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## The Trade-off between the Willingness of Risk-Taking Concerning Universal Values and Flourishing Level among Students and Employees

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### **Abstract:**

*The main purpose of this study is to understand the order of importance of individual universal values as rated by both students and employees who have been enrolled or recently graduated from the same business school. The secondary purpose of this research is to learn the level and the differences (if any) concerning flourishing level (psychological well-being) of the respondents. The survey was distributed to nearly 1000 undergraduates and graduates of the business school at one of the largest private university in Turkey. More than 800 questionnaires were filled in but due to missing answers a total of 775 responses (439 undergraduates, 336 graduates) were considered satisfactory. Schwartz's theoretical framework was used to conduct this study and quantitative research method was employed. There are basically two key constructs examined in the study: universal individual values and psychological well-being. Based on the results, while the priorities of the students are mainly on social focus, it is a personal focus for the graduates. Results indicate that traditional values keep its dominant impact on their lives for both groups. Students and graduates who belong to upper class indicated the highest level of (flourishing) mental well-being.*

**Keywords:** *Schwartz's value system, flourishing, psychological well-being, individual universal values, students, graduates*

### **1. Introduction**

Succession planning (SP) combines a number of human resource (HR) management functions as the identification of employees to succeed to key functional job positions and challenging roles in any given organization. Within this context, this paper aims at drawing the attention of educators, managers and human resource (HR) practitioners by indicating unwillingness or the fear of taking risks by young people. The present study which is conducted one year ago, covers both the students and the graduates of the business school at one of the largest private university in Turkey.

Consequently, the objective of this study is to understand the order of importance of individual universal values as rated by both students and employees of different companies who have been enrolled or recently graduated from the same business school. The secondary purpose of this research is to learn the level and the difference (if any) concerning flourishing (psychological well-being) of the respondents.

### **2. Literature Review**

#### *2.1. Universal Individual Values*

Although there are a large number of definition of values in the relevant literature, no consensus has been yet achieved by academicians. Some scholars like Rokeach (1973), Schwartz (1992) have conducted a good number of research studies to understand and to assess the nature of individual values and they arrived at some effective definitions of the term value.

Values in sense are preferences of individuals to guide their thinking styles, attitudes, behaviors and acts. As early as scholars and researchers (Kluckhohn, 1951; Rokeach, 1973; Hofstede, 1980) stated that they are also related to behaviors and the functioning of organizations and societies. It may well be necessary to point out the difference between motives and values.

While the latter are rather stable, enduring over time, motives are related with the satisfaction of human needs. This also explains why values have been considered as the base for attitudes toward certain objects and situations.

While Rokeach (1973) defined values as basic social cognitions, according to Schwartz (1992), there are ten motivationally distinct types' universal values and they simply represent life guiding principles. Schwartz's theoretical framework covers ten individual and 7 cultural values all linked to the motivational level of individuals across the cultures (Yahyagil, 2015). The ten individual values and their meanings summarized as follows:

- Self-direction: Independent thought and action; choosing, creating, exploring.
- Stimulation: Excitement, novelty and challenge in life.
- Hedonism: Pleasure and sensuous gratification for oneself.
- Achievement: Personal success by competing according to social standards.
- Power: Social status and dominance over people and resources.
- Security: Safety, harmony, and stability of society.
- Conformity: Restraint of actions, and violation of social expectations or norms.
- Tradition: Respect, commitment, and acceptance of the traditional customs.
- Benevolence: Preservation and enhancement of the welfare of people with whom one has close personal interaction.
- Universalism: Tolerance and protection for the welfare of all people and for nature.

Schwartz (1994; 2012) defined values as "trans-situational goals, varying in importance that serves as guiding principles in people's lives" and his ten values were recognized along cultures and have a circular structure by indicating a specific relation.

It must be emphasized that the primary motivational goal of any of ten of these values and their order of importance are also relative to each other. Figure 1 displays the pattern among ten values in terms of relations of conflict and congruity among values such as contradicting values of conservatism and that of openness-to-change. They are called high-order-value dimensions like self-transcendence and self-enhancement. The values of power and achievement oppose to the values of benevolence and universalism. Similarly, tradition values are not congruent, actually oppose to stimulation values.

