Value congruence in organizations: Literature review, theoretical perspectives, and future directions

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Abstract
Extant literature on value congruence is fragmented due to different methodological treatments and theoretical perspectives. Proposing a typology of the value congruence concept, this paper reviews several key themes in value congruence research including staffing, socialization, leadership, job attitudes, performance, among others. By reviewing related antecedents and outcomes, discussing underlying theoretical perspectives, and highlighting future directions, this paper integrates value congruence research into a comprehensive framework. Managerial implications are also discussed where relevant.

Keywords: Fit; Interactional psychology; Organizational culture; Person-organization fit; Value congruence.

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Introduction

With its purported positive effects on employee attitudes and behaviors (Hoffman & Woehr, 2006; Verquer et al., 2003), value congruence is a prolific field of research. It has been studied from different angles such as staffing and socialization (e.g., Cable & Judge, 1997), job attitudes and performance (e.g., O’Reilly, Chatman, & Caldwell, 1991), and leadership (e.g., Brown & Trevino, 2006). Despite the abundant findings, different methodological treatments and theoretical perspectives have made value congruence research fragmented, leading to confusion on the nature of the concept (Ostroff, Shin, & Kinicki, 2005), yielding perplexing empirical results (Kristof-Brown et al., 2005), and making the comparison and integration of different studies difficult. Given the research and practical importance of the field, researchers and practitioners can benefit from clarifying the concept, synthesizing the literature, discussing the theoretical development, and highlighting research directions. This paper aims to satisfy these four purposes.

The existence of several qualitative and quantitative reviews (Arthur, Bell, Villado, & Doverspike, 2006; Edwards, Cooper, & Robertson, 1991; Hoffman & Woehr, 2006; Kristof-Brown et al., 2005; Kristof, 1996; Meglino & Ravlin, 1998; Piasentin & Chapman, 2006; Verquer et al., 2003) calls for clarifying the necessity of another systematic qualitative review and its contribution. Firstly, following previous research (Ostroff et al., 2005; Piasentin & Chapman, 2006), we propose a value congruence typology and posit it as a multi-type, multi-level, and multi-dimensional concept. Secondly, we incorporate person-person and person-group studies into our review whereas previous work has mainly focused on person-organization value congruence (e.g., Arthur et al., 2006; Hoffman & Woehr, 2006; Kristof-Brown et al., 2005; Kristof, 1996; Verquer et al., 2003). Thus, we provide wider coverage of the literature. Thirdly, when identifying and reviewing the literature, we focus on the underlying theoretical perspectives of each theme and how the respective research contributes to those theoretical perspectives. Responding to the call for mechanistic research on value congruence (Edwards & Cable, 2009; Edwards & Shipp, 2007), a theoretical focus will help us to better understand the reason for
value congruence’s effect and to choose appropriate variables to study. Fourthly, we propose an integrative framework to summarize the current findings and highlight future research directions. In these ways, the proposed typology makes our paper different from previously published reviews.

What is value congruence?

We define value congruence as the compatibility of work values between the focal person and other organizational entities such as supervisors, interviewers, coworkers, work group, and the entire organization (Chatman, 1989; Edwards & Cable, 2009; Kristof, 1996). This definition differs in several ways from the use of value congruence to substitute the person-organization fit (P-O fit) (e.g., De Cooman et al., 2009). Firstly, value congruence can be the fit between personal work values and those at three different levels, namely those of other individuals, the group, and the organization, whereas P-O fit only refers to the organizational level. Secondly, value congruence only refers to value fit, whereas P-O fit can address other characteristics. And thirdly, value congruence is mainly treated as supplementary fit, whereas P-O fit can be supplementary, complementary or both (Kristof, 1996; Muchinsky & Monahan, 1987).

Different methods of measurement have also yielded different types of value congruence in the literature. Direct and indirect methods have been used. Direct measurement, or perceived value congruence, examines to what extent the focal person thinks his or her personal values and the other entity’s values are congruent. In contrast, indirect measurement uses commensurate dimensions to measure the values of both, and then uses an algorithm to assess value congruence. Indirect measurement includes subjective and objective approaches. The difference is whether the other entity’s values are measured from the focal person’s perception or from that of other entities. Some researchers posit that objective value congruence is the real, “true score” of value congruence (Judge & Cable, 1997; Ravlin & Ritchie, 2006), while others claim that indirect value congruence is what really matters (Edwards & Cable, 2009; Finegan, 2000). While discussions about the different types of value congruence remain unresolved in
the literature (Dineen, Ash, & Noe, 2002; van Vuuren, Veldkamp, de Jong, & Seydel, 2007), meta analyses suggest that perceived measurement explains outcome variance better (Kristof-Brown et al., 2005; Kristof, 1996).

Figure 1 integrates the different types and levels of value congruence that are used to propose a typology of value congruence. Because of the complex nature of the concept, we recommend devoting greater attention to the representation of the concept rather than to stating it in general. We claim that the muddled condition of extant research is, at least in part, a result of mixing different types and levels of value congruence and reporting value congruence’s effects in general while studying specific conceptual facets.

