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**RESEARCH ARTICLE**

## **Organizational Values as Indicators of Organizational Commitment in selected BPO Companies in Metro Manila**

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**ABSTRACT**

The purpose of the study is to analyze the connection between organizational values and organizational commitment in the Philippine Business Process Outsourcing (BPO) setting. Organizational values were represented by the McDonald and Gand taxonomy of values while organizational commitment was conceptualized in three forms: affective, normative and continuance commitment. The study was done through employees from selected BPO companies in Metro Manila. The results of the correlation analysis revealed that all the values sets are positively correlated with the three components of commitment, with human relation and open system values having the highest correlations. Meanwhile, regression analysis was also conducted, and the results found that human relations values significantly predicted affective commitment while open system values significantly predicted both affective and continuance commitment. The study recommends that companies should actively promote human relations value or open system values in their workplaces because these values can influence the organizational commitment of employees.

**KEYWORDS**

Affective commitment, BPO companies, continuance commitment, normative commitment, organizational values

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### **1. Introduction**

#### **1.1 Background of the Study**

Values are within each person, and these shape, influence and direct a person's life. Values are set of principles and beliefs which guide the attitude and behavior of an individual (Zander et al., 2016), and influence specific behavioral factors like making choices, responding to situations and choosing where to spend time and energy (Posner, 2010), serve as standards for coming up with decisions and setting priorities (Vizcarra, 2013) and lie behind the explanations and justifications for one's actions (Kumar, 2012). They are exhibited either individually or collectively as a group.

Organizations, companies, or institutions have their own values which are expressed by their people. Organizational values are formed to guide companies to uphold ethical organizational behavior (Johnson, 2009), come up with better organizational decisions and determine the ways in which employees should work and behave under different situations to enhance business

processes and decision-making (Malbasic et al., 2018). Organizations can use values to nurture the moral reasoning and the sense making of people within a business firm (Fotaki et al., 2020) so that they can decide and act on what is suitable, ethical and upright for a certain situation. Values are communicated whether through aspiration, promotion or enactment of these principles and organizations expect their people to live out these values in the conduct of their respective activities. Likewise, organizational values are elements which can affect employees' behavior toward their companies. They are linked to psychological empowerment (Marinova et al., 2019), strategic human resource planning (Orozco et al., 2018), employee engagement (Kang et al., 2020) and can be instrumental in lessening feelings of exhaustion experienced in the workplace (Matziari et al., 2017). Hence, organizational values can benefit companies and their people, and it is important that companies adopt and espouse values in their workplaces.

Organizations differ in what values they emphasize, and respectively, their people have their own set of beliefs, principles and values they use in their work. Each person's thoughts, words and actions are influenced by his/her values and possibly by the organization's values. Each of them has a preferred behavior out of a situation and such might be the same or different from others. Furthermore, some values are given higher emphasis compared to others and subsequently, different values produce different responses from the people involved. It is important to identify the values that have a positive effect to employees so that companies will know which values to adopt and promote in the workplace.

Researchers have developed an interest in the study of organizational commitment, and it has attracted greater attention in the field of psychological research, human resource management and organizational behavior. This subject has continuously been the concern of companies as managers are searching for ways to keep their employees consistently committed at work. It is believed that organizationally committed individuals are more harmonious, productive, responsible and loyal to the organization (Demirtas, 2018). Further, growing competition in different labor markets has urged companies to ensure that their people are committed to the company (Hanaysha, 2016). It is essential for companies to instill this feeling in their employees because this behavior is an indication that employees are willing to be a part of the organization and perform tasks on behalf of the organization. Without this feeling, employees won't be inspired to report to work regularly, refuse to be engaged in their tasks, and be detached from the company and would result in employees withdrawing from the company.

One non-monetary element companies can use to facilitate feelings of commitment is their values. Dehaghi et al. (2012) stated that since companies want to avoid or decrease costs in managing their human resources, it is necessary for them to identify values which can shape employees' organizational commitment and make sure that such commitment is maintained throughout the entire organization. This research study aims to determine the connection between organizational values and commitment of employees toward their companies.

Several studies were able to establish a relationship between values and commitment (Finegan, 2000; Abbott et al., 20005; Ghosh, 2010; Cohen & Liu, 2011; Kumar, 2012; Seggewiss et al., 2018; Ingarianti, 2018) and in the Philippine setting (Vizcarra, 2013; Gomez-Manongsong, 2016; Madrigal et al., 2018). They also identified the specific values that are associated and can positively influence employees' commitment (Finegan, 2000; Abbott et al., 20005; Ghosh, 2010; Kumar, 2012). However, these studies were conducted in different countries, industries, settings and people belonging to different cultures and none of them conducted the same study in a BPO setting. This study intends to address this gap in the literature in the context of BPO, being one of the most prominent industries in the Philippines.

