Gap Analysis of Employee-Organization Congruence Factors: Perspective of Factory employees in Sri Lankan Apparel Sector

Authors

Perera Gamage Dinoka Nimali
*Department of HRM, Faculty of Management Studies & Commerce,
University of Sri Jayewardenepura / PhD Candidate, Faculty of Business
Management and Professional Studies, Management & Science University,
Malaysia*

dinokagnp@yahoo.com
Sri Lanka

Khatibi Ali
*Faculty of Business Management and Professional Studies, Management &
Science University, Malaysia*

alik@msu.edu.lk
Malaysia

Navarathna Nimal
*Department of HRM, Faculty of Management and Finance,University of
Colombo, Sri Lanka*

nimal_n@hotmail.com
Sri Lanka

Karuthan Chinna
Faculty of Medicine, University of Malaya, Malaysia

karuthan@gmail.com
Malaysia

Abstract

This article presents a gap analysis of the employee-organization congruence (EOC) factors in the Sri Lankan Apparel Sector from the perspectives of factory employees. This study seeks to assess the gap of EOC factors based on an organizational culture profile instrument to measure five constructs: innovation, supportiveness, team orientation, outcome orientation and rewards. After conducting a pilot study, the instrument was administered to 322 factory workers who were selected based on the random sampling method in seventeen apparel firms. The analysis started with a descriptive analysis followed by factor and reliability analyses. Paired sample T-test and non parametric test were used for analyzing the gap in employee-organization congruence factors. The study revealed that overall, all congruence factors are incongruent (negative) and the gap is between .6 to .8.

Key Words

Employee-Organization Congruence, Incongruent, Organizational Culture Profile.

I. INTRODUCTION

Organizations are experiencing the unfavourable pressures of competition generated by globalization, technological changes and many other forces in the environment. One of the methods for organizations to withstand these storms is through detecting potentials in terms of the organizational spirit in its employees. Because, the most precious asset in any organization is its employees-the people who make up the organization (Lippiec,2001;Marken, 2000).Therefore, employees are assets that need to be selected, retained and managed for organizational success.

Today the Sri Lankan apparel industry is confronted with a serious problem. Factory employees are not retained in one organization in the long term. Reasons are cost of living increases due to the global economic situation and employees demand higher salaries (Fernando, et al.2010). Due to cost cutting, organizations cannot afford the higher pay. However, benefits of low hourly wages are quickly negated by high absenteeism (5 percent monthly), high labour turnover (about 5 percent monthly), persistent vacancies (10 percent of total workforce), costly and lengthy labour disputes, and low adaptation to modern technology all contributing to low labour productivity and performance (Wijesinghe,2009).

As a result, it is difficult to achieve apparel sector targets continuously. Effective employees are essential for achieving organizational objectives (Liu,et al.2010).In managing resources, the most critical as well as the most difficult area is managing employees. It is critical because achieving objectives mainly depends on the employees of an organization. If there is a gap between characteristics of the ideal organization, its employees and characteristics of the organization where employees are currently employed and of its employees. This results in employees leaving the organization, closing down factories, low performance, low quality of the products, high operating cost, high recruitment cost and hampered reputation of the firm. The main goal of employee-organization congruence is to maximize similarity of values between the employee and the organization. The employee-organization congruence perspectives provide an excellent framework for the relationship between workplace practices, organizational and personal characteristics. The objective of this article is to investigate the gap between perceived and preferred employee - organization congruence related factors in selected apparel firms.

II. LITERATURE REVIEW

Kristoff (1996) defined EOC as a match between organizational members and the organizational goals; member interest and or organizational settings; and members' character. Edward and Cable (2009) explained EOC as compatibility of employee's skills, attitudes and work values with an organizational entity. This study measures the perception of employees about the value dimensions existing in their organization and the fit with their own perception of an ideal organization by the Organizational Culture Profile (OCP) developed by O'Reilly et al. (1991). So, the EOC is measured through the measurement of values of an existing organization and the values of an ideal organization as felt by them using five factors (Table1).

TABLE I: DESCRIPTION OF EMPLOYEE- ORGANIZATION CONGRUENCE FACTORS [SOURCE: O'REILLY ET AL.1991)]

Factor	Description
Innovation	The degree to which employees are developed to be innovative and taking risks.
Outcome orientation	The degree to which the organization pays more attention to outcomes.
Team orientation	The degree to which employees carry out work as teams.
Supportiveness	The degree to which employees have shared information and been supportive.
Reward	The degree to which employees have received higher pay for better performance.

