Explaining the relationship between employees' personal values, creativity, organizational commitment and customer oriented in Pasargad Bank branches

Ayyub Sheikhy 1, Forough Farzan 2. *

1Department of management, Kerman Branch, Islamic Azad University, Kerman, Iran
2Department of management, Ramhormoz Branch, Islamic Azad University, Ramhormoz, Iran

Abstract: Creativity and innovation are vital for successful performance of organization and since the creativity degree of employees have strong effects on customer satisfaction, thus, research in employee’s creativity seems to be of utmost importance. Therefore, present study examines the role of employees’ personal values in customer orientation and organizational commitment and effects of organizational commitment and customer orientation on creativity and interactive effects between customer orientation and organizational commitment. To do this, a conceptual model was tested using data from a sample of 200 questionnaires that are collected from Bank employees and specialists and its validity was confirmed. So, model measurement was obtained after drawing analytical model of research based on data and Path Fig. through executing Perlis program of LISREL software; in this model, hypotheses have been tested using coefficients of B and t-test. The results showed that there was no significant relationship between customer orientation and organizational commitment, but other hypotheses have been confirmed.

Key words: Personal values; Organizational commitment; Customer orientation and creativity

1. Introduction

In the today’s Competitive world the firms cannot survive without the innovation and creativity. As well as human capital and innovation, including issues that special link with each other and Innovation and creativity in the workplace have become increasingly important determinants of organizational performance, success, and longer-term survival. As organizations seek to harness the ideas and suggestions of their employees, it is axiomatic that the process of idea generation and implementation has become a source of distinct competitive advantage (Anderson et al., 2014). The employees’ creativity contributes to the firm’s survivability. When the employees are creative in their tasks they will be able to offer novel and profitable ideas about the products, performances, and services and one of the best choices for the firms to directly achieve the competitive advantage would be resulted from the constant technological innovation. For the organizations competing in a variable and indistinct environment, innovation to grow, succeed and survive is deemed as a crucial factor for the organization (Mollahosseini and Barkhordar, 2007).

It is known that values as a part of our individual and social identity contribute to our identity configuration, and in many cases, identity is directly related to individual’s values (Watson et al., 2002). According to studies, it seems that each level values have a significant relationship with a variety of organizational commitment. As Mac O’Connel (2006) concludes integration of individual values with organization is the best predictor of organizational commitment. Organizational commitment of employees is essential and has priority for organization and its managers due to its positive effects on their behavior (Bateman and Strasser, 1984).

In this regard, Abbott et al. (2005) have examined the perceived organizational values and also, they have studied perceived organizational values associated with organizational commitment in part of their investigation, therefore, they have considered the relationship between personal values and organizational commitment. Moreover, Strong and Harris (2004) defined customer orientation as behavior and culture aspects of market orientation which acts as a strategic element. They believe that human resources activities and their relationship are important factors effecting customer orientation. They stated that activities can institutionalize customer orientation culture and approach of employees. Greater emphasis on development of customer-oriented standards offers a better idea and view of implementing programs and policies related to management system of customer relationship. Moreover, customer orientation is an independent concept of competition orientation and establishing and maintaining long-term relationships with customers is very important for company success (Harris et al., 2005). According to researchers, values

* Corresponding Author.
are actually behavior drives (Rokich, 1973) that include work behaviors. According to Schwartz (1994), values are desirable and meta-position goals that their importance changes and act as guiding principles in people's lives. Meta-position values indicate pervasive and widespread effects of values in other situations of life that includes naturally, the work environment. Accordingly, this study aims to examine the highlight role of individual values in creativity among employees of Pasargad Bank. Also, this study examines the moderating effects of organizational commitment and customer orientation of relationship between personal values and employees' creativity through considering creativity as function of employees' individual values, organizational commitment and customer orientation.

