

The Managers' Perception on Corporate Real Estate and Sense of Belonging on Corporate Real Estate Asset Management

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Abstract

The aim of corporate real estate asset management (CREAM) as a distinct function is to enhance the value of real estate assets of the core business and elevate the Corporate Real Estate (CRE) as a strategic function of a business. However, as the discipline is still at an emerging stage in the Sri Lankan context, it is evident that corporate management does not support the strategic approach of corporate real estate of a business. This is mainly due to the managers' perception where they recognized CRE as a non-functional area of the business. This leads to ineffective and inefficient practices of CREAM in an organizational setting. Nevertheless, changes in the business environment and increasing demands for greater performance are forcing organizations to review its strategic approach of non-core operational resources; especially on effectiveness and efficiency of supporting activities/resources, such as real estate and facilities management. Therefore, analysis of managers' perception on the sense of belonging of non-core operational resources in a strategic management context is very important. The

conceptualization of relationship between perception and sense of belonging on CREAM is confirmed based on the social exchange theory and psychological theory. On the other hand, the same theoretical model argued that the manager's involvement on promoting and supporting of CREAM could mediate this relationship. In this context, the study aims to investigate the mediation effect of the managers' involvement on promoting and supporting of a CREAM, on their perception of CREAM and sense of belonging to CREAM. A questionnaire survey was administrated within the National Water Supply and Drainage Board, Sri Lanka who owns a significant level of CRE. Partial Least Squares-Structural Equation Modeling (PLS-SEM) was applied to the resultant 129 sample respondents. The results revealed that managers' involvement on promoting and supporting of CREAM mediates managers' perception and sense of belonging of CREAM. Thus, the study recommended operational steps to increase managers' involvement on promoting and supporting of CREAM at the strategic level decision making and accommodation of their ideas at CREAM decision making. This support to create positive impact on managers' perception of CREAM to sense of belonging of CREAM of an organization.

Keyword: *Corporate Real Estate Asset Management, Perception, Sense of belonging, Involvement and Mediation*

Introduction

The Corporate Real Estate (CRE) refers to real estate portfolio of non-real estate organization which employee or use real estate as a functional resource to facilitate its business activities. Joroff et al. (1993) termed Corporate Real Estate (CRE) as the 'fifth resource' after the traditional resources of people, technology, information, and capital. Thus, CRE identified as a strategic resource for an organization like any other resource, such as finance, human resources, and information technology. CRE is a source for creating

revenue, reduce costs, mitigate risk, build up a corporate image, and also create more value for a business if it is strategically utilized and well managed (Kenley et al., 2000). The main objective of Corporate Real Estate Asset Management (CREAM) is to improve the performance of the organization by aligning the corporate real estate strategy (CRE) with the organizational strategy. The linkage between overall corporate strategy and real estate strategy has been investigated by many authors including Nourse (1986).

The CREAM is the process of effectively and efficiently planning, organizing, leading and controlling, the effort of real estate in a context of dynamic business environment to achieve stated objective of the organization. It is a process of aligning CRE portfolio (both operational and investment) of the organization with corporate strategy and the needs of the core business. Top management perception of real estate represents one of the most interesting areas for researchers (Avis, Gibson and Watts, 1989; Veale, 1989; and Teoh, 1992). The senior corporate executives play an important role in promoting CREAM and in inspiring the corporation as a whole to be more responsible towards the asset. (Gale and Case, 1989; Teoh, 1993). Even though, CRE is constantly striving for a place at the strategic management level to highlight its importance; CREAM continues to be misunderstood and ignored by senior management in the business organization, citing that they are not in a real estate business. As such, it is managed passively, even though, benefits of the CRE discussed (Kaluthanthri, 2009). On the other hand, many corporate real estate executives still do not support a corporate real estate strategy and not necessarily identified the impact of CRE decision making for the betterment of the value of the organization. This is mainly due to the perception of organizational managers where it perceived as a cost center of the organization. This leads constantly to neglect the role of CRE by the majority of corporations throughout the world and was treated CRE as a tool of production and

not as a strategic resource. This makes poor involvement of managers' on CRE decision making.

