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Transforming Organizational Values into Action - Challenges in a Multinational Organization

Case: Halton Ventilation

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Tämä opinnäytetyö käsittelee arvojen jalkauttamista monikulttuurisessa organisaatiossa. Opinnäytetyön tavoitteena on selvittää onnistuneen arvoprosessin edellytyksiä, sekä saada selville haasteita, joita monikulttuuriset yritykset kohtaavat prosessin jalkauttamisvaiheessa. Opinnäytetyön toimeksiantaja on Halton Group ja tutkimuksen kohteena yrityksen Shanghai toimipiste Halton Ventilation.

Opinnäytetyön teoreettisessa osassa avataan lähdekirjallisuuden perusteella organisaatiokulttuurin, kansallisen kulttuurin, yritysarvojen ja arvoprosessin käsitteitä, sekä erotellaan käytännöllisiä arvojen jalkauttamistoimenpiteitä. Lisäksi teorioosuudessa käsitellään monikulttuurisessa kommunikoinnissa huomioitavia asioita. Sen avulla pyritään selvittämään arvojen yhteyttä kulttuurien muodostumiseen, yhteisten yritysarvojen merkitystä tehokkaan ja hyvin menestyvän organisaatiokulttuurin luomisen edellytyksenä, sekä näiden arvojen jalkauttamisen edellytyksiä ja haasteita.

Opinnäytetyön empiirinen osa on toteutettu kvalitatiivisella eli laadullisella menetelmällä. Tutkimusaineisto kerättiin puolistrukturoidulla internetkyselyllä huhtikuussa 2014. Tutkimuksen tarkoituksena oli selvittää miten arvojen jalkauttamisprosessi on toteutettu Halton Ventilationissa. Lisäksi selvitettiin sitä, miten monikulttuurisuus otettiin jalkauttamisprosessissa huomioon, sekä millaisia haasteita monikulttuurinen organisaatiokulttuuri on asettanut jalkauttamisprosessin onnistumisen kannalta.

Tutkimustulosten perusteella voidaan todeta, että Halton Groupin yhteiset yritysarvot ovat sovellettavissa monikulttuurisesti eri maiden toimistoilla. Jalkauttaminen pitäisi kuitenkin aina toteuttaa paikalliseen kulttuurin sopivalla tavalla. Arvot eivät ole vielä Halton Ventilationissa organisaatiokulttuurin perusta, mutta selkeästi kuitenkin osa sitä. Jalkauttamisprosessin suurimmat ongelmat monikulttuurisessa ympäristössä muodostuvat arvojen käsitteiden ymmärtämisestä samoin tavoin koko henkilöstön kesken kulttuurieroista huolimatta, sekä jalkauttamisprosessin ulottamisesta kaikkiin organisaation toimintoihin.

Asiasanat: arvojen jalkauttaminen, yritysarvot, organisaatiokulttuuri, monikulttuurinen kommunikointi, arvojohtaminen

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ABSTRACT

The purpose of this study is to examine the requisites of a successful value process and to determine how organizational values can be successfully transformed into action in a multinational organization. The study was carried out in cooperation with the case company Halton Group and especially the company's Halton Ventilation office in Shanghai.

This study is divided in two sections, a theoretical and empirical section. In the theoretical part the subject is first broken down into the following areas: National culture, organizational culture, organizational values, value process, implementing the values into action and intercultural communication. The theoretical framework for the study was gathered from various publications related to the field.

The empirical part of the study examines the execution and the results of the value process at Halton Ventilation. Moreover, in relation to the value process, the empirical part also examines the challenges created by a multicultural organizational culture. The study was conducted using a qualitative method, and the data was collected through a half-structured internet survey in April 2014. Conclusions and suggestions for future study are also presented in this part.

The results of the study indicate that the values of Halton Group are adaptable to different national cultures, but transforming them into action is a time-consuming task. Regarding the value process, it is especially to make sure that the personnel understand the meaning of the different values in a the same way. The values must be embedded in all the operations, and they must be used repetitively and consistently in order for them to form the base of the organizational culture. Halton Ventilation has included many parts of the value process well, but there is still work to be done for the values to be internalized by the personnel. The results of this study can be used to improve the value process at Halton Ventilation. The list of guidelines for transforming organizational values into action created as a result of this study can also be applicable to other offices of Halton Group.

Keywords: organizational values, corporate values, organizational culture, intercultural communication, value-based management

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1 INTRODUCTION

A culture consists of the language, beliefs, values, attitudes, customs and norms of a group or a society (Rugman and Collinson 2006, 130). All individuals belong to many groups and cultures during their life. A few of the most influential cultures are their national culture defined by their home country and the organizational culture from the organization they work in. National culture has a major impact on how we think, what we value and who we are. For an individual to be successful and happy in the organization he works in, he should to a certain extent identify to the organizational culture he is surrounded by (Aaltonen and Junkkari 1999, 231).

A basis of any culture are the values it shares and treasures. Many successful companies state that the secret to their success is their strong organizational culture based on their values (Conti 2010, 888). However, the subject of corporate value is relatively new. Because of this, the value process has not been thoroughly studied, and general guidelines for the process are yet to be determined (Marginson 2009, 11). This is why organizations still have difficulties in implementing the values into action, and therefore they can not fully utilize the benefits gained from an organizational culture based on the values.

Halton Group is among the organizations that have realized the importance of strong organizational culture. The subjects of organizational values as a basis of the organizational culture and transforming them into action are increasingly important to Halton Group since the company is continuously growing globally. Organizational values have been a subject of interest for the researcher since coming across them many times in different contexts during her studies. The values and their importance were mentioned several times, but the actual tools of implementing them remained unexplained. Halton Group on the other hand does not have these official guidelines for transforming values into action locally, and therefore the researcher and the company decided to co-operate to resolve the challenges of the value process in an international context.

1.1 Objectives of the study

This study has three main goals. The goals can be divided into the goal for the business world in general, the goal for the field of the subject and the goal for the target company. For the purpose of the business world in general, the study aims at bringing the appropriate use of corporate values and the importance of this to discussion. The second aim of the study is to connect the separately researched factors of the challenges of the value process and internationality, and therefore to create new information regarding the subject. The third objective of the study is to present the case company Halton Group a useful list of guidelines for transforming corporate values into action in multiple locations.

1.2 Research questions

The focus of this thesis is on discovering the connection between the most common glitches in the process of implementing corporate values and the problems arising from operating in an international environment. The questions this study is trying to answer are:

1. What are the requirements for successfully transforming organizational values into action?
 - a. What are the parts of a value process?
 - b. What is a manager's role in a value process?
 - c. How can values be transferred from words to action?
2. What should an international organization consider while transforming their values into action?
 - a. How do cultural differences affect how we understand the values?
 - b. How can managers communicate the values clearly?

1.3 Definition of the study

The question this study is trying to answer is "How to successfully transform organizational values into action in a multinational organization?". To find an answer for this, firstly the concepts of national and organizational culture, organizational values, and value process must be opened. After this the study will

move on to discuss the implementation part of the value process more thoroughly. The focus will be on the things to consider when executing the implementation process in an international environment, and also on the importance of intercultural communication.

Because of the diversity of the subject, some areas regarding it have had to be left out. The study discusses only organizational values leaving out personal value process. Organizational values are further discussed within the limits of internal benefits of the organization, and therefore the benefits of the values as a marketing material and competitive advantage have been left out. The perspective of this study is consequently on the actions of the managers and not on the learning process of the employees. The focus of the organizational value process is in the implementation part, and therefore the start of the process will not be thoroughly covered. This excludes for example choosing the suitable values from the study. In the section covering internationality, the focus of the study is on the intercultural communication and cultural differences.

Some concepts related to organizational values need to be clarified in this part. In this study, the term “organizational values” stands for the same as the widely used concept of corporate values. The researcher has chosen to use the term organizational value since the study is applicable to all organizations, not just those created for business purposes. In this study the term value management is used to describe a management style that is based on the organizational values. The term value management as management aimed at increasing the value that a consumer sees in the product or service must be separated from the definition used in this study. Also, the term implementation of the values refers in this study to the execution of the practical means of transforming the organizational values into action.

Halton Ventilation in Shanghai was chosen as a target location for the research since it was established in the area almost ten years ago, but is still growing rapidly. Therefore the office has a steady organizational culture, but at the same time the value process has been ongoing for a while. The office is also a good example of unifying new, local employees with Finnish expatriates, who in their part have a lot of experience from Halton Group in general. Hence the

management of Halton Ventilation has presumably also experienced intercultural difficulties regarding the organizational values. The participants of the survey were chosen in co-operation with the researcher and the management of Halton Group because of their thorough knowledge, understanding and experience regarding the values, and also because of their work experience in Halton Group. The participants had adequate knowledge and skills to assess the value process in Halton Ventilation, and they were also capable of assessing the organizational values relative to Halton Group as whole and intercultural differences.

1.4 Methods and results

This study was carried out as a qualitative study. Because of practical matters, the material was collected through the Internet as a two-part survey. The survey included firstly statements that the participants agreed upon on a scale from one to five and secondly open-ended questions. The data collected through the survey was analyzed according to a theory based content analysis. The sample was small, because the aim was to get a thorough view of why and how the implementation of the value process was carried out in the specific office of the target company. Statistical assumptions could not be made from the data collected, but the factors of succeeding or failing could be detected from the answers when comparing them to the theory. This leads to recommendations of good practices, and as a result of the study, the company in question has a list of practical things to consider and to do during the process of implementing organizational values from an international perspective.

1.5 Structure of the study

The structure of the study is presented in the following figure (Figure 1). This study is composed of three main parts. The first part is the aim of the research which will direct the theoretical and the empirical parts of the study. The theoretical part answers to the aim of the study through three chapters; national and organizational cultures, organizational values and the value process, and transforming the values into action. The importance of effective intercultural communication to the value process is also demonstrated in the third chapter. The

target company, research methods and results of the research will be covered in the empirical part of the study. The results of the research are analyzed in reference of the themes presented in the theoretical part. After this the study will be contemplated again through the aim of the study, and suggestions for further research will be presented.

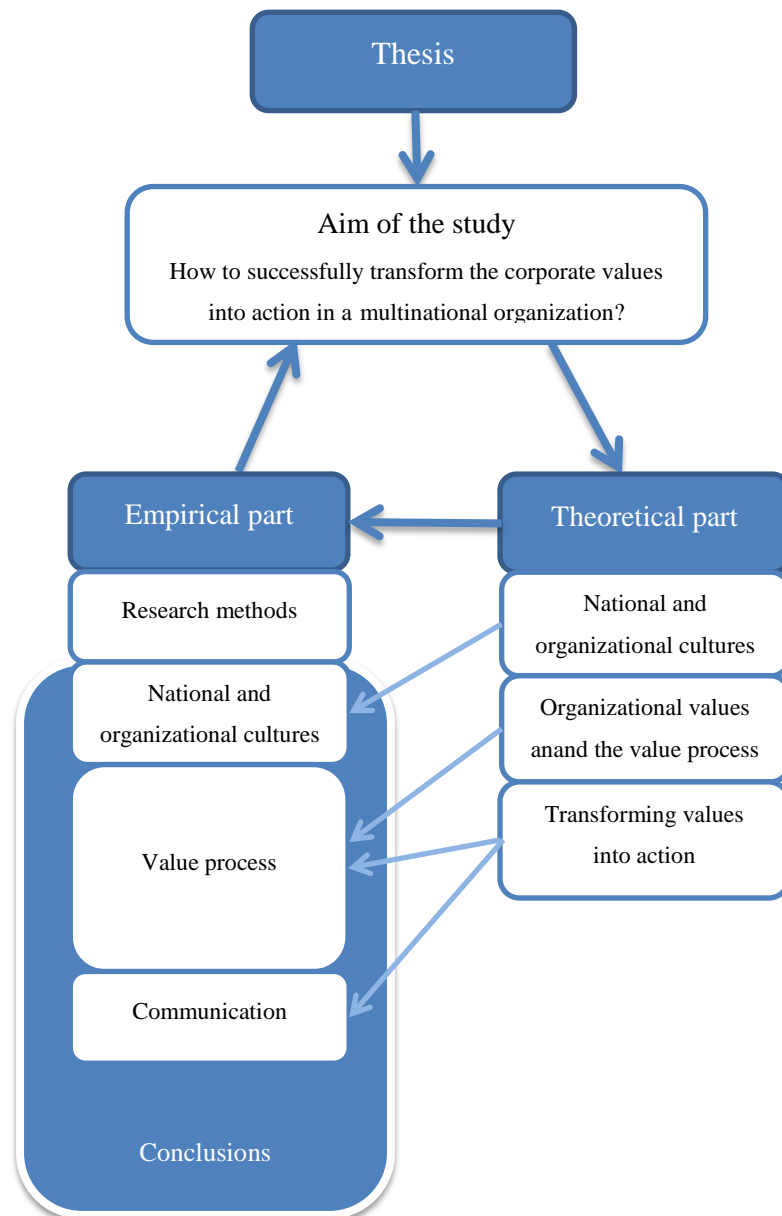


FIGURE 1: The Structure of the Study

2 BETWEEN NATIONAL AND ORGANIZATIONAL CULTURES

Both national culture and organizational culture will be discussed more thoroughly in this chapter. They are both important and sometimes conflicting factors that influence the value process of international companies.

