The Effects of Perceived Organizational Support (POS) and Perceived Organizational Justice (POJ) on Employee Engagement (EE) of Indian Employee in Information Technology

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ABSTRACT—The concern of the organization with employee’s perception of organizational support and justice affects the employee's attitude and behavior within the work environment. The purpose of the empirical study is to rationally conclude about the impact of the POS and the POJ on employee engagement of the IT employees who are based in Bangalore, India. In support of the literature, the researcher developed a model by identifying constructs of POS, POJ and EE and identified different measuring criteria to measure these variables. The research employed a data of 429 respondents who are the employees of Indian IT firms. The relationship between the POS, POJ and EE were measured by using linear regression analysis. The perceptual difference among employees concerning the POS, POJ, and EE by their years of experience in the company was measured by using one way ANOVA. The results show that there is a positive relationship between POS & EE which means when the employees perceive that organizations support and care about the wellbeing of employees, they will be more engaged in their work. It was also found that there is a direct relationship among POJ and EE. The POJ has three sub-constructs such as distributive justice (DJ), procedural justice (PJ), and interactional justice (IJ). From the result, it was found that interactional justice has the more predictive power of employee engagement compared to the procedural justice and distributive justice. In the present study it can be concluded from the result that in the Indian IT firms, employees are more concerned about the procedure followed during the distribution of outcomes and communication method used in it to make them more engaged. It was also found that there is no perceptual difference among employees about POS, POJ & EE by their experience. The findings of the present study highlight the importance of fairness in the distribution of outcomes and concern for the wellbeing of the employees to enhance the engagement level of employees.

Keywords—Distributive Justice, Employee Engagement, Interactional Justice, Perceived Organizational Justice, Perceived Organizational Support, and Procedural Justice.

I. INTRODUCTION

The liberalization of the Indian economy, growth perspective and competition between leading firms have witnessed changes in the human resource policies and procedures (Sparrow and Budhiraj, 1997; Biswas & Bhatnagar, 2013). The policies and procedures relating to employee engagement, talent acquisition, compensation, organizational justice, etc. are at commonplace (Bhatnagar and Biswas, 2010). As a result of this, the employees expect a fair environment in the workplace which makes justice-related issues gaining more critical in India. Every employee of an organization expects fair treatment and perpetual noticeable support from their superiors and authorities higher than their respective designations on the hierarchy list. Organizational support, on a pragmatically broader sense, not only constitutes the expected equal treatment the organization is bound to deliver but also the degree of fairness it will manifest, while attempting to establish adequate and reasonable communication ties from the management which is vested with the highest authority. It is of utmost importance that the organization focuses on delivering its ideas and commands to its employees in the most modest and polite way possible, while it simultaneously also administers its employees in a fair and a just way, to accomplish the goal set by the organization for itself. The company’s interaction with the employees, it is fair and not irrationally dominated by the authoritative body and if it also pays attention towards appreciating the duty delivered and the work accomplished by the employee’s self-morale can be increased and thus will facilitate in advancing the trust between the employees and the organization. Organizational Justice, in a nutshell, is defined as the “perceptions of fairness and their impact on behavior in an organization” (Beugre, 1998). According to an employee, an organization is reasonably based on his perception of how well the organization treats its employees. If the employees are content with the fact that perceived justice is fair, then, the pay satisfaction, the job satisfaction, and the commitment towards the organization will be higher and vice-versa. The job satisfaction, job burnout, perceived organizational support and justice are the critical predicting variable of turnover intentions (Abate, Schaefer, & Pavone, 2018). It has been empirically proved, that organizational justice is firmly connected to many dynamics related to change, such as openness to change, acceptance of change, cooperation with change, satisfaction with change and
individual response to change. This research thus attempts to consider two factors, i.e., perceived organizational support and perceived organizational justice as antecedents of the employee engagement.

II. OBJECTIVES

In this intended advanced study, three goals have been framed:
1. To find out the impact of perceived organizational support on employee engagement.
2. To analyze the effect of perceived organizational justice on employee engagement.
3. To examine the relationship amongst perceived organizations support, perceived organization justice and employee engagement.