See Figure 1 about here

Value dimension and contextualization

When using indirect measurement techniques, researchers have an obligation to provide rationales for their choice of value content dimensions. However, most fail to do so; instead arbitrarily selected dimensions are generally used without discussing their appropriateness to the specific research context. Choosing irrelevant content dimensions for a particular organizational context may lead to complicated relationships with outcome variables. As discussed further below, congruencies on different dimensions are related differently to outcomes (Amos & Weathington, 2008; Taris & Feij, 2001). Thus, we advocate treating value congruence dimensionally. Our argument parallels Edwards’ criticism regarding the use of profile similarity indices (Edwards, 1993) which do not differentiate between dimensions, and his promotion of polynomial regression (Edwards, 2002). We also propose that the arbitrary choice of content dimensions and the failure to treat value congruence dimensionally are additional reasons explaining the confusion in the extant research.
Theoretical perspectives, literature review, and future directions

Methodology

Several principles were applied when incorporating relevant studies. We first searched major academic databases for key words including “value congruence”, “value congruency”, “value alignment”, “P-O fit”, “person-environment fit” (P-E fit), and “culture fit”. We then went through the reference list of every paper for relevant citations. We also tracked prolific researchers. Instead of doing an exhaustive review, our focus was on theoretical perspectives and future directions. Thus, only published papers were reviewed.

Because each theme of value congruence research tends to have specific theoretical perspectives, we reviewed studies by different themes, which not only clarified the antecedents and outcomes of value congruence, but also facilitated the discussion of underlying theoretical development. When reviewing each theme, we first introduced the theories referred to and then reviewed empirical results to see how those theories were confirmed or questioned. Research gaps and future directions were then highlighted based on those discussions. We use Figure 2.2 as an integrative framework to summarize the current findings and highlight future directions.

Insert Figure 2 about here

Antecedents of value congruence

Staffing

The Attraction-Selection-Attrition (ASA) Model (Schneider, 1987; Schneider et al., 1995) posits that job applicants will be attracted to and selected by those organizations whose values are similar to their own; and that once they have joined the organization, those employees whose values do not fit with the organizational values will either leave voluntarily or be removed by the
organizational values. Thus, the organization will become homogeneous in terms of work values over time. The relative stability of personal values (Meglino & Ravlin, 1998) implies that staffing maybe the best way to achieve value congruence.

We first examine this from the perspective of job applicants. Billsberry (2007) examined the attraction proposition. He found that when person-vocation fit (P-V fit) was controlled, value congruence with the organization, department, or coworkers had no effects. He attributed this lack of effect to the fact that sampled students did not have sufficient and objective information about the organization’s values. He posited that, when applying for a job, perhaps a vocational choice was made before an organizational choice; he also argued that in order for value congruence to function in the application process, applicants needed proximity, exposure, and familiarity with organizational values. This assumption is also found in the ASA model. Contrary to these findings, Cable and Judge (1996) found that job seekers' PPO was predicted by SPO, not by demographic similarity with organizational representatives. PPO predicted both job choice intentions and employee work attitudes after controlling for the attractiveness of job attributes. Most of the effects of SPO on outcomes are mediated by PPO. In addition, Cable and Judge reported that job seekers put far less emphasis on person-job fit (P-J fit) than P-O fit when making their job choice decisions. They also examined the importance of fit to individuals and their perceived job opportunities. They reported that job seekers who placed more emphasis on P-O fit in their job choice decisions were more likely to experience PPO, suggesting that P-O fit has different effects on different people. In a following study (Cable & Judge, 1997), the same authors reported that “actual value congruence”, the congruence between the applicant’s values and the interviewer’s report of organizational values, predicted “perceived value congruence”, the congruence between the interviewer’s perception of applicants’ values and organizational values, then predicted the interviewers’ hiring recommendations and organizational hiring decisions, although the effects of “actual value congruence” on interviewer hiring recommendations and organizational hiring decisions were weak. They also reported that gender and the interviewer’s liking of a given applicant predicted “perceived value congruence”. In a later study, Carless (2005) found that perceived P-O fit (which contains elements
of value congruence) during the pre-selection and mid-selection phases was positively related to attraction to the organization, but that it predicted neither intentions to accept job offers during the mid- or end-selection phases nor actual job acceptance. The author suggested that P-J fit tended to be more important to applicants during the recruitment process. In an attempt to examine the effect of giving job applicants feedback on P-O fit, one study (Dineen et al., 2002) found that OPO and P-O fit feedback were positively related to attractiveness in an experimental setting. They also found that PPO mediated this relationship; that P-O fit feedback, OPO, and the level of agreement with feedback interacted in predicting attraction; that P-O fit feedback, OPO, and self esteem interacted in predicting attraction; and that PPO did not mediate the three-way interaction's effect on attraction. Also, OPO and PPO led to organizational attraction during the job application and interview process, and PPO mediated the effects of OPO on attraction (Judge & Cable, 1997).

From the recruiter's perspective, C. L. Adkins, Russell and Werbel (1994) found OPP between applicants and recruiters to be related to general employability and perceived person-organization fit, but OPO between applicants and organizations was not related. An "invitation for a second interview" was predicted by general employability, which in turn was most predicted by OPP between applicants and recruiters. This implies that value congruence influences the personnel selection process in its later stage when the knowledge, skills, and ability fits are already fulfilled. This research suggests we should investigate the effect of value congruence in the selection process while paying detailed attention to the time factor. In their qualitative study to examine what constituted a recruiter's perception of applicant fit, Bretz, Rynes, and Gerhart (1993) did not find that value was part of the recruiter's consideration in the pre-hiring phase of P-O fit. They suggested this might be because the recruiters considered P-J fit before value fit when hiring college graduates; they also suggested that, in the pre-hire stage, values may have been very difficult to identify through brief interviews and thus could not be accurately assessed. On the difference between P-J fit and value congruence, when values were used as the foundation for perceived P-O fit, recruiters could actually distinguish P-J fit and P-O fit (Kristof-Brown, 2000).
Muchinsky and Monahan (1987) proposed that supplementary fit was more useful in predicting job attitudes, whereas complementary fit was more useful in the context of personnel selection decisions. Another study proposed that P-J fit was suitable when the organization was seeking a transactional psychological contract, and P-O fit was suitable when the organization was seeking a relational psychological contract (Sekiguchi, 2007). Lastly, van Vianen (2000) found that during the selection process, SPP was related to organizational commitment and turnover intention on the “concern for people” value, but P-O fit was not related to these factors.

