PERCEIVED ORGANIZATIONAL SUPPORT AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR: THE MEDIATING ROLE OF PSYCHOLOGICAL CAPITAL

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ABSTRACT

The present study was conducted to identify the mediating role of psychological capital in the relationship between Perceived Organizational Support (POS) and Organizational Citizenship Behavior (OCB) among employees of multimedia organizations in Malaysia. Data collection was done through personally administered questionnaires from 350 employees. The statistical analysis namely Correlation analysis, Confirmatory Factor Analysis and Structural Equation Modelling were executed. Results found positive and significant relationship between POS and OCB, a positive relationship between POS and psychological capital, and psychological capital towards OCB. Finally, psychological capital fully mediated the relationship between POS and OCB. The study makes a significant and unique contribution to literature by showing the mediation effect of psychological capital in the relationship between POS and OCB. Present study's results demonstrated that the employees’ perception of organization support, can enhance employee's psychological capital which in turn effect OCB.

KEYWORDS: psychological capital, perceived organizational support, organizational citizenship behavior

1.0 INTRODUCTION

Organizational Citizenship Behavior (OCB), has been a focus subject by researchers due to increasing empirical evidence of OCB’s impact on individual and organizational performance (Podsakoff, Whiting, Podsakoff & Blume, 2009; Martínez & Tindalea, 2015). OCB has been defined as “individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system and that in aggregate promotes the effective functioning of the organization” (Organ 1988, p.4). OCB has the potential to increase organization efficiency by enhancing employee productivity and task performance (e.g., Organ, 1997; Podsakoff MacKenzie, Paine & Bachrach, 2000; Ranjar, Zamani & Amiri, 2014). Recognizing the association of OCB with organizational and individual outcomes, scientific study has investigated antecedents of OCB. Podsakoff et al. (2000) noted that majority of research on OCB have devoted to four major types of antecedents consisting of leadership behaviors, organizational characteristics, individual characteristics and job characteristics. Organ and Ryan (1995) suggested that some of the organizational factors that have been found to influence OCB include job attitudes (organizational commitment, job satisfaction, leader supportiveness and perceived fairness), role perceptions (role ambiguity and role conflict) and personality traits (agreeableness, conscientiousness, negative affectivity and positive affectivity). Later, a meta-analysis by LePine, Erez and Johnson (2002) on OCB studies similarly found that besides
antecedents such as commitment, satisfaction, leader support and fairness, conscientiousness as an individual characteristic has often been examined by researchers in studies on predictors of OCB. Despite the superior focus of foregoing studies on individual characteristics and organizational factors, little is known about the potential effect of psychological factor such as psychological capital on OCB. Psychological capital which involves employees’ positive-oriented psychology development situation, includes four components of individual positive traits namely self-efficacy, hope, optimism and resiliency (Luthans, Avolio, Avey & Norman 2007) began to be viewed as a new perspective towards understanding employee behavior including OCB.

OCB may be enhanced when employee perceived that organizational support exists through the creation of psychological capital (e.g., psychological capital is enhanced through the strengthening of employees’ feelings of perceived organizational support (POS), where employees start to feel hopeful about their future, optimistic about their careers, resilient and efficacious about their potential and their ability to do well in their jobs) (Caza, McCarter, Hargrove & Wad, 2009). Perceived Organizational Support (POS) signal to the employees the organization’s support in employees’ development, recognition of their contribution, and care for their well-being (Eisenberger, Huntington, Hutchison, & Sowa, 1986). These POS send a message to the employees that the organization views them as a strategic resource, and an accumulation over time of favourable treatments makes employees perceive that they are receiving a high level of support from the organization (Chuang & Liao, 2010; Hui, Cao, Lou & He, 2014). This can help in creating a positive psychological climate (James, Choi, Ko, Minton, Wright & Kim, 2008) and with such a psychological climate set up, employees are going to enhance their psychological capital. Previous studies support relationship between POS and psychological capital (Hui et al., 2014; Sihag & Sarikwal, 2015). Thus, this paper suggests the POS that focus on the employee’s development, recognition of their contribution, and care for their well-being will create a conducive environment for the development of psychological capital and can foster positive employee attitudes which enhance OCB in the workplace.

