achieve the company's goals.

These crises have shown the shortcomings of control mechanisms and of the current system of corporate governance. Several countries such as France, Germany, the UK and others have taken measures to strengthen accountability of the manager as part of improving their corporate governance systems through the adoption of new laws, creating long-term security mechanisms advance shareholder democracy and employee participation in governance, applying new standards and establishing guidelines for increasing the expectations and responsibilities of managers. Some laws have been adopted by states in response to these requirements, so we find that these countries are focused on one main goal is to create regulations requiring managers to account for their activities and on the control and monitoring function and their impact on the company.

For this purpose, our study would be interesting to address an essential dimension of management and corporate governance, namely the manager's values in the company. The main objective is focused to study this dimension based on the level of business performance in the French context.

Our problem will be particularly understand to what extent and with what impact are the individual values of managers that can influence the performance in French companies?

The structure of this study is like the following: first we present a review of the literature on the one hand the values generally, and on the other hand the individual values of manager within the company. Second, we will justify our methodological choice and the choice of our samples in terms of size and in a way which we collected data. Finally, we show an analysis of the obtained results followed by the brought contributions and the various limitations of this research.

Literature Review

The concept of individual values within the company.

The discussion about the values is also old as companies themselves. Although they are not new, they have received a lot of pressure in the last five to seven years in several areas of scientific research, mainly because of the scandals which appeared around the ethical behavior of the company managers. They are among the very few social concepts that have been used successfully in all disciplines of the social sciences, and Ball-Rokeach Rokeach (1989). For example in marketing this concept takes a special importance because of its direct link with consumer attitudes. In this context the behavior of individuals is impacted well by its values, in particular their reactions in front of marketing stimuli or their choice of products, bound for example to how to feed, to get dressed or of mode of transport movements.

At the organizational level, Schein (1985) consider the values as a major component of organizational culture, and are often described as principles responsible for the management success of a number of companies. But in spite of their big importance, there is no total agreement on the nature of values themselves. They were considered as needs, types of personality, motivations, objectives, public services, attitudes and interests. According to Rokeach and Bill-Rokeach (1989) the lack of agreement has created problems in interpreting the results of various studies and how the values are conceptualized, defined and measured in academic research.

The values are difficult to define because they share similar characteristics with concepts such as attitudes, preferences and opinions. In the literature there are several definitions of values. According to Rokeach (1973) values are defined as lasting beliefs leading a specific behavioral style or end state of existence that is better than another style of behavior. According to him this concept should take of specific importance in all sciences studying individual behavior.

The literature on theories of values (Schwartz and Bilsky, 1990; Rokeach and Ball-Rokeach, 1989; Elects 1996) focuses on the stability of the values and their structure. Schwartz (1994) argues that the values are structured by a combination of social and psychological conflicts. Over time, these conflicts and harmonies between the value priorities translate into a structure or system of values. It states that the differences between the structures of values explain the individual behavior and the impacts in terms of decision making. To identify the different definitions of individual values, three main theoretical contributions can be retained: Studies of Rokeach (1973) indicated RVS (Rokeach's value survey) approach Kahle (1983) and that of Schwartz and Bilsky (1987).

Rokeach's Approach

By the late 1960s, Professor of Psychology at the University of Michigan Milton Rokeach developed a special interest faces human values. « Sustainable beliefs determining a specific behavior mode (or aim of existence) is personally or socially preferable to another mode of behavior (or opposite or converge aim of existence) ». Within the framework of his approach, values are based on the following five principles:

1. The total valuable number which a person possesses is relatively small;
2. Every individual possesses the same values in various degrees;
3. The values are organized in systems;
4. The antecedents of human values come from the culture of the society and its institutions and personality;
5. The consequences of human values are manifested in almost all the phenomena studied in social sciences.

Specifically, he has developed a measurement scale named the Rokeach Value Survey (RVS) to assess the system of individual values. He has classified the values into two types. First of all, the terminal values which refer to the personal values or to the social values. According to him this valuable type refers to beliefs or ideas about personal goals or purpose of existence for example, collaboration (colleagues of work help each other); motivation (have a rich professional life); autonomy (having the ability to choose their own work objectives); satisfaction (have a good emotional state resulting from job satisfaction) and social recognition (see appreciated contribution to its just value).

The seconds are instrumental values that refer to beliefs or ideas on desirable patterns of behavior. These values refer to the values of competence or moral values, such as, Independence (have freedom of action and thought at work); responsibility (answering the requirements defined in the course of your duties); utilitarianism (act so as to maximize the global well-being of all stakeholders); the helpful (always ready to do service to stakeholders) and intelligence (to have the ability to act appropriately to situations). Figure 1 shows the system of individual values Rokeach (1973) and Table 1 shows all the individual values into two lists (18 terminal values and 18 instrumental values).

