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Introductory Chapter: Congruence of Personal and Organizational Values—How to Deal with?

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Are there any fundamental things that one can lean on when searching for stability in a global field of change where modern organizations operate? What are the supporting moments? How can the individuality emphasized in modern society interact with the objectives of the organization? These are just some of the questions that arise when thinking about the viability of the organization and trying to evaluate the aspects that relate every person to the organization so that it could concentrate the potential of different personalities.

In recent decades, there is an extensive discussion about the direction, in which future-oriented companies should develop. Drucker [1], providing the objectives of the development of the twenty-first century organizations, emphasized the importance of brain work; other authors stress the ability to cope with change [2–5], the formation of the ethical basis of organizational activities [6–9] and technological development [10–12], with the emphasis on the evolution of consciousness [13] or proposing a new paradigm for corporate sustainability relating it to responsibility for the environment [14]. However, in spite of the proposed ideas, it is noted that corporate governance evolves rather slowly in practice [15, 16]. Therefore, the question is whether while placing optimistic focuses for the benefit of technologies, modernization of processes, and more efficient use of talent, the fundamental factors, such as the human nature and culturally programmed behavior incentives, are not underestimated. In the modern palette of proposals for successful management of organizations, we meet a number of ideas. In the last century, quite a lot of them give attention to incentives, which encourage employees to work better, more efficiently, be more committed, and devoted to their organization. That is, they appeal to the values, evocation of which enables to receive certain new/additional benefits. However, this process of evocation or employment of values is not unidirectional considering individual differences of employees, the increasing cultural diversity of the labor force, and the
ability of organizations to react to challenges of how to perceive these processes and respond to them adequately by changing themselves. It is obvious that one of these fundamental factors is values.

Values are a constant object of research in such disciplines of science as theology [17], philosophy [18], psychology [19], sociology [20], management [21], etc. Their strength lies in the fact that they motivate and shape the attitude and actions of a person [22], organization [22, 23], society [24, 25], etc. Although, in a general sense, values are seen as a key factor of human behavior and choices, which are formed due to the social models and personal experience; however, the values take on different meanings in different scientific paradigms.

Some studies show that both the public sector and private initiative organizations have similar sets of values that are significant to both the organizations and their members [26–30]. Organizational culture, in which synchronization of personal and organizational values, *value congruence*, is important and typically based on these values [24, 25, 31, 32]. The importance of value congruence is analyzed in very different contexts: from its significance in staffing [33] or leadership, i.e., ethical leadership [34–36], spiritual leadership [24] to the impact on employees’ creativity [29], on the performance of the organization [37] or even on the success of the changes that take place in the organization [38–40]. The congruence and/or fit of the values of the organization and the employees is relevant when regulating many processes in companies, such as building, development, and ensuring the employees’ loyalty [41, 42], employees’ behaviour, its modelling including the quality of relationships [31, 40, 43, 44], as well as the implementation of the change [38, 39, 45, 46], and solution of problems, where it is necessary to understand the significance of value fit and consider it in the strategy of the company [47, 48].

*Congruence of personal values and organizational values* means the identity of the values of the employees and the organization when the individual is ready to follow and support the organization’s rules and regulations [49]. In organizations, which develop the congruence of organizational and employees’ personal values, the employees not only accept the values but also keep, cherish, and follow them. The abundant research carried out shows that giving sense to the values of the employees and their realization in active occupational activity presupposes the direct links to the performance of the organization, affecting the quality of life of an individual, an organization, and the society. The interest in employees’ work values and the potential positive outcomes resulting from values is growing [50]. There is already no doubt about the positive impact of value congruence on employees’ attitudes, behaviors, and performance [29, 30, 51–55], etc. It is also proven that value congruence leads to a better adaptability of employees to work environment [56], involvement in the work [57], unites and focuses members of the organization, and helps to retain the committed labor force [30, 51], thus ensuring a good performance of the organization. We can argue that the congruence between employees’ personal values and organizational values becomes the guarantee of successful mutual cooperation. A growing number of studies in different types of organizations (from non-profit to business organizations) [55], sector (public and private) [28, 58], and size (from micro-enterprises to multinational corporations) shows the importance of the phenomenon in management of any organization.