Social exchange theory has been used to describe the factors that lead to OCB (e.g. Organ & Paine, 1999; Nandan & Azim, 2015) as an employee need to reciprocate through positive behavior when organizations support their employees (Konovsky & Pugh, 1994; Spector & Che, 2014). This theory propose that the employees who perceive higher support, care and value from organization (such as POS), are assumed to reciprocate more by showing positive behavior such as psychological capital and thus build higher level of OCB. Not many studies examine the psychological capital as mediator in the relationship between POS and psychological capital. Singh and Singh (2013) used personality as mediator in studying relationship between POS and OCB. Meanwhile, Sidra, Imran and Adnan (2016) examine the moderation role of psychological capital in the relationship between POS and OCB. Other studies only examined the direct relationship between the POS and the psychological capital (e.g. Hui et al., 2014; Sihag & Sarikwal, 2015). In addition, previous study found POS sometimes has either correlate insignificantly or negatively on positive behavior such as organizational commitment (O’Driscoll & Randall, 1999; Aube, Rousseau & Morin, 2007; Colakoglu, Culha & Atay, 2010). Given the possibility of negative impacts on OCB (positive behavior), this paper suggests that the psychological capital as an intermediating variable that has the potential to mitigate the negative effects of POS towards OCB.

Considering studies on the psychological capital as mediator is limited, this paper intends to propose a framework on the effect of psychological capital as mediator, on the relationship
between POS and OCB using social exchange theory, organizational support theory and previous empirical literature, as a foundation. It addresses the need to integrate POS and psychological capital with organizational behavior, namely OCB, in a framework which could be used by researchers to better understand OCB. It is hoped that the model developed in this study would increase to the shortfall of empirical evidence on how POS is linked to OCB through psychological capital. It would help organizations in understanding the role of POS and psychological capital in enhancing employee’s OCB.

2.0 PERCEIVED ORGANIZATIONAL SUPPORT (POS) AND ORGANIZATIONAL CITIZENSHIP BEHAVIORS (OCB)

Several researches has study the impact of POS towards OCB. Based on Rhoades and Eisenberger (2002), POS is an organization’s willingness to support employees in terms of appreciates their contributions and care about their well-being. As an exchange, employees will show their positive behaviour that benefits the organization. This is parallel with social exchange theory which suggests that through mutual exchanges, a pattern of reciprocal obligation is established between the parties (Blau, 1964). Support by organization is assumed to produce open end social exchange relationships, these types of relationship will result in obligations for the employee to repay the organization by showing positive behavior such as OCB. In accordance with Kim, Eisenberger and Baik (2016), good perceived organizational treatment motivates employees to boost their efforts in assisting the achievement of organizational goals and objectives. Such as this view, employees tent to reciprocate POS with the display of OCB directed toward the organization (Wayne, Shore, Bommer, & Tetrick, 2002; Asgari, Silong, Ahmad, & Samah, 2008).

Other studies also support the relationship between POS and OCB. Duffy and Lilly (2013) conducted a research and found that medium levels of demand for power and success influenced the relationship between POS and OCB. Results indicated that POS and psychological empowerment both positively affected OCB (Chiang & Hsieh, 2012). Jain, Giga and Cooper (2013) found a significant positive relationship between POS and OCB. The results from a research conducted by Muhammad (2014) showed that POS is positively related to OCB in nine business organizations in the State of Kuwait. The results from a research accomplished by Jebeli and Etebarian (2015) showed that there was a significant positive relationship between POS and OCB. Thus, this paper hypothesizes that the extent to which an employee perceives that organization provides support will affect the employee’s citizenship behaviors:

H1: Perceived organizational support (POS) significantly correlate to organizational citizenship behaviors (OCB).