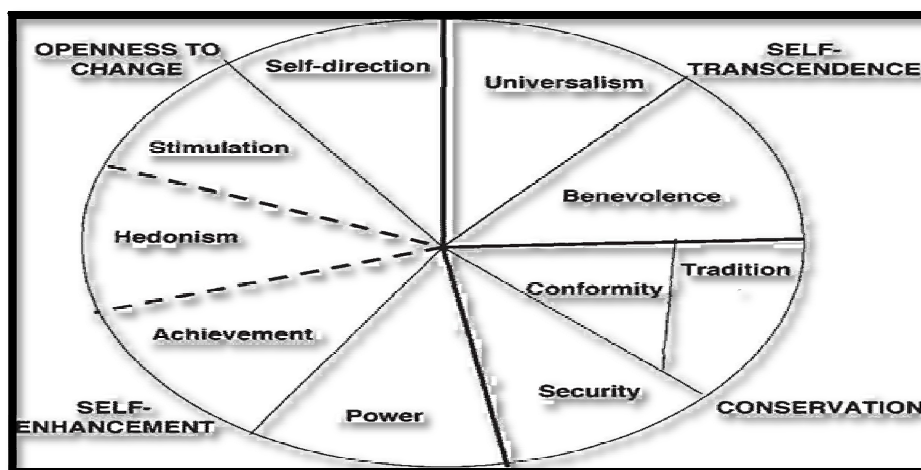


Figure 1: Theoretical Model of Ten Motivational Types Of Values

Source: Schwartz (1992)

## 2.2. Psychological Well-Being (PWB)

There are two basic facets of well-being, while the one of which is named as hedonic or simply 'feeling good and happy' in daily speech of people, the second one is called eudemonic implies having a meaningful and purposeful life. Although these two conceptions sound quite similar but, they are two distinct concepts, the (PWB) or eudemonia or being mentally healthy or flourishing means actualization of human potentials and optimal resolutions of major challenges of life (Keyes, 2002). This is actually the definition of the concept of well-being given from a broad perspective by psychologists is about potential of personal self-realization, functioning and life experiences. Major characteristics of PWB could be summarized as 'personal accounts of subjective experience', 'positive emotions' and 'judgments of life satisfaction' as a whole (Wright & Bonett, 2007; Seifert, 2005). This also explains that PWB is basically related to the self-awareness of people concerning their beliefs in their own abilities while knowing their limitations that is self-acceptance.

The term flourishing is related to the concept of psychological well-being which is about the quality of a person's being mentally healthy and its sources are based on the notions of psychological and social functioning of individuals. The term flourishing is based upon three theoretical construct as emotional well-being, hedonic and eudemonic well-being and social well-being (Yahyagil, 2015; Hone et. al., 2014). In terms of the discipline of psychology, if the members of a society who feel themselves as mentally healthy and have positive expectations for future, will be engaged effectively with their social and personal relations.

Keyes (2002) suggested that adults might be classified in three broad categories as free of mental disorder, as flourishing, moderately mentally healthy, or languishing (as cited in Hone et. al. 2014). Flourishing Scale was developed by Ed Diener and his colleagues (2010) to measure social–psychological prosperity. This measurement device which aims at tapping important feelings for positive functioning which are related to self-respect, optimism, being competent and capable of doing several things in peoples’ lives is preferred for using in the current research study.

### 2.3. The Relationship between Universal Individual Values and Psychological Well-Being

Few studies have examined the relationship between individual values and psychological well-being. Based on the research of Sagiv and Schwartz (2000), it has been offered a typology on the relationship between Schwartz’s values system and three scales of subjective well-being. Their hypotheses relied on several theories. They have formulized their hypotheses as self-direction, stimulation, benevolence, achievement and universalism would be correlated with psychological well-being positively and conformity, power, tradition and security would correlate with psychological well-being negatively.