Most recent studies examine *value congruence* in the context of organizational culture, where the relationship with the employees is given sense. Analyses of Newton and Mazur [55] revealed that for employees, job-related attitudes were influenced strongly by organization values ratings,
particularly when exceeding person ratings of the same values, the more so as values-oriented and respectable organizations can be much more attractive to employees. These organizations mostly appeal to job seekers pursuing intrinsic personal values, and impressive organizations mostly appeal to those pursuing extrinsic personal values [33].

In addition, the cultural context, in which the studies of value congruence are carried out, is no less important. Chakraborty and Chakraborty [59] compared how the relationship of business and individual values is developing in Western and Asian companies. The choice of values of Western companies primarily means the values of the company, which emphasize the objective characteristic of the organization. Posner [49], who is sure that an employee has to conform to the organization, echoes this position. However, most companies in Asian countries appear to select values in terms of subjective character of individuals that should augment the performance effectiveness of organizations [59]. In this case, personal values become a more important factor than organizational values, but, as it was noted, the tradition can lead to the ways of solution of the task. On the other hand, it is noted that in addition to the obvious positive effect, the impact of this instrument is not unambiguous.

This can be related to the problem of systematicity of values arising from their dynamics, what is emphasized by Prigogine [60]. According to the author, all our values are often contradictory to incompatibility. Therefore, they do not form a common system. Unless it is a specially created ideology—religious, party, corporate. There, of course, the hierarchy of values is considered and set [60]. These examples show that the organization needs the ideology shaped in an intelligent and convincing way that would resound, activate, and direct the employees’ values. Value congruence is not a new ideology of an organization or a mere instrument, which helps to create a certain systems of values, as in essence this principle itself dictates a compromise within a certain defined area of values, since it would be naive to expect the absolute concurrence of person’s and the organization’s values. It is therefore difficult to find unarguable answers on why value congruence in one sphere of relationship between the organization and the employees works stronger, and it is weaker in another, as shown by researches carried out in organizations.

Ryu [61] argues that the presence of value congruence effects on job satisfaction and affective commitment was not supported. However, the mediating effects of employees’ vision acceptance on the relationship between value congruence and the outcomes were supported. Although value congruence can ameliorate the adverse diversity effects on workplace attachment, but a complete substitution effect may not be present [62]. For instance, according to the author, women and minorities may still be sensitive to demographic representation even when their value congruence is high. This implies that a simultaneous pursuit of fit and diversity is an adequate diversity management strategy to stimulate the inclusion and workplace attachment of all social groups. However, these debates do not deny that values are one of the cornerstones of the organization as a social system, starting with the improvement of the daily relations and cooperation between the employees, involvement of employees, and ending with relationships with customers and competitors in local and global markets and socially responsible development.

Through the prism of values both the person and social systems perceive their identity, position themselves in the external environment and create relationships with it, therefore, it is
no coincidence that the values and their systems have been so heatedly discussed from the Ancient thinkers’ times and receive attention of researchers, representing a variety of modern scientific disciplines.

The scientists researching employees’ individual incentives and prerequisites of effectiveness of organizations during the last century inevitably face the question of employees’ values, therefore the focus is shifting from the “maxima” of institutional values of the organization to which the employee must conform, towards understanding of the person’s values and a certain dialog that could be identified as value congruence. In this context, one-way communication from the company is replaced by the dialog, in which both sides become some sort of partners and affinity. However, both in the examples of corporate governance practices and in the scientific literature, different practices are discussed and more than one way to accomplish this is offered, recognizing the important role of value congruence for many processes within organizations. The field of choice of methods and models is very wide, which leads to the situation that due to the lack of a unifying theory or specific principles it is very easy to be lost in the proposed choices. Therefore, it is important to evaluate a variety of these contexts in the field of tasks and to look for the common denominator.

