

Employee Tenure Towards Individual's Values On Organization's Culture: A Study

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ARTICLE INFO ABSTRACT

Employee retention is a vital issue for all types of Industries, but especially important for small to medium sized organisations (SMB). Organisational culture positively relates to an organisation's performance. Corporate cultures influence decisions made by supervisors and positively influence the individual's productivity and should be considered when managing and inspiring employees. The study was designed to research the correlation of employee tenure when compared to a match variable calculated by quantifying the corporate culture and employee's values. The findings indicated that a slight negative relationship of employee tenure to the match variable, but not a significant relationship. Further research should be conducted with different populations, in different territories, and during stronger economic times. Quantitative analysis is used to measure the correlation between the data sets of the sample. Cluster sampling was used for the sampling plan for this research study. A total number of 229 samples from 2000 Accountants were selected for the study. It is anticipated that Correlation, Regression analysis and one way ANOVA were performed on the data collected. The results indicated no significant relationship existed between employee tenure and matching the organisation's culture to an employee's values. A significant match of organisational culture was indicated with numbers close to zero (0) either positive or negative. Whereas the majority of responses were within the significant range, employee tenure was not significantly increased when the match was significant.

Keywords : Employee Tenure, Retention, Turnover, Organisation Culture , Values

Introduction to the Problem

Leaders in small to midsized Organisations (SMB) have difficulty hiring and retaining competent and productive employees. Employee retention is an important characteristic leaders in firms need to develop in order for the organisation to achieve defined goals and objectives. The recruitment and selection processes developed by the organisation's human resource personnel need to concentrate on recognising individuals who will prosper in the organisations' culture to enable the organisation to expand productivity. Successful identification of the best candidate for an organisation requires the leaders of firms to first define the organisation's culture. Once the firm's leaders have documented the organisation's culture, the next step is to define the qualities needed for employees to prosper within the defined environment. When an organisation's leaders recruit candidates for vacancies, recruiters need to determine if the candidate has the skills, knowledge, and abilities required for the position. The final step in the selection process will require employers to fit the candidate's values to the organisation's culture to determine the best candidate for the opening. The purpose of the study was to compare corporate culture to an individual's values to determine a match value. The final step was to compare the computed match value to the individual's duration of employment. Wagar and Rondeau (2006) determined that hiring techniques employed by SMBs affected employee retention. The study also suggested additional research regarding the relationship of corporate culture to employee turnover, which is the opposite of employee retention. The purpose of the study was to examine the relationship between corporate cultures matched to employee values with employee retention.

Literature Review

This section includes summaries of peer-reviewed articles on the variables of the study. Each variable has a separate sub-section discussing research articles relevant to the study. The research articles were a combination of historical research and current research.

Farhat Haque (2024), in his study reveals that to focus on the issue of high employee turnover in the Indian technology industry. An integrative review is conducted to analyse the past and current state of literature, as well as prepare a research agenda for future studies. Design/methodology / approach A pool of 72 articles published between 2010 and 2022 is reviewed with a special focus on Indian tech employees. This study elucidates the extent and impact of employee retention strategies through content analysis. Findings Two broad perspectives have been established in the literature: the reasons for quitting and the explanations for staying. By means of a comprehensive review, this paper combines these two aspects of literature and suggests factors under organization's control to retain competent tech employees. Originality/value the study is designed to integrate the two theoretical viewpoints of employee turnover literature by consolidating the reasons behind quitting behaviour and staying intention. Codes combining the two aspects are presented as a valuable resource to retain tech talent.

N. Hima Bindu (2024), in her attempt Employee retention turnover will be the biggest challenge for every organization. It plays a vital role in an organization's growth and success, by prioritizing employee engagement, employee experience, providing higher education, and salary hike, so on. Promotions, rewards, recognition of employee performance have been a key part to Wipro's employee retention strategy. Some of the important factors for employee retention are pay and benefits, career growth, work environment, and training development.

Dr Mita Mehta (2014), in her study today employee commitment and retention has become an important strategic aspect for the organisation. It is not only important to have the best and the most talented employees but it is equally necessary to be able to retain them for long term benefits to both the organisation and its people. The purpose of this paper is to review the findings of research papers of various authors to derive the factors that impact employee commitment and retention in a work environment. This study examines the following factors: career development opportunities, effective talent management strategies, recruitment, on boarding and orientation, investment in training and development, compensation and benefits, work life balance, culture of the organisation, leadership, communication, image of the company, autonomy and empowerment, Gallup audits, personal causes, role of HR head and supervisors, work related policies and flexi time, performance appraisals and career growth and development opportunities. There are no one fixed practices which show the importance and significance of the influence of all these above broad points because different organisations lay different emphasis on these pointers depending upon their suitability impacting retention. Based on our understanding of the papers reviewed by us, suggestions are drawn which give a holistic view on the various practices that organizations should adopt to keep the level of employee retention and commitment high.