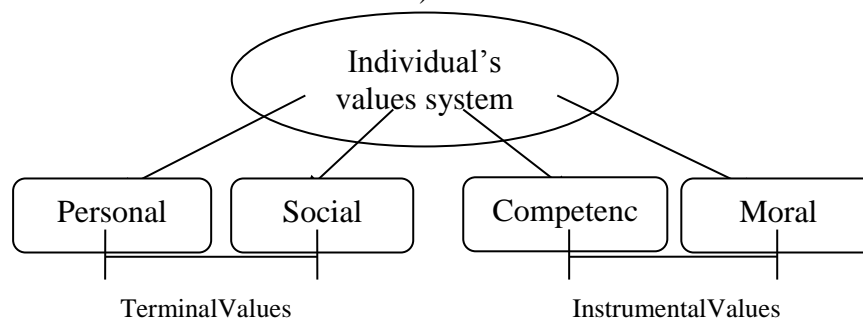


Figure 1: Individual's Values System of Rokeach (1973)

Table 1: Individual's Values of Rokeach (1973)

Terminal values	Instrumental values
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A comfortable life (a prosperous life)	Ambitious (hard-working, aspiring)
An exciting life (a stimulating, active life)	Broad-minded (open-minded)
A sense of accomplishment (lasting contribution)	Capable (competent, effective)
A world at peace (free of war and conflict)	Cheerful (lighthearted, joyful)
A world of beauty (beauty of nature and the arts)	Clean (neat, tidy)
Equality (brotherhood)	Courageous (standing up for your beliefs)
Family security (taking care of loved ones)	Forgiving (willing to pardon others)
Freedom (independence, free choice)	Helpful (working for the welfare of others)
Happiness (contentedness)	Honest (sincere, truthful)
Inner harmony (freedom from inner conflict)	Imaginative (daring, creative)
Mature love (sexual and spiritual intimacy)	Independent (self-reliant, self-sufficient)
National security (protection from attack)	Intellectual (intelligent, reflective)
Pleasure (an enjoyable, leisurely life)	Logical (consistent, rational)
Salvation (saved, eternal life)	Loving (affectionate, tender)
Self-respect (self-esteem)	Obedient (dutiful, respectful)
Social recognition (respect, admiration)	Polite (courteous, well-mannered)
True friendship (close companionship)	Responsible (dependable, reliable)
Wisdom (a mature understanding of life)	Self-controlled (restrained, self-disciplined)

Kahle's Approach

Further to the work of Rokeach (1918-1988) which was based mainly on American society, Kahle has also studied the values to ensure their universality. However, his scale is a more condensed form as the Rokeach; values are person-oriented while those of Rokeach are more oriented to the society.

Specifically, Kahle present a list of nine values (L.O.V) terminal purely as follows:

- Sense of belonging;
- The need for excitement;
- The amusement and joy of living;
- Warm relationships with others;
- Personal fulfillment;
- Sense of accomplishment;
- Being well respected;
- Security;
- Self-respect.

The set of these values are person-oriented while those of Rokeach (1973) are instead oriented towards society. Furthermore, the first six values Kahle are internal because they are from the individual while the last four are external values. This scale is widely used in academic work in management, especially in marketing. Its advantage is presented by a small number of values and its possibility of use during questionnaire surveys (in terms of greater acceptance of the individual questionned and time saving). By cons, its main drawback present in the fact that measured values list does not present the difference of individual's values.

Schwartz & Bilsky's Approach

The approach of Schwartz and Bilsky (1987) is based primarily on the works of Rokeach. According to this approach the values have played an essential role not only in sociology, but also in anthropology, psychology and in the other concerned disciplines. We use them to explain the individuals or the companies, to follow the change over time, and to develop the purposes through our attitude and behavior.

According to Schwartz and Bilsky (1990), individual values answer to the following definition:

- These are concepts or beliefs that are related to the goals of the existence or desirable behavior,
- They go beyond the specific conditions and are the conclusion of incentives designed to achieve personal goals,
- They guide the choices and allow the assessment of behaviors and events,
- They are ordered in order of relative importance as guiding principles of life.

These values answer three needs (the first one at the individual level is the biological need, the second is the need for a granted social interaction and the third one is the need for survival and for well-being within the groups). Furthermore, Schwartz developed Rokeach Values Survey (RVS) by increasing the number of values compared to achieve fifty six values categorized in eleven domains which are: the auto-orientation; stimulation; hedonism; fulfillment; power; security; conformity; tradition; spirituality; benevolence; universalism. This instrument set up to measure the values presented under the name of questionnaire of the values of Schwartz (Schwartz Value Survey), Schwartz (1992).

Effects of individual values within the company.

As previously indicated, the values have been conceptualized in different ways. To handle more clear, the research led by Rokeach (1973) and Williams (1968) focused on two types of values. A type where the value of individual attributed to an object or result. These objects or results acquire value through their instrumental relationship with other objects or results which, in turn, play a role determining to other objects or results.

