

Role of personal values in investment decisions

Perspectives of individual Ghanaian shareholders

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Abstract

Purpose – This paper aims to examine the role personal values play in investment decision-making processes among Ghanaian shareholders.

Design/methodology/approach – In consequence of the recent emergence of the issue of corporate governance practices in Ghana, and the kind of the research objective of this paper, a mix of qualitative and quantitative methods was used. These methods were used in two stages. The first stage was qualitative, which purposively selected 20 individual shareholders to solicit their perspectives on how personal values influence investment decisions. Their responses were used to construct the content of this enquiry. The second stage, which was quantitative, used stratified sampling technique to select 503 individual shareholders to confirm the responses obtained from stage one of the enquiry.

Findings – The findings of the study reveal that individual shareholders in Ghana hold value priorities and that honesty, a comfortable life and family security play a significant role in their lives and their investment decision-making processes, and the kind of companies they choose to invest in. Also, to Ghanaian individual shareholders, there is a clear distinction between a comfortable life and a prosperous life in the sense that they are not incentivized more by the latter but by the former in their investment decisions.

Practical implications – The results can inform corporate directors and managers what values are considered in investment decisions, and that it is not purely financial. With these results, they can be informed that while some financial values are important, it is just to live a comfortable life and not a prosperous life. This may influence these directors and managers to have a more long-run focus and to have more of a corporate social responsibility (CSR) focus by putting implementable measures in place to tackle corporate responsibility issues and to take up a responsibility for their CSR feat. Also, the results can be used for public policy in that if regulators find out that more CSR-type information is important to investors, they might require additional CSR-type disclosures in financial statements.

Originality/value – This paper contributes to the knowledge on the stakeholder perspective of corporate governance that individual shareholders' personal values have influence on their investment decisions and the choice of companies they invest in.

Keywords Corporate governance, Corporate social responsibility, Ghanaian individual shareholders, Investment decision-making processes, Personal values of individual shareholders, Stakeholder perspective, Behavioural processes

Paper type Research paper



Introduction

Is there a link between individual shareholders' personal values and their investment decision-making processes? There is a clear distinction between ordinary shareholders and socially or ethically responsible shareholders in the sense that ordinary shareholders are always considered to be essentially interested in the financial gains of companies (Carroll and Buchholtz, 2003) or with the sole purpose of maximizing wealth or income (Lewis, 2002). Wärneryd (2001) professes that marketing financial services situates on the belief that all capital providers are keen and always ready to maximize their wealth or income. The rationale for such notions of ordinary shareholders is that based on the neoclassical hypothesis of *Homo Economicus*, investors are self-centered beings whose ultimate goal is to maximize wealth, which demands the maximization of share price (Rivoli, 1995). However, this shallow hypothesis that investors are primarily self-interested and do not care about the well-being of other stakeholders (or non-shareholders) is flawed by the findings of Nair and Ladha (2014), Pasework and Riley (2010), Chiu (2009), Hanson and Tranter (2006), Muller (2001) and Epstein (1992).

As contended by neoclassical economists, *Homo Economicus* is a rational man and yet perceived by others (for instance, Tomer, 2001; Kuran, 1995; Elster, 1985) as manipulative, self-centred, pitiless and making the very effort to gain personal pleasure or satisfaction. However, the belief that shareholders are shortsighted and are not supportive of their firms' socially responsible dealings appears to be in contradiction with the actual demeanor of ordinary individual shareholders. Studies reveal that small shareholders always take into consideration long-term view in periods of investments (Lease *et al.*, 1974; Muller, 2001; Ryan and Gist, 1995; Wärneryd, 2001) and their mind-sets are not entirely self-centered- that is increasing firm performance or profit to the detriment of other stakeholders (Muller, 2001; Epstein, 1992). In other words, individual shareholders seek both "Utilitarian" (maximizing wealth) and "expressive" gains (investment as a means of expressing their personal values) from their investment decisions (Nair and Ladha, 2014). Therefore, the traditional wealth maximization hypothesis that does not take into account personal values overlook a relevant factor that influences investment decisions (Pasework and Riley, 2010).

Though shareholders may not agree on what the topmost corporate social responsibility (CSR) is, they are becoming more conscious of the relevance of CSR. A study in Australia in 2007 divulges that seven of ten investors in Australia point out that when investing in shares, they prefer firms that are both socially and environmentally responsible (Australian Securities Exchange, 2007). In addition, a survey conducted by Capgemini and RBC on wealth management[1] in 2014, divulged that more than half of the high net worth people surveyed expressed "driving social influence" as extremely relevant and almost nine of ten expressed it as relevant. This explicitly illuminates an aspect of investment preference behaviour that place emphasis on the neoclassical hypothesis that they are purely self-interested wealth maximizers. In fact, the Economic Man idea conspicuously lacks in providing an explanation and predicting human demeanor in that both the non-economic incentives and social facets of human life have been shunned from the concept (Tomer, 2001). A good example is cited by Frankfurt (1988) that, certain non-economic elements are included in the decision-making processes of individuals. The author proposes the view of caring, concerning our own principles, and in regards to those we love. The author postulates:

[a] person who cares about something is, as it were, invested in it [...] Thus he concerns himself with what concerns it, giving particular attention to such things and directing his behavior accordingly.

As we are inescapably, a constituent of society, our decisions and demeanor cannot thus entirely leave out societal norms. From infancy, each person has a gamut of needs or goals created by socialization processes in a way and manner that comply or go hand in hand with societal needs (Rokeach and Regan, 1980). As argued by Etzioni (1991, p. 4) “[i]ndividuals do render the final decision, but usually within the context of values, beliefs, ideas and guidelines instilled in them by others, and reinforced by their social circles”. The interaction between social behaviour and economic behaviour helps people to make choices and preferences founded on their values and sentiments. Empirically, researchers on human values (Feather, 1995; Rokeach, 1973; Schwartz, 1992, 1994) contend persuasively for the sentimental and guiding roles of values in all facets of people’s lives. Rokeach (1973) adds to his structure of universal human values, terminal values (end-states existence) that will probably be self-oriented or community-oriented, interpersonal or intrapersonal in nature. This is very much consistent with the perspective of Etzioni (1991) as stated earlier. In simple terms, societal values have a portion in the values a person possesses. In other words, human values whether self-centred or community-centred[2] play a key role in the lives of individuals as well as how they observe things.

A substantial number of studies carried out on managers and consumers backs the contention that values underpin people’s behavioural processes, and that they are relevant drivers of our attitudes, behaviours and choices (Egri *et al.*, 2004; Lawrence and Collins, 2004; Connor and Becker, 2003; Mercer, 2003; Agle *et al.*, 1999; Homer and Kahle, 1988; Richins and Rudmin, 1994; Connor and Becker, 2003; Williams and Hall, 2006). The findings of these studies highlight that there is a relationship between a person’s values and the relevance she/he attaches to certain aspects of corporate responsibility. However, the presence of the relationship is dependent on the kind of values whether it is individually based or others-oriented.