Culture can be defined in many ways depending on the perspective we examine it from. According to Rugman and Collinson (2006, 130), the main elements of a culture are language, beliefs, values, attitudes, customs and norms of a group or a society. The researcher found that two important things arise from this definition: Culture develops in the interaction between two or more people, and culture is something internal and subconscious. These two points were brought up because the first part results in culture being influenced and modified by all parties involved in collaboration. The second leads to culture being very difficult to firstly understand, and second to control. In addition to this, Morrison (2006, 173) points out a third important point of defining culture. Her cultural definition emphasizes the importance of shared history in the formation of culture.

There are many kinds of groups and cultures we can belong to. Some we are born to, such as family and ethnicity, and some we choose our selves, such as groups with same interest or profession. Individuals can also be divided by other common factors, such as religion, gender, age, features of appearance and national border lines. The latter is an appropriate way to define a group since the basic similarity of people is usually caused by national lines. According to a fairly simplified definition, people in the same nation share the same language, race and values. (Daniels, Radebaugh and Sullivan 2011, 95.) But as Morrison (2006, 171-172) says, there are more nationalities than countries since most countries contain multiple cultural and national identities. Excessive stereotyping according to a home country should therefore be avoided.

Another external group influencing nearly all adults is their workplace and the organizational culture there. The main elements Rugman and Collinson (2006, 130) defined (language, beliefs, values, attitudes, customs and norms) can be detected also in organizational culture, but the culture at a workplace is more widely spread. The researcher finds the organizational culture to be somewhat different

from many other cultures since it is based or at least shaped by the strategies and procedures the organization chooses to use. The organizational culture is actively lead to a certain way, and the individuals involved in it are expected to reform to this or they can be removed from the group. Managing this reform and change of individuals is very difficult because of the subconscious nature of development of the culture. It underlines the problems arising from the two points the researcher mentioned in regarding of the definition of the culture.

2.1 National culture

Hofstede carried out his groundbreaking study of defining national cultures and the impact of their values to management and organizational culture already in 1983. This study is still today the most comprehensive covering 50 countries. By that time, cultural differences were only differentiated based on attitudes, and Hofstede's study was the first to systematically collect data on values instead of attitudes. Also, by that time most management theories were based on American style, and Hofstede considered different national cultures to be important for consideration for three factors; political, sociological and psychological. Sociological reasons refer to how individuals define who they are, and psychological reasons to the cultural factors that have an impact on how we think. Political factors have an influence directly on the operational environment, and the two other factors to the people who organizations co-operate with. Hofstede understood that American management style can not be the most effective way in cultures where individuals interpret their experiences in different ways. (Hofstede, 1983.)

Based on his research, Hofstede (1983) defined four cultural value indicators that can be found in some form in all countries. These dimensions are demonstrated in figure 2.

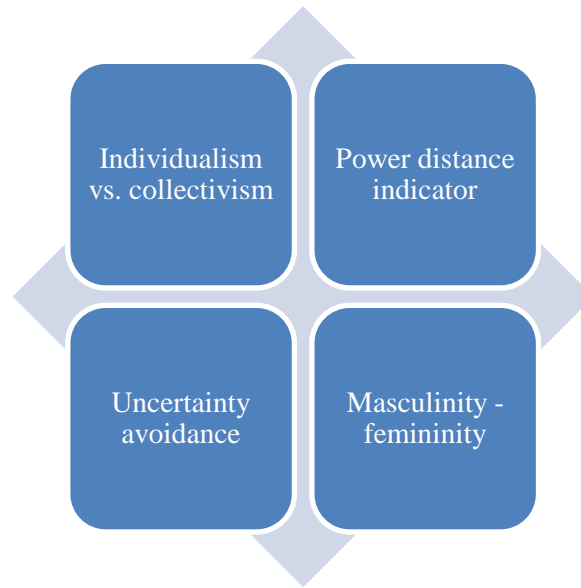


Figure 2: Cultural Value Indicators (Hofstede 1983)

The first of these dimensions was the individualism versus collectivism factor which describes the relations between individuals and their fellow individuals. It refers to factors such as if it is acceptable to think about the individuals own success or whether everyone has to put the the success of the group first. In organizational environment this can influence for example which reward systems are most effective, and also the degree to which individuals follow their personal or organizational values when making the decisions. (Hofstede, 1983.)

The second dimension defined by Hofstede (1983) is the power distance indicator. This dimension describes how societies handle inequalities within. Inequality has not been diminished as a whole in any nation, but there is a difference in whether the society tries to dismiss it or grow over time into it. Based on the amount of power distance, we can estimate the degree of centralization of authority and the degree of autocratic leadership. This can have an effect on the hierarchy at the workplace, and it should be taken into account when contemplating how apparently the division of power between managers and employees can be illustrated. (Hofstede, 1983.)

Third value dimension identified in Hofstede's research is called the uncertainty avoidance. This dimension has to do with the society's attitude towards time. An acknowledged fact is that time advances and the future is unknown, but the degree to which this is accepted can vary. The individuals take risks easier, are more

tolerant and feel secure in low uncertainty countries where it is accepted. They can be said to live in the moment. In high uncertainty avoidance countries the society tries to beat the future's uncertainty by creating security through institutions and laws. They also try to find reasons for things from religion and science. Individuals can be considered aggressive in their actions and they feel a certain amount of anxiety. This should be noted in management by for example evaluating how openly plans for the future of the organization should be discussed and how firmly employee's actions should be tied to instructions. (Hofstede, 1983.)

The fourth and final dimension is the masculinity femininity dimension which refers to the division between sexes. Based on this dimension it can be evaluated whether the society considers some roles to only one sex and whether this division is tried to minimize or maximize. The factor also relates to the importance of helping others. Results of the dimension indicate for example how important boasting and making money is and whether relationships are placed before money. This dimension might also indicate the fact that in highly masculine countries female executives have difficulties gaining authority. (Hofstede, 1983.)

There is no doubt that cultural awareness is important, but especially managers and marketers must remember that there are also subcultures or microcultures within nations (Daniels et al. 2011, 96; Chaney & Martin 2011, 3; Cohen 2007, 274; Morrison 2006, 206). These mean the minority cultures within a society, and they are in a national case often divided by language or race. Although knowledge about national culture gives a basic view to the people and markets, it is always important to recognize and consider the relevant groups. It is highly risky to view things from a stereotypical view especially regarding marketing and appropriate managerial styles.

Although the world has changed a lot since Hofstede's research was carried out, the dimensions can still be detected in all societies. The researcher's opinion is that the dimensions presented before are a good way to start assessing and modifying organizational procedures in an international environment, but they should not be the only factor. Hofstede's research was carried out over thirty years ago and this is why organizations should not base their modifications on the

specific figures defined by him. The researcher further underlines that national culture variables give a guideline on how to modify processes, but their final forms should be defined based on the internal analysis and body of the specific work group. This includes observing the attitudes, values, norms and beliefs based on for example gender, age, educational background and social status of the group in question. Regarding to this, some have actually proposed that students nowadays should be taught diversity management instead of intercultural management (Egan & Bendick 2008, 390).

2.2 Organizational culture

Organizational culture is the entity of the work community. It defines what the organization is and how things are done in it. Conti (2010, 888) has stated that organizational culture is the main source of excellence. Just as a strong tree grows from sturdy roots, a company's visible superiority is based on the strong, invisible foundations. Outstanding companies have strong identities through their unique corporate cultures. For example a substantial part of the downfall of Nokia was the crumbling of their values during change (Tekniikka ja Talous, 2012).

Schein, a pioneer of cultural studies, (1990) has defined culture as follows:

A a) pattern of basic assumptions, (b) invented, discovered, or developed by a given group, (c) as it learns to cope with its problems of external adaptation and internal integration, (d) that has worked well enough to be considered valid and, therefore (e) is to be taught to new members as the (f) correct way to perceive, think, and feel in relation to those problems.

This definition has many important factors. Firstly a culture is seen as something repetitive that forms a pattern. The second part, as has been mentioned before, is the fact that culture is formed by a defined group of individuals. Third of Schein's point is the fact that culture is molded as a problem solving tool, and is therefore clarified when dealing with difficult situations by either conforming to pressure or binding the group together. Culture and the patterns of action are formed when they are noticed to be successful and reinforced. These norms formed by the repetition are also taught to new members of the specific culture. (Schein, 1990.)

Schein sees organizational culture as an iceberg divided in three sections (Figure 3). The first of the three parts is the top part which includes everything you can see. This means physical artefacts such as buildings, technology, symbols, stories, dress code and processes. Written statements, products and even the smell are also a part of the physical culture of a workplace. These are also the parts of the organizational culture that could be changed rather easily. Differences in these visible parts of different organizations can be seen, but the reasons behind these differences are unknown. (Schein, 1990.)

The second part of the cultural iceberg is what lies just under the surface. This entails for example values, and resulting from them also strategies, beliefs, norms, uniformity and attitudes. They are factors that consciously impact how the first part is executed. Third and final part on the other hand contains the basic underlying assumptions, which are the real source of values and action. It also includes the nature of the relationships and the subconscious reality of individuals. This is the level that usually explains why something is done as it is when the written values do not come true at the work place. (Schein, 1990.)

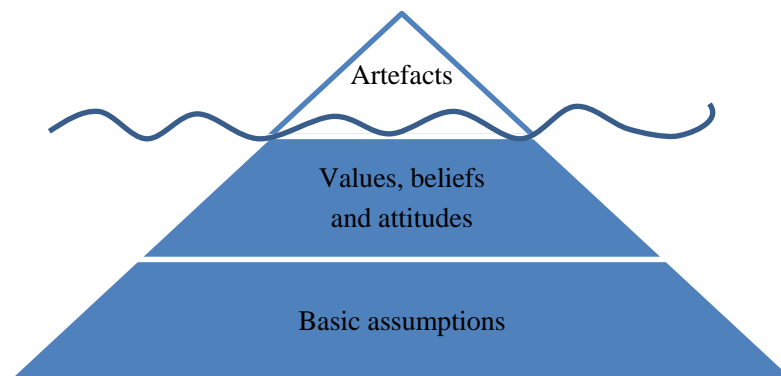


Figure 3: Organizational Culture Iceberg (Schein, 1990)

Subcultures or microcultures can also be found from organizational cultures. These minicultures are usually separated by departments or geographical location (Robbins, Judge & Campbell 2010, 561). The researcher finds it to be just as risky to define for example communication and managerial styles based on the organization as a whole as it is to stereotype characteristics based on a country. All decisions should be carried out with the relevant group in mind.

3 ORGANIZATIONAL VALUES

It has been said, that humans ability to perceive the future beforehand is what aparts us from animals. We can assess the consequences of our actions, and therefore strive to the best outcome. Our personal values are what help us to decide what is right to do, and they also guide our actions subconsciously (Sankey 2006, 173-174; Nwadei 2003, 5). They not only affect what we think is right, but also what we find enjoyable.

By summarizing Schein's (1990) iceberg theory, the researcher divides organizational culture into two parts. The first part of the culture is visible, conscious and rational. These parts of the culture can be easily observed. The second part is the invisible side of the culture, which includes attitudes, beliefs, interaction and other concealed features of the culture. Organizational values can and should be detectable in both sides. They aim at doing the same things as our personal values: Organizational values are the objectives of what the company wants to be, and the basis of its operations. They are things thought to be the most important to the company, and things that affect the most when making decisions and choices. But this only comes true if the values have been determined rightfully and also transformed into action successfully.

Aaltonen and Junkkari (1999, 80) separate desired values, which are the conscious aspirations to act according to the written values, and use values, which are what we actually do. There is always a difference between the two and sometimes even irreconcilable conflict. Aaltonen, Heiskanen and Innanen (2003, 96) state this to be an old-fashioned way to divide values. They divide values to normative ones, which define how we should live according to ourselves or the society, and descriptive ones, that indicate the real values behind our actions. In his dissertation Caprar (2007, 84-85) also found there to be inconsistencies between the claimed identity and expressed identity of local employees in multinational corporations. From these distinctions we can draw a conclusion that there is a difference between what individuals or organizations aim to be and what they actually do. In the light of this the researcher concluded that diminishing this difference is the objective of successful corporate value process and also one of the preconditions of gaining the perks of this process.

There is debate on the matter of the organizational values when they are discussed in the light of international organizations. Should international organizations define common values that are applied through the whole company, or should they be defined locally? Is the best practice to have a few common values and to define a few local ones that still go together with the common ones? According to Aaltonen et al. (2003, 149) this depends on what the company is trying to achieve. If unity through the company is important, common values are the best way to go. Kahancová (2010, 185) found in her study of Multico that the best practice was to adapt local responsiveness within line of the corporate values. The researcher considers it also to be important to acknowledge the extent of the globalization. It might be difficult to efficiently transform values into actions if the company operates for example in Asia, Europa and South America. The customs and beliefs of the three continents are so different from each other that adjusting the values to the local practices might cause a lot of cultural collisions and difficulties.