A second type of value that is more likely to be used to describe a person, Feather (1995). These values were divided into instrumental and terminal values, Rokeach (1973). Terminal values, for example, a comfortable life, wisdom ... etc. As its name indicates, on the other hand the instrumental values are modes of behavior, eg, honesty, helpfulness ... etc. In this context Rokeach proposed a functional relationship between the two values (instrumental and terminal) in which the instrumental values describe behaviors that facilitate the achievement of the final values.

In our study, we are going to concentrate on the values applying to individuals and not on the values granted to objects or results. On this occasion, we rely on the ideas of Rokeach (1973)

and Williams (1968), who argue that this approach is more effective for social analysis, because it can provide a better understanding of individual value and their impacts within the company.

Empirically, research on values provided important indications at the individual, organizational and societal. One of these domains is to know how the individual values of managers influenced the decision-making on human resources (HR). This type of research is mainly based on the idea that values can provide solid explanations behavior. A vast literature now exists, confirming the influence of values on individual behavior in groups, organizations and society. At the analysis of the group, Earley (1993) found that the degree of collectivist values displayed by a group had an impact on individual contributions to the group; On the other hand at the organizational level, Finegan (2000) noticed that the emotional values of an organization will influence significantly the emotional commitment of the employees within this organization, while at the societal level, Hofstede (1980) seminal work notes the valuable importance in the explanation of the productivity of countries.

However, McGuire D. and al. (2006) studied the relationship between individual values of human resource managers (HR) and decision making based on data collected from Canadian and Irish business managers. These questionnaire data were collected from a total of 340 executives. The results showed a positive and significant relation of the importance of health and safety values in a decision-making scenario. They also underline the necessity of examining simultaneously the individual values and the organizational factors as the predictive factors for the made of good decision in human resources. Finally, this study highlights the attention on the necessity of the awareness of effects of individual values which will allow improving the understanding of the process of decision-making within companies.

Begley and Boyd (2000) determine that the individual values must be taken into consideration in the development of human resources policies and strategies leading to greater consistency in organizational decision-making and work environment more harmonious. Similarly, Ranney and Carlson (1992) argue that human resource policies of an organization, individual values and rules are good indicators of human behavior. The study showed that values played an important role in the process of decision making.

Based on a sample of fifty managers, Agrawal and Krishnan (2000) examined the relationship between managerial values and leadership style in the company. They found that managers who care higher functions give more importance to the system of individual values that managers who care for lower functions in the course of their company. The results show that the managers who care of superior functions gave a classification clearly upper to the value of safety and benevolence and a reduction in classification in the value of the self-direction. The leadership style was significantly bound to the value of success and the benevolence.

At the organizational level, certain numbers of studies have shown that companies with high standards of ethical behavior, shared values, and a sense of social purpose are outperforming their counterparts. This can be attributed to the fact that there is a focal point, or a hierarchy of common values around which decisions can be made and that these decisions are made in a coherent way.

In addition, Reynaud and al. (2008) performs research conducted with 2,728 management students in 22 countries on 4 continents (America, Asia, Europe and Oceania) using the scale of values Schwartz (1992) to analyze the individual values of managers and their attitude with regard to environmental and social responsibilities. This study showed that the values of individualism on the one hand and universalism of the other are closely linked with the responsible attitude. Furthermore, individualism is negatively related to the attitude in environmental and social consideration when universalism is positively related to these two attitudes.

The influence of individual values exerted by financial investors regarding investment of companies has been the subject of several studies also, as the article BOYS (2003) examines

the effects of ethical activism about the companies and seeking to determine the relationship between the presence of different types of institutional investors in the capital of a company and its ethical behavior. The latter, concludes that institutional investors, particularly collective investment and the passive investors influence negatively on the ethical behavior of companies.

The recent article by Carlin and Gervais (2009), analyzes how the values of the companies managers affects the employment contracts, the degree of risk, the potential for growth and organizational structure. It also shows that bureaucratic enterprises whose growth potential is low are more likely to win the values of management diligence, and that companies are hiring from a virtuous agent pool, are more conservative in their investments and a horizontal structure of the company. It also shows that some agents are virtuous and provide efforts without referring to additional incentives. Another article by Jeffrey R. Brown et al. (2007) shows that there is a relationship between the participation of the individual in the stock market and the values .A person is more likely to participate in the stock market when a higher number of people in their local environment perform the same decision, In other words, they share the same ethical values.

Aristotle (2004) proposed that individuals of a civilized society incorporate the values in the decisions they make. Similarly, Akerlof (2007) suggests that social values can affect the economy by the effect on the choices people make.

This interaction between incentives and social or moral pressure has been studied in the fields of psychology, Juge and Ilies (2002), political sciences, Rose-Ackerman (1999), and the economy, Frank (1987) and Sen (1987). The common idea in all this literature is that individuals are both guided by moral values that motivate selfless acts.