Except for researchers’ questioning of the assumption that applicants or interviewers have enough information to understand each other’s values, the ASA model is generally accepted by empirical studies. General findings on this theme are: applicants and recruiters will consider P-V fit and P-J fit before considering value congruence, though value congruence is an important factor in the later stage of staffing; value congruence tends to influence both the applicants’ and recruiters’ decisions; those relationships are moderated by some contextual variables such as the importance of fit to the individual, the individual’s self-concept, the number of job opportunities, knowledge of the organizational values, and the maturity of the applicant; and perceived value congruence tends to mediate the effects of objective and subjective value congruence.

Research gaps on this theme are as follows. Firstly, is it possible to fully understand the other party’s values during the screening process given the limited time of interaction and sources of information? It is plausible that job applicants will intentionally display desired values based on their knowledge about the organizational culture. Organizations can also project a favorable image of their culture that is different from their actual functioning culture. Understanding each other’s values takes time and is mainly based on behavioral observation. This hinders both the validity of staffing as a means for achieving value congruence and the validity of the ASA model itself. Future research should address this assumption. Secondly, most of the studies used students or fresh graduates as a proxy for real job applicants. It is possible that those students lacked sufficient
enough information about the hiring organization’s culture. It is also possible that value congruence is less important for them than for experienced applicants because other factors such as P-J fit or salary, may be more important to new graduates. Future studies should use experienced job applicants, and compare results to those fresh graduates. Thirdly, it is not clear how job applicant and recruiter manage value congruence and other types of fit over time. The literature suggests that they consider P-V fit and P-J fit before value congruence. We need to systematically test this time sequence of fit consideration. Fourthly, it is possible that job interviewers may not actually represent organizational values. It would be interesting to examine value congruence to job interviewer and to the organizations simultaneously in one study.

Socialization

If values are difficult to detect through interviews, then socialization may be the means to achieve value congruence, assuming that work values can be changed. Theories of socialization tactics are referred to in this theme of research (Ashforth & Saks, 1996; Cable & Parsons, 2001; Grant & Bush, 1996). It is claimed that socialization tactics are used to assimilate employee values to organizational values and that it is only when individuals understand the underlying organizational values that they are fully socialized into the organization.

Cable and Parsons (2001) examined how different types of organizational socialization tactics affect perceived P-O fit (one of whose two components is PPO) and post-entry value congruence. They reported that both the content and the social aspects of the socialization predicted perceived P-O fit and post-entry value congruence, but context socialization did not. Pre-entry value congruence predicted post-entry value congruence and perceived P-O fit. The number of job offers an applicant got was negatively related to post-entry value congruence, meaning that those applicants could select the organization that fit them best or they could choose not to comply with an organization’s values because they had more options.
Another study explored the impact of socialization tactics on the changes in newcomers’ perceived and objective value congruence over time (Cooper-Thomas, van Vianen, & Anderson, 2004b). The authors found that socialization tactics (especially investiture tactics) were significantly related to PPO, job satisfaction, and organizational commitment after four months of socialization when controlling for pre-entry PPO and OPO. However, socialization tactics were not related to OPO after socialization when pre-entry PPO and OPO were controlled, indicating that socialization changed only the perceived fit, not the actual fit. This study suggested that values are hard to change, though changing the perceived fit was enough to influence job attitudes. The gap between PPO and OPO became smaller after socialization.

In attempting to integrate the functions of attrition and socialization, one study found that PPO increased in the socialization process (De Cooman et al., 2009), and that, PPO measured retrospectively predicted retention status, indicating that attrition and socialization could function at the same time. Another study found that institutionalized socialization tactics led to perceived value congruence with the organization, and that this relationship was moderated by some proactive behaviors on the part of employees (Kim, Cable, & Kim, 2005), suggesting that the organization should pay attention to proactive behaviors capable of influencing the effects of socialization tactics.

These studies confirmed that some types of socialization tactics can actually increase value congruence, or at least perceived congruence, but it is still not clear how organizations should choose between staffing and socialization to achieve value congruence. Longitudinal studies integrating staffing and socialization would be useful organizations as they decide in which aspect they should invest their limited resources. Moreover, it is clear that the effects of staffing and socialization depend on several organizational and job market contexts, and our knowledge of those moderators is not systematic. While studies have shown that different socialization tactics have different influences, we need more evidence of how and why this is so.
Various leadership theories have recognized the importance of shared values. By acting as role models, transformational and charismatic leaders assimilate subordinates values and motivate them toward an organizational vision that goes beyond job duty (Conger, 1999; Howell & Avolio, 1993; Kuhnert & Lewis, 1987). The self-concordance theory of transformational leadership (Bono & Judge, 2003; Shamir et al., 1993) suggests that, when a leader can instill values in subordinates, the latter will see the job as self-expressive and engage with it. Research has found that PPP with a leader mediates the effects of both transformational and transactional leadership on followers’ performance (Jung & Avolio, 2000). When transformational leadership has a direct effect on performance not mediated by value congruence, transactional leadership only has an indirect effect, mediated by value congruence. SPP with supervisor was found to be related to job satisfaction, commitment, and a reduction in tardiness (Meglino, Ravlin, & Adkins, 1989). PPP with leader induced leader support and fewer work-family conflicts (Thompson, Brough, & Schmidt, 2006).