III. LITERATURE REVIEW AND RESEARCH HYPOTHESIS

A Perceived Organizational Support (POS)

Eisenberger et al., (1986) defined the term POS as "employees global beliefs about, to what extent organization carries about the wellbeing of employees and what extent organization values their contributions". In a dynamic business world, employees are more particular about their treatment by the organization and to what extent they care about the employees who have got the more significant impact on perceptions of employees. There is a psychological contract between the employee and employer which influence employee commitment and engagement. One of the bases for perceived organizational support is, organizational commitment towards employee and their effort must be rewarded, it enhances their employment towards works (Ahmadiet al. 2014), and they trust the organization resulting from a more significant impact in the long run (Allen and Meyer, 1996; Mabasa Donald et al., 2016). It was observed from the study that perceived organizational support does not predict career satisfaction (NuriHerachwati, 2018) but positively impacts employee engagement (Cropanzano and Mitchell, 2005).

B. Employee Engagement (EE)

William A Kahn (1990) coined the term 'Employee Engagement’ for the first time. He explains that individuals can use the various degree of individual selves in the work role performances which in turn implies their work and experience. He researched to explore certain situations at work where employees personally engage and use their selves and disengage or withdraw their selves. The more people employ their selves, the higher the performance. Many researchers have been reported that the organization is giving more importance to employee engagement which is declining today and employees disengaged from their work (Bates, 2004). Thus, employee engagement means psychological presence while performing his role (Kahn, 1990) and further there are three components of engagement, i.e., vigor, dedication and absorption (Rothbard, 2001; Schaufeliet al., 2002).

Saks (2006), observed for the first time, the positive relationship between perceived organizational support and employee engagement. It is noted from the literature that perceived organizational support enhances confidence and strengthens the mind of workers, and also noticeably develops their engagement at work (Yadav, 2016). Research made, much before the previously cited one, showed that when employees perceive the presence of organizational support in affirmative, there is a cognitive and emotional involvement, they showcase and manifest in their job and organization (Erdogan and Enders, 2007; Byrne and Hochwarter, 2008; Ristig, 2009).

Higher perceived organizational support allows employees to exploit their capacities without any threat, which leads to the perception of psychological safety, thus helping them to work more sensibly with better developed interpersonal relations. (Saks, 2006; Biswas and Bhatnagar, 2013). It means that individuals try to be more obliged to the organization in the form of engaging behaviors. Organizational support gives freedom to the employees to experiment on new matters which may involve high levels of risk without facing any fear of its possible negative consequences and thus would ensure the psychological well-being of the employee (Kahn, 1990). Thus, the positive work culture provided by the organization to its employees, embellished with social support would create a good environment for the employees to get keenly engaged with their work (Schaufeli & Bakker, 2004).

A Perceived Organizational Justice (POJ)

Greenberg (1987) defined the term ‘Perceived Organizational Justice’ as perceptions of individual about the distribution of resources where he makes judgments about the fairness of outcomes for their contribution or the given amount of effort. It is the philosophers who started writing about the justice before social scientists. However, management scientists more concerned about what people perceive to be justice as against justice view of philosophers (Cropanzano et al., 2007). According to the management philosophers justice is a subjective concept where it is crucial what individual perceives to be right, not the objective reality (Cropanzano et al., 2007). Many researchers tried to bridge the association between fair treatment with positive job attitude and work outcomes. However, research is limited when it comes to the perceived organizational justice (Cropanzano et al., 2002). During 1960, perceived organizational fairness originated from the Adams (1965) equity theory. At the beginning organizational justice was limited only to the outcomes which were called as Distributive Justice (Adam, 1965; Homan, 1961). Later it
was extended to the procedural justice (Leventhal, 1980; Thibaut & Walker, 1975) and interactional justice (Bies & Moag, 1986). An individual employee uses various means while perceiving justice or fairness when it comes to the procedural justice (Leventhal, 1980). They are consistency, accuracy, correctness, representativeness, ethicality and bias suppression. These are specific intervening variables during the process which leads to decision outcomes (Dirks et al., 2002). Here consistency means, there must be consistency during the process of decision, and whatever the decision taken by the organization, it must be by the correct information which leads to the accuracy.

Social exchange theory is one of the robust theoretical frameworks which explains the extent of the influence of employee's perception of justice on employee engagement. The fundamental of social exchange theory justifies how amicable relationship leads to trust, loyalty and mutual commitment between parties which is termed as rules of exchange (Cropanzano and Mitchell, 2005). Many researchers found that those employees who perceive that they have been treated fairly, will be more loyal towards the organization and that they will be more engaged in the activities planned to achieve the goal of the organization (Barling and Phillips, 1993). It means employees feel more obliged to the organization and they show a higher level of engagement when they perceive organizational justice positively (Cropanzano and Mitchell, 2005). On the other hand, individuals may withdraw and disengage from their work when the perception of justice is relatively low and negative. The Indian organizations must frame policies and procedures to enhance employee’s justice perceptions so that employees will be more engaged in their work.

