PREDICTING EMPLOYEE ENGAGEMENT: ROLE OF PERCEIVED ORGANIZATIONAL SUPPORT AND PERCEIVED SUPERIOR SUPPORT

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Abstract:-Employee Engagement is a critical aspect for most organizations given the challenges with respect to talent management and retention. The present study examined the role of Perceived Organizational Support (POS) and Perceived Superior Support (PSS) in predicting levels of Employee Engagement with specific reference to the employees of the Information Technology and Enabled Services (ITES) sector. 130 professionals from an Indian IT company filled the Employee Engagement scale, Perceived Organizational Support scale and Perceived Superior Support scale. Results indicated that the employee engagement levels for the male participants (Mean= 16.54, SD= 2.05) was significantly higher (t= 2. 44, p< 0.02) than Female participants (Mean= 15.6, SD= 2.35). A multiple regressions analysis resulted in the emergence of both Perceived Subordinate Support (R^2= 0.36, p< 0.01) and Perceived Organizational Support (? R^2 = 0.40, p< 0.01) as positive predictors of Employee Engagement. Results have been discussed in terms of their implications for Employee management and Talent Management practices.

Keywords: Perceived Organizational Support, Perceived Superior Support, Employee Engagement, Gender differences

INTRODUCTION

Employee Engagement and Talent Retention has been a subject of intense interest for academicians as well as practitioners. Past research has indicated that employee engagement predicts employee outcomes, organizational success, and financial performance (e.g. total shareholder return) (Bates, 2004; Richman, 2006). According to the Gallup research, engaged employees are more efficient, productive, add to the business top line and have greater intention to stay with the company because they are engaged. Research also indicates that engagement is positively related to customer satisfaction (Towers Perrin Talent Report, 2006) as well as employee's intention to stay (Dabke and Patole, 2014). The current study aims to understand the employee engagement challenges associated with knowledge workers from the Information Technology and Enabled Services (ITES) sector with specific reference to those working remotely at client site.

The ITES industry in India has been growing speedily with respect to client base, services offered and geographical expansion (NASSCOM Strategic Review, 2013). The IBEF's (2014) report indicates that the ITES sector has been a major contributor to the national GDP. Banking Financial Services and Insurance is an important sector for servicing from the ITES industry. Solutioning for most of the BFSI sector clients requires the Parent ITES Company to deploy employees to client site for effective account management and handholding. Managing and engaging such remote employees

becomes an additional challenge for the Human Resource department, given the lack of face to face communication, possible feeling of isolation and alienation from parent organization and the vulnerability to various influences at the client site. Research of antecedents for engagement in case of this group is sparse. The current study tries to bridge this gap by focusing on the following objectives:

•To study the association between work place antecedents such as Perceived Organizational Support and Supervisory support with the Employee Engagement of remote employees
•To identify critical factors that can help parent organizations create conducive factors to improve engagement levels of remote workers.

EMPLOYEE ENGAGEMENT

Employee Engagement means different things for different researchers. Kahn (1990) defined engagement in terms of psychological presence when occupying and performing an organizational role. Schaufeli et al. (2002, p. 74) define engagement "as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption." Development Dimensions International (DDI) (2011), defines Employee Engagement as "the extent to which people value, enjoy and believe in what they do". The Aon Hewitt (2013) model of Employee Engagement consistently demonstrates three general behaviors which improve organizational performance:

•Say- the degree to which the employee acts as an advocate of the organization within as well outside the organization
•Stay-the degree to which the employee intends to remain associated and employed with the company
•Strive-the degree to which the employee is ready to put in extra efforts and time to achieve organizational goals.

Each of these elements is fundamental to the organization given the need to have committed, loyal and sticky employees. Engaged Employees, as per the Aon Hewitt model, not only contribute to the employer branding process, but also indulge in organizational citizenship behavior and can be considered as a true human capital that will help organizations earn a competitive edge in business. The 2013 Trends in Global Employee Engagement report by Aon Hewitt indicates that Global employee engagement increased slightly (one percentage point) from 2012 to 2013, to 61% overall. While Employee Engagement overall has increased, intent to "Stay" with their companies has shown no change. Employees are engaging more, but only a little over half see a long-term path with their current company and fewer see a compelling value proposition to keep their talents with the current company. This is especially true for Indian employees wherein being fully engaged is less of a guarantee of retention in India. (Blessings White Report, 2008).