In their attempt to understand the impact process of socialized charismatic leadership, Brown and Trevino (2006) found that PPP between supervisors and followers mediated the effect of socialized charismatic leadership on interpersonal deviance but not on organizational deviance. They suggested that value congruence between senior managers instead of direct supervisors would probably explain the effect toward the organization. In the regression table they provide, social desirability and socialized charismatic leadership predicted value congruence. In a following study, it was found that socialized charismatic leadership was associated with value congruence in three of the four value dimensions (Brown & Trevino, 2009). They suggested that the “relationship between socialized charismatic leadership and value congruence depends on the types of values being transmitted.” Using response surface plotting, they reported that socialized charismatic leadership could affect value congruence in two ways: the leader either offered a value laden vision that followers adopted, or the leader transmitted “values that reflect follower’s values.” This finding suggests that the
process of value congruence depends on the values being transmitted. By using the word “context”, the researchers advise us to pay attention to the occupational and organizational context when considering the value congruence effect process.

The relationship between value congruence and leader-member exchange (LMX) is still not clear. One study proposed that LMX leads to SPO (Steiner, 1988), while another study suggested that PPP with leader results in LMX (Liden, Wayne, & Stilwell, 1993). Ashkanasy and O’Connor (1997) examined the effect of SPP on LMX and found that the exchange quality was higher when supervisors and subordinates shared achievement and obedience values. It was also proposed that LMX could be an alternative management tool to support subordinates when the perceived value congruence was low.

SPP with leader was found to mediate the relationship between autocratic leadership, age differences, and educational differences between leaders and subordinates. It also mediated subordinates’ feelings that they were trusted by their leaders, but not the relationship between moral leadership and feeling trusted by leaders (Lau, Liu, & Fu, 2007).

In summary, the above studies confirm that transformational and charismatic leadership has an effect through a value-assimilating process and that values are an important element in the LMX process. However, we still do not know how leaders are able to instill values, through what process, or what kinds of values are instilled. The relationship between value congruence and LMX is still not very clear; we do not know for example, whether value congruence leads to better exchanges or encourages subordinates to change their values because of better exchange quality.
Outcomes of value congruence

Job attitudes

Treating job attitudes as outcomes of value congruence is the most prolific theme in the field. Several theoretical perspectives are referred to. Among them, fit theory such as interactional psychology (Terborg, 1981), P-E fit theory (Caplan, 1987), and, especially, P-O fit theory (Kristof-Brown et al., 2005; Kristof, 1996) are the most important. The basic premise of fit theory is that the joint effects of individual and environmental attributes determine individual and organizational outcomes. When individual and environmental attributes match each other, optimum outcomes will be produced beyond the singular or additional effects of individual or environmental attributes. According to fit theory, individuals prefer this fit condition and will have positive attitudes under such conditions. Similarly, cognitive dissonance theory also suggests that, when values are shared, employees feel their inner belief and outer environment are coordinated, thus experiencing a low level of cognitive dissonance (Elliot & Devine, 1994; Festinger, 1957) which leads to positive attitudes. Similar to this approach, self-concept theory also proposes that individuals tend to maintain their self concept by expressing positive attitudes toward environments that are consistent with their values (Shamir, 1991; Shamir et al., 1993).

Another line of theory comes from the strong organizational culture perspective. Defining value as a predisposition of human behavior (Meglino & Ravlin, 1998; Rokeach, 1973), these researchers claim that values are a fundamental cognitive mechanism underlying human cognition, decisions, and actions. Values determine how individuals perceive and process information and how they communicate and respond to stimuli. People who share similar values will have similar goals, similar information processing mechanisms, similar communication styles, and similar action orientations. Thus, value congruence will lead to better communication and cooperation among people and make others more predictable. In turn, ease of communication, improved cooperation, and enhanced predictability will lead to an easy working environment, making the work experience pleasant and satisfying.
According to the similarity attraction paradigm (Byrne, 1971) and social categorization theory, value similarity leads to interpersonal trust and attraction. The resulting friendly interpersonal mechanisms also lead to positive job attitudes.

Empirical research has confirmed these findings in general, finding value congruence to be an affectively salient construct that is positively correlated with positive job attitudes and negatively correlated with negative job attitudes across different settings. Similar findings have been reported in specific countries, including Turkey (Resick, Baltes, & Shantz, 2007), New Zealand (Cennamo & Gardner, 2008), Canada (Meyer, Hecht, Gill, & Toplonytsky, 2010), Norway (Verplanken, 2004), and the US; as well as in various industrial and organizational contexts such as financial services, consulting firms, hospitals, public agencies, schools, and restaurant chains.

