

## **Perceived Organizational Support in Nepalese Banks**

**Binita Lamichhane**

BBA 6<sup>th</sup> Semester, Atharva Business College, Kathmandu Nepal  
[lamixanebinita6@gmail.com](mailto:lamixanebinita6@gmail.com)

**Dasarath Neupane, PhD**

Atharva Business College, Kathmandu Nepal  
<https://orcid.org/0000-0001-9285-8984>  
[neupane.dasarath@gmail.com](mailto:neupane.dasarath@gmail.com)

### **Corresponding Author**

**Binita Lamichhane**

[lamixanebinita6@gmail.com](mailto:lamixanebinita6@gmail.com)

Received: July 10, 2023

Revised & Accepted: August 11, 2023

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### **Abstract**

This research study aims to investigate the perception of employees regarding organizational support in Nepalese commercial banks. The study used a survey design with a quantitative research approach to sample 120 bank employees. Data collected from the questionnaire were examined and interpreted using a variety of statistical techniques, including means, standard deviations, frequencies, and correlation analysis. The study explores the relationship between perceived organizational support and employee attitudes and behaviours. The findings provide valuable insights into the state of organizational support within the banking sector in Nepal. This report concludes by summarizing the key findings and implications for both researchers and practitioners.

**Keywords:** Banks, Employees, Perceived Organizational Support

## **Introduction**

The term "perceived organizational support (POS)" means that workers think the company is good and cares about their well-being and goals (Eisenberger, Huntington, Hutchison, & Sowa, 1986). Krishnan & Mary, (2012) say that POS is the common belief among workers that their company appreciates their work and cares about their well-being. Eisenberger, Huntington, Hutchison and Sowa (1986) say that POS is how workers feel their company meets their social and emotional needs and how it handles extra work. According to (Shore & Wayne, 1993), perceived organizational support is a micro-level measurement of an employee's attitude toward organizational support and how much they view their authority. According to the social exchange theory, perceived organizational support is the outcome of the beneficiaries of such support being expected to reciprocate with a positive attitude and conduct of their own (Blau, 2000). When perceived organizational support is strong, employees not only have high regard for the company but also feel valued by it and show confidence that it will continue to treat them well in the future (Eisenberger, Cummings, Armeli, & Lynch, 1997).

The two main elements of organizational behavior toward employees are perceived organizational support and organizational commitment. According to Hussain and Asif (2012), higher levels of organizational commitment among staff members influence and define an organization's culture, which fosters a sense of ownership and belonging among staff members, making them feel content, devoted, and productive. They showed through their study with 230 Telecom employees that a high degree of perceived organizational support fosters employee ownership and commitment to their company, which in turn lowers intentions to leave.

In the banking industry, where customer-employee interactions and service quality are critical, perceived organizational support is critical for generating employee satisfaction, devotion, and overall organizational success. When employees believe that their firm appreciates and supports them, they are more likely to adopt positive attitudes and behaviours such as better job satisfaction, organizational devotion, and engagement.

## **Research Objectives**

The specific objectives of this study are as follows:

1. To identify the perceived organizational support from bank
2. To determine the relationship between demographic factors and the POS among employees

## **Hypotheses**

H<sub>1</sub>: There is significant relationship between gender and POS.

H<sub>2</sub>: There is significant relationship between marital status and POS.

H<sub>3</sub>: There is significant relationship between age and POS.

H<sub>4</sub>: There is significant relationship between Years of Service and POS.

H<sub>5</sub>: There is significant relationship between education and POS.

## **Literature Review**

Eisenberger was the original primary pioneer behind the study of perceived organizational support, which started in 1986. According to Eisenberger, Huntington, Hutchison and Sowa (1986), perceived organizational support is the idea that an organization values the contributions and well-being of its employees. According to Rhoades & Eisenberger, (2002) this definition includes two dimensions: (i) a perception that the organization values employees' contributions is supported by performance-reward expectations; and (ii) a perception that the organization cares about employees' well-being is supported by the requirement for the satisfaction of socio-emotional needs at work. Accordingly, organizational researchers contend that in the relationship between an employer and an employee, socio-emotional resources like approval, respect, and support are also exchanged in addition to impersonal resources like cash, services, and information (Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, reciprocation of perceived organizational support, 2001). This influences how employees view the support of the organization.

