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Value Similarity about Human Resources, Competitiveness and Social Responsibility: A Study of Organizational and Suborganizational Differences

Abstract

This study explored the perception of value similarity between employees and top management. Three types of organizational values were identified including values concerning the use of human resources, the competitiveness of the firm, and the importance of social responsibility. Two organizations and two subpopulations within one organization were examined to determine if differences exist in the way different groups configure their values. The results revealed that the importance of value similarity on the use of human resources was "univocal" or common to both organizations and subpopulations. In contrast, similarity on competitiveness values and social responsibility values were found to vary and thus operate uniquely for different organizations and subgroups. The implications of these findings for the universality versus uniqueness debate within the culture literature and the future measurement of organizational value constructs are discussed.

Keywords

organizational values, univocally, service orientation

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Value Similarity about Human Resources, Competitiveness and Social Responsibility: A Study of Organizational and Suborganizational Differences

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This study explored the perception of value similarity between employees and top management. Three types of organizational values were identified including values concerning the use of human resources, the competitiveness of the firm, and the importance of social responsibility. Two organizations and two subpopulations within one organization were examined to determine if differences exist in the way different groups configure their values. The results revealed that the importance of value similarity on the use of human resources was "univocal" or common to both organizations and subpopulations. In contrast, similarity on competitiveness values and social responsibility values were found to vary and thus operate uniquely for different organizations and subgroups. The implications of these findings for the universality versus uniqueness debate within the culture literature and the future measurement of organizational value constructs are discussed.

Value similarity within top management teams and between top managers and employees has recently received much attention (Enz 1988; Hambrick and Brandon 1988; Saffold 1988; Wiener 1988). While the role of value similarity in the functioning of organizations is argued to influence actions and outcomes, little is known about the role of specific types of values. One of the impediments to research efforts rests with philosophical differences regarding the way in which values data should represent organizational phenomena as either: (1) idiosyncratic, particular, or unique, or (2) replicable, well-defined, or universal. Related to this continuing debate is the issue of whether values are amenable to quantitative examination. However, to date there have been few attempts to empirically specify values or ascertain if differences in organizational culture and suborganization cultures affect the relevance of specific types of values.

Wakhlu recently noted that "It can be said without fear of contradiction that good organizations and shared values have to be found together" (1986, 265). This assertion is reinforced by the empirical work of Posner, Kouzes, and Schmidt (1985), who found value similarity to be positively related to commitment, a sense of success, and other work attitudes. While these researchers argue that value sharing makes a difference, they do not specify the types of values that make a difference nor do they distinguish between organizational types, industries, or subcultures to ascertain their effects on the degree of value sharing. These authors and many others presume a virtual universality of value sharing and/or fail to specify types of organizational values (see Denison 1984; Peters 1985).

An opposite conceptualization has emerged within the culture literature that stresses the unique and organization specific nature of a variety of cultural factors of which shared values are paramount (Morgan and Smircich 1980). In its most dramatic posture, this view argues that values are grounded solely within the milieu of the firm's or suborganization's culture, thus making it impossible to construct standardized measures or to generalize to other organizations or subgroups. The uniqueness argument is enhanced by the recent empirical work of Reynolds (1986), who concluded that the measurement of culture must reflect industry and organizational differences if culture is to be a useful and accurate organizational construct. This view is given even greater emphasis by Barney (1986), who claims that it is the uniqueness of an organization's culture that provides its distinctive competence and means for high performance. Several researchers have also recognized a need to narrow the view of more specific types of shared values (Saffold 1988; Wiener 1988).

The purposes of this study are to identify measurable types of value similarity and to explore how univocal or idiosyncratic value sharing is for specific types of values in different organizations and suborganizational groupings within an organization. Thus the primary focus of this research is to identify types of organizational values and to ascertain whether value similarity is univocal or unique to organizations or subcultures. Evidence of univocality would facilitate research using quantitative research methodologies and generalizable measurement instruments. Findings of uniqueness to organization types or subgroups would suggest the need for greater reliance on qualitative and ethnographic research approaches. Finally, evidence of some univocality and some uniqueness would justify a "hybrid" measurement approach in which both qualitative and quantitative research strategies are employed. As a first step in this refinement of the construct of organizational value similarity, it is necessary to understand which values form the basis of measurable constructs and the limits of their generalizability (Venkatraman and Grant 1986).

