

The Relationship Between Workplace Spirituality and Job Involvement Under Mergers and Acquisitions circumstances: the Moderating Effect of Perceived Organizational Support

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ABSTRACT

The purpose of this study was to examine the relationships among workplace spirituality, job involvement and perceived organizational support under the Merge and Acquisition (M&A) circumstances. Hypotheses were to, test the relationship between workplace spirituality and job involvement and the moderating effect of perceived organizational support. This study used quantitative approach. A total of 159 was valid sample. Hierarchical regression analysis was used to test hypotheses. The result indicated that workplace spirituality was positively related to Job involvement, and perceived organizational support had a moderating effect on the relationship between workplace spirituality and job involvement. In conclude, the support from the organization can accelerate employees to devote themselves in their work and create their own value with the organization.

Keywords: Workplace Spirituality, Job Involvement, Perceived Organizational Support (POS), Merger and Acquisition (M&A)

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INTRODUCTION

In the rapidly developing business world, companies have begun to adapt Merger and Acquisition (M&A) as their business strategy to achieve and maintain their competitive advantages under the current economic situation (Aguilera & Dencker, 2004). This is due to the fact that many firms have tended to enlarge their organizational capabilities in an attempt to increase their competitive market position (Gaughan, 2010).

Due to the change that M&A brought, there will be new policies in the organization and some of the employees will get lay off. The uncertainties and ambiguities in a M&A situation generate a series of psychological reaction from employees (Bhal, Bhaskar, & Ratnam, 2009). With the numbers of M&As increasing, and the numerous psychological behaviors associated with the change, helping employees to cope with the new working environment and engage themselves into the new work position are the difficult lessons for those working at a managerial level. One of the well-known employees' work attitudes is job involvement, and it can directly reflect employees' status of coping the new workplace. The linkage between employees' internal emotional status and job involvement bears an obvious significance. The concept of the employees' sense of wholeness, connectedness at work, and deeper values can be considered as one's workplace spirituality (Gibbons, 2000). Workplace spirituality includes looking for the meaning in their work, developing a strong connection with the colleagues and the people who are related to the work, and having a clear consistency between one's main beliefs and the values of their organization (Denton & Mitroff, 1999).

After M&A, the atmosphere within the new organization will undoubtedly be altered from the original one. A new Organizational Climate can, and almost certainly will, have a profound effect on an employees' working attitude. Organizational Climate can be represented as the employees' perceptions of their objective work condition, which include the characteristics of the organization and the interaction/relationships with other people in the workplace. Hence, the organizational supportive is conceptually either a trigger or moderator of employees' affective evaluations and reaction concern about their job and their work environment (i.e., Churchill, Ford, & Walker, 1976).

Although there are studies focus on workplace spirituality but still most of the studies were conducted in the Western countries since it was mainly originates in the U.S. (Conger, 1994). Very few of the studies were discussed from Oriental viewpoints (Sheng & Chen, 2012). Jurkiewicz and Giacalone (2004) pointed out workplace spirituality has growing interest in Eastern countries that promote integration between individual and environment. Also, the majority of the research being conducted has concentrated on personal spiritual experiences at the workplace, as opposed to focusing on the impact of workplace spirituality on individual

work attitudes and behaviors (Jurkiewicz & Giacalone, 2004; Konz & Ryan, 1999).

In short, job involvement is the variable that has long been viewed as significant in examining a worker's psychological reaction toward the workplace. However, workplace spirituality has recently been gaining steam as a suggested variable that might affect worker attitudes (Milliman et al., 2003; Pawar, 2009). Surprisingly, there has been a somewhat noticeable lack of these variables being tested within the industries being through the process of M&A. Therefore, there exists a necessity to examine the relationship between workplace spirituality and job involvement under the possible moderating effect of POS on the employees who has experienced the M&A strategy empirically in Taiwan.

LITERATURE REVIEW

Workplace Spirituality and Job Involvement

The meaning of workplace spirituality is a highly personal and philosophical construct, which nearly all the academics defined as that of spirituality consisting of a sense of completeness, close connection with the workplace community and deeper personal values (Gibbons, 2000; Krishnan, 2008). Workplace spirituality represent as a spiritual well-being of an individual in working condition that include different factors which influence the satisfaction of an individual toward his or her life or job (Altaf & Awan, 2011). It helps to create an unique working environment that assists employees to foster their capacities (Daniel, 2010).

Job involvement has been considered as a cognitive or belief of psychological identification toward one's job concern about the degree to how actively they participate in their job and moreover consider their work performance to be important to their self-esteem. It also implied that the fulfillment of employees needs has been considered as an antecedent of job involvement (Blau, 1986; Kanungo, 1982). Studies has also been proposed that the organizations who has an environment that respond to their employees' need and value rapidly will motive them engage in their work more (Catlette & Hadden, 2001).

