Course Name: Organizational Behaviour: Individual Dynamics in Organization

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Week – 06

Lecture – 01

Lecture 26: Values and its importance

Dear friends, Namaskar! Welcome back to the course on Organizational Behaviour, Individual Dynamics in Organization. Today we move to a new topic, Module 6 where we look into values.

Every time we hear about values, some people have those values, some people have some other values. So let us delve deeper into this and understand this in a very clear manner.

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Today's theme would be "values are important, values are important aspect of human identity and culture influencing our choices and shaping our relationships and communities". So, this would be the background with which we would try to understand values in greater detail today. What are values? This is the basic question that we have to answer first to understand what actually drives the value proposition within an organization specifically within an individual.

Values represent basic convictions that "a specific mode of conduct doing a certain activity or a business or even end state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence". In other words, we would like to see that you perform or behave in a certain way which is more socially as well as personally acceptable in toto. So, if we look into the values with respect to the basic convictions that certain larger population has, how to behave or how to perform or how to act in a particular situation that entails what is known as values.

Now there are certain guiding standards that influence behavior, decision making and the way individuals or society generally prioritize what is important in life. So, we might see that there are some things important to person A which are not even in the priority list of person B.

So there are these differences that exist mainly because of their value proposition, mainly because of the value chain, the value proposition which they are following. So let us understand specifically what do you mean by these values or some of the examples of these values. Now individuals and societies often prioritize and leave by a combination of these values. It will be clear once we actually detail on some of the existing well-known values that are taken as or considered as the core values that one should possess within an organization or otherwise. So, when we are looking into individuals per se or the societies in general, we often prioritize and leave by a combination of these values and they can evolve over time.

It is not like once you have a set of values you are being restricted with those values. It never happens like that. With your experience, with your let us say with your performance in the organization, with your understanding, with your learning, with your exposure to the outside world in terms of cultural orientation, in terms of let us say the way you interact with others, every single moment is a learning moment. With respect to that if you see even your values keep evolving as you evolve as a better individual or worse which we are not looking at in this particular moment. So, what can be the different examples of values or what are the core values which the society and which the organization would generally appreciate.

The first and the foremost one undoubtedly, inconspicuously would be being truthful, honesty, being truthful and transparent in one's actions and communications. So, we know these things, it would seem like a very basic class on values but it is indeed required to build up an organizational level understanding. I would like to pitch in certain empirical research at the end point of this class where you will appreciate what are the basic examples and how these are required or important with respect to an individual in an organization.

Another important value could be integrity. We talk about honesty in a greater detail but seldom do we actually appreciate the existence of integrity. Integrity is nothing but upholding a strong moral and ethical character. Many a time it is easy to say that there is high integrity within an organization or this individual is a person who is having high integrity but the fact of the matter is that, it is easier said than done.

Another important value which people try to appreciate or which people want to get inside them or want to explicitly showcase is respect. Treating others with consideration and dignity. When you are looking into such values like you know understanding others, trying to give respect, trying to treat others with dignity you tend to get it back.

Give respect, take respect and this is why this has emerged as a saying when you are actually treating somebody with dignity, they tend to treat you back in the same way.

Another important value could be compassion. Understanding others, knowing others, showing kindness and empathy towards others. Many a time we tend to digress towards the discussion between what is the difference between sympathy and empathy. Sympathy is just to you know understand their feelings but empathy is going a step beyond that.

Let us say you are in a crowded bus. You are in a crowded bus and there is a seat that is reserved for differently abled person. Now you tend to sit there or let us say you tend to occupy that seat because you did not get any other seat. When there is somebody who is actually eligible, actually you know reserved for that seat the person comes inside then you generally feel or let us say if it is a different person all together you feel that okay, he should have got a seat or maybe even if it is not a reserved seat you would tend to feel that okay you would have given that seat had I have a better seat or a reserved seat. But empathy is going one step ahead.

You are standing up and you are vacating that seat and giving even if that is not reserved for that particular category. So, this is taking one step beyond. So more than sympathy, empathy is what compassion warrants. Empathy is what compassion looks for. Another important value is justice.

When you are looking in organizational perspective, we had you know detailed discussions in the previous module where we looked into the fairness in terms of treatment. Fairness and equality in dealing with others and this is very prominent, very relevant in organization. Many a time you work in a group, you work in a team, you understand that there is some level of favoritism, there is some level of favor being disposed of because you are good to your boss. Sometimes people who work hard are seldom recognized because they might not be able to showcase what they have done. So, this is what specifically you mean by justice and what other values could be important would be something like equality.

Now in modules coming we will also discuss into the difference between equity and equality. Sometimes equity in an organization is more preferred than equality. Equality is believing in equal rights and opportunities for all. The moment you go in for recruitment you might see the ads actually stating that there is this particular organization is an equal opportunity employer. You do not have any discrimination; you do not show any bias with respect to that particular position or with respect to a selection process altogether.