## **Dimensions of POS**

**Fairness & justice:** According to study (Greenberg, 1990); (Umphress, 2003), perceived organizational support with fairness of organization fosters employee trust in the company. The workforce begins to have faith in their companies' ability to pay them. Fairness raises the amount of confidence in organizational support and standards.

**Supervisor support:** The link between the supervisor's support for the employees and perceived organizational support is typically a determining factor. Supervisory behaviour may have a beneficial or bad impact on workers. They are primarily in charge of the employee assessment procedure, and they report the findings to higher-ups (Rhoades & Eisenberger, 2002).

**Organizational reward:** Every employee hopes to receive a reward (Eisenberger, Malone, & Presson, 2016). They might be external or internal, physical or immaterial. In general, a reward might be anything that the company does to raise employee motivation by acknowledging their accomplishments.

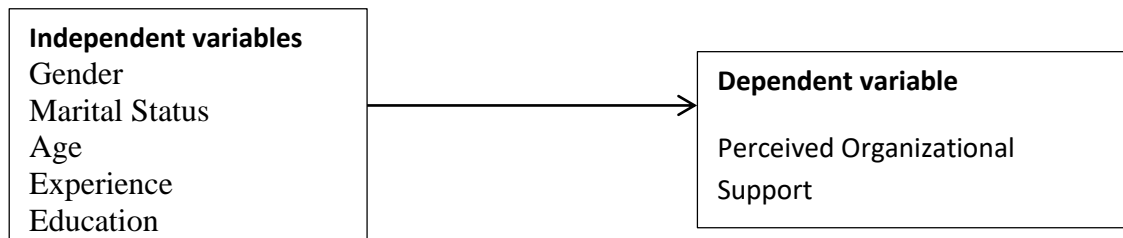
**Working conditions:** The sensation of security and comfort that employee feels at work is a constant indicator of perceived organizational support, and the feeling of being taken care of makes an employee loyal to the company (İnce & Gül, 2011).

According to Levinson (1965), employees frequently mistakenly interpret the acts of managers or other organizational leaders as the actions of the organization as a whole. According to Levinson, this organization's personification consists of three elements that affect members' attitudes and actions. First, the company owes its employees financial, moral, and legal obligations. Second, organizational norms, policies, and precedents offer continuity and define appropriate behaviour. The organization also has control over certain personnel (Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, 2001).

Employee expectations, rewards, and the employee's attachment to the company are all linked in an exchange (Eisenberger, Huntington, Hutchison, & Sowa, 1986). The field of perceived organizational support refers to the organization's contribution to a positive reciprocity dynamic with employees. This is because employees tend to perform better in return for perceived organizational support. Employers regularly and frequently value the loyalty and commitment of their employees (Allen, Shore, & Griffeth, 2003; Rhoades & Eisenberger, 2002). Perceived organizational support, also known as assurance, refers to the feeling that one will receive help from the organization when it is required to perform one's job successfully and deal with challenging circumstances (Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, 2001).

### **Conceptual Framework**

The current study has tried to observe the relational path and mechanism to observe the employee perception on POS. Based on the concept derived from theoretical framework, the researcher developed conceptual framework for the research. The objective of research is to analyze the employee's perception on organization support in Nepalese banks. So, the conceptual framework is designed accordingly Gender, marital status, age, experience and educational qualification are taken as independent variable, and POS is taken as dependent variable.



*Figure 1: Conceptual Framework*

### **Materials & Methods**

The study aims to discover how employees perceive organizational support. In order to get information about respondents' perceptions of employees, the research adopted a quantitative methodology (Neupane, 2019, p. 183; Neupane & Dawadi, 2018). The descriptive research design was used for the study in order to learn about the respondents' profile, present and describe the data collection, and characterizes the respondent characteristics (Karki, Mahat, & Kandel, 2021). This study's sample size consists of 120 respondents. They are employees of Nepalese banks. The research instrument used for the study was a structured questionnaire. The questionnaire was self-administered, and the appropriate approach was utilized for the circumstances (Mahat & Mathema, 2018). Questionnaire was printed and was given to the employees of banks of Kathmandu valley. Different commercial banks were visited in order to fill up the questionnaire. The Statistical Product and Service Solutions (SPSS) version 20.0 program was used to analyse the data.