Sagiv and Schwartz (2000) first provided arguments from psychotherapy literature (Ryff, 1995). Based on this approach, the values are differentiated as “healthy” (achievement and stimulation) and “unhealthy” (conformity, tradition, security and power). The SVS distinguishes four high-order dimensions and two motivational sources Schwartz, 2011). While the high-order dimensions of conservatism, self-transcendence is focused on personal values (achievement, self-direction), the remaining two high-order dimensions of self-enhancement and openness to change is focused on social values (i.e. conformity, benevolence). Consequently, while the high-order dimensions of self-enhancement and conservation are related with ‘self-protection’ but, the openness to change and self-transcendence dimensions are related to personal growth (Schwartz, 2012; Schwartz, 2011; Bilsky and Schwartz, 1994)

## 3. Method

### 3.1. Sample

The survey was distributed to nearly 1000 undergraduates and graduates of the business school at one of the largest private university in Turkey by using Survey Monkey that is a web- based online survey tool. More than 800 questionnaires were filled in but due to missing answers a total of 775 responses (439 undergraduates, 336 graduates) were considered satisfactory.

### 3.2. Research Design

Schwartz’s theoretical framework was used to conduct this study and quantitative research method was employed. There are basically two key constructs analyzed in the research: universal individual values and psychological well-being. The independent variable is universal individual values which have ten dimensions, namely; self-direction, stimulation, hedonism, achievement, power, security, conformity, tradition, benevolence and universalism. The dependent variable is psychological well-being which has eight dimensions, namely; purposeful, relations, daily activity, caring, capability, good life, optimistic and respect.

### 3.3. Measurement Instrument

Two different instruments were employed in the study. The first one was the shortened version of PVQ (21-item PVQ). The PVQ (*Portrait Values Questionnaire*) was developed by Schwartz and it includes short verbal portraits of different people. This is a 6 point-Likert type scale ranging from ‘very much like me’ to ‘not like me at all’. This is a widely used questionnaire both in Turkey and at abroad. Schwartz has tested its validity all over the world and its Turkish version is widely used in different studies (Demirutku and Sumer, 2010; Yahyagil, 2015).

The second instrument was created by Diener and Robert Biswas (2010). It consists of 8-items, 7-point Likert-type scale ranging from ‘strongly disagree’ to ‘strongly agree’. This instrument is known as Flourishing Scale. The validity and reliability of the Turkish version of the scale were made by Telef (2013). A high score indicates a person with a set of psychological strengths.

### 3.4. Research Model

Research model describes the relationship between universal individual values and psychological well-being.

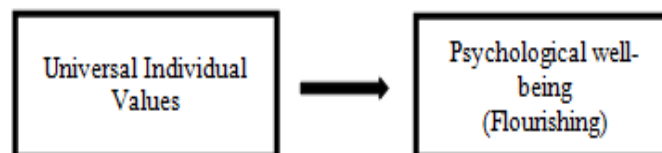


Figure 2: Model of the Study

## 4. Results

### 4.1. Descriptive Statistics

The sample consists of 775 individuals. Of the sample, 291 are male and 484 are female. The age of participants ranges from 18 to 60. While 52.7 percent of the participants belong to 18-25 age group. 28.4 percent of the participants belong to 26-35 age group. Of the sample, 56.6 percent of the participant's status is students and 43.4 percent is graduates from a business school.

Based on the social class of the participants, while 13.5 percent belongs to lower-middle class, 52.8 percent belongs to middle class and 28 percent of the students belongs to upper-middle class. Table 1 highlights the relevant descriptive statistics.

Variables	N	% Percentage
<b>Gender</b>		
Male	291	37.5
Female	484	62.5
<b>Age</b>		
18-25	407	52.7
26-35	221	28.4
36-60	147	18.9
<b>Status</b>		
Students	439	56.6
Graduates	336	43.3
<b>Social Class</b>		
Lower Class	24	3.1
Lower-Middle	105	13.5
Middle Class	409	52.8
Upper-Middle	217	28
Upper Class	20	2.6

Table 1: Descriptive Statistics of the Demographic Variables (N=775)

### 4.2. Reliability Analyses

Both of the analyses have a satisfactory Cronbach alpha value (0.748) for 21 items Portrait Values questionnaire. Similarly, the Cronbach alpha value (0.821) for 8 items psychological well-being questionnaire also indicates a very satisfactory level. Thus, both of the scales have high level of internal consistency.

### 4.3. Exploratory Factor Analysis

Exploratory factor analysis using SPSS 22.0 was employed. Two principal component analyses were performed for ten universal individual values models for students and graduates (Tables II and III).

Table II shows the result of the factor analysis of universal individual value model for students.