2. Literature

2.1. Personal values

Each person has a value system and some other values rather than the values. The origin of the values and world view from the perspective of the individual. Values are multiple, but some of them can significantly influence individual behavior, ensuring its professional and social adaptation. Therefore, every person has certain values that will act on those thoughts. Schwartz (1994) argues that there is agreement in the literature that the value of the five features. A value is an enduring belief that a desired end state or state-related behaviors that transcend specific situations and guide the selection or evaluation of behavior, people and events and the importance ratings than other values, has been to form a system of value priorities. (Sung et al 2008:542). Values that help us to assess the relative importance of selection. They are brought meaning to life and act as a conscience and feel good or bad in our minds make (Khanifar et al., 2012). According to, Khanifar and colleagues (2012) educational dimension and components identified in the form of a model to employees and directors, Strengthen the organization and institutionalization of these values is the belief that a healthy work environment and helps organizations And thereby improve organizational performance is positive work behaviors. Long and Schiffman (2000) state that personal values have significance for all aspects of life, that influence one’s preferred choice of behavior in any given situation and are able to guide actions, attitudes, judgment and comparisons across specific objects and situations. Schwartz (1994) in theory a relatively new values, has introduced ten types of Personal values with content Motivational (e.g., Power, Achievement, Hedonism, Stimulation, Self – direction, Universalism and ...).

2.2. Organizational commitment

Over the past three decades, the organizational commitment concept is important and interested topics of researchers (Nazem and Qaed Mohammadi, 2008). Most of researches have focused on commitment since this factor is related to negative consequences including malfunctions and demand to leave the job and its change (Bluedorn, 1982). In most cases, the research have based on the assumption that high levels of commitment will be helpful to organization. Based on literature, commitment is a psychological state which characterizes the employees relationship with the organization and has implications for decision to continue membership in the organization. However it gained popularity among academics since 1980s, researches on organizational commitment dates back to the 1960s (Zafer Acar, 2012). Organizational commitment has been conceptualized as composed of affective, continuance, and normative commitments (Meyer and Allen, 1984; Allen and Meyer, 1990). Each commitment component reflects a psychological state that has implications for the decision to continue or discontinue membership in the organization. Further, the consequences of each of the three components are different base on its nature (Meyer and Allen, 1991). According to studies conducted, there are several studies that have examined the values and organizational commitment (Abbott White and Charles, 2005; Finegan, 2000; Yao and Wang, 2008; Littau, 2009). Many of these studies have examined the individual values, organizational values And the effect of individual and organizational values converge (McConnell, 2006; Miraz, 2007). According to the research, it seems Values at each level have a significant relationship with a variety of organizational commitment.

2.3. Customer orientation

Establishing and maintaining long-term relations with customer are very important for a company to be successful (Harris et al., 2005). Customer orientation is an independent concept for competitor orientation, and a balance between customer orientation and market orientation must be created (Saura et al., 2005, p.499). Moreover, customer orientation is a cultural concept and a behavioral phenomenon (Gounitas et al., 2014). Brown et al. (2002) expressed the concept of customer orientation as employees' inclination to satisfying customer needs and the extent that they enjoy doing so (González and García Garazo, 2006). Narver and Slater look at market orientation from a cultural view, and consider three dimensions of customer orientation, competitor orientation, and inter-functional coordination for it (Narver and Slater, 1990). Deshpande et al. (1993) defined customer orientation as a collection of beliefs that gives priority to interests and needs of customer and that puts customer interest on the upper part of priority over other beneficiaries such as licensees, managers and employees of the organization. Strong and Harris (2004) defined customer orientation as
behavioral and cultural aspect of market orientation, acting as a strategic element. They believe that examples of the important factors affecting customer orientation are human resources functions and relational activities. They stated that these activities may institutionalize greatly employees’ culture and approach to customer orientation. In his opinion, Schneider (1999) states that customer’s evaluation of services depends finally on competence, approach, experience, and skill of the employees in contact with customer. So, behaviors of the employees in contact with customer is the result of an effective service relationship (According to Yazdani et al., 2011). Employees in the organization believe that their ability to do works has direct relationship with customer orientation so that job satisfaction is achieved by effective relationship with customers (Gountas et al., 2014).

2.4. Creativity

To remain competitive, firms need their employees to be creative at work by generating novel and appropriate ideas for products, processes, and approaches (Shalley and Gilson, 2004). Van Dawn and colleagues believe that “the organizational creativity is the foundation for the innovation and the innovation is the part of a system which produces it (quoted from Yazdani, 2007). The main resources for the creation of the organization ideas can be divided into two main sets. The exogenous resources such as: the products and services existing in the market, the business and industrial activities, research and development (R and D) of the market extant technologies, research centers (exhibitions, conferences, and scientific and industrial meetings, communications and academic activities), and the endogenous resources such as: creative and innovative manpower, the organization strategic plan, or in other words, the organization perspective, the use of idea-creating techniques and research projects (Esma’eeltabar, 2008). It is the use and development of creative ideas that allows firms to respond to opportunities and, thereby, adapt, grow and compete in this changing world (Amabile, 1997; Oldham, 2002). Creativity refers to the development of ideas about products, practices, services, or procedures that are novel and potentially useful to the organization (Amabile, 1996; Baer et al., 2003).

