Role of Perceived Organizational Support in Predicting Organizational Commitment- Perception of IT Employees

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Abstract

The present research is an attempt to scrutinize the relation between organizational support and commitment. The research was undertaken among the employees working in Indian IT organizations situated in North India using a structured questionnaire. Social Exchange and norm of reciprocity theories were considered as a framework for the study. The data collected from 400 respondents was analyzed using SPSS. Correlation and regression techniques were employed to achieve the framed objectives and the results discovered that POS and organizational commitment are significantly related. The regression analysis provides an evidence that POS helps in improving the organizational commitment. The study concludes that employees receiving support from the organizations have higher commitment level towards their organizations. The implications and limitations are further discussed. There have been few studies undertaken in India's developing IT sector, and this study is an attempt to fill that research gap and add to the existing literature.

Keywords- Organizational Commitment, Perceived Organizational Support, Social Exchange Theory.

JEL Codes: M10, M00.

Introduction

Retaining skilled and committed workforce is a source of a competitive advantage for the organizations (Holtom et al., 2008&Pfeffer, 1994).Organizational commitment has become a major area of concern due to excessive job opportunities, ease of job switching and increased demand of talented professionals. To acknowledge is concern, organizational commitment is majorly considered by the employers, as more dedicated employees have lesser chances of leaving the organizations and can be responsible for efficient working, improving relations with the customers and are more flexible to organizational change. Such engaged employees are very crucial for the success of any organization (Mayfield & Mayfield, 2008). Therefore, the major focus of the organizations is on recruiting and retaining talented and dedicated individuals.

Various approaches can retain and engage the current employees, for instance, compensation and promotional strategies, positive work environment and organizational support. Employees who receive support and appreciation from the organization develop a bond with their organization which is considered to be a contributing factor to the organization success. In this context. POS is considered as an essential element that has an impact on the commitment level of employees. Employees receiving positive behavior from their organizations would be more faithful in return and maintain their relation with the organization (Knippenberg, 2006). On the other hand, if the behavior of the organization is not positive towards their employees, the chances of withdrawing membership from the organization would become higher (Chiu & Chen, 2005; Maertz et al., 2007).Researchers have given empirical results elucidating that POS helps in predicting the attitude and behavior of employees, improved satisfaction level, lowering quit intentions (Akremi et al., 2014;Riggle et al., 2009). Previous research work has revealed that emotionally attached employees tend to achieve higher commitment, lesser absenteeism, and have higher chances of staying with the organization and Eisenberger et al. (1990) mentioned in their study that employees with higher support from organizations have lesser chances of seeking other employment opportunities. Employees can receive support from the organizations by actively participating in organizational activities. Employees receiving support and appreciation from the organization develop a connection with their organization that leads to the organizational achievement. Employees can leave their organization because of dearth of organizational support.

The practical implication of the study is to put emphasis on the significance of POS to better understand its effect on organizational commitment. Additionally, it also adds to the existing literature by evaluating the relation between POS and organizational commitment. The objectives of the study are presented below:

•To examine the relationship between POS and organizational commitment.

·To analyze the impact on POS on organizational commitment.

The literature review and theoretical foundation for the study are presented in the following part, followed by research methodology. In the next step, data analysis was done and further sections include the research findings, discussion, implications and conclude with the limitations of the study.

Literature review

Theoretical framework

The present study has used social exchange theory for developing hypotheses. SET states that "social exchange comprises actions contingent on the rewarding reactions of others, which over time provide for mutually and rewarding transactions and relationships" (Cropanzano and Mitchell, 2005). According to the principle of SET (Blau, 1964), an increase in POS will result into higher level of commitment and feeling of responsibility towards the organization. Perceptions about the organizational support and care for the employees has a positive relation with the presence of employees, citizenship behavior, job performance and affective commitment(Shore & Wayne, 1993; Eisenberger et al., 1986). The norm of reciprocity suggests that the employees feels a sense of responsibility towards the organizations that shows care for them (Gouldner, 1960). Cropanzano et al. (2001) found that, in an organizational context, commitment and faithfulness are exchanged often and this facet of social exchange is termed as a social exchange relationship.