## **1.2 Organizational Values**

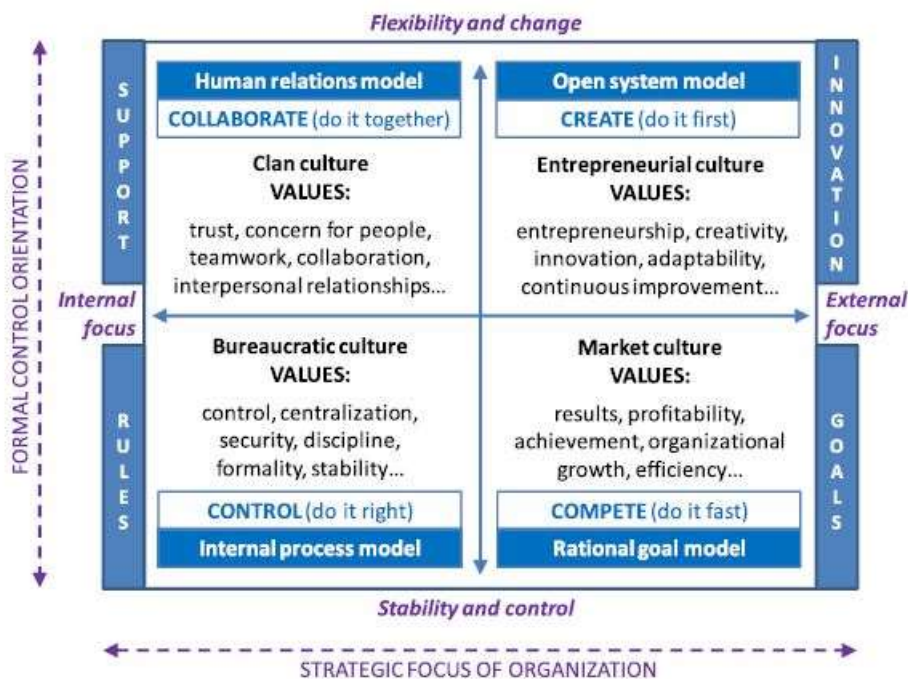
Paul McDonald and Jeffrey Gandz, during their research, developed a taxonomy of values considered relevant and suitable for a business setup (McDonald & Gandz, 1991). They were able to come up with a taxonomy consisting of 24 values, as shown in Figure 1. This taxonomy is utilized for the improvement of an organization's human resource capacity and competencies under six HR facets: recruitment, training and development, performance appraisal, rewards management, organizational design and communication. In the same way, the values can be used by employees as a guide for proper behavior and in the performance of their respective tasks. The values can be a means to facilitate meaningful managerial discussions and for the purposes of enhancing and empowering the organizations' human resources.

1. Adaptability	2. Aggressiveness
3. Autonomy	4. Broad-mindedness
5. Cautiousness	6. Consideration
7. Cooperation	8. Courtesy

9. Creativity	10. Development
11. Diligence	12. Economy
13. Experimentation	14. Fairness
15. Forgiveness	16. Formality
17. Humor	18. Initiative
19. Logic	20. Moral Integrity
21. Obedience	22. Openness
23. Orderliness	24. Social Equality

**Figure 1: The McDonald and Gandz taxonomy of values (1991)**

Quinn and Rohrbaugh developed the Competing Values Framework (1983) to illustrate an organization operating through different forces that stress opposite ends, thus creating different viewpoints across the organization. This creates a dilemma among organizational leaders where they are torn apart towards adopting values which encourage flexibility vs. stability/control, internal approach vs. external approach (leaning towards changing environments) and working towards achieving organizational goals vs. employing the means to attain those objectives. As illustrated in the model, the CVF is composed of four quadrants which the authors termed as “four middle range models of organizational analysis.” The four models are: (1) human relations, (2) open system, (3) rational goal and (4) internal process. This Framework is illustrated in Figure 2.

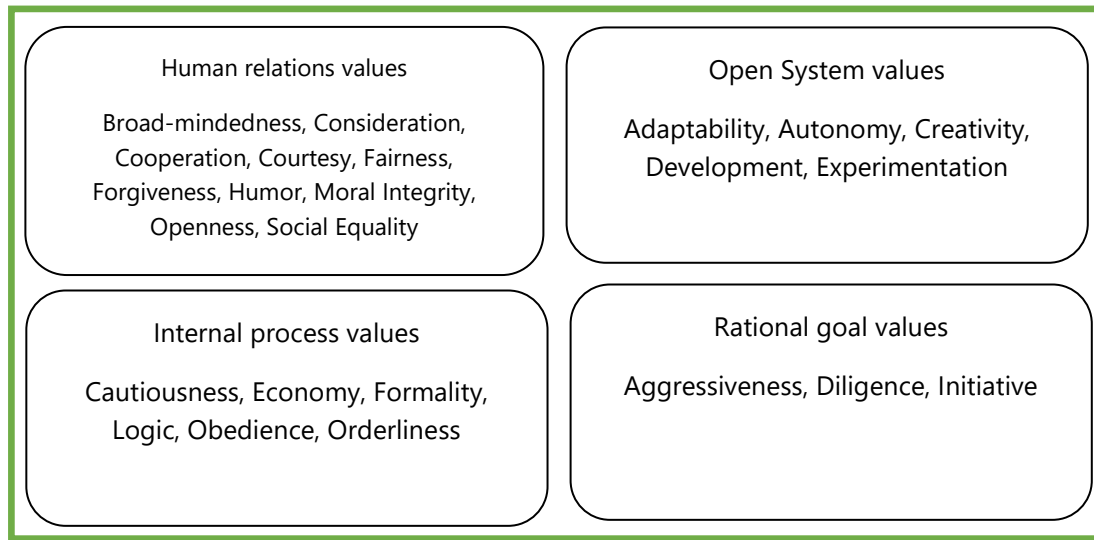


**Figure 2: The Competing Values Framework (1983)**

The human relations model places importance on the well-being of people and human capital development through cohesion, participation and uplifting morale. The open system model emphasizes innovation, growth and enhancement of organizational capacities through adaptability and readiness. Meanwhile, the rational goal model focuses on the overall performance of the company, its worker's productivity and efficiency in the use of organizational resources with planning and goal setting as its methods. Lastly, the internal process model emphasizes stability, control and orderliness through resource management and communication. As the framework shows, the models lean toward different emphases and move in the opposite direction of the other models.