3.1 Value process

Value process is the whole process of recognizing and choosing values consciously, and implementing them to all the operations of the organization and the organizational culture. Value is created by continuous cycle of operative and strategic decisions (Martin, Petty & Wallace 2009, 20). The key words for the process are repetition and consistency, and due to this, the process can be seen as an endless circle. (Aaltonen & Junkkari 1999, 229.) There also is not one good way of fulfilling the process, and how it is executed depends on many things such as the history and size of the organization. The process is just as lengthy and demanding as it sounds like, and this is why many organizations fail to execute it successfully.

Aaltonen et al. (2003, 131) describe the value process as an hourglass (Figure 4). When starting the process there is a lot of information to process and many things to consider. All the important things to consider from the perspective of the organization and all of its stakeholders are found in a period of three to six months. After this the information is summarized, and the meaning of it for the future of the organization weighed. The aim of this is to try to find the most

important things, and it is illustrated as the tight middle part of the hourglass. After getting through this, it is time for implementation part of the process. The meaning of the values is clarified, and it is determined how they can be seen in action. Next, the information is again spread to all the different parts of the organization. This part of the process takes years, and is actually constant. Lastly, as the sand falls in place, the values have evolved into a cornerstone of actions and the organizational culture.

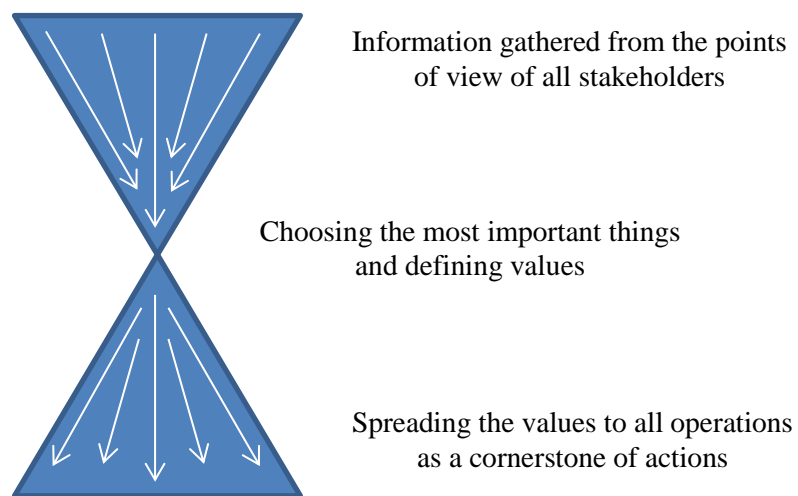


Figure 4: Value Process as an Hour Glass (Aaltonen, Heiskanen & Innanen 2003, 131)

Aaltonen and Junkkari (1999, 245) define ten things that must come true in order for the value process to be successful. This list includes the following things:

1. Management is strongly committed to the process
2. Doing a realistic analysis of the organizations current state
3. Taking into account all stakeholders and the history of the company
4. Finding both top and active values
5. Reserving a lot of time
6. Defining a goal of the process and aiming for that
7. Connecting the values to existing processes
8. Including as many departments and individuals as possible
9. Organizing value training and coaching
10. Finding and making practical tools for implementing the values

The first of the ten points is the strong commitment of the management to the process. The management initiates all development projects, and they decide if the value process is carried out with adequate importance and resources. The example of management can not be underestimated either. Organizational culture will always be based on what people can see, hear and experience in the company (Daniels et al. 2011, 626; Mattila 2008, 529). Harjamäki (2013, 214) states that the execution of the value process has been done diversely in organizations where the implementation of the values is seen to have importance.

The second of the ten points is making a realistic analysis of the organization's current state. It is very difficult to implement values that have been created with no actual basis in the organization. A value process based on surrealistic values will be most likely doomed to fail. Studies have shown that management and personnel usually have very different understanding about the values of the organization, what specific values actually mean and how they have been reached, (Harjamäki 2013, 29; Mattila 2008, 529-530; Aaltonen et al. 2003, 23). This is why especially time should be resourced for the process of discovering the real values. Organizations are also balancing with different expectations from different stakeholders, and all of them should be noted in the analyzing stage. This includes for example personnel, customers and sub-contractors.

According to the fourth point, organizations should try to find both top values and active values. Top values have to do more about ethics and the future while active values increase everyday efficiency. It is important to find the real, unconscious values under the surface. This again takes a lot of time, and giving the process the time it needs is actually the fifth of the important points.

The sixth point has to do with the background information before starting the real work. It is making clear what the organization is trying to achieve with the value process and focusing it on that goal. Although the process has this one main goal, the process should also be attached to all the important processes and through all the operations.

As the eighth point states, the value process should always be executed with as many participants as possible. Participation is an essential factor on how the

personnel commits to the process (Mattila 2008, 534-535; Aaltonen et al. 2003, 131). The personnel should be involved from the start, and including as many departments and organizational levels as possible has a straight effect on how well the values come true (Harjamäki 2013, 125). It is impossible to get people to commit to something that they do not understand. Therefore the more people are involved, the more people will be more likely to understand the reasons behind it, and therefore commit to it (Martin, Petty & Wallace, 2009, 21; Kauppinen, 2002, 23). For the same goal of committing through understanding, the process should also include coaching and actual training (Brytting & Trollestad 2000, 67). The process is many times unsuccessful because the values remain just words, and Aaltonen and Junkkari's (1999, 245) final important point reminds that the process should all in all be practical and give actual tools for daily activities.

3.1.1 Initiating the value process

The need for the value process can arise from many reasons. Aaltonen and Junkkari (1999, 230) describe a couple of common reasons for the process to be initiated. First of all, it can be used as a tool to improve management systems and to keep the strategies and the vision uniform. The vision defines where the organization wants to be in the future, and strategies are the way to get there. Values describe how the organization wants to do business, and this sets boundaries on the strategies. (Aaltonen and Junkkari 1999, 230.) In a way strategies are a way to express the values.

The second reason for initiating the value process is that the organization needs or wants to operate more ethically. This is increasingly important in a modern day operational environment where social and corporate responsibilities can be a make or break factor. Ethics and values are many times even mixed with each other. The difference is that ethics is a branch of philosophy, and has to do with formal reasoning about right and wrong, whereas values are what is thought to be right or wrong by individual's own point of view (Fisher & Lovell 2003, 152). The two are not inseparable in the business life, and a good value process is generally speaking also seen as a good basis for ethical conduct.

Sometimes an organization does not recognize a need this specific. Value process has an effect on a variety of matters, and this is why it can be used as a tool for resolving a number of different problems. There might just be a feeling that something has to be changed. The work environment for example might be poor, the efficiency has to be improved, or the employees do not feel like their work has any value. Based on his research Harjamäki (2013, 110) summarized the reasons for the value process as cohesion and creating commitment, being more customer-oriented and wanting the actions of the personnel to be guided through values. In some cases the value process was a way to indicate change and a new direction.

3.1.2 Benefits of successful value process

Organizations will get several benefits in many areas if the value process is done successfully. The benefits start from the very beginning, with the organization being more successful in finding the right people to hire. It is not enough for companies to have talented employees in modern business life. People are social beings, and they need to feel they belong to something. The personal values of the personnel and the organizational values are hardly ever same, but they should be parallel. Those who value the same kind of things will be more committed to the organization. They will also be more devoted to achieving the goals of the organization when the motivation arises from other things besides money. (Aaltonen and Junkkari 1999, 231.) In addition to this, the turnover of the personnel is less in companies that have successfully used values in the recruitment process (Wright 2000, 29).

People with shared values will also be more likely to succeed in working together. The cohesion in the work place will lead to better wellbeing, and this again will turn into motivation. A strong organization culture and commonly accepted values also guide personnel to the right behavior, and therefore decrease the need of monitoring and management control (Marginson 2009, 7). The instructional influence of the values is highly important and beneficial. They guide employees to make the right decisions when in doubt, and also justify how decisions on, for example, corporate level are made. Steady values are also important when a

company goes through changes. They represent continuance and persistence in turmoil. (Aaltonen and Junkkari 1999, 231.)

3.2 Value management

The widely accepted definition of the purpose of any corporation is to maximize the value to its shareholders (Conti 2010, 889; Martin et al. 2009, 18). This value can be for example money for the stakeholders, quality for the consumers or tax income for the state. The manager's task is to lead and maximize this value creation. By this statement all management is value management, but value management can also be defined more narrowly as a manner of managing that is based on the organizational values. From this point of view a good value manager takes care of the successful implementation of the organizational values to all the operations of the organization. (Aaltonen et al. 2003, 185.)

Kauppinen (2002, 57) has divided value management into vision, strategic, operative and individual stages. The figure 5 illustrates these stages and divides the main tasks of managers in each stage.

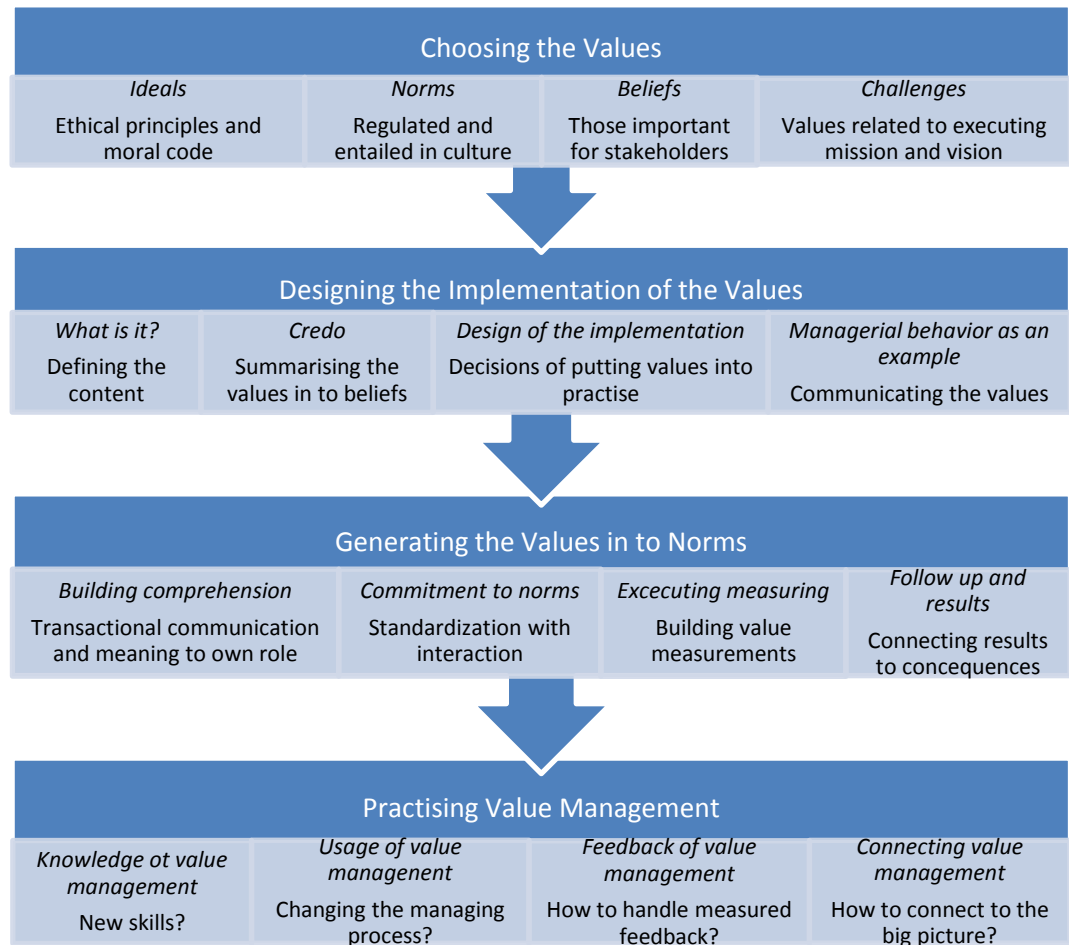


Figure 5: Model of Executing Value Management: Four Phases and the Steps in Each Phase (Kauppinen, 2002, 156)

As can be seen, this value management model follows the value process model in many parts. The first stage includes gathering information from all points of views. This information entails things that are visible, and also internal things found under the surface. The second stage is comprised of summarizing the information, defining the values and planning their execution into action. Well planned is half done, and only at the third stage managers start doing tangible things. Plans are formed into action by communicating and showing by example what they mean, modifying procedures to correspond with the values, and finally by measuring the progress and acting accordingly.

Differing from the value process model in the value management model is the final stage of emphasizing and assessing value management itself. This means the evaluation and adaptation of manager's own behavior. According to Klenke, (2005, 51) for a manager to be effective they must not only know their own value

system, but also pay attention to their moral compass. According to Cambridge Dictionaries moral compass refers to the natural feeling of knowing what is right or wrong and how to behave. Understanding and acknowledging these factors helps managers to take into account the impact of their own values in decisions regarding the organization.

