

How Social Exchange affects Employees' Thriving at Work

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Abstract

Thriving at work was fit for employees as a subjective measure to gauge whether they were on a positive developmental path. This study focus on how social exchange influence employees' thriving at work based on the socially embedded model that contextual factors enhance thriving at work, and introduces Leader-member exchange and Perceived Organizational Support, which are the main factors of social exchange, to build the model that Leader-member exchange influenced employees' thriving at work through the multiple mediating role of perceived organizational support in Chinese context to further analysis of the mechanism how social exchange impact on Employees' Thriving at Work. Through the data of 380 employees, the structural equation model was established, and the data were tested by AMOS. The results shows that Leader-member exchange has a significant positive impact on employees' thriving at work, and the mediating effect of perceived organizational support further strengthens this effect, which confirmed that social exchange has a significant positive impact on employees' thriving at work and provide an empirical support to the socially embedded model indirectly.

Keywords: thriving at work; social exchange; leader-member exchange; perceived organizational support

Introduction

With the increasing competition of the organization environment, it is very easy for employees to feel the loss of vitality and stop learning during their work, and may even trigger a series of problems such as absenteeism, burnout and loss. Therefore, how to make employees more subjectively feel vitality and continuous learning and then thriving at work, will be the key to the organization to gain a competitive advantage. Concerned about employees' thriving at work is not only because which can measure the employee's progress and degree of development subjectively, and have a strong and direct positive impact on their performance and behavior, but also because that can be changed and managed as personality state attributes, and which enables leaders and organizations can use contextual factors like establishing appropriate exchange relationships with their employees to create a higher level of employees' thriving.

However, as a new positive organizational behavior construct, the research on employees' thriving at work in China has not yet been carried out in depth. Moreover, the current characteristics of employees no longer valued only with material or money based economy exchange, but rather on social exchange in order to improve their state, including trust and support, long-term win-win with their leader and organization, which makes the relationship between the employees and their leader and organization is very different compared with before.

Therefore, this study focus on the relationship between social exchange and Employees' Thriving at Work based on the theory that contextual factors enhance thriving at work in the socially embedded model developed by Spreitzer et al. (2005) since Social Exchange was a very important contextual factor, and introduces Leader-member exchange (LMX) and perceived organizational support (POS), which are the main factors of social exchange, to further analysis of the mechanism how social exchange impact on Employees' Thriving at Work by a conceptual model for how Leader-member exchange influenced employees' thriving at work through the multiple mediating role of perceived organizational support in Chinese context.

Through the data of 380 employees, the structural equation model was established, and the data were tested by AMOS. The results show that Leader-member exchange has a direct positive impact on employees' thriving at work, and perceived organizational support plays a mediating role. Which means social exchange can positively impact on employees' thriving at work and provide an empirical support to the socially embedded model indirectly.

The findings of this study hope to provide some reference for researchers, and promote the development of employees' work prosperity, and further enhance the vitality of employees and the prosperity of learning work.

Literature Review

Thriving at work

With the Positive Psychology of Seligman and the active development of Positive Organizational Scholarship on this basis, how to improve employee psychology state effectively is not only the practical problem that the entrepreneur and the human resource expert pay attention to, but also becomes the research hotspot which the psychologist and the management researchers pay attention to.

Spreitzer et al. (2005) described the concept of thriving at work as the joint experience of a sense of vitality and learning through a large number of qualitative research and cross-cutting literature analysis on the research of positive organizational Scholarship. Vitality can be seen as reflecting the affective and means energize and alive, and learning reflecting the cognitive and means growing and getting better. They are both subjectively experience and can used to measure the extent to which employees are growing and developing in a positive direction.

Therefore, the proposed of the concept of thriving at work providing a new detection tool to measure employees' self-growth and progress, not only for employees themselves, but also for the organization. Moreover, thriving at work includes both two aspects of vitality and learning, and emphasizes that these two aspects must exist at the same time. Only when the employee is experiencing the vitality and learning at the same time, the employee is thriving at work. If only one, does not meet the prosperous standard, if neither is experienced, the employee is languishing at work.

The research of thriving at work has become a new hotspot in the field of organizational behavior, which has promoted the development and integration of positive psychology, positive organization behavior and positive organization scholarship. Such as Luthans et al. (2014), the founder of positive organization behavior, conducted an empirical study of the relationship between psychological capital and thriving at work. On this basis, domestic scholars have begun to introduce the concept of thriving at work into China, but the overall research is still in the initial stage.

