



Value congruence: A fit between personal and organizational values

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ABSTRACT

Research on value congruence primarily focuses on the assumption that values symbolize desirable behaviours and ideas that employees and organizations attempt to achieve. Person-organization fit generally is labelled as a degree of compatibility between person's values and organizations values, which acts as a primitive factor in any organizations success. Organizations should achieve person-organization fit if there exists a value congruence between the personal values of the employees to that of the organizational values. This study examined the impact of value congruence as a key driver in achieving person-organization fit and its implications on job satisfaction and stress. The study was conducted on a sample of 258 employees working in a public sector steel manufacturing industry. This research incorporated a factor analysis method to analyze the data and conclusions were drawn further.

Keywords— Value congruence, Person-organization Fit, Job satisfaction

1. INTRODUCTION

Values arose from the ancient Vedic literature in the east: Values are the fundamental beliefs and standards. They play a dominant role in the functioning of modern organizations. Entrenched in mission statements and embedded deeply in the culture of the organization, they state what organizations want to become, describes the roles of members in the organization and the behaviour expected from them. A principle argument of organizational value research is, nonetheless, that organizational values epitomize only one side of the coin. Undeniably, numerous studies have declared that it is the congruence between organizational and employee values that shape the employee's behaviour and intention to stay with the organization. This line of research unfailingly shows that employees are more committed to their organization if there exist value congruence and further drive in achieving the person-organization fit.

1.1 Research objectives

The objective of this paper is:

- To measure the congruence between personal and organizational values of the employees.
- To provide valuable suggestions to the organization to help bridge the gap between the personal and organizational values.

2. WHY VALUES ARE IMPORTANT FOR EMPLOYEES IN AN ORGANIZATION?

“Organizational values exist in hands, minds and hearts of employees or not at all”.

Organizational values drive the way individual influence, how they interact with each other and how individual work together to achieve results. Organizational values are the concealed drivers of the individual behaviour, based on profoundly held principles that drive in decision-making. In this 21st century, organizations cannot flourish solely on the origin of what they sell and produce. To develop a sustainable future for stakeholders, organizations must work with integrity. Values must be infused in every decision-making process and are an undercurrent for business to succeed. Most of the values have been identified by the organization but are restricted to wall plaques or handbooks given during orientation. The tone of the company's culture set by its values and hence values followed by employees decide the culture of the organization. Values give the organization picture as a whole. People adhering to the values set by the company is equally important. Most companies today overlook the need for cultural fit and its underlying behavioural competencies but focus on technical competencies. Technical capability is a pre-requisite for most of the roles within an organization but the candidate's capability to underwrite and make the organization more buoyant is determined by their value alignment. The challenge confronted by the organizations in propagating values is that the same value can mean different things to different individuals. To ensure harmony across diverse organizational levels and to connect to individuals, process and culture the role played by values are noteworthy.

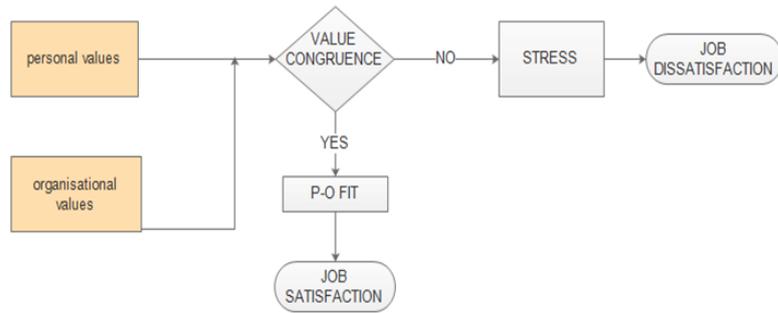


Fig. 1: Value congruence leading to person-organization fit

3. LITERATURE REVIEW

3.1 Values

Values are the most crucial aspect of both organizational as well as individuals, which can be, compared unswervingly (Chatman, 1989). (Cicek and Bicer, 2014) studied the effect of value congruence, job execution on the organizational commitment and found that significant effects on organizational commitment were a result of person-organization value fit; person-group value fit and job execution.