2.1 Perceived Organizational Support (POS) and Psychological Capital

POS and psychological capital both constructs were studied together in only limited studies. Only few studies showed the relationship between POS and psychological capital of employees (Sihag & Sarikwal, 2015). POS send a message to employees that the organization has support them in terms of employees’ development, appreciation of employees contribution, and concern of their well-being (Eisenberger et al., 1986; Chuang & Liao, 2010). This type of support can develop the positive psychology that concerned with devote on employee’s positive elements (like hope, optimism, calm and self-confidence). It is also concentrated on employee’s development, growth and enthusiasm. Thus, this condition of organization climate
can help in creating a positive psychological climate (James, Choi, Ko, McNeil, Minton, Wright & Kim, 2008) and with such a positive psychological climate set up, employees are likely to enhance their positive organization behaviour (POB). POB can be defined as, “the study and application of positively oriented human resource strengths and psychological capacities that can be measured, developed, and effectively managed for performance improvement in today’s workplace” (Luthans, 2002, p. 59). The POB scientific criteria are basically consist of four psychological resources and were termed as psychological capital (Luthans & Youssef, 2004). Empirical studies have found the significant effect of POS towards psychological capital. Hui et al. (2014) found the positive impact of POS on four dimensions of psychological capital (hope, optimism, calm and self-confidence) in Chinese cultural context. Sihag and Sarikwal (2015) conducted a study of IT industries in Indian also found a significant impact of POS towards psychological capital. Hence, following hypothesis is developed:

H2: Perceived organizational support (POS) significantly correlate to psychological capital.

2.2 Psychological Capital and Organizational Citizenship Behaviors (OCB)

Psychological capital is among a new study aspects of interest to researchers of human capital and organizational behavior (Avey, Reichard, Luthans, & Mhatre, 2011; Qadeer & Jaffery, 2014). Luthans (2002) have developed a principal element mainly termed as psychological capital. Luthans and Youssef (2004) defined psychological capital as a person’s constructive and positive state of development and growth that is consisting of hope, efficacy, resilience and optimism. The element of “hope” (motivation to complete goals), “optimism” (confidence in the positive result of future events), “resilience” (The ability to face adverse or risky conditions in a sustained way) and “efficacy” (certainty about individual capacity to achieve the objectives that have been set).

Empirical studies have proven the relationship between psychological capital and OCB. Avey, Wernsing & Luthans (2008) discovered that psychological capital was associated with OCB. Shahnawaz and Jafri (2009) discovered that the psychological capital predict OCB both in private and public organizations in India. Norman, Avey, Nimicht and Pigeon (2010) indicated psychological capital as being a positive predictor of OCB. Golestaneh (2014) also revealed that there was clearly a significant effect of psychological capital towards OCB. Recently, Pradhan, Jena and Bhattacharya (2016) also found psychological capital was positively related to OCB in Indian manufacturing and service industries. Therefore, this study proposes the hypothesis as follows:

H3: Psychological capital significantly correlate to organizational citizenship behaviors (OCB).

2.3 Psychological Capital as Mediator

According to Rhoades and Eisenberger (2002), organizational support theory grounded from social exchange theory has been used to explain the effect of POS on individual’s behaviors. Organizational support theory (Eisenberger et al., 1986; Shore & Shore, 1995) suggested that through mutual exchanges, a pattern of reciprocal obligation is established between employee and employer. The employees develop global beliefs regarding the extent to which the organization values their contributions and cares about their well-being. As a result, individuals develop a commitment to fulfill their obligations and the pattern of reciprocity is reinforced (Cropanzano & Byrne, 2000). Furthermore, organizational support perceptions by employee
are assumed to reciprocate more by displaying higher engagement in positive behavior to organization.

Psychological capital can be flourishing through the strengthening of employees’ perception of organizational support. POS can encourage in creating a positive psychological climate and with this condition, employees can enhance their psychological capital. This study propose the POS that focus on the employee’s development, recognition of their contribution, and care for their well-being will create a positive climate at workplace for the development of psychological capital and can foster positive attitudes of employees at workplace such as OCB.

On the whole this study suggests that the psychological capital is known to have a possible relationship with the POS and OCB. Figure 1 shows the research framework that develops based on theory and literature review. However, whether this relationship will be mediated by psychological capital or not has not been critically examined before, so, in order to provide more theoretical knowledge and empirical evidence related to the discussed variables, the researchers test the relationship predicted in following hypotheses:

H4: Psychological capital mediates relationship between perceived organizational support (POS) and organizational citizenship behavior (OCB).