Kauppinen (2002, 192) says that the advantages of value management are the efficiency of the manager and the work community. The community will also use its energy more constructively and evolve. The personnel will be more excited about their work and also enjoy their work more. Therefore value management degenerates into actual financial benefits through for example efficiency of the organization and decrease of staff costs.

4 TRANSFORMING ORGANIZATIONAL VALUES INTO ACTION

There has been debate about whether values can be taught or not especially in the field of education. No-one is born with values, so they arise from the socialization of cultures around us, and also from our own experiences (Morrison 2006, 169). Marginson (2009, 11) states that still today it is unclear how value systems can be established in practice, and what processes and mechanisms should be involved in the implementation of the values. The main thing to understand is that values can not be transferred, but they can be clarified and actions navigated towards desired direction. In this chapter a variety of ways of transforming values into action are presented, and they are also gathered as a summary in Figure 6 (page 24).

In order for the personnel to act according to the organizational values, it is important to activate all areas of the brains. This means covering the values in ways that appeal to the emotional, the factual, the creative, and the control sides of the brains. Covering the values through all aspects of the brains ensures that all individuals will make some kind of connection to them. After all, we are all different and register different things. The aim is also to get the individuals to internalize the values rather than for them to just compliance to them or to identify themselves to actions of others. (Kauppinen, 2002, 101.)

Aaltonen et al. (2003, 147) define two important sides of transforming the organizational values into action. The first side entails the actions in mundane working and communication. Although including values in their communication is a task of all key personnel, it is especially important for the communication department to be involved in the process from the start. They play a crucial part in the implementation process by making the values seen daily in all internal communication media.

The second important side that Aaltonen et al. (2003, 147) have defined is looking at the process from the point of view of the whole company's plans, and monitoring the success of the process. Values should be embedded in everything. They should be a factor when the management is determining strategies and vision, and deciding what kind of leadership culture or manners of interaction they encourage. Values determine what kind of rituals or symbols to create. They are

also a factor in the processes of determining what kind of behavior is condemned, how to compensate personnel and what the company's relation is to ethics, humor and uncertainty. (Rosenblatt 2011, 110-114; Kauppinen 2002, 85.)

As has been mentioned previously in this study, the most important things to remember when transforming organizational values into action are consistency, repetition and involving the personnel in the process. The personnel should participate already in the stages of choosing the values, but in the implementation part the involvement is even more important. Discussion and conversation are the most influential ways of getting personnel to commit to the values by making them transparent and by creating understanding and collective thinking (Juuti & Rovio 2010, 56; Kauppinen 2002, 23). The discussions are a way of creating a personal relationship and an emotional connection to the values, and they also create an understanding with others involved in the discussion. This creates the feeling of safety. (Aaltonen et al. 2003, 67.)

The most common reason for the failure of the value process is interrupting the process at the stage of discussion. Even the best value discussions are not efficient if the values are not generated into norms (Kauppinen 2002, 21). During the value discussions it is important to ask questions such as "How can we see that this value is present in our work?" and "How can I act according to this value?" The focus should be on the actions rather than attitudes, and a good way to do this is to create clear sentences with a subject and a verb (Aaltonen et al. 2003, 141.) Kauppinen (2002, 112) suggests that the easiest way of changing the values into norms is creating a list of things to do and not to do. In addition to this, Harjamäki (2013, 14) recommends in his dissertation that organizations should explain how values are indicated during boom and downturn in addition to normal economic situation.

McDonald et al. (1999) have listed some cultural ways of implementing values and ethical behavior to norms. A few concrete methods of the implementation have been added to their results from the case study of HR Focus (2007). Through storytelling, for example, the organization can create and encourage norms, and also bring the subject of values to the discussion. The power of stories for transmitting values has also been indicated in other studies (Harvard Business

Review 2011, 160; Frishman 2001, 121.) A formal code of conduct will introduce norms of the organization, and when adopted it will influence the intentions of employees proactively. In this study, the organization had formed a special employee-based values implementation (VIP) planning committee to help define appropriate, effective norms and to help with decisions concerning value based strategies. The significance of this committee can be to diminish the differences between points of views of managers and employees.

Training will increase the personnel's appreciation of the value based norms through understanding, and also help them to develop the necessary skills to handle value conflicts. Rosenblatt (2011, 111) found in his study that an internal company exchange program can be effective in introducing the organizational norms. It allows the employees to see the values in action in other offices. Ethically responsible decisions and actions can be encouraged through reward systems. They also indicate consistency between the intentions, talk and actions. This can also be done by a specific employee recognition program. Monitoring systems on the other hand prevent negligent behavior.

Communication channels and information systems are important for the availability of information when making decisions, and also for discussions concerning the values. Discussion forums can be formed through workshops, opportunities to ask questions anonymously online, and by for example the CEO of the company answering these questions in a monthly newsletter. McDonald et al. (1999) also introduce the concept of ethics officer or ethics hotline, both of which give individuals a chance to discuss values and their effects with another person.

Organization can indicate their values through job design for example when making decisions, distributing responsibilities, and allocating resources such as time and money. This can also be done with process layout, quality management and organizational strategies. Careful recruitment and selection policies have a considerable effect on finding the right employees to fit the organizational norms and culture. HR-department should also consider values when planning employee development, dismissals and the introductory procedures of new employees (Frishman 2001, 93; Brytting & Trollestaad 2000, 68).

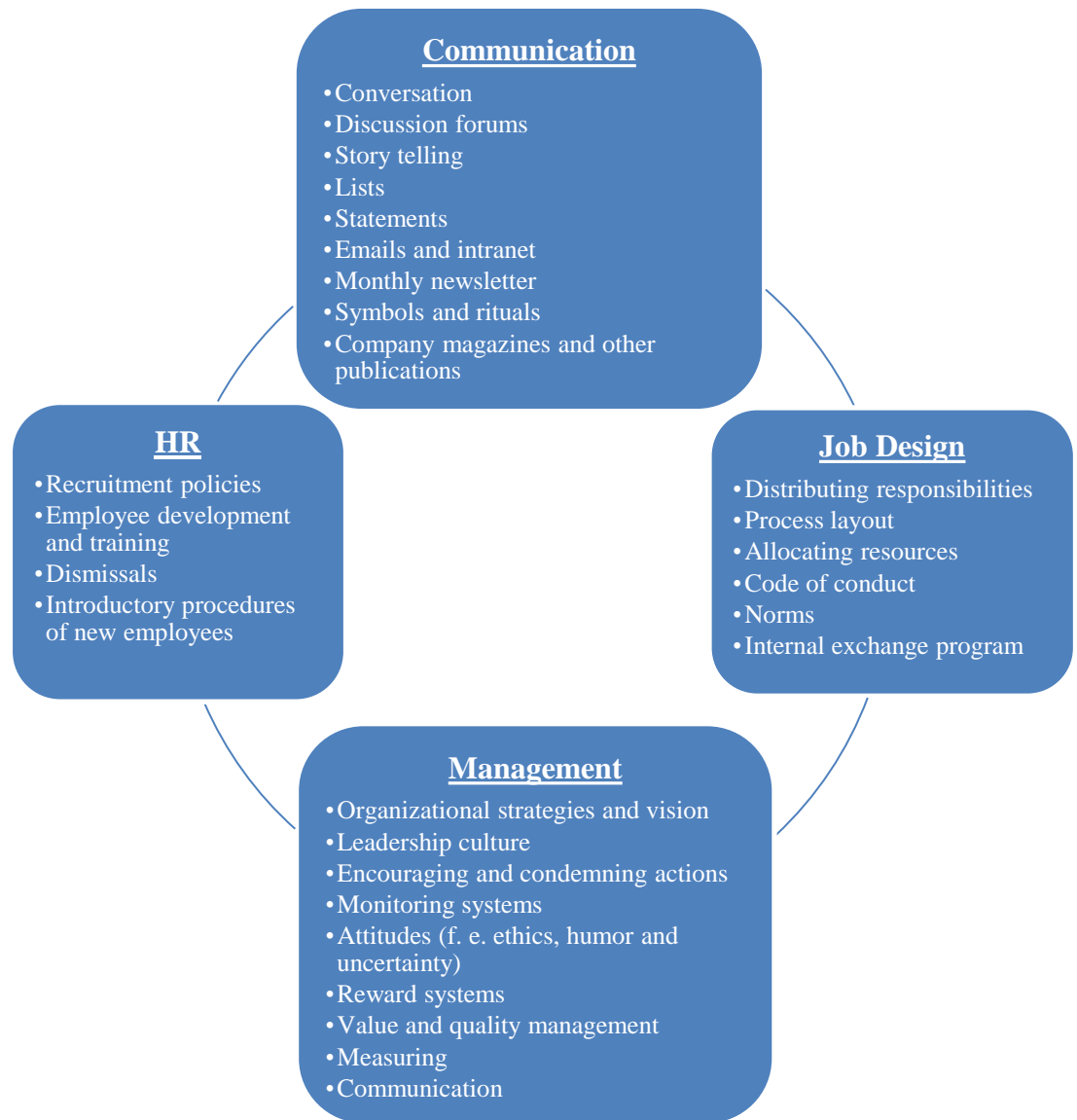


Figure 6: Examples of Incorporating Organizational Values in an Organization

4.1 Organizational values and communication

Organizational value system will develop by continuously including values in the communication of all individuals within an organization and reinforcing value-based action. This communication includes both internal and external communication, and should be aimed at diverse usage of the values.

Communication style is formed through the management, but business jargon should be avoided when communicating values and strategies to personnel. All in all the messages should be clear. Communication should also be executed in a two-way dialog. (Taloussanomat, 2005.) The management's decisions also indicate the values, and the values should not be suddenly changed to form with

the pressures and values of society. The actions of managers should reinforce the usage of values in communication.

Grof (2001, 194-196) stated that the internal functions of communication are stabilizing the value system by utilizing the information gathered from feedback, and reinforcement of the culture. It is, for example, important to consider the timing of messages. The value system can be harmed if the statements of temporary layoffs and in the other hand statements of managers bonuses are released during a short period of time. On the other hand, if management has been forced to conform to change, the communications department is responsible for incorporating the new values to the existing values, and preparing for the shift in strategy.

4.1.1 Value dialogue

Juuti and Rovio (2010, 55) state that a dialogue as a tool for change is still today rarely mentioned and often overlooked. Dialogue is nevertheless a form of true, sincere interaction. The best ideas might not be any individual's single thoughts, but they come out as a joint discussion. Dialogue and the feeling of being heard create internal sense of power, common understanding and community. Earlier in this study it has been mentioned that in order for the personnel to commit to the values they have to first understand them. Bajer (2012, 97) states a good point that awareness comes from informing, but understanding demands more. It can be assumed as an example that most people know that they should eat half a plate of vegetables, but only rarely people do so. This applies to business life as well. The personnel will acknowledge the values through informing, but they understand them through conversations.

Two-way communication requires always feedback. The most important thing when going into a dialog is that the manager must have an open mind. He has to be ready to show respect and caring by listening, and also hear what others are saying. The manager must also be able to receive criticism. In addition to this, the manager must create an atmosphere where the fear of consequences is diminished, and the participants feel that stating even opposing views is encouraged. This

openness creates trust if the participants feel that they are heard and think their opinions matter. (Juuti & Rovio 2010, 57-59.)

There are a few models that can be applied to the value discussion. Aaltonen et al. (2003, 74) have presented the SIMSON model of value dialogue. The model can be used to discuss the values and norms through stories or cases. From this model and others it can be concluded that an important, basic skill for any manager initiating a creative dialogue is the skill to ask questions (Juuti & Rovio 2010, 58).

4.2 Measuring the success of the value process

Kauppinen (2002, 113) reminds that only measurable things can be efficiently managed. This is why the norms created from the values should be something concrete. If the objective is vague, at least the critical success factors regarding it should be defined. Evans has identified the stages of creating measurement as seen in Figure 7 (Raynus 2011, 140-143).



Figure 7: The Process of Creating Measurement (Matt Evans)

At first there must be an understanding of what is being measured, and after this the appropriate measurements are planned. The objectives of the measurements should be relevant, measurable and actionable. After the first two stages, the blindfold test can be done. It means observing just the measurements, and considering whether they in themselves indicate what the objective is. The source of data, frequency, requirements and unit are specified at the defining stage of the process. Lastly the measurements are taken to use, and also changed according to the usefulness of the information gathered through them.

An organization does not have to create the measurements by themselves. There are also existing measurements that can be used to monitor the success of the value process. These include for example value questionnaires, value barometers, balanced scorecards and development discussions. The measurements can be as

simple as separating the values and asking the personnel how well they come true in a scale from one to five. After this there can be a joint discussion where the best practices and most common glitches are reviewed. (Raynus 2011, 142; Aaltonen et al. 2003, 148.)