Perceived Organizational Support theory states that, "feelings of trust between the parties will develop, leading to long-term obligations" (Rhoades&Eisenberger 2002). POS theory highlights the significance of employees' support to their organization and vice-versa. Eisenberger et al. (1997) claimed that if organizations fail to value the contribution of its employees, they will look for other alternatives, however the employees with higher POS will show responsibility towards their organization and also helps in achieving its objectives (Rhoades & Eisenberger, 2002). Thus, the past studies (Eisenbergeret al., 1986) have contended that employees who have higher support would have higher chances of paying back to the organization. Such employees are less tardy, inattentive, or quitting the organization (Eisenberger et al., 1986).Further, Eisenberger et al. (1990) claimed that POS would inspire employees to continue their membership with their current organization. Past research studies have proved that employees reciprocate the treatment given by the organizations through improvement in their job attitude, for instance, job satisfaction and decreasing their quit intentions (Duke et al., 2009).

POS And Organizational Commitment

POS is defined as "the extent to which employees perceive that their contributions are valued by their organization and that the firm cares about their well-being" and Eisenberger et al. (2001) further defined POS as "an experience-based attribution concerning the benevolent or malevolent intent of the organization's policies, norms, procedures and actions as they affect employees". Meyer and Allen (1991) defines commitment as "psychological state that characterizes the employee's relationship with the organization and has implications for the decision to continue or discontinue membership in the organization". Committed employees have lesser tendency to withdraw their membership from their organizations (Meyer et al., 2002). The concept of exchange relationship is often used in research studies to display positive behavior of employees in favor of their organizations, for instance, loyalty (Rhoades & Eisenberger, 2002). SET (Blau, 1964) reveals that employees react positively to the favorable treatment given by their organizations (Bateman & Organ, 1983). On the other hand, if the organizations do not react positively towards their employees, the employees will be less willing to continue their membership with their organizations (Chiu & Chen., 2005; Maertz et al., 2007).

Bibi et al. (2019) pointed out that affective and normative commitment was positively related with POS and job satisfaction but continuance commitment has no relationship with POS and job satisfaction. Employees receiving higher POS will be less willing to seek for other alternatives (Tuzun&Kalemci, 2011; Eisenberger et al., 1990). Employees receiving higher support from their organizations would provide better results that ultimately will lead to a positive relationships within the organizations (Muduli et al., 2016) and increase in organizational support will lead to higher commitment level of employees (Celep&Yilmazturk, 2012). POS can also influence the employees to stay committed to their organizations and to helps it in achieving organizational objectives (Arshadi, 2011). In supportive organizations, the employees respond back by continuing their relations with the organizations and decreasing their quit intentions. A recent study by Esop&Timms (2019) was conducted on academic staff, the results revealed that organizational support helps in predicting the affective commitment of employees. Mylona and Mihail (2020) supported the findings that supportive supervisors helps in motivating employees for participating in organizational activities. Saadeh and Suifan (2020) surveyed the employees among hospitals in Jordan and the results claimed that POS and commitment were positively related.

On the basis of prior arguments and studies conducted so far, the hypothesis has been developed as:

Hypothesis 1: There is no significant relationship between POS and organizational commitment.

Hypothesis 2: There is no significant impact of POS on organizational commitment.

Research methodology

The study has used descriptive research design and analytical type of research. Purposive sampling was used to gather the data from lower and middle level employees of IT industries in North India. The rationale behind selecting the Northern region is that this region is emerging IT hub of India. A sample of 400 respondents working in different IT organizations was selected using Cochran's formula, where a sample of 385 or above represents normal data (Cochran, 1963). A structured questionnaire was used as a mode of data collection to collect data from employees. Out of the questionnaires distributed, 400 responses were found to be complete in all aspects. SPSS version 21 was used as a tool to analyze the data.

Measures

Perceived Organizational Support: 8-item scale adapted from Eisenberger et al. (1986) was used for the assessment of Perceived Organizational Support (POS).

Organizational Commitment: 9 items were adapted from Organizational Commitment Questionnaire (Mowday et al., 1979) for the measurement of commitment of employees towards their organization.