In their succeeding studies, McDonald and Gandz (1992) were able to categorize their taxonomy of values into the Competing Values Framework. As shown in Figure 3, they classified the 24 values as follows:

- a. Human Relations values (Support-oriented): "broad-mindedness, consideration, cooperation, courtesy, fairness, forgiveness, humor, moral integrity, openness and social equality"
- b. Open system values (Innovation-oriented): "adaptability, autonomy, creativity, development and experimentation"
- c. Rational goal values (Goals-oriented): "aggressiveness, diligence and initiative"
- d. Internal process values (Rules-oriented): "cautiousness, economy, formality, logic, obedience and orderliness"



**Figure 3: Clustering of organizational values (McDonald and Gandz, 1992)**

### **1.3 Organizational Commitment**

Organizational Commitment is conceptualized as "(1) Strong willingness to stay as member of a group; (2) Willingness to do hard work on behalf of the organization to meet objectives; and (3) Willingness to conform to the values and goals of an institution" (Luthans, 2002). For companies, Organizational Commitment is a psychological basis that an employee is currently affiliated to his/her organization in an undivided viewpoint (Karim & Rehman, 2012 and it acts as a determinant to assess the employees' interest, needs and goals and align them to those of the organization, where in this way; it will result to positive consequences for the workers (Devece et al., 2016).

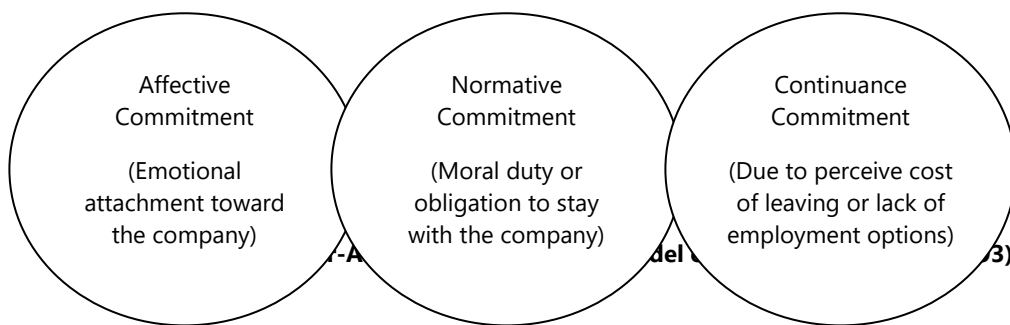
Meyer and Allen developed the three-component model (Figure 4) of commitment as a response to the need of harmonizing the construct definition of workplace and organizational commitment. They conceptualized organizational commitment into three distinct dimensions of behavior: affective attachment, obligation and perceived cost. Meyer et al. (1993) noted that there are common notions that connect these three dimensions, where commitment is a psychological state that (1) distinguishes the employee's relationship with their companies and (2) has implications for the choice of the employee to continue or discontinue working in the company. While these three concepts are different from each other, they could be experienced simultaneously by a person or group of persons, but it is generally understood that they can experience all three forms in varying levels.

Affective attachment is termed as Affective commitment. It denotes an emotional attachment to the organization and is described as willingness to be identified with the organization and enjoys being a member of it and be involved in organizational activities (Meyer & Allen, 1990). It is presumed to develop when involvement in the work proved to be a satisfying experience. People with affective commitment enjoy being a part of the group and they remain that way because they want to (Meyer et al., 1993).

Obligation is conceptualized as normative commitment which reflects a perceived obligation to remain in the organization. It denotes a person's obligation to stay and continue working in the company because he/she believes it is a moral duty,

responsibility and it is the right thing to do. This obligation could be brought about by benefits, rewards and opportunities provided by the company to the employee which in turn creates a duty to reciprocate or return the favor received.

Perceived cost is termed as continuance commitment which is explained as the continuation of an action resulting from a recognition of the costs related with its termination (Meyer & Allen, 1991). Continuance commitment to the organization is felt in two forms: when a person realizes that he/she will lose benefits, advantages or investments currently enjoyed and continuously received if he/she were to leave the organization, or if the person acknowledges that he/she should stay with the company because there are limited employment options or alternatives available. Meyer et al. (1993) stated that this behavior tends to develop if a person had made investments or "side bets" that would be lost or diminished in value if he/she would leave the company.



## 1.4 Research Overview and Objectives

This research study empirically analyzes the relationship of organizational values with organizational commitment. First, it identifies the personal values which employees consider as guiding principles in work. This is done through positioning them in the Competing Values Framework and observe what types of values they prioritize. The study determines the characteristics of personal values of employees and examine if they differ based on their personal and professional background. This way, the study will be able to find out how values of employees vary and make observations out of the responses of employees.

Organizational values are conceptualized through the McDonald and Gandz taxonomy of values, being the values deemed as suitable for a business setup. Using the CVF, each of the 24 values were clustered in four groups, human relations values, open system values, internal process values and rational goal values. The study adopted the classification of values made by McDonald and Gandz (1992).

Meanwhile, the three-component model of commitment is used for the purposes of conceptualizing organizational commitment. The study intends to identify which values are significantly related to a feeling of commitment in three different forms. This is presented by connecting each cluster of values to each component of commitment. And as significant connections are found, the study analyzes if certain values can predict one, two or three commitment components. The study is conducted using appropriate research methods and instruments and interpreted using quantitative analysis supplemented by previous findings from related studies.

The main outcome of this research is to determine which values can be used as indicators of commitment of employees toward the company, whether affective attachment, perceived costs or obligation to stay. This way companies should be aware of what values to adopt and promote in their respective workplaces to ensure that their people are well-connected, engaged, satisfied and comfortable while being an employee of the company. Similarly, organizations deciding to pursue a specific value will be guided on the implications of it to the behavior of their people.

