



SIGNIFICANCE OF WORKPLACE VALUES IN INFORMATION TECHNOLOGY ORGANIZATIONS, BANGALORE

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ABSTRACT

The role of information technology in today's competitive global business environment and developed economies has surged the business world to a new paradigm shift. The industry employs about 10 million workforce. IT industry has played a major role in economic transformation of India in the global economy. IT industry has its own challenges to sustain in the global market, thus pressurising employees to overstretch themselves for achieving the organizational goals at times against the personal values of employees, making them feel demoralized and disconnected. Hence this paper focuses on workplace values, its significance in the Information Technology industry, as well as how it is being practiced in few of the selected IT companies. The findings of this study reveal that organizations with workplace values have favourable working atmosphere, employees are highly valued and all the employees enhance their performance strive towards the organizational growth.

Keywords: IT organizations ,Values , Workplace values ,Employee Performance and organizational Growth .

1.1 INTRODUCTION

IT industry ,one of the major industry with rapid growth and job opportunities, as per NASSCOM (National Association of Software and Services Companies) India is the world's largest sourcing destination for the information technology (IT) industry, accounting for approximately 67% of the US\$ 124-130 billion market. IT industry has its own share of confrontations to survive in the global market. The challenges of competition from global market , mergers and acquisitions, diverse workforce, attrition, downsizing and high expectations from the stake holders is to be balanced through efficient productivity . Rigid compulsion on employees to be high performance oriented creates psychological fear in their minds workforce makes them feel demoralized, dehumanized, devoid of energy and no longer being connected (Ashmos and Duchon 2000; Laabs 1995). This decline in sense of belongingness has urged top managements to accentuate inclusion of ethical values in the workplace.

Top management, business leaders and employees are striving towards values at workplace. Practising values at workplace is not just abiding by the rules and regulations of the organization, but having a purpose and sense of belongingness within the organization. Meditation classes are conducted at multinational corporations such as Medtronic, Google, Yahoo, McKinsey, IBM, Hughes Aircraft, Cisco, Raytheon, PayPal India, SAP Labs India, Intuit India Product Development Centre. Indian companies like Wipro, Tata and Infosys have demonstrated to the world at large that a good corporate governance practices can put the business on high pedestal .These companies have consistently taken a long, hard, but ethical route to achieve greatness. To name a few, other Indian business giants like Godrej, Vardhaman group, Eicher, Indian Oil Corporation ,Birla group and ITC Limited have demonstrated their commitment in providing good corporate governance to its employees , customers and making the society a better place to live in for all its stakeholders comprising of employees, employers, customers and others .

1.2 VALUES

Values are principles or qualities possessed by an individual or group of people, which reflect a person's sense of being right or wrong. Values are preferred beliefs and expectations of how an individual should behave (Rokeach 1973: Saur & Khuntia 2010).

Milton Rokeach designed the Rokeach value survey (RVS) which comprises of two sets of values: terminal values and instrumental values. Each of these set of values contain 18 individual value items.

Terminal Values

Terminal values are desirable states of existence we work towards or which we think as most important and desirable. Terminal values signify the objectives of the life of a person – the ultimate things the person wants to achieve through his or her behaviour. These are the goals that a person would like to achieve in lifetime. The terminal values are world of peace, happiness, prosperous life, equality, peace, national security, freedom, salvation, social recognition, wisdom, mature love, self-respect, friendship, inner harmony, sense of accomplishment, self respect, world of beauty and family security.

Instrumental Values

Instrumental values are the values to be practised by individuals to achieve their desired terminal values; they are reflected in the behaviour of an individual. The terminal values indicate the values an individual would like to adopt for achieving life's aim. They include being honest, hardworking , broadminded, capable, cheerful, forgiving , helpful, imaginative, independent, intellect, logical, lovable, obedient, polite, responsible, self controlled, ambitious and being clean.

1.3 WORKPLACE VALUES

Workplace values define the acceptable standards which govern the behavior of individuals within the organization. Workplace values are the guiding principles in performing the work and to choose between right and wrong ways of working, they help in decision making and career planning. Workplace values set the basis for the workplace culture. It is essential that there is alignment between work values and workplace values, as it helps in understanding each other and enabling everyone to do the right things for the right reasons. This leads to building great working relationships. Workplace values drive the attitudes and behaviors in teamwork.

Workplace values are the work values perceived by organizational members in the workplace. Workplace values aims towards honesty, creativeness, pro-activeness, kindness, dependability, confidence and courage; consequently leading towards the collective creation

of an aesthetically motivating environment which is characterized by a sense of purpose, high ethical standards, acceptance, peace, trust, respect, understanding, appreciation, care, involvement, helpfulness, encouragement, achievement and perspective. Thus establishing an atmosphere of enhanced team performance and overall harmony, and ultimately guiding the organization to become a leader in its industry and community, through its exudation of fairness, cooperativeness, vision, responsibility, charity, creativity, high productivity, and accomplishment (Marques, Dhiman, & King,2005). Barker (1994), Nagel (1998) opine that workplace values facilitate an organization to attain its mission and objectives.