The line of reasoning put forth by Etzioni (1991) and others (for instance, Rokeach, 1973) and the empirical observations from extant studies (Iyer and Kashyap, 2009; Egri *et al.*, 2004; Lawrence and Collins, 2004; Connor and Becker, 2003; Mercer, 2003; Agle *et al.*, 1999; Homer and Kahle, 1988) support three main points. First, values do seem to have a relevant role to play in shareholders’ stock-buying decisions. Second, shareholders possess both self-centred values and community-centred values. Third, compared with the number of studies on managers and consumers’ values, values of individual shareholders have received little attention, and almost no or little effort has been made to examine shareholder’s perception of corporate responsibility in regards to the values they possess. By simply accepting that shareholders are rational self-centred individuals who are only interested in maximizing their wealth, we need to find out more about their values and attitudes that ultimately induce their decisions on investments. Based on the theoretical perspective that values underpin behavioural processes and influence our choice of actions (Connor and Becker, 2003), we argue that as individual shareholders are constructive members of society, their choices and behavioural processes may be guided by their personal values. In addition, this set of values may be relevant to them as a people. Thus, it is also natural that they may wish to include these strongly held personal values in their investment decisions. Therefore, the paper aims to examine the values that incentivize and guide stockholders – not only in their lives but also when they make decisions on investment.

Ghana is a particularly interesting case to analyse. Ghana has a small, yet diverse population in terms of ethnic origin (culture). Logically, it is an ideal research setting in that it offers easy access to a representative community of stockholders with diverse backgrounds and cultural profiles but with related demographic background in other developing countries. This heterogeneity not only results in a differing set of personal values among Ghanaians but also results in numerous factors that incentivize them to invest and choose companies they deem appropriate to invest. In addition, recent developments in the country have added a lively impetus to the concept of CSR concerning personal values of individual shareholders and their investment decisions. The 2010 Securities and Exchange Commission's guidelines on corporate governance point to the fact that CSR and the stakeholder perspective of corporate governance are incrementally receiving the required attention in Ghana. Particularly, there are ample revelations concerning an increment in the number of activities of Ghanaian shareholders and the sort of companies Ghanaian shareholders desire to invest in.

Consequently, this paper aims to make both theoretical and empirical contributions. First, the findings add to the extant literature on CSR in developing countries especially, African countries, which lag behind in a study of this nature. This dearth of literature is more visible in regards to the association between personal values of individual shareholders and their investment decisions in sub-Saharan African economies. Second, the paper makes the effort to contribute to the extant literature on the CSR by establishing that personal values of individual shareholders influence their behavioural processes (that is, concerning their investment decisions) and their choices (concerning the sort of companies they invest). The paper proceeds as follows: a review of related literature on values, the methodology used and a presentation of our findings and conclusions.

Literature review

Defining values

While many definitions are associated with human values, the majority of them are of related construct: values are conceptions of the desirable (Agle and Caldwell, 1999). Kluckhohn (1951, p. 395) defines a value as “a conception, explicit or implicit, distinctive of an individual, or characteristic of a group, of the desirable which influences the selection from available modes, means, and ends of action”. In addition, Williams (1970, p. 442) defines values as “those conceptions of *desirable states of affairs* that are utilized in selective conduct as *criteria* for preference or choice or as *justifications* for proposed or actual behaviour”. Rokeach (1973, p. 5) states:

[A] person has a *value* and a *value system*. A *value* is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence. A *value system* is an enduring organization of beliefs concerning preferable modes of conduct or end-states of existence along a continuum of relative importance.

Further, Connor and Becker (2003, p. 71) identify values as “(abstract) desirable modes of conduct or end states of existence – with the notion of desirability referring to the exercise of choice”. Moreover, Schwartz (1994, p. 21) in his work on the motivational kinds of values identifies values as “desirable, transsituational goals, varying in importance that serve as guiding principles in the life of a person”. More so, Schwartz and Bardi (2001) argued that the important facet that differentiates among values is the sort of motivational object they put across.

Inferring from all these definitions, we argue that values are the very principles that guide us and in the same vein, they possess a powerful motivational constituent in them. Collective terms used to define values vary among researchers. Rokeach (1973) refers them as “enduring beliefs” for Kluckhohn (1951) and Williams (1970) they are termed “conceptions”; they are considered “transsituational goals” by Schwartz (1994), and they are “abstract ideals” by Chiu (2009). Based on the aforementioned definitions, we follow the definition of value by Chiu (2009, p. 14) as “A person’s abstract ideals, varying in importance, which guide and motivate their choice of actions”.

Based on Chiu’s definition of values we argue that shareholders’ values are the abstract ideals that incentivize and guide their actions. While best behaviours are guiding values, supreme goals in life are motivational issues (Chiu, 2009). Even though everyone has a painstaking system of values, in any specific circumstance we may well set in motion only a part of our entire value system. The system has been akin to a repertoire of television stations where the one that is immediately showing our favourite television show is selected, and the rest is neglected for the particular moment. For the individual stockholder in a share-buying circumstance, it implies only those values important to making investment decisions are consulted, and their entire inducement is dependent on the potency and strength of the principal value. Consequently, the study will examine the motivational and guiding values that direct stockholders when they make decisions on stock-buying decisions.

Classifying values

Rokeach (1973) in his Universal system of values postulates that the total amount of values is comparatively small, and in the 36 values he selects, there is an equal split between instrumental and terminal values (Table I). But Schwartz (1992) finds in his work that there is an insignificant support for the idea that the instrumental-terminal categorization is a relevant foundation upon which individuals put in order their values. However, Rokeach’s values system offers an important basis in appreciating the differing groupings of values.

Rokeach (1973) differentiates between instrumental and terminal values. The latter are ultimate goals that possibly can be self-oriented or community-oriented, intrapersonal or interpersonal oriented. The former are principles that guide conduct of demeanor and comprises both moral and competence values. Moral values possess an interpersonal spotlight which, when despoiled, stimulates a twinge of conscience or thoughts of guilt for misconducts. On the other hand, competence values are individual-oriented. Their infringement leads to thoughts of shame about personal insufficiency rather than thoughts of guilt.

Although Rokeach groups values into social, personal, moral and competence constituents, he appears to be a little fuzzy in grouping each of the values into their sub-groups. In a work of the value orientations of American managers, Weber (1990) sub-grouped each terminal value as either social or personal, and each instrumental value as morals or competence. As can be noticed in the grouping column in Table I below, results of Weber’s study reinforce Rokeach’s conceptualization of the types of values.

Other studies have tested the Universal human values system by Rokeach (1973). Based on a varimax factor analysis of Rokeach’s 36 values, Munson and Posner (1980) discover six terminal elements (personal gratification, self-actualization, security, love and affection, social harmony and personal satisfaction or contentedness) and four instrumental elements

Terminal values	Classification*	Instrumental values	Classification*
A comfortable life (a prosperous life)	P	Ambitious (hard-working, aspiring)	C
An exciting life (a stimulating active life)	P	Broadminded (Open-minded)	C
A sense of accomplishment (lasting contribution)	P	Capable (competent, effective)	C
A world at peace (free of war and conflict)	S	Cheerful (joyful, light-hearted)	M
A world of beauty (beauty of nature and the arts)	S	Clean (tidy, neat)	M
Equality (brotherhood, equal opportunity for all)	S	Courageous (stand up for your beliefs)	M
Family security (taking care of loved ones)	P	Forgiving (willing to pardon others)	M
Freedom (independence, free choice)	P	Helpful (working for the welfare of others)	M
Happiness (satisfaction/contentedness)	P	Honest (truthful, sincere)	M
Inner harmony (freedom from inner conflict)	P	Imaginative (creative, daring)	C
Mature love (sexual and spiritual intimacy)	P	Independent (Self-sufficient, self-reliant)	C
National security (protection from attack)	S	Intellectual (reflective, intelligent)	C
Pleasure (an enjoyable, leisurely life)	P	Logical (rational, consistent)	C
Salvation (saved, eternal life)	P	Loving (tender, affectionate)	M
Self-respect (self-esteem)	P	Obedient (respectful, dutiful)	M
Social recognition (respect, admiration)	P	Polite (well-mannered, courteous)	M
True friendship (close companionship)	P	Responsible (reliable, dependable)	C
Wisdom (a mature appreciation of life)	P	Self-controlled (self-disciplined, restrained)	Neither

Notes: *Classification by Weber (1990); P=personal; S=social; C=competence; M=moral.

