Human values impacting business: Analysis of Value - Systems among Indian Business students and prospective professionals.

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Abstract— Value system has been the core of any human civilization predicting their sustenance, evolution or extinction. Societies have been going through robust morphological transformations over decades resulting into value erosions, amalgamations and dilutions. Personal values stand as the foundation of ethical decision-making that ultimately leading to progressive evolution. It is futile to design the vernacular set of values, without aligning the values into corporate practices, protocols, leadership and individual behaviors that are practiced, rewarded and disciplined without been exhibited appropriately. The growing number of financial and management fraudulence witnessed by the corporate world is mainly due to unethical practices, which mandates the need to focus on building the right values from the foundational stage in the present generation. This paper examines the personal value system of 18 terminal values (assessing desired outcome of existence) and 18 instrumental values (assessing preferable modes of conduct) of 300 Indian Business students at two academic levels using the Rokeach Value Survey and the Musser and Orke typology, analyses the findings to extrapolate their behavioral outcomes in the global industry. The findings suggest implications of Indian value systems existing in the millennial generation on the society and organizations that have global implications.

Index Terms—Behavior, Ethics, Human Values, Rokeach Value survey, Professionalism, Business, Students.

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1 INTRODUCTION

The digital era and globalization has brought with it robust advancements of economies all around the world. Economical development has resulted in transformations of civilizations, societies, cultures, human values and ethical practices. Although the global economic and social metrics show dramatic transitions in human lifestyle and values, many of the social elements have seen a downturn leading to unethical practices in business and managerial dimensions. The probable reason for this is definitely the diminished concern and importance towards retaining and preserving one's ancestral values that have emerged from the strong foundations of religious and spiritual literature and hence are considered to be positive, acceptable and moral. Values stand as the fundamental core of human decision-making (Richard Barrett, 2006). The society and business is now witnessing a decline in its human values inventory leading to immoral and unethical decisions, which ultimately has resulted into the collapse of several leading businesses of the world as well as some most advanced economies. This mandates a relook on the human values inventory assessment of the global and multinational organizations because the long term sustainability and performance of organizations is dependent on effective decisions based on moral human values practiced at workplace.

Contemporary organizations are no longer simple businesses sustaining on only single line of philosophy, organization culture and single field of expertise. They are organic structures, living and breathing organisms focusing on diversified fields of expertise and sectors and tapping into divergent areas of knowledge, flexibly molding and transforming into different structures and models according to the dynamic external business environment. All this is possible because organizations today have a more learnt, flexible and competent human capital or workforce. Owing to the importance of human capital in modern businesses, behavioral dynamics becomes crucial in understanding and predicting the long-term sustainability, brand image and performance of the organization. The way people act and behave individually and in teams is determined by the personal values that they possess and practice. Human values are the core of any organization culture and the long-term success of any organization depends upon the individual values of its employees, which get invariably expressed in the performance of employees and groups. Organizational Culture and values is seen today as a way to improve organizational performance by aligning core values with human capital competencies. Global success requires students and employees to have a strong foundation of personal value-systems besides technical competencies. Hence it is purposeful to re-emphasize on value systems of current generation X and Z of this millennium, both the graduating students and the potential employees, in order to proactively develop stronger value norms, which would prevent any unethical decisions or misconduct disrupting business. Considering the present trend of cross-border educational exchange programs, talent migration and workforce mobility, it is significant to understand and place the value systems of Indian youth in the global forum, to facilitate partnerships, foreign alliances and global knowledge networks.

In order to understand the value systems existing among the present employable generation and one's expected in the industry, this paper attempts to examine the personal values and value systems of Indian Business students at post-graduate level and potential business professionals in the IT industry, using the Rokeach Value Survey and the Musser and Orke typology. The aim is to highlight the value systems developed in different phases of personal development in Indian working professionals. Agarwal (1959) had adopted a similar approach and assessed values similar to the Rokeach survey on students of Arts, Science, Law, Commerce, Medicine and Engineering of Indian universities. Comparison of the value-set existing during the 1950s and the ones existing in the second decade of the 21st century gives an evidence of the changing structure of values among Indian youth indicating the evolutionary trends in the Indian value-systems. This analysis is critical in the development of conducive organization culture and HR policies in multinationals operating in India.

The comparative analysis between the personal values (terminal values and instrumental values) of the undergraduate and postgraduate business students in India with those of the professionals employed in the Industries reflects the value gap that needs to be replenished. The study reflects the trend in the development of personal value system among Indian students and professionals over time, which influences the way they deliver and perform professionally. The implications discussed highlight the need to focus on systems and strategies to develop the human value system among students right from their elementary educational stage and emphasizes the emotional and value based development at higher education stages and even in the industry. The corporate culture and Human Resource policies play a crucial role in the sustainable development of personal values and emotions in employees, which impact their performance positively. This would invariably facilitate the eradication of unethical practices from business as well as society.