There might be a situation or there might be examples of environmental stewardship coming up as a value. This is, this has gained prominence, this has gained momentum especially with a lot of attention coming towards the environmental degradation that is happening over the years. Environmental stewardship is more than just knowing about

the environment. It is all about caring for and protecting the environment in your words and your deeds. Are you willing to walk the talk? This is what makes environmental stewardship very much relevant and important.

Another important aspect could be health. Prioritizing one's physical and mental well-being. Sometimes you see that managers tend to not care about their subordinates or the co-workers or their other employees and tend to fix up deadlines and allot work in such a way that it goes beyond the conceivable limit or the work load is well beyond the stipulated times or the stipulated targets, stipulated work load etc. In those situations, they actually give a hit to all the work-life balance equations that otherwise was maintained in a very proper, in a very healthy way. So, another important aspect or another important value could be independence.

Independence in specific organizational behaviour management means self-reliance and self-sufficiency. Are you getting that freedom or the environment where you can be self-reliant? That is the question when it comes to actually making the value a core value rather than instrumental value. What is the importance of these values? We have seen some examples like honesty, integrity, compassion, even environmental stewardship etc. What are the importance? But what is the importance of these values? Values lay the foundation for our understanding of people's attitude and motivation and influence our perceptions.

Now sometimes there are some perceptions that are misguided and those misguidances might emerge or might be elicited because of a wrong value proposition I am having. Sometimes you see that some of the employees would not behave in the right way, sometimes you feel right in your perception, sometimes you feel that your co-worker is not compassionate to you, your co-worker is hiding some knowledge from you, your co-worker is not considerate towards the environment let alone the co-workers or the employees. So, such situations are based on the foundation of understanding of people's attitudes and motivation and the influence our perceptions. Now that said sometimes there are issues with values like values cloud the objectivity and rationality. Sometimes you are too honest, sometimes you are the flag-bearer of integrity so that you miss out on the result, sometimes you miss out on the deadline, sometimes you miss out on the target. So, there is a delicate, a thin line that separates both but one should in an organization one should travel it through very carefully.

So, values can cloud objectivity, can cloud rationality, sometimes you are taken by compassion, the kindness towards and fellow worker but unfortunately, they might tend to exploit or misuse the particular situation or misuse the particular feelings you have towards one another. So, there could be situations you must have already seen that the moment you show some empathy, the moment you are emotional the other party tends to

walk all over you. So, this could be another important aspect when we discuss values. It has a negative side, there is a possibility that values can cloud objectivity, values can cloud rationality, they influence even attitudes and behaviors. I have already mentioned that attitude is learned enduring predisposition towards a particular object or a set of people.There are situations when even the attitude which is otherwise not that easy to change might also be influenced by the value that you are carrying in that particular situation.

Let us look into the importance and the criticality of values in organizational aspect. One being organizational culture, every single culture will have a set of values. Organizational culture of let us say the eastern part of the hemisphere might be different from the western part of the hemisphere. Similarly with respect to the north and south, there might be cultural differences that emerge even when you move from a region to region within a country.

There might be cultural differences being in India you can understand that there might be differences between states in terms of organizational culture that emerges in terms of individual culture that is being brought in. There are some situations where values emerge as guiding principles. There could be situations where ethical behavior is a result of the values which you carry. There are situations where decision making strongly relies on the values you carry. For example, let us look into a situation where you are compassionate.

You tend to understand that let us say a certain level of profit should go for you know maybe some charity or maybe some work which otherwise has a social commitment associated with that. So, that decision is enshrined or embellished by the value you are carrying which is compassion. There could be situations where you are honest and you are truthful. There are situations where you are driven by integrity. Those decisions would be more superior than other decisions in some situations.

In some other situations, those same decisions might be flawed ones because you might be working in a very tight result oriented, deadline oriented, organizational rigid structure. So, these are the situations even when decision making is guided by certain values you are having. There might be situations in or aspects of recruitment and retention that is being guided by certain values. You might give let us say even after bad performance maybe in a cycle or in a year. You might be willing to give as a manager a second chance of the particular subordinate.

Some organizations do not tolerate that because of the value proposition they have. So,

values are very critical in organizational aspect even when it comes to brand and reputation. Sometimes there are specific aspects which look into the brand and reputation which are guided by values. Some brands you might have observed that they do not care about the environmental stewardship they do not care about environment altogether. They are there only for the profit making.

So there are situations like that. There are aspects of innovation and adaptation that are being guided and driven by values. Even conflict resolution is driven by values in organizational setup. You might tend to put two people with different values. Conflict is almost the outcome that is going to come. Sometimes it is difficult to resolve any particular conflict where there are people who are coming from or having different value propositions.

There might be situations where people who are having different value, they might tend to motivate one another maybe in terms of an organization which is driven by performance climate. I have already detailed in one of the previous sessions regarding performance climate and learning climate. Just I would like to refresh it here. There are some organizations which are driven by performance climate. Everybody is performing then you are being rewarded only if you are a good performer.

There are some organizations which rely on mastery climate where learning is more important than mere performance. So, there are situations like that even some brands customer loyalty is driven by values. There might be some let us say some brands which are being connected to environment which are being connected to grass root. So, customers tend to go for that particular brand because there is some connect that is happening with the environment or there is some brand which is showing off or which is showcasing its commitment social commitment or maybe the commitment to the society at large. Those brands might be valued more because of the inherent values of compassion inherent values of honesty and integrity.