Managers' perception on CRE has been reviewed by numerous researchers including Veale (1989), Hurtt (1988), Gale and Case (1989), and Teoh (1992), and identified as a crucial prerequisite to developing a high level of performance in respect of corporate real estate management. The early US studies took into consideration the effect of management attitudes on whether or not CRE assets were being managed. Based on the findings in the Zeckhauser and Silverman (1983) study, a challenge was issued to directors and senior management to change their attitudes and start managing their real estate for profit (and not look at it merely as a necessary overhead cost), also to know the fair market value of this significant asset and utilize real estate information to aid their understanding. However, a study of Kenley et al. (2000), found that there had been a major shift in management's attitude towards CRE and confirmed that managers in the Australian organization, no longer viewed CRE as a passive cost of production but believed that it is a significant resource which has an ability of a business to deliver its business aims. As a result, CREAM faces challenges in conveying ideas and demonstrating value for the benefit of organizations and establishing its position in the organization. In order to tackle this situation, it is suggested that executives must play their roles in promoting CREAM within an organization and in inspiring the corporation as a whole to be more responsible towards the asset. Thereby understand what constitutes an added value of CRE, particularly in understanding the potential of CREAM to improve the performance of the organization as a basis of application of CREAM. In this context, it is revealed that the perception of a manager on CRE is an important contributor to the manager's sense of belonging to CRE of an organization. In other words, the argument portrait that managers' interpretation of sensory information to represent and understand the presented information

about CRE contributed to a sense of loyalty on CRE and CREAM of an organization. Thus, the perception of CRE leads to a sense of belonging where the manager ignores his or her purpose and interest in CRE and focuses on the CREAM requirements of the organization.

However, in the context of Social Exchange Theory (Homans, 1958), it is revealed that the involvement of the manager on decision making on resource creates an impact on the sense of belonging of the given resource. In other words, managers who involved with the decision making of resources become loyal to resources even though they hold negative perceptions about the resource. This argument confirmed that the perception of manager toward involvement in promoting and supporting the management of CRE is significant as it is influenced by their evaluations of the actual and perceived outcomes of CREAM which provides to the organization. Therefore, the aim of this study is to investigate the mediation effect of the managers' involvement on promoting and supporting of CREAM, on their perception of CREAM and sense of belonging to CREAM.

Literature Review

Perception on CRE

Perception: “a complex process by which people select, organize, and interpret sensory stimulation into a meaningful and coherent picture of the world (Berelson and Steiner 1964). In the same vein, perception is “about receiving, selecting, acquiring, transforming and organizing the information supplied by our senses” (Vithessonthi 2005). The research on perceptions can be traced back to influential works on the constructive nature of cognition, which argues that schematic thinking dominates human perception in ways that human generic beliefs about the world influence and shape information processes. Therefore, perception can be explained as a process by which organisms interpret and organize sensation to produce a meaningful experience of the world (Pickens 2005). Person interprets

the stimuli into something meaningful to him or her based on prior experiences. However, what an individual interprets or perceives may be substantially different from reality. The perception process follows four stages: stimulation, registration, organization, and interpretation. A person's awareness and acceptance of the stimuli play an important role in the perception process. Receptiveness to the stimuli is highly selective and may be limited by a person's existing beliefs, attitude, motivation, and personality (Assael, 1995). Individuals will select the stimuli that satisfy their immediate needs (perceptual vigilance) and may disregard stimuli that may cause psychological anxiety (perceptual defense) (Pickens, 2005).

When forming overall impression of something, person often confronted with a variety of information about its characteristics, traits, and behavior. The empirical studies on person perception revealed that an impression does not reflect all attributes to the same context but tends to be influence in different way (Martijn et. al, 1992). This judgmental decision will be morality and the ability of an actor which are two central dimensions in the way people organize and evaluate impressions of something (Rosenberg and Sedlak, 1972; Wegner and Vallacher, 1980). Positive stimuli create positive perception while negative stimuli create negative perception. Accordingly, perception of this study further divided into Positive Perception and Negative Perception.

