

PERSONAL AND ORGANIZATIONAL VALUES ON ORGANIZATIONAL COMMITMENT

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Abstract

The objective of the study was to explore the relationship between Personal, Organizational values and Organizational commitment. Descriptive and diagnostic research was conducted on a systematic random sample of 307 employees at four MNC's firms in Chennai industrial region. Multiple regression analysis revealed a number of significant relationships between the independent and dependent variables. The findings add new knowledge that can be used to improve organizational practices for the retention of valuable shop-floor employees in the MNC's construction equipment manufacturing firm's environment.

Key words: *Personal value, Organizational value, Organizational commitment. Mathematics.*

INTRODUCTION

The rapid pace of technological change, deepened globalization, internationalization of business, and drive for quality and shifting social and demographic trends have challenged organizations for various strategic responses. In the past, employees joined an organization and stayed until their retirement. But this is not the case today, more particularly in MNC's. The current environment in which organizations function dictates the growing importance of organizational commitment. In response, organizations are recognizing the benefits that can be gained from attracting, developing and retaining employees whose characteristics match the characteristics of the organization. Thus, the congruence between characteristics of the individual and of the organization that has an impact on employees' attitudes and behavior. (O'Reilly, C. A., & Chatman, J., 1991).

Values

Values are believed to have a substantial influence on the effective and behavioral responses of individuals (Locke, 1976; Rokeach, 1973) and at the organizational level are viewed as a major component of organizational culture (O'Reilly & Chatman, 1996; Schein, 1991). The individual uses values to decide what course of action to follow. The management of an organization uses values to decide courses of action within the organization.

STATEMENT OF PROBLEM

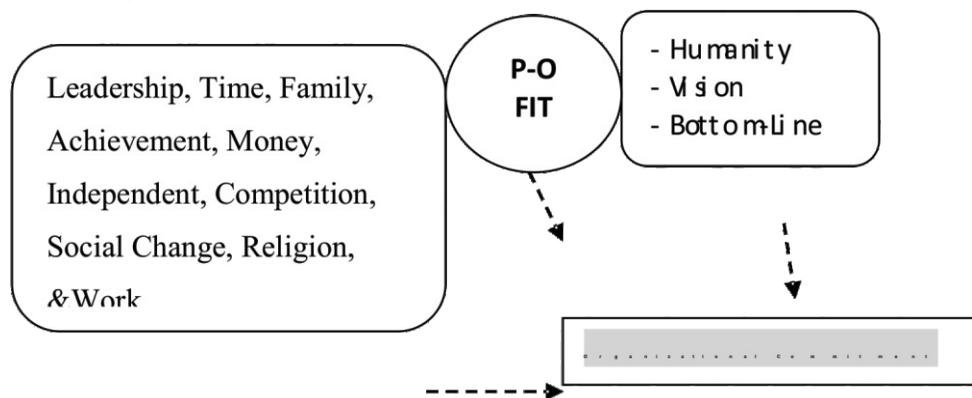
The MNC's shop floor employees are the most challengeable character in any manufacturing organization but still, it is essential to retain the trained employees in these manufacturing industries. At the same time as per NBRI survey, these shop floor employees are prone to major industrial issues like 'Poor Job Security', 'Unappreciated at Workplace', 'Favoritism', and 'No opportunity for Career Advancement'. These issues make the employees feel hopeless and dissatisfied with their job which in turn leads to poor Organizational Commitment. Thus, the present study has the benefit of an integrated/holistic approach that tries to analyze the influences of Independent variables on Dependent variables.

SUMMARY OF LITERATURE SURVEY

Prachi and Priyanka (2012) concluded that personal and organizational values are the best predictors of organizational commitment. However, they did not find the relationship between the dimensions of personal, organizational values and organizational commitment. Recently Ayyub Sheikhy and Forough Farzan (2015) reported that there is a positive relationship between personal and organizational commitment but not with organizational values and organizational commitment. With these contradictions; the present study was attempted to find a relationship between personal, organizational values and organizational commitment.

RESEARCH QUESTIONS

“Which of the following; best explains the organizational commitment: dimensions of personal or organizational values?”



OBJECTIVES

To analyze the influences of dimensions of Personal and Organizational Values on overall Organizational Commitment.

HYPOTHESES

H01: There is no significant influence of dimensions of Personal and Organizational Values on Organizational Commitment.

RESEARCH METHODOLOGY

The study was Descriptive and diagnostic in nature, the subsidized large level MNC's four similar types of firms (N=1535 shop floor employees) were selected to generalize the research results. According to Krejcie and Morgan table, 20% of the respondents (n=307) were selected from the population through systematic random sampling techniques. Both Primary and Secondary sources of data were used. Questionnaire method was used to collect the data and analyzed the hypothesis with the aid of Statistical Package for Social Sciences, Version – 20.