## 2. Research Method

### 2.1 Design

The research design is Quantitative Research, wherein the nature of the variables was examined by describing them in numerical values based on a particular setting and running suitable statistical measurements using these values. Analysis relies on mathematical or computation techniques to make observations and come up with evidence regarding a particular phenomenon, issue or situation. These measurements in turn produce outcomes that are considered reliable bases for research and establish

concrete proofs regarding the phenomenon studied. Relating this to the present study, this research design focuses on analyzing how one variable is related to another or how one variable affects another variable. Afterwards, the data was interpreted and explained, based on past literatures, existing theories and regarding the nature of the variables considered part of the study.

## **2.2 Subjects**

Subjects for this research study were BPO employees working in Metro Manila. While majority of the respondents were rank-and-file BPO employees, BPO managers, supervisor, and team leaders, in smaller scales, also participated in the study. Inclusion/exclusion criteria in the selection of participants were that the participant should be directly employed and reporting to a BPO company located in Metro Manila, currently employed in that company at the time of the survey and performs outsourcing work or overseeing outsourcing work for a BPO Company. A total of 384 BPO employees participated in the study.

## **2.3 Study sites**

The study sites were selected BPO companies which are physically located and conducting their business operations in Metro Manila. The said site is chosen since Metro Manila is a preferred popular location for BPO operations and most established BPO companies have an office in Metro Manila. Twenty BPO Companies were targeted to be a part of the study. Purposive sampling was used, wherein the respondents are identified based on who are qualified to participate in the study, based on the inclusion/exclusion criteria mentioned above.

## **2.4 Data measures**

Data was gathered through distribution of survey questionnaires, composed of 3 parts that measures the organizational values, personal values and organizational commitment of BPO employees. For the first part, the respondents rated each of the McDonald and Gandz values (on a 6-point Likert scale) based on how their company frequently places importance to these values on its everyday operations.

The second part (see Appendix) is a multiple-choice type of questionnaire consisting of different workplace-related situations where the participant is to choose his/her best response among the given choices. The choices are direct applications of the 24 values of the McDonald and Gandz taxonomy and each choice represent one value from the CVF cluster. This way, the employee is to choose his/her preferred values out of a given situation.

For the third section, the researcher adopted the Three-Component Model (TCM) Employee Commitment Survey (Meyer & Allen, 2004) to measure the commitment of respondents to their organizations. The survey is composed of 18 questions where there are six questions representing one component of commitment. Those six questions serve as respective measurements of the affective, normative and continuance commitment of an individual. The respondent rated each given statement according to his/her feelings toward the company.

## **2.5 Data collection procedure and ethical considerations**

The survey questionnaire was constructed in a Google form sheet to be distributed to participants using online platforms. Initially, a pilot test was conducted to thirty participants employed in different BPO companies located in one city in Metro Manila. Upon completion of the data, the reliability test was computed, and overall Cronbach's Alpha of the survey questionnaire was 0.932. Hence, the instrument was deemed reliable and suitable for research.

Twenty BPO companies located in Metro Manila were targeted to participate in the actual data gathering, with 5-20 employees representing each company. Qualified respondents were sourced and contacted through social media. Their permission to participate was first sought before they can answer the survey, and if granted, they were given a google form link of the questionnaire and were requested to answer the survey. They were also assured that their responses were kept confidential and will be used for research purposes only. Upon attaining the targeted number of participants, the responses were encoded in an excel sheet and were subjected to statistical analysis.

The survey was performed while observing ethical considerations as: (1) Informed consent from the respondents was first sought before they participated in the survey; (2) The respondents participated voluntarily and not coerced; (3) The respondents' identities

were kept confidential together with their answers, and such were used for academic purposes only in compliance with the Data Privacy Act of 2012. Likewise, (4) The respondents' social media accounts were accessed for research purposes only and finally, (5) The study had not caused or done any harm, risk or inconvenience to the respondents.

## 2.6 Data Analysis

Analysis of variance was used to identify and analyze if there are significant differences in the personal values of BPO employees. For testing the relationship between the different organizational values sets with the organizational commitment components, Pearson correlation analysis was utilized. Meanwhile, regression analysis was run to determine if the sets of values can significantly affect the organizational commitment of BPO employees.

## 3. Results/Findings

### 3.1 Personal values of employees and differences in their values

For personal values, results were obtained by first computing the modes of each respondent's set of answers for Questionnaire 2. After all the responses were computed, the overall mode of the 384 responses was computed. This method was done to know which values do employees prefer to use frequently in everyday situations at work. Table 1 shows the results, and it reveals that human relations values are the preferred values (Frequency = 175, Percentage = 45.57 percent) and internal process values are the least preferred values (Frequency = 31, Percentage = 8.07 percent).

Personal Values	Frequency	Percentage (%)
Human relations values	175	45.57
Open system values	107	27.87
Internal process values	31	8.07
Rational goal values	71	18.49

**Table 1: Frequency scores of BPO Employees' Personal Values**

The results tell that BPO employees typically base their work-related decisions and actions in human relations values and consider these values as their guiding principles in work and conversely, seldom prefer to use internal process values in their work. This means that they frequently show concern toward people and support-oriented values as they perform their task and take part in organizational activities. Subsequently, those employees also least favor internal process values, meaning, they are less frequently to lean toward rules and procedures when doing their tasks. Connecting the results to the CVF, it could be said that most BPO employees are moving away from Quadrant 4 and move toward Quadrant 1. In making decisions and taking actions at work, they frequently move toward Quadrant 1 and choose human relations values while they seldom move toward Quadrant 4 and rarely pick internal process values.

The preferred values of BPO employees were analyzed using their respective demographic profile variables. This was done to know certain characteristics of the employees' values, assess how they differ and make observations regarding the said differences, if any. The collected data were examined through analysis of variance (one-way ANOVA) using employees' personal values as dependent variable and the different brackets in the profile variables as independent variables.