Different types, levels, and dimensions of value congruence are related in different ways to job attitudes. Firstly, different value dimensions are related to outcomes differently; among these, human-related values are most affectively salient. Amos and Weathington (2008) used Peters and Waterman’s seven values and found that “total value congruence” was significantly related to job satisfaction, organizational satisfaction, and affective and normative commitment, but negatively related to turnover intention. However, when value congruence was considered dimensionally, only the “superior quality” and “importance of people” dimensions were significantly related to these job attitudes. This supports our proposition that value congruence should be treated dimensionally. Boxx, Odom, and Dunn (1991) also used the seven values and found that these values and value congruence between employee and organization had an impact on job satisfaction, organizational commitment and cohesion. Among the four value dimensions of the Competing Values Framework, one study found that only the congruence of human relations values was significantly related to favorable attitudes toward the work unit and job (Verplanken, 2004).

Secondly, different types and levels of value congruence have separate effects. B. Adkins and Caldwell (2004) examined the difference between OPG and OPO and
their effect on job satisfaction using the Organization Culture Profile (OCP). They found that OPG and OPO were highly correlated and that both were significant predictors of job satisfaction. OPO was significantly related to job satisfaction, commitment, and intention to leave (O'Reilly et al., 1991). In a following study (Vandenberghe, 1999), it was found that value congruence at entry was negatively related with turnover rate after one year. Another study found that SPO was not a mediator of OPO's effects on attitudes, and that both SPO and OPO had unique effects on attitudes (Ravlin & Ritchie, 2006). Another study also examined the additive effects of different types of fit (Scroggins, 2007). Objective fit was found to be more predictive of turnover intention than subjective fit (van Vianen, De Pater, & Van Dijk, 2007). Ostroff and colleagues examined different types, levels, and dimensions of value congruence simultaneously and found that they related to outcomes in different ways (Ostroff et al., 2005).

Moreover, value congruence was different from complementary fit. Cable and DeRue (2002) ascertained that PPO, needs-supplies (NS), and demands-abilities (DA) fit were distinct constructs according to a confirmatory factor analysis and that they related to different outcome constructs such that PPO related to organizational identification, perceived organizational support, citizenship behavior, turnover decisions, and job satisfaction after controlling for NS and DA. By conceptualizing psychological need fulfillment as the amount and value congruence as the importance of value, Cable and Edwards (2004) found that psychological need fulfillment and value congruence were distinct constructs and that they had simultaneous effects on work attitudes. They proposed using an integrative framework of complementary and supplementary fit. PPO was more strongly related to satisfaction when N-S job fit was low and to job choice decisions when D-A fit was low or was highly conscientious (Resick et al., 2007).

Value congruence and demographic similarity are distinct constructs and have separate influences, especially over time. One study (Elfenbein & O'Reilly, 2007) examined the joint effects of value congruence and demographic similarity within a team setting and found that OPG predicted performance ratings from staff and peers, but did not predict retention or being liked by peers. As a “deeper” similarity,
effect of value congruence was stronger than demographic fit, suggesting that value congruence accounts more of the outcome variance over time. Other studies have also suggested that time moderates the effect of diversity on team outcomes, weakening the effects of demographic diversity and strengthening the effects of deep-level diversity including value diversity (Glaman, Jones, & Rozelle, 1996; Harrison, Price, Gavin, & Florey, 2002). Another study examined the different effects of ethnic and value diversity on job satisfaction and turnover intention (Cunningham & Sagas, 2004) and found that while value dissimilarity was related to outcomes, ethnic dissimilarity was not, nor was the interaction of the two dissimilarities.

Some studies questioned whether value congruence has an effect beyond the effects of organizational and personal values. Using polynomial regression, one study found that quadratic and interaction components had little effect, suggesting that the effect of value congruence was not important compared to that of personal and organizational values (Kalliath, Bluedorn, & Strube, 1999). Also, using values measured from three independent sources, another study failed to find sufficient evidence regarding the existence of value congruence (Knoppen, Dolan, Diez-Pinol, & Bell, 2006) and proposed focusing more on value incongruence in future research. Other studies reported that organizational commitment was affected mainly by personal and organizational values, the effect of value congruence being marginal (Verplanken, 2004), and that value congruence did not explain more variance than variance explained by the components alone (Taris, Feij, & van Vianen, 2005). In a Kenyan organizational context, it was found that it was the value itself, not its congruence, that explained more variance regarding job involvement (Nyambegera, Daniels, & Sparrow, 2001).

The above evidence confirms the purported effects of value congruence on job attitudes from the perspectives of shared culture, the similarity attraction paradigm, and cognitive dissonance theory. Also, the different effects of different types, levels, and dimensions of value congruence support our advocacy of treating value congruence by types. However, because some studies reported that the effect of value congruence is greater than the effects of its components, we should
pay more attention to fit theory. As noted, fit theory may have effects in certain organizational and professional contexts. Some problems in this line of research include:

Firstly, the types of job attitudes studied are limited. Job satisfaction, organizational commitment, and turnover intention are the most extensively researched. These attitudes are all general attitudes toward the organization but not the job itself. Organizational and job values are not differentiated or integrated in this respect. We know that value congruence leads to general organizationally oriented attitudes. Attitudes toward the work itself have also been receiving research attention recently. For example, in one study PPO led to all three components of work engagement (Koyuncu, Burke, & Fiksenbaum, 2006). Using a two-process model of burnout, value congruence was found to lead to burnout more than the factors identified in the job demand and resource model (Leiter, 2008). Baby-boomer nurses in Canada have more value congruence with their work than Generation X nurses and also less job burnout (Leiter, Jackson, & Shaughnessy, 2009). Value congruence negatively relates to burnout, and burnout mediates value congruence’s effect on job satisfaction and other outcomes (Siegall & McDonald, 2004). We thus need further explanation to support why we choose to include specific attitudes in our research, and we also need to include more different attitudes in future studies.