Workplace values are communicated through organisation's vision, mission and value statements (Leiter, 2008). By expressing and sharing these values, an organisation is able to form expectations around behaviours and the organisational goals. If an organisation has a clear value-based culture that employees can identify with, the employees are allowed to feel connected and be part of the organisation's decision-making (Sullivan, et al., 2001; Finegan, 2000). Organisations benefit from the shared values by creating a committed workforce that is able to function through the unpredictable changing nature of the business world (Auster & Freeman, 2013; Sullivan, et al., 2001). By using values to engage employees to achieve corporate goals, the organisation increases the chance of successfully reaching these goals (Sullivan, et al., 2001).

1.4 WORKPLACE VALUES IN INFORMATION TECHNOLOGY ORGANIZATIONS

In present situation of achieving competitive differentiation, Information Technology (IT) organizations are emphasizing on pooling in knowledge workers and creating a good working atmosphere for them, as organizations can gain competitive advantage only by employee potential. According to Harrington (2002) low-level needs no longer motivate knowledge workers actions. Hence, the organizations require an environment that cultivates the growth of human spirit for their employees in order to prosper.(Tripti Singh, R. K. Premarajan,2007).

Information Technology (IT) organizations are incorporating workplace values dimension into their work culture, a dimension that has less to do with rules and order and more to do with meaning, purpose and a sense of community (Ashmos and Duchon, 1998).

A recent study of several companies that encourage workplace values has concluded that there is a high level of correlation between overall workplace values and organizational performance (Chakraborty et al., 2004; Garcia-Zamor, 2003; Marques, 2005). Alas, Vadi and Sun (2009) have observed that the Work values increased cooperation between superiors and subordinates and heightened concerns about company performance. Work values are responsible for enhancing performance through work-related beliefs, personal dispositions and attitudes that shape behaviours (Corney & Richards, 2001).

Today's employees are looking for organizations with opportunities to unlock their own creative energies working in a supportive atmosphere that encourages involvement in a rapidly changing workplace (White, 2001). Employee performance can be enhanced only if employees are motivated to perform better. Employee performance is measure that HR department of Information Technology (IT) organizations usually takes care of because it determines productivity, job involvement of employees, organizational performance, and individual growth as well as organizational growth, which in turn helps the organization to gain competitive advantage.

1.4 STATEMENT OF THE PROBLEM

The pace and scope of change in information technology has been tremendous and all levels of the society have been impacted by this change. Work culture has become complex and spirituality is focused to cope up in the organisation. Spirituality has become a new trend for every organisation and particularly Information Technology (IT) industry. Information Technology (IT) industry has started to reap profits by valuing employees and giving room for employees' expressions.

The IT industry has seen remarkable growth and it also has challenges to face. Employees of Information Technology (IT) industry are pressurized for phenomenal achievements but the organization takes a back seat when it comes to valuing employee's expressions, thus causing stress among employees which in turn has an impact on employees' performance. This is where workplace values come in as a means for relieving stress. It helps the organization to nurture personal values of its employees and enhances organizational growth through individual growth.

Workplace values have a role to play in productivity and performance. Workplace values enhance creativity, honesty, personal fulfilment and commitment, which will ultimately lead to increased organizational performance.

This study aims to provide a critical overview of workplace values being practiced in Information Technology (IT) industry, evaluate the impact of workplace values on employee performance.

1.5 OBJECTIVES OF THE STUDY

- To understand the concept workplace values .
- To study the significance of workplace values in Information Technology (IT) organizations.
- To analyse the outcome of workplace values on employee performance.

1.6 HYPOTHESES

- **H₀**: There is no significant impact of workplace values on employee performance.
- **H_a**: There is no significant impact of workplace values on employee performance

1.7 SCOPE OF THE STUDY

This study aims at understanding the concept of workplace values, significance of workplace values in IT organizations and the correlation between the workplace values and the employee performance of Information Technology (IT) organizations. The study is conducted only for the employees of Information Technology (IT) organizations with workforce more than 100 in Bangalore City.

1.8 RESEARCH METHODOLOGY

This study analyses the impact of workplace values on employee performance in IT organizations in Bangalore .The data is collected using a structured questionnaire designed by using the instruments based on super value inventory. The questionnaire was administered to employees of IT companies in Bangalore. For each of the item in the questionnaire Likert scale is used with 1 for “Strongly Disagree” and 5 for “Strongly Agree”. The respondents have given their response as per their choice of opinion.