2 THEORETICAL FRAMEWORK

Various researches have shown that human values influence behavior and performance. Michael Akers and Don Giacomino (1998), identified the differences between values and value types of accounting and non-accounting graduates, and also made a gender based study, comparing between values and value types of male and female US students on the basis of Schwartz (1992) value survey. Assessment and understanding of students' values and their value types is advantageous to educators, recruiters and businesses, facilitating hiring, retention, job assignments and appraisals, teaching and training of students and business professionals. Eaton, T.V. & Giacomino (2001) found significant differences in personal values between genders rather than work experience. Within two samples of varying experiences, the dominant value type among males was identified to be of an Independent Maximizer (an individual value type exemplified by Ivan Boesky and Donald Trump, who utilizes competence to attain personal goals). The most dominant value type among females was Virtuous Advocate (an

individual value type, exemplified by Mahatma Gandhi and Mother Teresa, who utilizes moral means to obtain social goals). Mohammad Hassan Asayesha & Hamid bahramizadeh (2011) found no gender-based variations among Iranian youth in terms of religious, social, Public, Aesthetic, Economic, Knowledge, Hedonism, Power, Health values using the Personal Values Questionnaire unlike other researches. Slight variations in male and female values and a significant difference between the two genders regarding value of 'family face' have been identified. The study suggested the role of families' in passing over the appropriate values to each gender. In a study by Lan et. al. (2009) using Schwartz (1992) survey on Chinese accounting graduates and professionals, male students rated the value system 'Achievement' significantly higher than the female students. Values of Creativity, Authority, Social Justice, Ambitious, Daring, Influential, Responsible, and Success were considered more important by males while the females placed more importance on Pleasure, Mature Love and Health. Wang and Juslin (2012) stated that females demonstrated more ethical values than male students, who had more negative perception of Corporate Social Responsive performance.

Don E. Giacomino, Xin Li, M.A & Michael D. Akers (2013) examined the values of Chinese students using the Rokeach Value Survey and then compared them with those of the US business students. In terms of certain terminal values like freedom, health, family security etc., Chinese students pay more importance than US students. However, in terms of certain instrumental values like intellectual, loving, honesty, responsibility etc both the nationalities rank almost the same. A difference in value systems among genders has also been confirmed. Agarwal (1959) assessed the value systems of Indian students and stated that the values of self-restraint, moderation and integration of action, enjoyment and contemplation purity of thought, and salvation through selfless action have been found to be most preferred. The conceived values of an individual are based on the cultural pattern and prevalent social systems. Values of friendship, worthy, aim and aspiration are considered highly preferred. In case of social values and value of subjugation to parental

authority is not considered too rigid and students have a congenial outlook towards the outer world.

The researches conducted signify the need to assess the value system of Indian students in order to facilitate the academia and industry to develop them such that they are as per the international value systems expected in the global universities and industries. This is required to develop our youth and the future of our nation to compete with global standards in the academia, research and business. Value systems are the core competence of any individual responsible for their success or failure. Hence this paper attempts to find out the gap in value systems among Indian students and professionals and establishes a comparative relationship.

3   Research Methodology

The research design is empirical in nature. The survey is conducted using the Rokeach Value Survey (1973), on a random sample of 100 Undergraduate and Postgraduate Management Students of business schools in South India. The same survey was administered on a sample of 100 potential business professionals or freshly hired employees in the Information Technology companies in Bangalore. Musser and Orke (1992) methodology was applied to the survey results to categorize the student value system into four ethical value system matrix. The Rokeach Value survey assesses and analyzes two sets of values – terminal values and instrumental values among the students and professionals. It is a classification system that has two sets of values, 18 individual value items in each set. One set is called terminal values, the other instrumental values. RVS is based on a 1968 volume (Beliefs, Attitudes, and Values), which presented the philosophical basis for the association of fundamental values with beliefs and attitudes. Terminal Values refer to desirable end-states of existence. These are the goals that a person would like to achieve during his or her lifetime. These values vary among different groups of people in different cultures. Instrumental Values refer to preferable modes of behavior. Participants in the survey rank each 18 values, such that 1 is most important value to them and 18 is the least important.

Factor analysis and cluster analysis has been used to identify the values that pertains to the sample of Indian business students and group them accordingly.

4   Analysis and Discussions

After collecting the data from students and corporate employees, the same has been edited, tabulated and presented in Table 1. Family security and health are the first and second important values to them. Comfortable life and self-respect are the next most important values to the respondents. A sense of accomplishment, a world at a peace and a world of beauty are the least important preferences for the respondents. The remaining values lie in between the two extreme situations.