![Figure 1: Research Framework](image-url)

3.0 METHODOLOGY

3.1 Sampling

The sample of this study consisted of employees from six multimedia organizations in Malaysia. The selection of employees is based on cluster sampling. This study employed self-administered questionnaires as a means of data collection. Based on the number of respondents (n = 350) with complete data in this study, this sample size is sufficiently large for the use of SEM (Hair, Black, Babin & Anderson, 2010). Before proceeding to the final data collection, a pilot study to test the reliability of the instrument was conducted to ensure the consistency of the questionnaire. The Cronbach alpha reliability coefficients for all the three variables (POS,
psychological capital and OCB) exceed .70, indicating good internal consistency of the measures (Hair et al., 2010).

3.2 Instrument

Scale 1: Psychological Capital was measured using 24 items developed by Luthan, Youssef and Avolio (2007). This scale analyzed four dimensions of Psychological Capital: Hope (e.g. I have the patience to achieve the work objectives), Optimism (e.g. always feel that the good thing is more than the bad in the work), self-efficacy (e.g. I am confident to discuss my work in the meeting) and resilience (e.g. I can overcome the bad emotions in the work, and maintain it stable). Each dimension has 6 items. This is a 5 point scale and scores on the scale varies from 1= strongly disagree to 5= strongly agree.

Scale 2: Perceived Organizational Support (POS): This scale was developed by Rhoades, Eisenberger, and Armeli, (2001). Originally, POS have 8 items, however, for this study; two items were omitted due to low factor loading. Therefore, this study used only 6 items to measure organization’s willingness to support employees and fulfill their socio emotional needs. Illustrative items are: “My organization is willing to help me if I need a special favor”, “My organization would forgive an honest mistake on my part”, “If given the opportunity, my organization would take advantage of me (R)”; “My organization shows little concern for me (R)”; Ratings were made on a five-point Likert type scale that ranged from 1 (“Strongly disagree”) to 5 (“strongly agree”).

Scale 3: Organizational Citizenship Behavior scale developed by Williams and Anderson, (1991) was used in this study. This scale consisted of 7 items; however, one item was dropped due to low factor loading. These instruments which ask respondents about behavior that immediately benefit specific individuals and indirectly through this means contribute to the organization. Examples of question “Willingly give your time to help others who have work-related problems” and “Adjust your work schedule to accommodate other employees’ requests for time off.” A five-point Likert scale ranging from strongly disagree (1) to strongly agree (5) was used.

4.0 RESULTS AND DISCUSSIONS

According to Hair et al. (2010), delete the item that has a low factor loading smaller than 0.50. In this research, two items from POS and one item of OCB were omitted because of the factor loading less than .50. To test convergent validity, this paper used Average Variance Extracted (AVE) and Construct Reliability (CR). According to Fornell and Larcker (1981) and Hair et al., (2010) the AVE value should be bigger than 0.5, and CR greater than 0.7, based on the result, AVE value more than 0.70 and CR value more than 0.5. The outputs of reliability values ranged from .758 to .845, which greater than the value of .70, suggested good condition of Cronbach's alpha. Discriminant validity denotes that different constructs should not be very highly correlated. Byren (2010) suggested that the r =.90 or above indicated that the variable very highly correlated. Since the results are shown in Table 1, the correlation result ranged from .385 to .565 means the variable not highly correlated means no issues of multicollinearity.
Table 1: Average Variance Extracted, Construct Reliability, Reliability and Correlations

<table>
<thead>
<tr>
<th>Latent variables</th>
<th>Items</th>
<th>AVE</th>
<th>CR</th>
<th>α</th>
<th>POS</th>
<th>PsyCap</th>
<th>OCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>POS</td>
<td>6</td>
<td>0.584</td>
<td>0.830</td>
<td>.845</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PsyCap</td>
<td>24</td>
<td>0.551</td>
<td>0.830</td>
<td>.826</td>
<td>.556</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>7</td>
<td>0.560</td>
<td>0.770</td>
<td>.758</td>
<td>.385</td>
<td>.565</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: POS = Perceived Organizational Support, PsyCap = Psychological Capital, OCB = Organizational Citizenship Behavior, AVE = Average Variance Extracted, CR = construct reliability, α = Cronbach’s alpha

The confirmatory factor analysis (CFA) was carried out to determine the degree of model fit. Based on CFA result, the model was fitted as shown in Table 2.