In this way, the manager's values encourage the efficient functioning of their organizations and influence finally its general culture, Dickson et al. (2001). By supporting these arguments, Schminke et al. (2005) find that the manager's values positively influence the ethical climate of organizations and the moral values of this last form the overall value of the company structure.

In auditing Karacaer S. and al (2009) studying the effects of personal values on ethical decision making of the listener in two countries, namely, Pakistan and Turkey. They conducted the study with a sample of professional auditors and certified in these countries to assess their preferred values using the Rokeach Value Survey (RVS). This study found no statistically significant difference between the average values of moral intensity in both countries. On the other hand, it showed statistically significant differences between the terminal values and instrumental values of auditors in the studied countries. Finally this study asserted that contextual factors, such as organizational or professional values, have a significant impact on behavior in the context of the business, and the importance of the presence of of the very strong professional standards regarding audit to improve the behavior of auditors.

This basic empirical research indicates that there is a significant relationship between the individual manager's values and decision making. The individual values have become prerequisites for effective leadership in modern organizations. Ethics, leadership and values have received much attention. The individual values explained, to some extent, a series of decisions and style of management in the company. However, business managers have to make decisions not only taking into account the benefits they bring, but also how they affect other people, Stansbury J. (2009). The best managers must know their values and ethics in their leadership style and actions. It is necessary to provide full and accurate information, where there is a personal obligation, professional, ethical or moral to perform these actions.

We can conclude that the individual values have long been associated with individual behavior when decision making. The potential influence of these values on decision making and behavior was found in the empirical literature Frederick and Weber (1987); Hunt and al

(1989) and Rokeach, (1973). However, there is little empirical links between values and business performance. One reason for this limited number of research could be the lack of full agreement on the nature of values themselves. In addition, there are relatively few studies on the values in the literature of accounting and finance. What was led to questions through this article on the influence of individual manager's values on the overall performance of the company.

Research Methodology

According to the explanatory and causal nature of our problem of research based on the study of themanagers' individual values in the French companies context, we are in a positivist paradigm which is going to allow us to explain generally the different values of managers as well as the link of causality between these values and the company's performance. Based on both theoretical and empirical research, this study aims to investigate empirically managers' individual values using the Rokeach Value Survey (RVS).

Sample and data collection

Our initial sample contains 120 companies quoted in stock exchange. We chose the most important companies component stock index SBF120¹ in France. For the data collection, questionnaire data was collected from a total of 1,202 managers of highest managerial level (for example, the Chief Executive Officer (CEO) of the company, the chairman of the board of directors, the directors of the board ... etc.). In the end, we got 93 valid responses to this survey. Table 2 shows the demographics profile of participants.

Table 2: Demographics profile of participants (in percentages)

Demographics	%
Gender	
Male	93
Female	07
Age	
(30-39)	04
(40-49)	13
(50-59)	21
(60-69)	56
(70 et plus)	06

¹This is a stock market index for large French companies traded, it is composed of three major indexes are: CAC40, CAC Next 20 and CAC Mid 60.

Highest degree	
Universities	05
MBA	15
Business schools	55
Engineering schools	20
Other	05
Level of management	
Top management	83
Middle management	18

Hypothesis

From our objective of this study, we test the following two hypotheses concerning of managers' individual values. On a side the instrumental values of manager and on the other side the terminal values of manager.

The following assumptions refer to the structure of the value system of Rokeach (1973) with the classification of Weber (1990) has developed a classification system that category each Rokeach values (1973). Instrumental values as moral values or skills and terminal values as personal or social values. The first hypothesis refers to the instrumental dimensions of Rokeach values (1973) test the impact of two categories of instrumental managers values (instrumental values of competence and instrumental values of morality) on the company's performance. So we can present the following hypothesis:

Hypothesis 1: The instrumental values of managers are linked to company performance.

H1.1: There is a positive relationship between the individual preferences of managers for competence values and company performance.

H1.2: There is a positive relationship between the individual preferences of managers for moral values and company performance.

The second hypothesis refers to the dimensions of the terminal values Rokeach (1973) test the impact of two categories of personal and social manager terminal values on the company's performance. We can suggest the following hypothesis:

Hypothesis 2: The terminal values of managers are linked to company performance.

H2.1: There is a negative relationship between the individual preferences of managers for personal values and company performance.

H2.2: There is a positive relationship between the individual preferences of managers for social values and company performance.

Choice and definition of variables

The performance of the company:

The notion of performances of the company can be approached through its results, of highly-rated one financial result and accountants and on the other side stock-exchange results. Several ratios based on the data financial and accounting can calculate the financial performance such as, the ratio ROA "Return On Assets" who calculated from the net income divided by the total of the assets of the company; Daines (2004), Adam and Santos (2005), Eisenberg and al (1998), Lazarides and al (2009); and the ratio ROE "Return On Equity" which equals in the net income divided by the book value of own capital, Bouri and Bouaziz (2007), Brown and Caylor (2004), Lehman and Weigrand (2000).