Furthermore, the organization must provide the fair distribution of outcomes and fair procedures which reinforce employee's perception of organizations concern and employees’ work engagement. In the Indian organization, the managers and executives place more emphasis on procedural and distributive justice perceptions when they are evaluating their support. This shows the importance of fairness in the reward allocations with the Indian employees (Biswaet al., 2013). It was observed from the literature that in the Indian banking industry, distribution of outcomes, policy, and procedures of the organization and interpersonal treatment by superiors have their positives impacts and influences on employee engagement (Ghosh, Rai, & Sinha, 2014).

By the above literature review presented, the following hypothesis has been framed:

H1. Perceived organizational support positively impacts employee engagement.


H3. Perceived organizational support and perceived organizational justice together positively related to employee engagement.

IV. METHODS

A. Sample

The perceptions of IT professionals in India is important because of the high attrition rate which is the primary concern for the IT companies. The primary data was collected from the employees of 10 IT firms in Bangalore, India, by administering to them, a questionnaire on perceived organizational support, perceived organizational justice and employee engagement. The respondents in the IT sector include associate software engineers, software engineers, and senior software engineers. The total of 613 questionnaires were circulated, out of which 481 were received back. However, 51 responses were rejected since they were not filled appropriately and only 429 responses were considered for the study. This shows that the total response rate was 70.14%. Thus, the sample size for the present study is 429.

B. Measurement Scale

The POS was measured by using a 16 item scale developed by Eisenberger et al., (1986). The POJ was measured by using a 20 item scale developed by Niehoff and Moorman’s (1993). It is a comprehensive measure of POJ because it contains all three dimensions such as DJ, PJ, and IJ. The EE was measured by using the 17 item Utrecht Work Engagement Scale (UWES) developed by Schaufeli et al., (2002). This scale consists of three sub-construct such as vigor, absorption, and dedication. All the items of the above scales were administered using a 5 point Likert scale.

C. Reliability Test

The internal consistency of the variable was measured by using Cronbach's alpha coefficient. The well-accepted rule of thumb is that a coefficient of 0.70 or more is considered to be satisfactory in the social science research (Field, 2007).

| Table 1 |
|-----------------|-----------------|-----------------|
| RELIABILITY TEST |
| Construct | Sub-Construct | Cronbach’s Alpha |
| POS | - | 0.901 |
| POJ | Distributive Justice | 0.887 |
| | Procedural Justice | 0.877 |
| | Interactional Justice | 0.790 |
| EE | Vigour | 0.836 |
| | Dedication | 0.817 |
| | Absorption | 0.751 |

In the above table, we can observe that for all the constructs and sub-constructs the Cronbach's alpha value is more than 0.7 which indicate that all the items considered for the study are highly reliable and there is relatively high internal consistency.

V. RESULTS

A. Descriptive Statistics

The data is collected from the sample of Information Technology employees concerning POS, POJ and EE is qualified for descriptive statistical analysis to find out the mean score and standard deviation.
From the above table, it can be observed that POS received a highest mean score of 4.41 with a standard deviation of 0.57 and range is 3.53. This implies that around 68% of respondent’s perception towards organizational support ranges between 4.41 ±0.57. It is understood from this result that the majority of employees perceive that the organization supports the employees when it is needed, and a low standard deviation indicates that perception across the respondents has negligible variability. The result also shows that POJ has to mean score of 4.07 with a standard deviation of 0.51 and range is 3.30 which means the majority of employees perceives that there is organizational justice and low standard deviation shows that the perception across the respondents has negligible variability. The third construct employee engagement has to mean score of 4.23 with a standard deviation of 0.50 and range of 3.41. This implies that around 68% of respondent’s perception towards their engagement ranges between 4.23 ±0.50. This means that the majority of employees perceived that they are more engaged and employees are more engaged, and perception across the respondents has negligible variability.