Background

Value Similarity

While inconsistencies in the definition of values appear in the literature (Faulding 1965; Brown 1976; Wiener 1988), Rokeach's (1973) definition has achieved a fair level of acceptance. Rokeach proposed that a "value is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse model of conduct or end-state of existence" (1973, 3). Enz (1986) applied this conceptualization to the organizational context by defining organizational value similarity as a condition in which preferences or priorities are shared by individuals or groups that speak to the actions or outcomes organizations "should" identify in the running of the firm. This definition of organizational value similarity will be used in the present study because of its grounding in the most accepted conceptualization of values (Beyer 1981; Sproull 1981) and its applicability to the organizational domain.

The approach to value similarity employed in this study captures the perceived, conscious, and explicitly stated perceptions of value sharing with top management, frequently called espoused value similarity (Posner, Kouzes, and Schmidt 1985; Enz 1988). Top management is the selected focal reference for exploration because these executives have the fundamental responsibility to shape organizational values (Barnard 1938) and organizations are reflections of their visions, beliefs, and values (Hambrick and Mason 1984). Employees must be mindful of the values of top management in order to make comparisons and espouse similarity. While employees may not actually know what top management believes, they do form impressions. Perceived value similarity is important because, regardless of whether or not the values are truly shared, employees' actions reflect what they perceive. Illustrative of this logic are the findings of Enz (1988), who reported that departmental power was influenced by perceived value similarity with top management, but not influenced by actual similarities. In this instance, she concluded that power was a product of a social definition of value similarity, rather than an "objective" calculation of similarity. Hence, perceived value similarity captures a socially constructed notion of sharing, in which perceptions shape outcomes.

Univocality and Uniqueness

Rousseau's (1990) term "univocality" is adopted here to refer to value dimensions that are espoused "with a single voice" in a broad range of organizations and subgroupings within organizations. Univocality is less stringent than "universality"; its use is intended to imply a degree of generalizability and accessibility sufficient for quantification in multiple contexts. For example, because organizations

are social instruments, some argue that humanistic values about how employees should be treated would be univocal. Uniqueness refers to values that are relatively more tied to situation-specific contexts. Values concerning safety, for example, would be relatively more unique when contrasting extractive vs. information process technologies.

According to some, the uniqueness argument discussed earlier has hampered the needed focus on measurable value constructs (Morey and Luthans 1985; Wiener 1988). While it is quite possible that organizational values are unique to a particular organization's cultural milieu, quantitative attempts to examine cultural construct, including value similarity, have frequently relied on existing measures of work climate (Denison 1984), or general measures of similarity (Posner, Kouzes, and Schmidt 1985), raising some doubt as to whether the constructs can be adequately measured. One notable exception to many of the existing fragmented and artificial measures of values is evident in the work of Enz (1988), who recently developed a measure of organizational value similarity that reports reliabilities and employs a multi-value versus general similarity measurement strategy.

In sum, researchers need to be able to measure value similarity so that research can proceed. Specifically, more understanding is needed about which types of value similarity are universal and which types unique. It is anticipated that value similarity will have both universal and unique components; however, no a priori attempt is made to specify what these might be. Together the identification of universal and unique types of value similarity implies a potential for generalizable linkages to organizational actions as well as rich descriptions of unique cultural linkages. Ascertaining which types of values are widely shared and which are shared in unique groupings helps researchers in the selection of the appropriate method for data collection and facilitates the use of combinations of qualitative and quantitative methods throughout a particular research endeavor.

Data

Enz (1986; 1988) recently introduced an instrument for measuring organizational value similarity. The development of this instrument was based on interviews with over 200 employees in five different firms representing manufacturing and service industries and small and large firms. Employees in these organizations were asked to list the most important values they felt an organization should have in running a firm. Interviewees were asked to rank order a list of values using a card sort procedure to establish a diverse set of critical values. The purpose of the extensive interviews was to enhance understanding by offering flexibility in questioning and allow for clarifying and expanding the possible

types of organizational values. Since the value similarity scale was based on extensive interviews to ascertain relevance and comprehensiveness in value domains, it is well-suited to the goals of this paper.

The instrument itself (see the appendix of Enz 1986) consists of 20 organizational values, each accompanied by a brief description for clarity and precision of interpretation. The specific value items were devised as a result of the interviews, as well as reflecting desired organizational means and ends identified in the organizational effectiveness literature (Schein 1985) and the values scale of England (1975). A few examples of organization-based values and their descriptions used in this scale are: Aggressiveness, an organization should be considered a bold, enterprising company, actively hustling in the marketplace; Creativity, an organization should be imaginative and innovative; Open Communication, an organization should keep everyone informed about what is going on in the company; and Efficiency, an organization should design jobs with minimal waste and expense.

