

**FACTORS RELATED TO VALUES IN INDIAN
ORGANIZATIONS**

By

Pooja Purang

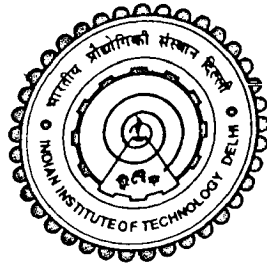
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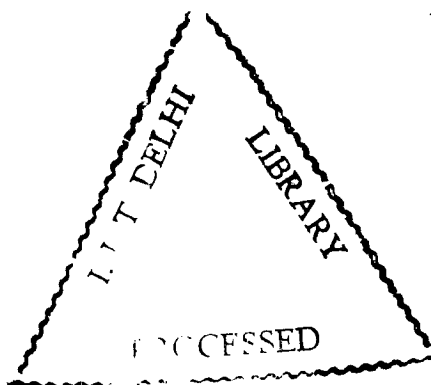
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CERTIFICATE

This is to certify that the thesis titled “ **Factors Related to Values in Indian Organizations**” being submitted by Ms Pooja Purang to the Indian Institute of Technology, Delhi for the award of the degree of Doctor of Philosophy, is a record of bonafied research work carried out under my guidance and supervision. The results contained in this thesis have not been submitted in part or full to any other university or institute for the award of any degree or diploma.



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ABSTRACT

Values play a significant role in the functioning of organizations, providing a basis for the design of efficient human organizations. Organizational values may be stated in the form of a value statement, code of ethics or a vision statement. Some of the ways in which beliefs and values can be imbibed in the organizational culture are by the ethical practices of the leaders that relate to values prevalent in the organization and strategies, goals, policies, and procedures that incorporate those values. Reinforcement through rewarding approved behaviour and orientation of newcomers to the culture of the organization also help in instilling the desired values.

In the era of globalization and liberalization many companies are operating in multicultural contexts where employees from different parts of the world cherish their individual values and native cultural values. Their personal values interact with the organizational value system influencing their choices at work and job performance. It is important for the organization to respect and recognize the personal values of the employees and consider these in decision making. Alignment of personal and organizational values influences job satisfaction, turnover intentions and organizational commitment of the employees.

The value related practices in the organization have implications for Human Resource Management. Studies have emphasized the role of culture in influencing the performance of the organization. Values can be described as the 'core competency' of an organization and 'imbibing culture' as the vehicle that will lead to sustainable competitive advantage. The culture of an organization would influence the climate of the

organization and commitment of the employees. Ethical practices in the organization also strengthen the relationships and reputations that the organization depends on. Organizations concerned with ethics build a climate that supports values. Such organizations will emphasize integrity and ethical conduct, which in turn will further enhance commitment.

The objectives of the study are to (a) analyze the perception of managers regarding the practice of ethics and values (b) compare the extent of Value Institutionalization in organizations (c) compare the HRD Climate, Value Expectancies and Organizational Commitment of two Public Sector, two Private Sector and one Multi National organizations, and (d) relate Value Institutionalization, Value Expectancies, HRD Climate and Organizational Commitment. The probability of fulfilling important values of the managers has been analyzed under Value Expectancy. Finally, we examine the effects of Value Institutionalization, Value Expectancies and HRD Climate on the Organizational Commitment of managers.

This study has been conducted in five organizations operating in India. Of these, two are from the public sector, two from the private sector and one is a multinational organization. The study has been conducted using the Survey Research Technique. The tools used were the Background Variable Schedule, the Ethics Effectiveness Quick Test for Value Institutionalization, the HRD Climate, Value Expectancy and Organizational Commitment questionnaires. The sample taken consists of 247 middle level managers. The five organizations studied have clearly stated vision, values or ethics statements. The data has been analyzed to compare the organizations as well as to examine the relationship between variables. Analysis of variance has been used to compare the

organizations, while correlation and regression analysis has been used to examine the relationship between variables. Hypotheses have been proposed and tested in the study.

These are:

Hypothesis 1: Value Institutionalization will be different in the public sector, the private sector and in multinational organizations.

Hypothesis 2: Private and public sector organization managers will differ in Value Expectancy.

Hypothesis 3: There is a positive relationship between Value Institutionalization and HRD Climate.

Hypothesis 4: Value Institutionalization will be a predictor of the HRD Climate.

Hypothesis 5: Value Institutionalization will predict the Value expectancies of the managers working for the organization.

Hypothesis 6: Value Institutionalization in an organization will predict organizational commitment of managers.

Hypothesis 7: Value Expectancy will predict the HRD Climate in an organization.

Hypothesis 8: Value Expectancy is a predictor of Organizational Commitment of the managers.

Hypothesis 9: HRD Climate is a predictor of Organizational Commitment of managers.

A comparative analysis of the organizations shows that the performance of the multinational organization and the private sector organizations are significantly better than that of the two public sector organizations in terms of Value Institutionalization. The perception of the HRD Climate is significantly more positive in the private sector and multinational organizations than in the public sector organizations. Significant

differences also exist between the organizations for Value Expectancy and Organizational Commitment. The analysis corroborates the model proposed in the study. The findings show that Value Institutionalization is an important predictor of the climate prevalent in the organization, the commitment of the employees and the value expectancy. Also the expectancy of fulfilling important values positively affects the perception of the climate as well as the commitment of the managers. Thus the study emphasizes that organizational culture in an organization, influences the climate, commitment and performance of the organization. Limitations of the study have also been included. The thesis is presented in five chapters. The thesis concludes with some suggestions for future research in this direction along with implications of the study for academicians and managers.

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