The questionnaire was categorized in two parts, first section was related to organizational commitment and POS and other was related to demographics. All the responses were measured on a "7-point Likert scale ranging from 7-strongly agree to 1-strongly disagree".

The Cronbach alpha for POS was .865 and organizational commitment was .843.

Data analysis

Demographic profile

Table 1 depicts the demographic summary of the respondents. 297 (74.2%) were male and 103 (25.8%) were female and majority of the respondents (76.8%) were below 26 years of age group. More than 70 % of the employees have an experience of 0-6 years and only 26.5% of the respondents are having an experience of above 6 years. 250 (62.5%) respondents were married and 150 (37.5%) were unmarried. In case of educational qualification, majority of the respondents were educated to Graduation level (193; 48.3%), followed by Post Graduation (154; 38.5%).

| Table 1 | l. |
|---------|----|
|---------|----|

| Gender | Frequency | Percent | Educational | Frequency | Percent | |
|-------------------|-----------|---------|--------------------|-----------|---------|--|
| | | | Qualification | | | |
| Male | 297 | 74.2 | Undergraduate | 53 | 13.2 | |
| Female | 103 | 25.8 | Graduate | 193 | 48.3 | |
| Total | 400 | 100 | post graduate | 154 | 38.5 | |
| | | | Total | 400 | 100 | |
| Marital Status | Frequency | Percent | | | | |
| Married | 250 | 62.5 | Age | Frequency | Percent | |
| Unmarried | 150 | 37.5 | less than 23 years | 134 | 33.5 | |
| Total | 400 | 100 | 23-26 years | 173 | 43.2 | |
| | | | 27-30 years | 68 | 17.0 | |
| Work experience | Frequency | Percent | above 31 years | 25 | 6.3 | |
| less than 3 years | 141 | 35.2 | Total | 400 | 100 | |
| 3-6 years | 153 | 38.3 | | | | |
| above 6 years | 106 | 26.5 | | | | |
| Total | 400 | 100 | | | | |

Source: Author's Calculations

Correlation Analysis

Pearson Correlation analysis was performed to investigate the relationship. Table 2 demonstrates the moderate correlation between POS and organizational commitment ($r=0.622^{**}$, p=.000) and this relationship is significant. It is validated from the results that supportive organizations have more committed employees as compared to the organizations that do not support their employees. Employees receiving care and support from the organizations feel that the organizations value their contributions, then employees develop a sense of belongingness and attachment towards their organizations. Employees respond to organizational support by showing loyalty towards their organizations.

Table 2. Correlation analysis

| | | POS | OC |
|-----|---------------------|-----|--------|
| | Pearson Correlation | 1 | .622** |
| POS | Sig. (2-tailed) | | .000 |
| | N | 400 | 400 |

Regression Analysis

A regression model was developed by incorporating POS as an interpreter of organizational commitment. The below mentioned tables represents the regression coefficient value among POS (independent variable) and organizational commitment (dependent variable).

Proposed Model: Y (Organizational Commitment) = b0+ b1 (Perceived Organizational Support)

Table 3. Model Summary

| Model | R | R2 | Adjusted R2 | Std. Error | |
|--------------------------------|-------------------|------|-------------|------------|--|
| | | | | | |
| 1 | .622 ^a | .386 | .385 | 6.295 | |
| | | | | | |
| a. Predictors: (Constant), POS | | | | | |
| | | | | | |

Note: POS- Perceived Organizational Support Source: Author's Calculations

Table 3 depicts that approximately 38.6 percent of the variance of organizational commitment is explained by POS. Therefore, one unit change in perceived

organizational support will have an impact of .38 unit change in organizational commitment.

Table 4. Coefficient Table

| - | Model | Unstandardized Coefficient | | Standardized Coefficient | | |
|---------------------------|------------|----------------------------|------------|--------------------------|--------|------|
| | | В | Std. Error | Beta | Т | Sig. |
| 1 | (Constant) | 12.473 | 1.169 | | 10.665 | .000 |
| | POS | .687 | .043 | .622 | 15.827 | .000 |
| a. Dependent Variable: OC | | | | | | |

Note: OC-Organizational Commitment Source: Author's Calculations The t-value (>1.96) and p-value (0.000) in table 4 represents the significance and validity of the proposed model. Organizational support towards the well-being of employees has proved to be a predictor of organizational commitment.