These indicators present limits and none of them allow to approach in a single calculation the performance of the company. Consequently, we are going to study the other indicators, which base itself on the market information of the company to know the Q ratio proposed by Tobin in (1969) who corresponds to the market values who equals in own capital more the financial debts of the company and total conversed by the cost of replacement of assets. We thus chose to measure the performance of the company through these two variables sets (ROA&Q ratio proposed by Tobin).

Managers' Individual Values

The research is divided on the appropriate way to measure the values. For example, England (1975) and Wollack and al (1971) using methods that measure the values independently of each other. Others, such as, Cable and Juge (1996), Meglino, Ravlin and Adkins (1989) used methods for assessing preferences between different values. Although there are several classifications of theoretical values the most known and applied method of measuring value is assigned to Rokeach (1973). Most studies on the values in accounting and management used the Rokeach Value Survey (Rokeach Value Survey) in 1973, and there are many empirical studies support the validity and reliability of RVS (for example, Shafer and al, 2001; Wilson and al 1998; Wright and al, 1997).

This instrument, which has been widely used in the study of values for its development contains two lists of 18 terminal values and 18 instrumental values. Two measures of individual values were obtained using the measurement scale values proposed by psychologist Milton Rokeach (1973). Terminal values scale and instrumental values scale. The values in the two scales were presented before in Table 1. Rokeach used a ranking system where each respondent rated 18 values on a scale by order of importance.

However, Weber (1990) developed a classification system that category each Rokeach values (1973). Instrumental values as moral values or skills and terminal values as personal or social values. This classification system is presented in Table 3.

In the end, we asked the managers of French companies assess each value on a scale of 7 following:

1. Opposed to my values
2. Not important
3. Low importance
4. Moderately important
5. Important
6. Very important
7. Essential

Table 3: Weber's Classification of Rokeach's values (1990)

<i>Panel A: Classification of Terminal Values</i>		<i>Panel B: Classification of Instrumental Values</i>	
Variable	Classification	Variable	Classification
A comfortable life	Personal	Ambitious	Competence
An exciting life	Personal	Broad-minded	Competence
A sense of accomplishment	Personal	Capable	Competence
A world at peace	Social	Cheerful	Moral
A world of beauty	Social	Clean	Moral
Equality	Social	Courageous	Moral
Family security	Personal	Forgiving	Moral
Freedom	Personal	Helpful	Moral
Happiness	Personal	Honest	Moral
Inner harmony	Personal	Imaginative	Competence
Mature love	Personal	Independent	Competence
National security	Social	Intellectual	Competence
Pleasure	Personal	Logical	Competence
Salvation	Personal	Loving	Moral
Self-respect	Personal	Obedient	Moral
Social recognition	Personal	Polite	Moral
True friendship	Personal	Responsible	Competence
Wisdom	Personal	Self-controlled	Neither

The variables of control: we use in our study the variable of control susceptible to have an impact on company's performance.

The size of the company: in the literary men the influence of size of the company on the performance is contradictory. In (2007), Poulain-Rehm asserts that there is no significant relation between these variables while Cheffoul (2009) shows that the size of the company, impact negatively the performance. However, Crepon and al. (1998) Show a positive and significant influence between both variables. Size of the company: the logarithm of the total of the assets of the company.

Empirical results and discussion:

First, we present through Table 4 the average scores and ranking of values of the Rokeach Value Survey (RVS) in the countries studied (in France). The data presented in this table show many differences in the results of the terminal and instrumental values. For example, intelligence; enthusiasm; courage; responsibility and honesty were among the five most recorded instrumental values. Similarly, the reliability; coherence; pleasure; motivation and satisfaction were assessed as the five highest residual values. One of the interesting findings is that instrumental values ambition; independence; rationality; indulgence and helpful were among the lowest values. Furthermore, the table also shows that the conformability; the stability of careers; respect for tradition and altruism were classified among the lowest terminal values. Therefore, we find differences in preferences of company directors for testing against the values of importance realized by Rokeach in 1973.

Table 4: Mean value ratings and value ranks (N=92)