Work attitudes were reflected in the workplace. However there are controversial discussions on the relationship between workplace spirituality and work attitudes. Komala and Ganesh (2007) proposed that employees' work attitudes are related to workplace spirituality. When it met one's personal inner goals, it enhances the teamwork and helps the employees to be more committed to their organization. Additionally, Pawar (2009) pointed out individual spirituality only had marginal association with work attitudes and suggested to include workplace spirituality when examining whether individual spirituality has an effect on work

attitudes or not. These findings aroused the motivation to examine the relationship between work attitude and workplace spirituality on the specific target sample, which are the employees who experienced M&A situation. And one particular work attitude that will focus on in this study is that of job involvement (O'Driscoll, O'Driscoll, & Randall, 1999).

The dimensions that have been chosen for this study focus on fulfilling employees' spiritual needs (Ashmos & Duchon, 2000; Fry, 2003, 2005). The reason the three dimensions have been chosen was because, as for meaningful work, it represents how employees dealing with their day-to-day work not only found the work interesting and challenging but also saw how they can live with their goal by seeking deeper meaning and purpose in their work, moreover, contribute to others (Ashmos & Duchon, 2000; Fox, 1994; Milliman et al., 2003). The sense of community represents how employees see themselves connecting with co-workers with the shared purpose. And the value of alignment with organization measures whether the employees acknowledge the strong sense of alignment between their personal values and the organization's mission and value (Milliman et al., 2003; Rego & Cunha, 2008).

Therefore, those dimensions should be positively associated with job involvement since they affect employees' need fulfillment. It is important to note that this study would assess these dimensions at the individual level of analysis empirically. The hypothesis is proposed as below.

Hypothesis 1. Workplace spirituality has a positive effect on job involvement.

Moderating role of Perceived Organizational Support

According to organizational support theory the development of Perceived Organizational Support (POS) is encouraged by the tendency of employees to personify an organization as though it were with human-like characteristics (Eisenberger et al., 1990). POS was defined as the degree to which employees perceive that the organization cares about their well-being and that their contributions are valued by their organization (Eisenberger et al., 1990; Rhoades & Eisenberger, 2002).

POS has been pointed out to be related to those positive outcomes for employees (e.g., job satisfaction, positive mood) and for organization (e.g., affective commitment, performance, and less withdrawal behavior) (Pathak, 2012; Rhoades & Eisenberger, 2002). Therefore, POS was expected to bring better performance to the organization by increasing employees' obligation to their organization, and more involved in their work (Jain et al., 2013).

Moreover, POS has been found out it has a significant negative moderating impact on the relationship between prosocial behavior and unethical attitudes as when unethical attitudes increased, reported frequency of prosocial behavior decreased (Adebayo, 2005). Prosocial

behavior reflects to a human concern for others and organization, it include the behaviors such as helping others and volunteering in an organization which workplace spirituality share the similar concept in one of the dimensions, sense of community (Brief & Motowidlo, 1986; Milliman et al., 2003).

Also, In Jain et al. (2013) POS has been examined to have negative moderating impact on OCB and organizational stressors. It also noted that out of 56 significant interactions only one was positively significant which is the Individual Initiative dimension of OCB was positively influenced by the interaction effect of the Job Security dimension of organizational stressors on POS. Individual initiative refers to employees engage themselves in task related behaviors at a level that go beyond what an organization required or generally expected which job involvement also perform the similar concept (Podsakoff, MacKenzie, Paine, & Bachrach, 2000). According to the findings above, in this study the significant moderating impact of POS between workplace spirituality and job involvement will be proposed. The hypothesis is shown below.

Hypothesis 2. The relationship between workplace spirituality and Job involvement will be positively moderated by perceived organizational support.

Research Method

Sampling and Data collection

The target sample in this study is all employees in the companies that have been through Merger and Acquisition. The target sample was not limited in certain industry as long as it acquired the request of being through a certain period of time under M&A process and still working in the companies that adopted M&A strategy.

The quantitative method was chosen as the way of research approach. Conducted snowball sampling strategy by seeking for acquaintances of the target samples to collect more data sets for the study. The paper-based questionnaire and online survey were both adapted in the study. In the beginning of the questionnaire, the respondents were asked whether they have been in the M&A process or not to identified the status of the respondents. Sample size of 159 set of datas were conducted in the study. Detail of Demographic information is shown in the table below.

