

Effect of Organizational Values on Employee Productivity in Public Universities in Mt. Kenya Region

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Abstract

The presence of insensitive employees who are not flexible enough to fit into the organizational culture could be a barrier to employee productivity and thus fail to realize the benefit associated. The purpose of this study was to determine how organizational values contribute to employee productivity in Mt. Kenya Region. The study adopted a descriptive research design and a convenient sampling design was used to come up with a sample of seventy-six respondents from the respective Universities in the Mt. Kenya Region. Primary data was collected using close-ended questionnaires. Analysis of data was done using descriptive and inferential statistics. The study established that the organizational values when regressed severally against employee productivity have a significant effect. The study concludes that employee attitude occupied a huge place in the daily operations of the employees thus the need to ensure employees have the right attitudes towards work at all times. The attitude that one has is a very big influencing factor towards employee productivity as the wrong attitude could affect the employee productivity negatively. The study recommends that for an organization to thrive and enjoy improved performance, it has to formulate very articulate organizational values which are the blueprints for employee conduct while within the university. It is also recommended that universities should have programs that help model the employees' attitudes to ensure that productivity is not ruined by the wrong and negative attitudes of employees.

Keywords: *Organizational values, employee productivity, public universities*

1.0 Introduction

Organizations exist to do business and be very productive to achieve the largest market share and outperform their competitors. Therefore, organizations tend to adapt to a culture they consider the best fit to ensure employee productivity. Productivity can be realized through maximum utilization of the employees while aligning their job specifications with the organizational goals (Yong & Pheng, 2008). The collective programming of the mind which distinguishes different organizations from the other through their values, norms, mission, goals, and objectives is what is defined as organizational culture (Awadh & Saad, 2013).

The ability of employees to effectively and efficiently carry out the assigned duties within the designated time is employee productivity (McShane & Glinow, 2011). The scope of employee productivity is not only evaluated as per the assigned duties executed within record time but also includes aspects like employee motivation. Employee productivity also incorporates the behavioral aspects of the employee not forgetting the attitude they portray at work. It also

evaluates an employee's ability to cope with stress, grievance handling, and ability to strike a balance between work and family. In this way, employees who seem to be more productive can maneuver through most of these challenges that come along with the above-mentioned aspects. Productivity in an organization can be enhanced if there is a culture that induces people to work willingly and produce the expected results and even exceed targets and meets the set goals. Productivity should also be aligned to the organizational code of conduct and ethics of an organization to ensure that culture is maintained.

Globally, several empirical studies have been conducted to evaluate the influence of organizational culture on performance. Naranjo-Valencia, Jiménez-Jiménez, and Sanz-Valle (2016) in a study on organizational culture and organizational performance in Spanish companies realized that innovation and company performance can be fostered by the organizational culture while at the same time can be an obstacle to the achievement of the same if the culture is rigid and not flexible as to adapt to the ever-changing job demands. Most entities that are considered to have a strong organizational culture are seen to be more competitive as compared to the organizations which do not have a strong culture (Jones, 2012). A study on organizational culture and employee performance in banks in Sri Lanka by Schein (2014), the study concluded that having a strong organizational culture is an enabler towards the achievement of employee productivity and a way of earning a competitive advantage globally over the players in the market.

In Africa, a study by Leithy (2017) on local and multinational companies' employees in Cairo, Egypt showed that organizational performance was affected by work behavior and work-related attitudes. If employees adopt a negative work behavior and a negative attitude it is reflected in the final results in their productivity. Meanwhile, the relationship between organizational culture and performance was not established. A study by Chukwu and Aguwamba (2017) to determine how organizational performance is influenced by organizational culture in the banking industry in Nigeria concluded that organizational performance had a significant positive relation with reinforcement of pillars of existence, cultural fit, and organizational effectiveness. The study further stated that employee behavior in the organization was greatly influenced by culture and the core values that existed in the organization. This, therefore, translated to the overall employee productivity since positive culture and values gave birth to positive results giving the organization a competitive advantage over its rivals in the industry.

In Kenya Omukaga (2016) did a study on organizational culture and employee performance in AON Limited using value system, staff morale, and communication and established a positive influence. Wambugu (2014) in a study on how employee performance is influenced by the organizational culture at Wartsila Kipevu II power plant tested organizational values, leadership style, work processes, and organizational climate as the four elements of organizational culture which concluded that there is a positive relationship between culture in an organization and performance of employees. Odhiambo (2016) did a study on the role of organizational culture on policy and strategy implementation in NIC Banks and concluded that there is a positive influence that helps create a sustainable competitive advantage. The study continued to state that policies, rules, beliefs, and values were the most significant components of organizational culture. A study by Mwau (2016) on how organizational performance is affected by the organizational culture in the Kenya power and lighting company used involvement, consistency, adaptability, and mission to measure organizational culture and the study established a positive relationship between employee performance and organizational culture.