Rowe et al.(1994) assert that there is a gap between perceived and preferred employee-organization congruence factors. Also Chatman, (1991); O'Reilly, et al.(1991) and Tepeci (2001) discussed that there was a gap between the perceived and preferred employee-organization congruence factors in different organizational settings). According to Nazir (2005), research related to examining employee-organization congruence gap is very rare. Therefore, this study analyzes the gap in EOC as follows (Figure1).
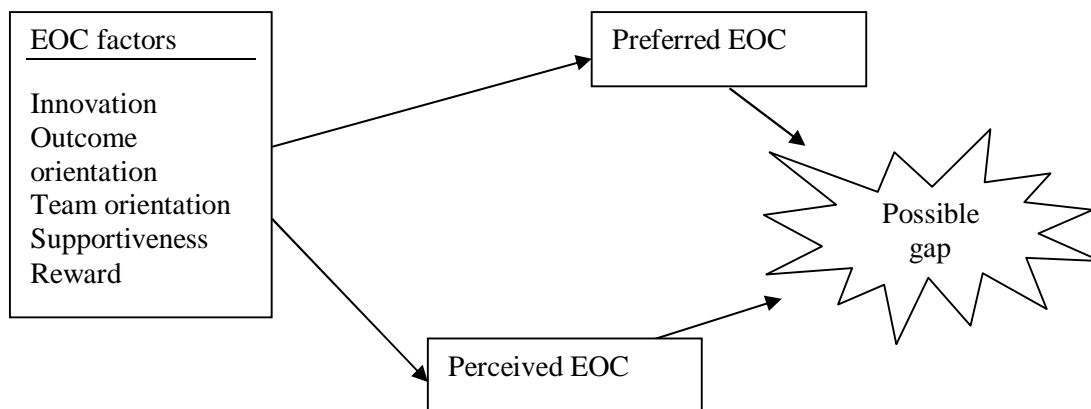

FIGURE I: GAP OF EMPLOYEE-ORGANIZATION CONGRUENCE, [SOURCE: DEVELOPED BY RESEARCHER BASED ON O'REILLY ET AL (1991)]

III. METHODOLOGY

This study is based on the positivist research tradition. Its strategy is analytical. This study attempted to analyze the difference between the levels of respondents' perceived and preferred

factors of the employee-organization congruence using a four point Likert scale. The unit of analysis was factory workers. A sample of 384 workers was randomly selected from the apparel sector .However 322 usable questionnaires were received and the analysis was done by using them. Prior to the estimation of the gap analysis of employee-organization congruence factors, exploratory factor analysis was conducted with SPSS (highest correlation value, KMO and variance) to assess unidimensionality (Appendix A). In each of these analyses, a single factor was extracted. Overall results of gap analysis of employee-organization congruence factors were calculated with considering the mean values of perceived and preferred factors separately. Then the paired sample T-test and non parametric test (Wilcoxon Signed Rank Test) for analyzing the gap of employee-organization congruence factors was used.

IV. FINDINGS

The innovation factor consists of five items, innovative, rule oriented, taking risks, careful and highly organized. In Table 2 the mean scores for perceived verses preferred for the innovation concept are presented. The difference in these two scores indicates the level of congruence. Overall the mean perceived and preferred scores relating to innovation factor is 2.98 and 3.75 respectively. Hence, the respondents rated the congruence factor of innovation as very preferred (.763) than perceived. Based on the p values from paired sample t-tests and non-parametric tests, there were significant gaps in the five items. However, all differences are less than zero, even though, factory workers are incongruent with all items in the innovation factor. The highest and lowest gap of innovation items are rule oriented (-.891) and highly organized (-.689) respectively.

TABLE II: GAP ANALYSIS OF INNOVATION

Items		Score		Difference		P*	p**
		Mean	SD	Mean	SD		
Innovative	Perceived	2.98	.68	-.776	.728	.00	.00
	Preferred	3.75	.43				
Rule oriented	Perceived	2.88	.73	-.891	.826	.00	.00
	Preferred	3.77	.43				
Taking risks	Perceived	3.02	.67	-.739	.711	.00	.00
	Preferred	3.76	.44				
Careful	Perceived	3.02	.66	-.736	.783	.00	.00
	Preferred	3.75	.44				
Highly organized	Perceived	3.05	.69	-.689	.859	.00	.00
	Preferred	3.74	.44				
Overall innovation	perceived	2.98	.359	-.763	.489	.00	.00
	Preferred	3.75	.351				