Involvement on Promoting and Supporting of CREAM

Business organization needs CRE to create and maintain their competitive edge in the marketplace. Thus, involvement in promoting and supporting active management of corporate real estate for the performance of the organization is important. In here employee participatory role in CREAM is become an important factor. Therefore, participatory role of employee or in other words involvement on decision making of CRE support to active CREAM

of an organization. Globalization of business operations and other competitive pressures are driving business organizations to compete in an ever more competitive, rapidly changing, and global environment. These external pressures and changes in the business environment and increasing demands for greater performance are forcing corporations to pay attention to noncore operations in addition to core businesses. Especially the demands to increase efficiency and effectiveness either economic or organizational perspective have driven businesses to concentrate also on their support resources, such as real estate and facilities management. The demand for more efficient utilization of space and higher workplace productivity has led to businesses adopting a range of strategies for managing their facilities. The emergence of CREAM as a distinct discipline has supported this drive and the search for strategies aimed at enhancing the value of real estate assets and facility-related services to the core business. (Lindholm, 2008). Despite considering the general roles of CRE, acknowledging the role and responsibilities of CRE managers provides an in-depth understanding of the importance of CRE strategy which is to be included in the overall business strategy. In this context, organization's CRE decision is not taken at the centralized position but allowed to review by functional managers. The ideas and comments of functional and operational managers were taken into consideration at day to day CRE operational activities as well as in strategic CRE decision.

Gibler et al. (2002), assert that the traditional roles of managers are to find facilities based on specifications set by operations, negotiate the best price, manage the space and then dispose of it (Ridzuan & Ali, 2012). Additionally, Ridzuan & Ali, (2012) emphasize that the role of CRE managers should extend from the operational level to the level of a strategic business decision. This means that CRE managers should be proactive and interactive, working with the board of directors to anticipate business needs, and identifying opportunities

where corporate real estate might add value to the business performance.

The literature finds that senior corporate executives play an important role in promoting real estate asset management, and in inspiring the corporation as whole to be more responsible towards the assets (Gale and Case 1989; Teoh ,1992; Veale, 1989). Further, Vale, (1989) observes that there is a strong correlation between management attitude and the effective management of the corporate real estate. The literature suggest that effective corporate real estate asset management should ideally be incorporated as part of corporate strategic planning (Nourse 1994). In particular, the corporate real estate mission is driven and derived from the larger and embracing the corporate mission. (Teoh 1993).

Sense of Belonging on CREAM

The sense of belonging can be realized together with a sense of loyalty, when the individual ignores his/her purpose/interest and focuses on the organization's purposes and interests. The sense of belonging, which occurs when the employee psychologically commits himself/herself to the organization, has brought the concept of organizational commitment to the forefront (Onurlubaş, 2015). For an organization to be successful, the organizational commitment of the employees is essential. Organizational commitment can be characterized as the identification with and involvement in the organization the employee is working for and consists of three different components: normative, continuance, and affective commitment (Ven, 2012). Affective commitment refers to the "identification with, involvement in, and emotional attachment to the organization" (Meyer & Allen, 1997). When the affective commitment of an employee is strong, the employee wants to stay because of the emotional link with the organization.

The most significant factor that creates a sense of belonging is the fact that employees believe that they work in a fair environment. The employee's commitment to his/her organization with a sense of belonging will create organizational trust and cause the employee totally to direct his/her energy and knowledge on his/her job and consequently, this will lead him to job satisfaction by increasing his/her productivity. This situation will also increase the organization's efficiency. The employees who have a sense of organizational belonging are also more compatible and responsible within the organization (Onurlubaş, 2015). At this stage, the directors of the organizations are supposed to keep the work desire of the employees alive and ensure them to be satisfied with their jobs and this can be achieved by using motivation techniques that play an important role in organizational behavior.

Theoretical Foundation

The theoretical foundation of the study is based on the Social Exchange Theory and Psychological Contract Theory. The conceptualized supported with stated theory and portrait that there is a direct relationship between perception and sense of belonging on CREAM. Further, it argued that involvement in promoting and supporting of CREAM mediate this relationship as well.