Table I.
Terminal values and
instrumental values

(integrity, sociality, compassion and competence). The authors revealed an insignificant intersect between the instrumental and terminal elements. Of the six terminal elements, “social harmony” is associated with social interest and is defined as attempts dedicated to ensuring a serene and harmonized social ambiance. The other five elements are more associated with personal interest than communal interest.

Schwartz and Bilsky (1987) categorize the differences among the 36 values into seven motivational areas. Their “achievement”, “self-direction” and “enjoyment” concern personal interest, while “restrictive-conformity” and “prosocial values” concern collectivist interests. The outstanding two domains – “maturity” and “security” – concern both personal interest and collectivist interest.

Though Schwartz and Bilsky (1987) classified Rokeach’s 36 values into seven motivational areas, Schwartz (1994) modified Rokeach’s list and fashioned out a set of 56 specified values that are categorized under ten motivationally different types of values. The ten value types included five that concern basically, individual or personal interests (that is, accomplishment, hedonism, stimulation, power and self-direction) and three that concern essentially collectivist interests. The outstanding two (security and universalism) serve both interests (Schwartz, 1992). Further, these ten types of values are categorized into two bipolar dimensions.

The first dimension addresses “openness to change” (particular emphasis on own independent thought and action and favouring change) which is in contradiction with “conservation” (that is, highlighting on submissive self-restriction, preservation of conventional practices and protection of stability). The second dimension contradicts “self-enhancement” values (that highlight the quest of one’s own comparative success and control over others) with “self-transcendence” values (that pay a particular attention to both the tolerance of others as equals and regard for their welfare). Self-enhancement values correspond to motivational objectives of “power” and “accomplishment”. Self-transcendence values are situated on “universalism” and “benignity” objectives (Schwartz, 1994). The second dimension is of direct importance to examining shareholders’ values in that it portrays that human nature is much multifarious than the self-centred, *Homo Economicus*.

The categorization of values into their important groups (Weber, 1990), elements (Munson and Posner, 1980) and areas (Schwartz, 1994) has a common pattern. Within an individual’s value structure, there are values that are essentially self-centred, and some that concentrate on others. For example, self-respect, pleasure, salvation and an exciting life are self-centred values; and a world at peace, a world of beauty, equality and safeguarding the environment are community-based (others-centred) values. Any study that examines shareholders’ values thus ought not to be founded on just a proposition that they only possess self-centred values, which serve primarily to incentivize them to strive for economic contentment via wealth maximization. Undoubtedly, investing for monetary return is the fundamental aim for ordinary shareholders, but this only forms a part of the whole picture. The need to identify the other values they possess, such as those that are community-oriented is imperative. In this way, the entire picture or appreciation of what incentivizes and directs individual shareholders’ in their stock buying decision-making processes will be unearthed.

Hofstede (2001) conducted analyses on the bipolar dimensions and highlighted that most individuals simultaneously possess numerous contrasting values. The contradiction that is present between self-centered and community-centered (others-oriented) values can be

described by Kuran's (1995) "divided self" and Etzioni's (1988) "*I and We*" model. The "divided self" addresses "a self with multiple, possibly competing, inner needs" (Kuran, 1995, p. 43). In regards to the "*I and We*" model, people encounter continuous inner contradictions created by conflict between a part of the self that always want them to be selfish and another part that wants to undertake activities for the benefit of society (Etzioni, 1988). Hence, shareholders, as a people, can anticipate encountering such inner contradictions, making it possible for one of these two inner contradictions to win at a particular point in time.

The categorization of values into self-centred or other-oriented has a powerful influence on shareholders' values. Schwartz (1994) posits that there is a vague impression about the borderline between terminal and instrumental values in that they both put across a variety of motivational goals. Nevertheless, we believe that there is a need to detach motivational values from guiding values in the sense that they perform differing roles in the lives of shareholders. Motivational values are crucial goals in life an individual makes the very effort to attain, and guiding values are preferred or most wanted conduct (Chiu, 2009). Lewin (1952), who uses the value of fairness as an illustration, argues this assertion. The author states that fairness is not a target in that a person does not strive to arrive at fairness, but fairness guides one's conduct. In sum, the importance of shareholders' values to this study is both motivational and guiding and can be grouped as either self-centred[3] or others-centred.

Review of recent empirical literature on personal values

Proponents of alternative investment decision hypotheses cite the move of funds into "Socially responsible" and "ethical" investments as evidence that persons seek investments in line with their individual values (Beal and Goyen, 1998; Social Investment Forum, 2008; Pasework and Riley, 2010). Socially conscious investors hold the belief that they can invest and make money as well as make a meaningful difference by willfully investing in businesses that contribute to a healthy environment, treat persons fairly, champion equal opportunity, produce safe and relevant products and strive to foster world peace (Pasework and Riley, 2010; Inglehart, 2000; Inglehart and Baker, 2001). Investors wish to put their funds to work in a way that is more closely connected to their personal values.

There are a few studies which examine the association between personal values and investment decisions, most notably Gold and Webster (1990), Inglehart (2000), Inglehart and Baker (2001), Ryan (1994), Australian Securities Exchange (2007), Pasework and Riley (2010), Mackenzie and Lewis (1999) and Nair and Ladha (2014). Gold and Webster (1990) carried out a gamut of works, which traces how personal values of New Zealanders influence their investment decisions. They found out that there was a paradigm move from "prosperous life", which was the most relevant objective among New Zealanders in the mid of 1980s, to an unambiguous precedence of "security and stability" in the late 1980s. Inglehart (2000) addressed the values move that had taken place for the past 25 years and found out that in almost all developed industrial countries, interests of individuals in making effort to maximize economic benefits are diminishing and their desire for the sustainability of the environment is soaring. Inglehart and Baker (2001) further found out that post-industrial economies, instead of being materialistic with increased prosperity, are incrementally showing concern for safeguarding the environment, issues concerning quality of life and self-expression.

In a study on how personal values of Americans influence their investment decisions, Ryan (1994) pointed out that, shareholders in America rate and rank “equality for all” ahead of “happiness” and “prosperous life”. Further, “equality for all” is ranked highly by shareholders. A probable explanation is that Americans have moved from “materialistic” values to the “self-expression” values found by Inglehart and Baker (2001). Pasework and Riley (2010) investigated the role of personal values in investment choices in a controlled experimental context. The participants of the study were asked to choose an investment in a bond issued by a tobacco firm or a bond issued by a non-tobacco firm that offered an equal or sometimes lower yield. Their study revealed that when the rate of return on a tobacco-related investment surpasses the rate of return on a non-tobacco investment by 1 per cent, the strength of participants concerns about the societal impacts of their investment decisions was particularly, relevant in determining investment decisions and choices. In a related study by Mackenzie and Lewis (1999) concerning investors willingness to hold socially responsible investments given ex post evidence of investment return, it was revealed that most shareholders (94.8 per cent) would not shift funds away from socially responsible funds if returns were two percentage points lower. In addition, only 35.8 per cent would decrease socially responsible investments if returns were five percentage points lower. This unambiguously reveals that conventional wealth-maximization methods, which overlook personal values of shareholders, rule out a germane factor that influences investment choices and decisions.