Every organisation, whether a for-profit or not-for-profit entity, develops an organisational culture. Schein (1990) stated that recent research by academics and practitioners focused on defining and analyzing organisational culture. Organisational culture was defined as a valid group of beliefs developed by the leaders of an organisation to cope with issues originating from external and internal environments that the leaders of the organisation considered as the optimal method to resolve organisational issues (Schein, 1990). Schein concluded that leaders of an organisation should to be mindful of the organisation's culture when recruiting, selecting, and training new employees for the organisation. Other influences on the organisation's culture included the socialization of employees within the entity, the design of reward systems, and the design and description of jobs.

Corporate culture does not have one accepted widespread definition, but rather is a manifestation of employer-employee interaction (Baker, 2009). Organisational culture both directly and indirectly influences individual and organisational productivity. A strong positive culture has a constructive impact on productivity whereas a weak, inappropriate culture has a negative impact on work productivity. Baker presented a new employer-employee model that provides the structure for an organisation to change the corporate culture. By understanding and applying the eight paradigm shifts described by Baker, leaders of an organisation had a useful instrument to support the changing environment and concerns of the individual employees benefitting all stakeholders. Baker recommended additional research similar to the current research study to develop the correlation of personal values, organisational culture, and long-term employment relationships.

Bass and Avolio (1993) provided a framework for researching organisational culture and the leadership developed from that culture. Bass and Avolio administered the Organisational Description Questionnaire (ODQ) to one organisation. The 28-question survey form asked half-transactional and half-transformational types of questions to assist in identifying an organisation's culture. The entity's leadership developed the corporate culture. The organisation's vision could both define and be defined by the developed culture (Bass

& Avolio, 1993). Transformational leaders build cultures of trust and purpose and articulate the culture to the employees to nurture change and growth for the individual employees as well as the entire organisation (Bass & Avolio, 1993).

Research Methodology

The objectives to be achieved for conducting this study are:

1. To determine if the matching of Organisation's culture and Employee's values change employee tenure for small to medium sized firms
2. To determine whether the match influence the organisation's leadership.

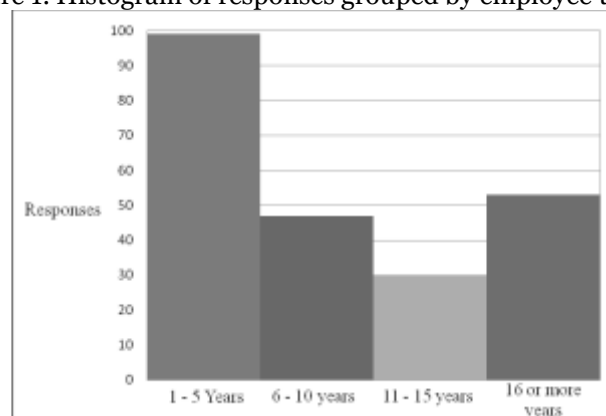
Scaling and Measurement

Quantitative analysis is used to measure the correlation between the data sets of the sample. Cluster sampling was used for the sampling plan for this research study. A total number of 109 samples from 158 Accountants were selected for the study. It is anticipated that Correlation, Regression analysis and one way ANOVA were performed on the data collected.

Data Analysis

The 109 responses used in the statistical calculations were summed by employee tenure category and the results are diagrammed in Figure 2. The majority of responses were from the 1 to 5 years of tenure. The tenure category generated almost twice as many responses as any other tenure category. The least number of responses was in the 11 to 15 years of tenure.

Figure 1. Histogram of responses grouped by employee tenure.



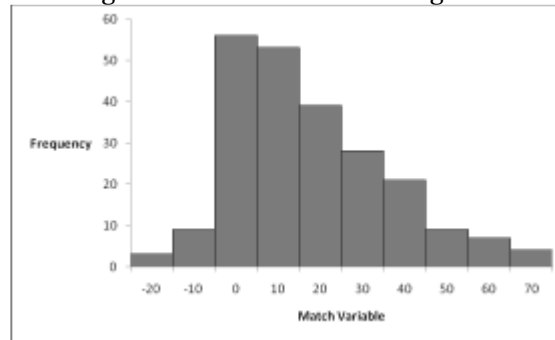
Correlation Analysis

The study was designed to evaluate the correlation, if any, between individuals' values and corporate culture as reasons for remaining with the organisation. Long-term employment could lead to personal growth and leadership opportunities. An employee will show a strong commitment to an organisation if he or she believes the organisation values his or her contributions to the organisation. The individual's commitment to the organisation is shown by his or her long-term employment with the organisation. The individual fulfills his or her physiological safety, or esteem needs as identified in Maslow's theory (Wren, 2004). Three independent variables and one dependent variable were identified in the current study. The independent variables were the quantified value for the organisation's corporate culture, the quantified value for the participant's values, and the figure computed when comparing the organisational culture figure to the participant's values figure called the computed match variable. A significant match was indicated by a value close to 0. The computed match variable could be either positive or negative. Although the study determined a negative relationship existed between the two variables (independent match variable and the dependent tenure variable), the relationship was not significant.