In spite of the evidence, which confirms the value congruence as a vital instrument in various organizational processes, different pathways to achieve this are chosen. Of course, their common denominator is certain pursued benefit; however, from the perspective of values, the range of choices both in the practice of activities of a company and in scientific recommendations can range from hypocrisy or cynicism to honesty or humanity, on which the idea of corporate social responsibility is based. For example, Ugboro [41], who analyzed the problem of loyalty to the organization, argued that the conclusion that primary cultural socialization should be considered in employee selection process (even though illegal) for the purpose of identifying and selecting individuals who are generally predisposed to commit to organizations was not supported. A similar approach is declared by Erkutlu and Chafra [40], who believe that employees should be selected depending on their values. Usually, this kind of research does not touch on how dishonesty, which allows reaching the operational objectives, affects relationships in the organization in the long run. This question would not arise, if the members of the organization were only unthinking “machinery” which do not have any personal evaluations and do not raise ethical requirements to the organization and the management. This issue is particularly highlighted in the context of corporate social responsibility and relations with stakeholders. The research carried out by Kang et al. [63] perfectly illustrates how the leader-follower relationship is developed in the ethical dimension. The results show that the match of the social responsibility value of the leader and the followers was positively related to employees’ ethical satisfaction. In addition, the employees’ ethical satisfaction was stronger when the leader was characterized by a greater social responsibility. Byza et al. [64] who analyzed the interaction between the leader and the followers in another study in the context of social cynicism noted another important point. According to the authors, it is usually talked about the influence of the leader; however, the fact that “followers’ views on the social world might also influence the leadership process” cannot be ignored. In other words, value congruence as a certain dialogue takes place on many levels, and at the level of values leadership occurs rather as a certain invitation than a coercive act. Leadership occurs as a certain
invitation rather than a constrained act. Because values act as vectors, according to which we check the desirability of our actions for us, or condition and change of the environment [60]. The understanding of all of this does not allow diminishing the value of the person, but emphasizes the importance of interpersonal relations and fosters to look at value congruence as a continuously and dynamically developing process, in which a greater or lesser value tension between the participating individuals can become a productive interaction.

2. Value congruence: towards the solutions

When the employees are asked to write their own personal values in the order of importance, in many cases, they can name three values approximately. Employees are often better aware of the values of the organization than of their personal ones. Why does it happen? Most likely, because some organizations, especially socially responsible organizations, make their values available to the public and constantly remind the employees about them and follow them. Or even on the contrary, the employees remind the management of the organizations about the organizational values. However, it happens that organizations “do not know” their values. Thus, values, if they are not only a formally declared theoretical aspiration, play a vital role for both the individual and the organization. In other words, values take on the role of the main criterion in making decisions and setting priorities [53, 65]. Having understood the benefit of values to the organizations, a pragmatic approach derived from the systems theory [66] led to treating them as a tool for the management of organizations [67]. However, it is now considered that the values-based behavior within the organization is not a source of advantage, but the necessity in order to survive in the market [68]. Some organizations publicly declare that they work on the basis of values, but it can be argued that the activities of all organizations are based on values, as all decisions in the organizations are taken in accordance with some implicit values. Regardless of whether the values of the organization have been shaped purposefully or they have developed naturally, the unique culture of each organization is reflected in the unique system of values, the meaning and importance of which is understood diversely in different organizations [69, 70]. Even identically identified values can be expressed in different behavior of employees of different organizations. There are no “neutral” values; thus, it is necessary to check the values, because they can have a positive or negative impact on the decisions, priorities, strategies, plans and behavior [65]. This raises an important question: how to deal with the specific chosen values, and how these values actually direct the behavior of the employees of the organization?

In the case of value congruence, an employee is not just a subordinate who mechanically carries out the given functions, but he is sort of raised to the level of a partner in the discussion; thus, the relationship is changing and the organization has to change its thinking mode by involving itself into a dynamic process. In addition, it is necessary to consider the fact that the culture of the society that influences employees’ personal values as well is not a static, but a changeable phenomenon. So it is no coincidence that the management studies capture differences in values between different generations [71] that need to be taken into account in management processes.
In modern society, the person’s perceived significance of self, personal identity, values is growing, thus, organizations can no longer simply ignore these processes. However, organizations tend to not change their way of thinking, but search for employees, who would match the values of the organizations. However, this way of selection, partly convenient, can also be complicated. Vanderstukken et al. [33] argue that respectable organizations usually appeal to job seekers pursuing intrinsic personal values and impressive organizations appeal to those pursuing extrinsic personal values; however, their study showed that although intrinsic personal values did not increase the attractiveness of respectable organizations, extrinsic values increased the attractiveness of impressive organizations.

However, the solution of the problem of development and ensuring value congruence of the employees and the organization should be understood through the search for and installation of the mechanisms of strengthening the value congruence. Although the importance of the concept for modern organizations is understood, it is becoming even more important not only to understand and to be able to properly identify the values of the organization and the employees, to evaluate value congruence, to understand the ways of strengthening value congruence and diagnose the changes of value congruence of the organization, but also to real, practically applied management solutions, which ensure the employees’ well-being and high performance results of the organizations.

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