Further, a study in Australia in 2007 divulges that seven of ten investors in Australia point out that concerning investing in shares; they prefer firms that are both socially and environmentally responsible (Australian Securities Exchange, 2007). In addition, a survey conducted by Capgemini and RBC on wealth management[4] in 2014, divulged that more than half of the high net worth people surveyed expressed social influence as extremely relevant and almost nine of ten expressed it as relevant. Nair and Ladha (2014) in their attempt to identify underlying values of Indian investors that influence their investment decisions found out that, there is a belief among Indian investors that one’s action can bring up a change in society. Thus, most of them invest not for economic gains (i.e. materialism) but for non-economic investment goals such as safeguarding the environment, improving the welfare of other people, enhancing the condition of the ecosystem and so on.

While the above discussion supports the view that some investors are willing to invest for non-economic benefits, there is no specific evidence concerning what sort of personal values influence their investment decisions and choices. For instance, certain values could probably persuade a socially responsible environmentalist to invest in a “green” fund. Nevertheless, the same fund could possibly have an insignificant appeal to a socially responsible investor concentrated on values related to Child labour. However, there is a consensus on the assertion that personal values of people influence their decisions. Therefore, we argue that as personal values of people influence their decisions, there is a very high possibility that personal values of investors or shareholders could have influence on their investment decisions.

Methodology

It is worth noting that, this paper is part of a major project, which examined the driving forces of effective corporate governance in Ghana between 2011 and 2013. To develop an understanding of whether self-centred or others-centred personal values influence the investment decision-making processes of individual shareholders, we used both qualitative

and quantitative methods to assess the influence of these factors. Also, as a result of the recent emergence of the issue of CSR in Ghana, and the type of research objective of this paper, a mix of qualitative and quantitative analyses was imperative. The qualitative analysis complemented the quantitative analysis in the sense that it set the research agenda of this paper. Also, the application of the qualitative analysis augmented the subsequent quantitative analysis in that it offered the study with a comprehensive data that could not be acquired via the application of a questionnaire survey. Further, reporting respondents' perspectives on an issue in their own words assists to highlight and give a support to ensuing revelations from the quantitative data (Patton, 1990). Corollary to this, the study was conducted in two stages. The first stage was qualitative in nature, which used an in-depth interview that sourced information from few individual shareholders to determine the content of this enquiry. In the second stage of this enquiry, a survey was conducted to confirm the revelations from the first stage.

Stage one

Stage one of this enquiry tackled a relevant aspect that was drawn out of the related literature. To obviate the probability of bias in the collection and selection of values items from Rokeach (1973), Schwartz (1992, 1994) and others, a list of values that were considered relevant by individual shareholders in their perspectives were elicited from individual shareholders themselves.

Sample selection in stage one. Individual shareholders who have absolute control over what companies they desire to invest in were selected as the study's participants. As it was cumbersome to get hold of shareholders in small unlisted firms, the study concentrated only on large publicly listed corporate organizations on the Ghana Stock Exchange (GSE)[5]. Further, to acquire a diverse category of shareholders with differing interests in the kind of business they pump their resources in, companies representing different industries (i.e. energy, financial, healthcare, information technology, materials and so on) in Ghana were selected. All the companies listed on the GSE were contacted to seek their consent on their readiness to participate in this research. Eventually, ten companies listed on the GSE expressed their willingness to participate in this study. Of these ten firms, six firms, three firms and one firm came from the financial, manufacturing and consumer discretionary sectors, respectively. As there was no compulsion concerning the selection of the companies, we focused on these ten companies for the first stage of this study. Letters were then sent to the ten companies to release the list of their shareholders. Subsequently, two largest individual shareholders (who are residents of Ghana) from each of the companies were purposively selected to participate in the first stage of this inquiry, which eventually amounted to 20 individual shareholders.

Data collection in stage one. The first stage of this enquiry used semi-structured interview guide to collect data. Interview was preferred to other data collection techniques because it permits instant examination of issues that arise from the interviews, something which a questionnaire is deficient in. Also, the potency of semi-structured interviews is the "open detection" technique where all but the principal issues examined differ from one interview to the other as differing facets of the subject matter are illuminated (Hussey and Hussey, 1997). As a result of the goal of this enquiry, the interview guide was designed into three segments, namely, participants' narrative of their shareholdings, participants' attitude towards differing kinds of business and participants' personal values.

The line of questioning during the interview was structured to painstakingly examine the personal values of the participants. More often than not, most people are unaware of their personal values (Kilby, 1993) thus by sourcing information on their shareholdings and followed by questions on the rationale behind their investments in specific firms and not others, enabled the participants to unconsciously divulge and deliberate on their personal values they held. This indirect technique yielded invaluable responses. We realized first that shareholders were forthcoming in divulging and deliberating on the personal values their investment decisions were founded on and the types of business they held stocks in. The impact of such an interview approach is that personal values can be deduced from people's choices when asked to choose from differing action courses (Mumford *et al.*, 2002) and also, it assists to reduce the impact of social desirability response prejudice.

Interviews lasted between 60 and 130 min. Almost a third of the participants brought with them their computers and electronic notebooks and information concerning their stock transactions. These assisted the shareholders to recollect the rationale behind their investment decisions in each of the firms.

Analysis of the interview notes. Interview notes taken during the interviews in tandem with the tape-recordings were transcribed. Content analysis, a research approach that allows for replication and credible deductions from data in regards to their context (Krippendorff, 1980), was applied to the interview transcripts. The interview analysis was twofold. First, we applied inductive analysis to the interview transcripts with the goal of ascertaining the items, which were closely related to the theme of this enquiry. Second, we coded the responses of the participants under their relevant categorizations and proceeded by integrating them into a matrix. Each one of the columns in the matrix captured an individual shareholder. The rows captured their responses according to the categorization addressed in the literature. The matrix assisted the study to determine links among the perspectives of participants. Finally, the perspectives of participants were narrowed down to motivational values and guiding values. To ensure reliability, clarity and accuracy of our findings, follow-up interviews and delivery of transcripts to the study's respondents were undertaken before the final write-up was made.

Stage two

This stage was carried out for validating the findings highlighted in Stage one of this enquiry. The following are the steps that were undertaken to attain the validity.

Sample selection in stage two. This section also concentrated on individual shareholders who have control over their share-buying decisions and what companies they want to invest. Each firm was contacted to provide us with its largest 500 individual shareholders – who are residents of Ghana. This amounted to 5,000 individual shareholders. To prevent over-representation or under-representation of any category of shareholders by their shareholdings' sizes, we used a stratified sampling technique to select our final respondents. The advantage of stratified sampling technique is that it surmounts the conundrum of random sampling by placing emphasis on each recognizable stratum of the population (Hussey and Hussey, 1997). Consequently, we carried out a review of annual reports of the ten companies, and we finally arrived at five categories in the strata: From 1 to 499 stocks; 500 to 999; 1,000 to 4,999; 5,000 to 9,999; and at least 10,000 stocks. We then selected 20 per cent of individual shareholders from each stratum. This finally amounted to 1,000

respondents of whom the questionnaire was sent to. The response rate was 50.3 per cent, which was generally high.