Secondly, there is definitional ambiguity about organizational commitment. For example, the Organizational Commitment Questionnaire (Porter, Steers, Mowday, & Boulian, 1974) uses items like “I find that my values and the organization’s values are very similar.” In a multifaceted construct of commitment (O’Reilly & Chatman, 1986), the “internalization” dimension refers to congruence between personal and organizational values. For those measurements, it was not clear whether value congruence is the manifestation of commitment or its antecedent. For example, using multifaceted commitment, Caldwell, Chatman, and O’Reilly (1990) found that organizations emphasizing strong organizational value systems in their recruitment and socialization processes were positively related to higher levels of commitment based on internalization and identification. In Becker’s view
(1992), the employee internalizes organizationally desired attitudes and behaviors because the content of those attitudes and behaviors is congruent with the employees’ own value system. Becker defined this as the motivation behind employee commitment and called it internalization. This may also indicate that the relationship between value congruence and commitment can be reciprocal; committed employees can choose to internalize organizational values to a greater extent. This is something which has not been studied in the extant literature.

Thirdly, the effect process of value congruence is largely a “black box.” That is, it is unclear why and through what process value congruence leads to positive job attitudes. To our knowledge, only two recent empirical studies have systematically investigated the effect process of value congruence and identified organizational-based-self-esteem, trust and communication as important mediators of value congruence’s effect (Edwards & Cable, 2009; Naus, van Iterson, & Roe, 2007). In order to have more consistent scientific findings and rigorous theoretical reasoning, we should empirically test and confirm the mechanisms proposed by different theories. In addition, different explanations of the effect process will help us choose appropriate research outcomes in specific situations. For example, if the mediators are more interpersonal and psychologically-oriented, then value congruence will be more proximal to attitudinal outcomes than behavioral outcomes.

Fourthly, numerous studies report that some value dimensions, such as human oriented dimensions, are more affectively salient. These dimensions are important for managers to consider if positive attitudes are their concern. The remaining question is: Why are those values related more to job attitudes than other dimensions?

Another question is whether those positive attitudes are beneficial to the organization. Some researchers claim that, by trying to create a friendly working relationship, employees may actually sacrifice working time and hurt organizational effectiveness by socializing (Verplanken, 2004). Also, the actual purpose of studying job attitudes is that, by promoting positive job attitudes, value

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congruence will contribute to individual and organizational performance, yet this linkage has not been empirically investigated.

Performance

The theoretical perspectives linking value congruence to individual performance are similar to those referred to in the job attitude theme. Fit theory also suggests that the fit of personal and organizational values will lead to positive job behavior. Also, when a strong culture is shared among an organization’s employees, the latter will implicitly understand the fundamental norms within the organization (Schein, 1985, 1990), and act accordingly. Other than these two perspectives, another reason that value congruence should lead to better performance is through the aforementioned linkage of value congruence, job attitude, and performance. Research on the effects of value congruence on performance, whether in-role or contextual, is less frequent, less consistent, and smaller in terms of effect size than on job attitudes (Arthur et al., 2006). We partially attribute this to the inconsistent effects of positive attitudes on performance (Schleicher, Watt, & Greguras, 2004), and also propose that the relevance of value dimensions and research context has a significant impact on the results.

OPP with manager, for example, is associated with sales performance (Weeks, Chonko, & Kahle, 1989). C. L. Adkins, Ravlin, and Meglino (1996) examined the moderating effect of tenure and job-interdependence on the relationship between OPP (co-worker in mutually named dyads) and work outcomes. They found that OPP led positively to dimensions of satisfaction and attendance for lower-tenured employees. Also, when job-interdependence was high, OPP had positive performance outcomes that were easily affected by interpersonal interactions. These moderators suggested that the effect of value congruence differs on different employees and work characteristics, pointing once again to the need for contextualization. As a direct measure of value congruence and goal congruence, P-O fit mediated the effects of person-vocation fit on job attitudes, but not the effects on performance and citizenship behavior (Vogel & Feldman, 2009).
Even though value congruence did not necessarily lead to in-role performance, it was more related to contextual performance (Arthur et al., 2006). PPO led to contextual performance (Lauver & Kristof-Brown, 2001; Vogel & Feldman, 2009). PPO was related to organizational citizenship behavior (OCB) after controlling for NS and DA (Cable & DeRue, 2002). Anmoic feelings fully mediated the effect of PPO on OCB toward the organization (de Lara, 2008). SPO also led to OCB (Goodman & Svyantek, 1999).

One can observe that value congruence is related more to attitudinal outcomes than to behavioral outcomes and to contextual performance more than to in-role performance, and that there are systematic contextual moderators on the effect of value congruence on performance. Because the effect of value congruence on performance is complicated, we cannot confirm claims found in interactional psychology and organizational culture theory in this regard. As for the value congruence, job attitudes, and performance linkage, empirical evidence enabling us to draw any conclusions is lacking. Thus, remaining questions on the effect of value congruence on performance may include: Does value congruence have any effect on job performance and OCB? If it does, is there any mediator in this relationship? Are job attitudes mediators of this relationship? Is the effect of value congruence on job attitudes greater than its effects on performance? Is its effect on OCB greater than its effect on job performance? Finally, we should also systematically examine the possible moderators of those relationships.