Respondents are asked to indicate how similar they are to the top management of their organization on each of the value items. The degree of similarity on specific value statements was obtained using a 7- point Likert-type scale ranging from "very dissimilar" to "very similar," with the addition of a "don't know" response which was coded as missing data. This instrument captures similarity that is explicitly stated or espoused. The importance of perceived value similarity, whether or not the values are truly shared, is that individuals act on what is perceived. This approach relies on believing congruity exists and highlights the importance of the social construction of reality, in which individual interpretations affect attitudes and behaviors.

Samples

Data were collected using structured company-wide surveys in two organizations headquartered in the Midwestern region of the United States; a large national insurance company (n=976) and a regional public utility company (n=770). Employees from all departments and hierarchical levels of both companies were represented in the sample, with response rates of 68.5% for the insurance company and 68.3% for the utility. Completed surveys were mailed directly to one of the researchers in the case of the insurance company, and placed in locked drop boxes in the case of the utility company.

The typical respondent in the insurance company was 38 years old with 9 years of experience within the firm. Males represented 50.8% of the respondents. In the utility company the average respondent was 40 years old with 16 years of experience in the firm. This organization was predominately male (85%).

In addition to being considered in its entirety, the insurance firm was divided into two sets of organizational subgroups by gender (500 men and 276 women) and by the service-orientation of the personnel (703 service-oriented and 273 nonservice-oriented respondents). These two organizations provide the opportunity to contrast firms that differ in employee composition (the insurance agency has a large number of employees in the "field"), competitive contexts (the utility is a "monopoly"), and sets of stakeholder relationships (regional vs. national).

Service orientation. The extent of a "service-orientation" was selected for intra-organizational (subcultural) comparison because value orientations may differ as a result of the external/internal split in activities in these two groups (Ansoff 1984; Lawrence and Lorsch 1967). Research on "boundary-spanning roles" suggests the presence of quite different demands, controls, and orientations in these two groups. Service-oriented employees who perform a boundary-spanning function may place greater emphasis on building "professionalism" as a value. Further, the high level of independence associated with the activities of service-oriented insurance respondents may suggest that specific organizational values may be differentially important. In this study, respondents who indicated on the survey that their job involved direct contact or communication with customers were categorized as having a service-orientation. Respondents who indicated that they had no contact or communication with customers were categorized as nonservice-oriented. These reports of customer contact were validated by examining respondents' departments and job titles. Reports of customer contact were found to be strongly linked to the nature of the job and subunit within the firm. Hence, boundary-spanners, such as salespersons and field managers, were service-oriented, while data entry personnel and underwriters were not.

Gender. Gender was explored because of literature suggesting that men and women differ on some values (e.g., Kanter 1977; Powell 1988). Opportunity structure, comparable worth, sexual harassment, child care, and other issues that distinguish males and females suggest that pattern of value similarity with executives may differ. Since the reference for value similarity is a predominantly male top management, gender may be a likely source of explained differences in the dimensionality of value similarity.

Analysis

The measurement structure of organizational value similarity was addressed through exploratory and confirmatory factor analysis (CFA).¹ The goal of these analyses was to develop a measurement model for each of the organizations and subgroups that could be used for inferences

about the constructs of organizational value similarity. To attain a good convergence of the items, each was restricted to load on only a single factor. The discrimination of each construct can be assessed through the intercorrelation of the underlying (i.e., latent) constructs. Such a model conforms to congeneric measurement assumptions (Joreskog 1971) and enables a good assessment of Cook and Campbell's (1979) criteria of convergent and discriminant validity (Bohrnstedt 1983; Long 1983).

Model development followed the recommendations of Bohrnstedt (1983). An initial exploratory factor analysis was performed using a maximum likelihood estimation procedure and relied on the Tucker-Lewis index (1973) as a guide to the number of factors. Items were sequentially eliminated based on two criteria. First, those items loading less than .4 on any factor were presumed to have little theoretical validity (Lord and Novick 1968). Second, those loading greater than .3 on more than a single factor were eliminated since they would hinder the discriminability of the factors. This "screen" of the items was followed by a CFA of a congeneric measurement model for the remaining items.

After the measurement models were developed, the inter- and intra-organizational variability of a common construct was explored using multiple sample comparisons. Comparing nested models with free and constrained measurement structures, and examining the changes in the χ^2 indicator of model fit were used to determine the extent of differences in these comparisons (Joreskog and Sorbom 1985).