3.2 Person- Organization fit

Westerman and Cyr (2004) delivers an integrative analysis of three methodologies to P-O fit and measurement: value congruence, supplementary fit (personality congruence) and a work environment congruence. This study implies that all the three fit events were correlated to employee’s intent to remain with their employer, though this outcome was usually facilitated by satisfaction and commitment towards organization

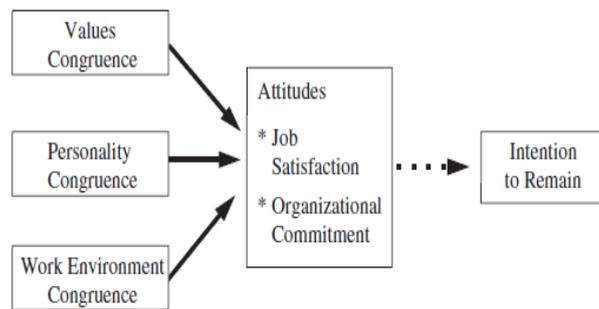


Fig. 2: An integrative model of P-O fit

Source: *An integrative analysis of person-organization fit theories, 2004*

3.3 P-O Fit and Its Impact on Job Satisfaction

Diskienė and Vytautas (2013) in their research explored the meaning of individual and organizational fit and attempted to understand exactly what way the individual and organization values fit is allied using performance as well as job satisfaction of the workforces and tried to disclose the fit of ideals in an organization and its inferences towards its workers.

4. RESEARCH METHODOLOGY

The required data was collected from 258 respondents employed in a public sector steel manufacturing industry in Visakhapatnam using a combination of convenient sampling and snowball sampling methods. The total sample undertaken for this study was 258 and factor analysis was used for analysing the data. The researcher has formulated a self-structured questionnaire by taking reference from a standardized questionnaire, which acts a prime tool in primary data collection. Cronbach alpha test was performed to test the reliability and validity of the framed questionnaire. The obtained value is 0.754, is greater than 0.6, which is a set benchmark, which proves its reliability and validity of the questionnaire. The data thus collected was scrutinized, coded, tabulated and is further analysed using SPSS.

Table 1: Cronbach Alpha - Reliability Statistics

Cronbach's Alpha	No. of Items
0.754	49

Source: *SPSS output editor*

5. DATA ANALYSIS AND INTERPRETATION

This section talks about the outcomes of the analysis of data. For the purpose of research, the researcher defines the term value congruence as the compatibility between personal and organizational values. The main goal of this research was to disclose the values fit in the company and its implications on job satisfaction.

5.1 Scree Plot

Figure 2 represents the scree plot. Scree plot shows the Eigenvalues against all factors. Scree plot depicts the number of factors to retain. The scree test is said to be reliable only when the sample size is at least 200. This study satisfies this condition, as the sample size is taken for this study is 258.