**Other themes**

Value congruence should also reduce conflict if the theoretical claims are true. Group value consensus, the degree of value similarity within the group, and group value fit (i.e., the degree of value similarity between the group and its supervisor) were all found to be negatively related to emotional and task conflicts (Jehn, 1994). In a following study (Jehn, Chadwick, & Thatcher, 1997) found that value congruence within work teams led to less perceptual performance and satisfaction, and that this relationship was mediated by relationship conflict. Using perceived
value diversity in the group setting, Jehn and her colleagues examined the different effects of various kinds of diversity on group performance and morale through the mediating role of conflict (Jehn, Northcraft, & Neale, 1999). They found that value diversity was negatively related to performance and morale and also that this relationship was partially mediated by process and relationship conflict. Value diversity moderated the relationship between information diversity and group performance. When value diversity was low, information diversity led to better performance. This suggested that, in order for the beneficial diversity to function, there should be some sort of common ground in which the group can communicate and interact. The authors proposed that value congruence can be a kind of common ground and that, as such, it is a crucial factor enabling the group to perform well. Moreover, they proved that task interdependence moderated the moderation effect of value diversity such that when task interdependence was strong; the moderation effect of value diversity on the relationship between information diversity and performance was stronger. Another study (Jehn & Mannix, 2001) confirmed that group value consensus was negatively related to task, process, and relationship conflicts during the middle and final stages of group interactions, suggesting that, for value congruence to be effective, it takes time for group members to interact and familiarize themselves with each other. Also, this relationship is mediated by the concept called “group atmosphere” which includes trust, respect, cohesiveness, open discussion, liking, and competition. Another study found that when whistle-blowers had a low level of value congruence with top management, they experienced managerial retaliation (Miceli & Near, 1994).

Using the perceived measure of value difference, one study of minority workers found that value difference with supervisors was significantly related workers’ health problems, but that value difference with peers was not related to their health (James, Lovato, & Khoo, 1994), suggesting that value congruence with supervisors was more important than coworkers in this context.

Aryee, Chay, and Tan (1994) examined the effect of PPO on subjective career success and found that PPO was a consistent predictor of subjective career success. They also proposed using a longitudinal study to examine the reciprocal
relationship between value congruence and career success. Ballout (2007) theoretically examined the impact of P-J fit, P-O fit and person-culture fit on career success, and proposed that person-culture fit (value congruence) was positively related to career success.

Balazs (1990) examined the value congruence condition of two financial service firms. The “socially responsible” firm had more congruent values with its employees indicating that the company had failed to instill its values in its employees. This suggests that employees can resist organizational values and share other values among themselves, highlighting the importance of instilling and sharing the important (or desired) values among employees. By treating corporate ethics as part of work values, one theoretical study (Coldwell, Billsberry, van Meurs, & Marsh, 2008) proposed that P-O ethical fit had effects on the attitudes and behaviors of potential recruits and employees. Another theoretical paper proposed that when value congruence between employees and the organization was low and when employees had strong feelings about those incongruent values, employees would behave in a detrimental fashion (Kraimer, 1997). SPO was found to correlate with organizational cynicism, a relationship that was partially mediated by self-esteem (Naus et al., 2007).

Apasu (1987) reported that the degree of PPO affects sales representatives’ perception of rewards. When value congruence exists, the sales manager can use job security, promotion and social recognition in the rewards system to motivate the sales force. Badovick and Beatty (1987) proposed that shared values may have an important effect on the successful implementation of marketing strategy. They found that the values that can aid in the successful implementation of one particular marketing strategy were not shared within the organization and that this may have explained the lack of support for this particular marketing strategy (Badovick & Beatty, 1987).

In a study examining person-innovation fit and affect and behavior related to innovation implementation (Choi & Price, 2005), the authors found that subjective value congruence between personal values and values of the innovation did not
have a positive effect on commitment to the implementation and implementation behavior. Instead, the effect was linear. Innovation values positively affected commitment, and personal values positively affected implementation behavior. Another study proposed that value sharing within professional service firms can help those organizations get a better management of their knowledge (Morris & Empson, 1998).

Conclusions

Defining value congruence as a multi-type, multi-level, and multi-dimensional concept, we have reviewed the extant literature on value congruence to obtain a comprehensive understanding of the field. We reviewed the literature according to different themes, focusing on how each theme contributes to the management theories applied. General conclusions and statements derived from the above discussion include the following.

Firstly, because of the different types, operationalizations and analyzing methods applied, value congruence is a rather complex concept. Instead of discussing the concept in general, we should pay more attention in our research to the concept's representation, clearly stating which type we are discussing to avoid any confusion. We should give clear reasons for why we use given value dimensions and treat differing dimensions differently. We should also study different types of value congruence and compare value congruence with other types of fit in the same study. Some have argued that value congruence has a greater effect size than other types of fit (Verquer et al., 2003; Westerman & Cyr, 2004) and that we should integrate different types of fit in the same study to examine their joint effects (Kristof-Brown et al., 2005; Kristof, 1996; Ostroff et al., 2005). We are still not sure how different levels of value congruence are related to each other. Is value congruence with leaders more important than with the organization because employees are close to their leaders on a daily basis? How do employees treat subcultures within the organization (Gregory, 1983) and develop value congruence accordingly? The relationships between value congruence and
other types of fit such as P-J fit, P-V fit, demographic diversity, personality fit, and the like are not clear. Do they interact with each other or is a specific time sequence needed among them when individuals and organizations make decisions?