In the measurement process there also should be an awareness of subcultures within the organization. Appropriate measurements might have to be changed according to the departments, locations of the offices, or stages of the hierarchy they are used in. (Raynus 2011, 141.)

4.3 Challenges in an international operating environment

International operational environment can not be discussed without first discussing globalization. Globalization as defined by Daniels et al. (2011, 843) means the following:

The broadening set of interdependent relationships among people from different parts of a world that happens to be divided into nations. The term sometimes refers to the integration of world economies through the reduction of barriers to the movement of trade, capital, technology, and people.

This definition has two main parts. The first refers to the social side of globalization. Globalization is all about uniting people over the traditional borderlines of nations and culture. This is sped up especially through the evolution of technology. The second part focuses on the economical side of globalization. Globalization leads to diversity of commodities and services, better quality and price reductions.

International business consists of all business operations between participants from more than one nation (Griffin & Pustay 2005, 5). Organizations engaging in international business will have to assess the local operational environment because the physical, social and competitive conditions can be very different from those of the origin country. The best way of doing business in one country is not usually the most efficient way in another country. This can be seen in all the operations from marketing to HR.

For an organization to be successful internationally, it is very important to gather knowledge of the country they are doing business with or in. Cultural awareness can help expatriates, meaning those working outside their own home country, to communicate more effectively and avoid the communication barriers. Building cultural awareness is not an easy task, and there is debate about the best practices for doing it. According to Daniels et al. (2011, 93) cultural collision between two different organizational cultures can be triggered by implemented practices being less effective than hoped, or personnel having difficulty of adjusting into foreign behaviors. Cultural awareness decreases the risk of these cultural collisions. It helps for example managers see the opportunities for diffusion, which mean the process of two cultures learning and adapting practices from each other (Chaney & Martin 2011, 2).

4.3.1 Intercultural business communication

When looking at any definition of culture or considering any cultural group we are a part of, there is no denying that communication is an inseparable part of culture. Schein (1984) has said that a group and therefore a culture can not exist if the members of it can not communicate and understand each other. This means that people from different cultures have different norms of communication and they find different kind of communication to be effective. It is important to find these proper ways of communicating since they are the key of building rapport, trust and comfortability among personnel. This is why the researcher states that intercultural communication should be taken into a special account during the process of transforming values into action in an international organization.

For expatriates it is not enough to just understand the other culture and the communicational norms there. They must also recognize that the conversational partner might not have the same kind of cultural understanding of the expatriate's communication style, and thus they must modify their own style of communication to fit what the receiver is used to. Martin and Chaney (2011, 13) define nine kinds of different communication barriers that can be detected in intercultural communication. Acknowledging these barriers might help the

expatriates to avoid them, and also prepare the expatriates for when they do encounter them. The communication barriers are divided as follows.

1. Physical - time, environment, medium, comfort
2. Cultural - ethic, religious and social differences
3. Perceptual - viewing what is said from your own mindset
4. Motivational - the listener's mental reluctance
5. Experiential - lack of similar life happenings
6. Emotional - personal feelings of the listener
7. Linguistic - different languages spoken by the participants or use of a vocabulary beyond the comprehension of the listener
8. Nonverbal - nonword messages
9. Competition - the listener's ability to do other things rather than hear the communication

In their study Jonasson and Laurig (2011, 412) state that cultural differences can sometimes be wrongly accused of being the reason for any communication difficulties. In actual fact the difficulties might emerge from the power issues between participants. In their study they found that even though sound dialogue between different nationalities was considered a great asset, the dialogue was not truly realistic due to the relationships in addition to cultural differences. The participants did not take each other's suggestions to consideration due to ethnocentrism. This means the tendency to view situations through our own experiences, and assessing them to be superior over the unknown ones. Even the way the suggestions were brought forward had an effect on them being overlooked. The managers failed to treat their colleagues as equals and excluded personnel from some decisions. Jonasson and Laurig (2011, 414) concluded their study by proposing that understanding the symbolic markers of groupness, such as race, ethnicity and language, are as important as understanding the differences in values and norms.

4.3.2 Language and translations

Language is a defining part of a specific group and culture, and the language and the culture affect each other continuously (Martin & Chaney 2010, 152). This is valid for different organizational groups, national groups, age groups and groups with same interest. Even when speaking the same language, words have a different meaning for different people (Robbins et al. 2010, 304). English is considered an international business language, but it is not same everywhere. For example people from three native English speaking countries (Australians, Americans and British) have difficulties in understanding each other. The problems arise significantly more when one or both of the conversation partners are non-native English speakers. This is why the most important thing to remember in intercultural business communication is to focus on translating ideas and not just words (Griffin & Pustay 2005, 91).

Semantics means the study of the meaning of the words. It includes both nonverbal methods, and the way behavior is influenced by the use of words. Semantics is needed because languages and the meanings of words evolve constantly (Daniels et al. 2011, 110). Especially English words might have multiple meanings, and sometimes they even contradict each other. There might not be counterparts for each word when translating them or the meaning of them might not be the same. Problems might also arise from just the missing grammatical parts of the other language. Eskimos, for example, have dozens of different kinds of names for snow whereas in English the one word snow is usually sufficient. Finnish language on the other hand does not separate masculine and feminine words or genders. All this is an implication of the cultural influence on the vocabulary. (Chaney & Martin, 2011, 97.)

Using backtranslation is a good way of checking whether a message is understood correctly. This means that after the message is translated, someone from the receiving culture translates it back to the original. After this the original writer can compare the two versions whether they match. (Griffin & Pustay 2005, 92.)

Martin and Chaney (2011, 139) have applied the work of Weiss (2005) and Riddle and Lanham (1984-1985) to create a list of guidelines for clarifying

communication among non-native English speakers. Some guidelines have been added to this list from the work of Daniels et al. (2011, 111) and Jiang (2007, 88).

- Use the 3000-4000 most common, simple words of English → Not “flux”, but “continual change”
- Choose words that have only one meaning → Not “high”, but expensive
- Select action-specific verbs and words with a few or similar alternate meanings → Not “get a taxi”, but “take a taxi”
- Avoid redundancy, abbreviations, jargon, sports terms or slang and words that create mental pictures → Not “thoroughly understand” but “understand”, no “ball park figure” or “red tape”
- Don’t use verbs with two or more words or make verbs out of nouns → Not “eye an opportunity”, but “consider an opportunity”
- Keep verb and subject together
- Avoid wordy expression for time → Not “three weeks duration”, but “three weeks”
- Avoid passive voice and instead use “you” attitude and active voice
- Use the formal tone and correct punctuation for clarity
- Use short, simple sentences and words
- Ask questions and repeat in different words to clarify communication
- Clarify the meaning of words with more than one meaning
- Indicate culture awareness in the tone of for example letters and in the style of the language

In addition to the grammatical things, it is important to consider one’s attitude when engaging in intercultural discussion. One must remember to be polite, flexible, positive and patient. Also, it is important is to recognize one’s own cultural biases and approach the situation without ethnocentrism.

4.3.3 Nonverbal communication

Nonverbal communication refers to nonword messages which include gestures, expressions, use of space, touch, eye contact and silence. Martin and Chaney (2010, 47) state that many nonverbal communicators are culture-specific, and Griffin and Pusay (2005, 93) say that most of the communication is done in other

ways than language. The following table indicates a few of the nonverbal communicators and the differences of them among people from different cultures.

Table 1: The Differences between Nonverbal Communicators in Different Cultures (Chaney & Martin, 2011)

Nonverbal communicator	North America	Asia	Latin America
Eye contact	Direct, not constant eye contact indicates attentiveness and respect	Lowering eyes a sign of respect	Sometimes lowering eyes a sign of respect, sometimes very direct contact does the same
Use of space and touch	Difference between personal and social zone Touching according to hierarchy Big, private offices indicating wealth	Personal space not invaded even with handshakes Large, joint work areas, unpretentious decoration	Very close distance Showing warmth and trust through touch
Gestures	Using gestures for emphasizing a specific point of the message	Oral message main focus of communication Not showing feelings	Message and feelings strongly emphasized by gesturing, tone of voice, and facial expression
Silence	Can indicate disapproval, failure to communicate, lack of interest or contemplating the topic	Part of communication Listening and learning	Depending on the context indicating respect, thoughtfulness or seriousness

At the same time as nonverbal signs tell us a lot about other culture's communication, they are also deceptive and not completely reliable. The use and meaning of many nonverbal signals differs a lot inside societies. Subcultures within countries should be kept in mind and stereotyping therefore avoided.

4.3.4 Acknowledging cultural communication differences during the value process

Earlier in this study it has been indicated that discussion and communication are important aspects of transforming values into action. It has also been noted that communication styles and how individuals view the world differ a lot between different cultures. The researcher finds that combining these two aspects can

cause many problems when implementing the values in an international organization. Managers must consider what the appropriate methods of implication would be and how the value discussions could be executed most efficiently. In some cultures for example it is considered to be inappropriate for subordinates to express their opinions openly to managers, and in others the personal life and thoughts are kept very distant from those considering the professional life. In these situations even the idea of a thorough, two-sided value discussion can cause confusion and annoyance. When problems like this emerge, it might be more effective to keep the communication more one-sided. This would mean systematically and thoroughly communicating the meaning of the values from the organizational view, making sure the personnel understands why the values are important, providing them with ready-made tools of using the values daily, and reinforcing value-based actions. (Linna, 2014.)

5 TRANSFORMING ORGANIZATIONAL VALUES INTO ACTION AT HALTON VENTILATION

The research process and results will be presented in this chapter. At first the research approach will be introduced through the aim of the study, the company profile, the research methods, and the structure of the questionnaire. The second part will cover the analysis of the research data in context to the theoretical part, and also the results of the research will be presented. Lastly the validity and the reliability of the study will be discussed.

5.1 Halton Group

Halton Group was founded in Finland in 1969 by Seppo Halttunen. Today the company operates in 29 countries and the Chairman of the Board is Seppo's son Mika Halttunen. Halton Group operates in the line of indoor climate products and solutions and also indoor environment management. The company's product range covers for example airflow management, fire safety and air purification. These products are used in commercial and public buildings such as hotels, restaurants, laboratories and concert halls, and the company is also known for providing solutions to ships and offshore installations. The turnover of the company was 168 million and number of personnel 1200 in 2012. (Halton 2014.)

The focus of this study was on the Chinese office of the Halton Group, Halton Ventilation. This office was founded in 2005 in the Chinese free trade zone area, and moved to continental China, Shanghai, in 2010. All areas of Halton Group's operating lines are represented in the Halton Ventilation office, and currently there are 35 employees in the office and 44 employees in the factory. Four of these employees are Finnish and the rest of them are locals.

The company took an interest in the Shanghai office regarding the subject of corporate values because of the rapid growth in the area. The office has a solid foundation in the area, but at the same time the turnover of the office has grown over eightfold in the last three years. This in return has increased the need of employment and brought forward the question of corporate values as a part of organizational culture.

The values of Halton Group are customer orientation, trust and ethics, teamwork, constant improvement and positive attitude (Figure 8). The values have been the same since the foundation of the company, and from the management's point of view they are found to be more important than money or strategies. The company has recognized that the values should have an effect on the life of all the employees. The values and officially used examples of how they are incorporated in the operations are presented in the following chart. (Halton 2012.)

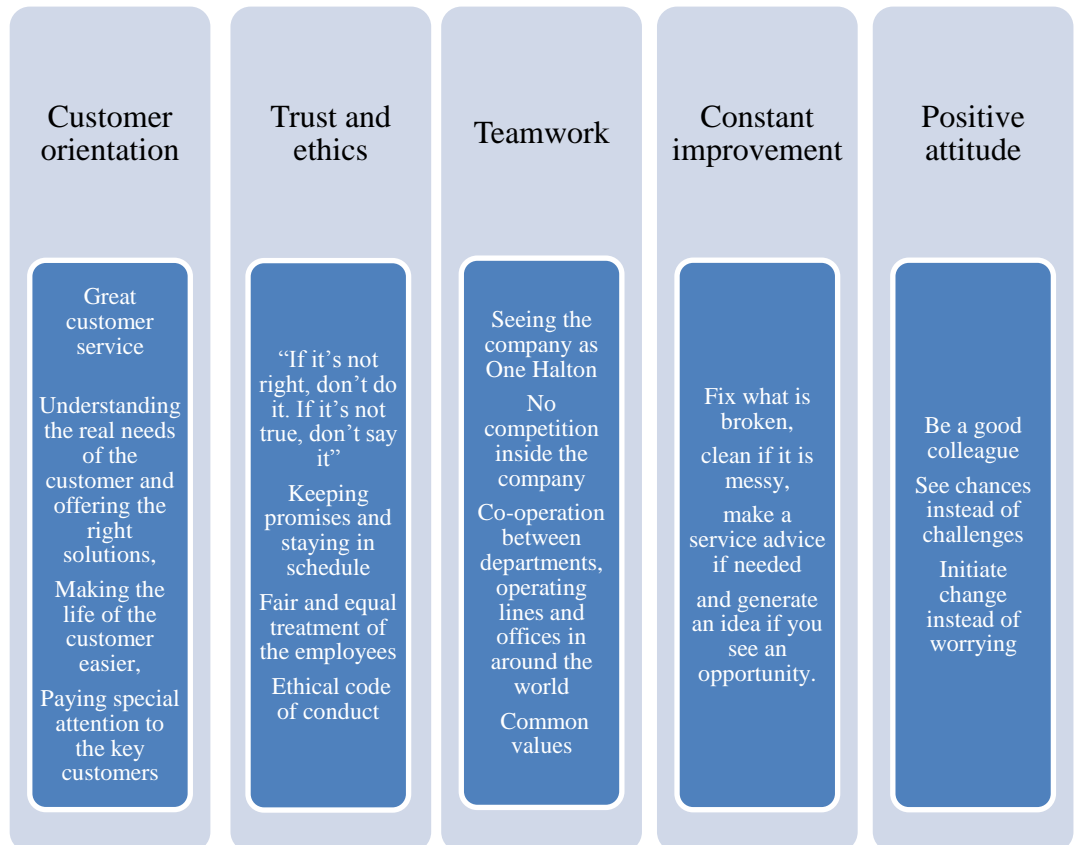


Figure 8: Organizational Values of Halton Group and Guidelines for Implementing Them

Halton Group distributed and implemented a “Halton Way” leaflet describing the values to all the offices of the organization a few years ago. The release of the leaflet was accompanied with a presentation about the values. This presentation was held in all offices, to all managers and also to the participants of the company’s leadership training program. The values are highlighted in all other presentations as well. (Rinne 2014.)

