Conceptualizing Perceived Organizational Support: A Theoretical Perspective

Ishfaq Ahmed, Dr. Wan Khairuzzaman Bin Ismail, Dr. Samliah Bt Mohamad Amin, Muhammad Ramzan

1Ph.D. Scholar, University Teknologi Malaysia, Malaysia, Lecturer, Hailey College of Commerce, University of the Punjab, Pakistan.
2Associate Professor, International Business School (IBS), UTM International Campus, Jalan Semarak 50400 Kuala Lumpur (Malaysia).
3Senior Lecturer, Universiti Teknologi Malaysia, Johor Bahru, Malaysia.
4Assistant Professor, Hailey College of Commerce, University of the Punjab, Pakistan.

Abstract: This research endeavor focuses on the theoretical perspectives of perceived organization support. Concept of organizational support is discussed by numerous researchers under the umbrella of various supporting theories. To find out the relevant theoretical background is a difficult job for researchers. To give all the background knowledge of perceived organizational support, to its readers, is the core aim behind this researcher. This study covers social support theory, economic exchange theory, social exchange theory, leader member exchange theory and organizational support theory, as the prime theories from where the concept of perceived organizational support can be understood. Future implications of the study are also given at the end.

Key words: POS, theoretical background, organizational support theory, social exchange theory, social support theory, leader member exchange theory.

Introduction and Background of Study:
With the rapidly changing business practices organization are facing increased and mounting challenges. Now organizations are striving to meet these uncalculated challenges which arise with each step to pass. Meeting these challenges requires best use of possible resources. Out of many resources human resource is the best of all. Human resource is the prime source which enables an organization to achieve best out of other available resources like physical, financial and organizational resources. Making best out of human resource can offer lasting competitive edge over rivals, which is dream of every business (Singh and Singh, 2010; Bowen and Ostroff, 2004).

Getting best out of workforce requires investment from organization, as employees’ expect best possible rewards from their employer for the devotion they show for their tasks and organizational goals. Organizations also strive to pay the best returns to employees both in tangible and intangible shape. Rewards and returns are best or worst is not the decision of employer, rather employees comment their value of reward. When they perceive that reward is valuable and meets their expectations, they reciprocate it by good efforts and performance. So it can be inferred that there is an exchange relationship between organization and employees. Employees perform to reciprocate organization and they are paid by organization to respond for employee’s efforts.

This notion of reciprocation by organization is assessed by the concept of perceived organizational support. Perceived organizational support is given different words by different researchers and attempts have been made to simplify and explain the concept. Eisenberger et al. (1986) defines “perceived organizational support” as “an employee’s perception that the organization values his or her contribution and cares about the employee’s well-being”. Erdogan and Enders, (2007) says “Perceived organizational support refers to the degree to which an individual believes that the organization cares about him/her, values his/her input and provides his/her with help and support”. Muse and Stamper (2007) divide POS in two constructs i.e. POS-J (care about employees’ outcomes and performance) and POS-R (care about employees’ well-being and respect). Both these constructs affect the perception of employees about the support given by the organization. If any one of these elements is missing it would affect the overall perception of support given by organization.

This exchange relationship has continuously been discussed by theorists, writers, researchers, academicians and all those who fall in the area of “exchange relationship”. These perspectives include economic, social and business or organizational perspectives. Various theories explain the exchange relationship between organization and employer with its own perspective, but it is difficult to find research on all aspects under one umbrella. Similarly, it is hard to find all the theories at one place to formalize the concept of exchange and perceived organizational support. This research is an attempt to cover this gap. This study focuses on all three aspects of exchange studies i.e. economic, social and organizational exchange relations and how these are discussed in social sciences research. An attempt has also been made to have a look at practicality of all these theories in organizational setup.