Instrumental values	Mean	SD	Rank	Terminal values	Mean	SD	Rank
Cheerful	6,4	0,727	1	Pleasure	6,37	0,722	1
Intellectual	6,27	0,891	2	A sense of accomplishment	6,24	0,869	2
Courageous	6,18	0,937	3	A world at peace	6,23	0,973	3
Responsible	6,17	0,872	4	Inner harmony	5,88	0,837	4
Honest	5,97	1,094	5	Happiness	5,86	0,921	5
Self-controlled	5,93	1,23	6	Freedom	5,83	1,034	6
Broad-minded	5,93	0,823	7	Family security	5,57	0,746	7
Imaginative	5,87	0,986	8	Wisdom	5,55	1,062	8
Capable	5,76	0,856	9	Equality	5,38	1,397	9
Independent	5,73	0,973	10	Social recognition	5,38	1,283	10
Ambitious	5,61	0,901	11	National security	5,23	1,335	11
Logical	5,39	0,96	12	A comfortable life	5,02	1,317	12
Forgiving	5,32	1,414	13	A world of beauty	4,97	1,346	13
Polite	5,11	0,955	14	Mature love	4,88	1,156	14
Clean	5,08	0,986	15	Salvation	4,71	1,075	15
Loving	4,72	0,894	16	An exciting life	4,6	1,375	16
Helpful	4,62	1,067	17	True friendship	4,41	1,549	17
Obedient	4,6	1,187	18	Self-respect	4,28	1,009	18

Regarding consistency or reliability of our values tested Cronbach's alpha for our scale was as follows:

Managers' individual values	Cronbach's Alpha
Instrumental values	
Competence	,673
Moral	,763
Terminal values	
Social	,833
Personal	,877

The Cronbach's alpha can take multiple values. Its value is between 0 and 1. Most scientists agree on a minimum value equal to 0.7 for the test to be considered reliable, others set the value to get at least 0.8.

In addition, we have verified that no correlation was also higher than 0.80 between the interactions of the variables studied. The results of the correlation matrix obtained and presented in Schedules 1, 2.3 and 4 at the end of this study, we reveal that there is an absence of strong correlations between the interactions of four groups of the centered values.

Then, we verified that there is no multi collinearity problem. We noticed that the variables have a value of VIF "Variance Inflation Factor" ranging from 1.000 to 1.002, well below the standard values (VIF <3.3). In addition, the test statistic Durbin-Watson (used to detect autocorrelation in the residuals from a linear regression) shows a value of 1.565 which is well within the range of zero to four. A value close to zero indicates a positive autocorrelation, values located around 2 show an autocorrelation absence and if we approach 4, there is a negative autocorrelation. The following table summarizes the results of these tests.

	Durbin-Watson	Collinearity Statistics	
		Tolerance	VIF
Competence Values	1,967	,998	1,002
Moral Values	1,556	1,000	1,000
Social Values	1,958	,998	1,002
Personal Values	1,565	1,000	1,000

Regarding the results of the regression analysis that examines the relationships of all variables with the company's performance. Tables 5 and 6 present the summary of these results.

Table 5: Results of regression analysis (ROA)

Variable	R	R ²	Adjusted R-squared	Beta	T	Sig.
Instrumental values						
Competence	,593	,351	,337	,266**	3,116	,002
Firm size	-	-	-	-,543**	-6,349	,000
Moral						
Firm size	,579	,335	,320	,234**	2,71	,008
	-	-	-	-,531**	-6,15	,000
Terminal values						
Social						
Firm size	,579	,335	,320	,233**	2,689	,008
	-	-	-	-,518**	-5,989	,000
Personal						
Firm size	,591	,349	,335	,262**	3,065	,003
	-	-	-	-,527**	-6,158	,000

*p<0.05. ; **p< 0.01.

Table 6: Results of regression analysis (Q Tobin)

Variables	R	R ²	R-deux ajusté	Beta	T	Sig.
Instrumental values						
Competence	,386	,149	,130	,207*	2,112	,037
Firm size	-	-	-	-,543**	-6,349	,001
Moral						
Firm size	,401	,161	,142	,234*	2,409	,018
	-	-	-	-,328**	-3,378	,001
Terminal values						
Social						
Firm size	,366	,134	,115	,167	1,687	,095
	-	-	-	-,318**	-3,221	,002
Personal						
Firm size	,384	,148	,129	,203*	2,079	,041
	-	-	-	-,324**	-3,309	,001

*p<0.05. ; **p< 0.01.

As regards the first hypothesis H1.1, there is a positive relationship between the individual preferences of managers for the values of competence and performance of the company, Tables 5 and 6 we learn that it is broadly confirmed. Indeed, all skill values are positively related to performance of company, it is more the individual preferences of managers to increase the values of responsibility, independence, rationality, imagination, ambition, broad-mindedness, competence and wiser now achieved a good overall performance. This result affirms the argument found in studies of Frederick and Weber (1987) and Hunt and al (1989) where individual values are associated strongly to individual behavior at the time of decision making that could improve the performance and creation values in the company.

Then, with respect to the hypothesis H1.2, there is a positive relationship between the individual preferences of managers for moral values and business performance, the results confirm this argument. In this way, the moral values of the managers (excitement, elegance, courage, forbearance, utilitarianism, honesty, helpfulness, obedience and compliance) promote the efficient operation of their organizations and ultimately influence their overall returns. By supporting this argument, Schminke and al. (2005) also find that the values of managers positively influences the ethical climate of organizations and the moral values of these, form the overall value of the company structure.