5.2 The aim of the research

The value process, and the benefits and methods of transforming company values into action were discussed in the empirical part of the study in addition to value management and communication in an intercultural operational environment. The research part of the study aims at finding out how the implementation part of the values process has been executed in Halton Ventilation; what methods have been used to transform the values into action, how well they have worked and what difficulties have arose during the project?

5.3 Research methods

The study has been executed in a qualitative method. The focus of the study is in understanding and interpreting the execution of the value process in a specific office of the Halton group. The efficiency of the process can not be surveyed through numbers, since the process is only as efficient as the participants feel and see it is. The effects of the value process have to be examined through the experimental observation or the “living world” of the participants (Pitkäranta, 2010, 20; Varto, 2005, 28). This means studying what they think of the process and how they feel it has been executed. The process is lengthy and complex, and what is left to be mentioned means as much as what has been said.

Along with the qualitative research method, the sample of the research was small. The two participants were suggested by the upper managerial level because of their knowledge of the subject. The participants are in contact with the organizational values daily, and have also been involved in the implementation process. The participants have adequate knowledge and skills to assess the value process in Halton Ventilation, and they were also capable of assessing the organizational values relative to Halton Group as a whole and through intercultural differences. The research will also give a multinational prospect of the subject since one of the participants is local (Chinese) and the other an expatriate (Finnish). In regards to Halton Ventilation, it has to be noted, that both of the participants work in the office, and therefore the factory of Halton Shanghai will not be covered in this study.

The results of the research are not a generalization in Halton Ventilation, but they do give an example of the execution of the value process and give the administration an insight on how the process could be improved.

5.4 Questionnaire

The research was conducted in an internet questionnaire platform, but it was designed according to a half-structured theme interview. The method was selected because of practical matters such as location and schedules of the researcher and the participants. The method gave the participants the chance to look through the questions, ponder upon them and answer with as much time as they needed. They also had the chance to go back and fill in their answers.

The survey had been divided in two sections. The first part included 16 statements to which the participants answered in a degree of one to five according to how strongly they agreed with the statement. The second part included 21 open-ended questions. The estimated time required to answer was one to two hours. The themes of the theory part were detectable in the questions, but the themes were not separated visibly or questions arranged according to them. This allowed the thoughts of the participants to flow freely.

The two parts of the survey worked in collaboration, and the open ended questions gave the participants a chance to indicate why they chose what they chose in the first part. The two sections together were also designed to give an insight on what the participants think is involved in the value process, and how well they know the theory behind it. This was presumably an important point of the research since the managers are supposed to have sufficient knowledge of the values to transform them into action without guidelines. Therefore the theory part regarding the questions was left unexplained to the participants. The two part questionnaire also allowed the researcher to compare the participants own attitudes towards their comprehension of the subject to the actual understanding indicated in the open ended questions.

The research was conducted in a mutual business language English. The questions were checked by a translator to ensure the choice of correct and simplified

vocabulary and grammar. Although all participants have the sufficient language skills to take part in the research in English, there might have been some misunderstandings arising from especially the theoretical vocabulary of the research. All the participants are non-native English speakers, and therefore they might understand the words differently, interpret them differently and also have some difficulties expressing themselves.

5.5 Analysis of the data

The difference between qualitative and quantitative research can be simplified in the analyzing part as trying to explain something (quantitative) or trying to understand something (qualitative) (Hirsjärvi, Remes & Sajavaara 2009, 224). In qualitative research there are many alternatives for the method of analysis, and there are no restrictions or rules on deciding which one is the right one. The processes of analysis and thoughts are meandering instead of linear (Figure 9).

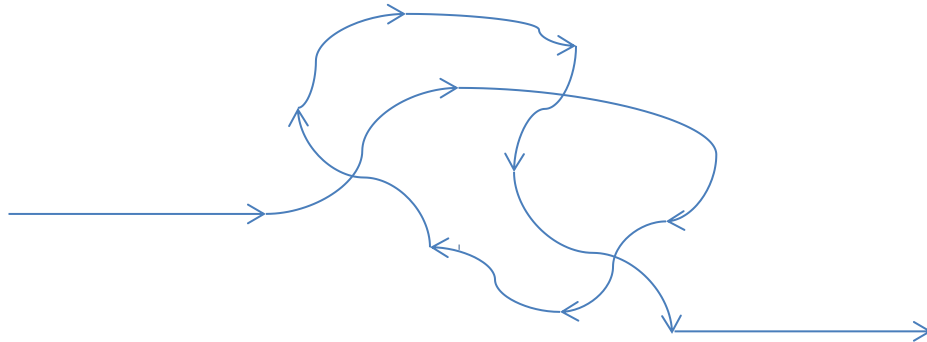


Figure 9: The Meandering Progress of Qualitative Analysis (Hirsjärvi, Remes & Sajavaara 2009, 224)

In this study the data acquired through the questionnaire is analyzed according to instructional, theory based content analysis (Tuomi & Sarajärvi 2009, 96). This means analyzing the answers rather freely, but concluding the findings in terms of the theory part of the study. For this research, the data has been organized according to the different themes that occur during the theory part and in the questionnaire. This method has been chosen because of the complexity of the subject. There are many parts of the value process that should be noticed, and many facts underlie in even the simple answers. The different themes also overlap each other, and theme analysis will keep the focus on one subject at a time.

(Jyväskylän yliopisto, 2014; Saaranen-Kauppinen & Puusniekka 2006.) The researcher used coding as a method of classifying the data according to the themes (Tuomi & Sarajärvi 2009, 92). The questions were divided in the following themes, some of which overlapped.

1. Culture
2. Value process
3. Communication
4. Management
5. Internationality
6. Measuring

5.5.1 National and organizational cultures

The subject of organizational values regarding culture was approached in two aspects in the questionnaire: Combining Finnish and Chinese national cultures, and the effect of both organizational and national values to the organizational culture.

Both participants agreed to the statement that Finnish-based organizational values of Halton Group can be integrated to the Chinese culture. In the open ended-questions it became clear that organizational values are seen as adaptable, but the participants think that the local culture should be taken into account when doing this.

I think value in general can be adopted in different cultures but there needs to be some room for local adaptation/responsiveness. Not too much room though since then the original value might lose its meaning totally.

I think these are common values can be adapted to different nations. However, the way you transfer it into real action, or you interpret them, may differ in different cultures. And the degree you are transferring them into daily operation will differ.

The quotations above seem to indicate that the organizational values should not be forced upon the national values. The participants think that the organizational values should go hand in hand with the local cultural values and norms, and the ways of integrating them should be defined according to the local culture. The

same means of transforming the values into action might not work everywhere and the means of implementing them should be selected according to the national culture of the location of the office.

Noted difficulties regarding the values can be identified from the answers. When asked if there was a difference between written and active values, the participant B stated that especially the production workers might have difficulties understanding the values due to educational background. The participant A's answered to the same question that locally the meanings of the values might be understood differently. This is a common problem in multinational organizations, and also a profound one. The unifying effect of the values is not influential if the values have different meanings in different locations.

Both participants agreed to the statement that their organizational culture is based on the values of Halton Group. They agreed when stated that they make conscious plans to implement the values into all parts of their organization and that the values affect the working methods of the employees. However, in the open ended questions participant B said that the process is still ongoing, and the values are not yet a habit in everyone's daily work. This might be why there was not a common agreement in the values being a factor in the communication, strategy and distribution of resources in their organization. It also illustrates the fact that the participants might feel that the values are implemented well, but in actual fact there is still work to be done.

The participants were asked if they have added locally acceptable values to the corporate values or Halton Group. The answers were neutral and disagreement, but the existence of the local values at the work place was apparent from the open ended questions. Participant B mentioned that the social development of China is behind Finland, and this affects the communication and organizational culture of Halton Ventilation. Participant A mentioned the same thing, and stated that the organizational culture of Shanghai office differs from Halton Group in general by being less developed. In the participant's opinion it leads to people overlooking the official code of conduct. This might be due to lack of understanding the reasons behind them.

Not so mature to think bigger picture/strategies, sometimes “Halton Way” of doing things (honest) missing.

The local values became also apparent from the participant B’s answer regarding additional values detectable at the workplace and the differences between Halton Ventilation and Halton Group in general.

But of course, due to local culture, maybe sometimes people are not so direct in expressing opinions in front of authorities.

One of Halton Group’s values is trust and ethics, and the employees are encouraged to express their thoughts and to “do and say the right things”. This might be impaired due to the local value of respecting the authorities, and the participant B seems to think it is difficult for organizational value to substitute this national value.

These answers indicate that the organizational cultures of the local offices have their own features. Participant A also confirmed this by saying that the organizational culture does to some extent have native subcultural features.

Local way of doing things = Not the most effective way, double doing, careless of mistakes, approval for mediocre performance.

The participants said that the values are a part of their individual decision making process daily, but participant A left out organizational values when asked to select three of the most important factors regarding the decision making process. The participant chose the option of own experiences, values and intuition at first, and stated that her personal values and the organizational values of Halton Group are compatible.

5.5.2 Value process

The theme of the value process was approached in the questionnaire through questions such as “How were the values first introduced to the employees?”, “How often do corporate values appear in the workplace? In which ways?” and “What measures have been taken to implement values in the operations of the organization and the actions of the employees?”. These questions measured how comprehensive and effective the process of transforming values into action has

been. But as the values should be seen in everything and encompass everything from interiors to how people work, the theme of the value process can be analyzed through almost all the questions.

According to the participants of the survey, the value process is the responsibility of the top management of Halton Group, managers locally and the HR-department in cooperation with them. Participant A stated this to be due to the fact that they have the deepest understanding of the values, whereas Participant B said that these departments are involved because the value issues affect the management of people. From these statements it can be concluded that the participants realize the meaning of the commitment of the management to the process. However, the individual responsibility of everyone to aspire to act according to the values should be given adequate importance.

The participants told that the organizational values were first introduced to the Chinese employees by giving them a Halton Way booklet describing the values in Chinese. Meetings were also organized to introduce the values. The English speaking staff attended these meetings in English and Chinese speaking staff in Chinese. In these meetings, the employees were asked to make examples of how they understand the values, how they can be seen in the daily work and why they are important.

New employees come in contact with the values during their first or second day in the company. After this they come in contact with the values quite often. The participants notice the values in various indirect ways, in physical ways and in the actions of the employees.

Almost every day, promotion for more effective teamwork in order to avoid mistakes, discussion about sales strategies/ways to sell, correct reporting issues (no need to report untrue issues).

We have posters, handbooks, orientation trainings mentioning them. And our "employee of the year" is selected according to the values. When some decisions are made, we will also consider these values.

Individual responsibility is given to employees quite a lot, teamwork exists in certain level, sales people understand what can be done (and what not), customer requirements/wishes are

followed very eagerly (sometimes too much), everybody are eager to learn new things and fast, attitude in general is very positive for new things.

It can be deem from how fast you react the customers/the reaction time; how often people are take in different courses/training, even using their weekends; how different departments cooperate together to do some task, and so on.

These quotations give a good view of the values in action, as a part of the organizational culture, and also as a unitive factor of the personal attitudes of the employees. This might indicate that the values have been a part of the recruitment process, and that is why for example positive people or people willing to improve themselves have been selected. At this point it is good to note the fact that the participants of the survey have a thorough understanding of the values and this might be why they observe these facts regarding the values. For some people these things and their connection to the values might not be as clear.