Table 1 Descriptive Statistics by Tenure Group

Tenure group	Mean	Median	Mode	Standard deviation	Sample size	Min	Max
1 - 5 years	18.5657	14	0	16.8984	99	-24	64
6 - 10 years	12.5106	10	0	14.7056	47	-6	60
11 - 15 years	18.8000	14	2	15.8927	30	-18	62
16 or more years	14.0755	8	0	16.1386	53	-12	68

Figure 2. Match variable histogram.



Regression Analysis

The purpose of regression analysis is to assist leaders with predicting the dependent variable. For the study, the independent variables were corporate culture and individual values quantified and compared to produce the independent match variable that was compared to the dependent employee tenure variable. While the results of the current study showed no significant correlation matching individual values to organisational culture, prior studies found organisational culture as a stabilizing force in an organisation influencing both individual and organisational performance.

Table 2 Regression Statistics

Multiple R	0.0953
R square	0.0091
Adjusted R Square	0.0047
Standard error	18.4000
Observations	229

ANOVA

The ANOVA technique was used to determine if a significant difference existed among the four means of the current study. Because the F ratio was calculated to be .1505 for the current study, when compared to alpha (α) of .05 the comparison indicated that a relationship existed between the variables, but not a significant one so the null hypothesis should be accepted. Accepting the null hypothesis is significant because a prior study by Amos and Weathington (2008) found that when employees believed the organisation’s values matched their values, employees had a greater attachment to the organisation promoting a long-term employment relationship. When the organisation’s values did not match the employee’s values, the employee had a greater tendency to terminate the employment relationship prematurely. Because the results of the two studies were different, additional factors could have contributed to differing results. Further research should be conducted to validate or invalidate the results from both studies.

The mode employment tenure was 0 except for one where the mode was 2. The mode analysis indicated that many employees believed that their individual values matched the organisational culture; therefore, employees in the study did not associate employees’ values not matching organisational culture as a reason for turnover rates. Over 50% of responses had a calculated match value between -10 and 10. The calculated match value for the study is indicative of many employees believing that his or her individual values matched the organisation’s culture. While the correlation was not significant, the finding is significant indicating that more than half of the participants believed their individual values were in line with the organisation’s culture. Because the match appeared to be valuable to many participants, leaders should consider the match when choosing new hires.

Table 3 ANOVA Statistics

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	Significance <i>F</i>
Regression	1	704.6114	704.6114	2.0812	0.1505
Residual	227	76853.0830	338.5598		
Total	228	77557.6943			

	Coefficients	Standard error	<i>t</i> Stat	<i>P</i> -value	Lower 95%	Upper 95%
Intercept	16.9688	2.4900	6.8148	0.0000	12.0624	21.8753
X Variable 1	-1.4502	1.0053	-1.4426	0.1505	-3.4311	0.5306

FINDINGS

Retaining competent and productive employees is necessary to enable leaders in organisations to achieve stated goals and objectives. For leaders in small to mid-sized businesses (SMB), retaining key employees is more important and more difficult to hire and retain competent and productive employees. Appropriately matching the individual and organisation enables both the employee and company's leaders to meet stated goals and grow in a rewarding relationship (Coxey, 2003). The purpose of the quantitative study was to examine the correlation that existed when matching corporate culture and individual values and comparing the calculated match variable to employee tenure to analyze a correlation. The results indicated no significant correlation existed between employee tenure and matching the organisation's culture to an individual's values. A significant match of organisational culture was indicated with numbers close to 0 either positive or negative. Whereas the majority of responses were within the significant range, employee tenure was not significantly increased when the match was significant.

CONCLUSION

The study added to the body of knowledge by providing data that did not support the theory that matching individual values to organisational culture increases employee tenure as found in the study by Edwards and Cable (2009). The findings showed a negative correlation meaning that as tenure increased, the match variable decreased. While the correlation was not significant, the study adds to the body of knowledge by showing that a slight correlation existed, but other factors may influence the correlation such as high unemployment decreasing the employee's ability to find a different position better matched to his or her individual values. The results reflected in the above chapter supported accepting the null hypothesis that stated no significant relationship existed between employee tenure and matching organisational culture with an employee's individual values. While the data does support a slight negative relationship meaning that when one variable increases, the other decreases, the correlation coefficient was not significant. Other economic issues could have influenced the results such as a current unemployment rate of 9.9% reducing the ability of individual to change positions if dissatisfied with his or her current position. Employee turnover reflects an organisation's strengths and weaknesses. The previous results determined several reasons for employee turnover categorized into business reasons, personal reasons, and system-related reasons and concluded that attrition was the key issue faced by human resources. In economic times when individuals are more comfortable with changing positions and have greater opportunities, the results of a similar study may be different, resulting in a stronger correlation of matching organisational culture to individual values to employee tenure.

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