Data collection in stage two. Survey instruments are normally used in the works of values of managers (Agle *et al.*, 1999; England, 1967), ordinary shareholders' attitudes (Epstein, 1992; Tippet, 2000) human values (Schwartz and Bardi, 2001) and consumers' purchasing preference (Allen *et al.*, 2002). Undoubtedly, survey would be the appropriate research design to examine the personal values of shareholders. In consequence, we used a survey questionnaire to source data from the 503 individual shareholders. The format of the questionnaire used by Kahle and Kennedy (1989) on consumers' purchasing preferences had a significant influence on the structure of this study's questionnaire. The technique used by them was initially to ask respondents to rate the values, and then return to the list to identify the values that are most relevant to them.

We used seven-point scale, which is normally used in organizational and manager values works. Clark-Carter (1997, p. 94) recommends a five- or a seven-point scale because "fewer points on the scale will miss the range of attitudes, while more points will require an artificial level of precision, as people will often not be able to provide such a subtle response". We made some changes to Kahle and Kennedy's (1989) categorization at the lower end of the scale of "1" as "not all relevant" to "not relevant". The modification was carried out in that all the lists described in this inquiry are relevant to shareholders in differing degrees: it appeared unsuitable to identify any one of them as not at all relevant. Finally, two spaces were left blank at the end of each major question thus allowing respondents to add their remarks if differing relevant item(s) that was not covered by the questionnaire comes to mind. Finally, data were descriptively analysed using the statistical package of STATA for windows.

Results

We present the notions and behaviour of the stockholders who voluntarily partook in the two stages of this study. We first, provide a short description of the participants. The 20 individual stockholders who were interviewed represent a differing gamut of professions: teacher, manager, lecturer, nurse, financial analyst, accountant, journalist, architect, civil servant, banker and private businessperson. To relate the responses of the participants in Stage One, each respondent is identified with his/her profession.

The demographic characteristics of the respondents in both stages of the study are fairly similar and as a matter of fact, are quite indifferent from the profiles usually found in stockholders in several countries: they fall within the older age categories (at least 45 years old), and a significant number of them has tertiary and/or professional certificates.

Of the 20 interviewees, four were couples: the retired civil servant and nurse, and lecturer and banker. Two couples among the four couples jointly own their stocks, and even though each couple participated in the interview session together, each one of them expressed his/her own notions and was thus considered as an individual stockholder. Surprisingly, though the interviews were carried out simultaneously, it did not prevent any of the interviewees to express his/her individual opinion about the study at hand. In some few instances, they were in agreement especially, about the fundamental values they possessed, but in voicing out what their value priorities were there was a significant variation between the couples. For instance, a couple held fundamental values and yet they were at variance in their value priorities. While the husband emphasized on living a world of beauty and peace, and admiring the natural

environment and arts surrounding him, the wife expressed being healthy or sound in mind and body was her motivational value.

In this section, we report the findings on the guiding and motivational values of the stockholders. The first sub-section highlights how a matrix of 11 stockholders' values was obtained from the responses of the 20 participants who partook in the interview session in Stage One of this study. The matrix divulges both the self-oriented and others-oriented sides of stockholders. Second, the analysis of the values priorities of the 503 stockholders who responded to the questionnaire will be presented.

Personal values

The investigation in Stage One of this study came up with a total of 137 values which fall under four guiding values and seven motivational values. As mentioned earlier, guiding values address conduct of behaviour and motivational values represent ultimate goals in life. Table II presents the values that were essentially expressed by the respondents or deduced from their responses. Further, it shows the categorization of each value with its associated orientation.

As discussed in the literature section, our explanation of this table will be founded on the bipolar "self-enhancement" *vis-à-vis* "self-transcendence" dimensions propounded by Schwartz (1994). Self-enhancement is geared towards an individual's own success and control over others; the self-transcendence addresses both the acknowledgement of others as equals and regard for their well-being. Our analysis will deviate a little from Schwartz's dimensions by referring to the values that is geared essentially towards oneself as "self-oriented" and the values that is directed towards others as "others-oriented". As can be noticed in Table II, of the guiding values, honesty and fairness fall under others-oriented, and they represent principles of demeanor of individuals anticipated by society; independence and excellence are categorized under self-oriented and they correspond to the principles a person sets for her/himself. Further, among the seven motivational values, four fall under the self-oriented dimension (a comfortable life, family security, an active life and a prosperous life) and three fall under the others-oriented (a world at peace, a world of beauty and contribution to society).

Ensuing is an in-depth discussion of how each one of the values is obtained from the responses of the participated stockholders and is in accordance with the evidence

Category	Value	No. of participants	Orientation
Guiding	Honesty (integrity, trustworthiness)	14	Others
	Fairness (respect and dignity to persons)	13	Others
	Excellence (quality, ultimate ability)	4	Self
	Independence (Self-reliance, Self-sufficiency)	3	Self
Motivational	A comfortable life (financially sound, satisfaction)	15	Self
	Family security (Looking after loved ones)	12	Self
	Contribution to society (via involvement)	10	Others
	An active life (sound in both mind and body)	6	Self
	A world of beauty (beauty of arts and nature)	5	Others
	A world at peace (free of conflict and war)	4	Others
	A prosperous life (well off, wealthy)	1	Self

Table II.
Shareholders' values

presented in Table II above, discussing the guiding values first, followed by the motivational values.

Guiding values

Honesty (integrity, trustworthiness). The guiding value that was more often than not expressed by the majority of the study's participants (14 participants) is *honesty*. Aside from the use of the word "honest" by the participants, other similar words such as "integrity", "trustworthiness", "virtue", "uprightness", "sincerity" and "honor" were also always mentioned. Rokeach's (1973) *honesty* is a clear guiding value for most of the study's participants, and it is regarded as possessing the goal of "benignity" that is to safeguard and improve the well-being of individuals with whom a person is always in contact with (Schwartz, 1994). *Honesty* has a powerful element of others, and it is a principle of demeanor anticipated by society. A majority of the participants, who partook in the interview session, expressed that they always took "honesty" for granted as their guiding value and that they required it in other people. For example, "you normally think good of individuals, that they should be honest", "my principle in life is to always be honest in that I will not concern myself with something else".

Fairness (Respect and dignity). Of the participants, 13 considered *fairness* as a relevant guiding value. The accountant voiced out that she considers "fairness and equality" as her guiding value. Seven others expressed the popular Biblical quote, "do unto others as you would have them do unto you" as their "Golden rule". Fascinatingly, three of the participants (the journalist, the retired civil servant and the private businessperson) consider *fairness* as transcending beyond relating to persons: "show kindness to other persons and abide by the laws guiding the land"; "exhibit fairness when dealing with others, behave morally towards persons, and not doing something to hurt them or the community, environment or other living creatures".

