

# Organizational Values Internalization as a Determinant of Employee Job Satisfaction and Engagement

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## ABSTRACT

Core organizational values play a significant role in shaping work culture and influencing employee job satisfaction. This study aims to analyze how the internalization of organizational values can increase employee engagement and job satisfaction in various industry settings. Using a literature study approach, this research examines various theories and empirical findings related to the relationship between organizational values and job satisfaction. The results show that consistently applied core values can create a positive work environment, increase employee motivation, and strengthen loyalty to the organization. Internalization of these values can be done through value-oriented leadership, effective internal communication, and a reward system that is aligned with organizational culture. There are challenges in implementing organizational values, such as gaps between proclaimed values and actual practices, as well as differences in individual perceptions of these values. Organizations need to develop a systematic strategy for embedding core values to ensure they are aligned with employee expectations and needs. Successful internalization of organizational values not only results in increased job satisfaction, but also contributes to organizational productivity and sustainability. This research provides insights for organizational management to design effective strategies for building a values-based work culture.

## INTRODUCTION

Employee job satisfaction is one of the crucial factors that determine the productivity, loyalty, and welfare of the workforce in a modern work environment. Job satisfaction is not only influenced by material factors such as salary and benefits, but also by non-material factors, such as the culture and organizational values adopted by the company (Robbins & Judge, 2019). Organizational values reflect the basic principles that guide companies to carry out their operations, ranging from commitment to integrity, teamwork, to innovation (Cameron & Quinn, 2021). A number of studies have shown that organizations that have clear and consistently applied values tend to create a more harmonious work environment and increase employee motivation (Schein, 2017). Organizational values serve as the basic principles that direct work culture and interpersonal relationships in the workplace. Understanding how organizational values can contribute to job satisfaction is becoming increasingly important in relation to human resource management.

The impact of organizational values on job satisfaction may vary depending on the extent to which they align with employee expectations and needs. Organizations that instill values such as fairness, respect for employee contributions, and open communication often have higher levels of job satisfaction (Denison et al., 2018). These values strengthen a sense of belonging and commitment to the company, as employees feel respected and treated fairly, which increases their motivation to work more productively. When there is a gap between the values declared by the company and the reality perceived by employees, dissatisfaction, stress, and even high turnover rates can arise (Meyer & Allen, 2020). This phenomenon shows that it is not enough to set organizational values, but companies also need to ensure that these values are actually implemented in every aspect of daily work (Gorenak et al., 2020). Further analysis of the relationship between organizational values and job satisfaction is essential to provide insight for companies to improve the well-being of their employees.

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While organizational values are often regarded as fundamental elements for building a positive work environment, they are not always effectively implemented. One of the main problems that arise is the gap between the values declared by the organization and the reality perceived by employees (Denison et al., 2018). Many organizations define values such as transparency, integrity, or teamwork in their official policies, but in practice, these values are often not consistently implemented in daily activities (Schein, 2017). This mismatch can lead to confusion and dissatisfaction among employees, which in turn affects their motivation and loyalty to the organization (Robbins & Judge, 2019).

The subjectivity factor for interpreting organizational values is also a significant obstacle. Abstract values can be interpreted differently by different groups within the organization, depending on their position, experience, and cultural background (Meyer & Allen, 2020). For example, an organization may value collaboration, but different teams may have varying interpretations of its implementation (Cameron & Quinn, 2021). The lack of clear guidelines and effective communication mechanisms to internalize these values can lead to confusion, expectation gaps, and even conflict in the work environment.

Another issue relates to the influence of organizational values on job satisfaction, which is not always universal. Studies show that the effectiveness of organizational values to increase job satisfaction depends largely on the fit between these values and the needs and expectations of individual employees (Denison et al., 2018). Misalignment between organizational values and personal principles can lead to alienation and increased job dissatisfaction (Robbins & Judge, 2019). This can hinder performance, reduce commitment to the company, and increase the potential for employee turnover (Meyer & Allen, 2020). There is a great challenge to ensure that organizational values are not only normative, but also truly relevant and tangibly applied in the daily work culture.

Organizational values play a central role in shaping work culture, employee behavior, and overall job satisfaction. Organizations need to ensure that their values are not just a slogan, but are actually implemented in daily practice for increasingly competitive modern work environment (Schein, 2017). When there is a mismatch between the promoted values and the reality in the workplace, employees are likely to experience demotivation, stress, and decreased job satisfaction (Denison et al., 2018). This research is important to understand the extent to which organizational values can contribute to job satisfaction, as well as identify challenges that may hinder their effectiveness to improve employee well-being.