According to provided definition of variables and parameters, conceptual model was designed in order to explain the relationship between variables and the relationship between elements was investigated through testing the hypotheses. The conceptual model was presented below:

![Conceptual model](image)

3. Hypotheses

1. There is a significant relationship between personal values and organizational commitment of employees in organizations.
2. There is a significant relationship between organizational commitment and creativity of employees.
3. There is a significant relationship between creativity and customer orientation.
4. There is a significant relationship between customer orientation and personal values of employees in organizations.
5. There is a significant relationship between organizational commitment and customer orientation.
6. There is a significant relationship between customer orientation and organizational commitment.

4. Methods

Data for this study have been collected from questionnaire whose validity was tested. Researcher has used a questionnaire consisting of 32 questions for data collection and all questions are designed based on five options likert scale. This data was analyzed by LISREL software. The statistical population of this study is Pasargad Bank employees and experts. In this study, 200 employees and experts were selected as sample using a simple random sampling method. Cronbach’s alpha coefficient and content validity were used in order to
determine the validity and reliability of questionnaire; the reliability coefficient was calculated for employee personal value of 0.887, organizational commitment of 0.742, customer orientation of 0.762 and creativity of 0.858. So, model measurement was obtained after drawing analytical model of research based on data and Path

5. Data analysis

<table>
<thead>
<tr>
<th>Table 1: The fitness parameters of first model</th>
<th>The estimated values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degrees of Freedom</td>
<td>Degrees of Freedom</td>
</tr>
<tr>
<td>Chi-square</td>
<td>Chi-Square</td>
</tr>
<tr>
<td>The root mean square of estimate error</td>
<td>RMSEA</td>
</tr>
<tr>
<td>Normalized fit index</td>
<td>NFI</td>
</tr>
<tr>
<td>Comparative or comparative fit index</td>
<td>CFI</td>
</tr>
<tr>
<td>The root mean square residual</td>
<td>RMR</td>
</tr>
<tr>
<td>Goodness of fit</td>
<td>GFI</td>
</tr>
<tr>
<td>Amended goodness of fit</td>
<td>AGFI</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Degrees of freedom</td>
<td>Degrees of Freedom</td>
</tr>
<tr>
<td>It is not a suitable criterion due to dependence on sample size</td>
<td>821.33</td>
</tr>
<tr>
<td>0.05</td>
<td>0.89</td>
</tr>
<tr>
<td>0.90</td>
<td>0.88</td>
</tr>
<tr>
<td>0.90</td>
<td>0.92</td>
</tr>
<tr>
<td>0.90</td>
<td>0.93</td>
</tr>
<tr>
<td>0.90</td>
<td>0.77</td>
</tr>
<tr>
<td>0.90</td>
<td>0.72</td>
</tr>
</tbody>
</table>

As can be seen in Tables (1) and (2), compliance or goodness fit indices for both models are all relatively at acceptable level.

The following two Figs show the overall model output of LISREL software that includes structural model and measurement model at the same time. We will separate and study in detail.

Figs. 1 and 3 show t-values of structural and measurement models.

Figs. 2 and 4 show values of load factor for structural and measurement models.

The beta coefficients that show the correlation between latent variables (hidden) on Fig that connect the latent variables in structural model.

For example, the correlation between organizational commitment and personal values is γ = 0.31. This means that changes in customer commitment (as dependent variable) for each unit of change in personal values (as predictive variable) is 0.31 units. (Table 3)
6. Test hypotheses

7. Results and analysis

According to data analysis of each hypothesis, findings and conclusions are analyzed and separately offered.

7.1. First hypothesis

According to results shown in Table 3 for first model, independent variable effects on dependent variables is supported by data and the path that associates these two variables is positive and significant (it is significant at error level of 5%) \((\beta_t = 0.13, \beta = 0.10\)). As a result, one can say with 95% confidence that there is significant relationship between personal values and organizational commitment of employees in organizations. Therefore it can be concluded that willingness to exert extra effort for organization is one of the factors that effects on organizational commitment. Daniela et al researches in 2013 can be used in line with results, who examined in their research the role of individual values in shaping attitudes towards work and career success. The results showed that there is significant relationship between personal values system and job performance. These results are not comparable with results of Fingan (2000) and Abbott et al. (2005), since perceived organizational values have been studied in relation to commitment in their study and the difference between the results of study and two studies mentioned above is explained according to study level of values.