Table 2: Confirmatory Factor Analysis (CFA)

<table>
<thead>
<tr>
<th>Description</th>
<th>$X^2$</th>
<th>CMINDF</th>
<th>RMSEA</th>
<th>GFI</th>
<th>IFI</th>
<th>TLI</th>
<th>CFI</th>
<th>PGFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFA model</td>
<td>305.395</td>
<td>3.054</td>
<td>.066</td>
<td>.922</td>
<td>.925</td>
<td>.909</td>
<td>.924</td>
<td>.678</td>
</tr>
</tbody>
</table>

The measurement model provided a better fit to the data with eight indicators ($X^2$, CMINDF, RMSEA, GFI, IFI, TLI, CFI and PGFI) as shown in Table 2. However, Marsh and Hau (1996) suggested that the Chi-square ($X^2$) value could be divided by the degree of freedom ($df = 100$) for assessing model fit rather than using $X^2$ (known as CMINDF). If this statistic calculation of CMINDF is less than the value of five, the model fits reasonably well (Marsh & Hau, 1996). The CMINDF for this measurement model was less than 5 (CMINDF = 3.054). Thus, the data fit the CFA model relatively well. In addition, a RMSEA value of .066 which is less than .08 also suggested a model-data fit (Kline, 2010). The coefficients of the indices in the Table 2 are all greater than .90 which is indicative of model fit (Byrne, 2010), and additionally, a PGFI value greater than 0.5 (.678) suggests that the model fit the data (Hair, et al., 2010). Two items namely OCB1 and OCB4 was combined due to higher M.I (Modification Indices) (M.I = 25.786). Figure 2 illustrate the CFA model of this study.
Figure 2: Confirmatory Factor Analysis (CFA) Model

Figure 3 shows the regression analysis results using Structural Equation Modeling (SEM) method. The regression analysis for direct relationship between POS and OCB has an $R^2$ of 0.14. Adding Psychological capital to the model increases the value of $R^2$ to 0.33. Thus, the change in $R^2$ associated with adding psychological capital is 0.19. The inclusion of psychological capital in the model accounts for an additional 19% of the variance in OCB. Accordingly, it suggests that the psychological capital plays an important mediating role in the hypothesized model. In addition, the amount of variance explained for the endogenous variables was 31% for psychological capital and 33% for OCB.
Figure 3: SEM (Estimated path coefficients of the partial mediation model)

Table 3: Partial, Indirect and Direct Model

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Independent Variables</th>
<th>Partial</th>
<th>Indirect</th>
<th>Direct</th>
</tr>
</thead>
<tbody>
<tr>
<td>PsyCap</td>
<td>POS</td>
<td>.556***</td>
<td>.565***</td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>POS</td>
<td>.103</td>
<td></td>
<td>.380***</td>
</tr>
<tr>
<td>OCB</td>
<td>PsyCap</td>
<td>.507***</td>
<td>.575***</td>
<td></td>
</tr>
</tbody>
</table>

*** Sig. at .001; ** Sig. at .01 * Sig. at .05

Table 3 showed the results of standardized regression weight of the paths for the direct, indirect and the partial mediation models. The result showed a significant relationship between POS and OCB ($\beta = .380; p < .001$) in the direct model suggesting that the direct effect condition was satisfied, supporting Hypothesis 1. For the indirect model, the findings showed a significant path from POS to psychological capital ($\beta = .565; p < .001$) and from psychological capital to OCB ($\beta = .575; p < .001$), supporting Hypothesis 2 and 3. Finally, the findings in the partial mediation model showed that the direct influence of POS on OCB ($\beta = .103; p = .106$ bigger than .05), became insignificant when psychological capital was entered in the
relationship, suggesting that psychological capital fully mediated the relationship between POS and OCB. Moreover, the partial model exhibited good fit indices compared to the other models. These results confirm that the hypothesis 4 is supported.