Corresponding Author: Ishfaq Ahmed, Ph.D. Scholar, University Teknologi Malaysia, Malaysia, Lecturer, Hailey College of Commerce, University of the Punjab, Pakistan.
E-mail: ishfakahmed@gmail.com
Theoretical Background of Concept: 
Economic Perspective: 
Exchange Relations in Economics: 
Economics is all about resources and best utilization of those resources. Exchange is an important function of any economic system. An individual when working under any economic system looks for best possible returns with minimal costs. So any exchange that offers higher returns or takes less cost can be called as the best exchange transaction. Dyer and Nobeoka, (2000) while discussing the exchange process argue that exchange relation is dependent upon the structure created due to dependency of relation. Propensity of transaction depends upon the value created and offered in return, greater the value higher will be tendency of repetition (Weisband et al., 1995), if the values changes the relationship also changes and if the value declines to zero the relation gets to end (Molm, 1997).

Economic exchange relation has always been in debate by researchers and academicians while looking at its applicability in social sciences. Few of the scholars name this relation as “economic exchange theory”, but still there are number of those who challenge that notion; As Emerson, (1970) quotes that “In the year 1970, it was argued that ‘exchange theory’ is not to be taken as a theory. Rather it is a frame of reference that takes the movement of valued things (resources) through social process as its focus”.

If we look at social setups where human feelings and emotions are to interact, economic benefits are sometimes abondend. So applying economic values may destroy sense of human belongingness and relations. So this theory may be questioned for its application in social sciences. Considering all the views available in literature, it can be inferred that economic exchange is not considered as the exchange theory rather it can be a construct and way of exchange. So this study would focus on the exchange relations beyond the economic exchange relation.

Social Perspective of Exchange Relationship: 
Social Support Theory: 
Human beings are such species that can’t survive in isolation that is why denoted as “social animal”. There is relation of interdependence among human beings. This relation is the outcome and base of social support. According to Lakey and Cohen (2000), social support is one of the important determinants of human actions, emotions, moods, cognitive outcomes and perception. Social exchange theory explains all these notions. Social exchange theory has three main dimensions i.e. relationship perspective, Coping perspective and social constructionist perspective.

Barrera (1986) divides social support in three sub-types i.e. perceived support, enacted support and social integration. These three subtypes work collectively but independently (Bolger, Zuckerman and Kessler, 2000; Uchino, 2009).

It is evident from literature that social support is having significant bearing on job related outcomes. Like, Barrera (1986) are of the view that when employees with perception of absence of support from employer face tension and anxiety. Absence of social support can create problems like “post-traumatic stress disorder” (Brewin et al., 2000), “eating disorder” (Stice, 2002; Grisset and Norvell, 1992), “social phobia” (Torgrud et al., 2004), “cardiovascular disease” (Uchino, 2009), “dysthymic disorder” (Huang, et al., 2010) and “dysthymic disorder” (Norman et al., 2005). People who perceived low level of support are more prone to suicide or drugs addiction (Wills and Clearly, 1996), low support also causes early death (Holt-Lunstad, 2010; Uchino, 2009).

Social support theory and its constructs becomes the base of organizational support theory. The main notion, of social support and its outcomes in shape stress and strain, of social support theory can also be applied at workplace setting. Employees can judge the support given by their employer and what effects it can leave on their cognition. When employees feel that they are supported by their employer, they feel joy at work, they have positive perception about organizational support. This notion is termed as “perceived organizational support”, a brain child of organizational support theory. So it can be inferred from the discussion that social support theory is the construct that is closely associated with organizational support theory or concept of perceived organizational support.

Social Exchange Theory 
Another important theory that is closely associated with support perception and its outcomes is “social exchange theory” presented by Blau (1964). Blau (1964) explains concept of theory in following words “social exchange theory” theory say that “an individual who supplies rewarding services to another obligates him, to discharge this obligation; the second must furnish benefits to the first in turn” (p.89).”