Table 1: Value assessment of the respondents

Terminal Values	Overall rank	
	Mean	Rank
A Comfortable Life	**5.91**	**3**
Equality	**7.73**	**6**
An Exciting Life	**8.06**	**7**
Family Security	**3.68**	**1**
Freedom	**7.15**	**5**
Health	**4.49**	**2**
Inner Harmony	**10.52**	**10**
Mature Love	**12.12**	**14**
National Security	**10.38**	**9**
Pleasure	**11.22**	**13**
Salvation	**12.37**	**15**
Self-Respect	**6.42**	**4**
A Sense of Accomplishment	**13.17**	**18**
Social Recognition	**10.74**	**11**
True Friendship	**9.14**	**8**
Wisdom	**10.96**	**12**
A World at Peace	**12.70**	**17**
A World of Beauty	**12.62**	**16**

Source: Author's survey.

Perception of values between corporate employees and students: Among the corporates, family security, health and a

comfortable life are the most important values followed by an exciting life and equality with 4th and 5th rank; whereas a world of beauty, a world at peace, salvation and a sense of accomplishment are the least important values among the young corporates. The remaining values are in between most important and least important values. Among the student community, family security and health appears to be the first and second most important values like in the case of corporate, however, self respect and a comfortable life are considered as 3rd and 4th preferred values among the students. A sense of accomplishment, matured love, salvation and a world at peace are the least important values for them. The remaining values stand between the most important and least important values. This interpretation indicates that there is a difference in the set of values and value systems between the corporate employees and the students. However, comparison of basic values like family security and health issues no difference has been identified between students and employed professionals. This implies that not much significant impetus is placed on such values at this career stage, as these needs are sufficiently fulfilled by family support along with good health and energy owing to the young age of the sample. The gap between the corporate employees and the students is very narrow in the case of values like - a comfortable life, freedom and national security with a gap of 1 rank. Whereas the gap is of 2 ranks in the case of values of equality, pleasure, social recognition and a world at peace. However, young professionals give higher weightage to such values, signifying more importance to these values than student community. There is a significant difference in the case of values of true friendship and matured love between both the samples of students and corporates. It is discovered that students give more importance to true friendship than professionals.

Table- 2: Comparison in Terminal Values among Students and Corporates

	Over all corporate		Overall students		
Terminal Values	Mean	Rank	Mean	Rank	Gap
A Comfortable Life	5.3	3	6.28	4	1
Equality	6.43	5	8.58	7	2
An Exciting Life	6.36	4	9.18	8	4
Family Security	3.96	1	3.50	1	0
Freedom	7.44	6	6.94	5	1
Health	4.68	2	4.36	2	0
Inner Harmony	9.29	8	11.32	12	4
Mature Love	10.98	12	12.87	17	5
National Security	10.63	10	10.22	9	1
Pleasure	10.74	11	11.53	13	2
Salvation	12.04	16	12.58	16	0
Self-Respect	8.13	7	5.29	3	4
A Sense of Accomplishment	11.85	15	14.03	18	3
Social Recognition	10.36	9	10.98	11	2
True Friendship	11.40	14	7.65	6	8
Wisdom	11.11	13	10.85	10	3
A World at Peace	13.45	17	12.19	15	2
A World of Beauty	13.77	18	11.85	14	4

Source: Author's survey.

Values among the students with rural - urban perceptions: In general, it is believed that there will be difference in perception on personal values and perceptions between the rural and urban students. The reason might probably be the nature of exposure to the education and professional environment that both the categories of students get since their childhood in a developing country like India. It is observed in this study, that there is no difference between rural and urban students in terms of their preference for the value of 'a comfortable life', 'an excited life', 'freedom', 'true friendship' and 'wisdom'. Similarly on seven important terminal values, the difference is hardly a gap of 'one' rank. The difference is very high in the case of 'national security' where the rural students have assigned more importance to national security than urban students. This is an interesting observation in this particular variable as that the students who are studying in urban areas have never faced any threat to their own security or regional security but those hailing from rural background usually feel the threat as they have always felt the risk of being socially deprived.