The employees who thriving at work will significantly improve their positive performance in organizational citizenship behavior, organizational contract, job performance, job satisfaction and organizational loyalty, and decrease in the negative aspects of job burnout rate and absenteeism rate. Therefore, to enhance employees' thriving at work, not only can effectively enhance their positive behavior performance, but also reduce their negative behavior performance.

Leadership-Member Exchange and Thriving at Work

The relationship between leader and employees has always been the focus of organizational behavior research. However, traditional leadership theory focused on the leader itself or its behavior before leadership-member exchange, the relationship between leadership and staff has not been in-depth study. Graen and Dansereau et al. (1972) defined Leader-member exchange as leaders and employees establish the binary relationship in the emotional and voluntary based on social exchange theory and the role theory, have led the research focus from the simple leadership behavior to the leaders and employee interaction. As one of the most important research advances in leadership theory over the past 40 years, Leader-member exchange analysis the relationship between leaders and employees in a dynamic and personality style instead of average leadership style. Therefore, it becomes an important social exchange relationship in the organization research, and become more and more important in the era when organizational flattening and staff self-awareness leads to leader's resources and energies become more limited. Based on Leader-member exchange, the leaders will establish different relationship with employees according to the employees' ability, trust, sense of responsibility and their own similarity in four aspects of affect, contribution, Loyalty and professional respect because of the limited time and energy, and form in-group member and out-group member. This in and out group member phenomenon has been widely confirmed by empirical research in the real organization. The influence of Leader-member exchange on employees' thriving at work is mainly embodied in in-group member relationship, which makes the social exchange between leader and employees more close and frequent, and then improve their psychological state of cognition, emotion and behavior. Specifically, Affect is the core power of Leader-member exchange, which means leader and employees build a strong emotional relationship and can have a direct and strong impact on employees' thriving at work, especially the vitality which also belongs to affect category.

Contribution makes both sides work more efficiency and performance, so that employees feel the learning and vitality. Loyalty which brings trust and support will deepen the relationship between the two sides, and thus make employees more vitality. Professional respect allows employees to have professional recognition of leadership, and then from the leadership of the more professional learning and progress. Therefore, we have our first hypothesis of the study: Hypothesis 1: Leader-member exchange will be positively related with employees' thriving at work.

Mediating Role of Perceived Organizational Support

Organization is another object of social exchange of employees besides Leader-member exchange. The relationship between the organization and the staff has always been the focus of the field of organizational behavior research, and it became more and more important because the New-generation staff have been the backbone of the organization who emphasis on self-perception and hope for a different mutual exchange. One of the main manifestations is that the traditional employees are required to show loyalty and contribution to the organization in before, but now the New-generation staff began to ask the Organization to show its attention and support. Therefore, the perceived organizational support is becoming an important factor that affects employee's working state.

Perceived organizational support is a concept developed after the integration of social exchange theory and norm of reciprocity. Eisenberger and Huntington (1986) define perceived organizational support as a holistic perception whether the organization shows the full support for employees through the degree the organization pay attention to their contributions as well as concern about their emotional needs. perceived organizational support emphasizes the organization needs to make commitments to employees, and let employees feel the organization's concern and support, which caught the wide attention and not only to make up the theory blank in the research of traditional organizational behavior, but also change the relation between the employees and the organization of the stereotype.

Under different circumstances, the content of employees' perceived organizational support has some differences. Chinese scholars have made great achievements in the research on perceived organizational support based on China's national conditions. Lingwen-quan (2006) suggest that perceived organizational support includes profit concern, value identification and work support three aspects based on ERG needs theory, and represents the need of three levels of existence, relatedness and growth from low to high respectively.

The mediating effect of perceived organizational support is mainly reflected in its overall impact on the relationship between leaders and employees. As concepts of social exchange, the relationship between Leader-member exchange and perceived organizational support, specifically Leader-member exchange positively impact on perceived organizational support, has gained a lot of empirical research. Especially in Chinese context the leader was look on as the deputy of the organization, so the better relationship between leader and employees, the better exchange between organization and employees. Specifically, the better exchange of the four aspects of affect, contribution, Loyalty and professional respect of Leader-member exchange in addition to make employees feel more value identification, and can give some practical interest and then make them fell more profit concern and work support, which improve more perceived organizational support overall. So we derive our second hypothesis.

Hypothesis 2: Leader-member exchange will be positively related with perceived organizational support.

The relationship between perceived organizational support and thriving at work can be reflected in its state attribute. As a kind of positive psychological state, thriving at work has been influenced by external situations. Perceived organizational support as an important situational factor, is bound to have an important impact on employee's thriving at work. Specifically, the three aspects of profit concern, value identification and work support of perceived organizational support can motivate employees more vitality, and achieve better learning effect, which makes employees in a better development and progress and thriving at work. So we derive the third hypothesis.