## Results and Discussion

### Demographic Analysis

This section discusses the demographic profile of the respondents and how it was evaluated using the primary data acquired through surveys. This will make it simpler to learn about the respondents' demographic characteristics. The respondents' gender, marital status, age, work experience, and educational background make up their profile.

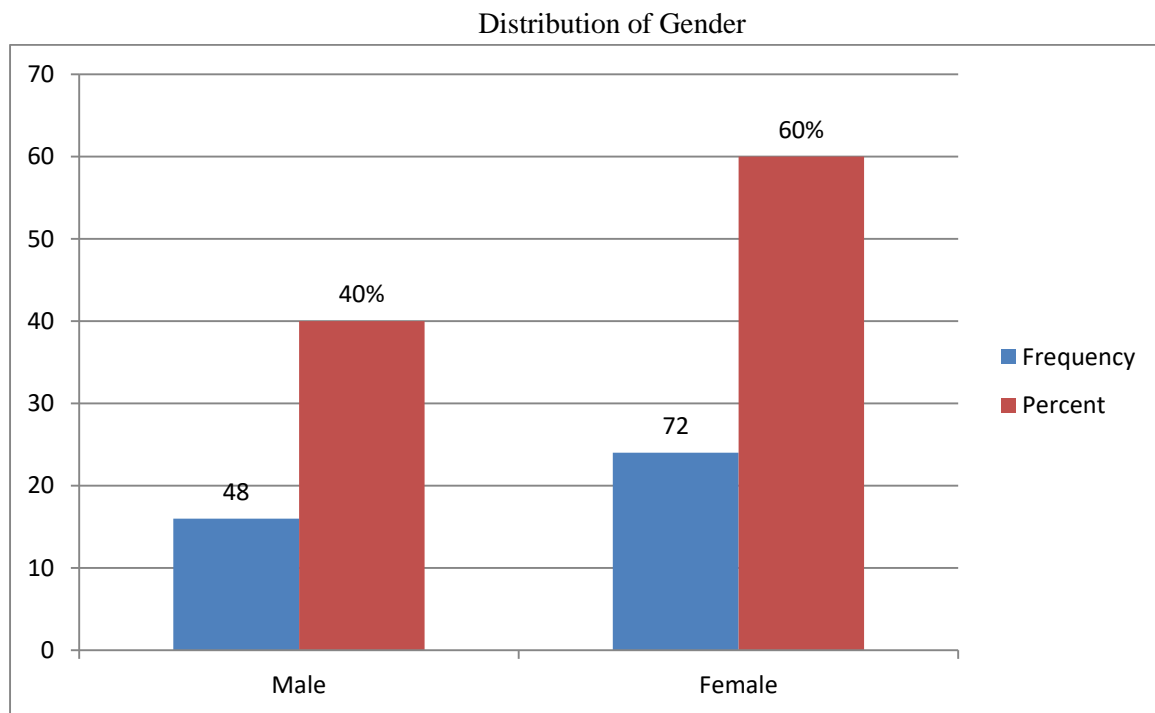


Figure 2: Distribution of Gender

The percentage of male and female respondents who completed the survey for this study is shown in **figure 2**. 40%, or 48 of the 120 respondents, were male and 60%, or 72 respondents, were female employees.