Finally, as regards the second hypothesis, which refers to the terminal dimensions values of managers test the impact of these two categories of personal and social values on the performance of the company, Tables 5 and 6 show that there is a positive relationship between the individual preferences of managers for social values (reliability, stability careers, justice and equality) and company performance. Then, our study does not confirm the hypothesis H2.1 where it is assumed that there is a negative relationship between the individual preferences of managers to personal values and corporate performance.

Compared to our control variable, our results show that firm size is an important determinant of the company's performance. Tables 5 and 6 show that there is a negative relationship between the two variables. These results are consistent with our expectations and validate those identified in previous research as Cheffoul (2009) which states this relationship.

Overall, we can conclude that our main assumptions are confirmed, since we find that the more the individual preferences of managers for the values of competence, moral and social are high, also the company's performance level. The research results obtained are similar to many empirical studies in the academic literature as Jeffrey R. Brown and al. (2007), Aristotle (2004), Akerlof (2007), Rose-Ackerman (1999), Frank (1987) and Sen (1987). This basic empirical research indicates that there is a significant relationship between the individual values of leadership and decision-making, which subsequently positively impact the overall performance of the company. In addition, individual values have become prerequisites for effective leadership in modern organizations. We can conclude that the individual values of the managers globally prominently in major French companies.

Contributions and Limitations

This study may have several contributions to both academic and practical implications for different reasons. From an academic perspective, our study was interested to deal with an essential dimension of management and corporate governance, namely the individual values of leadership in French companies. These values obtained a big importance in front of these crises and different pressures (especially societal) that companies face their duties and roles of their managers.

Unlike previous research, our research establishes an important empirical analysis to improve managerial practices, as well as explanation of link of the causality between the values of leader and the general performance within the French companies. We chose companies making up most important stock index in France SBF120. A questionnaire was sent to a final sample consists of 1202 high-level managers managerial.

This study also has practical implications, because it allows a better understanding of individual values of company's managers, as well as a link explaining the causality between these values and performance within large French companies. This can provide useful information for the professionals which are company's managers or financial institutions at the

time of decision-making and more effective strategic choices. However, our study also has some limitations that may constitute important research avenues for further work. The most important is related to the size of the sample that we have represented the French context by the companies making up the most important stock index in France SBF120 which certainly are large companies in France, but would be important to have other French companies of different sizes. Thus, as part of future work, it would be interesting to enlarge the sample by including other managers of European companies, which would have a more developed vision of the European context.

Conclusion

Since the late 1990s, the managers have faced increasing demands from one side of the part of financial and accounting markets, but also from various internal and external stakeholders increasingly influential. These requirements put the leader in an awkward position because he is asked the latter to give more effective strategic choices, allowing the company to live and develop in an uncertain and complex environment. They seek to find a model of responsibility on which they will rely upon decisions to try to reduce the unpredictability and uncertainty in which they are located.

The main objective of this study is to better explain the system of individual values of managers within the company, and then we study the impact of these values on the performance of French companies. We chose the most important component stock index SBF120 companies in France. A questionnaire was sent to 1202 senior managerial managers. The results show that over the individual preferences of managers for the values of competence, moral and social are high; also the company's performance level is high.

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Annex 1: Pearson's Correlation (Competence values)

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
1. Ambitious											
2. Broadminded	,173 ,100										
3. Capable	,390** ,000	,368** ,000									
4. Imaginative	,115 ,275	-,227* ,029	,067 ,527								
5. Independent	,253* ,015	,183 ,080	,317** ,002	,535** ,000							
6. Intellectual	,161 ,125	-,095 ,365	-,015 ,889	,166 ,114	,061 ,565						
7. Logical	,293** ,005	,158 ,133	,329** ,001	,124 ,238	,315** ,002	,221* ,034					
8. Responsible	,283** ,006	,292** ,005	,351** ,001	,124 ,178	,483** ,000	,038 ,723	,207* ,048				
9. ROA	,249* ,006	,144 ,005	,195 ,001	,081 ,178	,215* ,000	,09 ,723	,114 ,048	-,031			

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	,017	,170	,063	,444	,039	,329	,280	,770			
10. Q of Tobin	,260*	,056	,206*	,097	,176	-,053	,212*	-,134	,689**		
	,012	,599	,049	,357	,093	,615	,042	,202	,000		
11.Firm size	-,011	,052	,118	-,088	-,166	,079	,124	,138	-,513**	-,321**	
	,919	,625	,261	,406	,114	,455	,240	,191	,000	,000	

** . Correlation is significant at the 0.01 level. * . Correlation is significant at the 0.05 level.

Annex 2: Pearson's Correlation (Moral values)