Social Exchange Theory

Social Exchange Theory (SET) has been popular in the sociology and social psychology literature and is considered to be one of the oldest theories of social behavior (Nunkoo 2016). SET involves two persons, each of whom provides some benefits to the other, and contingent upon rewards from the other. According to Nunkoo (2016), a few seminal studies which have contributed to the development of SET worth mentioning include that of Homans (1958), Thibaut and Kelley (1959), Emerson (1962), and Blau (1964).

Homans (1958) emphasized on social behavior in the exchange process.

Thibaut and Kelley (1959) discussed how actors in an exchange relationship weigh the benefits of the exchange relation. Emerson's (1976) work related to the concept of power between the actors in an exchange relationship, while Blau (1964) emphasized on social interaction as an exchange process. SET is based on the premise that human behavior or social interaction is an exchange of activity, tangible and intangible, particularly of rewards and costs. SET considers exchange as the basis of human behavior.

Early conceptualizations of social exchange theory (SET) can be traced to Homans (1958), who maintained that to maximize one's outcomes, individuals engage in helping behaviors to generate feelings of reciprocity. When applied to organizations, the essential principle of SET is that individuals and organizations enter into reciprocal relationships in which the organization provides a supportive, fair, and just environment in exchange for loyalty and affective commitment on the part of the employee (Moorman et al., 1998; Rupp and Cropanzano, 2002, Wang and Hwang 2012).

Psychological Contract Theory (PCT)

The psychological contract can be defined as an employee's beliefs regarding the mutual obligations between the employee and the employer (Rousseau, 1989). When an employee perceives that the organization has failed to live up to one or more of its promises, scholars have labeled this as a violation, breach, and/or low fulfillment (Wang and Hwang 2012). Turnley and Feldman, (1999) indicated that the development of an employee's psychological contract results from individual commitments to and expectations of the organization, as well as perceptions of the organizational culture. From the perspective of maintaining good industrial relations, Herriot

and Pemberton (1995) identified the concept of the psychological contract and explored the mutual responsibilities and obligations, as well as the relative perceptions of both employees and employers; they emphasized the effects of both parties' perceptions of their mutual responsibilities on industrial relations. Employees have psychological expectations for themselves and their employers in terms of obligations and responsibilities and behave in accordance with these subjective perceptions; in turn, they lead to employee (dis)satisfaction of under the condition of the psychological contract. Guest and Sparrow (1998) adopted the perspective of the psychological contract to explain employer-employee relationships in changing environments, while Chiang et. al (2012) suggested that the psychological contract has direct effects on both employees trust and job satisfaction.

Wang and Hwang, (2012) considered the transactional psychological contract to be particularly suitable for special items that center on the fairness of benefit exchange, such as setting appropriate working hours and pay, as well as problem-solving in industrial relations. Further Wang and Hwang, (2012) noted that the relational psychological contract has a longer lifespan, regardless of whether it concerns economic or non-economic issues. All factors related to long-term industrial relations belong to this field, such as the issues pertaining to organizational commitment and job security.

Conceptualization of the Model and Hypotheses

It is evident that employee perception and sense of belonging aligned based on psychological contract theory and social exchange theory. As in the same context, the study proposed that the perception of CRE and a sense of belonging on CREAM could identify the same relationship as CRE also a strategic resource of the organization. Further, in human resource (HR) studies provide modest support for the role that job satisfaction plays in affecting organizational

commitment, which is associated with employee perceptions of psychological business dilemmas. Rhoades, et al., (2001) found that feelings of affective commitment are positively related to employee perceptions of organizational rewards, including recognition for good work and opportunity for advancement and high earnings as well as feelings of supervisor support. As such it is argued that manager's involvement in promoting and supporting of CREAM creates a mediation effect on the perception of CRE and a sense of belonging on CREAM.

Hypotheses Development

By reviewing conceptual foundation of the study, below hypotheses were developed.

