



THE INFLUENCE OF PERCEIVED ORGANISATION SUPPORT ON EMPLOYEES' ENGAGEMENT IN TANZANIA: A CASE OF SMES

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ABSTRACT

Purpose- For the organization to strive in today's competitive environment, managers should provide a working environment that is conducive and supportive to its members/employees. Human beings like to be recognized, valued, and taken care of while they are performing their duties. The study examines the influence of perceived organisation support on employees' engagement in small and medium enterprises in Tanzania.

Methodology- The study is guided by the Social Exchange Theory which explains that the amount of care and support given to the employees is the same amount of commitment they will give back to the organisation and hence engagement. The study is positivist where cross-sectional design was used to study the relationship between perceived organisation support and employees' engagement in SMEs, and it was done in three regions which are Dar es Salaam, Morogoro and Manyara. The study used stratified sampling and structural equation modelling was used to analyze data.

Findings- The findings showed that organisation support has a significant influence on employees' engagement (both job and organisation engagement).

Conclusion- The study recommends that SMEs should support employees by matching their interests with those of the SMEs. When these interests match, is where the employees feel valued and respected and perceive that the organisation cares about their well-being.

Keywords: Perceived organisation support, employees' engagement, SME, engagement, Social Exchange Theory

JEL Codes: D11, E21, M31

1. INTRODUCTION

Organisations are striving to get the efforts of their employees who are well organized and can devote their time to work with them. It is well known that in any organisation there are different resources like monetary and non-monetary resources (like time, people, tools, etc.) These resources if they are effectively utilized make the organisation achieve its competitive advantage. Work is essentially related to employees' quality of life, fulfilment of one's work to the total overall satisfaction which is much more extended to the normal life beyond the workplace (Kumar, 2019; Xiang, *et al.*, 2017). Working is more than making people earn a living rather people will find a true meaning in life and a sense of belonging (Khajuria, *et al.* 2022; Musenze, *et al.*, 2021).

In today's world, the operations of any organisation are faced with different challenges which are coming from internal and external environments. These challenges may be political, economic, social, technological, environmental, and legal (Gadi, *et al.* 2020). To tackle these challenges, the organisation needs to have a well-engaged workforce which will enable the organisation to perform at a higher level (Chen, *et al.* 2020). This can be achieved if employees will get full support from the organisation (Wan, & Saidin, 2018; Adeoye & Elegunde, 2012).

Perceived Organizational Support (POS) is related to the increasing company commitment, positive attitudes towards work such as job involvement, work and the desire to stay in the organisation, and reduce absenteeism behavior which increases company output (Shuck, 2020; Ghazali, *et al.*, 2018). The greater the level of perceived organizational support, the greater the level of employee engagement, (job and organisation); equally, the lower the level of perceived organizational support,

the lower the level of employee engagement (Imran, *et al.*, 2020; Saks, 2019). Work engagement is defined as a condition in which a person feels satisfied and has positive thoughts about their work which is characterized by high enthusiasm (vigor), dedication and focus/appreciation (absorption) in doing work (Isa, *et al.*, 2020; Schaufeli & Bakker, 2004). Also, it is seen as the employee's perception of the extent to which he feels that the organization appreciates his work contribution and cares for his welfare (Wang, *et al.*, 2020).

There are many factors that influence organisation engagement, one of which is perceived organizational support (Stefanidis, & Strogilos, 2020; Tan, *et al.*, 2020). Support from the organization is needed by employees as employees feel that they are valued by the organisation which in turn raises the level of commitment and hence influences employees' engagement at the workplace. Amir and Mangundjaya (2021) and Eisenberger *et al.* (2016) define perceived organizational support as an overall employee belief about the extent to which organizations value their contribution and care about their well-being.

The support which employees need is an appreciation for their performance whether it's financial or non-financial and also career advancement (Hameduddin, & Fernandez, 2019; Al-dalahmeh, *et al.* 2018). This will affect the positive thinking of employees in their minds that the organisation is supporting them so they will try to give back to the organisation by engaging themselves. In other words, perceived organizational support expresses the employees' attitudes that lead to a good relationship between employees and the organization (William, *et al.* 2021). Organizational support explains how employees form a general insight concerning the extent to which the organization values their contributions and cares about their welfare (Karim, *et al.* 2019; Eisenberger & Stinglhamber, 2011).