Personal Values			
Profile variables	df	F - value	p – value
Age	7, 376	1.979	0.057
Sex	382	0.857 (t-value)	0.064
Civil Status	2,381	<b>5.232</b>	<b>0.006</b>
Educational attainment	4, 379	0.322	0.863
Location of Company	8, 375	1.558	0.136
Level of position	3, 380	0.808	0.490
Length of service	5, 378	0.762	0.578
Type of BPO	2, 381	0.053	0.948
Type of service provided	6, 377	0.519	0.794
Monthly Income	5, 378	<b>5.631</b>	<b>&lt; 0.001</b>

**Table 2: Difference in responses on Personal Values when grouped according to Profile variables**

Table 2 shows the results of the analysis of variance, and it reveals that personal values significantly differ in only two out of the ten given demographic variables. Personal values of BPO employees significantly differ across different civil statuses ( $F(2,381) = 5.232$ ,  $p = 0.006$ ) and income levels ( $F(5,378) = 5.631$ ,  $p < 0.001$ ). Meanwhile, the remaining eight variables were not able to establish significant differences with regard to the personal values of BPO employees.

Furthermore, post hoc analysis was conducted to know the extent of the significant difference between each of the groups in the civil status and monthly income variables. For civil status, Tukey's HSD was used for post hoc analysis. The results are shown in Table 3, which tell that respondents who are married ( $M = 2.3490$ ,  $SD = 0.6004$ ) have significantly different answers compared to those respondents who are single ( $M = 2.1710$ ,  $SD = 0.5262$ ),  $p = 0.042$ . Additionally, married respondents ( $M = 2.3490$ ,  $SD = 0.6004$ ) also have significantly different answers compared to those respondents who are not married nor single (others) ( $M = 1.9000$ ,  $SD = 0.3716$ ),  $p = 0.010$ .

Civil Status (I)	Civil Status(J)	Mean Difference (I – J)	SE	p
Single	Married	-0.17792*	0.07347	<b>0.042</b>
Single	Others	0.27103	0.14133	0.135
Married	Others	0.44895*	0.15330	<b>0.010</b>

\*. The mean difference is significant at the 0.05 level.

**Table 3: Post hoc Comparisons - Civil Status**

The findings tell that employees who are married notably differ in their choice of guiding principles in work compared to single employees and widowed, separated or have complicated civil status employees (others). Married employees frequently prefer to use either open system values or internal process values whereas single employees prefer to use open system values most of the time, while those who are neither single nor married frequently prefer to use either human relations values or open system values. It could be said that BPO employees who are married tend to do their work at their own styles but if needed, they comply with company rules and procedures to accomplish certain tasks. The findings are similar to the study of Gomez-Manongsong (2016) who found that employees differ in their work values based on their civil statuses.

Monthly income (I)	Monthly income (J)	Mean Difference (I - J)	SE	p
≤ 20,000	40,001 - 50,000	-0.47536*	0.11455	<b>0.001</b>
20,001 - 30,000	40,001 - 50,000	-0.50229*	0.10910	<b>&lt; 0.001</b>
30,001 - 40,000	40,001 - 50,000	-0.54629*	0.12366	<b>&lt; 0.001</b>

\*. The mean difference is significant at the 0.05 level.

**Table 4: Post hoc Comparisons – Income Levels**

For monthly income, Tukey's HSD was likewise used for the post hoc analysis. Table 4 shows the results, and it states that respondents who are in the monthly income bracket of Php 40,001 - 50,000 (M=2.6296, SD= 0.51956) have significantly different answers compared to those respondents who are earning Php ≤ 20,000 (M=2.1543, SD= 0.53950),  $p = 0.001$ . Additionally, they also gave significantly different answers compared to respondents belonging to monthly income brackets of Php 20,001-30,000 (M=2.1273, SD= 0.51489) and Php 30,001 - 40,000 (M=2.0833, SD= 0.46666),  $p < 0.001$ .

Interpreting the results, BPO employees who are earning higher have immensely different preferred personal values compared to those who earn lesser than them. Employees who belong to the Php 40,001 to Php 50,000 income bracket prefer to make use of either open system values or internal process values in making work-related decisions, while those from the Php ≤ 20,000 to 40,000 income brackets prefer to use open system values most of the time. This means that, similar to married employees, employees who are earning higher are inclined to do their task with more flexibility and creativity using different work styles, but they try to be careful in how they perform their work.

### 3.2 Relationship between the organizational values sets with the organizational commitment components

The results of the correlation analysis are calculated using the sample's responses from the organizational values questionnaire (McDonald & Gandz, 1991) as measurements of organizational values and the responses from the TCM commitment survey (Meyer & Allen, 1996, 2004) as measurements of organizational commitment. Each response per value were grouped in their respective classifications following the research paradigm. The mean of the responses per classification served as the overall measurements of each values sets and commitment components. The data were compared and analyzed using Pearson correlation analysis, to test the pattern and strength of relationships that exists between the different sets of values and three dimensions of commitment. The results are presented in Table 5.

	Mean	Standard Deviation	Human Relations Values	Open system Values	Internal Process Values	Rational Goal Values	Affective Commitment	Normative commitment	Continuance commitment
Human Relations Values	5.0401	0.742662	1						
Open system Values	5.0359	0.672985	0.788**	1					
Internal process Values	4.9978	0.681138	0.776**	0.745**	1				
Rational Goal Values	4.9401	0.669403	0.645**	0.718**	0.682**	1			
Affective commitment	5.1545	1.252821	0.422**	0.451**	0.358**	0.318**	1		
Normative commitment	4.6050	1.378149	0.334**	0.328**	0.340**	0.296**	0.662**	1	
Continuance commitment	4.7244	1.194676	0.241**	0.231**	0.278**	0.237**	0.452**	0.615**	1

\*\*Correlation is significant at the 0.01 level (2-tailed)

N = 384

**Table 5: Correlation analysis between the different sets of Organizational Values and the three components of Organizational Commitment**

### **Relationship between Human relations values with affective, normative and continuance commitment**

Results of the Pearson correlation analysis found that (1) human relations values and affective commitment have a significant positive relationship with moderate correlation ( $r = 0.422$ ), (2) human relations values and normative commitment have a significant positive relationship with weak correlation ( $r = 0.334$ ) and (3) human relations values and continuance commitment have a significant positive relationship with a very weak correlation ( $r = 0.241$ ). An increase in human relations values is associated with an increase in either affective, normative or continuance commitment.

