

Putting Value Alignment to Work to Drive Positive Organizational Outcomes

Adam Bradshaw
DeGarmo Group



Putting Value Alignment to Work to Drive Positive Organization Outcomes

Value alignment, or value “fit” has received attention in recent research and practice alike. The use of value statements within organizations exists worldwide, but are these values really being put to work within organizations? Does your organization have a set of articulated values, and, if so, are they currently being “used” for anything?

One way to put values to work within an organization is to align, match, or “fit” individuals with your organization’s values, as every organization has a set of core work values that guide the inner-workings and culture of the organization – whether they are articulated or not. Simply put, when there is a match between employee and organizational value systems, positive outcomes will result!¹



So how can value alignment be leveraged to increase positive organizational and employee centered outcomes? One staffing model that has demonstrated effectiveness for leveraging the opportunities of work value alignment suggests that selecting candidates on the basis of their alignment with core organization work values can increase employee satisfaction by 50%.² In addition, this model can reduce the likelihood of voluntary turnover – which can have a return savings of nearly \$500 (entry-level positions) to \$100,000 (key executives) per hire, depending on the position.

Understanding Work Values

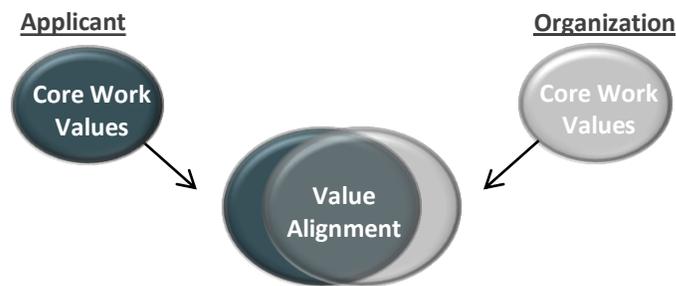
Work values are relatively stable, general beliefs about desirable ways of conducting oneself, and they guide individual behavior across time and contexts, including work contexts.³ Since work values differ from person-to-person, and since they change very little over time, they represent important individual difference characteristics to consider as part of the talent acquisition process. Note that values exist at the individual-level AND at the organization-level.

As mentioned above, each organization operates according its own set of work values. In many organizations, these values are explicitly defined and communicated internally, but in other organizations, work values emerge more informally. Regardless of how formally or informally work values are established, they have a significant impact on the behaviors and beliefs of others, and ultimately underlie the functioning of an organization.

An organization’s values provide messages to people (both internally and externally) regarding the beliefs and behaviors it considers to be important. They are a way of highlighting how the organization wants to be perceived by those outside the organization - as well as a point of reference to help shape beliefs and behaviors those inside the organization.

Staffing for Work Value Alignment

To optimize functioning, it's important to try to achieve alignment between the work values of the



organization and those of its employees. Staffing for work value alignment involves measuring job applicants' core work values and using that information to help select employees whose values best align with the organization's value set.

Importance of Work Values

As previously noted, key outcomes within organizations can be predicted and driven by the alignment of work values

Strong value alignment can result in increased job satisfaction, which is associated with greater levels of organizational commitment. Further, people who are more committed to the organization engage in fewer turnover-related behaviors such as tardiness, absenteeism, and actual job separation. Thus, the result is a more satisfied, committed and stable workforce with greater work productivity and quality.



Measuring Work Values

The *Matched Values Profile (MVP)* is a web-delivered assessment tool that was developed to provide a systematic measurement of core work values.

The MVP contains 55 items and focuses on 11 core work value dimensions (e.g., Achievement, Enjoyment, Status, etc.). Respondents rate the importance of various work value statements (e.g., Cooperating with others; Being cautious and careful in performing one's job; Having control over one's work; Treating others in a courteous and fair manner, etc.) using a 1 to 9 scale ranging from "least important," to "most important."

Respondents must adhere to unique limitations (i.e., respondents are limited in the number of statements that can be rated as "most" or "least" important) placed on how they rate statements, making the MVP very difficult, if not impossible, to "fake".