Multiple Regression Analysis

Dependent Variable : Organizational Commitment (Y)

Independent Variables : Humanity (X1), Vision (X2), Bottom line (X3), Leadership (X4), Time (X5), Family (X6), Achievement (X7), Money (X8), Independent (X9), Competition (X10), Social Change (X11), Religion (X12), Work (X13).

Multiple R-Value : 0.564

R Square Value : 0.318

F Value : 7.448

P Value : <0.000**

The **coefficient value of 0.564** indicates that the relationship between Organizational Commitment and the thirteen independent variables is moderate and positive. The value of R square is 0.318 simply means that about 31.8% of the variation in Organizational Commitment is explained by the estimated Sample Regression Plan (SRP).

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
X1	Humanity	1.139	0.191	0.440	5.960	0.000* *
X5	Time	1.903	0.647	0.583	2.941	0.004* *
X6	Family	0.775	0.342	0.267	2.267	0.024*
X7	Achievement	2.622	0.781	0.779	3.357	0.001* *
X9	Independent	1.423	0.669	0.257	2.126	0.034*

The Multiple Regression Equation is:

$$Y = 55.660 + 1.139(X1) + 1.903(X5) + 0.775(X6) + 2.622(X7) + 1.423(X9)$$

Based on Standardized coefficients (Achievement) is the most important factor to improve Organizational Commitment followed by, (Time), (Humanity), (Family), and (Independent). Therefore the hypothesis stating 'There is no significant influence of Personal and Organizational Values on Organizational Commitment' is rejected.

DISCUSSION

The results reveal that the organizational humanity value dimension has an influence on Organizational Commitment ($t = 5.96^{**}$). This result is supported by Prachi & Priyanka (2012) found that personal and organizational values are the best predictors of organizational commitment of the employees. However, she found that the other organizational values also most important predictors for organizational commitment but on the contrary, the present study found that the other organizational values, except humanity, does not have any influence on organizational commitment among employees. This is may be due to the previous study done on Govt sector employees but the present study has been done on private sector employees where the turnover is comparatively more than the Govt. sector. Moreover, the findings of the present study dissimilar to the study by Sumith Kumar Ghosh (2010) that is organizational value Humanity, Vision and Bottom line predicts the Affective, Continuance and Normative commitment respectively.

The results indicates that the time ($t = 2.94^{**}$) family ($t = 2.26^{**}$), achievement ($t = 3.35^{**}$) and independent ($t = 2.12^{**}$) dimensions of the personal value are the most important predictors of organizational commitment of the employees, which shows that the employees are perceiving that time value is promoted by the organization, their family values are integrated with this organization and also their achievement and independent values are congruent with this organization. A study by Natarajan Kumar (2012) found that the personal values like openness, fairness, logic and moral integrity are the most important predictors of organizational commitment added to these findings similar to the present study found that the other personal values such as time, family, achievement and independent are also important predictors of organizational commitment.

SUGGESTIONS

1. It is necessary to introduce policies such as **Knowledge Enhancement** for professional development among employees. This event helps employees in better understanding of Organizational Values such as Humanity, Vision and Bottom line.
2. Matching personal value with organizational value is the important psychological process which increases Organizational Commitment among the employees. To get this done in a better way, the organization needs to organize events such as **Family**

get-to-gather, Children Related Programs in Every Occasion, which in turn strengthen their relationship with the organization.

3. The employees' commitment is determined only by values which are associated with organization values. Therefore, the organization should employ whose values match with their organizations. The suggestion is given to make changes in the **Recruitment Policy**. Furthermore, it is necessary to ensure appropriate training for newly selected employees', which in turn use to bring change in employee values and easily match organizational values.

LIMITATIONS OF THE STUDY

- The generalization of the results of the present study is limited only with MNCs.
- This study was confined to those MNCs firms which were lying around only in Chennai industrial zone.
- The present investigation was confined with only a few Psychological variables namely, Personal Value, Organizational Value, and Organizational Commitment while other important psychological variables could also have been included, such as organizational climate and organizational culture.

SCOPE FOR FURTHER RESEARCH

- * A similar type of study may be undertaken for other designations of MNCs.
- * A similar type of study may be undertaken for the employees of SMEs.
- * Focuses can be more on job involvement, job motivation, employee engagement, and quality of work life dimensions.

CONCLUSION

The findings of the present study concluded that the dimension of Personal and Organizational values fit plays a minimal role in predicting the employees Organizational Commitment. Furthermore, the outcome of the study will also result in a better understanding with regard to organizational effectiveness. The HR' manager can modify their practices according to their employees' need, expectations, thereby minimize the negative influence and improvise the Organizational Commitment among employees in MNCs firms.

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