Nair & Vohra (2010), in their study based on 1,142 knowledge workers, found that there is significant work alienation in the Indian IT companies which can be mostly attributed to lack of meaningful work, inability of work to allow for self-expression, and poor quality work relationships. Thus there is an urgent need to identify workplace antecedents that can be reduce this impending work place alienation and in turn create a more engaged and enthused work force. The current study tries to tap in to two workplace antecedents namely Perceived Organizational Support and Perceived Superior Support to achieve this end.

PERCEIVED ORGANIZATIONAL SUPPORT (POS)

POS is defined as the subordinates' belief about the degree to which their organization cares for them and values their role and involvement in the organization milieu (Rhoades & Eisenberger, 2002, p. 698). Many recent studies have highlighted the association between POS and work related factors such as productivity, job satisfaction, organizational commitment (e.g. Allen et al., 2003). Prior research (Erdogan & Enders, 2007; Ristig, 2009) upholds that employees' perception of

organizational support is positively associated to a positive emotional and cognitive evaluation of the organization as well as work role. POS instills a belief in the employees that they have the necessary physical, cognitive, and emotional resources to fulfill their responsibilities (Saks, 2006). Such a feeling is especially important for remote workers who may otherwise feel very alienated and away from the main stream. Based on this discussion, the first Hypothesis states that:

Hypothesis 1: Perceived Organizational Support (POS) will show a significant positive relationship with employee engagement.

PERCEIVED SUPERIOR SUPPORT (PSS)

Researchers have propounded that all employees have two seemingly preeminent "relationships at work: one with the immediate supervisor, and one with the organization" (Masterson, Lewis, Goldman, & Taylor, 2000). Perceived Superior Support has important implications for Employee Engagement over and above Perceived Organizational Support. The Aon Hewitt report (2013) on Global Trends in Employee Engagement has emphasized the importance of the leader and immediate supervisor in ensuring engagement in employees. Hence, this study purports that:

H2: Perceived Superior Support (PSS) will show a significant positive correlation with Employee Engagement

Finally H3 focused on the predictive power of Perceived Organizational Support and Superior Support as positive predictors of Employee Engagement. Thus H3 states that:

H3: Perceived Organizational Support (POS) and Perceived Superior Support (PSS) positively predicts Employee Engagement.

The proposed model to study the relationship between the workplace antecedents and Employee Engagement has been summarized in Figure 1.

Figure 1: Proposed Model
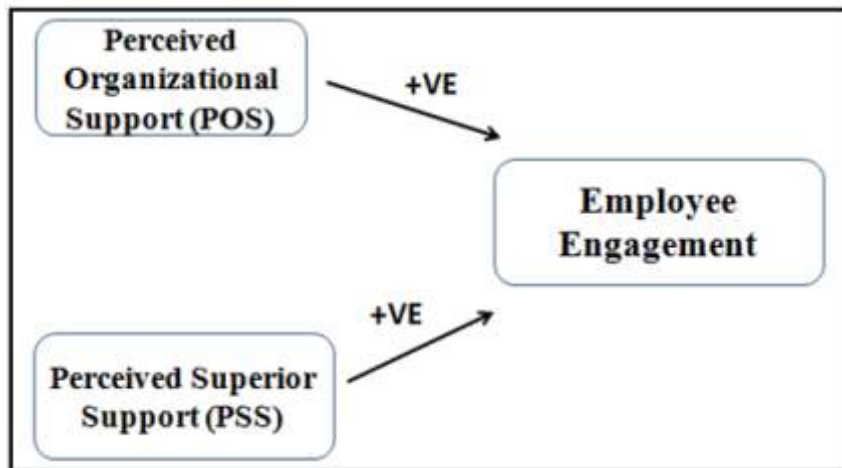
METHODOLOGY
SAMPLE

The sample of the current study included 130 male and female employees working in the ITES industry deployed at client site with the clients hailing from the BSFI sector. The average age of the Participants was 26.98 years with a range from 20 to 39 years (SD= 3.99 years). 73 (54.5 %)

participants out of the total sample were males and 57 (42.5 %) were females. Participant's average age was 4.17 years with a range from 1 to 10 years (SD= 2.71). 250 participants were contacted out of which 200 responded yielding to a response rate of 80%. However 70 responses had to be eliminated due to missing data. The final sample size emerged to be 130.

DATA ANALYSIS TECHNIQUE

Data analysis was conducted using the Statistical Package for Social Science (SPSS) software version 17.0 Pearson's Product Moment Correlation coefficient was calculated to examine the relationship between Perceived Organizational Support, Perceived Superior Support and Employee Engagement. A multiple regressions analysis was conducted to assess the predictive ability of the variables.