- H₁. The involvement of managers in promoting and supporting of CREAM impact their sense of belonging on CREAM
- H₂. The negative perceptions of managers on CRE directly impact involvement in promoting and supporting of CREAM
- H₃. The negative perceptions of managers on CRE directly impact their sense of belonging on CREAM.
- H₄. The positive perceptions of managers on CRE directly impact involvement in promoting and supporting of CREAM.
- H₅. The positive perceptions of managers on CRE directly impact their sense of belonging on CREAM
- H₆. The involvement of managers in promoting and supporting of CREAM mediates the relationship between negative perceptions of managers and the sense of belonging on CREAM
- H₇. The involvement of managers in promoting and supporting of CREAM mediates the relationship between positive perceptions of managers and the sense of belonging on CREAM

Methodology

Study Area

National Water Supply and Drainage Board (NWSDB) which presently functions under the Ministry of Urban Development Water Supply and Housing facilities, is the national organization responsible for the provision of safe drinking water and facilitating the provision of sanitation to the people in Sri Lanka. It provides water supply and sewerage facilities primarily for residential, industrial and commercial establishments in urban areas and rural areas. NWSDB is one of the state-owned business enterprises which engage in business activities and generate revenue and it is the sole provider of water supply and sanitation and plays a significant role in providing safe drinking water to the country.

The management system of NWSDB decentralized through its head office, twelve regional support centers, and sewerage office which established to ensure efficient and effective service which leads to improving the productivity of NWSDB. This emphasis entire organization holds valuable fixed assets including corporate real estate assets island wide. NWSDB relies on these assets to deliver water management solutions to the country and the cost of owning and using these assets is one of the highest outlays for the institution. With property assets representing nearly 35% of the value of the total assets, Land, Buildings & Structures, whether used for office space, Cashier Points, Pump houses, water Towers, Reservoirs, and simply storage, incur significant capital and recurrent costs (NWSDB, 2017). Accordingly, the average contribution of corporate real estate varies from 20 percent to 65 percent of total fixed assets.

Sample, Data Collection and Analysis Process

The study used a quantitative procedure for data analysis and a questionnaire designed to collect data on positive perception on CRE (5 items), negative perception on CRE (5 items), involvement of managers in promoting and supporting of CREAM (5 items), and a

sense of belonging on CREAM (5 items) based on the literature review. The statement of the questionnaire designed as a 5-point Likert scale with referencing to strongly agree (Level 5) and strongly disagree (Level 1). The survey carried out with direct contact with the management staff of the head office and regional office of the NWSDB. The total population of the management staff of the NWSDB is 1193 and the study applies simple random sampling to a total of 150 questionnaires that have been distributed. The total return and usable questionnaire are 129 claims 65 percent of the response rate.

The study used the PLS-SEM method and Smart PLS 3. (Ringle, Wende, and Backer, 2015) to estimate the model. The PLS-SEM is a multivariate analysis approach that can be used to analyze the path and structural model (Hair et al., 2017; Henseler, Ringle, & Sarstedt, 2016; Sarstedt, Henseler, & Ringle, 2011).

The PLS-SEM model defined as reflective model where measures represent the effect of positive and negative perception, involvement on promoting and supporting of CREAM and sense of belonging on CREAM. According to Diamantopoulos et al. (2008), there is a long tradition in the social sciences latent variables are measures using observable variables. In the context classical theory observed items are reflection of latent variables. This type of measurement model known as reflective measurement model (Hair et al. 2007). Thus, no indicators defined, and reflective statement used. The reflective statement coded as PP1 to PP5 for Positive Perception, NP1-NP5 for Negative Perception, IPSCREAM1 to IPSCREAM5 for Involvement on promoting and supporting of CREAM and SOB1 to SOB5 for Sense of belonging on CREAM. As per the literature on the PLS-SEM sampling threshold is 100 would be acceptable with 129 samples of the study (Hair et al., 2017). Further to that, as per the 10 times thumb rule of PLS-SEM (Chin, 2010; Hair, Ringle, & Sarstedt,

2011), the study satisfies the requirement for the acceptable sample size for the study.

Results and Discussion

A total of 129 respondents of NWSDB participated in the questionnaire survey. The summary of the profile of the respondent given in Table 1. It is noted that 58 percent of the respondents belong to the middle management level of the organization and 77 percent of them are belongs to the above 40 years age category. Further 62 percent of the respondents have work experience of 20 years or more.