Results

Exploratory Factor Analysis

The exploratory factor analyses for each organization and subgroup are reported in Table 1. Although 1-6 factor solutions were examined, only the promax-rotated, three-factor solutions are reported. The three-factor solution was selected because the Tucker-Lewis coefficient indicated that three factors were sufficient to explain the correlations among the items. The moderate to high level of intercorrelation among the factors, reported at the bottom of the table, support the use of the oblique rotation.

An inspection of Table 1 reveals several patterns. For both organizations and all subgroups, the items pertaining to value similarity about "high morale," "open communication," "employee development," and "employee satisfaction" loaded together, indicating that value similarity on the management of people is a distinct factor. In the insurance company, there is a more variable, yet repetitive pattern where values concerning the "company's individuality," "aggressiveness," "creativity," and "product development" loaded together. These values provide evidence of a factor relating to the

manner in which a firm should compete. Finally, values related to the firm's social and ethical responsibilities emerged as a third factor, however, with less consistency than the human resource or competitiveness factors.

TABLE 1
3-Factor, Maximum-Likelihood, Promax-Rotated Exploratory Factor Analysis Solutions for Organizations and Subgroups

Item	FACTOR I					FACTOR II					FACTOR III				
	Groupings*					A	B	C	D	E	A	B	C	D	E
<u>Professionalism:</u>	-0.060	.179	-0.064	-.121	.086	-0.038	.304	<u>0.694</u>	-.005	-.080	<u>0.574</u>	.117	0.119	<u>.671</u>	<u>.613</u>
<u>Community Involvement:</u>	-0.006	-.058	-0.167	.081	-.180	0.039	.335	<u>0.422</u>	.016	.300	<u>0.415</u>	.291	0.387	<u>.438</u>	.358
<u>Company Individuality:</u>	-0.106	.045	-0.120	-.082	-.086	<u>0.486</u>	<u>.631</u>	<u>0.515</u>	<u>.548</u>	<u>.523</u>	0.327	.065	0.291	.277	.263
<u>Aggressiveness:</u>	-0.067	.107	-0.086	-.065	-.014	<u>0.614</u>	<u>.794</u>	<u>0.425</u>	<u>.815</u>	<u>.434</u>	0.220	-.106	0.381	.047	.344
<u>Ethical Behavior:</u>	0.076	.341	0.214	.019	.262	-0.013	.176	<u>0.765</u>	-.087	-.087	<u>0.509</u>	.191	-0.153	<u>.681</u>	<u>.570</u>
<u>Creativity:</u>	0.053	.353	0.149	.088	.189	<u>0.808</u>	<u>.683</u>	<u>0.617</u>	<u>.784</u>	.394	0.049	-.118	0.069	.036	.321
<u>Efficiency:</u>	0.227	.224	0.342	.255	.225	<u>0.549</u>	<u>.575</u>	<u>0.564</u>	<u>.503</u>	.303	0.042	.069	-0.069	.066	.323
<u>Industry Leadership:</u>	-0.058	-.167	0.003	-.094	-.139	0.354	<u>.722</u>	<u>0.557</u>	<u>.485</u>	<u>.560</u>	<u>0.496</u>	.250	0.263	<u>.407</u>	<u>.429</u>
<u>Quality and Service:</u>	0.020	-.099	0.080	.043	.008	0.157	.248	<u>0.418</u>	.204	.352	<u>0.520</u>	<u>.625</u>	0.303	<u>.443</u>	<u>.429</u>
<u>Support Failures:</u>	0.210	.395	0.277	.328	.217	0.277	.280	0.216	.219	.343	0.154	.094	0.216	.123	.118
<u>Company Stability:</u>	0.051	-.056	0.193	.038	.048	-0.050	.058	0.236	-.073	<u>.439</u>	<u>0.470</u>	<u>.618</u>	0.304	<u>.523</u>	.056
<u>Creating Jobs:</u>	0.241	.051	0.372	.104	.205	0.198	.258	-0.004	.212	<u>.500</u>	0.009	.329	0.378	.034	-.092
<u>Profits:</u>	0.168	.079	0.011	.084	.115	0.115	.245	0.029	.077	<u>.430</u>	0.160	.272	<u>0.618</u>	.280	-.054
<u>High Morale:</u>	<u>0.717</u>	<u>.759</u>	<u>0.775</u>	<u>.675</u>	<u>.784</u>	-0.000	.059	0.185	.034	.005	0.135	.141	-0.048	.155	.150
<u>Product Development:</u>	0.202	.067	0.116	.202	.095	<u>0.494</u>	<u>.505</u>	0.061	.591	<u>.646</u>	0.053	.260	<u>0.558</u>	-.002	-.036
<u>Open Communication:</u>	0.690	<u>.406</u>	<u>0.709</u>	<u>.639</u>	<u>.558</u>	0.116	.162	-0.131	.132	.248	0.064	.285	0.275	.086	.066
<u>Employee Development:</u>	<u>0.586</u>	.340	<u>0.746</u>	<u>.462</u>	<u>.537</u>	0.107	.172	-0.048	.212	.317	0.126	.377	0.174	.142	.005
<u>Reduced Labor Costs:</u>	0.221	.056	0.287	.313	.120	0.046	-.165	0.120	.023	.101	0.087	.363	0.195	.081	-.012
<u>Employee Satisfaction:</u>	<u>0.812</u>	<u>.755</u>	<u>0.835</u>	<u>.943</u>	<u>.719</u>	-0.048	.002	0.128	-.033	.089	0.125	.192	-0.046	-.024	.122
<u>Survival:</u>	0.252	.211	0.148	.366	.249	-0.133	-.138	0.238	-.041	.127	<u>0.483</u>	<u>.485</u>	0.337	.231	.269