Universities are high-level educational institutions in which students' study for degrees and research in academics is undertaken. Higher education in Kenya started back in 1961 with Royal College in Nairobi and it became the University College of Nairobi under the University of London to train students and award degrees (Kenyaweb.com, 2001). Under the umbrella of the University of East Africa, the University College of Nairobi was promoted to a university of its own and became the University of Nairobi in 1970 until the mid-1980s. Since then, there has been tremendous growth of universities in Kenya spreading to all parts of Kenya (Makhatiani, 2016).

Universities in Kenya have continually witnessed a significant increase in the demand for higher education. The universities are expected to satisfy and be accountable to the public and the stakeholder's needs and expectations through the provision of quality research, teaching, and community service to their students. This has led to increased numbers as more students seek to join the universities thus universities are expected to have quality products in terms of quality degrees going to the market as well as ensuring corporate responsibility to society at large (Gudo, 2011). Ever since, due to demand for higher education and degrees from universities, there has been tremendous growth in the number of universities from one university to the current 68 universities in Kenya having 34 private universities and 34 public universities (CUE, 2018).

Mt. Kenya Region is the home of seven universities namely: Meru University of science and technology, Chuka University, Dedan Kimathi University of Technology, Karatina University, Kirinyaga University, Laikipia University, and the University of Embu. Meru University of science and technology was started in the year 2008, Chuka University in 2004, the Dedan Kimathi the University of Technology in 1972, Karatina University in 2008, Kirinyaga University in 2016, Laikipia University in 2013, and the University of Embu in 2011. All the above-mentioned universities still exist to the present date. With branches spread to various parts of Kenya.

1.1 Statement of the Problem

Organizations exist to do business and be very productive to achieve the largest market share and outperform their competitors. Therefore, organizations tend to adapt to a culture they consider the best fit to ensure employee productivity (Kassem, Ajmal, Gunasekaran & Helo, 2019). In an ideal organization setup, diversity and inclusivity should be a consideration but when carrying out an analysis of employees in an organization, the result could review that there are not enough people of racial, cultural, and physical identity groups within the organization. The presence of insensitive employees who are not flexible enough to fit into the organizational culture could be a barrier to employee productivity and thus fail to realize the benefit associated. The major problem is that most employers possess an organizational culture that is somewhat toxic and deadly when it comes to duty execution in the institutions thus limiting their productivity as they try not to violate the organizational culture (Cox, 2014). Due to this, organizations tend to hire only those employees who tend to fit the description of their culture and try to impart to the new employees the values and vision of the organization to ensure maximum productivity. Organizations would desire a workforce that is more flexible while on the other hand, the organization should be able to embrace diversity and inclusivity.

Mwau (2016) did a study on the effects of organizational culture on performance in Kenya Power and Lighting Company using involvement, consistency, adaptability, and mission to measure culture and concluded that they all had a positive relationship with firm performance. Studies have been done revolving around culture and other variables and concluded that

different organizations have diverse cultures and it has different effects depending on the type of organization and the emphasis put on practicing the culture. Although no study has concentrated on organizational culture and employee productivity in public Universities and more specifically in Mt. Kenya Region; therefore, this study sought to fill the gap of knowledge and try to find out the relationship between organizational culture and employee productivity in public Universities in Mt. Kenya Region.

1.2 Objective of the Study

To determine the effects of organizational values on employee productivity in public universities in the Mt. Kenya Region.

1.3 Research Hypothesis

H₀₁ there is no significant positive relationship between organizational values and employee productivity in public universities in Mt. Kenya Region.

2.0 Theoretical Review

The study was anchored on Schein's theory of organizational culture. The three major domains underlying Schein's model of organizational culture include basic underlying assumptions, espoused values, and artifacts (Schein, 1990). It is a distinction between the observable elements and the unobservable elements of a culture. The unobservable assumptions influence the observable behavior through the rules that exist within a particular setup. The surface level of organizational culture is the artifacts that include the tangible aspects of an organization and are seen and felt such as products, language, physical environment, clothing, technology, myth and stories, rituals, published values, and ceremonies among others. These in a great way define an organization to some extent and are a contributing factor to the overall performance of an organization. The next level in the organizational culture is the espoused beliefs and values which include goals, strategies, shared assumptions, shared values, beliefs, norms, and values instilled by the leaders and founders. They are formed to give a defined direction in an organization to ensure uniformity of focus and achievement of set goals.