Though human relations values are related to all of the commitment dimensions, they differ in their strength of relationship, where the strongest correlation is between human relations values with affective commitment while the weakest correlation is between human relations values and continuance commitment. It could be said that organizations highlighting human relations values are more likely to have employees who have affective commitment rather than normative or continuance commitment. Additionally, companies promoting human relations values can lead to developing stronger feelings of affective commitment. And since human relations values have a very weak positive relationship with continuance commitment, employees are least likely to develop feelings of continuance commitment if the company espouses human relations values.

### **Relationship between open system values with affective, normative and continuance commitment**

Results of the correlation analysis revealed that (1) open system values and affective commitment have a significant positive relationship with moderate correlation ( $r = 0.451$ ), (2) open system values and normative commitment have a significant positive relationship with weak correlation ( $r = 0.328$ ) and (3) open system values and continuance commitment also have a significant positive relationship with a very weak correlation ( $r = 0.231$ ). An increase in these values is associated with an increase in either affective, normative or continuance commitment.

The relationship between open system values and the three commitment components differ in the strength of relationship. Like human relations values, open system values and affective commitment have the strongest relationships among the three pairs, meaning that employees have a higher likelihood of exhibiting affective commitment if open system values are present and given importance in a company. Furthermore, employees are more likely to express stronger feelings of affective attachment compared to the other two components if companies have these values. Conversely, promoting open system values has lower likelihood of experiencing continuance commitment, compared to affective and normative commitment.

### **Relationship between internal process values with affective, normative and continuance commitment**

Results of the Pearson correlation analysis revealed that (1) internal process values and affective commitment have a significant positive relationship with weak correlation ( $r = 0.358$ ), (2) internal process values and normative commitment have a significant positive relationship with weak correlation ( $r = 0.340$ ) and (3) internal process values and continuance commitment likewise have a significant positive relationship with a very weak correlation ( $r = 0.278$ ). The results suggest that an increase in internal process values is correlated to a slight increase in either of the three components.

### **Relationship between rational goal values with affective, normative and continuance commitment**

For these last set of pairs, results of the Pearson correlation analysis revealed that (1) rational goal values and affective commitment are significantly related with weak positive correlation ( $r = 0.318$ ), (2) rational goal values and normative commitment are significantly related with weak positive correlation ( $r = 0.296$ ) (3) rational goal values and continuance commitment are significantly related with very weak positive correlation ( $r = 0.237$ ). An increase in rational goal values is associated to an increase in either affective, normative or continuance commitment to a lesser degree.

## **3.3 Organizational values as predictors of organizational commitment**

It was established that organizational values have a significant positive relationship with organizational commitment, but it remains to be seen if these same values can influence a feeling of organizational commitment in three distinct forms. Multiple regression analysis was conducted to identify which specific values can predict the affective, normative and continuance commitment of employees. The organizational values sets are the independent variables while the organizational commitment components are the dependent variables. Results are presented below:

### Significant effect of the values sets to affective commitment

Table 6 shows the results of the multiple regression analysis between the values sets and affective commitment. Based on the results, only human relations values ( $B = 0.326$ ,  $\beta = 0.193$ ,  $t = 2.316$ ,  $p = 0.021$ ) and open system values ( $B = 0.635$ ,  $\beta = 0.341$ ,  $t = 4.036$ ,  $p < 0.001$ ) had significantly predicted affective commitment and it indicate that these values can play a significant role in affecting affective commitment. Thus, human relations values and open system values can influence the affective commitment of BPO employees.

Model	Unstandardized Coefficients		Standardized Coefficients	<i>t</i>	<i>p</i>
	<i>B</i>	<i>SE</i>	$\beta$		
1 (Constant)	0.848	0.472		1.797	0.073
Human relations values	0.326	0.141	0.193	<b>2.316</b>	<b>0.021</b>
Internal process values	-0.037	0.147	-0.020	-0.249	0.803
Rational goal values	-0.070	0.129	-0.038	-0.545	0.586
Open system values	0.635	0.157	0.341	<b>4.036</b>	<b>&lt; 0.001</b>

Dependent Variable: Affective Commitment

**Table 6: Regression analysis: predicting Affective Commitment from Organizational Values sets**

The beta coefficients of human relations values-affective commitment ( $B = 0.326$ ) and open system values-affective commitment ( $B = 0.635$ ) are relevant because it was found that the two values can have a significant effect on affective commitment. This means that for each unit of increase in human relations values, affective commitment increases by 0.326, and for each unit of increase in open system values, affective commitment increases by 0.635. An additional unit of increase in these values will result in a corresponding increase in affective commitment.

Human relations values and open system values are predictors of affective commitment. Companies advocating, giving importance and enacting these values in their day-to-day operations can influence feelings of emotional attachment. If employees perceive that their company shows concern and treats them well, encourages them to participate in organizational activities, invests in their growth and facilitates a better working environment, it will result to a willingness to be a part of that company and if these values are practiced by the company on a regular basis, employees will exhibit greater feelings of affective attachment toward their company and desire to remain there for a long time.