TOOLS USED
PERCEIVED ORGANIZATIONAL SUPPORT (POS)

Perceived Organizational Support (POS) was measured by an eight item scale adapted from the short form of the POS Survey (Eisenberger et al., 2002). Respondents indicated their response on a 5 point likert type scale (1 = strongly disagree to 5 = Strongly Agree).

PERCEIVED SUPERVISOR SUPPORT (PSS)

Perceived Supervisor Support (PSS) was measured by an eleven item scale adapted from the SPOS (Rhoades et al., 2001). The scale measured participant response using a five-point Likert scale ranging from 1- strongly disagrees to 5-strongly agree.

EMPLOYEE ENGAGEMENT

Employee engagement has been measured in the current study by using 11 item scale adapted from the scale developed by Saks (2006). The scale measured the participant's job engagement (I am completely engaged in the job), organizational engagement (I feel very involved in things happening at the Organization), intention to stay (I plan to stay with the organization for next 12 months).

PROCEDURE

Participants were given the questionnaire either in the physical form or mailed the online version. The organizational coordinator at each site collection of responses and handed them to the researchers.

RESULTS

RELIABILITY ANALYSIS

Cronbach's coefficient alphas were computed to establish the internal consistency reliability of tools used. Table 1 illustrates the Cronbach's Alpha values for the variables. As seen in Table I, all variables in this study had the alpha values ranged from of 0.74 to 0.88, which were above 0.60 and therefore in the ranged of acceptability as prescribed by Nunnally and Bernstein (1994).

Table I: Summary of Reliability analysis

Variables	Items	Cronbach's Alpha
Perceived Organizational Support (POS)	8	0.74
Perceived Superior Support (PSS)	11	0.88
Employee Engagement	11	0.77

CORRELATION ANALYSIS
A Pearson's Product Moment Correlation coefficient was calculated to study the association

between Employee Engagement and Perceived Organizational Support (POS) as well as Perceived Superior Support (PSS).

Table II: Correlation between Employee Engagement and POS as well as PSS (N=130)

Variable	Perceived Organizational Support (POS)	Perceived Superior Support (PSS)
Employee Engagement	**0.51****	**0.64****

**Correlation significant at $p < .01$ level (1-tailed)

As expected Employee Engagement showed a significant positive correlation between POS ($r = 0.51$, $p<0.01$) and PSS ($r = 0.64$, $p<0.01$). Thus hypotheses HI and H2 were completely accepted. A step-wise multiple regressions analysis was carried out to examin whether POS and PSS emerge as positive predictors of Employee Engagement. Table III depicts the results of the Multiple Regressions Analysis predicting Employee Engagement.

Table III: Multiple Regressions Analysis predicting Employee Engagement

Steps	Variables		R^2	F Value
1	PSS	1.70	0.36	$F_{(2,127)} = $ **43.44, p<.001**
2	POS	0.72	0.40	

Note: POS= Perceived Organizational Support, PSS= Perceived Superior Support

As indicated in Table III, both the work place antecedents emerged as positive predictors of Employee Engagement. The two variables explained a variance of 40 percent ($R2 = 0.40$, $F(2, 127) = 43.44$, $p<.001$). Thus H3 that POS and PSS will positively predict Employee Engagement was fully supported. The results have been summarized in Figure 2.

Figure 2: The Tested Model
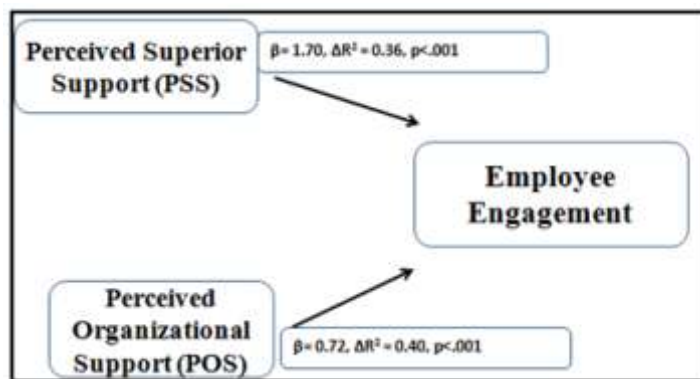
Another important insight drawn from the gender-wise means comparison of employee engagement score of male and female participants as depicted in Table IV. It was found that male employee's Engagement score was significantly higher (Mean= 16.54, SD= 2.05) than Female Employee scores (Mean= 15.6, SD= 2.35) ($t_{(128)} = 2.39$, $p<.02$). While the Perceived Organizational Support was not significantly different for the 2 demographic groups, Female employee's perception of Superior Support (Mean= 3.66, SD= 0.71) was significantly lower than male employees (Mean= 3.92, SD= 0.55) ($t_{(128)} = 2.44$, $p<0.02$). This provides an evidence of a plausible discrimination in the

superior's effort to provide support to female employees. These results are very critical considering the need for organizations to have robust diversity management practices in place.