*A = Insurance Co. Service Employees (n=703)

B = Insurance Co. Nonservice Employees (n=273)

C = Public Utility Employees (n=770)

D = Insurance Co. Males (n=500)

E = Insurance Co. Females (n=476)

χ^2 A = 422.4/133df

B = 284.3/133df

C = 455.5/133df

D = 316.5/133df

E = 430.89/133df

Factor Intercorrelations: I II II III I III

A: .628 .633 .629

B: .623 .593 .638

C: .566 .685 .606

D: .660 .661 .681

E: .576 .549 .525

Confirmatory Factor Analysis

While the exploratory factor analysis served as a method for evaluating overall patterns in the scales and the elimination of some items, the technique of "confirmatory" factor analysis is needed to identify sets of items that have good measurement properties. At this point, congeneric models of the retained items were specified and estimated for the two organizations and subgroups. For each of the subpopulations, selective error terms between items were permitted.²

An exemplary final model for the insurance company's service employee subgroup is depicted in Figure 1. This figure depicts the three latent value congruity constructs as circles and each of the twelve items is depicted as a rectangle. The L parameters reflect the "loadings" of each item on its underlying latent construct. In this form, each set of items converges on a single construct and each factor is distinct.

A summary of the estimates and fit indices for both organizations and all subgroups is reported in Table 2. The fit indices are listed in the first column along with the χ^2 statistics and the sample sizes. "A," an index proposed by Bentler and Bonett (1980), is reported because the χ^2 statistic is distorted by several categorical scales (Hughes, Price, and Marrs 1986). This latter index is uniformly higher than the .9 heuristic often used for model acceptance, suggesting that the models are consistent with the data.