From the 159 respondents, 78 (49.1 %) are female and 81 (50.9 %) are male. 70 % of the respondents' age located in the range from 36 to 55. Most of them are general employees (60.8%) and their highest education level is from college and university (64.6%). 53.1% of respondents are from local companies and 46.8% are from foreign companies.

Measurement

Workplace Spirituality

Workplace spirituality refers to one's sense of meaning and purpose in their work and the connectedness to another person or their workplace community (Ashmos & Duchon, 2000). The scale was developed by Ashmos and Duchon (2000) and Milliman et al. (2003). A total 21 items is in the scale. 7-point Likert scale was designed, ranging from 1 (strongly disagree) to 7 (strongly agree). The high score indicates that the person is highly agreed with descriptions of the items under the M&A process. The Cronbach's alpha was 0.97.

Job Involvement

Job involvement indicated to the degree that individuals psychologically identify with their present job (Kanungo, 1982). For highly involved employees, their jobs seem to be more important and they tend to develop more interest in it (Mudrack, 2004). The scale was developed by Kanungo (1982) which contains 10 items and designed on a 5-points Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The high score of the scale implied that people have higher level of job involvement. The Cronbach's alpha was 0.90.

Perceived Organization Support (POS)

POS indicates that the employees form a general perception concerning the degree to which the organization values their contributions and cares about their well-being (Eisenberger et al., 1986). The scale was developed by (Eisenberger et al., 1986) which contains 36 items. In this study, the short version from Eisenberger, Cummings, Armeli, and Lynch (1997) which contains 8 items will be used. The Cronbach's alpha was 0.89. Respondents indicate their agreement with each item on a 7-point Likert scale, ranging from 1 (strongly disagree) to 7 (strongly agree).

Control Variables

Several demographic variables that can possibly influence job involvement suggested from the literatures. Hence, those demographic variables were put in the questionnaire as personal information in order to get the data to clarify the relationship between dependent and independent variables by controlling the influence of demographic variables.

Age

Age is one of the demographic factors that might affect one's job involvement. The workers that are in their middle 30s seem to develop better stability in job involvement better than younger generation (Lorence & Mortimer, 1985).

Education level

An individual who has higher education level developed greater job involvement than the one's has lower education level (Siegel & Ruh, 1973).

Salary

It has been proved there are positive correlation between salary and job involvement, indicated that better salary payment cause stronger job involvement (Ruh, White, & Wood, 1975).

Tenure

The correlation between tenure and job involvement was significant (Hall, Schneider, & Nygren, 1970). In this study we asked about the respondents' tenure in the personal information section.

Results and Findings

Correlation Analysis

In order to understand the relationship between the variables, Pearson correlation analysis was performed. The means, standard deviations, reliabilities, and correlations among all the variables are presented in Table 4.1. The variables in the study showed the significant correlation coefficients. Workplace spirituality was positively correlated to Job involvement ($r = .58, p < .05$), and POS ($r = .76, p < .05$).

Hierarchical Regression Analysis

In Hypothesis 1, workplace spirituality has been proposed to positively related to job involvement. The effect of workplace spirituality on job involvement is presented in Table 4.2. In Model 1, the control variables were added in the first step. In Model 2, as predicted, there is a significant positive relationship between workplace spirituality and job involvement ($r = .54, p < .05$).

The moderating effect of POS was tested by using hierarchical linear regression analysis recommended by Baron and Kenny (1986). In order to reduce the multicollinearity problem, before calculating the interaction variable, Workplace spirituality and POS were centered by subtracting the mean from the original ones.

Table 4.3 summarizes the regression result of testing Hypothesis 2. Model 3 shows that the interaction of workplace spirituality and POS was significant when job involvement was entered as dependent variable, and the beta coefficient was positive ($r = .14, p < .05$).

To interpret the moderating effect in detail, POS was divided into high and low level base on the mean. Figure 4.1 illustrates the interactional graphs between workplace spirituality and POS. As we expected, workplace spirituality had better positive effect on job involvement with higher POS. Meanwhile, workplace spirituality had a more slight effect on job involvement with lower POS. As the result, POS showed significantly positive interaction effect between workplace spirituality and job involvement. Hence, Hypothesis 2 was supported.

Table 4.1 Mean, Standard Deviations, Correlations, and Reliability (n=159)

	Mean	SD	1	2	3	4	5	6	7
1.Tenure	8.92	6.54							
2.Salary	2.54	1.43	.36***						
3.Age	42.93	9.11	.56***	.32***					
4.Education Level	3.87	.75	-.20**	-.03	-.34***				
5.Workplace spirituality	4.80	1.10	.078	.34***	.14	-.01	(.97)		
6.Perceieved organizational support	4.25	1.06	-.03	.13	.05	.07	.76***	(.89)	
7.Job involvement	3.50	.63	.19*	.30***	.23**	-.09	.58***	.42***	(.89)

Note. Numbers parentheses represent the Cronbach's Alpha values of the variables.