Table 3: Comparison of Terminal values among rural and urban students

	Rural students		Urban Students		
Terminal Values	Mean	Ranks	Mean	Rank	GAP
A Comfortable Life	6.30	4.00	6.95	4.00	0
Equality	8.67	7.00	7.90	6.00	1
An Exciting Life	9.24	8.00	9.10	8.00	0
Family Security	3.27	1.00	5.55	3.00	2
Freedom	6.61	5.00	7.20	5.00	0
Health	4.30	2.00	4.25	1.00	1
Inner Harmony	11.40	12.00	10.85	13.00	1
Mature Love	13.05	17.00	11.90	16.00	1
National Security	10.03	9.00	11.45	14.00	5
Pleasure	11.70	13.00	10.65	11.00	2
Salvation	12.38	16.00	14.80	18.00	2
Self-Respect	5.36	3.00	5.25	2.00	1
A Sense of Accomplishment	14.07	18.00	12.95	17.00	1
Social Recognition	11.12	11.00	10.10	9.00	2
True Friendship	7.62	6.00	7.90	6.00	0
Wisdom	10.90	10.00	10.50	10.00	0
A World at Peace	12.35	15.00	10.75	12.00	3
A World of Beauty	12.08	14.00	11.65	15.00	1

Source: Author's survey.

Perception of values between urban and rural corporate employees: Among the corporate employees, their background might have different perceptions in personal values and value systems. With this intention, it is studied precisely what is the significant gap between rural and urban corporate employees. It is interesting to observe that there is no gap in the case of 'family security', 'a world at peace' and 'a world of beauty'. Of the three, family security is very intimately related to both rural and urban

background. Similarly a comfortably life, an excited life, freedom, inner harmony and social recognition, has a difference of hardly one rank. The values 'national security' and 'matured love' show a significant difference among the rural and urban employees. Working professionals with urban background have more concern for 'matured love' while rural employees have more concern for national security than their counter parts. The above analysis is very interesting for the Industry to understand and incorporate the same in their policy framework for effective decisions regarding employee hiring and deployment.

Table 4: Comparison of Terminal values between Urban and Rural Corporate employees.

	Urban corporate employees		Rural corporate employees		
Terminal Values	Mean	Rank	mean	Rank	GAP
A Comfortable Life	6.44	4	4.30	3	1
Equality	7.56	6	5.35	4	2
An Exciting Life	6.44	4	6.28	5	1
Family Security	4.04	1	3.88	1	0
Freedom	8.28	7	6.66	6	1
Health	5.2	2	4.20	2	0
Inner Harmony	8.4	8	10.10	9	1
Mature Love	9.84	9	12.05	14	5
National Security	11.44	13	9.86	8	5
Pleasure	11.28	12	10.22	10	2
Salvation	11.56	14	12.50	16	2
Self-Respect	6.32	3	9.83	7	4
A Sense of Accomplishment	11.64	16	12.05	14	2
Social Recognition	10.2	10	10.52	11	1
True Friendship	11.6	15	11.22	12	3
Wisdom	10.52	11	11.68	13	2
A World at Peace	13.84	17	13.09	17	0
A World of Beauty	14.04	18	13.53	18	0

Source: Author's calculations.

5 Findings and Practical Implications

The data analysis reflects the comparison of rankings of all the 18 terminal values among the Indian students, and corporate employees. A comparative analysis of the students and corporate employees help us to understand the basis for the emergence and development of such values and their implication on International social and business environment. Although India has a long and tragic history of Pre-Independence struggle, still due to the 70 years of democratic government and globalization driven cultural and social erosion, Indian youth have been found to take freedom for granted and completely disregard the painful legends of the Indian freedom fighters. A gap is determined between students and professionals to understand how the present generation students can be understood to match the marketing strategies and challenges.

The research findings of this paper have deeper implications on the global business scenario. It facilitates the understanding of the human values and value system of different international cultures and their present employable generation, which aids in policy formulation in international business and International Human Resources Management. It enables dealing with international students and their talent in current globalized education system where students from different countries learn and develop together. The observations in the study have direct implications on shaping the various policies in the global industries and their approaches to meet the value systems of students and professionals of different countries. The study states the importance of different values that are considered to be more important and practiced by students and working youth of Indian IT industry. The study also highlights the values considered important for rural and urban youth of India, which provides a clear direction for organizations to design their HR policies and organization culture. The recruitment and selection policies are designed based on the organization culture, which enables the organization to make the right selection decisions for the candidates with value system as per the organizational requirements.

6 Conclusions

Values and value systems are very important in contemporary organizations. It is our values that have been the strong foundation for all our civilizations and communities. It is these values that have enabled the communities and societies to rise and sustain. Erosion of values is detrimental. Values are like our living environment. Any dilution of values would shake the pillars of the foundation of entire human civilizations. This is what is happening to societies and businesses today. The only way to facilitate the sustenance of businesses and societies is to preserve the human and personal value sets. This study attempts to analyze the values practiced by Indian business students at two levels of university education. These values guide their actions, feelings, emotions, behavior and performance. This ultimately gets reflected in group and overall organizational performance and image. Understanding of the value systems prevalent in Indian youth provides enough competencies to multinational companies to develop Indian values oriented work culture that can help motivate and retain Indian talent and work towards the betterment of our society and economy.

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