Table IV: Gender wise Analysis of Perceived Organizational Support (POS), Perceived Superior Support (PSS) and Employee Engagement

	N	Employee Engagement		
		Mean	SD	
Male	73	16.54	2.05	$t_{(128)}= 2.43, p<02$
Female	57	15.60	2.35	
	N	Perceived Organizational Support		
		Mean	SD	
Male	73	3.52	0.78	$t_{(128)}= 1.60, n.s$
Female	57	3.30	0.76	
	N	Perceived Superior Support		
		Mean	SD	
Male	73	3.92	0.55	$t_{(128)}= 2.44, p<02$
Female	57	3.66	0.71	

DISCUSSION

The current research studied the role of Perceived Organizational Support and Perceived Superior support in the employee engagement of remote employees. As expected both factors emerged as positive predictors of employee engagement. Past research has tried to understand Employee engagement within the theoretical framework of the social exchange theory (SET). A fundamental principle of SET revolves around the proposition that relationships evolve over time into trusting, loyal, and mutual commitments with an underlined presumption that both parties abide by certain "rules" of exchange (Cropanzano and Mictchell, 2005). When employees receive financial and/or non financial support from their organization they feel obliged to repay the organization with greater levels of engagement. However when the organization fails provide such support, individuals may disassociate and eventually get disengaged with the organization. Thus Perceived Organizational support and Superior Support become important antecedents for Employee Engagement.

An important contribution of the results of the current study is that it endorses the importance of Superior subordinate relationship over and above Organizational support. In the past Superior was considered more of an extension of the organizational arm rather than a separate entity with independent power to influence employee engagement. However recent studies indicate that employees differentiate between their equation with the immediate supervisor and the equation with the organization while drawing conclusions about perceived support (Becker, 1992; Dirks & Ferrin, 2002). This may be especially true in case of remote employees who are more connected with their reporting managers than the entire organization as such. Thus with specific reference to employees on client site, special attention need to be paid to make the superior a strategist in chalking out the employee engagement initiatives. The significant difference in the perception of Superior support and employee engagement levels between male and female employees calls for a fresh assessment of perceptions of managers towards women employees and their systematic sensitization towards providing an unbiased support to women employees. While glassing ceiling effect and womentoring etc have been buzz words in management literature, the need for fair and equal treatment to employees is an important reality of today's business world. Women constitute a large part of the ITES workforce and deserve an equitable treatment from their managers. However, these results require a further probe in terms of expectation mismatch, availability of equal opportunities to employees of both genders and a scan of diversity management strategies employed by the organization.

IMPLICATIONS FOR HR

The current study has a number of pointers for HR practitioners. The study indicates that parent organizations have to take specific steps for their remote employees to remain positively engaged with the organization. These steps need to be adequately visible to employees and should reiterate the genuine concern and interest of the organization in employees. This will eliminate the frequently feared "out of site, out of mind" feeling that remote employees may land with.

Organizations should invest in leadership development and mentoring skills development of people managers who can develop meaningful bonds with their workforce. Managers are the need for them to understand the importance of social exchange for employee engagement. Managers should find out employees' preferences for rewards that can prompt them to reciprocate with greater levels of engagement at work.

Gender sensitivity training can also help managers provide a fair and firm support to all regardless of geographical distance or gender. Such attempts would not only help improve productivity and service quality but also act as less expensive measures of talent management and retention. Furthermore, managers should understand that employee engagement is a long-term and on-going process that requires continued effort for the social exchange theory to show its effect.

Finally the current study advocates a sound collaboration and cooperation between line managers and the HR managers with an aim of improving the employee engagement levels in terms of Say, Strive and also the stay element (Aon Hewitt Report, 2013).

LIMITATIONS

The study looks at a specific work group coming from the ITES. Thus the findings cannot be generalized to all sectors. Besides other variables such as financial incentives, performance management systems, client site dynamics in terms of engagement would have added to a better understanding of the engagement dynamics

CONCLUSIONS

The tested model of current study has been summarized in Figure 3. It can be concluded that Perceived Superior Support and Perceived Organizational Support are positive predictors of employee engagement levels.

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