Table 4: Bootstrapping

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Bootstrap BC</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SIE</td>
<td>SE</td>
</tr>
<tr>
<td>POS</td>
<td>.282</td>
<td>.054</td>
</tr>
</tbody>
</table>

This study also runs bootstrapping in order to confirm the mediation effect of psychological capital in this model. Based on the results in Table 4, this study found that the Standardized Indirect Effects (SIE) value for POS (SIE = .282) is between Lower Bounds (LB = .185) and Upper Bounds (UB = .401) as well as significant (p) values less than .05. This means a significant mediating effect of psychological capital in the relationship between POS and OCB.

The findings of this study show the employees who perceive that they have the extent to which the organization values employees’ contributions and cares about their well-being (Eisenberger et al., 1986), demonstrate higher levels of OCB. It can be said that as the POS increases, the degrees of OCB also increase as well. Other researchers (Duffy & Lilly, 2013; Muhammad, 2014; Jebeli & Etebarian, 2015) have also reported that POS is a significant predictor of OCB. This means that the employees’ perceived that their organization support them, concern of their well-being and employees future development that make employees fill more comfortable and the employees tend show higher OCB.

The positive relationship between POS and psychological capital indicates the POS may increase an employee’s perception that the organization has support them, which in turn increase employees’ psychological capital. These findings are similar with the findings of Hui et al. (2014) and Sihag and Sarikwal (2015), thus support hypothesis 2 of this study. The hypothesis 3 also supported when this study found a significant relationship between psychological capital and OCB, which is consistent with the results reported by previous studies that examined relationship between psychological capital and OCB (Shahnawaz & Jafri, 2009; Golestaneh, 2014; Pradhan et al., 2016). The results indicated that employees who have high psychological capital in term of self-efficacy, hope, optimism and resiliency (Luthans et al, 2007) report higher levels of OCB.

With regard to the mediating effect of psychological capital in the relationship POS and OCB, the results show that employees with perception that their organization support them tend to report higher psychological capital and this in turn increase their levels of OCB. Theoretically, the findings have shown the social exchange theory that relies on the norm of reciprocity exchange relationship can be used to explain the psychological capital process between the employee and the organization. In situations where the organization support the employees in providing their development, recognition of their contribution, and care for their well-being.
employees’ develop psychological capital that in turn increase employees’ OCB.

The findings of this study have important implications. Firstly, the results shed some light on the existing relationships between POS, psychological capital and OCB. Specifically, the findings of this study suggest that psychological capital have significant effects in the relationship between POS and OCB. This indicates that psychological capital is an important mechanism in understanding employment relationship. Secondly, the organization should take proactive steps in providing support in terms of employee’s development, recognition of their contribution, and care for their well-being so that the employees feel that the organization value their contribution and concern about their well-being and hence display higher OCB. Organizations have to realize the important of providing support such as organization recognizes and rewards this favourable treatment as an indication that the organization concern about employees and this will develop positive employee’s behavior.

This study is limited to examining employees’ POS, psychological capital and OCB of selected multimedia organizations in Malaysia, so the generalization of the findings is limited to multimedia organizations. The generalization can be enhanced if different organizations from all over the country are included in such a research. The current research results cannot be generalized to organizations other than multimedia organizations, which have entirely different environment, procedures, organizational climates, regulations and rules. It is suggested to integrate other organizational sectors such as telecommunication sector, education sector, civil services and military services, so that discovery can be generalized throughout profession and organizations.

5.0 CONCLUSIONS

In sum, the findings of this study suggest that psychological capital plays a critical role in increasing employees’ OCB. The provision of POS such as employee’s development, recognition of their contribution, and care for their well-being are vital since employees will develop positive traits namely self-efficacy, hope, optimism and resiliency, and hence will likely to exhibit higher OCB.

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