Discussion

The present research is designed on the framework based of SET and Norm of Reciprocity theory and has examined the relationship of POS and organizational commitment. The study has derived organizational support as a contributing factor to retain satisfied, productive and loyal employees in the organization. The research contributes to the existing literature and supports the fact that POS helps in predicting organizational commitment. Based on the analysis, the findings revealed a significant relationship between POS and organizational commitment, therefore, H1 is rejected. Employees receiving support and care from organizations will develop confidence to work hard and perform well. Also, increases the commitment of employees which will help the organizations in a long run.

The results also predicts that POS positively impacts organizational commitment and therefore, H2 is rejected. Therefore, by creating a healthy and positive working environment and implementing strategies that supports employees, the organizations would be able to retain employees with high commitment level. The findings are consistent with the previously published work (Hussain and Asif, 2012; Celep&Yilmazturk, 2012; Loi et al., 2006; Kim et al., 2004; Susskind et al., 2000; Tumwesigye, 2010; Labrague et al., 2018). As per the results reported by Allen et al. (2003) and Dawley et al. (2008) HR polices like open communication, employee involvement, appreciation of contribution of employees and fair reward and compensation strategies should be highlighted as such practices are considered as supportive activities by the employees and they feel that the organizations care for their employees and values their contribution. Employees receiving lower support from their organizations may decrease the commitment level of employees that also effects the performance level of the employees as well as the organization. Involvement of employees in decision making and considering their opinions in such processes will encourage the employees to work efficiently and also helps in the organizational effectiveness.

Implications of the study

The present study has theoretical as well as managerial implications. Based on SET and Norm of Reciprocity theories, receiving support from the organizations will result into positive behavior from the employees. Organizations need to frame strategies and policies to

retain talented workforce to gain competitive advantage. Firstly, the supervisors or managers should create an environment wherein the employees can communicate their ideas easily and may feel that the organizations appreciate their contributions can shows care towards the employees. Secondly, the organizations must provide flexible working hours to their employees in certain cases, so that the employees feel supported from the organizations. In order to retain talented workforce, providing other benefits such as flexible working hours, and overtime allowance can contribute in improving organizational support and the commitment of employees. Receiving support from the organization leads to employee engagement and will also boost employees' morale to stay loyal with the organization. Employees will feel motivated if they receive care and support from the organizations which further leads to the emotional attachment of employees towards their organizations.

From a practical viewpoint, if organizations pay attention to its employees, addresses and appreciates their work and contribution may encourage the employees to stay in the organization. Mangers need to have in-depth understanding of employees perception related to organizational support, it will help in reducing their quit intentions and commitment level may become higher. The organizations should focus on their human resource and make effective strategies to retain the employees in their organizations. The research also suggested that the practitioners who frame supportive policies for their employees should communicate effectively. The study also provides evidence that employers can retain their competent employees by adopting strategies to provide support to their employees. The employers should provide comfortable working environment to the employees, ensure employee participation, and considering their suggestions and thus providing them organizational support. By incorporating such policies and strategies in the organizations, the employees will feel obliged to be a part of such organization that values their employees and are more concerned about their well-being, this will help the organizations in retaining talented and loyal employees.

Recommendations and limitations of the study

Despite of theoretical and managerial implications, the study has some limitations also. Firstly, the study covers IT organizations situated in Northern region and this may deteriorate the generalizability of the research findings. Secondly, the present study has examined selected dimensions of POS and commitment only from the employees' perspective, therefore, further studies can be conducted to analyze the behavior of employers towards the workforce so that perception of employees and behavior of employers can be compared. Further studies can also include the performance of employees in relation to perceived organizational support and future research can also be conducted to explore more dimensions of organizational support to have in depth understanding of the relationship between selected variables. Furthermore, the present study was specifically related to IT sector, therefore research can be conducted on the employees of different sectors to have a comparative analysis. As, the data was collected from lower and middle level employees in IT sector, top management can also be included in further studies which can provide more detailed insights to the research findings.

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