Understanding the relationship between organizational values and job satisfaction can help companies to design more effective human resource management strategies. Companies must develop policies rooted in a strong work culture and values to enhance employee loyalty amid rising turnover and low engagement (Meyer & Allen, 2020). This research is also relevant for management practitioners and organizational leaders to identify factors that influence job satisfaction and how organizational values can be better internalized to create a more productive and harmonious work environment (Cameron & Quinn, 2021).

This study aims to analyze how the core values held by the organization can affect the level of employee job satisfaction in various industrial settings. This research is expected to provide insight into the extent to which the internalization of organizational values can increase employee engagement, motivation, and loyalty to the company. This research also focuses on the mechanism of internalizing organizational values in the work environment and its impact on employee work experience. By exploring the way organizations embed their values through policies, corporate culture, and managerial practices, this research aims to identify factors that contribute to increased employee job satisfaction.

## RESEARCH METHOD

This research uses a literature study approach to analyze the relationship between organizational values and employee job satisfaction. Literature study is a method that examines various scientific sources, such as academic journals, books, and previous research reports, in order to gain a more comprehensive understanding of the topic under study (Snyder, 2019). The research will identify key concepts related to organizational values and their impact on job satisfaction based on various theoretical perspectives and empirical findings.

Data collection in this study was carried out by searching various relevant academic sources through trusted databases, such as Scopus, Google Scholar, and ScienceDirect. The literature selection criteria were based on the relevance, currency, and credibility of the sources so that only studies with strong methodology and significant findings were used in the analysis (Boell & Cecez-Kecmanovic, 2015). A thematic analysis approach was used to group research findings into specific categories, such as dimensions of organizational values, factors influencing job satisfaction, and impact on employee performance.

The validity and reliability of the information collected from the literature was examined through source triangulation, by comparing the results of various previous studies. This step was taken to ensure that the conclusions drawn were well-founded and academically sound (Cooper, 2016). The literature study approach used in this research enabled the exploration of the relationship between organizational values and employee job satisfaction.

## **RESULT AND DISCUSSION**

### **The Influence of Core Organizational Values on Employee Job Satisfaction in Various Industry Settings**

Organizational core values are fundamental principles that shape corporate culture and guide employee behavior to carry out their duties. These values play an important role in shaping corporate identity and provide direction for decision-making at all levels of the organization (Schein, 2017). Strong core values can increase employees' sense of belonging and engagement, which ultimately impacts job satisfaction levels (Chatman et al., 2014). When organizational values align with individual values, employees tend to feel more comfortable, motivated, and satisfied with their work (Kristof-Brown et al., 2005). It is important for the organization to ensure that the values implemented match the expectations and needs of the employees.

In the technology sector, for example, companies such as Google and Microsoft promote values such as innovation, collaboration and openness. These values create a work environment that supports creativity and professional growth, which in turn increases employee job satisfaction (Amabile & Kramer, 2011). A company with clear and consistently applied values can create a work culture that supports professional growth. Organizations that do not have clear values or do not implement them consistently may experience lower levels of job satisfaction, as employees feel less valued or have no clear direction in their work (Ashforth & Mael, 1989).

In the manufacturing industry, values such as safety, efficiency, and teamwork are often top priorities. When organizations instill a strong culture of safety, for example, employees feel more secure and supported in their work environment, which has a positive impact on their well-being and job satisfaction (Zohar, 2010). Conversely, in work environments that pay little attention to employee well-being, as found in some factories with poor working conditions, job satisfaction levels tend to be low due to high work pressure and a lack of concern from management (Huang et al., 2016).

In the healthcare sector, values such as empathy, professionalism, and patient care are key elements that influence the job satisfaction of medical personnel. A study by West et al. (2017) showed that when hospitals have a work culture oriented towards social support and staff well-being, healthcare workers report higher levels of job satisfaction. Conversely, when the work environment is dominated by high pressure and excessive workload, job satisfaction tends to decrease, which may impact the quality of healthcare provided. This decrease in job satisfaction not only affects the well-being of medical personnel, but can also have an impact on the quality of health services provided to patients (Thomsen, 2013). In the long-term, this can lead to a decline in the quality of care, which is detrimental to both patients and the hospital's reputation.

In the financial services industry, values such as integrity, transparency, and responsibility are instrumental in building trust between employees and management. Research by Mayer et al. (1995) shows that when organizations consistently apply these values, employees tend to feel more trust in their company, which contributes to increased job satisfaction. This trust strengthens employee motivation and commitment to company goals (Shahid, 2018). However, in situations where companies fail to uphold these values - as in the case of financial scandals - employees often experience a decline in morale and job satisfaction due to distrust of the organization.

The importance of organizational values is also evident in the education sector, where values such as inclusiveness, collaboration and professional development strongly influence educators' job satisfaction. Research shows that when educational institutions implement a culture that supports teachers' skill development and rewards their hard work, job satisfaction increases significantly (Skaalvik & Skaalvik, 2011). Teachers who feel valued and supported in their professional development feel empowered to provide the best for students. A lack of institutional support and policies that limit teachers' autonomy to teach can lead to job stress and low job satisfaction.