1.8.1 RESEARCH DESIGN

In this study descriptive research method has been used and the relevant information needed for the study is collected from the respondents using survey method.

Selection of Sampling Area

Bangalore city, has been the fastest growing and developing IT capital. It has many multinational Information Technology firms of prominent diverse work culture with people across the country. Bangalore city is preferred for conducting this research, as it has diverse profiles of the people and aids in arriving at conclusive information related to the purpose of the study.

Sampling Unit

The sampling unit considered for the study are employees of IT companies in Bangalore.

Sampling Technique

Convenience sampling, a non-probability sampling method is used in this study, wherein data is collected from the respondents who are easily & conveniently available to participate in study.

Sample Size

The sample size selected for this study is 200 IT employees in Bangalore.

1.8.2 SOURCES OF DATA COLLECTION

The data has been collected by both primary and secondary sources .The primary data is collected through a structured questionnaire from the students. The secondary data is collected from the company manuals ,websites and research articles.

1.9 DATA ANALYSIS

To check whether there is consistency in the findings of data collection and analysis reliability test is done. Reliability Analysis is as shown below

Table 1 Reliability and Item Loadings of Work Place Value factors

Latent Variable	Items	Standardized Loadings	Composite Reliability	Cronbach Alpha	Average Variance Extracted (AVE)
Workplace Value (Wrkplc_val)	Wrkplc_val	0.632	0.817	0.820	0.476
	Wrkplc_val	0.727			
	Wrkplc_val	0.833			
	Wrkplc_val	0.690			
	Wrkplc_val	0.532			
Employee Performance (EmPLY_perform)	EmPLY_perform_1	0.332	0.705	0.717	0.336
	EmPLY_perform_2	0.585			
	EmPLY_perform_3	0.757			
	EmPLY_perform_4	0.612			
	EmPLY_perform_5	0.530			

Table 2: Reliability Values

VARIABLE	COMPOSITE RELIABILITY	CRONBACH ALPHA
Workplace Values	0.817	0.820
Employee Performance (EmPLY_perform)	0.705	0.717

From the above table, it can be seen that The Cronbach's alpha coefficient is above 70% , indicating consistency of the instrument

1.9.1 DEMOGRAPHIC PROFILE OF RESPONDENTS

The study comprises of 200 IT employees ,out of which there are 132 (66%) male employees and 68 (34%) are female employees . Majority of respondents (58%) are in the age group of 20-30 years , 27 % of respondents are aged between 31 - 40 years, 12 % of respondents are aged between 41 – 50 years and 3% of respondents are aged above 50 years. Educational Qualification wise 39 % of the respondents are graduates, 61 % of the respondents are post graduates and there are no respondents in below graduation criteria.

Regarding Working Experience in the Present Organization- 42 % of respondents have been working in their present organization since 0-2 years, 29 % of the respondents have

been working in their present organization past 2-5 years,17 % of the respondents have been working in their present organization past 5-7 years,7 % of the respondents have been working in their present organization past 7-10 years and 5 % of the respondents have been working in their present organization for more than 10 years.

Total Working Experience - 18 % of respondents have total working experience of 0-2 years, 20 % of respondents have total working experience of 2-5 years, 26% of respondents have total working experience of 5-7 years, 18% of respondents have total working experience of 7-10 years and 18% of respondents have total working experience of more than 10 years.

Table 3. Demographic Profile of Respondents

DEMOGRAPHIC CHARACTERSTICS	SPECIFICATION	FREQUENCY	PERCENTAGE
Gender	Male	132	66%
	Female	68	34%
Age (Yrs)	20 – 30 years	116	58%
	31 - 40 years	54	27%
	41- 50 years	24	12%
	Above 50 years	6	3%
Marital Status	Married	160	80%
	Unmarried	40	20%
Educational Qualification	Graduation	78	39%
	Post Graduation	122	61%
	Below Graduation	0	0%
Working Experience in the Present Organization	0-2 years	84	42%
	2-5 years	58	29%
	5-7 years	34	17%
	7-10 years	14	7%
	More than 10 yrs	10	5%
Total Working Experience	0-2 years	36	18%
	2-5 years	40	20%
	5-7 years	54	26%
	7-10 years	36	18%
	More than 10 yrs	36	18%