**Significant effect of the values sets to normative commitment**

Model		Unstandardized Coefficients		Standardized Coefficients	<i>t</i>	<i>p</i>
		<i>B</i>	<i>SE</i>	$\beta$		
1	(Constant)	0.560	0.546		1.025	0.306
	Human relations values	0.207	0.163	0.112	1.277	0.203
	Internal process values	0.126	0.149	0.061	0.842	0.400
	Rational goal values	0.173	0.182	0.085	0.952	0.342
	Open system values	0.302	0.169	0.149	1.780	0.076

Dependent Variable: Normative Commitment

**Table 7: Regression analysis: predicting Normative Commitment from Organizational Values sets**

Table 7 presents the results of the multiple regression analysis between the values sets and normative commitment. It revealed that none of the values sets had been able to predict normative commitment and thus indicate that human relations, open system, internal process and rational goal values cannot be factors which can influence the normative commitment of BPO employees. Since none of the values significantly predicted normative commitment, all of the beta coefficients of the four pairings are considered irrelevant. The quantitative effect of the coefficients is insignificant because all of the values cannot significantly influence normative commitment.

Organizations would want their employees to have a sense of a moral duty towards them and this thought is manifested through a feeling of normative commitment (Meyer & Parfyonova, 2010). But based on the results, companies cannot use any of these four organizational values sets to create a feeling of normative pressures to perform a course of action, or an obligation to reciprocate the benefits and opportunities received or to inspire the loyalty of employees.

**Significant effect of the values sets to continuance commitment**

Model		Unstandardized Coefficients		Standardized Coefficients	<i>t</i>	<i>p</i>
		<i>B</i>	<i>SE</i>	$\beta$		
1	(Constant)	2.012	0.487		4.129	< 0.001
	Human relations values	0.069	0.145	0.043	0.475	0.635
	Internal process values	0.147	0.133	0.082	1.104	0.270
	Rational goal values	-0.008	0.162	-0.005	-0.051	0.959
	Open system values	0.336	0.151	0.192	<b>2.225</b>	<b>0.027</b>

Dependent Variable: Continuance Commitment

**Table 8: Regression analysis: predicting Continuance Commitment from Organizational Values sets**

Table 8 presents the results of the multiple regression analysis between the values sets and continuance commitment. Based on the results, only open system values ( $B = 0.336$ ,  $\beta = 0.192$ ,  $t = 2.225$ ,  $p = 0.027$ ) had significantly predicted continuance commitment

and it indicate that open system values can play a significant role in affecting continuance commitment. Thus, open system values can influence and have a significant effect on the continuance commitment of BPO employees. The beta coefficient of open system values and continuance commitment ( $B = 0.336$ ) is deemed relevant. It implies that for every unit of increase in open system values, continuance commitment is directly affected, and it increases by 0.336 units. An additional unit of increase in the values will result in another additional increase of 0.336 units in continuance commitment.

Promoting open system values will result in employees staying in the company due to lack of alternatives or incurring of cost associated with leaving the company. Of these results, it could be inferred that since BPO companies continuously improve their workplace setup, notably in terms of career advancement, employees gain from these and hence, they find it difficult to leave the company. Connecting this to the "side bet" theory associated with continuance commitment (Meyer & Allen, 1990), as employees develop work-related skills overtime, they feel that they can be a subject matter expert and, in the long run, be promoted or assigned to a larger role in the company. Leaving their present company would endanger this ambition so it is better for them to stay put with the company for the time being.

Another explanation could be that the employee might perceive his/her company's work setup to be outstanding compared to other BPO companies and these serve as basis to remain with the company. Employees could feel contented with how their company allows them to work with flexibility and autonomy and gives tasks that sharpen their creativity and problem-solving skills. Because of this, employees assume that they will experience a better career if they stay in the company.

#### 4. Discussion

This research study was able to come up with significant findings about the study of organizational values and organizational commitment in a Philippine BPO setting. First, it was found that most BPO employees prefer human relations values as guiding principles in work. Next, it was identified that their values significantly differ in terms of their civil status and monthly income. Notably, married employees and those earning higher salaries tend to choose either open system values or internal process values, while those who belong to other group brackets have open system values as their guiding principles in work. It seems that as BPO employees have their own families and earn higher salaries, they still choose to do their work at their own ways, but if they perceive that such action will complicate things or worsen the situation, they will choose to adhere to company rules and standards and stick on how to do things right. Analyzing the commonalities with the two groups, it could be observed that both groups are more stable in their job, which could be a reason why they are more likely to be more cautious, orderly and formal in work compared to their other counterparts.

The study was able to establish positive correlations between the different sets of values with the three dimensions of organizational commitment. However, the results differ in the strength of relationship wherein human relations and open system values have the strongest correlations with affective commitment. This means that companies perceived to operate under these values will have a higher possibility of having affectively committed employees compared to the other values sets. Meanwhile, among the three components of commitment, continuance commitment has the least association with any of the organizational values sets, meaning, companies promoting any of the organization values sets have lower possibilities of instilling continuance commitment to their employees.

All of the values sets are related to each commitment components, but not all of those values can influence the commitment of employees. It was found that only two values sets can predict a particular component, with human relations values predicting affective commitment and open system values predicting affective and continuance commitment. Thus, human relations and open system values can be a cause and driver of organizational commitment.

Taking the results of the correlation and regression analysis, human relations and open system values can lead and directly influence the organizational commitment of employees. Their significant effect on affective and continuance commitment was also quantified, showing that the link is not only theoretical but empirical. The results are similar to the findings of Finegan (2000), Abbott et al. (2005), Ghosh (2010) and Howell et al. (2012) where they found that humanity and vision values (values almost similar to the clustering of human relations and open system values) are related and could predict affective commitment. Companies can make use of human relations and open system values, and adopt them in the workplace, and these will contribute to the commitment of employees. On the other hand, while internal process and rational goal values are related to all of the commitment components, they cannot contribute to any of these feelings among employees.