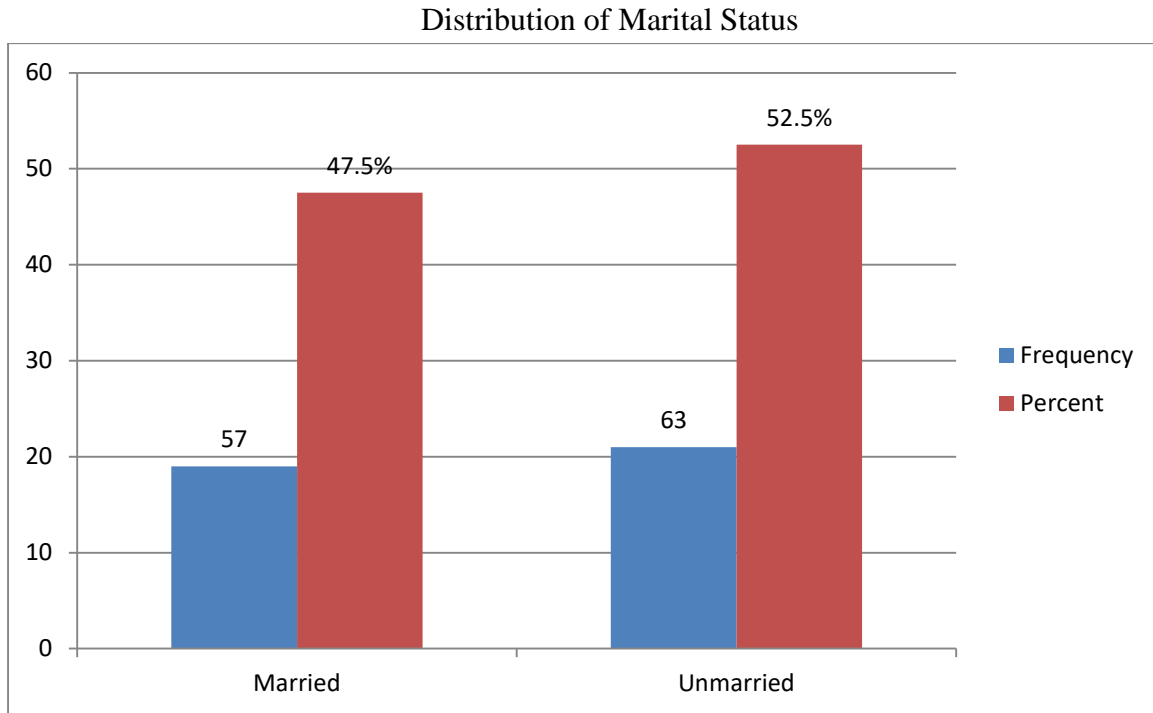


Figure 3: Distribution of Marital Status

Figure 3 shows that the majority of respondents, i.e., 63, or 52.5%, were unmarried, and 57 or 47.5% were married. This information relates to the marital status of the respondents.

*Table 1: Distribution of Age*

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 20 years	9	7.5	7.5	7.5
	21 to 25 years	48	40.0	40.0	47.5
	26 to 30 years	27	22.5	22.5	70.0
	31 to 35 years	24	20.0	20.0	90.0
	36 to 40 years	9	7.5	7.5	97.5
	above 40 years	3	2.5	2.5	100.0
	Total	120	100.0	100.0	

Source: Field Survey, 2023

Table 1 shows that the majority of respondents, or 40% (48), were between the ages of 21 and 25. The second-highest age group, or 22.5% (27) from the 26–30 age range, followed by 20% (24) from the 31–35 age range, 7.5% (9) from the 20–36 and 36–40 age ranges, and 2.5% (3) from the 40–and-over range, who made up the smallest response group.

*Table 2: Distribution of Years of Service*

<b>Years of service</b>		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 5 years	63	52.5	52.5	52.5
	5 to 10 years	24	20.0	20.0	72.5
	10 to 15 years	18	15.0	15	87.5
	20 and above	15	12.5	12.5	100.0
	Total	120	100.0	100.0	

Source: Field Survey, 2023

Findings of the study show that, 63(52.5%) had worked for below 5 years, 24(20.0%) had worked for 5-10 years, 18(15.0 %) 10-15 years and 15(12.5%) 20 and above years.

*Table 3: Distribution of Education*

<b>Education</b>		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	+2	30	25.0	25.0	25.0
	Bachelor's degree	51	42.5	42.5	67.5
	Master's degree	36	30.0	30.0	97.5
	PhD	3	2.5	2.5	100.0
	Total	120	100.0	100.0	

Source: Field Survey, 2023

The results of the survey indicate that, based on educational level of respondents, respondents have some appreciable level of education. The results show that 36(30.0%) of the respondents had their master's degree, 51(42.5%) had completed their bachelor's degree, and 30(25.0%) was at the +2 level.