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
1.Cheerful												
2.Clean	,79** ,007											
3.Courageous	,019 ,859	,318** ,002										
4.Forgiving	-,050 ,637	,464** ,000	,287** ,005									
5.Helpful	-,197 ,06	,184 ,078	,192 ,067	-,124 ,241								
6.Honest	-,246* ,018	,522** ,000	,617** ,000	,454** ,000	,272** ,009							
7.Loving	-,178 ,089	,486** ,000	,194 ,063	,367** ,000	,531** ,000	,643** ,000						
8.Obedient	-,282** ,007	,308** ,003	,423** ,000	,135 ,198	,719** ,000	,582** ,000	,710** ,000					
9.Polite	-,206* ,049	-,102 ,332	,112 ,286	-,311** ,003	,699** ,000	,140 ,182	,410** ,000	,738** ,000				
10. ROA	,018 ,864	,156 ,137	,113 ,284	,134 ,202	,219* ,036	,145 ,168	,198 ,058	,164 ,118	,046 ,661			
11. Q of Tobin	-,25 ,816	,133 ,208	,137 ,191	,100 ,345	,183 ,081	,105 ,319	,205* ,050	,221* ,034	,146 ,165	,689** ,000		
12.Firm size	-,005 ,962	-,070 ,509	-,097 ,358	-,133 ,205	,040 ,702	,009 ,929	,094 ,370	,070 ,509	,182 ,082	-,513** ,000	-,321** ,000	

** . Correlation is significant at the 0.01 level. * . Correlation is significant at the 0.05 level.

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Annex 3: Pearson's Correlation (social values)

	1.	2.	3.	4.	5.	6.	7.
1.A world at peace							
2. A world of beauty	,366** ,000						
3.Equality	,646** ,000	,532** ,000					
4.National security	,636** ,000	,530** ,000	,677** ,000				
5. ROA	,140 ,182	,158 ,134	,291** ,005	,240* ,021			
6. Q of Tobin	,094 ,374	,166 ,115	,167 ,112	,157 ,340	,689** ,000		
7. Firm size	,013 ,898	-,010 ,922	-,131 ,214	-,014 ,892	-,513** ,000	-,321** ,000	

** . Correlation is significant at the 0.01 level.*. Correlation is significant at the 0.05 level.

Annex4: Pearson's Correlation (Personal values)

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.
1. A comfortable life	1																
2. An exciting life	,654** ,000																
3. Accomplishment	,533** ,000	,238* ,023															
4. Family security	,468** ,000	,631** ,000	,400** ,000														
5. Freedom	,705** ,000	,538** ,000	,181 ,084	,243* 0,02													
6. Happiness	,410** ,000	,614** ,000	,455** ,000	,550** ,000	,470** ,000												
7. Inner harmony	-,008 ,943	,111 ,294	-,142 ,178	,162 ,122	,293** ,005	,021 ,845											
8. Mature love	,420** ,000	,681** ,000	,269** ,009	,780** ,000	,267** ,010	,428** ,000	,417** ,000										
9. Salvation	,323**	,440**	,076	,689**	,260**	,280**	,278**	,529**									

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	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.
	,002	,000	,472	,000	,012	,007	,007	,000									
10. Self-respect	,681**	,590**	,436**	,559**	,574**	,505**	,353**	,528**	,442**								
	,000	,000	,000	,000	,000	,000	,001	,000	,000								
11. Social recognition	,515**	,474**	,755**	,611**	,208*	,697**	-,111	,468**	,257*	,476**							
	,000	,000	,000	,000	,047	,000	,293	,000	,013	,000							
12. True friendship	-,042	,301**	,277**	,576**	-,188	,311**	,089	,482**	,542**	,339**	,473**						
	,690	,004	,008	,000	,073	,003	,397	,000	,000	,001	,000						
13. Wisdom	,266*	,703**	,045	,432**	,269**	,238*	,125	,439**	,269**	,273**	,134	,333**					
	,010	,000	,668	,000	,010	,022	,236	,000	,009	,009	,203	,001					
14. Le plaisir	,015	,086	-,09	,077	,190	,046	,438**	,119	,425**	,247*	-,13	,216*	,059				
	,89	,421	,394	,464	,069	,661	,000	,257	,000	,017	,218	,039	,573				
15. ROA	,229*	,155	,266*	,164	,269**	,176	,192	,181	,148	,257*	,080	,051	,185	,109			
	,028	,139	,011	,119	,010	,093	,066	,850	,016	,013	,448	,631	,077	,303			
16. Q of Tobin	,130	,204	,120	,195	,180	,181	,166	,255*	,043	,186	-,032	,032	,199	,04	,689**		
	,216	,051	,255	,062	,086	,084	,113	,012	,684	,076	,759	,673	,057	,706	,000		
17. Firm size	-,025	-,036	-,053	,101	-,119	,044	-,097	,053	-,053	,056	,146	,095	-,189	-,127	-,513**	-,321**	
	,815	,732	,614	,336	,259	,674	,359	,615	,616	,593	,164	,369	,072	,229	,000	,000	

** . Correlation is significant at the 0.01 level. * . Correlation is significant at the 0.05 level.