Establishing an Organization's Value Profile

Using the MVP, an organization's core value set is established by assessing the perceptions held by members of executive leadership. That is, leaders in the organization complete an alternative form of the MVP where they rate how important value statements should be to their organization in order to achieve its desired goals and objectives.

The result is a value profile against which others can be compared. But first, the values established by those in leadership are checked for **agreement** (the extent to which leaders provide similar ratings for each value statement) and **importance** (how absolutely and relatively important value statements are rated). With the leadership profile established, there is opportunity to assess the **alignment** of values between the organization and job candidates.

Agreement

- The extent to which leaders provide the same or similar ratings of values

Importance

- The absolute and relative importance of work values.

Alignment

- Agreement on the absolute and relative value importance between groups

Value Alignment & Organizational Outcomes

A recent study demonstrates support for the positive impact of organization-employee value alignment. Data was collected from 1,125 people from more than 50 locations across the United States, United Kingdom, and Philippines. Data for determining the leadership profile was collected from over 200 leaders across the participating organizations.²

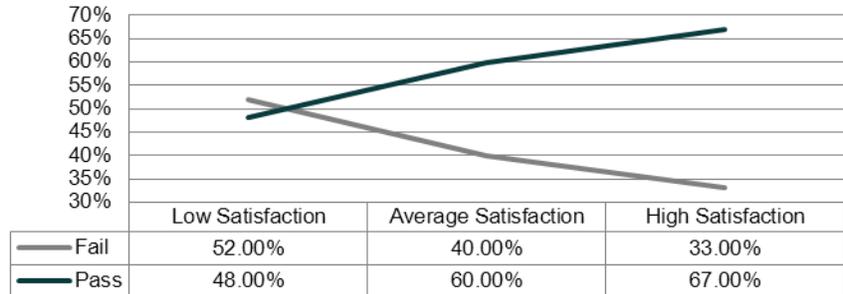
Based on an overall score, participants were assigned one of three outcomes characterizing their degree of alignment with the organization. The possible outcomes included Weak Match, Moderate Match, or Strong Match. Additionally, based on their categorical rating, participants were grouped to have "Passed" (Moderate and Strong Matches) or "Failed" (Weak Matches) the MVP.

In addition to completing the MVP, participants were also asked to provide ratings on a number of important outcome measures including their level of commitment to the organization, job satisfaction, and frequency of turnover-related behaviors (e.g., absenteeism, tardiness, looking for other job opportunities, etc.). Finally, in some cases objective data regarding participants' performance quality and quantity was provided by organizations.

The results of the analysis are summarized regardless of one's level in the organization, or number of years of work experience. The patterns illustrate the impact of employee-organization work value alignment across demographics such as one's specific occupation or geographically where one is physically located.

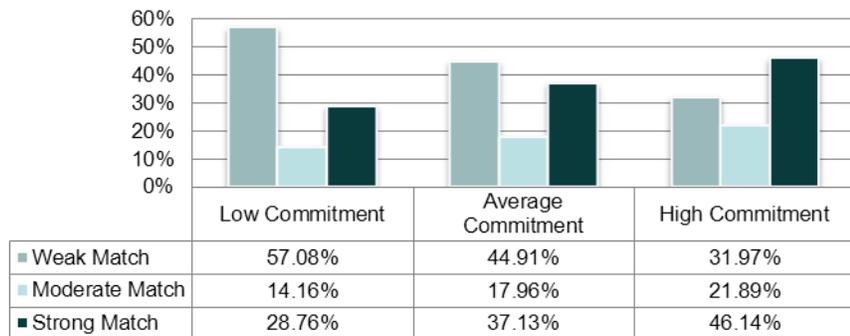
Job Satisfaction

Analysis of the data indicated that those **people who passed the MVP were 50% more likely to report high levels of job satisfaction** than people who failed the MVP. That is, strong alignment with the organization was related to significantly more reports of high job satisfaction among employees.