Other respondents' anticipation of *fairness* cropped up from their expressions that they are unhappy about certain activities of some firms or industries in Ghana in the sense that they hold the view that companies in Ghana are exploitative and manipulative. This result is supported by the finding of Chiu (2009) that individual shareholders – on moral grounds – do not invest in companies they consider as manipulative. The context of "social justice" (rectifying injustice, care for the vulnerable) under the "universalism" kind of values propounded by Schwartz (1994) entails *fairness*. Further, Ng (1982) questioned the exhaustiveness of Rokeach's value items by suggesting that values like social power, social justice, equality and self-persistency/determination ought to be included in Rokeach's value items to mirror the importance of culture. Social justice, described as "fairness, without any discrimination" was used by Allen *et al.* (2002) in their study on consumer attitudes.

In a discussion of business and ethical issues, Solomon (1997) argues that the free market is dependent on respect and dignity for people, respect for pacts and respect for the rules that ensure fair play. Most of the study's respondents linked *fairness* to respect and dignity for persons, to their observance of the golden rule as well as to their position against exploitation and manipulation by companies or industries. *Fairness* is obviously an others-oriented principle.

Excellence (quality, ultimate ability). Four respondents selected *excellence* as one of their guiding principles. Of the four, three described *excellence* as working to the utmost of their capability or ability that is likened to competence, considered as a "personal

virtue” by Ryan (1994). The architect expressed his “..ultimate goal in life is excellence in all spheres of life [...] making the very effort to often carry out everything”, and the retired civil servant expressed: “To be content, I have to undertake the best job”. But interestingly the nurse associated *excellence* with quality. She expressed that:

Excellence encompasses everything. Of course, quality. Nobody goes kaput making the very effort to achieve quality. I mean *quality*, I am not saying fashion or clear quality, I mean true quality, three-sided quality.

Taking into consideration all the three comments, it appears more suitable to illustrate *excellence* as “quality, best of one’s capability or ability” than just “competence”. In the first place, the principle of *excellence* appears to be related to “a sense of accomplishment” put forth by Rokeach (1973) and Kahle (1983). But the explanation of excellence expressed by the study’s participants conflicts with the qualification “lasting contribution” suggested by Rokeach. Excellence in working, to the best of a person’s capability, is in a way and manner likened to “successful (accomplishing goals)” by Schwartz (1994) in his self-enhancement “accomplishment” kind of value. Yet *excellence*, essentially self-oriented, seems to have wider application.

Independence (Self-reliance, self-sufficiency). Three participants consider *independence* as their guiding value. Responses of the teacher and financial analyst were: “I do not want to be dependent on others when doing things”. And “it’s relevant for me to fetch for myself and also not being a burden on other persons or even the country. The factors of self-reliance and self-sufficiency observed in the two shareholders” responses are consistent with Rokeach (1973) and Schwartz (1994). As a “self-direction” kind of value (Schwartz, 1994), *independence* is a self-oriented guiding principle.

Motivational values

Comfortable life (financially sound, satisfied). The majority of the participants mentioned a comfortable life as their motivational value. In general, the participants describe a comfortable life as being financially sound and satisfied, in variance with the comfortable (prosperous) life mentioned by Rokeach (1973). Particularly, comfortable life is regarded by the participants as “fetching for myself without experiencing abject poverty”, “having an adequate amount”, “having a sound and comfortable way of life- in logical decorum” and “a complete modest-class lifestyle, ability to purchase my wants”. The respondents who seek out to this motivational value do not seem to be worldly driven; this is mirrored in the undemonstrative or unadventurous way and manner in which they express their views on houses, automobiles, vacations and primarily their views on money.

The retired civil servant and the accountant expressed that they are still using more than a 10-year-old car in that they “didn’t need” a new car. The retired civil servant also said that he does not need “a flashy house”. The accountant said she is not a fan of persons who are unreasonably materialistic: “They put up buildings that are far bigger than what they probably need; they ride in cars that are far bigger than they probably could drive”. Another respondent, the lecturer, who considers himself as “not materialistic”, expresses he does not need “bigger mansion”. Some respondents selected vacations as “an additional benefit” in life. One couple, agrees that their vacation trips since they went on pension are as a result of them being “economical and cautious”. Other participants share their views. Another couple said: “We do not particularly want to do gigantic things, a little bit of overseas trip is nice”.

Money is considered by most of the participants as the means to acquire the things they need: financial self-dependence, ability to cater for their loved ones and secure pension. The following responses from the study participants offer additional insight into the sentiments of most of the participants that suggest money as the means to an end instead of an end by itself:

Money isn't my ultimate goal. I am not gluttonous. I do not want to be the wealthiest man in the morgue. (Architect)

My priority is to educate my family and not to have money in a safe. (Nurse)

I am not a motivated individual and I do not want to be the wealthiest person in Ghana. (manager)

Money is mere financial thing, not having to be worried about it. The fundamental aim is to make the very effort to accumulate wealth so that if we are to undertake certain activities, we can. (Private businessperson)

I would only try to chase wealth to the point where it cannot enable me to do things I previously used to do [...]. security is the ultimate. (teacher)

I believe it is of greater benefit in my case that I do not have money. I always give out money to the needy. After all, that is how God wants us to live. (banker)

From the aforesaid comments by the respondents of their worldly needs (cars, mansions, vacation) and their notion about money, a comfortable life simply means to be most properly rendered as financially sound and satisfied. Rokeach described *a comfortable life* as a prosperous life. We grouped a prosperous life as well-off and wealthy. In his philosophical discussion of individuals' goals, objectives and ultimate goals from the viewpoint of means and ends, Solomon (1997) lists *wealth* and *a comfortable life* in isolation. Schwartz (1992, p. 61) suggests "wealth (material possessions, money)" as a value that falls under the motivational objective of "power". The bottom-line is that certain values do not depict sameness to the description across cultures (Schwartz and Bardi, 2001) thus even if only from the cultural viewpoint of shareholders, we can distinguish between *a comfortable life* (financially sound, satisfaction) and *a prosperous life* (associated with wealth).

Family security (Looking after loved ones). Twelve respondents expressed the importance for them to cater for people they have affections for. Some of whom said that it is one of their ultimate goals of their stock investment: "to invest for their kids", "has got to cater for my retirement and family", "to educate my family", "I will finance their education" and "I want my son to have a comfortable life". Inferring from the responses by the shareholders, it is suitable to use Rokeach's (1973) *family security* (catering for the needs of loved ones). Schwartz (1992) described *family security* as a relevant kind of motivational principle.

Seven of the twelve shareholders who regard *family security* hold the notion that they invest so that they can provide for their children and grandchildren in regards to their educational needs. With 18 respondents having undergraduate and postgraduate degrees, it is not surprising that they consider family member's education as important.

Contribution to society (via involvement). Ten respondents expressed that contributing to society is one of their goals in life. Some expressed simply – "assisting other people", a

participation in voluntary activities' and "I give too much to others but I think that is not enough [...] when I contribute my quota to communal activities, I feel involved in the community". The manager expressed his view on contribution to community: "I am always enthused about educating people on managerial issues because it can ameliorate their lives". The respondents who have a strong desire to contribute to community want full participation in the activities concerning the community rather than just financially contributing. Contribution to community and society (via involvement) is pretty close to Rokeach's (1973) "helpful" categorized as a "benignity" motivational goal. This community-oriented or others-oriented motivational principle is akin to Solomon's (1997, p. 152) "doing something for my community". This result is consistent with the findings of Nair and Ladha (2014) that one's action can bring up a change in society and therefore, most investors invest not for economic gains but for non-economic investment goals such as improving the welfare of other people.