Table No. 1: Profile of the Respondents.

| Characteristic | No. of Respondents | Percent (%) |
|---|---------------------------|--------------------|
| Board Grade | | |
| Top Management (1-4) | 35 | 27.10% |
| Middle Management (5-6) | 75 | 58.10% |
| Junior Management (7-8) | 19 | 14.70% |
| Gender | | |
| Male | 74 | 57.40% |
| Female | 55 | 42.60% |
| Age Category | | |
| <30 | 1 | 0.80% |
| 31 - 40 | 28 | 21.70% |
| 41-50 | 56 | 43.40% |
| >50 | 44 | 34.10% |
| Level of Education | | |
| Up to A/L | 7 | 5.40% |
| Diploma | 37 | 28.70% |
| B.Sc | 53 | 41.10% |
| M.Sc | 32 | 24.80% |
| Years of Experience in the working Environment | | |

| | | |
|---------|----|--------|
| <10 | 10 | 7.80% |
| 20-Oct | 39 | 30.20% |
| 21 - 30 | 49 | 38.00% |
| >30 | 31 | 24.00% |

Source: Survey data (2017)

Evaluation of the Measurement Model

Assessment of measurement model

According to Chin, (1998); Chin, (2010); Hair, Sarstedt, Ringle, & Mena, (2012, 2017), the reflective model assessment focused on its reliability and validity with respect to its latent variables (LV). The results confirmed the relationship between the LVs and associated items. The assessment of internal consistency reliability and the convergence validity of the model confirmed by evaluating composite reliability (CR) and Average Variance Extracted (AVE). Refer Table No 2 for results. The model of the study given in figure 1.

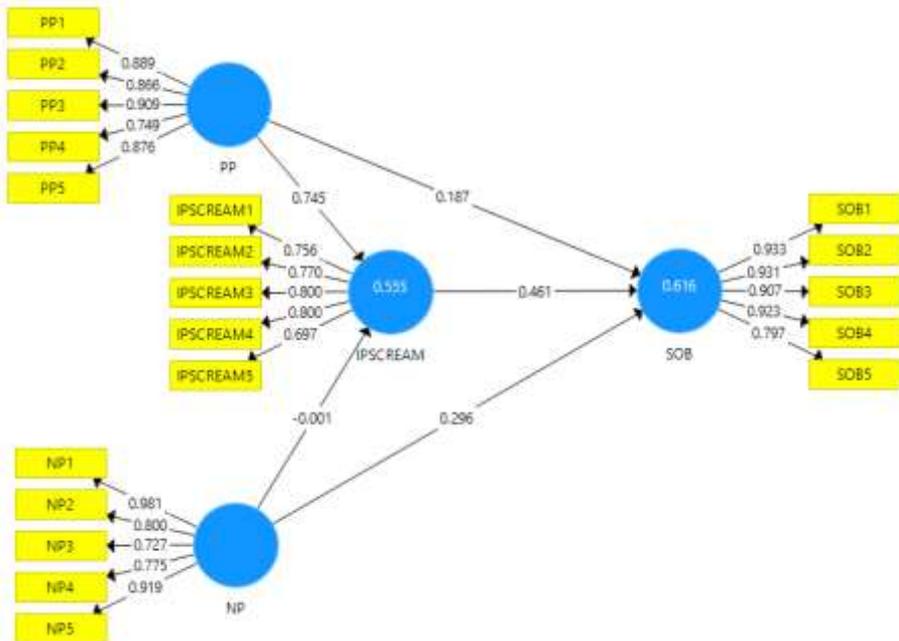
Table No 2: Loading, Composite Reliability and Average Variance Extracted

