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# When and why do social resources influence employee advocacy? The role of personal investment and perceived recognition



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## ABSTRACT

Integrating social exchange (SET) and conservation of resources (COR) theories, this research investigates whether employees' personal resource investment in commitment and effort, mediate the relationships between social resources (i.e., co-workers' and supervisors' support) and employee advocacy behaviors. In addition, whether such indirect effects are contingent on the boundary condition of perceived recognition. We test the model using data of employees of a large health insurance company in Australia. Structural equation modeling (SEM) results showed commitment and effort mediate the relationships between co-workers' and supervisors' support and advocacy. Moderated-mediation results showed that the indirect effect of commitment is stronger between co-workers' support and supervisors' support with advocacy, when perceived recognition is low. In contrast, the indirect effect of effort is stronger between co-workers' support and supervisors' support with advocacy when perceived recognition is high. Findings of this study advance theoretical development of employee advocacy behaviors, and help managers design supportive work environments.

### 1. Introduction

Employee advocates endorse the products or services of their firm to others such as friends, relatives and co-workers (Fullerton, 2011). The meaning of advocacy includes pleading, supporting and recommending (Seiling, 2008). The main duties (i.e., in-role behaviors) of salespeople focus on sales volume and effectiveness of the sale process (MacKenzie, Podsakoff, & Ahearne, 1998). While the focus on recommendations in advocacy can be seen as extra duties (i.e., extra-role behaviors) that promote the overall success of an organization (Bettencourt & Brown, 2003). Customer-contact employees who uphold the organization's image are ideal to engage in employee advocacy behaviors (Bettencourt, 2001). Research on customer-linkage in marketing and management increasingly highlights how internal features within the organization are tied to the external world of customers (Bowen & Schneider, 2013; Hong, Liao, Hu, & Jiang, 2013). Service-oriented practices and systems impact employees, organizations, and subsequently, customer performance outcomes (Jiang, Lepak, Hu, & Baer, 2012). Therefore, employee advocacy behaviors represent important behavioral repertoires that link the organization with external customers. Through positive external representation, employee advocacy behaviors build and strengthen the reputation of a brand

(Löhndorf & Diamantopoulos, 2014), create opportunities to increase sales (Morhart, Herzog, & Tomczak, 2011), and drive the effectiveness and performance of an organization (Lages, 2012). These positive outcomes suggest that organizations should capitalize on employee advocacy behaviors as a unique marketing strategy to enhance their competitive advantage.

Advocacy is part of a broader concept of organizational citizenship behavior (OCB) (Burmann, 2005) and represents word-of-mouth communication of giving favorable recommendations (Fullerton, 2011). Employees who recommend the benefits of goods, services, and organizations in an external environment or social context, (i.e., within circles of friends, family, or acquaintances), act as advocates without being directly called on or paid to do so (Bettencourt & Brown, 2003). While there are social and economic benefits for organizations to encourage employee advocacy behaviors, such behaviors are voluntary in nature, fall outside an employees' formal role requirements and can be hard to motivate. Subsequently, organizations that seek to promote employee advocacy behaviors need to have a strong understanding of key drivers, underlying mechanisms, and boundary conditions that are conducive for such OCBs.

To date, studies on employee advocacy behaviors focus on exploring key organizational factors, and overlook the importance of examining

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potential mechanisms and boundary conditions that facilitate employee advocacy behaviors (e.g., Seiling, 2008; Wallace & de Chernatony, 2009). Specifically, the extant research has yet to investigate why and how employees' investment of resources serves as an important psychological inducement of employee advocacy behaviors. Therefore, the present study contributes to the literature by integrating social exchange theory (SET) and conservation of resources theory (COR) to investigate the underlying mechanisms of employee advocacy behaviors. The first aim of this study is to examine the indirect effect of social resources (i.e., co-workers' and supervisors' support) on employee advocacy behaviors through their investment of personal resources —namely, employees' commitment and effort.

Apart from exploring these important underlying mechanisms, the second aim of this study is to explore the boundary conditions that can influence the relationships between commitment, effort, and employee advocacy behaviors. Some boundary conditions that affect employee performance include organizational rewards (e.g., recognition, praise). A few studies, however, reported inconsistent results about the use of contingent rewards on work behaviors (Rosa, Qualls, & Fuentes, 2008; Verbeke, Bagozzi, & Belschak, 2016). Unlike formal job responsibilities, employee advocacy behaviors are typically informal. Thus, the present research seeks to examine how perceived recognition acts as a boundary condition that alters the mediating effects of commitment and effort on employee advocacy behaviors.