The next level in the organizational culture is the basic underlying assumptions that are deeply rooted, unconscious, and in some cases are taken for granted but are shared with others. They are mostly expressed in social setup and if any of the assumptions are being challenged, anxiety and defensiveness are evident (Schein, 1990). Organizations should not only focus on the visible aspects and symbols or the beliefs and values but rather should also put into consideration the basic underlying assumptions since they are also fundamental to the existence of a culture. This theory is relevant to this study since it helps in understanding the importance and value of organizational history which forms the basis and origin of organizations, also helps in understanding organizational values better and why they are important in defining the organization, and finally it helps in knowing the importance of having a vision in an organization the forms part of the organizational culture. This theory though does not opportunity for innovation and diversity of ideas as people are deeply rooted in the three assumptions. A flexible setup is better in an organization since different situations can be handled differently.

2.1 Empirical Review

Organizational values are the distinct characteristics that make one organization different from the other and they contribute a lot to the employee attitude in a workplace. Studies have been done on the subject of employee values and organizational values about organizational performance and employee productivity and most of them concluded that values contribute to

the overall performance of an organization. Polychroniou and Trivellas (2018) assessed the impact of national culture and economic ideology in organizations on managers' values in the US which concluded that workplace culture is the determinant of employee selection and employee development in almost all firms. The study also concluded that organizational culture is the key determinant of the type of employees to hire and retain which leads to the overall employee performance.

Ochieng, Muturi, and Njihia (2015) did a study on organizational culture and organizational performance in universities in Kenya and concluded that the uniqueness of an organization is dependent on the kind of leadership values present in an organization since it impacts in a big way the employee values, stakeholder values, and the university-wide cultural values. Further, the uniqueness of the organization makes the organization outstanding and gives the organization a sustainable competitive advantage hence improving the productivity of employees in the organization.

Wu, Tsai, and Fu (2013) explored how Chinese values impacted employee satisfaction and realized that employees were motivated and satisfied with different aspects. Those in the Taiwanese were more satisfied with career planning, salary and benefits, balanced workload, and organizational management. Those in the Chinese companies were more satisfied with organizational management, age, and education. They had a defined age bracket that is considered in the organization and considering education advancement in the Chinese firms was more satisfying. All the above are considered the values that define these firms as they consider them their source of strength within the organization. A satisfied workforce leads to improved employee productivity and improved organizational performance.

3.0 Research Methodology

The study applied the descriptive research design. The target population of the study included all the seventy-six selected staff from the respective departments of the public Universities in the Mt. Kenya Region. This study adopted a convenient sampling design which gave a total of seventy-six respondents from the respective public Universities. A questionnaire was used for data collection and it was a structured questionnaire taking the form of qualitative and quantitative. Linear regression analysis was used to establish the relationship between organizational culture and employee productivity.

4.0 Results and Discussion

4.1 Descriptive Statistics for Organizational values

This subsection describes the responses for organizational values for the four-questionnaire item asked.

Table 1: Descriptive Statistics for organizational values

N=60	Question	(1)	(2)	(3)	(4)	(5)	Mean
1	Employees are encouraged to have a positive attitude	5 (8.3%)	2 (3.3%)	4 (6.7%)	27 (45.0%)	22 (36.7%)	3.98
2	Honesty is valued in the organization	4 (6.7%)	5 (8.3%)	5 (8.3%)	24 (40.0%)	22 (36.7%)	3.92

3	Employees are hardworking	1 (1.7%)	8 (13.3%)	2 (3.3%)	22 (36.7%)	27 (45.0%)	4.10
4	Trust is considered an important value in the organization	2 (3.3%)	7 (11.7%)	2 (3.3%)	20 (33.3%)	29 (48.3%)	4.12
Average		5.00%	9.15%	5.40%	38.75%	41.68%	4.03
Summary		Negative = 19.55%		Positive = 80.43%			

Table 1 shows that each of the four questionnaire items addressing employee productivity had a mean of at least 3.92 out of a maximum of five. This indicates that the majority of the respondents agreed with the following assertions: Employees are encouraged to have a positive attitude; Honesty is valued in the organization; Employees are hardworking, and Trust is considered an important value in the organization. The overall mean was 4.03 out of 5; hence, the overall response was in support of organizational values in the sampled public universities in Mt. Kenya Region.

4.2 Descriptive Statistics for Employee Productivity

This subsection describes the responses for employee productivity for the three-questionnaire item asked.