An interesting fact about the answers of the two participants was that they did not mention same things. This might be due to the fact that they have been involved in different kinds of actions in transforming the values into action, or because different people take notice of different things in different ways. This is why the implementation of the values should be comprehensive, so that everyone notices them in some way.

As has been mentioned before, the value process is still ongoing in the Halton Ventilation. The measures taken to transform values into action so far have included distributing the Halton way booklet to everyone, several lectures from top management, decisions based and justified through values, shared experiences from other units and stories of previous Halton actions. The managers are also expected to set up good example. The values have also been basis of "Employee of the year" award criteria and personnel performance evaluations. Now they are also combined to the reward system. The participants of the survey still stated that the values are not yet reinforced in many other ways then as justification of daily decisions, and this is because of the process of transforming them into actions being still ongoing.

The participants mentioned efficiency, improved team work, and instructional and justifying effects of the values as advantages of common values to all of Halton Group. They also felt it was good to have a common set of organizational values to create the sense of community among the whole company. The benefits of the values have therefore been noted by the participants of the survey, but it seems that they have not been completely internalized by all of the personnel since the working methods do not always follow the basics of the values.

5.5.3 Communication

Effective intercultural communication is a major part of the value process in a multinational organization. The questionnaire focused on translating the values to Chinese, making the values intelligible, and the communication between expatriates and locals at Halton Ventilation.

The Halton way booklet describing the organizational values was translated by the local HR manager in cooperation with the management teams. It was understood in the company that the values had to be translated by the deep meaning of them instead of just words. The words were carefully selected not only by their meaning, but also by how easy they were to understand and remember. The values were introduced to the employees in meetings in the participants working languages, Chinese or English. The meetings also included two-way communication through participants creating examples about them.

Halton Ventilation has Finnish expatriates on several managerial positions. Both participants of the survey acknowledged that there is room for improvement when they were asked about the efficiency of intercultural communication. Participant A stated that repetition is a major part of the intercultural communication in China. Participant B said that difficulties are not always caused by the language itself, and instead they are caused by the differences between cultures in general.

Language is not the only reason, the deep reason is of different cultures. Chinese culture is very different from Finnish/European culture, and the social development of China is behind Europe also.

This statement denotes the fact that effective intercultural communication requires more than just a common language. The social manners, nonverbal communication and cultural understanding are crucial parts of it. Participant A continues to say that mutual respect of the different cultures is a key to functional cooperation, and that the respect does not necessarily require liking the other culture. He also identified organizational values as an important unifying factor between the employees from different cultures.

5.5.4 Value management

The subject of value management was approached in the study through a few questions. It is not an essential part of the value process, but an interesting addition of analyzing the success of the process.

Both of the participants of the survey agreed that value management is a part of the management culture at their workplace. From the open ended questions it can be concluded that this is true, but it is not officially stated. The managers are an influential part of the value process; they base their decisions to the values, they decide how much and in which ways the values are transformed into action, and they also set an example of behavior to others. Missing from the value management model in Halton Ventilation is the monitoring stage, and this includes measurements of both value management and the values themselves.

5.5.5 Monitoring

The success of the value process can not be properly determined without measuring. It is difficult to improve the efficiency of any actions of processes without any measured outcomes. This is why the questionnaire also included questions about the measuring of the effects of the values on the organizational culture.

The participants admitted that the influence of the values in the organizational culture has not been officially measured. Participant A stated this to be because there are a lot of other ongoing developments at the moment. Participant B thought it might be difficult to measure it. The participant feels that especially the

managers can feel the values implemented at the work place, and they promote the missing parts even without the official measuring actions.

Even though the effects of the values or how the values are understood are not monitored, the value based behavior is measured in for example performance evaluations. This is a positive thing from the perspective that the behavior of the employees is still monitored according to the values, but also a negative thing if the employees do not understand what the evaluation criteria actually means and what is expected of them.

5.6 Conclusions

Halton Ventilation has not had an influence to all the ten important points of the successful value process defined by Aaltonen and Junkkari (1999, 245) and presented earlier in this study. The following table 2 demonstrates how the factors and responsibilities of the successful value process are divided between Halton Group and local offices.

Table 2: Responsibilities of a Successful Value Process Divided between Halton Group and Halton Ventilation (Aaltonen & Junkkari, 1999)

Halton Group	Task	Halton Ventilation
X	1. Management is strongly committed to the process	X
X	2. Doing a realistic analysis of the organizations current state	
X	3. Taking into account all stakeholders and the history of the company	
X	4. Finding both top and active values	
X	5. Reserving a lot of time	X
X	6. Defining a goal of the process and aiming for that	X
	7. Connecting the values to existing processes	X

	8. Including as many departments and people as possible	X
X	9. Organizing value training and coaching	X
	10. Finding and making practical tools for implementing the values	X

As can be seen from the chart, Halton Ventilation has to trust that the upper management of Halton Group has defined the values rightfully. The responsibility of the management at Halton Ventilation is to transform these values into action. The company does not have official instructions for the execution of the process, and according to the survey this might be a good thing. It allows the process to be executed in a suitable way according to the local culture.

The following table 3 will demonstrate the answers of the survey in the light of the research questions. The table indicates that all of the research questions were covered during the study, but there is also a lot that is missing when analyzing the questions in reference to the theory part. This might demonstrate the fact that the participants of the survey do not have a thorough knowledge of the theory behind the organizational value process, or just the fact that the process of transforming organizational values into action is uncompleted.

Table 3: Summary of the Answers of the Study as Compared to the Research Questions

1. What are the requirements for successfully transforming corporate values into action?	<ul style="list-style-type: none"> ✓ Respect for other cultures ✓ Example of management ✓ Repetition of the values ✓ Common values, but local responsiveness in implementation ✓ Positive attitude of employees, willingness to develop
a. What are the parts of a value process?	<ul style="list-style-type: none"> ✓ Values introduced to the employees through leaflets and meetings ✓ Bringing up values in different occasions ✓ Guiding the actions of employees towards value based working methods ✓ Introducing the values right away to new employees

<p>b. What is a manager's role in a value process?</p>	<ul style="list-style-type: none"> ✓ Example ✓ Responsible for the value process ✓ Has the deepest understanding of the values
<p>c. How can values be transferred from words to action?</p>	<ul style="list-style-type: none"> ✓ Sharing stories and experiences ✓ Acting as an example ✓ Including them to the working methods of the employees ✓ Evaluating personnel according to the values ✓ Encouraging value based actions through for example reward systems
<p>2. What should an international organization consider while transforming their values into action?</p>	<ul style="list-style-type: none"> ✓ Room for local responsiveness when implementing the values ✓ Values are what unify the whole company together ✓ Translating ideas and not words
<p>a. How do cultural differences affect how we understand the values?</p>	<ul style="list-style-type: none"> ✓ Same words have different meanings ✓ Words include different things ✓ Understanding "the bigger picture" ✓ Differences in educational backgrounds ✓ Respect for other cultures
<p>b. How can managers communicate the values clearly?</p>	<ul style="list-style-type: none"> ✓ Not only differences in language, but also in the culture ✓ Using different channels ✓ Repetition ✓ Adapting to the local culture

On the whole more or less right things have been done at Halton Ventilation to transform the organizational values into action. Local managers are committed to the values, the process is ongoing and does not have an exact schedule, and the personnel have been coached about the values. Especially the use of two-way value dialogues in the introductory meetings is a really positive thing. The measures of transforming the values into action can however be increased. Values are not present in all existing processes, and they emerge occasionally. It can also be detected from the survey that the values are not clearly understood in a common way, and in some operations there is a lack of the practical tools for implementing them. In the theory part, it was stated that personnel will not commit to the values without understanding them and the benefits gained from

them (Harjamäki 2013, 125; Mattila 2008, 27; Aaltonen et al. 2003, 131). Halton Ventilation should take further actions achieving this.

It was stated in the theory part that the most important factors during the value process are consistency, repetition and involving the personnel to the process (Aaltonen & Junkkari 1999, 229.). Halton ventilation has done well in embedding the values to the decision making process in the executive level, and therefore has realized the instructional effect of the values. Nevertheless, this instructional effect of the values should be used consistently and consciously in all decisions from allocating resources to human resource management.

There is still work to be done for the employees to understand the values in the same way and therefore act according to the same standards. This could for example be done by connecting the values to the norms or stories, group discussions and value workshops. Halton Group in general can also be a factor in this part. Stories related to the values can be distributed throughout the organization in forms of for example monthly newsletters. These stories can also indicate the use of values in different cultural contexts, and create understanding of how they can be utilized locally.

There are quite a few different ways in which the values come across at Halton Ventilation, and this is a great example of repetition. The values can be detected in the first two levels of the organizational culture as artefacts such as posters and statements, as attitudes such as appreciating teamwork, and as norms such as swift reaction times to customer requests. The values have not however created the foundation to the organizational culture, and they are not yet embedded in the basic assumptions of the personnel. This can be achieved by proceeding with the value process, and also through the third point of consistency. The management must remember that values are not to be used only when convenient. They must have an effect on everything continuously. Even the way the break rooms and meetings are organized or how feedback is given will indicate the values.

It was also noted in the theory part that the value process should be observed firstly through the mundane working and communication, and secondly through the organization as a whole (Aaltonen et al. 2003, 147). A very positive finding

was that the organizational values are seen as the unifying factor of the worldwide Halton Group. The values are also clearly a factor in the organizational culture of Halton Ventilation, but the survey was clear about them not being present all the time. This comes back to involving the personnel and repetition and consistency in the use of the values. The values should be made seen, heard, observed, experienced and used by all the employees. They can not and should not be forced upon the personnel, but they can be set firstly as a standard of working and later as a manner of working. This can be done through for example guidance by example and reinforcement through feedback.

The personnel of Halton Ventilation have not had the chance to participate to the value process in the early stages, so the participation is essential now when trying to embed the values permanently to the organizational culture. Everyone should have clear, actual guidelines of norms indicating how they can individually utilize the values in their work. Everyone can for example create statements such as “I promise to...” or “I will improve...” in respect of the values. The actions of the employees can be surveyed later in regards to these promises.

The only thing completely missing from Halton Ventilation was the monitoring of the value process. The management feels they see the values in action, but it would be good to monitor this also formally. This is especially important when working in a culture where openness is not a definite thing. The measurements do not have to be complex. The values included into development discussions or value questionnaires with a few questions already give an idea of what should be improved. At the same time they also indicate what remains to be unclear amongst the personnel.

Translating the values to Chinese has been a precise project at Halton Ventilation. Successful as it was, the educational backgrounds of production workers still causes problems with the employees understanding them. Cultural differences in communication and social differences also cause difficulties within the executive personnel. It has been noted that the personnel must have mutual respect of each other's cultures. For example further discussion might however allow the personnel to understand each other better, create cultural awareness and therefore decrease cultural conflicts.

5.7 Guidelines for managers of Halton Group for transforming organizational values into action

The following posters of guidelines have been created as a result of this study for managers of Halton Group for transforming the organizational values into action. The columns on the left side of the posters include simple statements that are easy to remember, and the columns on the right side present examples on how to follow these statements in practice.

To Do:	
1. MAKE SURE EVERYONE UNDERSTANDS THE VALUES IN THE SAME WAY.	<ul style="list-style-type: none"> - Discussions about the values - Ask and tell straight examples - Ask questions - Be an example
2. GET THE PERSONNEL INVOLVED WITH THE VALUES.	<ul style="list-style-type: none"> - Make written norms of the values - Encourage personnel to act according to the values through e.g. reward systems, feedback, development discussions
3. MAKE THE VALUES SEEN, HEARD AND EXPERIENCED.	<ul style="list-style-type: none"> - Posters, interiors of the office - Official and unofficial discussions and statements (meetings and coffee rooms, emails and annual publications) - Encourage and reward value based actions, prohibit actions against them
4. USE VALUES AS OFTEN AS POSSIBLE.	<ul style="list-style-type: none"> - Values can and should be mentioned or observed daily - Assess consciously when and how you can refer to the values → Learn to act according to this
5. BE CONSISTENT IN THE USE OF	<ul style="list-style-type: none"> - Use the same values in similar situations - Use the same arguments many

VALUES.	<ul style="list-style-type: none"> - times - Do not change the values or principles behind them
6. INCLUDE VALUES TO EVERYTHING.	<ul style="list-style-type: none"> - Value based norms of working for each individual - Management, HR, communication, marketing, production
7. GUIDE ACTIONS TOWARDS VALUE BASED WORKING.	<ul style="list-style-type: none"> - Encouraging and condemning actions - Appraisals and feedback - Reward system - Norms and standards of working - Be an example

To Not to Do:	
1. THINK THAT VALUES ARE NOT IMPORTANT.	<ul style="list-style-type: none"> - Do not postpone the value process for tomorrow
2. THINK THAT THE VALUE PROCESS WILL BE COMPLETED.	<ul style="list-style-type: none"> - Prepare for the fact that the value process is a never ending cycle, but it will eventually need less management
3. TRY TO FORCE THE USE OF VALUES WHEN THEY ARE INAPPROPRIATE.	<ul style="list-style-type: none"> - Build your own cultural awareness - Evaluate how the values can be transformed into action at your local office
4. ASSUME THAT EVERYONE UNDERSTANDS AND USES THE VALUES.	<ul style="list-style-type: none"> - Get accurate information - Ask questions - Observe situations from a value based view - Create measurements and do follow-up
5. SEPARATE YOUR LOCAL OFFICE FROM HALTON GROUP.	<ul style="list-style-type: none"> - Common values are unifying - Values are what separates Halton Group from the competitors - Values are what have made Halton Group what it is

5.8 Validity and reliability of the study

The concept of validity refers to the study examining what was promised, and reliability to the repeatability of the results. The informal form of qualitative study makes the analysis of the validity and reliability of the study diverse. Different handbooks emphasize different things, and take different perspectives in the matter. (Tuomi & Sarajärvi 2009, 134; 136.) The validity and reliability of the study are evaluated according to the subject of the research, the methods used and the transparency of the study.