Hypothesis 3: Perceived organizational support will be positively associated with employees' thriving at work.

In general, Leader-member exchange not only can make employees have more perceived organizational support, but also improve employees' thriving at work through the mediating role of perceived organizational support. Therefore, we have our forth hypothesis of the study: Hypothesis 4: Perceived organizational support will mediate the relationship between Leader-member exchange and thriving at work.

Sample and Procedure

And then, 100 questionnaires were distributed for small sample pre-survey, A total of 96 questionnaires were collected and 89 valid questionnaires were validated. The effective questionnaires were 89.0%. In the recovery questionnaire, the SPSS21 software was used to select and test the items by using the total correlation coefficient (CITC), reliability analysis and exploratory factor analysis (EFA) of the correction clause. The results showed that the reliability and validity of the scale met the analysis criteria, and the Cronbach's alpha coefficients of the three scales of Leader-member exchange, perceived organizational support and thriving at work were 0.896, 0.877 and 0.842, respectively. In the formal research, this study distributed 500 paper form questionnaires through the enterprise internal training, expand training, management consulting and in-service students and other channels, which allowed us to survey employees in a wide cross section of companies and industries to meet the socially embedded model of thriving of work and the social environments of social exchange. And we received 458 copies and finally have a total of 380 valid questionnaires after deleted the invalid ones, the effective rate of 76.0%.

The total sample (N = 380) was drawn from 8 companies and 7 industries. The majority of the sample, about 56.9%, was female, and had an average age of 32.33 years. In terms of education, 25.6% of them had a high school diploma or below, 47.6% of them had some college education, 24.5% of them had a bachelor's degree, 2.4% of them had a master's or above degree. With regard to work experience, 39.6% of them had below 3 year, 25.6% of them had 3-5 year, 10.0% of them had 3-10 year, 5.4% of them had above 10 year. In terms of function, 65.8% of the sample indicated staff, 26.1% indicated management, and 8.1% indicated specialist.

Measure

The thriving at work scale developed by Porath, Spreitzer (2012) through the participation of young students and MBAs with a high degree of consistency. We need to assess the original items in the Chinese context since they were developed in the US context. And we have a two-way translation of the scale, then communicated with the experts and scholars in the field of organizational behavior, and finally discussed with the managers and employees in the enterprise. Through these methods to ensure that the scale conforms to the domestic management situation. The scale consisted of 10 items measuring vitality and learning, and setting up a reverse question respectively, and has a good reliability and validity in this study. The Cronbach's alphas for vitality and learning were 0.736 and 0.757 respectively, and overall thriving at work were 0.831, and KMO were 0.910.

The measures of social exchange of Leader-member exchange and perceived organizational support we use directly in this study because which have been previously validated in published research and all changed or developed in the Chinese context by Chinese scholars.

The Leader-member exchange scale developed by Liden and Maslyn et al. (1998) and changed by Wang Hui, Niu Xiongying (2004) based on the domestic situation. The scale consisted of affect, contribution, loyalty and professional respect, and each dimension have four items, which has a good reliability and validity in this study. The Cronbach's alphas for affect, contribution, loyalty and professional respect were 0.884, 0.834, 0.812 and 0.905 respectively, and overall Leader-member exchange were 0.917, and KMO were 0.909. The perceived organizational support scale developed by Ling Wenquan (2006) in the Chinese context based on ERG needs theory. The scale consisted of 24 items measuring profit concern, value identification and work support, and has a good reliability and validity in this study. The Cronbach's alphas for profit concern, value identification and work support were 0.898, 0.848 and 0.727 respectively, and overall perceived organizational support were 0.929, and KMO were 0.831. These results demonstrated that the Leader-member exchange, perceived organizational support and thriving at work was reliable in this study, and all three scales In this study used the Likert 5 scale, and from "1" to "5" means "very disagree", "disagree", "general", "Agree" and "very agree".

Table 1 results of reliability and EFA for validity

Construct		Cronbach's α		KMO
LMX	affect	.884	.917	.910
	contribution	.834		
	loyalty	.812		
	professional respect	.905		
POS	profit concern	.898	.929	.909
	value identification	.848		
	work support	.727		
Thriving at work	vitality	.736	.831	.811
	learning	.757		

Data Analysis

Validity

This study use confirmatory factor analyses (CFA) to examine the structural and discriminant validity of the three measured constructs with AMOS17 prior to hypothesis testing. Theoretically, χ^2/df should be smaller than 3.0, and GFI, AGFI, CFI, NFI and TLI should be larger than 0.9, while RMSEA and SRMR should be smaller than 0.08 and 0.05 respectively. As table 2 shows that CFA results fit the data well, which means Leader-member exchange, perceived organizational support and thriving at work fitting the theoretical expectation and had a good structural validity.