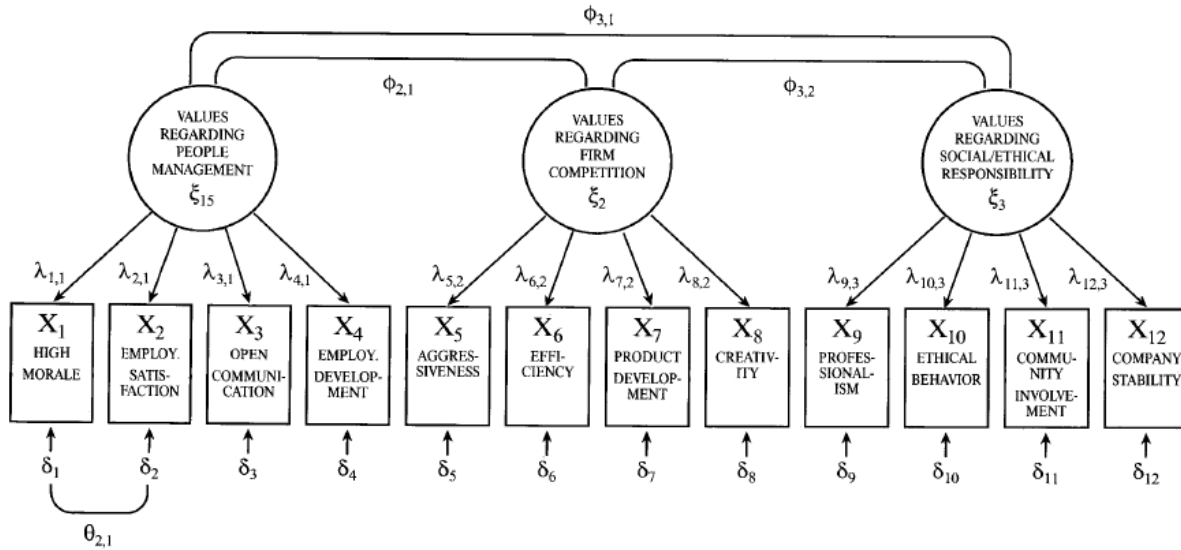
The parameter estimates for each model on the first latent construct "valuing people" are reported in the second column. This construct appears to be well-measured in all of the groupings with composite reliabilities ranging from .821 to .881. Not only is the construct of congruence about valuing people reliably measured, the items provide some evidence of convergent and discriminant validity by virtue of the overall model's congeneric property (Cook and Campbell 1979; Joreskog 1971). Furthermore, this latent construct of value congruity regarding people management is measurable and generalizable across these groups. The models reveal that "values about firm competition" has a similar measurement structure for males and service employees, a somewhat different but not totally inconsistent structure for females, and no generalizability to the public utility.

A third construct was found related to an "external" orientation of responsibility to the public. In the more regulated utility environment, certain items that converged on competitive values attached themselves to this third construct. Although convergent and discriminant validity is evidenced through the acceptable normed fit indices (Bentler and Bonett 1980), the reliabilities are lower (i.e., .623 to .304). Thus, the ability to adequately measure this construct with the existing subpopulations current survey is questionable.

TABLE 2
Parameter Estimates and Fit Indices from Measurement Models for Organizations and Subgroups

Subgroup	Valuing People (ξ_1)		Values About Firm Competition (ξ_2)		Values About Social Responsibility (ξ_3)	
	Item	Parameter Estimate	Item	Parameter Estimate	Item	Parameter Estimate
<u>Insurance: Service Employees</u> (n=703)	High Morale	.770	Aggressiveness	.694	Professionalism	.499
	Employee Satisfaction	.809	Efficiency	.758	Ethical Behavior	.591
Fit Indices:	Open Communication	.844	Product Development	.671	Community Involvement	.445
$\chi^2=143.36/50df$ (p<.000)	Employee Development	.773	Creativity	.867	Company Stability	.445
$\Delta=.960$	Composite Reliability	.829	Composite Reliability	.736	Composite Reliability	.304
Summary Information:	Factor Intercorrelation $\phi_{2,1} = .785$ $\phi_{3,1} = .690$ $\phi_{3,2} = .723$					
	Error Correlations Permitted: (Morale, Employment Satisfaction) = .087					
<u>Insurance: Nonservice Employees</u> (n=273)	High Morale	.799	Company Individuality	.675	Quality and Service	.766
	Employment Satisfaction	.808	Aggressiveness	.779	Company Stability	.596
Fit Indices:	Open Communication	.773	Efficiency	.790		
$\chi^2=62.14/31df$ (p=.001)			Product Development	.722		
$\Delta=.960$			Creativity	.858		
	Composite Reliability	.821	Composite Reliability	.768	Composite Reliability	.616
Summary Information:	Factor Intercorrelations $\phi_{2,1} = .892$ $\phi_{3,1} = .778$ $\phi_{3,2} = .747$					
	Error Correlations: (Morale, Employment Satisfaction) = .148					
<u>Insurance: Male Employees</u> (n=500)	High Morale	.780	Aggressiveness	.753	Professionalism	.559
	Employee Satisfaction	.812	Efficiency	.763	Ethical Behavior	.638
Fit Indices:	Open Communication	.834	Product Development	.731	Community Involvement	.550
$\chi^2=96.45/50df$ (p<.000)	Employee Development	.765	Creativity	.884	Company Stability	.471
$\Delta=.967$	Composite Reliability	.827	Composite Reliability	.797	Composite Reliability	.394
Summary Information:	Factor Intercorrelations $\phi_{2,1} = .817$ $\phi_{3,1} = .746$ $\phi_{3,2} = .678$					
	Error Correlations: (Morale, Employment Satisfaction) = .095					
<u>Insurance: Female Employees</u> (n=483)	High Morale	.782	Company Individuality	.557		
	Employee Satisfaction	.799	Aggressiveness	.610		
Fit Indices:	Open Communication	.799	Product Development	.656	NOT PRESENT IN MODEL	
$\chi^2=9.55/11df$ (p=.571)			Quality and Service	.602		
$\Delta=.989$	Composite Reliability	.821	Composite Reliability	.498		
Summary Information:	Factor Intercorrelations $\phi_2 = .857$					
	Error Correlations: (Morale, Employment Satisfaction) = .124 (Aggressiveness, Company Individuality) = .161					
<u>Public Utility</u> (n=770)	High Morale	.862			Professionalism	.701
	Employee Satisfaction	.891			Community Involvement	.561
Fit Indices:	Open Communication	.794			Company Individuality	.607
$\chi^2=83.50/35df$ (p<.000)	Employee Development	.802	NOT PRESENT IN MODEL		Aggressiveness	.635
$\Delta=.982$					Ethical Behavior	.778
					Creativity	.796
					Quality and Service	.708
	Composite Reliability	.881			Composite Reliability	.623
Summary Information:	Factor Intercorrelation = .736					
	Error Correlations: (Company Individuality, Aggressiveness) = .111; (Employee Development, Open Communication) = .087; (Ethical Behavior, Open Communication) = .075; (Creativity, Quality and Service) = -.079; (Professionalism, Community Involvement) = .120; (Professionalism, Company Individuality) = .078; (Company Individuality, Community Involvement) = .136; (Community Involvement, Aggressiveness) = .146					