	Factor Loadings
	Factor 1: Self-Transcendence & Conservation
Tradition	0.771
Security	0.741
Benevolence	0.690
Conformity	0.667
Universalism	0.613
	Factor 2: Openness to Change
Self-Direction	0.719
Stimulation	0.718
Hedonism	0.610
% Explained Variation	59.605
KMO	0.733
Barlett Sig.	.000

Table 2: Results of the Factor Analysis of Universal Values for Students

KMO value indicates middling level and Barlett test also indicates high statistical significance which means the data is suitable for factor analysis and also shows that the data used in the analysis was collected homogeneously and there were significant correlations between items.

Factor analysis resulted in two distinct factors. The first one includes five universal values, and this factor is labelled as self-transcendence and conservation. The second factor clearly indicates higher order dimensions of openness to change which covers self-direction, stimulation and hedonism.

<b>Factor Loadings</b>	
Factor 1: Openness to Change	
Stimulation	0.807
Self-Direction	0.742
Universalism	0.627
Achievement	0.579
Hedonism	0.572
Factor 2: Conservation	
Tradition	0.841
Benevolence	0.665
Security	0.620
% Explained Variation	65.311
KMO	0.728
Barlett Sig.	.000

*Table 3: Results of the Factor Analysis of Universal Values for Graduates*

KMO value indicates middling level and Barlett test also indicates high statistical significance which means the data is suitable for factor analysis. Factor analysis resulted in two distinct factors.

While the first one includes five universal values (labelled as openness to change), the second factor includes two variables from the higher order dimension of conservation and benevolence. While the first factor explains 59.6% cumulative variance, the second one explained 65.3% and all of the factor loadings in both of the analysis are larger than 0.55.

#### 4.4. Means of Universal Values for Students

	Benevolence	Security	Universalism	Self-Direction	Tradition	Achievement	Hedonism	Stimulation	Conformity	Power	Total
N	439	439	439	439	439	439	439	439	439	439	
Mean	51.936	50.068	49.248	47.870	46.697	46.446	45.934	42.665	41.515	36.264	45.864
Median	110.000	100.000	150.000	100.000	100.000	100.000	100.000	90.000	90.000	70.000	
SD	164.842	190.524	212.437	172.766	191.153	210.471	227.187	217.566	242.358	216.918	

*Table 4: Mean Values of Universal Values for Students*

According to the results of Schwartz's individual level items are shown in Table IV, 'benevolence' (preservation and enhancement of the welfare of people with whom one has close personal interaction) and 'security' (safety, harmony, and stability of society) are the dominant values for students.

All the individual-level dimensions were considered single items and measured by a five-point Likert-type scale, accordingly every mean value represent an actual degree of importance as it can be classified as 1-no importance, 3-neither/nor, 6- extreme importance.

	Achievement	Universalism	Benevolence	Security	Self-Direction	Tradition	Hedonism	Conformity	Stimulation	Power	Total
N	336	336	336	336	336	336	336	336	336	336	
Mean	4.9643	4.9196	4.8943	4.8601	4.7455	4.4762	4.4226	4.1443	3.9851	3.5774	4.4989
Median	10.0000	15.0000	10.0000	10.0000	10.0000	9.0000	9.0000	9.0000	8.0000	7.0000	
SD	1.53981	1.74960	1.50223	1.82168	1.64994	1.82457	1.90047	1.69723	1.79693	1.99099	

Table 5: Mean Values of Universal Values for Graduates

Similarly to the results for graduates; the Schwartz's individual level items as it is shown in Table V, "achievement" (personal success by competing according to social standards) and 'universalism' (tolerance and protection for the welfare of all people and for nature) are also the dominant values for graduates.

#### 4.5. Means of Psychological Well-Being for Students and Graduates

	Respect	Caring	Goodlife	Capability	Purposeful	Optimistic	Relations	Daily Activity	Total
N	439	439	439	439	439	439	439	439	
Mean	5.9294	5.7654	5.7517	5.5239	5.4670	5.2306	5.2301	5.1185	5.5020
Median	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	5.0000	
SD	0.93732	1.07995	1.21627	1.25285	1.34578	1.57186	1.39778	1.36980	

Table 6: Mean Values of Psychological Well-Being for Students

According to the results of Diener and Robert Biswas's psychological well-being items are shown in Table VI, "People respect me" is the dominant value for students. The second dominant value is "I actively contribute to the happiness and well-being of others" and the third value is "I am a good person and live a good life".