B. Relationship among POS, POJ and EE

The researcher conducted a simple linear regression to test the relationship between POS, POJ, and EE. It was observed from the result that there is a positive relationship (0.384) between POS and EE (H1). The R square 0.147 which explains that 14.7 percent of variance is attributed to POS upon EE. It means 14.7 percent variation in the EE is explained by the independent variable, i.e., POS. The rest 85.3% of EE is not explained in the model. From the ANOVA table observed that the f value (ANOVA) is 73.93, which is statistically significant at the 5% level of significance.

Further, it was found that IJ (t=10.83) and procedural justice (t=7.51) are two crucial powerful predictors of EE and the relationships are statistically significant since the significance value is less than 0.05. However, it is interesting to observe here that, when POS, POJ & EE combined, POS is not a good predictor of EE and the relationships are also not statistically significant since the significance value is more than 0.05. Further, it was found that IJ (t=10.83) and procedural justice (t=7.51) are two crucial powerful predictors of EE when we compared with the distributive justice (t=2.80) and POS (t=1.43).

C. Perceptional Difference by Employees Experience

All the three identified construct, i.e., POS, POJ & EE were treated using ‘one way ANOVA’ statistics to examine whether the perception varies concerning the experience of the employees.

<table>
<thead>
<tr>
<th>Variable</th>
<th>F</th>
<th>Significance</th>
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<tbody>
<tr>
<td>POS</td>
<td>1.024</td>
<td>0.382</td>
</tr>
<tr>
<td>POJ</td>
<td>0.945</td>
<td>0.419</td>
</tr>
<tr>
<td>EE</td>
<td>0.250</td>
<td>0.861</td>
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</table>

Respondents are grouped into four categories by their years of experience in the firm they currently working, i.e., experience less than one year, 2-4 years, 5-7 years and more than seven years. It can be observed from the above table that all three constructs such as POS, POJ, and EE could not obtain the statistically significant difference in the perception of employees on account of their experience since the significance value is more than 0.05 and low F statistics value (POS=1.024, POJ=0.945, EE=0.250).
VI. DISCUSSION

This study has examined POS and POJ as an antecedent of EE on a sample of employees of Indian information technology firms. The high attrition rate and low engagement level is the primary concern for the IT sector in India. If the IT firms value employee contribution and make the employee more engaged, attrition rate can be reduced. It was also found that POS & POJ are the two major issue the organization must focus on to enhance the engagement level of employees. Since IT employees are more educated, they can be influenced with the organizational support and fair distribution of outcomes and its procedure. The Psychological engagement is found to be less among IT employees towards their organization and work which resulted in a high attrition rate. The contribution of IT firms to the Indian economy is a phenomenon which creates employment for a large number of people. Since the lifespan of a techie in the organization is short and IT employees tend to leave the organization is quite high, EE is considered as one of the major issues by a researcher in the current study. There was no research can be found in the Indian IT firms measuring POS and POJ as an antecedent of EE. Therefore, this study was conducted to measure how POS and POJ influence EE. The current study found that there is a positive relationship between POS and EE which implies that when the employees feel that, organization value their contributions and look after their wellbeing, they feel vigorous and they will be more engaged in their work. This result supports the study conducted by Osman Karatepek & Aga (2015) which shows that POS strongly predicts work engagement which in turn stimulates employee’s job performance.

This study also found that there is a high positive relationship between POJ and EE which supports the previous study which results in DJ and PJ have a positive impact on EE (Gupta & Kumar, 2012). In the Indian banking sector, it was found that DJ, PJ and IJ are positively related to EE (Ghosh, Rai, & Sinha, 2014). Thus it was found that distribution of outcomes, policies of the organization and interpersonal treatment by the superiors have a positive influence on EE (Ghosh, Rai, & Sinha, 2014). It must be noted that when there is a high perception of PJ leads to greater absorption and more top the perceived distributive justice results in greater vigor and dedication.

Further, in the present study, an attempt was made to know the combined effect of POS and POJ on EE. It must be noted here is that when POS & POJ connected it creates a more significant impact on the EE. The R square value (R=0.464) illustrates that when all the attributes of POS & POJ combined, it will have 46.4 percent influence on EE which is much higher than the variables (POS & POJ) individual contribution on EE. When we considered the particular impact, it was 14.7 percent of the attributes of POS, and 44.4 percent of attributes of the POJ have influences on EE.