An active life (Sound in mind and body). Of the shareholders, six believe in enjoying *an active life* and they consider it as "staying sound", "being mentally sound" and "remain sound in mind and body". In regards to these, *an active life* comprises being sound in both state of mind and body; therefore, this is the most suitable means of explaining what these shareholders require in life.

Even though health value is not added to Rokeach's list, it is expressed by Schwartz (1992, p. 61) that healthy (not being sick physically or mentally) as a "security" kind of goal. The exclusion of health as a value by Rokeach has received critique from Kitwood and Smithers (1975, p. 177) who contend that "anything to do with health, vitality" is a relevant principle. The argument from the authors is consistent with the responses from the participants who expressed that they always make the very effort to have sound mind and body.

A world of beauty (beauty of arts and nature). A quarter of the participants acknowledge the beauty of nature and arts, which is the same as *a world of beauty* in Rokeach's (1973) universal human values. The retired civil servant requires "to do things properly for the environment", and the accountant made mention of a certain company she does not want to invest in because their activities adversely affect the environment, without putting measures in place to mitigate the negative effects. The lecturer and his wife, the banker, expressed their love for the natural environment. The wife said: "I see nature as something that is greater than me, and it is the element that renews my liveliness". The husband supports this response: "My environment is very relevant to my contentment".

Those five participants' acknowledgement of the beauty of the world corresponds to Rokeach's explanation. This supports the finding of Inglehart (2000) that interests of individuals in making effort to maximize economic benefits are diminishing and their desire for the sustainability of the environment is soaring. Schwartz (1992) groups a world of beauty as a "universalism" sort of motivational goal and also categorizes "safeguarding the environment (preservation of nature)" under the same group. Even though safeguarding the environment will probably be considered as a suitable explanation of the expressions of the shareholders, we found it too off-putting because it excludes the artistic traits of both artificial and natural surroundings. *A world of beauty* is others-oriented, as it is related to both caring about and sharing the beauty of arts and nature with other people.

A world at peace (free of conflict and war). Four of the respondents mentioned that a *world at peace* is a relevant motivational principle. In their comments: "Even at the

global level, it could be thrashed out without applying force”, “I am in support of peaceful world” and “we share an African belief that we are one people and should desist from wars and conflicts”. These expressions are in consistent with *a world at peace* in Rokeach (1973), which falls under others-oriented.

A prosperous life (Well off, wealthy). Of the 20 participants, only one desire wealth. The youthful private businessperson throughout the interview made mention of his desire to become wealthy so that he can have a comfortable life, which he measured by “going on vacations every year, having gigantic mansions” among others. He said the following:

I do not feel comfortable when I say this, but I must confess that I consider financial soundness as a priority [...]. I hate thinking about poverty. I want to have more [starts to laugh], I want to have everything; posh cars, big mansions, extravagant holidays and so on. I think I can only derive happiness when these things are at my disposal though I believe strongly that riches do not always result in happiness.

Even though financial soundness is also mentioned by the participants who consider *a comfortable life*, their desire for satisfaction is much more relevant to them. This contrasts the businessperson’s view on money that, money is his source of happiness. For instance, the lecturer, who is a well-to do person and wants to continue, living comfortably, perceives happiness as:

My objective now is to have a happy marriage and wonderful family life, and to help people around me [...] This is what I derive my happiness from.

Self-expression by shareholders in regards to satisfaction or material things obviously distinguishes between *a prosperous life* and the drive for *a comfortable life*. This paper highlights that the two values do not serve the same purpose to these shareholders. As said earlier, both Solomon (1997) and Schwartz (1992) regard “wealth (material possessions)” as a singular notion. *A prosperous life (Well off, wealthy)* offers a better explanation for those who clamor for just a comfortable life and it obviously a self-oriented value.

Core shareholders’ values

The 11 values mentioned by shareholders in Stage One were then integrated into the questionnaire in Stage Two. We provided two empty spaces to allow shareholders to suggest any other values that they considered suitable to be added. It is fascinating to reveal that only 13 other values of life items were added by participants of the survey and the study has grouped them into two groups.

The first group comprises values that are closely identical to those already itemized in the questionnaire. “A world free of pollution”, “a world with no environmental destruction” and “contributing to ensuring sustainable environment” can be categorized under *a world of beauty*, “world togetherness” as *a world of peace* and “empowerment of others by the application of my technical know-how” as *contribution to society*. The second group entails the values that appear not to be directly related to stock-buying decisions: spiritual values that entail “the religious value” and “to worship and live for God”; daily life values including “a companionable life”, “having fun”; and others such as “the obstacle to be righteous”, creativeness’ and “self-inducement”.

Value priorities

This section presents the mean ratings of scores of the 503 respondents and therefore brings out the values that are most relevant in steering shareholders lives and their

stock-buying decision-making processes. The shareholders were given the 11 shareholders' values and were initially asked to rate the relevance of each one of the values in guiding and motivating their lives on a scale of 1 to 7, where 1 is not relevant and 7 is most relevant. They were then asked the amount of influence they think their values have on their choice and selection of firms, and were also asked to prioritize the values in connection with their share-buying decisions.

Table III itemizes in the order of relevance the mean rating of each one of the values (see Column 2). The proportion of individual shareholders who select a particular value that is most relevant to them when making share-buying decisions is depicted in Column 4.

The mean ratings (see Column 2 of Table IV) depict that *honesty* (6.83) and *fairness* (6.42) are considered the most relevant among the list of values that serve as guiding principles in the lives of individual shareholders. Ensuing are self-centred motivational values; *family security* (6.39), *a comfortable life* (6.27) and *an active life* (6.22) in that order. Three others-oriented motivational values – *a world at peace* (6.54), *contribution to society* (5.92) and *a world of beauty* (5.81) – were considered lesser relevant to individual shareholders in their stock-buying decisions. The least relevant value among the individual shareholders was the self-centred motivational value of *a prosperous life* (5.32).

Individual shareholders mentioned that *Honesty* was the most relevant value, but concerning share-buying decision-making processes, the desire for *a comfortable life* is considered more relevant than *Honesty* among a majority of the individual shareholders. *A comfortable life* (financially sound and satisfaction) obtained the highest percentage (39.40 per cent), making it the most relevant value that motivates individual shareholders in their stock-buying decision-making processes. The second was *Honesty* (16.20 per cent), signifying that it is relevant to shareholders. This observation mirrors reality in the sense that making the very effort to achieve financial security is in line with investment purpose.

The result portrays a huge lacuna between the relevance of *a prosperous life* and *a comfortable life*. Aside from the findings that highlight that *a prosperous life* has a mean rating of 1.43 and a comfortable life has the mean rating of 7.27, only 1.06 per cent of individual shareholders mentioned a prosperous life as their major inducement factor for investment. Shareholders efforts to distinguish between *a comfortable* and *a*

Table III.
Individual
shareholders' values
in accordance with
their relevance

Guiding and motivational values	Mean	Standard deviation (SD)	Most relevant (% of participants)	Order of rank	Orientation	Category of value
Honesty	6.83	0.65	16.20	2	O	G
Fairness	6.42	0.73	4.20	5	O	G
Family security	6.39	0.89	10.50	3	S	M
A comfortable life	6.27	0.90	39.40	1	S	M
An active life	6.22	0.87	3.80	6	S	M
Excellence	6.15	0.83	6.70	4	S	G
Independence	6.02	0.95	3.70	7	S	G
A world at peace	6.54	1.27	1.89	9	O	M
Contribution to society	5.92	1.21	2.02	8	O	M
A world of beauty	5.81	1.45	0.40	11	O	M
A prosperous life	5.32	1.43	1.06	10	S	M

Notes: O = others-oriented; S = self-oriented; G = guiding values; M = motivational values

prosperous life obviously depict that within the shareholder ethos, these two self-centred values stand for the two extremes in regards to their relevance to shareholders. More so, individual shareholders who crave a *prosperous life* mentioned that it slightly influences them in their investment decisions.