However, companies should be wary of what specific values to promote. If they decide to highly promote open system values, they should be aware that these values can influence continuance commitment and said feeling is an indication that their employees remain with the company because of personal needs they want to continuously enjoy or because they have no other choices in undertaking employment. As a solution to this, if companies still prioritize open system values, it is recommended for them to highly promote human relations values simultaneously because these values have one of the highest associations with affective commitment and are considered the sole predictors of affective commitment. As both values are emphasized, employees will develop an emotional attachment with their companies and continuance commitment is lessened. This way, companies can ensure that their people are affectively committed to them. This bodes well for companies because affective commitment is the commitment they aspire to instill in their employees (Grego-Planer, 2019).

## **5. Conclusion**

Organizational values can be used as indicators of organizational commitment of employees in a BPO setting. Specifically, human relations and open system values are the significant indicators of commitment, having the highest correlations with the three commitment components and because these values can predict the affective (human relations and open system values) and continuance commitment (open system values) of BPO employees. Higher emphasis and higher efforts in promoting human relations and open system values can lead and result in employees being committed to their companies, and increasing efforts likewise means higher feelings of commitment.

And therefore, these values are relevant for BPO companies because these are instrumental to having employees who desire to work and want to belong in the company. And lastly, it is favorable for companies to highly espouse human relations values because these values solely and directly influence affective commitment.

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#### **APPENDIX: Personal Values Questionnaire (Own work of the Author)<sup>1</sup>**

Below are situations related to your work and role as an employee of your company. Identify the best values-related action out of the four given statements which you consider as the most appropriate in the respective situations. Please select and encircle the letter that best describes yourself or your action in the given situation. There are no right or wrong answers here, hence kindly answer according to your own feeling and intuition.

1. As an employee/call center agent in our company, I believe that it is with utmost importance for me to personally espouse at least one value that will serve as my guiding principle/s in making decisions concerning my daily work and with regards to my role as an employee of this company, so that I will be successful in my field. For me, the particular value, belief or principle that will help me the most in my work would be:
  - a. Maintaining moral integrity in decisions and actions
  - b. Striving for daily learning and development in my career and aim for improvement in my work performance
  - c. Focusing the most on the economic and financial aspect for myself and for the whole company
  - d. Always taking the initiative to do actions that will help meet individual and organizational goals
2. I am given the task to handle a new set of customer group, a group that is an emerging one and capturing a large part of this group would result to increased market share in our industry and therefore more profits for the company. Specifically, I would have to do sales presentation and continuously communicate to a new group of customers with the aim to attract them to patronize our products. The best action that I must do when dealing with these customers in order to win them over would be:
  - a. Show them continuous and consistent courtesy in words and actions
  - b. Be creative in how I conduct sales presentations and activities
  - c. Abide by the company's prescribed ways, policies and procedures in managing customers
  - d. Initiate actions that will immediately address the customers' needs
3. I am assigned to a new department in our company and has been given a task to work on a project that is intended to improve the quality and efficiency of the delivery of services of our employees while aiming to reduce unnecessary items and variables in the process. For me, this is a work where I have little background and quite unfamiliar with, but I accepted it as I know it will be beneficial for my skills and my career. Among the situations below, what would be my best approach to be effective in my task?
  - a. Seek assistance from other colleagues and be open to their ideas and suggestions
  - b. Try out new ideas, methods or procedures and continually test them to come out with a new output
  - c. Exercise cautiousness in taking actions to avoid potential problems or dangers
  - d. Be assertive in taking necessary actions and do everything to complete the task

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<sup>1</sup> Each of the six items have a Cronbach Alpha ranging from 0.933 to 0.9336

4. Our company has recently acquired 4 call center firms located in different areas within the Metro Manila. Each firms have different organizational culture built upon their people, the first one has a fun and lighthearted culture where people enjoy working with each other. The second one has built a culture of freedom, in terms of working style, among its employees, the third one being bureaucratic wherein the workers ought to be obedient to their superiors from bottom to top and the last is an organization that trained and conditioned its employees to be diligent and where hard work is the norm and the most espoused value. I will be assigned to one of the four companies, and if given a chance to choose which company I prefer to work, I would choose the company that highly values:
  - a. Fun, humor, and lightheartedness in the workplace
  - b. Autonomy in workplace setup and in the performance of tasks
  - c. Obedience to the directives of superiors and management
  - d. A culture of diligence from the top management down to the employees
  
5. Our team leader gathered us together and directed us to source new prospective clients and do sales calls to them, and the team was given a goal to obtain a certain volume of target sales and meet a specific amount of quota collectively. If we were able to meet the quota, there will be rewards for both individual employees and the team as a whole. For the team to achieve our goal, we should instill among ourselves the spirit of:
  - a. Cooperation and camaraderie among team members
  - b. Adaptability and flexibility in roles, tasks and in dealing with clients
  - c. Orderliness in the work process and in the delivery of services of each one
  - d. Competitiveness and assertiveness among each of us in the performance of our respective tasks
  
6. Our company is earning very well and decided to expand into other satellite offices. Being one of the outstanding employees in the company, I was promoted to be a team leader in one of the team that will be assigned in the new office. Bearing the responsibility of being a leader, the one value or principle that I deem best suited for my leadership role would be:
  - a. Fairness in making work-related decisions and in how I treat my people
  - b. Adaptability and flexibility in my everyday work specifically in different situations
  - c. Logical and rational in making decisions and actions
  - d. Doing my work with utmost diligence