Ekeht(1974) is of the view that human relations are determined by the ‘cost and benefits analysis’, both the parties make decision and choices on the basis of value offered in return (p. 126). This notion can be seen other way round, when an individual gives something to other party the giver expects something in return from the recipient, on the other hand recipient will also feel an obligation to return something valuable in return for which he is indebted (Blau, 1964).
The core idea behind social exchange theory is the concept of “reciprocity”. “Reciprocity” is exchange of ideas or things at agreed upon terms. In this relation when one party receives something valuable from other party, the receiving party feels him/herself under obligation to return something valuable in response. If one wants to receive benefits from other party it should continue to reciprocate it with something valuable (Blau, 1964). In social relations, the exchange is for the social benefits one receives or social cost one has to pay to get that benefit. One will look at the worth of social benefits one is receiving and what he should pay in return to keep on getting that benefit (Murstein, et al., 1977). Social exchange theory has widely been accepted for use in individual’s relations (Blau, 1964; Rousseau, 1989) but Shore and Strauss (2006) comment that it should also be applied to understand relations at work place. Rousseau (1989) has also given such comments, when he looks the relations that exist between employees.

Social exchange theory has normally been compared with the economic exchange theory, but difference can be found between both the concepts (Blau, 1964). Social exchange theory creates a moral obligation but economic exchange creates an economic and legal obligation upon parties. In social exchange value of return is not determined while in economic exchange return is specified before exchange. Though social exchange theory is not based on some contract, still failure to meet obligation can change the relationship (Blau, 1964, p. 94). Many researchers have applied concept of social exchange and reciprocity in the organizational set up like Shore and Strauss (2006); Rousseau (1989) are of the view that organization and employees also reciprocate each other for the value offered by opposite party. Blua, (1964, p. 98) says that “The establishment of exchange relations involves making investments that constitute commitments to the other party”. This notion has been proved by research of Becker et al. (1996) when they found that when one party devotes something valuable to other party, the receiving party is having high level of commitment towards offering party. Similar results were found by the research work of Ko et al., (1997); Wang, (2008); Shore, et al., (2006); Jernigan and Beggs, (2005); Choi, (2006); Shore and Strauss, (2006); Wayne et al., (2002); Eisenberger (2001); Cheung (2000) in their studies. Watson (2000) calls it “strategic exchange” and says that it determines the direction of organization.

Organizational Perspective of Exchange Relationship:
Leader Member Exchange Theory:
Leader member exchange is based on the concept of relationship quality between leader (supervisor) and his follower (employees) (e.g., Graen and Scandura, 1987). When we apply the concept of exchange relationship on the relationship of supervisor and employee, it is quite evident that both the parties here have to offer something valuable for other party. Employees offer performance and behavior and they are given reward, or punishment in return, but that relation will be worthy when the reward is valuable for both the parties (Graen and Scandura, 1987). Settoon, Bennett and Liden (1996) examined the outcomes of exchange relationship of supervisor and employee and found that supervisor can play vital role for job related attitude of employees. Wayne, Shore and Liden (1997) also found that supervisor or leader can influence employees’ attitudes and behaviors both positively and negatively. So it can be inferred that leader member exchange relation is the relation that can be applied in organizational setup and can bring positive returns for organization.

Organizational Support theory:
Exchange relationship between employee and organization is the basis of “organizational support theory” (e.g., Eisenberger et al., 1986). The difference between organizational support theory and social exchange is the judgment made on the basis of value offered by organization, which later on called as “Perceived organizational support”. This theory is brain child of Eisenberger and his fellows (1986), who defined it as “Perceived organizational support (POS) is an employee’s perception that the organization values his or her contribution and cares about the employee’s well-being”. The roots of organizational support theory belong to Blau’s “social exchange theory”. Blau’s (1964), “social exchange theory” refer that when employees feel that they are supported by their organization they will reciprocate it with some valuable return. But this will be opposite when they feel they are not supported by organization. This relation may also be formed when an employee feels that when he will perform better, organization will reward him consequently. Social exchange theory highlights need of identifying employees’ needs and then to fulfill it so that he may think he is supported by the employer. This is called notion of “reciprocity” coined by Gouldner (1960). It is ability of one party to offer something valuable for the benefit offered by one party. Eisenberger et al. (1986), calls it “social exchange interpretation of organizational commitment”.