** $p < 0.01$, *** $p < 0.001$

Table 4.2 Result of hierarchical regression analyses (n=159)

Variables	Job Involvement	
	Model 1	Model 2
	β	β
<i>Step 1: Controls</i>		
Tenure	.019	.071
Salary	.249**	.064
Age	.133	.083
Education level	-.029	-.038
<i>Step 2: Main Effect</i>		
WS		.544***
R ²	.112	.372
Adj. R ²	.089	.352
ΔR^2	.112	.260
F	4.852**	18.133***
ΔF	4.852	63.397

Note. *p<0.05, **p<0.01, ***p<0.00

Table 4.3 Result of hierarchical moderated regression analyses (n=159)

Variables	Job Involvement		
	Model 1	Model 2	Model 3
	β	β	β
Step 1: Controls			
Tenure	.019	.070	.068
Salary	.249*	.063	.060
Age	.133	.083	.083
Education level	-.029	-.038	-.046
Step 2: Main Effect			
WS		.552***	.599***
POS		-.010	-.041
Step 3: Interaction			
WSxPOS			.136*
R ²	.112	.372	.390
Adj. R ²	.089	.347	.361
ΔR^2	.112	.260	.018
F	4.852**	15.015***	13.776***
ΔF	4.852	31.498	4.353

Note. *p<0.05, **p<0.01, ***p<0.001

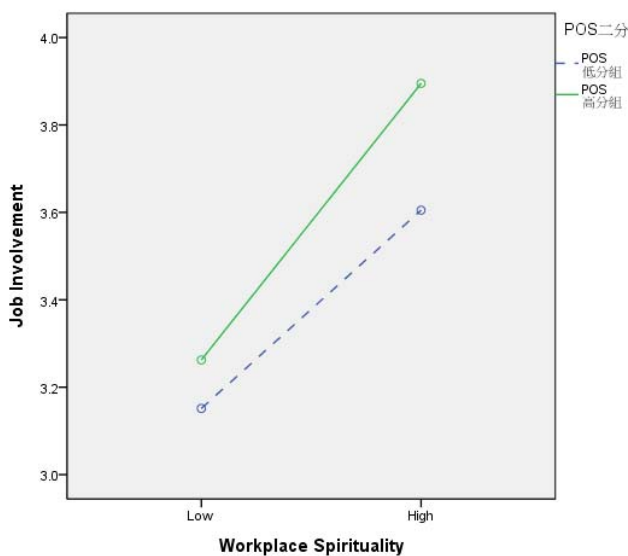


Figure 4.1 Interaction plot for the moderating effect of Perceived Organizational Support

Conclusions and Discussion

Conclusions

The purpose of this study is to investigate the relationships among workplace spirituality, job involvement and POS by collecting the data from the people who has been through M&A process. There are two result of this study. First, Workplace spirituality has a positive effect on job involvement. Second, POS served as a moderator on the relationship between workplace spirituality and job involvement. Based on the finding, the conclusions were drawn as follow:

First of all, when the employee develops their personal value is connected with their organization and would be able share the similar concept with their colleagues; they will be more involved in their current job. Even in this study's case, the employees have experienced the M&A process, and working under a different work environment, they can still devote themselves to their work.

Second, as the brief introduction of M&A situation above, the uncertainty that brought from this strategy might trigger employee to have some negative psychological reactions. Hence, a supportive organization plays an important role in this part. And as the result shown, when the organization given more support to their employee, the employees will be create higher involvement in their work. Furthermore, it can also help an organization to shorten the time to help their employees to cope with the new work environment.

Limitation and Suggestions for the future research

In the questionnaire of this study, all the measurements of the variables were all put into one questionnaire, so all the variables were answered from the same respondent. This self-report may cause the common method variance (CMV)'s problems. To decrease the problem of CMV, this study used the reversed items to prevent the respondents to answer the questions randomly and also did not explain the variables in the questionnaire.

Since many companies consider Merge and acquisition is a very sensitive business strategy, it gave this study a certain level of difficulties to collect a huge amount of the data sets from our target samples. The data was mostly from the insurance or financial industries, part of the reasons was because those are the most common industries that apply the M&A strategy more often. The suggestion for the future studies is to see whether there are better approaches to get the bigger sample size and also there might have different result from different industries. And in this study, workplace spirituality has served as dependent variable; it might be interesting if it can be test to see whether it has any moderating or mediating effect on job involvement.

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