The study in question was valid and reliable. The process of the study is clearly detectable and transparent, and the methods used were appropriate. The results of the research were parallel to the theoretical part of the study. The survey was conducted in non-native language of the participants and the researcher, but all participants had adequate language skills to take part in the study. The survey was also verified by a professional translator to eliminate any words of cultural context or stance. The questions were carefully designed to cover the important parts of the theoretical part, and the open questions gave the participants a chance to answer without any guidance. The two-part structure of the study gave an insight of the subconscious attitudes and actual opinions of the participants.

Even though the participants of the study were suggested by the upper management of Halton Group, the participants agreed voluntarily to take part in the survey. They had a chance to read through the questions and contemplate their answers before submitting them. As the survey was conducted through the internet, the participants also had the chance to answer at a time and in a place suitable for them. Instructions were given by the researcher through email if needed. The answers were only visible for and examined by the researcher. The researcher had no previous experiences from the office in question and had not been in contact with the participants of the survey before. This increased the reliability and objectivity of the research.

The validity of the study could have been improved by increasing the size of the sample, which would have increased the diversity of the data. However, the current results of the study are still reliable as the study is based on the individual

experiences of the participants. The results also give a versatile view on the subject, since the participants represent different nationalities and different positions in the organization.

6 SUMMARY

The research questions, research methods and results will be presented in this chapter. Conclusions and suggestions for future research will also be brought forward.

The three objectives of this study were to firstly bring the appropriate use of corporate values and the importance of this into discussion, secondly to connect the separately researched factors of the challenges of the value process and internationality, and thirdly to create a useful list of guidelines for transforming the corporate values into action in multiple locations of Halton Group. These objectives were approached through the following research questions.

1. What are the requirements for successfully transforming organizational values into action?
 - a. What are the parts of a value process?
 - b. What is a manager's role in a value process?
 - c. How can values be transferred from words to action?
2. What should an international organization consider while transforming their values into action?
 - a. How do cultural differences affect how we understand the values?
 - b. How can managers communicate the values clearly?

This paper consisted of two parts; the theoretical frame of reference and the empirical part. The theoretical frame of reference covered the concepts of national and organizational cultures, organizational values and value process, and also examined the methods and tools of transforming organizational values into action. In addition to this, the theoretical part covered the subject of intercultural communication. The theoretical part was used to clarify the connection between the values and formation of a culture, to highlight the significance of common values in the creation of an efficient and successful organization, and to acknowledge the challenges and prerequisites of the process of transforming organizational values into action.

Being a relatively new subject, the organizational values have not been thoroughly studied yet. Because of the extensity of the subject, value process is also a

difficult subject to study. The researcher often came across sentences stating that the subject needs further research or indicating completely new factors of the subject to be necessary of research. This was surprising because of the commonness of the use of the values in external communication. It also underlines the misuse of the values as just statements. It is also the reason why the appropriate usage of the values should be brought to discussion in different organizations.

Because of the novelty of the subject, the concepts used to describe organizational values and the value process are also diverse. The organizational values are still often mentioned in reference to ethical management especially in the English literature related to the subject. This made it difficult for the researcher to find accurate information regarding the subject, and probably makes it difficult also for managers trying to find information or guidance. Nevertheless, the researcher managed to find relevant information to answer all the research questions.

The empirical part of the study was conducted in a qualitative method in April 2014. The two participants of the study answered to a questionnaire and explained how they experienced the success and challenges of the value process at Halton Ventilation. The answers of the participants were analyzed in the light of the theoretical framework. Reasons for succeeding and room for improvement were both discovered. The answers also gave examples and answers the research questions.

The study indicated that transforming organizational values into action successfully requires commitment, the example of the management and using the values consistently, repeatedly and comprehensively in the operations of the organization. In addition to this, actual tools of implementing the values in the working methods of the personnel should be created. Everyone should detect the values in the organization in diverse ways and create a personal connection to them.

In international and multicultural organizations the value process should emphasize the importance of communication. In order for any organization to benefit from the common values, the values should also be understood in the same

way despite cultural differences. This common understanding is created especially through discussions and using examples, and it should be monitored whether this has been reached. Personnel can not commit to the values without understanding them, and they will not commit to them without understanding the reasons behind them and the benefits gained from them. Managers should also have the sufficient understanding of the values and the value process to be able to assess and decide the appropriate and necessary methods of transforming the values into action.

Further research of the subject could firstly include examining the different means of explaining the values to multicultural personnel. This would help the managers substantially and practically when transforming the values into action. The second proposal for further research is to examine the benefits of the common values in international organizations. The results of this study could be used to indicate to the managers and personnel why these values and using them are important. Thirdly the subject could be further studied in the light of the cultural differences and the appropriate means of implementing the values. Moreover it should be researched if and how the common organizational values and national values can be connected. This research would give an in-depth view to the debate of the best practices of defining common values in international companies.

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APPENDICES

Appendix 1: Survey

Implementing Organizational Values

The objective of this study is to examine what kind of effects the organizational values of Halton Group have had in the Shanghai office and how successful the overall value process has been.

This study has two parts. In the first part you will see sixteen statements. Please answer them based on how strongly you agree with them on a scale of one to five, one being "I strongly disagree" and five being "I strongly agree". The second part includes twenty-one open ended questions. You will have the chance to answer them in your own words.

To conclude this study, you will need approximately one to two hours. Please keep in mind that there is no right or wrong answers to these questions. Please answer based on your own experiences.

Please take as much time as you need and answer truthfully so that the results will be practical and useful. Read the questions carefully and make sure to that your answer is comprehensive.

Thank you for your time and cooperation!

First Part - Answer on a Scale of One to Five

The first part of the study consists of sixteen statements which you should answer on a scale of one to five. In the case of all of the questions, one means that you strongly disagree and five means that you strongly agree.

1. I know what the values of Halton Group are.*_

1 2 3 4 5

I strongly disagree. I strongly agree.

2. I am committed to the values of Halton Group.*_

1 2 3 4 5

I strongly disagree. I strongly agree.

3. I know why it is important to implement the corporate values in the organizational culture.*_

1 2 3 4 5

I strongly disagree. I strongly agree.

4. It is possible to integrate the corporate values of Halton Group into the Chinese culture.*_

1 2 3 4 5

I strongly disagree. I strongly agree.

5. We have added locally acceptable values to the corporate values of Halton Group.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

6. Our organizational culture is based on the organizational values of Halton Group.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

7. We monitor how the values affect the organizational culture.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

8. We reinforce value-based actions.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

9. We make conscious plans to implement the corporate values into all of the operations of our organization.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

10. Our employees know what the values of Halton Group are.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

11. Our employees know what the corporate values mean.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

12. The values of Halton Group affect the working methods of our employees.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

13. The values of Halton Group can be physically seen at our workplace.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

14. The organizational values are a factor in the communication, strategy and distribution of resources of our organization.* _

1 2 3 4 5

I strongly disagree. I strongly agree.

15. Value management is part of our management culture.*_

1 2 3 4 5

I strongly disagree. I strongly agree.

16. The values of Halton Group are part of my daily actions and decisions.*_

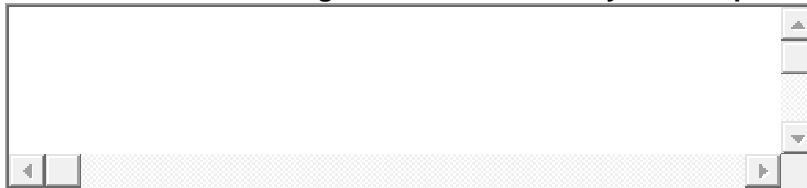
1 2 3 4 5

I strongly disagree. I strongly agree.

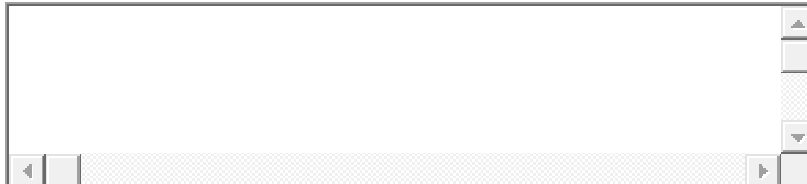
Second Part - Open Ended Questions

The second part of the study is carried out with open ended questions. In a few questions there are examples of what can be included in your answers. Please keep in mind that these are there only to guide you in your answers and other factors regarding the questions can be also noticed. Please read the questions carefully and write down all your thoughts as precisely as you can.

1. Please describe the organizational culture at your workplace.*_

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2. What kind of subcultures can be detected at the Halton office in Shanghai?*_

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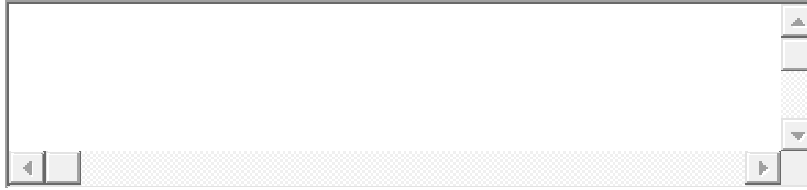
3. In your own experience, how does the organizational culture at Halton Shanghai differ from Halton Group in general?*_Please consider all aspects of the organizational culture, including technology, stories, strategies, norms, attitudes, etc.

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4. How often can the corporate values be seen at the workplace? In which ways?*_ (Conversations, magazines, e-mails, stories, speeches, meetings, the intranet, annual reports, etc.)

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5. Would you say that there is a difference between the written values and the active values of Halton Group? * _



6. Have you noticed any additional, unwritten values that appear at your office along with the official organizational values? * _



7. Has the influence of the values in the organizational culture of Halton Shanghai been measured? Why/why not? * _If yes, how was it measured and what were the results?



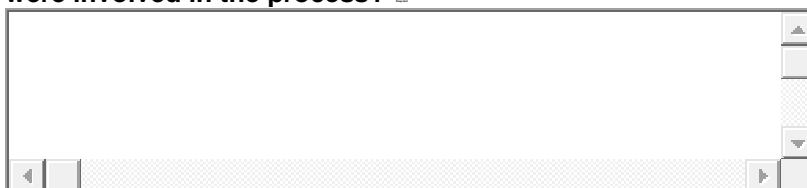
8. Halton Group has defined common values according to the philosophy of the company's Finnish founder. Can the values, in your opinion, be adapted to different national cultures or should there be room for local responsiveness regarding them? * _



9. As a multinational company Halton Group operates in many countries, uses a lot of expatriates especially at the executive levels, and also has internal communication in different languages. How is the efficiency of intercultural communication ensured overall and at your office? * _



10. How were the organizational values of Halton translated into Chinese? Who were involved in the process? * _



11. How were the values first introduced to the Chinese employees?* _

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12. At which stage and how do new employees get in contact with the corporate values?* _

A large, empty rectangular text input box with a light gray border. It features a vertical scrollbar on the right side and a horizontal scrollbar at the bottom, both with standard arrow and track controls.

13. How can the corporate values be seen at your workplace?* _

A large, empty rectangular text input box with a light gray border. It features a vertical scrollbar on the right side and a horizontal scrollbar at the bottom, both with standard arrow and track controls.

14. Which measures have been taken at Halton Shanghai to implement the organizational values in the operations of the organization and the working methods of the employees?* _

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15. What is the basis of the process of implementing the values into the organizational culture?* _ (The experiences and intuition of managers, the best practices learned from other offices, guidelines from upper management, literature, etc.)

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16. Which departments or who are involved in the process of implementing the values? Why were they selected?* _

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17. How are the values reinforced at Halton Shanghai?* _

18. Please explain how the values of Halton Group affect your work.* _

19. How does the local culture affect the management style of foreign managers at Halton Shanghai?* _

20. Do the organizational values, in your opinion, have an effect on the management style of all managers? * _If you answered yes, please explain what these effects are.

21. Please select three of the most important factors regarding your decision making process.* _Please explain in the following section why you chose those.

- a. Financial benefits
- b. Organizational values
- c. My own experiences, values and intuition
- d. Benefits of the company
- e. Organizational norms and code of conduct
- Other:

Please clarify your answer to question 21.

Your response has been recorded. Thank you for your cooperation!