p* based on parametric test
p** based on non parametric test

Table 3 represents the comparison of perceived and preferred means scores for the five outcome orientation items. Overall the mean preferred scores of outcome orientation factors are between 3

to 4. Hence, the respondents rated outcome orientation is very preferred than their perceived level. As shown in the table below, the results of p values of paired sample t-tests and non-parametric tests indicate that there are significant differences between preferred and perceived levels of the outcome orientation factor. All differences are less than zero. Thus, overall results indicate that respondents are incongruent in achievement oriented, opportunities, result oriented, high expectations and calm items in the outcome orientation factor. The highest and lowest gaps of outcome orientation items are opportunities (-.953) and achievement oriented (-.108) respectively.

TABLE III: GAP ANALYSIS OF THE OUTCOME ORIENTATION FACTOR

Items		Score		Difference			
		Mean	SD	Mean	SD	P*	p**
Achievement oriented	Perceived	2.66	.65	-.108	.80	.00	.00
	Preferred	3.72	.48				
Opportunities	Perceived	2.81	.75	-.953	.87	.00	.00
	Preferred	3.77	.47	.			
Result oriented	Perceived	3.11	.71	-.618	.84	.00	.00
	Preferred	3.73	.49				
High expectations	Perceived	2.98	.65	-.727	.83	.00	.00
	Preferred	3.71	.49				
Calm	Perceived	2.82	.76	-.941	.88	.00	.00
	Preferred	3.76	.47				
Overall outcome orientation	perceived	2.88	.445	-.859	.587	.00	.00
	Preferred	3.74	.371				

p* based on parametric test
p** based on non parametric test

The Table 4 classifies the mean scores for the four sub items of the supportiveness factor and the overall mean preferred and perceived scores are closer to 4 and 3 respectively. Thus, the respondents rated supportiveness factors as very preferred than perceived. The results from paired sample t-test and non-parametric tests explain the difference between perceived and preferred scores for supportiveness factors. Based on the p-values there are significant differences between preferred and perceived levels relating to the supportiveness factor. That is in all items (shares information, supportive, praises performances and long hours) the respondents are incongruent. Overall, the results emphasize that factory workers are incongruent in the supportiveness factor (perceived < preferred).

TABLE IV: GAP ANALYSIS OF THE SUPPORTIVENESS FACTOR

Items		Score		Difference			
		Mean	SD	Mean	SD	p*	p**
Shares information	Perceived	2.88	.75	-.835	.89	.00	.00
	Preferred	3.71	.53				
Supportive	Perceived	2.99	.71	-.655	.90	.00	.00
	Preferred	3.64	.56				
Praises performance	Perceived	3.03	.68	-.556	.97	.00	.00
	Preferred	3.59	.68				
Long hours	Perceived	2.92	.85	-.717	1.02	.00	.00
	Preferred	3.63	.55				
Overall Supportiveness	Perceived	2.95	.459	-.691	.661	.00	.00
	Preferred	3.64	.494				

p* based on parametric test
p** based on non parametric test

The mean scores for perceived verses preferred for an emphasis on the rewards concept is presented in Table5. The mean scores of preferred value is higher than the perceived scores of rewards. It implies that the respondents preferred the rewards concept. However, the gap in these two scores indicate a negative value, respondents perceiving less than what they preferred i.e., incongruence. Further Table 5, giving the results from paired sample t-test and non-parametric tests shows the difference between perceived and preferred scores.

TABLE V: GAP ANALYSIS OF THE EMPHASIS ON REWARDS FACTOR

Items		Score		Difference			
		Mean	SD	Mean	SD	p*	p**
High pay for performance	Perceived	2.78	.73	-.950	.870	.00	.00
	Preferred	3.73	.56				
Professional growth	Perceived	2.92	.69	-.817	.820	.00	.00
	Preferred	3.74	.47				
Fitting in	Perceived	2.92	.70	-.783	.860	.00	.00
	Preferred	3.70	.57				
Overall Emphasis On rewards	Perceived	2.87	.412	-.849	.607	.00	.00
	Preferred	3.72	.503				

p* based on parametric test
p** based on non parametric test

Based on the p values there are significant differences between what was preferred by the respondents and what they actually perceived. That is, in all measures the respondents were incongruent. Thus, overall, results conclude that there is incongruence in emphasis on rewards.