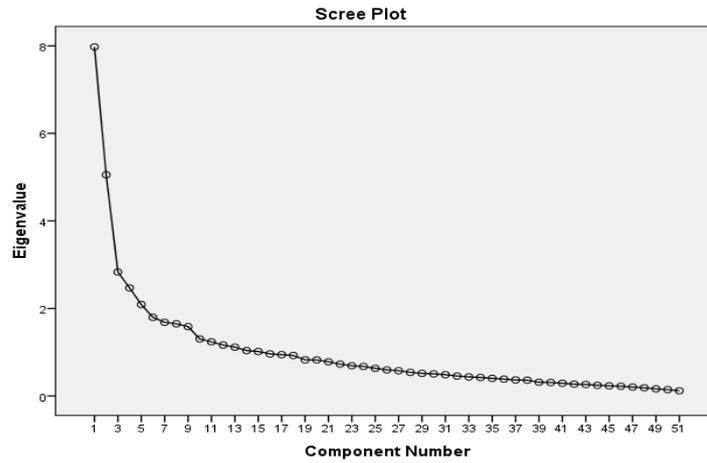


Fig. 3: Scree plot

5.2 Factor analysis

Table 2: Rotated component matrix

	Component								
	1	2	3	4	5	6	7	8	9
Encouraging unethical behaviour by organization	0.765	-0.099	-0.026	-0.066	0.008	-0.036	-0.076	-0.035	0.12
Achieving end target through any means is acceptable	0.742	-0.166	0.101	-0.03	0.195	0.19	0.01	0.045	-0.13
Non compromising on my values	0.703	-0.022	0.109	0.202	0.249	-0.21	0.012	0.165	0.055
Compromising personal principles to meet organizations expectations	0.527	-0.284	0.01	0.06	0.376	-0.13	0.114	-0.09	-0.145
Good operating conditions	0.486	0.275	0.071	0.178	-0.077	0.125	-0.033	-0.131	0.106
Good working relations	0.431	0.378	0.215	0.379	0.169	-0.142	0.155	-0.051	0.074
Working environment is affecting my physical and mental health	0.421	0.094	0.193	-0.272	0.176	0.113	-0.16	0.013	-0.373
Non agreement with current organization values	0.375	-0.184	-0.084	-0.008	0.223	-0.256	0.2	-0.352	0.138
Job security	0.138	0.694	0.119	0.152	0.168	0.05	0.193	0.037	-0.021
Employees have clear understanding of duties and responsibilities	0.005	0.682	0.21	-0.015	0.203	0.003	-0.097	0.031	-0.026
Employees satisfied with fringe benefits	-0.02	0.652	0.223	0.114	-0.027	0.402	0.056	0.147	-0.054
Employees are satisfied with organization	-0.196	0.62	-0.021	0.186	-0.115	0.117	-0.062	0.114	-0.404
Enough job flexibility	-0.273	0.612	0.116	-0.088	-0.142	0.054	-0.101	-0.053	-0.038
Sense of personal accomplishment	-0.113	0.555	0.072	0.085	-0.029	0.179	0.106	0.463	-0.316
Employees trust each other	0.039	0.198	0.803	0.136	-0.02	-0.051	0.007	-0.015	-0.02
Positive social atmosphere	0.084	0.167	0.736	0.134	0.121	-0.158	-0.081	-0.115	-0.003
Solving disagreements in constructive way	0.058	0.112	0.718	-0.022	-0.033	0.076	0.081	0.068	0.152
Personal health	-0.263	-0.122	0.546	-0.073	0.282	0.203	-0.095	0.051	-0.039
Openness to communicate	0.143	0.165	0.502	0.204	0.05	-0.112	0.159	0.313	-0.201
Stress levels are low	0.238	0.309	0.472	-0.138	0.127	0.17	-0.121	-0.01	-0.091
Work oriented towards constant development	0.3	0.093	0.414	0.06	0.221	0.319	0.095	0.031	0.172
Superiors share good rapport with subordinates and employees	0.054	0.017	-0.045	0.709	0.173	-0.046	0.166	0.135	-0.069
Organization encourages honesty	-0.025	0.014	0.027	0.67	-0.142	0.074	-0.02	0.038	-0.026
Morality of employees is valued	-0.109	0.168	-0.092	0.499	0.138	0.006	-0.272	-0.359	-0.01
Encouragement for teamwork	0.374	0.072	0.203	0.493	-0.009	0.063	0.109	0.094	0.104
Organizations good relationship with employees	0.388	0.172	0.248	0.425	0.147	0.264	0.225	-0.002	0.164
Get along with colleagues	0.181	0.172	0.343	0.394	0.201	-0.004	0.211	0.247	-0.089
Secure work place	0.136	-0.005	0.16	0.045	0.612	0.074	-0.247	0.1	-0.304
Respect	0.289	0.025	0.112	0.044	0.584	-0.137	0.167	0.182	0.088
Acceptance of suggestions and ideas	0.008	0.078	-0.086	-0.043	0.55	0.2	0.11	-0.001	0.145
Supportive peers and superiors	0.233	0.017	0.324	0.245	0.527	-0.263	0.018	-0.144	0.092
Constructive feedback acceptance	0.328	-0.003	0.102	0.061	0.518	-0.078	-0.079	-0.087	-0.112
Acceptance to change	0.115	0.37	0.202	0.112	0.432	-0.205	0.207	-0.122	0.236
Organization development	-0.272	0.176	0.189	0.086	0.389	0.152	-0.213	0.32	0.195
Performance related bonus	0.112	0.056	-0.095	0.018	-0.009	0.731	-0.021	-0.026	-0.01
Personal benefits provided by organization	-0.094	0.269	0.165	0.098	0.048	0.677	-0.137	0.102	0.005
No to unethical methods	0.272	0.144	0.273	0.245	0.147	-0.508	-0.1	0.167	0.25
Employees satisfied with career promotions	0.134	0.449	0.199	0.04	-0.102	0.468	-0.073	0.301	-0.018
Sharing advance opportunities	-0.062	0.253	0.085	0.38	0.016	0.445	-0.032	-0.108	0.109

Personal value matches organizational values	0.002	0.031	-0.053	0.017	0.018	-0.036	0.841	-0.054	0.075
Individual organizational value congruence	-0.039	0.012	-0.025	0.11	0.026	-0.021	0.836	-0.084	0.007
Value agreement	-0.027	-0.127	0.168	0.388	0.197	0.05	0.426	0.2	0.027
Provision of social guarantees	-0.064	-0.043	-0.11	0.026	0.153	0.094	-0.29	0.247	0.119
Work responsibility	0.005	0.146	0.034	0.124	-0.034	0.012	-0.227	0.723	0.036
Attachment towards organization	0.008	-0.026	-0.102	-0.079	0.249	-0.236	0.226	0.37	0.154
Employees abide by the code of ethics	0.249	0.097	0.331	0.425	0.113	0.205	-0.06	-0.12	-0.448
Honesty and dutifulness	0.205	0.104	0.112	0.301	0.233	-0.28	-0.103	0.276	0.422
Organizational commitment	-0.051	0.046	0.102	0.311	0.332	-0.23	-0.064	0.28	-0.391
Positive reputation of organization	0.028	-0.055	0.032	0.036	0.08	0.096	0.009	0.088	0.345
Work life balance	0.132	0.288	0.133	0.26	0.275	0.033	0.216	-0.145	0.34
Organization gives timely and constructive feedback	-0.008	0.136	-0.025	0.062	0.055	0.093	0.016	0.053	-0.235
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization a. Rotation converged in 22 iterations.									