Secondly, although different theories have been referred to in different themes, the explanation of value congruence’s effect is still not clear. Empirical findings are fragmented and complicated because of the lack of theoretical work. Profound theoretical discussions integrating the different theories mentioned above are needed to foster our fundamental understanding of the field.

Thirdly, although it seems that value congruence already has a rich nomological network according to Figure 2.2, there is still a large void in each theme which has to be filled as discussed above. In addition to developing the various themes, another approach is to study different themes such as staffing and socialization together. Yet another is to include more variables that are not traditionally examined, such as organizational supportive or leader supportive behavior. In addition, as suggested in the literature, the “dark side” of value congruence, namely how value congruence affects individual creativity and organizational innovation, has not yet been examined empirically. The dilemma is that organizations need diversity to boost their creativity and also a global norm and culture to coordinate employees’ efforts. The symbiosis of diversity and fit within organization can be a fruitful field (Powell, 1998).

Fourthly, value congruence can also be used as a strategic management tool to gain competitive advantage. According to one study, employees’ value congruence can lead to a brand value perception that is similar to the brand value proposed by management, and this can lead to better brand perception among customers (Yaniv & Farkas, 2005). Another study proposed that value congruence can be used as a type of strategic human resource management tool to align different human resource management practices within the organization (Werbel & DeMarie, 2005). Others have proposed that stakeholders’ needs play an important role in determining the organization’s values (McDonald & Gandz, 1992), thus
benefiting stakeholders. Paarlberg and Perry (2007) demonstrated that strategic values can motivate employees to the extent that those values are preexisting in the employees, thus benefiting employees. We propose here a value projection chain through which top management can instill its values to employees by means of various culture management tools. If the employees’ values are congruent with the values desired by management, then the daily behaviors will manifest those values and those values will be perceived by the customers. This value projection chain will help the organization to gain competitive advantage.

Fifthly, more attention needs to be given to the organizational development stage. Is value congruence stable over time (DeRue & Morgeson, 2007)? How does value congruence function in organizational change? In one study, SPO's effect was examined in a cultural transformation context (Harris & Mossholder, 1996), determining that congruence on different value dimensions has different affective implications. A follow-up study (Meyer et al., 2010) found that the effect of SPO on affective commitment and intention to stay during a process of organizational change depends on different value components, time periods, and criterion variables. In addition, value congruence may not be as influential as organizational culture or other management tools in the early development stage of the management system (Nyambegera et al., 2001). In addition to time, organizational and professional contexts (Johns, 2006; Rousseau & Fried, 2001) are also important factors. Systematic moderators such as job interdependence, (Adkins et al., 1996), job mobility (Wheeler, Gallagher, Brouer, & Sablynski, 2007), and time (Meyer et al., 2010) are reported. These differences in findings may be partially due to the various organizational and professional contexts in particular research settings. For example, we should assess whether value congruence is examined in an interpersonal environment because it is an interpersonal phenomenon (Pervin, 1968). Also, some professions such as accountancy and nursing are more value-oriented, while other professions may not be so value-laden and, thus, less affected by value congruence.

Our study has revealed important phenomena in organizational complexity. It would be beneficial for future HR research to examine our model within different
organizational frameworks and different national and cultural settings in order to understand the specific HR practices that foster fit. Drawing on Johns' (2006) multilevel contextual framework, we examined whether the relationship between values and better performance was moderated by organizational and environmental situations. In the future, HR and OB researchers would do well not to limit their focus to the simple bi-variate relationship, but also to take into account the broader contexts (Johns, 2006, p. 391) of industry and societal culture.

To summarize, the extant literature on value congruence is prolific yet weak on several points. In order to have a comprehensive theoretical understanding and derive solid managerial implications, those weak points need to be thoroughly addressed.
References


Figure 1: Different types and levels of value congruence

Note: PPO stands for the perceived person-organizational value congruence; SPG refers to subjective person-group value congruence; and OPP represents objective person-person value congruence, etc.
Figure 2: Integrative framework for value congruence research according to different themes (dotted lines indicate research gaps)

- **Value congruence**
  - Typology
  - Organizational culture
  - Theory
  - Contextualization
  - Dimensions
  - Interaction

- **Job attitudes**
  - Job satisfaction
  - Organizational commitment
  - Turnover intention
  - Organizational identification
  - Burnout
  - Work engagement
  - Subjective career success
  - Other types of attitude
  - Mediator mechanism
  - Why human value?

- **Performance**
  - Job performance
  - OCB
  - Effect size
  - Mediator
  - Moderator

- **Other outcomes**
  - Conflict
  - Cohesion
  - Communication
  - Trust
  - Employee Health
  - Ethical behavior
  - Marketing
  - Employee health

- **Staffing**
  - Mutual selection
  - Assumption of ASA
  - Real world sample
  - With P-J fit, context

- **Socialization**
  - Socialization tactics
  - Different tactics
  - With staffing together
  - Context

- **Leadership**
  - Transformational/charismatic
  - LMX
  - Effect process
  - Causal direction

- **Other types of fit/diversity**
  - Demo diversity
  - P-J fit
  - Sequence
  - Interaction

- **Assumption of ASA**
  - Real world sample
  - With P-J fit, context

- **Real world sample**
  - Different tactics
  - With staffing together
  - Context

- **Transformational/charismatic**
  - Effect process
  - Causal direction

- **LCM**
  - Dimensions
  - Interaction

- **Innovation?**
  - Group thinking?