

# Influence of Organisational and Human Values on Sustainable Organisational Performance

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**Abstract:** *Performance management is a corporate management tool that helps managers monitor and evaluate employees' work. Performance management's goal is to create an environment where people can perform to the best of their abilities to produce the highest-quality work most efficiently and effectively. A formal performance-management program helps managers and employees see eye-to-eye about expectations, goals, and career progress, including how individuals' work aligns with the company's overall vision. Generally speaking, performance management views individuals in the context of the broader workplace system. In theory, you seek the absolute performance standard, though that is considered unattainable. One of the key factors of organisation's success is establishing a reciprocal, balanced level of expectations between the organisation and employees. The initiative to instill and further induce organisational values has to continue within an organisation to ensure employee retention and boost up organisational performance. Organisational values describe the core ethics or principles which the company will abide by, no matter what. Human values are the virtues that guide employees to take into account the human element when we interact with other human beings. Human values are, for example, respect, acceptance, consideration, appreciation, listening, openness, affection, empathy and love towards other human beings. Both values inspire employees' best efforts and also constrain their actions.*

**Keywords:** altruism, empathy, positive norm of reciprocity

## 1. Introduction

Organisational values describe the core ethics or principles which the company will abide by, no matter what. Human values are the virtues that guide employees to take into account the human element when we interact with other human beings. Human values are, for example, respect, acceptance, consideration, appreciation, listening, openness, affection, empathy and love towards other human beings. Both values inspire employees' best efforts and also constrain their actions. Strong, clearly-articulated values should be a true reflection of your organisation's aspirations for appropriate workplace behaviour, and play an important role in building a positive culture at your organisation. Well-drafted and current organisational values such as guide staff behaviour, as well as strategic and operational decisions, provide a solid foundation for your employment policies, and "fill the gaps" where policies are silent, over time, improve the organisation's ethical character as expressed in its operations and culture, demonstrate integrity and accountability to external stakeholders, set the organisation apart from its competitors, reduce risk of inappropriate behaviour, strengthen the employment value proposition. Every organisation preferences some values over others. A university might value intellectual rigour, independence and the pursuit of knowledge. By comparison, a listed telecommunications company would prefer customer service, network reliability, and profit. For this reason, there is no such thing as a one-size-fits-all Code of Ethics. Management practices are at the heart of most organizations' sustainability efforts. Despite the importance of values for the design and implementation of such practices, few researchers have analyzed how human values, particularly ethical values, relate to human resource management practices in organizations. The purpose of this conceptual paper is to integrate scholarship on organizational sustainability, human resource practices, and values in delineating how four specific values—altruism,

empathy, positive norm of reciprocity, and private self-effacement-support effective human resource practices in organizations. This set of distinct values has sustainability implications, global relevance, and ethical significance. Propositions that indicate relationships among these values, human resource practices, and organizational sustainability, as well as the effects of the resource-based view to potentiate these relationships, are developed. This analysis suggests that ethical and multicultural values are important for planning and implementing effective management practices and organizational sustainability.

## 2. Objectives

- To examine the effect of organisational values on organisational performance
- To examine the effect of human values on organisational performance

## 3. Review of Literature

*Brumbach (1988)* defines performance as follows: 'Performance means both behaviors and results. Behavior's emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviors are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from results.' Hence, behavior as well as the results finds their place in the concept of performance.

*Armstrong and Baron (2012)* point out that Performance Planning and Performance Agreement is a joint exploration of what individuals are expected to do. It is more so important that the manager clearly specifies the meaning of performance according to the job description or the role. It may happen that the manager may expect of performance from a team member that is not so relevant for that particular role but of the role above or below to the position otherwise

known as setting expectations either on the higher side or lower side of the standards for the role.

*“Edgar Schein Theory of Organizational Culture”* Edgar Schein (1980) developed an organizational culture model to make culture more visible within an organization. Edgar Schein also indicated what steps need to be followed to bring about cultural change. Schein's model of organizational culture is not only one of the most cited culture models but also one that serves a high degree of abstraction and complexity reduction. This theory aims to explain how organizations adopt culture over a period of time. According to Edgar Schein (1990) organizations do adopt culture on a single, form it over a period of time as employees go through various changes, adapting to the external environment and solving problems thereof. The gain is realized from their past experience as the start practicing it daily thus forming the workplace culture. The new employees will also strive hard to adjust to the new culture and enjoy a stress free life. Schein (2004) further suggested a view of organization culture based on three levels of culture: the Artifacts; espoused beliefs and values, and basic underlying assumptions, and their relationship.