Finally, the third aim of this study is to provide managers with new insights to recognize the importance of distinct social agents (employees) that can deliver internal social support resources to increase employee advocacy behaviors. Furthermore, managers can also more effectively motivate employees' personal investment of resources by employing different tactics of perceived recognition to facilitate employee advocacy behaviors.

The remainder of this article proceeds as follows. First, the article integrates two relevant theories (i.e., social exchange and conservation of resources) as the foundations for the conceptual framework (Fig. 1). Second, it outlines the model and hypotheses development. Third, the article presents details of the research methodology and analysis, followed by the results. A discussion of managerial implications and future research concludes.

### 2. Theoretical development

The proposed model draws from two key theories: social exchange theory (SET) and conservation of resources theory (COR). SET focuses on the relational interdependence that develops over time through the interactions of exchange partners (Blau, 1964). Social exchange relationships can exist between co-workers, supervisors, and other employees (Bishop, Scott, Goldsby, & Cropanzano, 2005). A mutual and complimentary exchange occurs when one party's action is contingent on the other. Interaction of individuals reflects an exchange of

resources that can be both tangible (e.g., money) and intangible (e.g., social relations) with economic or social outcomes implications (Lambe, Wittmann, & Spekman, 2001). Individuals may reap rewards on the basis of new or existing associations (Lambe et al., 2001). However, exchange relationships can incur costs, as parties have to invest resources in the social exchange process.

Central to SET is a tradeoff of effort and loyalty in exchange for certain benefits (Daan van & Ed, 2006). Resource exchange can be concrete or symbolic (Bishop et al., 2005). The exchange relationship motivates employees to engage in attitudes or behaviors that benefit the target (Tse, Huang, & Lam, 2013). For instance, Konovsky and Pugh (1994) suggest that high quality supervisor-subordinate relational exchanges characterized by socio-emotional elements, drive employees to act beyond transactional contracts. Based on this key premise, we propose that when co-workers and supervisors offer social support to employees, such that employees perceive these parties as supportive and helpful, they would reciprocate to the exchange. Furthermore, strong interpersonal exchanges can alter and further strengthen a relationship (Cropanzano & Mitchell, 2005), and we therefore argue, that due to social support, employees will engage in relational behaviors within the exchange process which benefits the organization in the form of employee advocacy behaviors. This also suggests that SET underlies why employees will go beyond the requirements of their job by engaging in other-directed behaviors (i.e., employee advocacy behaviors). Employees seek to reciprocate the positive resource exchanges of social support that represents a manifestation of distribution of resources by social agents of their organization (Cropanzano & Mitchell, 2005).

In addition, the reciprocity exchange condition of SET appears complementary to the resource investment condition that is central to conservation of resource theory (COR) (e.g., Ng & Feldman, 2012). COR theory expands our understanding of resource exchanges with individuals' personal investment of resources (e.g., time, emotional energy, and physical energy; Hobfoll, 1989). Such theory also emphasizes that resource investment represents a valuable means to attain or protect other resources. According to COR, individuals are strategic in determining resource investment - to either protect current resources or acquire new resources (Hobfoll, 1989). In the current research context, social support represents social resources that serve instrumental and self-defining functions (Hobfoll, Freedy, Lane, & Geller, 1990). In return, employees will invest personal resources to protect against social resource loss (Halbesleben, Neveu, Paustian-Underdahl, & Westman, 2014), to the extent they also expect a payoff from their investments. On this basis, we expect that employees may intensify their personal resource investment of effort and commitment to protect their social resources. Since certain resources such as social support are more volatile and susceptible to degradation (Ten Brummelhuis & Bakker, 2012), this suggests that employee advocacy behaviors represent a further investment in resources targeted at the beneficiary of the

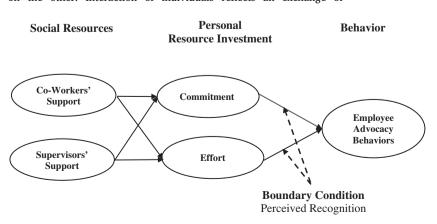


Fig. 1. Conceptual model of employee advocacy behaviors.

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