Employees who create a friendly relationship with the organisation are those who will likely receive support and increase performance. This is the norm that the employee creates as a manner of paying back to the organisation and hence engagement (Gusti & Gede 2021). There is limited research on the role of organisation support and employees' engagement in small and medium-sized organisations. The majority of studies that have been conducted focus on large organisations. Employees' engagement is categorized into two groups, namely organisation and job engagement (Saks, 2006; Welch, 2011). With this classification of employee engagement, it is not likely that organisation support to have the same influence on job and organisation engagement. This has not been considered by other studies. With this research gap, it was important to conduct a study on the influence of organisation support on employees' engagement in small and medium-sized organisations. This study is going to bridge the gap which other researcher did not address the support employees needed to foster the engagement.

2. LITERATURE REVIEW

Perceived Organisation Support leads to employees' engagement in an organisation (Shuck, 2020; Hameduddin, & Fernandez, 2019; Kumar, 2019; Knight, 2013). Organizations have a responsibility to ensure that employees' welfare is protected. Once employees perceive that the organisation cares about them and obtain the required support, they are likely to be more engaged in the organisation. Knight (2013) continues that when employees feel as if an organisation is monitoring or viewing the employee, the employee usually sees this as support and subsequently will become more engaged at work. This is supported by Dawley *et al.* (2010) and Meintjes, *et al.* (2018) that POS assures the employee that the organisation stands behind them as they perform their job and handle stressful conditions.

Eisenberger *et al.* (2002) and Lee, *et al.* 2019) proclaim that employees believe that organisations have an employee orientation that encompasses both recognition of their contribution and concern for their welfare. Therefore, there is a positive relationship between perceived organisation support and employees' engagement (Pati & Kumar, 2010; Zacher & Winter, 2011; Biswas & Bhatnagar, 2013; Chass *et al.*, 2018).

The organisation needs to take care of and support its employees to achieve its goals. According to Rhoades *et al.* (2001), POS creates an obligation on the part of employees to care about the organisation's welfare and to help the organisation reach its objectives. It has been therefore generally argued that an open and supportive environment is important for employees to feel that they are secure at the workplace and therefore engage themselves in performing their responsibilities (Wan, *et al.*, 2018; Ghosh, *et al.*, 2016).

Saks (2006) also agrees that perceived organisational support influences an employees' perception and the belief that enables them to fulfil their roles and engage themselves with the organizational objectives. Therefore, there is a significant relationship between perceived organization support and employees' engagement (Eisenberger *et al.*, 2001; May *et al.*, 2004; Pati and Kumar, 2010; Zacher and Winter, 2011; Biswas and Bhatnagar, 2013).

Moreover, employees feel more comfortable if the organization cares about their welfare and hence they become committed to the organisation's goals. If the organisation provides support to the employees, they tend to be more

engaged. This is supported by Alvi *et al.* (2014) who argue that organisation support is an important predictor of employee engagement. It was therefore hypothesized that;

H_{1a}: The organisation support positively influences job engagement.

H_{1b}: The organisation support positively influences organisation engagement.