The segments highlighted show the variables considered for this particular study. Nine new factors are created for this study. The naming of these factors is done based on the combination of variables and mostly based on the one predominant factor.

Factor 1: Ethical Code of Conduct: This factor is a combination of variables named –encouraging unethical behaviour by the organization, achieving end target through any means is acceptable, non-compromising on personal values, compromising personal principals to meet organizational expectations, good operating conditions, good working relations, working environment affects personal health, agreement with organizational values. As the factor is driven chiefly by ethics and values, it is named as an ethical code of conduct as they are committed towards ethics and hold values high.

Factor 2: Job Satisfaction: This factor is an amalgamation of variables namely-job security, employees clear understanding of their duties and responsibilities, employees satisfaction with fringe benefits, employees satisfaction with the organization, job flexibility, and sense of personal accomplishment. This factor is primarily lead by satisfaction towards job by the employees, hence named it as job satisfaction.

Factor 3: Positive Work Attitude: This factor is a combination of specific variables like trust among employees, positive social atmosphere, constructive disagreements, personal health, openness to communicate, work-oriented towards constant development. All these factors signify the importance of having a good healthy work environment henceforth, named it as positive work attitude.

Factor 4: Egalitarianism: The variables which fall under this category are employee morality is valued, teamwork, good rapport with co-workers, organization-employee healthy relations, honesty. These variables indicate of having an egalitarian attitude towards employees hence named the factor as egalitarianism.

Factor 5: Organizational Commitment: This factor is a combination of a variable like the secured workplace, respect, acceptance of ideas and suggestions, supportive peers and superiors, constructive feedback, acceptance to change, organizational development.

Factor 6: Employee Performance: The variables placed under this factor are a performance-oriented bonus, personal benefits, employees satisfied with career promotions, sharing advance opportunities’.

Factor 7: Value Congruence: This factor consists of personal values matches’ organizational values, value agreement and personal organizational value congruence. These variables direct towards a single factor named value congruence and thus is named like it.

Factor 8: Organizational Attachment: This factor ensembles Work responsibility, organizational attachment and social guarantees provision.

Factor 9: Personal Values: This factor named as personal values as the employees are honest and dutiful, seek positive reputation of the organization, and abide by a code of ethics.

The following table indicates the newly formed factors.

Table 3: Factors formed after factor analysis

Factor no.	Factor name	Highest value exhibited by a factor
Factor 1	Ethical Code of Conduct	0.765
Factor 2	Job Satisfaction	0.694
Factor 3	Positive Work Attitude	0.803
Factor 4	Egalitarianism	0.709
Factor 5	Organizational Commitment	0.612
Factor 6	Employee Performance	0.731
Factor 7	Value Congruence	0.841
Factor 8	Organizational Attachment	0.247
Factor 9	Personal Values	0.422

Therefore, factor analysis assists in the easier elucidation of the variables and helps the researcher to identify the primitive factors undertaken in the study. Hence, from the above table 2, it is evident that value congruence factor is exhibiting a higher value of 0.841 when compared to other newly formed factors.

6. SUGGESTIONS AND CONCLUSION

Primary data gathered in the form of the survey were analysed using SPSS. Factor analysis was carried out to comprehend the relevant significance of values existing in the organization as well as the workforce. It is of primitive importance to understand the core or latent structure of values. Factor analysis reduced the entire set of variables taken into the study into 9 factors which helps in understanding the strength of the variables associated

6.1 Employee potential

“An employee with higher potential has a higher probability of success in current as well as future roles”. RINL should also take up this strategic initiative while recruiting the employees. In search of a potential candidate, every organization looks into the “visible” aspect of the employee i.e. behaviour, skill set and knowledge but fail to recognize the “underlying aspects” i.e., self-concept, trait and motive which are the essence for understanding the value system of an individual. For the organization to have a higher value congruence or to achieve greater levels of person-organization fit it is extremely important for the organizations to not only look into those aspects which are seen on the tip of the iceberg but the fundamental principles which are the source which give a clear picture of an individual’s value system.



Source : (TATA HR PPM manual)

6.2 Competency framework-use people competence as a strategic advantage

A competency is “a set of skills, knowledge, abilities, attributes, experience, personality traits and motivators which have a predictive value towards an individual effectively performing in a job”. Competency framework provides clarification around the behaviour expected at different levels throughout the organization. Competency framework helps “the organization to recruit and select employees with a strong fit to role and organization”. Organizations that embrace a genuine person-organization fit competency model in line with emerging new order will be able to use people competence as a strategic advantage in order to ensure that their organization performs consistently at the required level.

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