FIGURE 1. Measurement Model of Items in Value Congruity Scale (Enz 1986) for a Suborganizational Group of Service-Oriented Insurance Employees



Note: Latent constructs are represented by circles, each item is represented by a square, and the loadings of these items are represented by λ . Error terms are represented by δ s. A single correlation was permitted between the first and the second items on the basis of a plausible common relationship outside of the model; this is depicted as a θ parameter.

Multiple Group Comparisons

The generalizability of the valuing people latent variable permitted comparisons of the measurement structures between the different subpopulations. This was performed using the multiple sample feature of the LISREL VI program, which simultaneously estimates parameters in each group and provides a combined χ^2 measure of fit.³

The results of this assessment are reported in Table 3. The first row of this table gives the overall Z2 statistic for the simultaneous estimation of all the groups, which indicates the model's consistency with the data. The following rows indicate which groups were compared and the degree of dissimilarity (i.e., the χ^2 difference) between the groups. The χ^2 differences were significant in all of the comparisons except for the comparison males and females in the insurance company (χ^2 difference = 13.42/11 df, $p > .10$).

Overall, these results show significant differences in the measurement structure between the two organizations and by service orientation, but not by gender. Since the factor structure in both the exploratory and confirmatory factor analyses for this latent variable demonstrates good consistency among these groupings, it seems plausible to cautiously pursue the quantitative measurement of these value dimensions with this scale. These comparisons show that differences within the insurance organization are as large as those between the two firms. Lawrence and Lorsch (1967) previously noted

large differences in time orientations and interpersonal orientation between departments. These results suggest that there are important distinctions along value dimensions as well.

Discussion

This study identified three measurable types of organizational value similarity including similarity on the use of human resources, the competitiveness of the firm, and the importance of social responsibility. In addition, the study presented evidence to suggest that value similarity on the use of human resources is a univocal value category, while value similarity on social responsibility varies depending on the organization studied or subgrouping within an organization. Value similarity on competitiveness assumes an intermediate position.

These findings indicate that the sharing of values such as employee satisfaction, open communication, employee development, and high morale are generic or generalizable across organizations and suborganizational groupings. Hence, this study offers preliminary support for the view that those types of value sharing are sufficiently generalizable that replication and inferences can be made to other organizations and subgroups. This study has shown that a measure of valuing human resources, consisting of the four values noted above, constitutes a feasible set of a priori values for quantitative analysis. However, a significant difference in the pattern of loadings of these items was found between service-oriented and nonservice-oriented employees. Thus, while these items are generalizable to the extent that they measure a common construct of value sharing, differences in the measurement structure of items may be expected in organizations where differentiation is high (Lawrence and Lorsch 1967). The presence of such differences could be accommodated, however, by separate subgroup analyses.

