



Perceived Organizational Support and Employee Performance: A Moderating Role of Organizational Justice during COVID-19

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ABSTRACT

The employee's in-role and extra-role performance has badly effected due to prevalence of COVID-19. The aim of the study is to examine the relationship of perceived organizational support and employee performance. The role of organizational justice is examined as a moderator. A sample of 222 bank employees was selected on convenience basis. The responses were recorded through closed ended questionnaires. The responses were analyzed through Partial Least Square Structural Equation Modeling Method. In times of COVID-19 the perceived organizational support has an antidotal effect on employee's performance. At the same time the organizational justice has a significant role in the relationship of perceived organizational support and employee performance. The managers interested to have good performance of employees have to ensure organizational support along with justice in organizational practices. The perceived organizational support and justice induce trust among employees and compel them to work with diligence. The organizational justice has greater contributions towards performance. The study has examined the non-linear relationship between perceived organizational support and employees' performance in bank employees in the context of COVID-19. In such times the people expect increased need for organizational support to fight out the challenges.

Keywords: Banks; COVID-19; Perceived organizational support; Organizational justice; Employee performance; Organizational justice theory; Open Data

INTRODUCTION

The employee performance has its worth for competitiveness that has even grown in current times. The external changes taking place not only effect the organizational functioning but influence each and every individual working there. The spread of COVID-19 has affected maximum part of the world. It has infected people that negatively affected their performance.

Moreover it has negative repercussions for the economy and businesses ultimately affecting the whole society (Hofmeyer, Taylor, & Kennedy, 2020; Caligiuri, De Cieri, Minbaeva, Verbeke, & Zimmermann, 2020). The organizations are continuously figuring out the ways to restore from its negative effects on the functioning of the organizations and especially the employees' work attitudes and behaviors without which the organizations cannot move ahead. The major question in front of the organizational managers is how to minimize the impact of the epidemic on employees? For this they are making their efforts of being much supportive but due to the large volume of organizational hierarchy and the employees working there in they may not manage to practice justice and may create a sense of disparity among employees and influence their performance levels (Hofmeyer, Taylor, & Kennedy, 2020).

Maintaining employee performance needs several mechanisms to be developed especially in times of instable economic situations among which providing employees with the organizational support and justice are few ways. Among the significant risks to performance providing the support to the employees is important and assigning the continued workloads to a single set of employees may create a sense of injustice and may possibly harm their performance.

A recent survey revealed that the company executives have pointed out that COVID-19 will have an impact on performance efficiency of organizations: 46% of respondents expect a reduction in performance targets in 2020 (Caligiuri, et al., 2020). It leaves grounds to answer several questions including what measures are most important and appropriate to improve the performance of employees for continue the operations of the organizations during the lockdown?

The survival of the organization always remains priority for the managers. This becomes even more important when it comes to the services offering organization, banks, in which the employees have to work beyond their job descriptions for better individual and organizational outcomes, showing in-role and extra-role performance. Without the organizational support it is merely possible for the employees to accomplish the assigned targets. The organizations must see employees as assets (Miao, & Kim, 2010) especially in times of crisis like COVID-19.

Employees can only perform well and deliver their best services to the customers however it is merely possible without their satisfaction with the organizational practices and their belief that their organization supports them. At the same time the organizations try their best to retain the competent employees for provision of enriched services. This reciprocity plays an important role to develop a win-win situation for both, employees and the organization. As it is reported that the organizations must develop an understanding about the factors that have concrete effect on employees' performance in which organizational support is one.

It is noted that the organizations that take care of employees may enjoy better employee engagement, (Carnevale, & Hatak, 2020), higher levels of organizational commitment (Rhoades, Eisenberger, & Armeli, 2001), decreased dissatisfaction from work (Miao, & Kim, 2010) and so forth. This is because the employees are continuously noting that how their organizations treat them and whether their contributions are being valued?

The employees having weak or no feelings of organizational support may adopt work avoidant and deviant behaviors (Omar, Halim, Zainah, & Farhadi, 2011), dislike their work and may develop intentions to leave the organization (Dawley, Houghton, & Bucklew, 2010). That is why it becomes necessary for the organizations to induce the sense of support among employees. Not merely the presence of support is enough but developing the sense of prevailing organizational support is also necessary, especially when the employees are really looking for it. That is support from the organization to protect them from the negative consequences of COVID-19.