And there are situations when these brands are not taken seriously also because of the lack of integrity they possess. So, values are critical and let us look into some of the values and performance outcomes. So, in this course of OB organizational behavior, organizational behavior management specifically I have always made it a point that we rely strongly on empirical research and I would like you to take you through a study which was surveyed over 170 workers of large industrial projects. So, we are looking into this study which was done on organizational values and the relation to organizational performance. In this particular study there is a congruence between supervisor and employee values satisfaction and commitment are higher.

We also find that values have been noted to provide a bonding mechanism between people to set the tone for the environment and to produce a culture that facilitates, equips or work towards common goals. So, we are specifically looking into a study which has taken into a situation where there is a value congruence that is happening. There is an alignment of values with respect to the individual and the organization in general. The greater the perceived value congruence because this particular terminology itself is highly researched. the greater the perceived value congruency between top managers and the department members specifically the greater the perceived power within the organization by that department.

So if you are going against or there is some level of inclination that you are tangential to the values or you are off the line of the organization values or the management, top management values then there might be chances of conflict, then might be probability of you being disempowered. So, all these aspects are critical when your values are in alignment with the organizational values. Clearly defined and communicated organizational values specifically reported that employees are more involved in organization and more participatory in decision making. The moment you see that your values are not in alignment, you are not, let's say an organization is taking up a decision which is on the wrong side which is you feel that it goes against as an example hypothetically, it goes against environment, it goes against let's say the livelihood of people. You tend to be in not in favor of that particular decision.

So here is a classic case of your values getting disengaged from the organizational values, your values not in alignment with the organizational values. However, defining the values at the departmental level may make the values too rigid and not flexible to change because it is not one department that makes the organization, it is many such departments. So, you are trying to define a particular value associated to a particular department. Now every single department if it starts to make it as a domino effect, then you tend to have a mixed value chain or value, mixed culture of values. So, the value that organization wants to showcase or wants to project would not be one.

 It would be a random set of different values which would be inefficient way to propose what is the value of that particular organization. So, values are learned and even can be taught in training programs. So, a mitigation or a solution to that particular fix where every single department comes up with a different value altogether is that you can have a session, you can have training programs whereby you tend to reorient, you tend to change or you tend to let us say modify the value system the people or the employees within that particular department are having.

Now to conclude let me give you a foot for thought. When you are talking seriously about values, let us look into a different side of the coin whether it is freedom or lack of

commitment.

When we look into lifelong commitment to one employer is a thing of the past. We see that every single situation that people nowadays they tend to every single instance they tend to switch their career to a different organization. So, this is a particular foot for thought on the basis of that in the background of that. So, if you look into an analysis by Princeton economist Henry Farber revealed that the percentage of private sector employees who remain with the same employer for 10 or more years has dropped from 50% in 1973 to less than 35% today. So those with 20 or more years with the same employer dropped from 35 to 20%.

To be sure some of this movement is employer driven. Let us not have any particular doubt with respect to that. Lifetime job security is long gone for most positions. So are benefit packages that would keep employees secure such as rock-solid pensions, generous health benefits etc. But does a generational shift in values also explain the drop. So, this particular segment where we tend to analyze and understand the aspect of generational shift which is causing this particular drop.

So according to Pew research, 66% of millennials say they want to switch careers sometime in their life while 62% of generation X members and 84% of baby boomers say they would prefer to stay at their current job for rest of their lives. Another study suggested that while 64% of baby boomers really care about the fate of their organization this figure is only 47% for millennials.

Yet another study indicated that two thirds of millennials had plans to move or surf. This is very relevant from one job to another as a means of gaining desired skills and increasing their pay. We will take an example one millennial Rebecca Thorman notes that mobility makes sense only because if you are not mobile you limit your options. She says you cannot expect your pay to grow by staying at the same job, you just cannot. These values do not sit well with some employers we prefer long tenured employees who have stuck with us and been loyal says Dave Foerster CEO of Avrea Foerster an advertising agency in Dallas. It appears that a lot of millennials do not think that one path is the answer. This is a problem because the commitment is not there to attitudes like that. Thorman retorts we are not going to settle.

This is a bone of contention that creates a situation of generational values. Now to conclude this session I tried to give you some importance some perspective into values. There are different set of values which are appreciated within an organization starting from honesty to compassion to integrity to environmental stewardship etc. But that said if your particular value is not in alignment with the organizational values conflict is bound to happen. In those situations, always better to retrain yourself or try to advise your

leadership that there should be a change in values there should be some concern given to your value also. So that would make the things more feasible or more practical but otherwise there is going to be serious conflict. When you are in an organization which is working against the value system of yours you might feel that you are not part of the organization. So basically, sometimes you feel disgusted, disgruntled, you feel you are not part of the system. I don't belong here. All those thought processes arrive mainly because of a single thought or a single core reason which are values.

So we will see more about values in the next class. Till then take care. Bye bye.