### **Perceived organizational support**

Information on the respondents was displayed in the preceding section's tables. However, a descriptive analysis of each item of all variables along with the mean and standard deviation are shown in Table 4.

*Table 4: Descriptive Analysis*

		<b>Descriptive Statistics</b>				
	Statements	N	Minimum	Maximum	Mean	Std. Deviation
POS1	The organization shows very little concern for me.	120	1.00	5.00	3.1000	1.21529
POS2	The organization values my contribution to its well-being.	120	1.00	4.00	2.2750	.96044

POS3	The organization really cares about my well-being.	120	1.00	5.00	2.5750	.98417
POS4	The organization cares about my general satisfaction at work.	120	1.00	5.00	2.7368	1.03151
POS5	The organization takes pride in my accomplishments at work.	120	1.00	5.00	2.6500	.86380
POS6	The organization fails to appreciate any extra effort from me.	120	1.00	5.00	3.1000	.92819
POS7	The organization would ignore any complaint from me.	120	1.00	5.00	3.3250	.99711
	Valid N (list wise)	120				

Source: Field Survey, 2023

Table 4 shows the descriptive statistics of POS. The respondents were asked “The organization values my contribution to its well-being.” The result shows that mean is 2.2750 and 0.96044 standard deviation which means respondent agree with the given statement, shows that there is positive employees’ perception towards POS. While the statement "The organization would ignore any complaint from me." Mean is 3.3250 with standard deviation 0.9971 which means Respondent disagree with the given statement.

### **Relationship between dependent and independent Variables**

This part evaluates the correlation between the independent variables (gender, marital status, age, experience, and education) and the dependent variable, Perceived Organizational Support (POS).

### **H1: There is significant relationship between gender and POS.**

*Table 5: Correlation between Gender and POS*

<b>Correlations</b>			
		Gender	mean
Gender	Pearson Correlation	1	-.050
	Sig. (2-tailed)		.759
	N	120	120
Mean	Pearson Correlation	-.050	1
	Sig. (2-tailed)	.759	
	N	120	120

Source: Field Survey, 2023

It appears that the results from the correlation analysis indicate that there is no statistically significant relationship between gender and Perceived Organizational Support (POS) among bank employees. The p-value associated with this correlation is greater than 0.05, which suggests that any observed correlation between gender and POS could have occurred due to random chance rather than indicating a true relationship. As a result, it rejects the alternative hypothesis (H1), which stated that there is a significant relationship between gender and POS.



Instead, the findings support the null hypothesis (H0), which posits that there is no significant relationship between these two variables. Thus the data presented do not provide sufficient evidence to conclude that there is a meaningful connection between gender and the perception of organizational support among bank employees, based on the p-value exceeding 0.05.

**H2: There is significant relationship between marital status and POS.**

Table 6: Correlation between Marital Status and POS

<b>Correlations</b>			
		Marital status	mean
Marital status	Pearson Correlation	1	-.062
	Sig. (2-tailed)		.704
	N	120	120
Mean	Pearson Correlation	-.062	1
	Sig. (2-tailed)	.704	
	N	120	120

Source: Field Survey, 2023

It seems that the results from the correlation analysis in Table 6 indicate that there is no statistically significant relationship between marital status and Perceived Organizational Support (POS) among bank employees. The p-value associated with this correlation is greater than 0.05, which implies that any observed correlation between marital status and POS could have arisen due to random chance rather than indicating a true relationship. As a consequence, it rejects the alternative hypothesis (H2), which proposed that there is a significant relationship between marital status and POS. Instead, the results align with the null hypothesis (H0), suggesting that there is no meaningful connection between these two variables. Thus, based on the p-value exceeding 0.05, the data presented in Table 6 do not provide substantial evidence to support the idea that marital status has a significant impact on the perception of organizational support among bank employees.