This study posits that the employees perceiving that their organization is least supportive and do not value them, especially in times of health hazards prevailing in the environment that is prevalence of COVID-19, may lose their concentration on work and may focus more on saving themselves from the bad effects of COVID-19. This may harm their performance. At the same time the organizations claiming that they are providing safety measures but if those measures are adequately and equally applied throughout all branches of the banks, thus showing injustice may also count towards decreased in-role and extra-role performance of employees.

This study contributes to the literature in the following ways. Earlier studies have been done in the normal economic conditions whereas this study is conducted in the times of COVID-19 that has become a constant threat to the employee's health and overall well-being thus can possibly harm their performance. Moreover the perceived organizational support and organizational justice has rarely been studied together. Mostly the studies have revealed that perceived organizational support is enough to have better employee's performance (Dawley, Houghton, & Bucklew, 2010; Byrne, & Hochwarter, 2008; Eisenberger, Fasolo, & Davis-LaMastro, 1990) whereas this study posits that not only the sense of organizational support is enough rather the fairness and justice is equally important to have higher standards of employee's performance.

Additionally the study looks deeply into the effects of organizational support on the in-role and extra-role performance of employees. That is the requirement of the day. As in times of COVID-19 the employees have not only to perform the job related tasks but they have to assume extra roles as well to protect themselves and their colleagues and customers from the bad effects of the COVID-19 and at the same time they have to deal customers in such a manner that they do not develop a sense of dissatisfaction from employees who are dealing them at the banks. Furthermore the foundations for this study are laid on the basis of organizational justice theory introduced by Greenberg (1990) where in the theory posit that the employees perceptions of the fairness in the organization has greater impact on the employee work and non-work outcomes.

At the same time the employees are continuously noting that how their organizations treat them whether their contributions are being valued by the organization? To answer these questions the examination of the selected factors such as the perceived organizational support and organizational justices remain important. Higher the level of perceived organizational support (POS) higher is the chances of achieving better performance.

The study is beneficial for the managers and researchers equally. It adds to the existing base of literature combining the three streams of knowledge such as the perceived organizational support, organizational justice and employee's performance. Moreover it is beneficial for the managers to help them maintain required levels of employee's performance by developing a sense of available support in times of COVID-19.

METHOD

Sample and Data Collection

The responses from the male and female bank employees were gathered. It was ensured that the employees worked in the banks for at-least two years to have greater idea of the organizational practices. The respondents were selected on convenience basis as it was left to the willingness of the respondents to respond to the questionnaire or not. The data was gathered through a closed ended questionnaire adopted from existing literature. The banks were contacted prior to the visit through an official letter requesting the bank manager for a visit for data collection for the research purpose. The English version of the questionnaire was distributed for response generation as all the respondents were having at-least graduation degrees as their qualification. The respondents were ensured that their responses will merely be used for the research purpose and will not be shared with any other person inside or outside the organization. Moreover to maintain the unanimity they were clearly asked not to write any identification number or even the name of the bank or branch on the questionnaire. This helped the researcher to get the genuine responses. While gathering data it was observed that banks have displayed the instruction and it was again written that it is mandatory to read and follow the instructions to before entering into the bank to avoid the possible threats of COVID-19.

Instrumentation

Perceived organizational support

The items for assessing the perceived organizational support were adopted form the questionnaire used by Rhoades, Eisenberger and Armeli (2001). The sample items were "my organization really cares about my well-being", "my organization cares about my opinions", and "my organization would forgive an honest mistake on my part". The reliability scores for the scale were 0.877.

Organizational Justice

Organizational justice was measured by using the fifteen item scale of justice validated by Enoksen (2015). A five point Likert scale was used to analyze the respondents' level of agreement. The same items used were "I am usually told about important things that are happening in this organization", "I am rewarded fairly for what I do for the organization", and "my supervisor respect my rights as a sub-ordinate". The reliability scores were 0.886.

Employee's in-role Performance

The questionnaire was adopted from Becker and Kernan (2003). The sample items used were "I adequately complete the assigned tasks", "I meet all the formal requirements of the job:", and "I fulfill responsibilities specified in the job description". The reliability scores were 0.976. All the statements were assessed on five points likert scale from 1 to 5. 1 representing strongly disagree and 5 represented strongly agree.

