
Impact of Perceived Organisational Support on Employee Engagement at Tas Impex Private Limited, Hyderabad

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Abstract:

The psychological and physical support that the organisation provides its employees will help in motivating the employee and help the employee in being dedicated towards their work. Perceived Organisational Support makes the job more enriching and helps in increased engagement to the job role provided to the employee. The research has been conducted taking into consideration employees from Tas Impex Private Limited in the modular furniture industry. The research is aimed to find the impact of Perceived Organisational Support on Employee Engagement. Perceived Organisational Support refers to the degree by which Correlation and Regression analysis reveals that there is a significant positive relation between POS and employee engagement. Employees in the organisation of study have a good level of Perceived Organisational Support but it can be improved to further enhance employee engagement. The management should be concerned about enhancing their perceived organisational support to have a more optimal employee engagement experience for the employees in the organisation. The recommendations and findings are given on the basis of extensive research as well as valuable insight of the industry and the organisation in which the study is conducted.

Key Words: *Perceived Organisational Support, Employee Engagement*

Introduction to the topic:

Perceived Organisational Support means the degree to which any employee feels that his/her work is valued by the employer. It is the feeling and perspective of the employee as to how the organisation values his/her work. This results to be a huge morale boost for the employees as he/ she feels appreciated for the work they are carrying out.

Employee engagement refers to the commitment and dedication of an employee in carrying out the job mentioned in his job description and psychological contract. The literal sense of the term is that the employee is engaged in the work that is being carried out.

The topic chosen for investigation at Tas Impex Pvt. Ltd. is impact of Perceived Organisational Support on employee engagement.

Review of Literature:

(Eisenberger, 2002) has researched in his article that Perceived Organisational Support is a concept where employees are provided with recognition, appreciation, approval and respect, pay and promotion and access to information which helps employees feel that they can carry out their job really well. Eisenberger also elucidates about organisational support theory which states that employees feel that the benefits provided to them are given by the entity of the organisation. They tend to personify the organisation as a separate entity, providing them with support which acts like a psychological advantage to the employees. Hence, it's not any manager or any top level official who provides the employees with support, pay and recognition, but it's the

organisation who does so. This personification is categorised by the organisation's legal, moral and financial responsibility to the employees and other stakeholders of the organisation. The authors have carried out multiple studies, literature reviews, descriptive studies, fail-safe analyses, moderator analyses etc. to arrive on the conclusion about the various antecedents, the scale to measure POS and to form the exact definition of what we see as Perceived Organisational Support today.

(Abdul Khaliq Alvi, 2014) has mentioned in his article about the relationship between employee engagement and perceived organisational support. Employee engagement refers to the employee being motivated and enriched by his job and the job itself engages the employee to come to work and put in his effort to improve and increase productivity. (Ariani, 2013) has researched that his article takes into consideration 507 respondents from service industries in Yogyakarta, Jakarta and aims to find the relationship between Employee Engagement, Counterproductive Work Behaviour and Organisational Citizenship Behaviour.

(A.Gokul, 2012) has researched in his article which speaks about employee engagement and perceived organisational support and how it effects affective commitment. According to the article, affective commitment reflects the general bond of dedication that the employees have with the organisation they work in. Organisational commitment is conceptualised into three parts namely, affective, normative and continuous commitment. Affective commitment simply means the emotional bond and connection, the employee feels, to stay with the organisation.

(Kailiang Dai, 2016) has investigated in his paper which speaks about perceived organizational support and employee engagement and how organizational identification has a mediating effect between perceived organizational support and employee engagement. Employees with high organizational identification will have a very high engagement in their work and vice-versa. The study showed that there was a positive relationship between organisational support, employee engagement and organizational identification and the relationship was strengthened with the regression analysis.

(Samina Bano, 2015) has researched her article that aims at giving out a relationship between Perceived Organizational Support and Employee engagement in consideration of generation X and millenials which the author terms as generation Me. Generation X were people born after baby boomers and are increasingly characterised by loyalty, independence and resilience. Generation Me refers to the younger generation which is more technology savy, more adaptable but indulge in increased job hopping and are generally less satisfied with their work place arrangements. The data tested for both the variables was reliable. The correlation tested for generation X seemed to be higher than the correlation tested in generation Me. Generation X showed a moderate positive correlation whereas generation Me showed a low positive correlation.

Research Gap:

The gap identified is that the Impact of Perceived Organisational support on employee engagement has not been extensively tested and research in the industry that the organisation belongs to, that is, the modular furniture industry which is a relatively new industry

Objectives:

- a. To ascertain if there exists an impact between perceived organisational support and employee engagement
- b. To ascertain if perceived organisational support has a positive impact on employee engagement.
- c. To provide corrective measures to improve Perceived Organizational Support which will in turn enhance Employee Engagement

Hypothesis:

H1: There exists a positive impact between Perceived Organisational Support and employee engagement

Ho: There exists no positive impact between Perceived Organisational Support and employee engagement

Scope of the study:

Geographical scope: Office located in Hyderabad, spread over 4 different branches

Study being conducted on employees from every department in the organisation

Population: Respondents are employees from different departments in the organisation

Sampling Technique: Non-probability convenient sampling

Data Collection Methods: Survey/Questionnaire

Statistical Tools for analysis: SPSS

Limitations of the study:

1. The research is time bound and time constraints are involved
2. Respondents might not be clear with the vocabulary in the questionnaire

Results:

The reliability tests of each variable has resulted in a strong value, showing that the data is strongly reliable and that further research can be conducted using the data on which the reliability test has been run. A reliability test was run for the scales of each variable which proved to be strongly reliable in the case of both the variables. Perceived Organizational Support showed a reliable data with a Cronbach Alpha value of 0.835 and Employee Engagement showed a strongly reliable data with a Cronbach Alpha value of 0.891. The correlation test shows a result of $r=0.650$ which indicates a strong positive correlation between Perceived Organizational Support and Employee Engagement. Hence, the independent variable, POS and dependent variable, employee engagement are strongly correlated.