Overall, an organization's core values play a crucial role in determining the level of employee job satisfaction across industries. Values that are clear, consistently applied, and aligned with employee needs can create a positive work environment, increase motivation, and reduce stress levels and employee turnover. Companies that want to improve their employees' job satisfaction should actively build and implement strong organizational values that are relevant to their industry scope.

### **Mechanisms for Internalizing Organizational Values to Increase Employee Engagement and Job Satisfaction**

Internalization of organizational values is the process by which employees adopt, understand, and implement the core values upheld by the company in their daily work behavior. This process contributes to increased engagement and job satisfaction as it helps create alignment between individual goals and the organization's vision (Denison et al., 2012). Values internalization can occur through various mechanisms, such as effective communication, inspirational leadership, and training and development programs that focus on the company's core values (Ekwutosi & Moses, 2013; Gehman et al., 2013). Organizations can ensure that the values they uphold are truly integrated into the work culture and behavior of employees, leading to improved relationships between individuals and companies and the achievement of common goals.

One of the main mechanisms in internalizing organizational values is value-based leadership. This type of leadership prioritizes the application and living of the organization's core values in every action and decision. Leaders who consistently model organizational values through their actions and decisions can help employees internalize those values (Grojean et al., 2004). This value-based leadership serves as a foundation in building trust and rewarding commitment to the company's values (Prilleltensky, 2000; Beets, 2013). Studies show that when management actively promotes a value-based work culture, employee engagement increases as they feel more motivated and connected to the organization's goals (Hassan et al., 2013). Employees who feel supported by leaders who are consistent and fair in applying organizational values will feel more motivated and engaged in the work process, ultimately leading to improved performance and overall organizational success.

Another mechanism that plays an important role is clear and effective organizational communication. Companies that have a good internal communication strategy can help employees understand the organization's values and how they are applied in their work (Men, 2014). Employees more easily understand the company's expectations and feel more valued in their work environment with open communication, which in turn increases job satisfaction (Saks, 2006). Effective communication ensures that all members of the organization feel part of a community that shares a common goal (Kang & Sung, 2017). Employees who feel informed and involved in the company dialog will be more motivated to contribute.

Employee training and development are also key factors in internalizing organizational values. Value-oriented training programs can help employees understand how the values are applied in daily work practices (Tracey & Tews, 2005). When this training is combined with a system of rewards and recognition for behaviors that are in line with organizational values, employees tend to be more motivated to adopt and apply the values in their work (Bowen & Ostroff, 2004). The internalization of organizational values within employees will also lead to increased job satisfaction, as they feel more connected to the corporate culture and believe more in the vision and mission of the organization (Lok & Crawford, 1999). Overall, value-oriented training and development, coupled with the right reward system, will reinforce a positive work culture and improve overall organizational performance.

A supportive work environment also plays a role in the internalization of organizational values. An inclusive, collaborative, and diversity-respecting organizational culture can accelerate the process of values internalization among employees (Chatman & O'Reilly, 2016). When employees feel accepted and valued, they are more likely to align themselves with company values, which results in increased engagement and job satisfaction (Colquitt et al., 2013). Employees are more likely to feel comfortable sharing ideas, asking questions, and providing feedback, which supports innovation and overall performance improvement.

The values internalization mechanism can also be strengthened through a values-based performance evaluation system. By assessing employee performance based on the extent to which they apply organizational values in their work, companies can strengthen value-based culture (Hartnell et al., 2011; Ali & Hasaballah, 2020). This evaluation not only increases employee engagement, but also helps companies identify areas for improvement in the values internalization process.

Overall, the internalization of organizational values is a key element to improving employee engagement and job satisfaction. By implementing mechanisms such as values-based leadership, effective communication, relevant training, a supportive work environment, and a performance evaluation system aligned with core values, organizations can create a positive work culture and improve employee well-being. Companies that manage to effectively internalize their values are more likely to have a workforce that is committed, motivated and satisfied with their work.



## CONCLUSION

The organization's core values play a very important role in improving employee job satisfaction. This process of internalizing values helps employees feel connected to the company's purpose, creating a greater sense of ownership of the organization's mission and vision. Internalization of these values through value-based leadership mechanisms, effective communication, training and development programs, a supportive work environment, and a value-based performance evaluation system have been shown to increase employee engagement. When organizational values are successfully internalized, employees are more likely to feel connected to the company's goals, have higher work motivation, and show stronger commitment to the organization. Consistent application of the organization's core values also helps to create a positive work culture, which ultimately contributes to improved overall company performance and productivity.

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