TABLE 3
Differences in the Measurement Structures of Congruence about Valuing People

Simultaneous Estimation	χ^2	χ^2 Difference/11df	ρ
Same Pattern and Starting Values	38.92/28df (p=.082)	—	
Insurance Co. Males (n=500) ^a Insurance Co. Females (n=483)	52.34/39df (p=.075)	13.42	n.s.
Insurance Co. Service (n=703) Insurance Co. Nonservice (n=273)	68.18/39df (p=.003)	29.26	<.01
Insurance Co. Total (n=990) Public Utility (n=770)	67.08/39df (p=.003)	28.16	<.01

^aThe estimates in the $\Lambda(x)$ and θ_8 matrices have been constrained to equality in these two subgroups, while the other subgroups maintained the same pattern.

In contrast, the values of aggressiveness, efficiency, product development, creativity, professionalism, ethical behavior, community involvement, and company stability were idiosyncratic and unique for different organizations and subgroups. These findings suggest that attempts to capture values regarding competition and social/ethical responsibility, consisting of the eight values noted above, may be better suited to qualitative methodologies. These values may possess unique meanings and configuration grounded within organizational cultures and hence not be amenable to a priori researcher-based categorization. It is likely that the schemas used by employees for organizing values related to competitiveness and social responsibility are less developed than those regarding the use of human resources.

These findings shed some light on the current definitional/epistemological/ methodological debate in the culture literature. Specifically, this study lends empirical support to Rousseau's assertions that cultural elements (e.g., value sharing) vary along a continuum of generalizability and idiosyncrasy, different locations along which indicate different methodological combinations. Thus, although this study provides evidence that an instrument can be studied, the contribution of quantitative methodologies will vary. In the study of univocal values elements, such as value similarity concerning the management of human resources, quantitative methodologies can play a primary role. In the study of more unique value configurations, such as those related to competition and social responsibility, quantitative and qualitative methods can be used together.

One possibility has been raised by Fryxell and Enz (1989), who suggest that joint methodologies may permit the development of "flexible instruments." Such instruments may be feasible through a marriage of qualitative methodologies as inputs to instrument construction and quantitative methodologies for post-hoc validation. The exploration of ways to combine such different types of research methodologies, which may facilitate and extend the use of quantitative methods in values research, should be encouraged.

Although this paper has focused exclusively on the specification of different types of organizational value sharing and the uniqueness or universality of these types, research has begun on the effects of value sharing on critical outcomes. Several studies have linked value similarity with individual performance (Meglino, Revlin, and Adkins 1989; Senger 1971; Weiss 1978), subunit performance (Enz and Schwenk 1989), intra-organizational power (Enz 1988), persistence in whistleblowing (Miceli, Near, and Schwenk 1989), strategic decisions (Enz 1989), and commitment (Posner, Kouzes, and Schmidt 1985). Future researchers should explore other antecedents and outcomes and would be advised to consider "hybrid" measurement approaches to allow for both the unique and

univocal facets of value similarity. The techniques employed in this study to examine univocality and uniqueness should be applied to other values scales and samples if we are to understand this area of study. Finally, care must be given to scale construction and measurement of organizational values to assure that the configuration of value types is meaningful and generalizable.

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¹ In spite of the term "confirmatory," this is an exploratory model building procedure which strives for a fit with the observed relationship among the items. It is not truly "confirmatory" in the sense of testing a theoretically derived set of relationships.

² Some selective correlations among error terms were specified if indicated by the modification indices and if they could be supported by a reasoned inspection of the items. For example, in all of the insurance subpopulations, a correlation was permitted between the error terms of the items "high

morale" and "employee satisfaction." In this case, the parallel nature of the wording alone seemed to justify this correlation. For three of the subpopulations, this was the only modification. An additional modification was permitted for the female insurance subpopulation (i.e., "aggressiveness" and "company individuality"), and multiple correlations were added in the case of the public utility. In the case of the utility, there were connections between some of the items based on differences in the quasi-public service context. For example, one of the highest error term intercorrelations (.146) was between community involvement and aggressiveness. From the wording of the item for aggressiveness (i.e., "bold," "enterprising," and "hustling"), it would be expected that a common outside factor would link this to service in the community.

³ The model of this single construct was comprised of the five items related to valuing people: "high morale," "employee satisfaction," "open communication," "employee development," and "support failures." After obtaining this combined measure of fit for a common model of the valuing people construct, the factor structure of one group was imposed on the other, resulting in an increase in the χ^2 statistic commensurate with the loss of fit. The extent of this increase in the χ^2 statistic per degree of freedom is proportional to the dissimilarity of the subpopulations compared.