**H3: There is significant relationship between age and POS.**

Table 7: Correlation between Age and POS

<b>Correlations</b>			
		Age	mean
Age	Pearson Correlation	1	.088
	Sig. (2-tailed)		.591
	N	120	120
Mean	Pearson Correlation	.088	1
	Sig. (2-tailed)	.591	
	N	120	120

Source: Field Survey, 2023

Given that the p-value is 0.591 (greater than 0.05), this suggests that there is no statistically significant relationship between age and POS among bank employees. This means that the observed correlation between age and POS could be due to random variation and not necessarily indicative of a meaningful connection. As a result, it rejects the alternative

hypothesis (H3), which suggested that there is a significant relationship between age and POS. Instead, the results align with the null hypothesis (H0), indicating that age does not significantly impact the perception of organizational support among bank employees. Thus, the data from Table 7 do not provide strong evidence to support the idea that age has a significant influence on the perception of organizational support among bank employees.

**H4: There is significant relationship between Years of Service and POS.**

*Table 8: Correlation between Years of Service and POS*

<b>Correlations</b>			
		Years of service	Mean
Years of service	Pearson Correlation	1	.123
	Sig. (2-tailed)		.462
	N	120	120
Mean	Pearson Correlation	.123	1
	Sig. (2-tailed)	.462	
	N	120	120

Source: Field Survey, 2023

With a p-value of 0.462 (greater than 0.05), the results suggest that there is no statistically significant relationship between years of service and POS among bank employees. This implies that any observed correlation between years of service and POS could be attributed to chance variability rather than indicating a meaningful relationship. As a result, it rejects the alternative hypothesis (H4), which proposed that there is a significant relationship between years of service and POS. Instead, the findings support the null hypothesis (H0), indicating that years of service do not significantly affect the perception of organizational support among bank employees. In summary, based on the provided p-value (0.462), the data from Table 8 do not offer substantial evidence to support the notion that years of service have a significant impact on the perception of organizational support among bank employees.

**H5: There is significant relationship between education and POS.**

*Table 9: Correlation between Education and POS*

<b>Correlations</b>			
		Education	Mean
Education	Pearson Correlation	1	.033
	Sig. (2-tailed)		.840
	N	120	120
Mean	Pearson Correlation	.033	1
	Sig. (2-tailed)	.840	
	N	120	120

Source: Field Survey, 2023

With a p-value of 0.840 (greater than 0.05), the findings suggest that there is no statistically significant relationship between education level and POS among bank employees. This indicates that the observed correlation between education and POS could be due to random variation rather than indicating a meaningful relationship. As a result, it rejects the alternative hypothesis (H5), which proposed that there is a significant relationship between education and POS. Instead, the results align with the null hypothesis (H0), indicating that education level does not significantly impact the perception of organizational support among bank employees. In summary, based on the provided p-value (0.840), the data from Table 9 do not provide substantial evidence to support the idea that education level has a significant influence on the perception of organizational support among bank employees.

The findings of the present study contradict with some of the previous studies. One study by Buchan et al. (2008) hints at the idea that women are more inclined to respond favorable treatment. This could imply that women might be more responsive to positive actions or support they receive in a workplace setting. Another study by Clark et al. (2017) suggests that men and women may react differently to supportiveness within the workplace, possibly indicating that gender plays a role in shaping how individuals perceive and respond to organizational support. On the other hand, a study by Kurtessis et al. (2017) introduces the idea of using gender and age as potential moderators in examining the relationships between POS and outcomes. Their findings indicate that while age might impact the strength of these relationships, gender does not seem to play a significant moderating role. This implies that age-related factors might influence how people respond to organizational support, while gender might not be as strong of a factor in this context.

## **Conclusion**

Regarding the objectives outlined for this study, it can be inferred that the staff members in the banks in Nepal. This analysis shows that staff members at Nepalese banks value POS. Perceived organizational support plays a vital role in shaping employee attitudes and behaviours in banks in Nepal. This research report highlights the importance of supportive leadership, attractive employee benefits, and work-life balance initiatives in fostering a positive perception of organizational support. Nepalese banks may improve cooperation, employee happiness, and overall organizational performance by encouraging and rewarding employee. The mean and standard deviation of the responses demonstrated the workers' favourable attitudes and awareness of POS in banks. It shows that they are aware of POS and consider it worthwhile. Additionally, marital status and gender show significant link with POS based on correlation research, but age, experience, and education show no significant relationships with POS. The study going by the strength of the results obtained from the analysis conclude that Perceived Organizational Support has a significant positive relationship with employee performance in the selected commercial banks.

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