Table 2 results of confirmatory factor analyses

variables	χ^2/df	GFI	AGFI	CFI	NFI	TLI	RMSEA	SRMR
Leader-member exchange	2.231	.938	.911	.968	.945	.961	.058	.0385
POS	2.802	.928	.898	.938	.907	.923	.067	.0427
TW	2.402	.976	.937	.975	.966	.953	.061	.0412

Note: N=380

To examine the discriminant validity, the study tested the three-factor of Leader-member exchange, perceived organizational support and thriving at work, and compared with the one-factor model and two-factor model which are combines two variables.

As table 3 shows, the three-factor model fit the data much better than the one-factor model and two-factor model, and which means that it Leader-member exchange, perceived Organizational support and thriving at work was separate constructs and had a good discriminant validity.

Table3 Comparison of alternative measurement models

MODEL	factor	χ^2/df	GFI	AGFI	CFI	NFI	TLI	RMSEA	SRMR
three-factor model	LMX, POS, TW	2.174	.951	.915	.956	.937	.939	.047	.0408
two-factor model1	LMX+POS, TW	3.127	.868	.832	.888	.844	.871	.076	.0585
two-factor model2	LMX, POS+TW	3.268	.862	.828	.879	.835	.863	.078	.0599
one-factor model	LMX+POS+TW	4.158	.823	.780	.830	.789	.809	.092	.0670

Note: N=380, LMX means Leader-member exchange, POS means Perceived Organizational Support, TW means Thriving at Work. + means combined two variables.

Common method variance

Although the questionnaire has the reverse topic, the design random distribution, and in the investigation using anonymous fill, common method variance may still be a factor in our study because the data used by the employees to fill their own way at the same point in time.

In order to assess the degree to which our data are subject to common method variance, the Harman single factor test which has been the most widely used for this purpose is used to analyze the degree of the influence of the common method deviation by single factor analysis of all the questionnaires. We loaded all of the items from employees onto one factor in an exploratory factor analysis and examined if one factor accounts for the majority of the covariance.

By analyzing the results, we can see that in the interpretation of 62.648% of the variation of the eigenvalues greater than 1 of the 9 main components. The single component explained 30.811% of the variation, accounted for less than 50%, and did not reach the majority impact of the covariance of our measures. Thus, common method variance does not have a significant influence in the study.

Descriptive statistics and correlations

Table 4 provides the results of descriptive statistics of three study variable and controlled variables.rom the analysis results, in addition to academic qualifications with Leader-member exchange ($r = 0.177, p < .01$) and perceived organizational support ($r = 0.133, p < .05$) are significant, other controlled variables have no significant impact on the study of construction. Therefore, the effects of controlled variables are no longer taken into account in the construction of mediator effect models.

The correlations of the three study variables indicated that Leader-member exchange was significantly and positively related to perceived organizational support ($r = 0.613, p < 0.01$) and thriving at work ($r = 0.538, p < 0.01$), and perceived organizational support also significantly and positively related to thriving at work ($r = 0.616, p < 0.01$). The results provide initial support for the study hypotheses and consistent with the H1, H2 and H3 respectively.

Table 4 Descriptive statistics and correlations

	1	2	3	4	5	6	7	8
1. Gender	1							
2. Age	.011	1						
3. Education	-.161**	-.077	1					
4. Work Experience	.044	.760**	-.082	1				
5. Function	-.141**	.102	.225**	.154**	1			
6. LMX	-.055	.084	.177**	.070	.050	1		
7. POS	-.098	.022	.133*	.030	.137**	.613**	1	
8. TW	-.047	-.030	.096	-.011	.024	.538**	.616**	1

Note: The correlations and internal reliabilities (Cronbach's α s) are based on $N = 380$ groups. Scale reliabilities appear on the diagonal in parentheses. LMX means Leader-member exchange, POS means Perceived Organizational Support, TW means Thriving at Work.

* $p < 0.05$ (two-tailed test); ** $p < 0.01$ (two-tailed test).

Results

Because Structural equation modeling (SEM) is recommended as a widely recognized method to test hypotheses with latent, so the study use SEM and follow causal steps approach by Baron and Kenny (1986) to examine mediation hypotheses by using AMOS 17.0 software.