	Respect	Good life	Caring	Capability	Optimistic	Purposeful	Daily Activity	Relations	Total
N	336	336	336	336	336	336	336	336	
Mean	5.8839	5.8274	5.6042	5.5595	5.3214	5.2143	5.1726	5.0565	5.4549
Median	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	5.0000	
SD	0.79264	1.02213	1.01387	1.02624	1.24503	1.32324	1.27898	1.36691	

Table 7: Mean Values of Psychological Well-Being for Graduates

The dominant value for graduates in terms of psychological well-being is also same with students. An independent t-test showed that although there was no difference in the rate of flourishing but, there was a statistically meaningful difference by gender (for females  $X = 44.26$ , for males  $x = 43, 21$ ;  $t = 0,275$ ,  $p = 0,030$ ).

#### 4.6. Estimated Marginal Means of Flourishing

According to the results of estimated marginal means of flourishing analysis as shown in Table 3, upper class of both students and graduates indicated relatively highest level of flourishing.

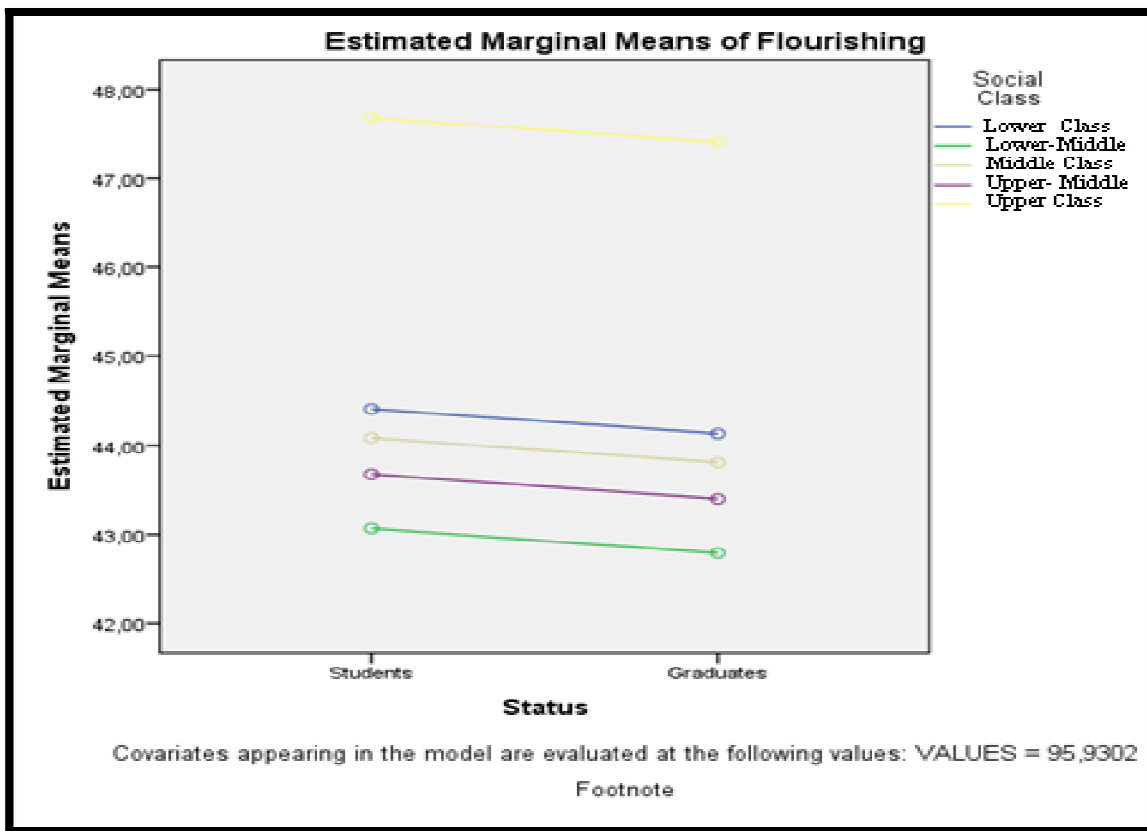


Figure 3: Estimated Marginal Means of Flourishing

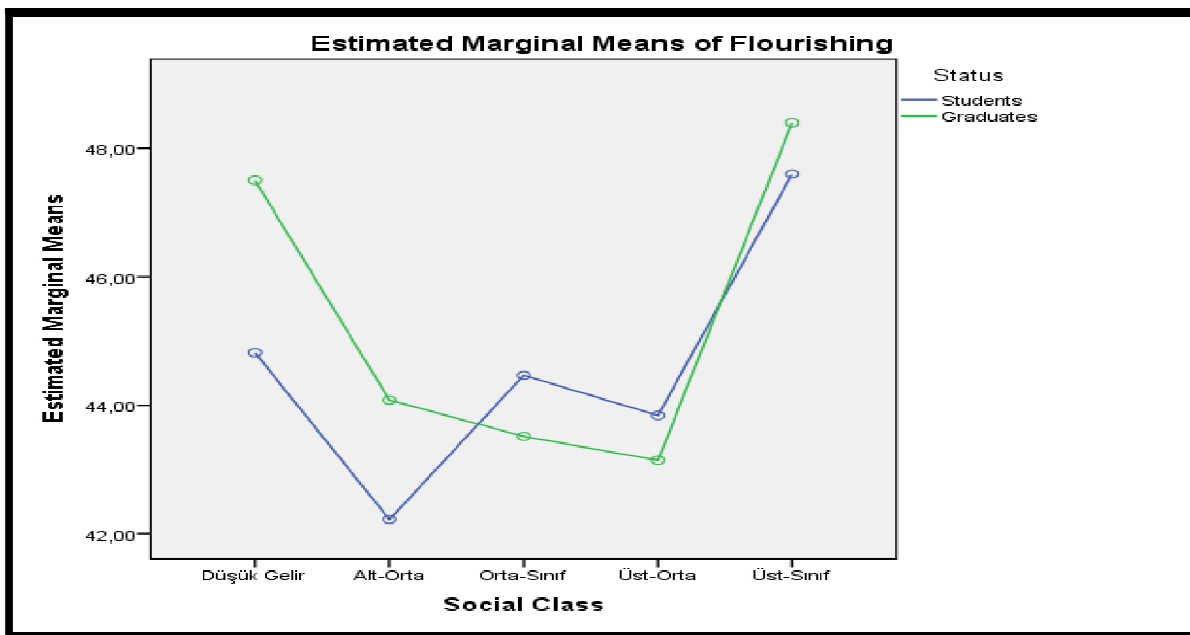


Figure 4: Estimated Marginal Means of Flourishing

### 5. Discussion

An examination of the mean values of universal individual values indicates the fact that while students rate the universal values of benevolence, security, and universalism; for graduates, the top three values are achievement, universalism and benevolence. In the light of factor analyses, it can be said that while the priorities of the students are on social focus, it is a personal focus for the graduates. Although this finding indicates a positive change in the order of values as a result of entering working life and gaining more experience, for both groups traditional values keep its dominant impact on their lives. Perhaps the most striking finding of the study is the fact that the values of 'stimulation' and 'self-direction' are not among the ones which lead persons to realize self-growth and to involve in innovative tasks in their work lives.

If one considers the fact that traditional values are actually of importance then it would be rather unlikely for the members of both groups (students and graduates) to be very willingly to challenge with the difficulties of life, to be eager to hold some critical managerial positions and to satisfy their aspirations in their private lives.

Students and graduates who belong to upper class indicated the highest level of (flourishing) mental well-being. For the remaining four social class categories, flourishing level of lower class was greater than the remaining three classes. This may be due to the higher level of aspirations of those three social class categories, namely; lower-middle, middle and upper-middle classes.

Students prioritized tradition, security and benevolence values, on the other hand, graduates ranked openness to change value on the top. When work life is experienced by individuals, traditional values and benevolence which is the basic characteristic of socialist culture are also at the forefront for graduates. Although achievement value is for the graduates who experienced the work life; traditional values, security and benevolence which is the main characteristics of collectivist culture maintains its importance.

The authors of the present study agree that one of the most effective but, a difficult suggestion would be that today's teaching models should emphasize both the philosophical movements, critical and inventive thinking in education for university students especially for the countries which are not supporting secularist ideas and cultural values of intellectual and affective autonomy.

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