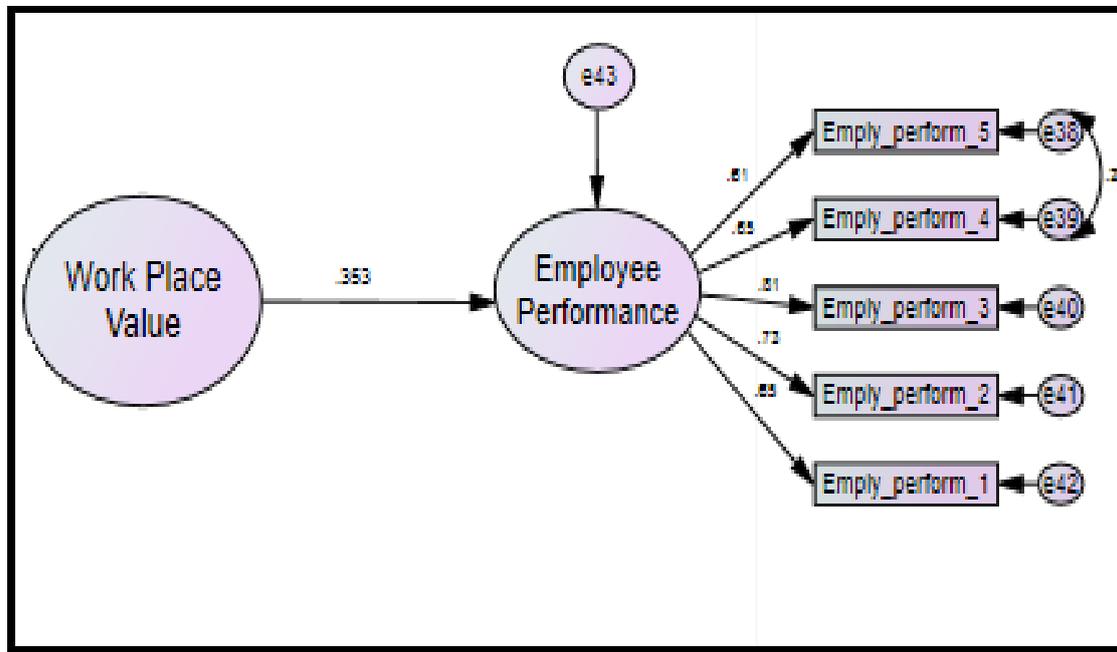
1.9.2 HYPOTHESES TESTING

H₀₁: There is no significant impact of workplace values on employee performance.

H_a₁: There is no significant impact of workplace values on employee performance

For conducting hypotheses testing, statistical analysis is done using AMOS and SPSS software. Data analysis is carried out by using Structural Equation Model run by AMOS 20.0 Program. Dependent and independent variables are identified, the hypotheses is tested for the acceptance or rejection .

Fig 1 : Relationship from Work Place Values and Employee Performance



Regression Result:

Table 4: Direct Effect of Research Model: Standardized Regression Weights for Overall Work Place Value and Employee Performance

Relationships between Exogenous and Endogenous			Standard Estimate	S.E.	C.R.	p value
<i>Employee Performance</i>	<---	<i>Work Place Values</i>	0.353	0.051	5.622	0.000*

* Significant at 5 % level.

As per the regression results in Table

($\beta = 0.353$; CR= 5.662, $p = 0.000$, $p < 0.05$) As the p-value (0.000) is less than the significant alpha level of 0.05.

Accordingly, it is observed the Workplace Values have positive and statistically significant impact on Employee Performance . **H₁₀ is rejected and it is accepted that Workplace Values have significant impact on Employee Performance.**

Implying that, there exists statistical evidence to conclude that higher the agreement on the Work Place Values would necessarily increase the Employee Performance.

1.10 FINDINGS

- Today workplaces are not just to earn one's salary but also a place to nourish performance, self respect, pride, commitment, better living standards and to fulfil one's psychological needs.
- Employees have to eagerly bring their soul, body, and spirit into the workplace where they spend their most productive part of their life.
- Information Technology (IT) organisations being global players, have to deal with clients across the countries .They have to adapt to the culture of the global clients which is an crucial task, workplace values helps in experiencing interconnectedness, shared by all those involved in a work process, thus developing a focus on individual development and organisational development.
- Workplace values play a major role in motivating employees to perform their work more diligently and productively.
- The superior –subordinate relationship, conducive working atmosphere, mutual goal setting involving employees, clarification in role expectations and good leadership enhances the performance of employees and also organizational growth .
- This study can help in particular the HR departments to analyse employees' perception towards workplace values and how they can be refined further for effective management of the employees in order to motivate them to perform better.

1.10 CONCLUSION

When organizations recognize the importance of employees' involvement and sense of belongingness there can be changes seen in the personal and organizational development. Organizations should inculcate an ambience for employees to express themselves and enhance their performance. This can be implemented when organizations realize the

importance of workplace values in organizational growth. Thus, concluding that the organizations which emphasize on workplace values will have better employee performance.

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