Firstly, we tested the relationship between predictor Leader-member exchange and the dependent variable thriving at work, and the data shows that Leader-member exchange significantly relates to thriving at work ($\beta = 0.55, p < 0.001$), and fitting data were $\chi^2/df = 2.839, GFI = 0.985, AGFI = 0.949, NFI = 0.976, CFI = 0.984, IFI = 0.984, TLI = 0.960, RMSEA = 0.070, SRMR = 0.234$. Therefore, Hypothesis 1 was supported.

Secondly, we added the mediator in to the SEM and tested the relationship between predictor Leader-member exchange and the mediator perceived organizational support. The data shows that Leader-member exchange significantly relates to perceived organizational support ($\beta = 0.51, p < 0.001$), and fitting data were $\chi^2/df = 2.582, GFI = 0.968, AGFI = 0.934, NFI = 0.951, CFI = 0.969, IFI = 0.969, TLI = 0.949, RMSEA = 0.065, SRMR = 0.365$. Therefore, Hypothesis 2 was supported.

Thirdly, we tested the relationship between the mediator perceived organizational support and the dependent variable thriving at work, and tested the relationship between Leader-member exchange and thriving at work once again with the addition of the mediator. The data shows that perceived organizational support significantly relates to thriving at work ($\beta = 0.45, p < 0.001$), and the relationship between Leader-member exchange and thriving at work apparently weakens. Therefore, Hypothesis 3 and 4 was supported, and perceived organizational support partially mediated the relationship between Leader-member exchange and thriving at work.

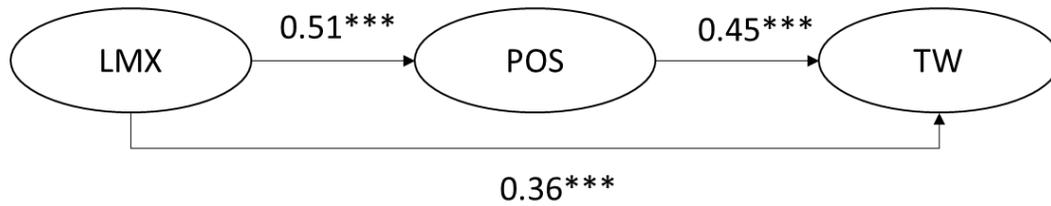


Figure 1. The results of the structural equation modeling. * $p < .05$, ** $p < .01$, * $p < .001$**

Discussion

This study focus on how social exchange influence employees' thriving at work which demonstrated by Leader-member exchange directly impact on employees' thriving at work and through the mediating role of perceived organizational support in China based on the socially embedded model of thriving at work. The results confirmed that social exchange has a significant positive impact on employees' thriving at work and contributed to a better research of social exchange and thriving at work. Specifically, Leader-member exchange has a significant positive impact on employees' thriving at work, and the mediating effect of perceived organizational support further strengthens this effect.

Theoretically, this study provides empirical support to the theory that contextual factors enhance thriving at work in the socially embedded model based on the relationship between social exchange and Employees' Thriving at Work. Furthermore, this study from the angle of social exchange demonstrates the mechanism of Leader-member exchange and perceived organizational support to Thriving at Work, and gives new research ideas for the research on the employees' thriving at work in Chinese management situations.

In practice, this study provides suggestions for the effective promotion of Employees' Thriving at Work from two aspects of Leader-member exchange and perceived organizational support. If organization want to let its employees Thriving at Work, the leader needs to strengthen the relationship with employees and try to make them become In-Group member, and the organization needs to make employees feel more support.

Although this research has obtained some achievements, but obviously also has the limitation, mainly from the data structure view, this research data is the cross-sectional data which the staff self-evaluation, therefore to a certain extent is affected by the common method deviation, moreover in the longitudinal research aspect has the insufficiency.

In the follow-up study, the following aspects can be discussed in depth. First of all, from the perspective of social exchange, this study chooses the exchange of leading members and the sense of organizational support for the social exchange between the representative and the leadership and the organization as the influential factors of the work flourish, but what are the social exchange relations factors in the work that can influence the prosperity of the employees? What are their conduction mechanisms? How big is the effect? And secondly, thriving at work is the subjective experience, but this research mainly focuses on the influence of the external relations on the prosperity, while the staff is very stressed the self-awareness of the group. So what are the factors that affect your job's prosperity? How does their relationship with the outside world work together? These aspects, all need to be in the follow-up research, carries on the further excavation and the hint.

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