Considering Table 6, results from paired sample t-tests and non-parametric tests, p values are significant (less than .05). It indicates the differences between   what was preferred by the respondents and what they actually perceived on the items of team oriented, collaboration, and autonomy items in the team orientation factor. That is in all measures the respondents were mismatched. Overall, results indicate that there is a significant difference in the perceived and preferred in the team orientation factor. Generally, the respondents are not congruent in the team orientation factor.

TABLE VI: GAP ANALYSIS OF THE TEAM ORIENTATION FACTOR

Items		Score		Difference			
		Mean	SD	Mean	SD	p*	p**
Team oriented	Perceived	3	.70	-.711	.71	.00	.00
	Preferred	3.71	.49				
Collaboration	Perceived	2.88	.74	-.87	.82	.00	.00
	Preferred	3.75	.43				
Autonomy	Perceived	3.10	.68	-.615	.72	.00	.00
	Preferred	3.71	.49				
Overall Team Orientation	Perceived	2.99	.526	-.732	.562	.00	.00
	Preferred	3.72	.421				

p* based on parametric test
p** based on non parametric test

The mean values of perceived, preferred and gaps (perceived-preferred) relating to the above five congruence factors are provided in Figure 2.

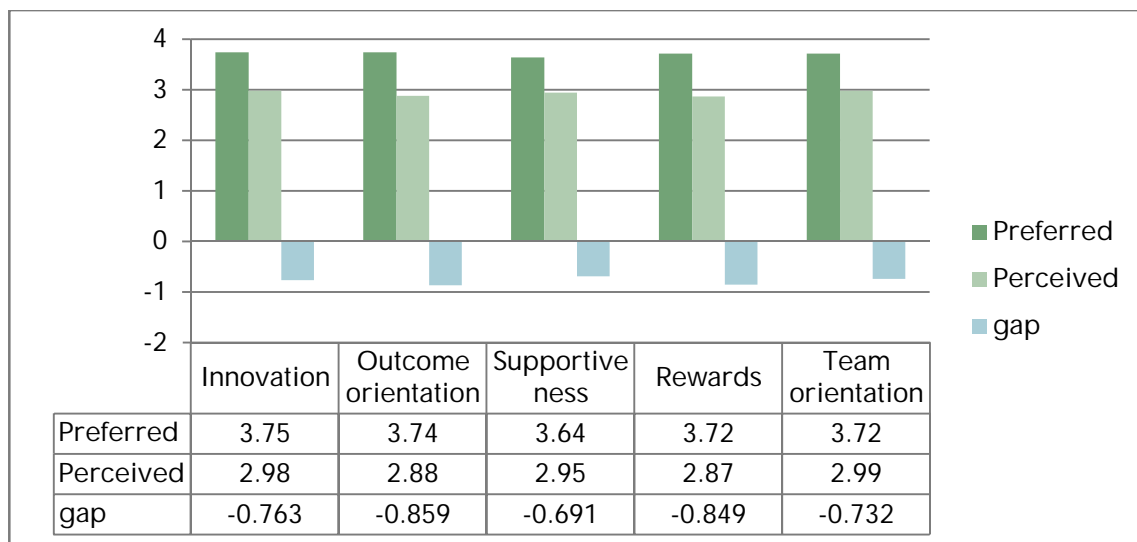|	Innovation	Outcome orientation	Supportive ness	Rewards	Team orientation
Preferred	3.75	3.74	3.64	3.72	3.72
Perceived	2.98	2.88	2.95	2.87	2.99
gap	-0.763	-0.859	-0.691	-0.849	-0.732

FIGURE II: OVERALL RESULTS OF GAP OF EOC FACTORS

According to the above graph, all preferred values are higher than the perceived values in relation to EOC factors. Then there was a gap with EOC factors in the selected apparel firms. The highest overall gap is the outcome orientation factor and lowest overall gap is the supportiveness factor, comparing with other congruence factors (refer Figure 2).Overall all congruence factors were incongruent (negative) and the gap is between .6 to .8.

V. DISCUSSION AND CONCLUSION

To find the solution, for the above mentioned research objective, EOC factors were investigated through gap analysis. The gap is explained as the difference between perceived and preferred employee-organization congruence factors related to factory employees in the selected large apparel sector in Sri Lanka. There were five employee-organization congruence factors, namely innovation, outcome orientation, team orientation, supportiveness and reward.