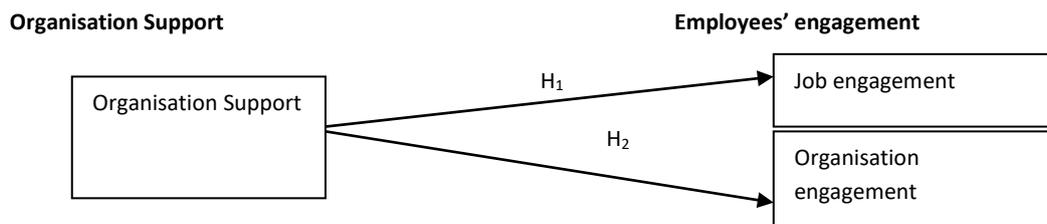
2.1. Theoretical Review

This study drew on the Social Exchange Theory (SET) as an important theory that explains the relationship between perceived organisation support and employees' engagement. The theory suggests that there is a reciprocal exchange between variables (employees and organisation). Employees assume that their organizations provide them with intangible and tangible support, a norm of reciprocity that creates a feeling of obligation among employees (Gusti & Gede 2021). A norm recommends that employees with high POS pay off their organizations in the form of engaging themselves in their work. This exchange is whether positive or negative, so when employees perceive it positively, is where they will reciprocate with favourable behavior and attitude and hence engagement (Chernyak-Hai, & Rabenu, 2018). Human beings always choose the behavior which will maximize profit and the possibility of meeting their needs and expectations, so if the organisation is providing such a supporting relationship is where the employee will give back to the organisation by engaging themselves.

2.2. Conceptual Framework

Organisation support makes an employee feel more comfortable and it reduces turnover to the employees. If employees are getting enough support from the management, they tend to give back to the organisation which enhances their engagement. Below is the relationship between organisation support and employee's engagement.

Figure 1: Conceptual Framework



2.3. Research Methodology

This study adopted the positivism paradigm, and it applied a cross-sectional design to investigate the relationship between organisation support and employees' engagement in SMEs. The unit of inquiry was employees from small and medium enterprises who were considered in two sub-groups (small and medium enterprises). The study was conducted in three (3) regions, namely Dar es Salaam, Manyara and Morogoro with a sample of 483 SMEs and they were involved in data analysis by using Structural Equation Modelling (SEM) to explain the relationship between organisation support and employee's engagement. The validity and reliability test was also examined.

3. FINDINGS

3.1. The Demographic Characteristics of the Respondents

The study involved respondents with different age categories, marital status, level of education, and different experiences. To understand the engagement of employees, experience matters a lot, as the long-serving employees in the organisation the more it could be easier to determine his/her engagement. In terms of service experience, the majority of the respondents, 44.5% had an experience of 2 to 4 years followed by the respondents with an experience of 5 – 9 years which was 37.9%. More data on age categories, marital status, level of education, and different experiences are shown in Table 1 below.

Table 1: The Demographic Characteristics of the Respondents

S/No.	Details	Category	Frequency	Percent
1.	Sex	Male	279	57.8
		Female	204	42.2
		Total	483	100
2	Age	20-25	90	18.6
		26-45	267	55.3
		46-55	110	22.8
		56-60	13	2.7
		Above 60	3	0.6
		Total	483	100
3	Marital Status	Single	137	28.4
		Married	304	62.9
		Divorced	17	3.5
		Widow/ widower	25	5.2
		Total	483	100
4	Educational Level	Postgraduate qualification	13	2.7
		Degree/Advanced Diploma	22	4.6
		Ordinary Diploma	31	6.4
		Certificate	72	14.9
		Vocational/Technical Training	60	12.4
		"A" Level Education	35	7.2
		"O" Level Education	179	37.1
		Primary School	67	13.9
		No formal schooling	4	0.8
Total	483	100		
5	Business Experience (in years)	Less than a year	19	3.9
		2-4	215	44.5
		5-8	183	37.9
		9 years and above	66	13.7
		Total	483	100

3.2. Enterprises' Characteristics

Ownership structure, establishment, business location, types of activities, and number of employees are variables used to determine the characteristics of an enterprise. Most of the businesses were sole proprietorships (73.1%), compared to partnerships (13.5%) and cooperatives (4.3%). In terms of business location, the majority of enterprises were from Dar es Salaam (46.8%) and Morogoro (38.9%). Trade, service and manufacturing are what categorizes the enterprises. The majority of enterprises (67.9%) dealt with trade, services (24.6%) and manufacturing (7.5%). Furthermore, the findings reveal that the majority of enterprises, 307 (63.6%) had employed between 5 and 49 people while 36.4% employed between 50 to 99 people.

3.3. Reliability

Cronbach Alpha was used to assess internal consistency from organisation support in which the internal consistency was assured as proposed by Nunnally (1997). The Cronbach alpha coefficient should be at least 0.7, and the internal consistency coefficients on job and organisation engagement were above 0.7 which was in line with what was suggested to be at least 0.7.