7.2. The second hypothesis

According to results shown in Table (3) for second model, independent variable effects on dependent variables is supported by data and the path that associates these two variables is positive and significant (it is significant at error level of 5%) \((\beta_t = 0.24, \beta = 0.15\)). As a result, one can say with 95% confidence that there is significant relationship between creativity and organizational commitment of employees. In this regard, Sousa and Coelho (2011) in their study examined the simultaneous effects of organizational commitment and customer orientation of employees on innovation. The results showed that organizational commitment and customer orientation are two effective factors on employees’ innovation.

7.3. The third hypothesis

According to results shown in Table (3), independent variable effects on dependent variables is supported by data and the path that associates these two variables is positive and significant (it is significant at error level of 5%) \((\beta_t = 0.31, \beta = 0.20\)).
As a result, one can say with 95% confidence that there is a significant relationship between creativity of employees and customer orientation. In this regard, Sousa and Coelho (2011) in their study examined the simultaneous effects of organizational commitment and customer orientation of employees on innovation. The results showed that organizational commitment and customer orientation are two effective factors on employees’ innovation.

7.4. The fourth hypothesis

According to results shown in Table (3), independent variable effects on dependent variables is supported by data and the path that associates these two variables is positive and significant (it is significant at error level of 5 %) (\( t = 3.19, \beta = 0.42 \)). As a result, one can say with 95% confidence that there is a significant relationship between customer orientation and personal values of employees in organization. In this regard, Sousa and Coelho (2011) in their study examined the effects of employees’ reaction to work on organizational commitment and customer orientation.

7.5. The fifth hypothesis

According to results shown in Table (3), independent variable effects on dependent variables is supported by data and the path that associates these two variables is positive and significant (it is significant at error level of 5 %) (\( t = 6.74, \beta = 1.30 \)). As a result, one can say with 95% confidence that there is a significant relationship between organizational commitment and creativity of employees. Also, organizational commitment of employees in organizations.

7.6. The sixth hypothesis

According to results shown in Table (3), independent variable effects on dependent variables is not supported by data (it is significant at error level of 5 %) (\( t = 0.62, \beta = 0.13 \)). As a result, one can say with 95% confidence that data does not verify the significant relationship between customer orientation and organizational commitment in organization. Therefore, it must be noted that organizational commitment is not a fixed structure such as personality trait that remains unchanged when it is formed. It is a dynamic structure that is influenced by social and organizational changes. Considering all considerations and organizational determinants over time will help to maintain and continuity of organizational commitment.

8. Conclusion

Given that the presence of innovative culture and creating and maintaining an innovative organization is one of the conditions for survival in an environment that is highly competitive and complex, hence, we must encourage creativity, innovation and development of new ideas as cultural values in manufacturing companies in order to develop innovation culture, and create a common system of values, beliefs and aims for innovation in firms. Also, organization needs to provide innovative solutions in this field in order to increase customer satisfaction, due to the fact that customers’ problems become more diverse. Several research of this area showed that creativity of employees is essential to achieve a competitive advantage. Therefore, this study examines the relationship between personal values of employees, organizational commitment, customer orientation and organizational commitment and customer orientation effects on creativity and interactive effects between customer orientation and organizational commitment. Given the lack of other research in this field, it seems that repeating this research is important in other organizations and it provides the possibility of comparing and investigating the role of other factors in relationship between personal values of employees, personnel creativity, organizational commitment and customer orientation.

<table>
<thead>
<tr>
<th>Table 3: Results of testing hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Results</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>Acceptance</td>
</tr>
<tr>
<td>Acceptance</td>
</tr>
<tr>
<td>Acceptance</td>
</tr>
<tr>
<td>Acceptance</td>
</tr>
<tr>
<td>Acceptance</td>
</tr>
<tr>
<td>Rejection</td>
</tr>
</tbody>
</table>
Fig. 6: Research model is based on research findings

References


Ismail, Tabar M (2009). Innovation and development; Green Culture. 124.


Mollahosseini, A; Barkhordar, B (2007). The survey of the relationship between the self-management skills and employees innovation in the Kerman province organizations”, the periodical of Humanities and social sciences, seventh year, issue no.27, pp. 98-111.


Song Shi Rui,Gale Andrew(2008), "Investigating project managers work values by repertory grids interviews",journal of management development, Vol 27, No 6, pp. 541-553.