The first factor of employee-organization congruence was innovation; it consists of five items, innovative, rule oriented, taking risks, careful and highly organized. The results of the gap analysis of innovation factors emphasized that all factory workers were incongruent. Next was considered the outcome orientation factor including achievement oriented, opportunities, result oriented, high expectations and calm items. All five items relating to outcome orientation factor show, that the preferred mean scores are more than perceived mean scores and that the p value is less than.5. Therefore factory workers were also incongruent with the outcome orientation factor. The next employee-organization congruence factor was supportiveness, including shares information, supportive, praises performances and long hours items. The respondents of factory workers were not congruent with all four items of supportiveness factor. The emphasis on rewards concept comprises three items, high pay performance, professional growth and fitting. It reveals that the respondents were mismatched with preferred and perceived values. The final factor of employee-organization congruence was team orientation which consists of team oriented, collaboration and autonomy items. The team orientation factor emphasized the incongruence of the respondents, i.e. perceived values were less than preferred values of each item. These finding empirically confirms the theoretical arguments given by Chatman, (1991); O'Reilly, et al.(1991)and Tepeci (2001).They all explained that there was a gap between the perceived and preferred employee-organization congruence factors in different organizational settings. Also, overall results of gap analysis characterize all congruence factors (outcome orientation (-.859), reward (-.849), innovation (-.763), team orientation (-.732) and supportiveness (-.691)) showed incongruence (refer figure 2).

These findings indicated that there was a significant difference between the employee-organization congruence factors at the selected apparel sector. The existence of an employee-organization congruence gap within organizations is supported by previous research (Nazir, 2005; Rowe, et al.1994).Further joint relationships of perceived and preferred values explained the mismatch of the respondents for each congruence factors. This also has often been found in other studies (Edward and Cable, 2009; Janen and Kristof-Brown, 2005; Meyer, et al.2010; Ostroff, et al.2005).

To find more suitable reasoning for the incongruence of employee-organization congruence factors the researcher interviewed 30 factory workers in the apparel sector. Considering the factory workers' point of views, low salary, higher cost of accommodation, traveling cost when going back home, higher energy costs, medical costs, leg pains and child care problems are the main reasons for incongruence. As a result, factory employees are not committed to their organizations. Therefore the apparel sector faces difficulty in retaining factory employees for long period of time.

Further, in depth interview with factory employees, the following reasons were identified as incongruent factors relating to employee-organization congruence. Lack of opportunities for the development of worker, mainly focus on customer perspective not employee oriented, low expectations of their life, salary level, no autonomy , team work problems, low relationship with peer group as well as immediate superior , work with long hours in the same posture, and factory environment problems.

Nazir (2005) states that there have been only limited findings relating to existence of an employee-organization congruence gap. The present study contributes to the body of knowledge about employee-organization congruence and supports previous literature by examining the gap in values.

These kinds of research are relatively rare in the literature, i.e., comparison, gap between perceived and preferred values. Moreover, employee-organization congruence and related literature, belongs to western countries. Therefore this study has contributed to the employee-organization congruence related literature in a non western context.

The key practical implication of this research is that employee-organization congruence is a very vital phenomena. The research presents several important implications for organizations. The employee-organization congruence perspective proposes that a significant element in the apparel sector firms change programs to understand the existing employees' current values at work, their perceptions of apparel sector values, such as how the apparel sector structure, policies and procedures help to enhance employees' perceptions of the organizational values. Lastly, decision making groups of the apparel sector can consider how factory workers values and apparel sector values can be made more congruent.

VI. Recommendation

To reduce the incongruence level of employee-organization congruence related factors, top management and supervisors have to allocate their time and resources for specially mentioning values, such as development of result oriented workers, high expectations for their life, create new opportunities and a calm environment for employees, create new socialization programs and training methods for increasing the congruence level of employees, provide necessary facilities for factory employees to develop innovative ideas relating to their work to minimize innovation gap. Then select the best employees who provide innovative ideas and give them more recognition as well as reward for him or her. Finally the gap can be reduced through shared information

between employees as well as superiors, creating a team oriented environment and given autonomy to do their work. Further, to remove the existing gap, the management should take necessary action either to review or improve existing company values by proper training and education of factory employees. As a result factory employees can be retained and survive with favorable attitudes in the apparel sector.

In depth interview with factory employees, yielding the following factors will be recommended to reduce the differences between levels of congruence factors.

- The factory mission should focus not only on customer orientation, but also on employee-orientation.