| Indicator | Loading | CR | AVE |
|---|----------------|-----------|------------|
| Involvement on promoting and supporting of CREAM | | 0.876 | 0.586 |
| IPSCREAM1 | 0.7560 | | |
| IPSCREAM2 | 0.7700 | | |
| IPSCREAM3 | 0.8000 | | |
| IPSCREAM4 | 0.8000 | | |
| IPSCREAM5 | 0.6970 | | |
| Negative Perception | | 0.925 | 0.716 |
| NP1 | 0.9810 | | |
| NP2 | 0.8000 | | |
| NP3 | 0.7270 | | |
| NP4 | 0.7750 | | |
| NP5 | 0.9190 | | |
| Positive Perception | | 0.934 | 0.739 |

| | | | |
|---------------------------|-------|-------|-------|
| PP1 | 0.889 | | |
| PP2 | 0.866 | | |
| PP3 | 0.909 | | |
| PP4 | 0.749 | | |
| PP5 | 0.876 | | |
| Sense of Belonging | | 0.955 | 0.809 |
| SOB1 | 0.933 | | |
| SOB2 | 0.931 | | |
| SOB3 | 0.907 | | |
| SOB4 | 0.923 | | |
| SOB5 | 0.797 | | |

Source: Analysis Results (2017)

Figure No 1: The Model of the Study



Source: Analysis Results (2017)

The measurement model of the study includes four constructs: namely positive perception towards CREAM (PP), negative

perception towards CREAM (NP), Involvement on promoting and supporting CREAM (IPSCREAM) and sense of belonging of CREAM (SOB). The model first assesses the loading of each indicator on its associated constructs. Hair et al (2011), confirmed that loading should be higher than 0.7 for indicator reliability. The results in Table No 2 established that all outer loadings are greater than 0.7 expect IPSCREAM5, which is 0.697. However, as per the decision criteria of Hair et al., (2014) outer loading of IPSCREAM5 is closed to 0.7 and is acceptable. Further, it is noted that as CR coefficient is also higher than 0.7 establish internal consistency (Chin, 2010; Hair et al., 2017). Accordingly, the results indicate that the measurement model confirmed its reliability.

The assessment of validity of the model focused on convergent validity and the discriminant validity. As per the Chin (2010) and Hair et.al. (2017), the convergent validity of the model established as AVE of the reflective LVs are higher than 0.5. Finally, discriminant validity of the model evaluates based on heterotrait-monotrait (HTMT) ratio. The study uses the more conservative level of 0.85 (HTMT.85) (Henseler et al., 2015) for the assess discriminant validity. The, discriminant validity of the model has been established as all results of the HTMT 0.85 criterions are below the critical value of 0.85. Refer Table No 3 for detail

Table No 3: Discriminant Validity-Heterotrait-Monotrait (HTMT.85 criterion)

| Construct | Involvement in Promoting and Supporting of CREAM | Negative Perception | Positive Perception |
|---------------------|--|---------------------|---------------------|
| Negative Perception | 0.347 | | |
| Positive Perception | 0.741 | 0.48 | |
| Sense of Belonging | 0.705 | 0.55 | 0.674 |

Source: Analysis Results (2017)

Assessment of the Structural Model

Prior to evaluating the structural model, it is crucial to ensure that there is no lateral collinearity issue in the structural model. According to Kock and Lynn (2012) even though the discriminant validity established, lateral collinearity misleads the findings of the study. Thus, at the very beginning, the study evaluates the Inner VIF for the other independence variable and confirmed that no lateral collinearity among constructs as all inner VIF values are less than 5 (Hair et al, 2017). Refer Table No 4

Table No 4: Results of the Inner VIF

| Construct | Involvement in Promoting and Supporting CREAM | Sense of belonging |
|--|---|--------------------|
| Involvement in Promoting and Supporting of CREAM | | 2.245 |
| Negative Perception | 1.309 | 1.309 |
| Positive Perception | 1.309 | 2.556 |

Source: Analysis Results (2017)

The study formulates five direct hypotheses and 2 indirect hypotheses to test the mediation effect of Involvement in Promoting and Supporting of CREAM on positive/negative perception on the sense of belonging of CREAM. in order to test the significant of the stated hypotheses, t statistics generated using bootstrapping function of SmartPLS 3.0. The results are given in Table No 5 and Table No 6 respectively. According to the results, three hypotheses (H1, H3, and H4) supported and mediation effect of Involvement in Promoting and Supporting CREAM on Positive Perception and Sense of Belonging of CREAM established.