Employee's Extra-Role Performance

The organizational citizenship behavior was considered as the extra-role performance. It was assessed using scale adapted from Vigoda-Gadot, et al., (2007). The sample items included items such as, "The employees do more than the assigned duties adequately", "The employees help others who have been absent", and "The employees in this organization go out of their way to help new employees". A five point Likert scale was used to analyze the respondents' level of agreement.

RESULT AND DISCUSSION

The results are divided into two main sections including the demographic information of the respondents and the results of structural equation model. Table 1 presents the demographic information.

Table 1. Demographic Information, n = 222

Variables	Category	Frequency	Percentage
Age (years)	26-35	88	39.6
	36-45	99	44.5
	46-55	35	15.7
Gender	Male	132	59.4
	Female	90	40.5
Education	Below Graduation	47	21.1
	Graduation	67	30.1
	Masters	108	48.6
Experience (Years)	<1	54	24.3
	1-5	91	40.9
	6-10	51	22.9
	<10	26	11.8

Source: Field Data

Table 1 shows that the data were collected from more than half of the male respondents (59.4%) and the remaining female bank employees. The respondents belonged to different age

groups that were 26 to 35 years (39.6%), 36 to 45 years (44.5%), 46 to 55 years (15.7%). It is also noted that nearly half of the respondents were well qualified that is they were having masters qualification (48.6%) while majority of other employees were having graduation as their qualification (30.1 %). Maximum of the respondents were having a handful experience of 1 to 5 years (40.9 %) followed by the people having experience of less than one year (24.3 %). The characteristics of the respondents show that they were adequately fit for being the respondents to this study as they were having adequate experience and qualification to respond to the questionnaire and respond to the statements written in the questionnaire. They were well versed with the organizational practices taking place in their banks. The respondents were invited for data gathering on their willingness without forcing them to respond to the questionnaires to get their genuine responses.

The Measurement Model

In the first stage the assessment of the measurement model is done whereas the second stage involves the assessment of the structural model (Hair et al., 2012).The structural equation modeling was used for data analysis. Table 2 contains information about the factor loadings, Cronbach’s alpha to access the reliability and validity of the constructs. Moreover, to gauge convergent validity, the authors evaluated the Average Variance Extracted (AVE) statistics for each construct.

Table 2. Loadings, Composite Reliability and AVE

Construct	Loading	C.R.	AVE
Perceived Organizational Support		0.875	0.867
POS1	0.764		
POS2	0.792		
POS3	0.852		
POS4	0.779		
POS5	0.775		
POS6	0.873		
POS7	0.856		
Organizational Justice		0.866	0.827
OJ1	0.790		
OJ2	0.731		
OJ3	0.786		
OJ4	0.869		
OJ5	0.752		
OJ6	0.762		
In-role Performance		0.869	0.844
EP1	0.775		

EP2	0.848		
EP3	0.768		
EP4	0.763		
EP5	0.773		
Extra-role Performance		0.970	0.785
EP6	0.839		
EP7	0.843		
EP8	0.786		
EP9	0.797		
EP10	0.764		
EP11	0.793		

Source: SamrtPLS Results

Table 2 shows the adequacy of the measurement model including factor loadings, the value of C.R and AVE as recommended by Hair et al, (2012). This permitted to carry out the examination of the structural model.

Table 3. Discriminant Validity

Constructs	1	2	3	4
POS	0.931			
OJ	0.702	0.909		
In-role	0.492	0.521	0.918	
Extra-role	0.628	0.676	0.448	0.886

Source: SmartPLS results

Table 3 presents the discriminant validity. The discriminant validity is established if the square root of constructs' AVEs is greater than the inter-correlations of other constructs. In this study, the results of the analysis show that the square root of AVE were greater than the correlation between each pair of constructs as shown in table 3, thus providing evidence for discriminant validity. Table 3 reports that all the diagonal elements are greater than the off diagonal elements (Fornell, & Larcker, 1981). Overall, the results of the measurement model are satisfactory and suggest that it is appropriate to proceed further for the evaluation of the structural model. The square root of the AVE for perceived organizational support is 0.931, organizational justice is 0.909, in-role performance is 0.918 and extra-role performance is 0.886.