3.4. Confirmatory Factor Analysis

The model has eight (8) items coded from Orgsup1 to Orgsup8. Orgsup1 = Concern of the supervisor on employees' wellbeing; Orgsup2 = The supervisor cares about employees' goals, values and opinions; Orgsup3 = Availability of the organization to help an employee in case of any problem; Orgsup4 = Availability of support to perform their jobs. In addition, Orgsup5 = Availability of employees' opportunities to achieve their objectives; Orgsup6 = Organization vision and value of the job; Orgsup7 = Availability of facilities to do the job right; Orgsup8 = Working as a team.

Initially, the model produced model fit indices which indicated that the model did not fit the data well. Then, the model was modified by eliminating Orgsup5, Orgsup6, Orgsup7 and Orgsup8. Hence, the modified model produced indices that showed the fitness of the model to data. The produced indices were as follows: CMNIN/df = 4.974; GFI = 0.939; AGFI = 0.902; CFI = 0.939; RMSEA = 0.073.

3.5. Descriptive Statistics

The following are the descriptive results of the variable, using percentages and mean scores. According to Oxford and Burry Stock (1995), the Mean Score of 1.0 to 2.4 indicates a low application, 2.5 to 3.4 (Medium) and 3.5 to 5.0 (High) assuming the five (5.0) points Likert scale.

Table 2: Perceived Organizational Support

S/N	Variable/Item	Mean	Remarks
	Organisational Support		
3.0	My organization really cares about my well-being	3.48	Medium
3.1	My organization strongly considers my goals and values	3.53	High
3.2	My organization considers employees' goals	3.52	High
3.3	My organization cares about my opinions	3.99	High
3.4	My organization is willing to help me if I need a special favor.	4.03	High
3.5	Help is available from my organization when I have a problem	3.97	High
3.6	My organization would forgive an honest mistake on my part.	4.01	High
3.7	If given the opportunity, my organization would take advantage of me	3.84	High

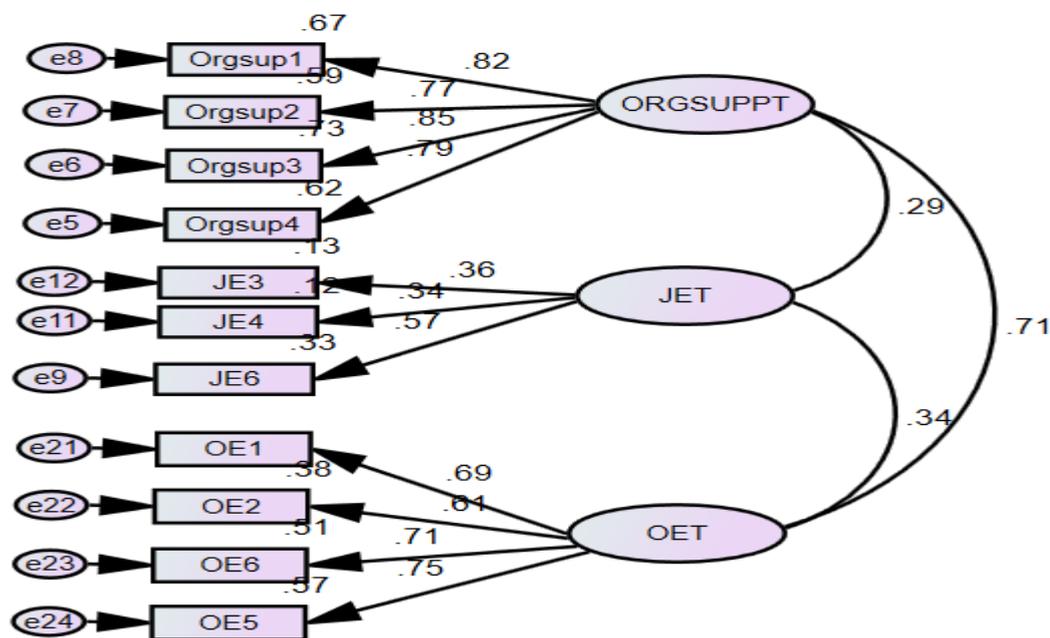
3.6. Organisational Support and Employees' Engagement

The study had two hypotheses i.e. H_{1a} and H_{1b}. H_{1a} stated that organizational support positively influences job engagement, while H_{1b} stated that organizational support positively influences organizational engagement.