Table 2: Descriptive Statistics for Employee Productivity

N=60	Question	(1)	(2)	(3)	(4)	(5)	Mean
1	Employee are able to meet deadlines	7 (11.9%)	2 (3.4%)	6 (10.2%)	21 (35.6%)	23 (39.0%)	3.86
2	Employees are able to comply to the organizational policies	5 (8.5%)	4 (6.8%)	1 (1.7%)	9 (15.3%)	40 (67.8%)	4.27
3	Employees are very efficient in their work	2 (3.4%)	2 (3.4%)	4 (6.8%)	13 (22.0%)	38 (64.4%)	4.41
Average		7.93%	4.53%	6.23%	24.30%	57.07%	4.18
Summary		Negative = 18.70%		Positive = 81.37%			

Missing = 1 (1.7%)

Table 2 shows that each of the three questionnaire items addressing employee productivity had a mean of at least 3.86 out of a maximum of five. This indicates that the majority of the respondents agreed with the following assertions: Employees can meet deadlines; employees can comply with the organizational policies and those employees are very efficient in their work. The overall mean was 4.18 out of 5; hence, the overall response was support for employee productivity in the sampled public Universities in Mt. Kenya Region.

4.3 Effect of Organizational Values on Employee Productivity

The hypothesis tested was; H_{01} : There is no significant relationship between organizational values and employee productivity in public Universities in Mt. Kenya Region

The linear relationship between employee productivity in public universities and organizational values is following the general form below:

$$EP = \alpha + \beta * OV + \epsilon_t$$

Where;

EP – Employee Productivity

OV – Organizational Values

α – Regression intercept

β – Coefficient of Organizational Values

ϵ_t – Regression error term

EP =	1.321	+	0.694*OV		(1)
<i>t</i> -statistic	1.567		14.080		
<i>p</i> -value	0.124		0.000		

R 0.894 (89.4%)

R-square 0.799 (79.9%)

F-statistic F = 198.253; p = 0.000

In equation 1, employee productivity is the dependent variable while organizational values were the independent variable. The results show that employee productivity has a significant positive relationship (R=89.4%) with organizational values, implying that both variables move in the same direction in significantly close proportions. Pearson’s coefficient of determination, (R-square=0.799) shows that organizational values explain 79.9% of variations in the employee productivity of public Universities in the Mt. Kenya Region. Equation 1 further shows that a marginal increase in organizational values leads to a 0.694 increase in employee productivity while holding other factors constant. The p-value of the coefficient of organizational values was 0.000 ($p < 0.05$). Therefore, H_{01} is rejected hence concluding that at a significance level of 5%, organizational value is significantly related to employee productivity of public Universities in the Mt. Kenya Region. These results concur with those of Ochieng, Muturi, and Njihia (2015) who did a study on organizational culture and organizational performance in universities in Kenya and concluded that the uniqueness of an organization is dependent on the kind of leadership values present in an organization since it impacts in a big way the employee values, stakeholder values, and the university-wide cultural values.

5.0 Conclusion

In conclusion, organizational values were made available to all, especially at the entry point to the organization. This too was made available in the event revision was made. It was evident that employee attitude occupied a huge place in the day-to-day operations of the employees thus the need to ensure employees have the right attitudes towards work at all times. The

attitude that one has is a very big influencing factor towards employee productivity as the wrong attitude could affect the employee productivity negatively. While working in the institutions, honesty is a virtue that all needed to possess bearing in mind that some employees handle very important documents and information that needed to be handled with utmost caution. This virtue also led to improved employee productivity since it ensures maximum utilization of resources under one's mandate. The study also concluded that for the universities to enjoy improved productivity, they should have a culture that encourages and pays for hard work. Trust is also an important virtue that stimulates employees to be true to their call without necessarily having someone pushing them around and supervising their every move. These values being present in an institution ensure improved employee productivity.

6.0 Recommendations

The study recommends that for an organization to thrive and enjoy improved performance, it has to formulate very articulate organizational values which are the blueprints for employee conduct while within the university. It is recommended that universities should have programs that help model the employees' attitudes to ensure that productivity is not ruined by the wrong and negative attitudes of employees. The study also recommends that honesty as a virtue should be encouraged and that programs that stimulate the virtue to be put in place to encourage the virtue. Also, encourage a culture where employees are their brother's keepers in matters of honesty and accountability of actions. The study recommends that employees should not look down on each other but instead motivate one another through hard work and achievement of set targets and deadlines effectively and efficiently. The study also recommends that employees are true to themselves and the university and that they can be entrusted with even key things and roles thus encouraging productivity. Generally, what the university values, becomes what the employees are going to hold dear and want to practice. Therefore, that virtue that the university encourages should be for the betterment of everyone while at the same time encouraging employee productivity.

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