Concerning how much they think their values can have influence on their preference for firms and investment decisions, more than 80 per cent of the individual shareholders mentioned that their personal values strongly influence their preferences. Only 10.13 per cent of the shareholders believe that their personal values do not have any influence on their lives and their investment decisions. Figure 1 depicts the various percentages of personal values expressed as most relevant in guiding and motivating share-buying decision-making processes.

The self-centred motivational values influence most (54.76 per cent) of the individual shareholders. However, others-centred motivational values influence less than 5 per cent of the individual shareholders in their share-buying decision-making processes. *Honesty, fairness, excellence* and *independence* that constitute guiding values influence about 31 per cent of the individual shareholders in their investment decisions.

With virtually 90 per cent of individual shareholders expressing that their personal values have certain influence on their decisions in regards to the type of firms they make a decision to invest in, the proposition that personal values play vitally important role in the share-buying decision-making processes of individual shareholders is unambiguously supported (Gold and Webster, 1990; Inglehart, 2000; Inglehart and Baker, 2001; Ryan, 1994; Australian Securities Exchange, 2007; Pasework and Riley, 2010; Mackenzie and Lewis, 1999; Nair and Ladha, 2014). The fascinating observation is that although a *comfortable life* and *family security* are categorized as “individual” values – which conflict with “communal” values – *honesty* as an “ethical” value not only serves as a guiding principle in the personal lives of shareholders but also plays a part in influencing share-buying decision-making processes. This supports the finding of Chiu (2009) that shareholders in New Zealand regard *honesty* as an ethical value that plays influential part in their investment decisions.

Although *fairness* was identified by the individual shareholders in both stages of the study as a relevant guiding value, it appears not to have much role to play as compared to *honesty* in regards to share-buying decision-making processes of shareholders. A mere 4.2 per cent of the individual shareholders mentioned that *fairness* has influence on their investment decisions.

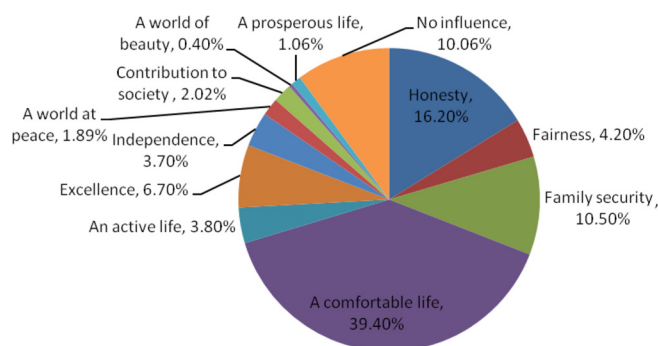


Figure 1.
Relevance of
personal values by
percentage of
individual
shareholders

The analysis of Stage Two validates the findings of Stage One because all the participants in the two stages recognize the presence of almost similar trend of personal values that influence their share-buying decisions. First and foremost, the three values—*family security*, *a comfortable life* and *honesty*—were acknowledged by most of the participants who partook in the interview session (Table II) as values that influence their investment decisions. This finding is supported by the results presented in Figure 1 above (Table III). Second, generally, shareholders do not appear to be incentivized by *a prosperous life*: only one interviewee in Stage One of this enquiry, and a mere 1.06 per cent of the individual shareholders in Stage Two mentioned that it is relevant. Finally, only a small number of shareholders in both stages mentioned that others-oriented motivational values are relevant in their investment decisions.

Conclusion

Concerning the role values play in influencing our behavioural processes and choices, the study examined the role values play in the share-buying decision-making processes using Ghana as the research setting. The study highlights that Ghanaian shareholders possess value priorities and that *honesty*, *a comfortable life* and *family security* play the most relevant role in their lives and investment decisions. But most Ghanaian individual shareholders are influenced by *a comfortable life* when it comes to share-buying decision-making processes. Another startling observation that cropped up from the comparison between Ghanaian shareholders' values and the values of Rokeach (1973) is that to Ghanaian individual shareholders, *a prosperous life* and *a comfortable life* stand for differing motivational values. However, these two values have differing influences on Ghanaian shareholders' attitudes, which eventually do have influence on their share-buying decision-making processes, and firms they choose to invest.

The study contributes to existing literature on CSR on shareholders' personal values and their investment decisions. The outcome of the research gives further support to the stakeholder perspective of corporate governance. Also, this study does not only offer Ghanaian corporate authorities (directors and management) with a comprehensive insight into how their shareholders' personal values influence their investment decision-making processes, but it also shows the relevance Ghanaian shareholders attach to their choice of companies they are willing to invest in.

Further, the study divulges some practical implications. The results can inform corporate directors and managers what values are considered in investment decisions, and that it is not purely financial. With these results, they can be informed that while some financial values are important, it is just to live a comfortable life and not a prosperous life. This may influence these directors and managers to have a more long-run focus and to have more of a CSR focus by putting implementable measures in place to tackle corporate responsibility issues and to take up a responsibility for their CSR feat. Also, the results can be used for public policy in that if regulators find out that more CSR type information is important to investors, they might require additional CSR-type disclosures in financial statements.

Limitation and areas for future studies

However, our research in tandem with its conclusion suffers from a limitation. We have used only a small sample of 503 individual shareholders, thus making it difficult to generalize the findings to other Ghanaian shareholders. But with the application of inductive analysis, our

findings can be generalized to other individual shareholders who share similar characteristics and views with those who participated in this study.

The current study also offers fertile areas for future research. Our study has revealed that personal values of individual shareholders influence their investment decision-making processes. However, shareholders in Ghana are increasingly becoming aware of the concept of CSR; thus, it opens an avenue for a research to be carried out on individual shareholders' personal values and their perception on CSR in Ghana. Also, appreciating the qualities individual shareholders expect of corporate directors has become a relevant issue in corporate governance discourse. Hence, it serves a fertile ground for a future research.

Notes

1. The Capgemini, RBC Wealth Management and Scorpio Partnership Global High Net Worth Insights Survey is the industry's biggest and most comprehensive investigation of high net worth persona. The survey was conducted over January-February, 2014.
2. Community-oriented, others-oriented and others-centered are used interchangeably throughout this inquiry.
3. Self-centred and self-oriented are used interchangeably in this study.
4. The Capgemini, RBC Wealth Management and Scorpio Partnership Global High Net Worth Insights Survey is the industry's biggest and most comprehensive investigation of high net worth persona. The survey was conducted over January-February, 2014.
5. The GSE was established by the Stock Exchange Act in October, 1990. Trading commenced on its floor in November, 1990. Currently, 35 firms (comprising consumer discretionary, Energy, Financial, Healthcare, Industrials, Information technology and Materials sectors) are listed on it. It is worth noting that the GSE is dominated by the financial sector.

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