Correlations

		EE_Average	POS_Average
EE_Average	Pearson Correlation	1	.650**
	Sig. (2-tailed)		.000
	N	92	92
POS_Average	Pearson Correlation	.650**	1
	Sig. (2-tailed)	.000	
	N	92	92

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.650 ^a	.422	.415	.51042

a. Predictors: (Constant), POS_Average

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	17.113	1	17.113	65.685	.000 ^b
Residual	23.448	90	.261		
Total	40.561	91			

Coefficients^a

Also, the

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.860	.489		3.808	.000
POS_Average	.659	.081	.650	8.105	.000

a. Dependent Variable: EE_Average

regression R^2 value= 0.422 which shows a moderate impact of perceived organizational support on employee engagement. Following is the simple linear Regression Model to test the relationship between the independent variable “Perceived Organizational Support” and dependent variable “Employee Engagement”:

$$\text{Employee Engagement} = \beta_1 + \beta_2 * (\text{Perceived Organizational Support}) +$$

R^2 value for the model is 0.422 meaning 42.2% of the variation in “Employee Engagement” is explained by “Perceived Organizational Support”. It indicates moderate strength of the model.

Fitting the regression model using ANOVA table to get the following regression equation:

$$\text{Employee Engagement} = 1.86 + 0.66 * (\text{Perceived Organizational Support})$$

The descriptive statistics of each question show the percentage as to which answer was chosen by the employees in majority. Assessing the descriptive is of utmost importance for the Gallup’s Q12 questions to ascertain as to which type of question was given the favourable answer. The descriptive statistics give us more insight, especially on the Gallup’s Q12 index where 2 questions show if basic needs of the employees are fulfilled; 4 questions show if appropriate management support is provided; 4 questions showed if team work exists in the organisation and 2 questions speak about the growth of the employee in the organisation.

After finding out the descriptive statistics of these four categories, we can ascertain that at least 80% of employees feel that they are engaged in their workplace. However, it is divided into the scale of slightly agree, moderately agree and strongly agree. Hence, around 30% of employees strongly feel that they are engaged into the work they are doing, around 35% employees feel that they are moderately engaged into the work they are doing and around 15% of employees feel that they are slightly engaged into the work that they are doing.

Hence, on this basis we can categorise employees into engaged employees, not engaged employees and actively disengaged employees.

Findings and Recommendations:

The independent variable taken for this study is Perceived Organisational Support studied by Robert Eisenberger, which is measured by the scale developed by the same man in his 8-survey item “Survey of perceived organisational support”. The dependent variable taken for the study is employee engagement which is measured by Gallup’s Q12 index. The hypothesis so formed was to ascertain whether there’s a positive

impact of perceived organizational support on employee engagement. Perceived Organizational Support showed a reliable data with a Cronbach Alpha value of 0.835 and Employee Engagement showed a strongly reliable data with a Cronbach Alpha value of 0.891.

A correlation analysis revealed that there exists a strong positive correlation between perceived organisational support and employee engagement where $r=0.650$ indicating a strong positive correlation. After conducting the regression analysis we get the R^2 value= 0.422 which indicates that it's not a very strong but moderate model of regression. This shows that the impact of perceived organisational support is positive but is not of a very strong nature. Since the industry taken is modular furniture industry, the employees in the organisation are more of managerial nature with a more sales and back end job role than having a very specific and expert job description.

Descriptive statistics of four categories, will ascertain that at least 80% of employees feel that they are engaged in their workplace. However, it is divided into the scale of slightly agree, moderately agree and strongly agree. Hence, around 30% of employees strongly feel that they are engaged into the work they are doing, around 35% employees feel that they are moderately engaged into the work they are doing and around 15% of employees feel that they are slightly engaged into the work that they are doing. Hence, on this basis we can categorise employees into engaged employees, not engaged employees and actively disengaged employees.

Hence, recommendations to the organisation would be to enhance its Organizational support, in order to actively engage employees in the organization. This can be done in the following ways:

-) Implementing supportive workforce initiatives that are discretionary in nature. This means doing something for the employees where they are the decision makers apart from the routine job that they are required to do.
-) The organisation should be fair, equitable and just in forming policies in the organisation and even during implementation. There should be no bias in terms of the designation or number of years of service with respect to universal policies laid down by the organisation.
-) The organisation should set goals which can be achieved by the employees. The reward they receive should match with the goals they have met.
-) Offer individualized and customised benefits. It always helps in identifying needs and wants of the organisation's workers and workforce.
-) Supervisors should be supported appropriately by the top management so that they can induce POS in their subordinates. It is important for POS to be high at every node of authority in the organisation.
-) Organisations should make subordinates understand the necessities of the organisation and train subordinates to be more supportive in nature. According to studies conducted, supervisors who perceive that they have a supportive work group have treated their workforce in a much more just, fair and equal manner.
-) Promoting strong social networks will help employees to find their desirable social and informal group which is a huge factor in workplace engagement.
-) Organizational support should start before the process of employment.

Conclusion:

The result states that there exists a relationship between Perceived Organisational Support and employee engagement and the impact of POS is positive on employee engagement. This means that the psychological and physical support that the organisation provides its employees with helps in motivating the employee and helps the employee in being dedicated towards their work. POS makes the job more enriching and helps in increased engagement to the job role provided to the employee. After conducting a research with participants of Tas Impex it is strongly ascertained that Perceived Organisational Support has a positive impact on employee engagement.

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