- The top management should pay more attention to employee congruence to ensure the quality of their employees.

- Gap 1 (outcome orientation) and 5 (supportiveness) can be reduced through strong relationships with existing employees and superiors. As a result management can understand the changing needs and expectations of their existing employees.

- Managers have to express solidarity with the employees and have to be aware of employee expectations.

- Implement training and motivational programs to improve employee skill, trust and co-operation between employees, which will promote and support employee-organization congruence.

- Employees are rewarded for achieving targets by rewarding the whole team and not for individual employees.

- Quick response systems should be adopted to minimize grievances and problems of employees.

- The bureaucratic relationship between the management and factory employees should be removed.

- To keep a suggestion box to inform of any irregularity and personal suggestions with or without mentioning himself to improve the congruence level of workers.

APPENDIX A

Factor analysis for employee-organization congruence factor

Variable	Perceived			Preferred		
	Highest Correlation	KMO	Variation	Highest Correlation	KMO	Variation
Innovation		.781	60%		.831	65%
Innovative	.720			.810		
Rule oriented	.712			.780		
Taking risk	.621			.632		
Careful	.721			.740		
Highly organized	.626			.701		
Outcome orientation		.732	58%		.794	61%
Achievement oriented	.602			.720		
Opportunities	.629			.760		
Result oriented	.702			.879		
High expectations	.730			.746		
Calm	.635			.723		
Supportiveness		.716	52%		.832	66%
Shares information	.629			.780		
Supportive	.709			.765		
Praises performance	.684			.828		
Long hours	.602			.634		
Emphasis on rewards		.708	48%		.723	51%
High pay for performance	.527			.742		
Professional growth	.653			.785		
Fitting in	.645			.812		
Team orientation		.743	57%		.862	66%
Team oriented	.752			.865		
Collaboration	.725			.826		
Autonomy	.783			.798		

REFERENCES

[1] Chatman, J.(1991).Improving interactional organizational research: A model of person-organization fit *.Academy of Management Review*,14.333-349.

[2] Edwards, J.R. &Cable, D.M.(2009).The value of value congruence. *Journal of Applied Psychology*.94 (3).654-677.

[3] Fernando, W.R.P.K., Selvam,M. & Bennet,E.(2010).Exhaustion and stress: An empirical study among workers in apparel industry of Sri Lanka. ICBI 2010 - University of Kelaniya, Sri Lanka.

[4] Jansen, K. & Kristof-Brown. A. (2006).Toward a multi dimensional theory of person- environment fit. *Journal of Managerial Issues.*28,193-212.

[5] Lippiec, J. (2001), Human Resource Management Perspectives at the turn of the century, public personnel management, 30(2), 137-147.

[6] Liu, B., Liu, J. & Hu, J. (2010). Person-organization fit, job satisfaction, and turnover intention: an empirical study in the Chinese public sector. *Social Behavior and Personality,* 38(5), 615-625.

[7] Marken.G.A.(2000), Ten Commandments for Managing People, Public Relations Quartley,45(2),43-44.

[8] Nazir, N.A. (2005). Person-culture fit and employee commitment in banks. Vikalpa, 30(3), 39 – 51

[9] O'Reilly, C.A, Chatman, J. & Caldwell, D.F. (1991). People and organizational culture: A profile comparison approach to assessing person-organization fit. *Academy of Management Journal,* 34, 487-516.

[10] Ostroff, C., Kinicki, A.J.& Tamkins, M.M. (2003). Organizational culture and climate. In Borman, W.C., Ilgen, D.R. (Eds.), Handbook of Psychology: *Industrial and Organizational Psychology*, 12. John Wiley, New York, NY, pp. 565–593.

[11] Rowe, A.J., Mason, R.O., Dickel, K.E., Mann, R.B. & Mockler R.J. (1994). Strategic Management: A methodological approach (4th ed). NewYork: Addison-Wesley.

[12] Tepeci, M. & Farrar, A. L. (2000). Person-organization fit, employee satisfaction and
intent to quit in the hotel industry. In Connie C. B. Mok and Agnes L. DeFranco (Eds.),*Proceedings of Advances in Hospitality and Tourism Research*, (pp. 298-302). Houston, TX: University of Houston.

[13] Wijesinghe,A.G.K.(2009). *Interactions between Leadership Styles and Person-Organization Value Fit on Employee Performance,*Unpublished doctoral dissertation, Tomas Bata University
.