Organizational Commitment

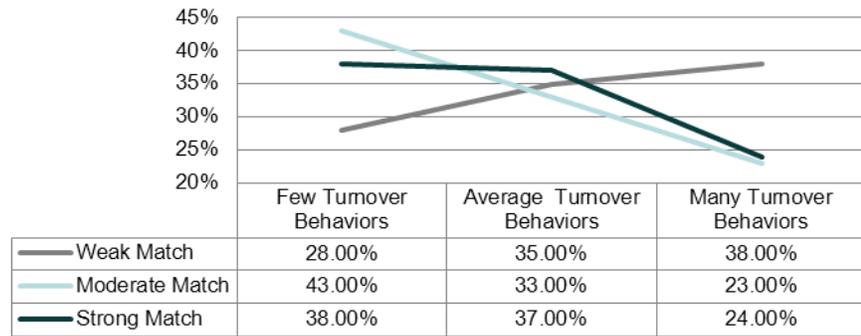
Strong match participants also reported significantly higher levels of commitment to the organization than those participants who were rated as weak matches. Of all participants reporting low levels of organizational commitment, 57% received weak match ratings compared to only 28% with strong match ratings. **This suggests that participants with weak match ratings are twice as likely to report low levels of organizational commitment than participants with strong match ratings.**



It is clear in examining the patterns in the above table that employees who are a weak match with their organization are much more likely to report low levels of commitment. Also, as organizational commitment increases, so too does the representation of strong match participants (i.e., 28% Low, 37% Average, 46% High).

Turnover Behaviors

This dimension represents a collection of behaviors people engage in that are associated with voluntary employee turnover. It includes a mix of both *direct* and *indirect* activities. Examples of *direct* behaviors are reports of absenteeism and tardiness. The more frequently one is absent or tardy, the greater the likelihood they will terminate employment. Similarly, *indirect* behaviors like looking through the newspaper or online job boards for new positions, thinking about other jobs one would enjoy more than their current job, thoughts of changing aspects of work to make it more enjoyable, and taking extended breaks, also are associated with voluntary turnover.



Strong match MVP outcomes result in 37% fewer reports of turnover-related behaviors.

As self-reported turnover behaviors increase, so does the percentage of participants who were a Weak Match on the MVP.

Job Performance

Whereas participants provided self-report ratings of job satisfaction, organizational commitment, and turnover behaviors, data relating to job performance was objectively collected and reported for a subset of participants.



The results indicate that of all participants receiving high quality ratings, nearly 61% received a strong match outcome compared to about 9% of those with a weak match outcome. **In fact, those participants who passed the MVP (i.e., Moderate or Strong Match outcomes), accounted for more than 91% of all high quality ratings.**

Summary and Conclusions

One way to put values to work within an organization is to “align (e.g., match or ‘fit’)” individuals with your organizations values. Values are relatively stable, general beliefs about desirable ways of conducting oneself, and they guide individual behavior across time and contexts, including work and professional or career settings. Each organization operates according its own set of work values and regardless of how formally or informally work values are established, they have a significant impact on the behaviors and beliefs of others, and ultimately underlie the functioning of an organization.

Core work value alignment results in higher levels of job satisfaction and organizational commitment, as well as fewer reports of turnover-related behaviors such as absenteeism and tardiness. People who align well with the values of their organization tend to produce at higher levels of quality as well as output, thus the implications of these findings provide opportunity for significant ROI!



The focus of DeGarmo Group’s research, product development, and service delivery is the application of psychological science in human resource (HR) and employment assessment and selection. We provide our clients with web-based HR testing and training services that support their talent acquisition and employee development processes.

For more information about the **Matched Values Profile (MVP)™**, or any information or data relating to this report, please contact DeGarmo Group using the information below.

Toll-Free within the U.S.

(866) 4-DEGARMO

(866) 433-4276

Outside of the U.S.:

1+ 309-828-4344

Email:

sales@degarmogroup.com



Citations in this report are available upon request.