Eisenberger et al., (1986) are further of the view that this notion of commitment makes the basis social exchange and its application. So, the core concept behind the organizational support theory is concept of “perceived organizational support”, which is based on the relationship of employee and organization. In such relation both the parties “reciprocate” each other with something valuable.

When organizations feel that they are supported by the organization, they reciprocate it with increased level of commitment, job satisfaction, better performance and high work efforts. Sense of reciprocity is created when
employees feel that they are supported by organization (Eisenberger et al., 1986; Blau, 1964). These demands are called “socio-emotional needs” and have direct influence on employee’s perception of support from organization (Armeli, et al., 1998). Offering support at work doesn’t only pay in shape of performance but employees also feel low level of stress and high level of self-esteem (George, et al., 1993).

Armeli et al., (1998), comment that meeting social emotional needs of employees can bring positive changes in employees and they feel that they are supported by organization. Along with meeting social emotional needs, organizational support works for affiliation, emotional, self-esteem and social needs. Rhoades et al., (2001) also comment that organizational support shows commitment of organization towards employees in fulfilling their needs and this commitment from organization creates an obligation on employees which is depicted by their commitment. The commitment shown by organization towards employees is termed as “organizational support”. Eisenberger et al. (1986) says that “perceived organizational support” is a significant determinant of commitment with organization.

Eisenberger et al., (1986) are of the view that organization is considered as human being and its and actions performed by organization or its agents (working for organizational goals) are also named as organizational actions, as noted by Levinson (1965) deeds of agents are deeds of organization. Care from agents will be considered as care from organization. If we look at organization as combination of human beings, employee may be affected by the decisions and deeds of three main parties i.e. management or organizations, seniors or supervisors and peers or coworkers. So it can be concluded that employees’ may be supported at three levels, i.e. support from organization (in shape of reward, participation in decision making etc.); support from supervisor or seniors; and support from coworkers/peers. Woo (2009) also discussed these three constructs as the basis of organizational support. So, perceived organizational support should be divided in three support elements rather than the individual construct. Muse and Stamper (2007) comment that the concept of organizational support should be segregated in two elements i.e. POS-J (care about employees’ outcomes and performance) and POS-R (care about employees’ well-being and respect). So an employee will feel supported if he/she is taken care for his wellbeing at work, he/she is respected, his/her performance and outcomes are valued. If any one of the constructs is missing employees’ perception about support will demolish.

**Conclusion and Discussion:**

This research endeavor is an attempt to provide a theoretical background of the concept of perceived organizational support. If we look at the concept and its theoretical base, no research attempt has yet been made to provide while theoretical background knowledge at one place. So this research provides a base and covers the knowledge gap. This study also divides theories relevant to back ground of the concept of organizational support in three important dimensions. These are economic exchange, social exchange and organizational exchange relations. Discussion made in this research, proves that the employees’ perception of support is a social phenomenon, as employees perceived organization as human being, whose actions are depicted by management, seniors and peers. So support from all these parties makes the support sense of organization. It is concluded that concept of perceived organizational support is combination of support from organization, support from supervisor and support from peers. The same notion is judged by Woo (2009). It can also be infered from the discussion that when employees feel supported their outcomes towards organization are always positive which helps organization to achieve its goals. In summing up it can be concluded that giving value to employees is actually giving value to itself.

**REFERENCES**


Uchino, B.N., 2009. Understanding the links between social support and physical health: A life-span perspective with emphasis on the separability of perceived and received support. Perspectives on Psychological Science, 4: 236-255.