*Mohrman and Mohrman (1995)* state that it is necessary to tie all aspects of managing performance to business objectives. Armstrong and Baron (1995) suggest that in a holistic approach to the management the following aspects of what makes organizations, teams and individuals perform well must be considered: the context of organization, culture, functionality, job design, team work, organization development, purpose and value statements, strategic management and human resource management. Organization needs to create an environment of learning for the employees to enhance knowledge and develop relevant competencies for performance. In an era where there is rapid technological advancement, constant change in the business environment and business models, it is essential to develop learning organizations that supports employee's continuous learning.

#### 4. Methodology

Organizational culture represents the collective values, beliefs, and principles of organizational members and is a product of such factors as management styles, communication styles, teamwork, employee commitment and organizational values. This study sought to investigate effect of organizational values on employee performance in educational institution. The study adopted the case study research design with a target population of 100 employees in engineering college. A census was carried out since the target population was relatively small. Piloting was done on 20 employees to test the reliability of the research instruments. Data was collected by use of scientifically designed questionnaire and analyzed by simple percentage tool. The findings revealed that there is a significant positive effect of organizational values and human values on employee performance and how it influenced on organizational performance. Based on these findings, it was recommended that: The organisation need to develop a better understanding of organizational values and human values concepts and try to build stronger organizational

values. The values should also be communicated to the employees.

#### 5. Discussion

##### **Influence of organisational values on sustainable organisational performance:**

The research set out to determine the effects of organizational values on employee performance. Specific objectives of the study were: To determine the effect of honesty on employee performance, to examine the effect of excellence and quality on employee performance, to investigate the effect of different styles of professionalism on employee performance. The performance indicators included job satisfaction, quality of services, minimal supervision and target achievement. The study was a case study of Kenya Urban Roads Authority where employees were targeted. A sample of 134 was selected using the census sampling technique. This research relied on primary data which was collected using semi structured questionnaires. The questionnaires were self administered by the researcher and two research assistants. The researcher managed to obtain 110 completed questionnaires out of 134 administered hence a response rate of 82%. Cronbach's alpha Coefficients were obtained to establish the reliability of data. The coefficients were above the required 0.7 hence accepted. With regards to Organisational values, Research findings revealed that the organisation rewards employees for excellent work (3.9953). However majority of the respondents indicated that Kenya urban roads authority encouraged employees to adhere to the moral, ethical and professional code of practice. The research findings also revealed that that Kenya Urban Roads Authority encouraged employees to do others jobs when called upon by the supervisors (3.9907). Further, the findings revealed that there is efficient connectivity within the organisation hierarchy. Majority of respondents also indicated that employees at the Kenya urban roads authority were encouraged to offer suggestions on how to improve productivity thus employees in the organisation felt involved in the organisation

##### **Influence of human values on sustainable organisational performance:**

Organizations sometimes have performance management system for sake of having it. It has no links with individual performance, human values, team performance and organizational performance. The data is just collected and documented as routine process. Such practices dampen the spirit of the employee and reflect the culture of the organization. The organization will suffer in terms of its growth and development. The quality of the product or service will get affected. The end result is the organization becomes sick and it is on the way of exit. Any growing organizations will care for the performance management process and ensure it is genuine and meets the needs of an employee and organization. Organization must commit itself to enhance the performance management process to keep it fit with the time and conditions.

#### 6. Conclusion

The study revealed that organizations with clear and shared organisational and human values affect the satisfaction of

the different factions in organisation, innovation and change management, realisation of organisation's goals and economic profitability therefore affecting significantly organisation's performance and success rates either directly or indirectly. Organisation's products, services, technology and method of work can be copied by the competitors without problems, and it is important to distinguish from other enterprises somehow to gain advantage in competition. One option for long-term competitive advantage achievement is to create organisational culture based on shared values.. Fully clear, shared and uniform values are recently considered the most important indicators for predicting organisation's long-term success. Clear and shared values on organisations are expressed in employee behaviour where workers are more satisfied, committed, motivated and loyal, contributing more than expected. Employees are more motivated to fulfil the goals if organisation's purpose, goals and shared values are in unison. Clear and shared organisational values will also result in satisfaction of different factions (for example encouraged, satisfied and loyal clients).Some values are directly connected to flexibility which is one of the major indicators of organisational success. Those values are orientation to openness, changes, cooperation and activity. When organisation's goals, mission and shared values are in accordance with human values of each individual, it will be beneficial for oraganisation to be successful

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