Structural model

The structural model is examined by calculating the coefficient of each relationship along with its significance value. Moreover the R square is computed. Table 3 shows the results.

Table 4. Relationship of Constructs

Relationship	Coefficient	P-Value
POS--->In-role	0.367	0.000
POS--->Extra-role	0.199	0.001
OJ---> In-role	0.292	0.000
OJ---> Extra-role	0.135	0.000
POS--->OJ---> In-role	0.076	0.000
POS--->OJ---> Extra-role	0.199	0.020
R ²	0.489	

Source: SmartPLS output

Structural model describes the relationship among the latent variables (Hair et al., 2012). Furthermore, the structural model depicts the relationship between the exogenous and the endogenous variables. The value of R-square lies between 0 to 1. Table 4 represents the standardized parameters. Bootstrapping simulation is done to confirm the significance of the hypothesis. It is noted that the perceived organizational support has a significant positive relationship with in-role performance (beta = 0.367, $p < 0.05$) and extra-role performance (Beta = 0.199, $p < 0.05$). Similarly the organizational justice significantly increases the employees in-role performance (beta = 0.292, $p < 0.05$) and extra-role performance (beta = 0.135, $p < 0.05$). Upon examining the moderating effects of organizational justice in the relationship between POS and in-role performance and extra-role performance it is found that it significantly moderates the relationship (beta = 0.076, and beta = 0.199, $p < 0.05$ respectively). All the developed hypotheses in the light of literature were accepted. Table 5 summarizes the results of the hypotheses developed. The coefficient of determination revealed that collectively the independent constructs brought about 48.9% change in the dependent variable. Overall it is noted that POS and OJ has a stronger effects on extra role performance than in-role performance. OJ moderated the extra-role performance more than in-role performance.

Table 5. Hypotheses summary

Hypothesis	Statement	Result
H1	POS positively affects in-role performance	
	Accepted	
H2	POS positively affects extra-role performance	Accepted
H3	OJ moderates between POS and in-role performance	Accepted
H4	OJ moderates between POS and extra-role performance	Accepted

Source: SmartPLS output summary

CONCLUSION

The results of this study revealed that POS and OJ are important for having better employees' performance among bank employees during prevalence of COVID-19. The organizational support has positive implications for employees working at any level of management. At the same time when the support is added with organizational justice it has stronger effect on employees' performance especially when people are curiously looking for the support i.e. crisis situation.

Implications

The study identified some practical implications based on the results of the study. This study demonstrates that the organizational justice for strengthening the relationship of the factors such as perceived organizational support and employee performance plays its role. Its presence not only strengthens the in-role performance but also the extra-role performance. the importance of extra-role performance can not be ignored during COVID-19 where each individual at the workplace is looking for some guidance and help, especially in banks.

Moreover, by providing the support to the employees the organizations can develop their strengths in terms of having strong employees and at the same time the support adds to employees self-efficacy that motivate them to have better in-role and extra-role performance.

The organizational practices like the distribution of resources, information and the fairness in performance appraisals and the use of procedures may help employees build trust in the organization and help establish stronger reciprocity based behaviors that positively influence both the organization and the employees. The managers can boost employees' performance by having the appropriate mix of the organizational support and justice at the same time. These include having required standards of employees' performance requires managers as organizational agents to manifest organizational support through uninterrupted interaction with their subordinates, provision of resources, sharing of in-time and uninterrupted information, and addressing the conflicts arising at the workplace.

Moreover besides providing the actual support to the employees it is necessary to develop a sense of support availability at the workplace among employees. This is merely possible by practicing justice thoroughly and throughout the organization. It is necessary for the employees and managers to have positive performance. The employees who perceive support efforts as positive, that is possible through ensuring organizational justice, show least negative reactions. This is how the managers can control the negative behaviors at the workplace and can save time and other organizational resources.

Limitations and Future directions

Every research study has limitations for its nature and context. The present study is conducted using a cross-sectional sample based on convenience sampling method. This may limit the generalizability of the study. Further the study considered only a single sector that is banking. It is likely that the prevalence of COVID-19 may have stronger effects on other sectors

where there is stronger interaction between people. It is recommended that the future studies may consider examining additional factors in relation to this framework.

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