POJ has three sub-constructs, i.e., DJ, PJ, and IJ. In the current study, the relationship was sought for all the sub-constructs of POJ with that of EE. It was found from the survey that there is a significant relationship between POJ and EE. According to PiyaliGhosh et al., (2014) DJ is the most critical predictor of EE compared to PJ and IJ. In the present study from the ‘r’ value we can interpret that one of the sub-construct of POJ, i.e., IJ (t=10.83) has the higher predictive power of EE followed by PJ (t=7.515) and DJ (t=2.804).

This upholds the importance of IJ, PJ and DJ in affecting EE, which has also been substantiated in this study. In the IT sector, employees are more concerned about the procedure followed during the distribution of outcomes and the communication method used in the delivery of outcomes. Further, since there is a significant positive relationship between DJ, PJ, IJ, and EE, it can be inferred that there must be a fair distribution of outcomes among the employees and distribution of outcomes must be communicated clearly and in a transparent manner to the employees. If there is an equitable distribution of the outcomes and proper communication of the procedure followed, it will enhance the engagement level of employees which is very much essential to have positive organizational outcomes.

All the sub-constructs of POJ, i.e., DJ (t=2.80), PJ (t=7.51) and IJ (t=10.83) have higher predictive power, and there is a significant relationship between these variables (P<0.05). However, it was observed that POS is not the critical predictor of EE (t=1.43) and the significance value also highlights that there is no significant relationship between POS and EE (P<0.05) when we combined POS & POJ to see the impact on EE.

VII. SUMMARY

The primary objective of this research paper was to measure the relationship existing between the POS, the POJ, and the EE. The reliability test result thus indicates that all the items of the scale considered for the study, i.e., POS, POJ and EE are reliable. This study proved that the POS impacts positively on EE. It was also found that there is a positive relationship between POJ & EE. The combined impact of two independent variables on EE is more when we compare it with the individual effect on EE. It was also observed that IJ and PJ influences more on EE. This model can also be used as a managerial tool in the success of any organization.

VIII. IMPLICATIONS FOR MANAGERS, LIMITATIONS AND FUTURE SCOPE OF RESEARCH

The present study has many effects which would apply to the managers and the leaders of the organization. Generally, the organizational support and the organizational justice are of high prominence to ensure the engagement of the employees in their work (Ulrich, 1997). If the employees perceive that there prevail the organizational support and justice, they will perform better, and thus their productivity would be more (Eisenbergeret al., 1986). When employees are subjected to hostile circumstances or any other distress, there must be support extended by the organization to enhance their belief in the organization. Since POS & POJ will impact positively on EE, managers should know to improve POS and POJ belief.
among employees. The manager should communicate their values, beliefs, and norms openly to create unbiased impressions in the mind of the employees. Fair reward, right policies, meeting the needs of employees, helping them during their difficulties, etc., could be the ways to enhance the POS, the POJ, and the EE. The organization must also train the employees and supervisors to improve their interactions with each other so that employees will be aware of organizations efforts towards fairness in the distribution of outcomes. The organization keeps the employees engaged if they fulfill promised expectations. Therefore from the result of the present study, it can be suggested that the Indian information technology firms should recognize the employee’s efforts and it must foster a work environment to enhance the engagement level of employees by framing such policies and procedure and offering financial and non-financial rewards. The distribution of rewards must be fair in the information technology firms to enhance the perceptions of employees. Even if employees who are not satisfied with the pay, still he can be committed to the organization if procedural justice is fair (McFarlin and Sweeney, 1992). Even IJ is very helpful to maintain justice (Greenberg, 1993). The limitation of this study is that this work limited to IT firms in India, Bangalore and therefore generalization across other geographic areas cannot be viewed as a feasible idea. The future research may take another vital variable such as burnout, job satisfaction, and organizational commitment as antecedents of EE. The model developed in this study can also be tested in the manufacturing sector. There is also scope to do a comparative study between the manufacturing industry and service sector by using this model.

REFERENCES


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DrNavin Kumar Koodamara currently works at Manipal Institute of Management, Manipal Academy of Higher Education, Manipal. He received his PhD in management at the Tumkur University, Tumkur in the year 2018. He published many papers in the national and international journals in the field of organizational behavior, euthanasia and medical negligence of the doctors. Some of his notable publication includes Euthanasia: India’s major religious points of views in the Indian journal of public health research and development, Role- of perceived organizational support and organizational justice on employee turnover intentions. A literature review in the international journal of management and social science research review. The changing role and perspective of trade union in India in the International journal of management and applied science.

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