The findings revealed that organizational support had a significant positive influence on job engagement, hence H_{1a} was supported. The standardized regression weight was 0.694 and significant at 0.001. This indicated that the more the organisation supports its employees, the more the employees become engaged in their jobs. Issues like consideration of the organisation on employees' goals, values and opinions, help from the organisation in case of any problem, and forgiveness for honest mistakes just to mention a few of them, enhanced employees' engagement in their jobs.

The results also revealed that organizational support had a significant positive influence on organizational engagement, hence H_{1b} was supported. The standardized regression weight was 0.816 and significant at 0.001. This means that the more an organization supports its employees, the more it engages its employees in the organisation. In addition to the organizational support issues previously mentioned, willingness to care about employees' well-being, and showing concern for supporting employees to perform their responsibilities significantly contributed to the organizational engagement by employees. Generally, the hypotheses were supported because organizational support was found to have a significant influence on both job and organizational engagement.

Figure 1: Model for Employees' Organisation Support and Employees' Engagement



4. DISCUSSIONS

The study examined the influence of organizational support on employees' engagement. Hence the study had the hypotheses which stated that organizational support positively influences Employees' engagement, namely job engagement and organizational engagement.

The descriptive results showed that the majority of respondents agreed to have been given special consideration when needed. Furthermore, it was revealed that the organisation forgave their employees when they made honest mistakes meanwhile it cared about their opinions. More important, the majority accepted to receive help from the organisation when needed. This demonstrated that SMEs were adequately providing support to their employees. Its influence on job engagement and organisation engagement is demonstrated by the inferential results.

The study had the hypotheses stated that organizational support had a significant positive influence on job engagement and organizational engagement. The inferential results revealed that organizational support had a significant positive influence on both job engagement and organisation engagement. The significant influence of organizational support on employees' engagement is also supported by the descriptive results. This demonstrated the SME's efforts towards supporting their employees to the extent that they felt to be engaged in both job and organisation. Furthermore, the SMEs have less focus on division of labour and specialization due to their size that promotes a close relationship among employees and, between employees and the owner-manager. The close working relationship provides a better opportunity for the SMEs to support their employees and hence promote employees' engagement.

The findings are supported by several studies on employees' engagement and organizational support. These studies include Pati and Kumar (2010), Zacher and Winter (2011), and Biswas and Bhatnagar (2013). However, these studies focused on the relationship between Employees' engagement and organizational support. They did not focus on the influence of organisational support on job engagement and organizational engagement individually. In addition, the findings of this study are supported by Knight (2013) and Rhoades, *et al.* (2001). They both argue that organisational support promotes organizational engagement.

5. CONCLUSION

This study concludes that organisational support has a significant influence on employees' engagement that including job engagement and organisational engagement. Specifically, willingness to give special consideration when needed, the

forgiveness of honest mistakes, care of employees' opinions and providing help to an employee when needed promote employee engagement both job and organisational engagement. In this case, organisational support is the HRM practices that promote the willingness of employees to exert his/her maximum efforts in performing his/her responsibilities. It also influences an employee to identify herself with the organisation and feel like one of the family members of the organization.

5.1. Recommendations

The findings revealed that organizational support had a significant positive influence on job and organization engagement. This implies that when employees perceive that SMEs support them, they engage themselves in the organization. This means that employees, who feel that are respected, valued, cared and involved in giving their opinions, engage themselves with the SMEs. Hence the study suggests the following; SMEs owners and managers should systematically match the employees' interests and organizational interests. However, the interests of SMEs should be superior to the interests of employees. Moreover, it is important to treat employees as partners and support them to achieve the organization's objectives.

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