The R^2 value, of 0.555 for Involvement in Promoting and Supporting CREAM is above 0.26 value as suggested by Cohen (1998) which indicates a substantial model. Further, the R^2 value 0.616 for sense of belonging confirmed as substantial model as suggested by Cohen

(1998), which is a above 0.26. In addition, predictive relevance of the model is examined using the blindfolding procedure confirmed predictive relevance for endogenous construct as Q^2 value is larger than 0 (Hair et.al, 2017; Fornell and Cha 1993).

Table No. 5: Results of the Structural Model – Direct Effect

| Relationship | Path coefficient | T value | P Value | Decision | R² | Q² |
|--|-------------------------|----------------|----------------|-----------------|----------------------|----------------------|
| Involvement in Promoting and Supporting of CREAM | | | | | 0.55 | 0.265 |
| Sense of belonging | | | | | 0.616 | 0.428 |
| Involvement in Promoting and Supporting of CREAM -> Sense of belonging (H1) | 0.462 | 3.248 | 0.001 | Supported | | |
| Negative Perception -> Involvement in Promoting and Supporting of CREAM (H2) | 0.000 | 0.002 | 0.998 | Not Supported | | |
| Negative Perception -> Sense of Belonging (H3) | 0.294 | 3.405 | 0.001 | Supported | | |
| Positive Perception -> Involvement in Promoting and Supporting of CREAM (H4) | 0.745 | 9.686 | 0 | Supported | | |
| Positive Perception -> Sense of Belonging (H5) | 0.187 | 1.249 | 0.212 | Not Supported | | |

Source: Analysis Results (2017)

Finally, the mediation effect tested and confirmed that involvement in promoting and supporting of CREAM fully mediates the relationship between positive perception and a sense of belonging of CREAM. However, the results confirmed that there is no mediation effect of involvement in promoting and supporting of CREAM between negative perception and sense of belonging. Refer to Table No 6 for detail.

Table No 6: Results of the Structural Model – Mediation Effect

| | Path coefficient | T value | P Value | Bias corrected Confidence Interval | | Decision | Mediation |
|---|------------------|---------|---------|------------------------------------|---------|---------------|--------------------------------|
| | | | | 2.50 % | 97.50 % | | |
| Negative Perception -> Involvement in Promoting and Supporting of CREAM -> Sense of belonging of CREAM (H6) | 0.000 | 0.002 | 0.998 | -0.074 | 0.086 | Not Supported | No mediation |
| Positive Perception -> Involvement in Promoting and Supporting of CREAM -> Sense of belonging of CREAM (H7) | 0.344 | 2.788 | 0.005 | 0.160 | 0.642 | Supported | Full mediation (Indirect Only) |

Source: Analysis Results (2017)

The results of the study revealed managers’ involvement in promoting and supporting CREAM has a positive impact on the sense of belonging of CREAM. Accordingly, it is confirmed that the employee participatory management or involvement in promoting and supporting CRE at the NWSDB creates a positive impact on the sense of belonging of CREAM in the organization. Therefore, it recommended creating a systematic process to keep involve junior to senior management of CRE making to have a positive impact on the sense of belonging of CREAM. this helps NWSBD to effectively as well as efficiently manage CRE of the organization.

Further, the study confirmed that if the manager holds a negative perception it creates a direct impact on the sense of belonging on CREAM while positive perception does not create an impact on a sense of belonging on CREAM. Therefore, it is validated that perception of CRE not a contributor to a sense of belonging on CREAM. However, positive perception actively supports to managers on active participation in CRE decision making compared to managers who hold negative perception on CRE. On the other hand full mediation of Involvement in Promoting and Supporting CREAM on Positive Perception and Sense of belonging supported the argument that even though the direct relationship between positive perception and sense of belonging is not validated, by allowing managers on participatory decision making on CRE at NWSDB create a significant contribution on a sense of belonging of CREAM.

Conclusion

The relationship between the perception of managers of an organization, their involvement, and sense of belonging on CRE management is an emerging area of inquiry. The study confirmed that it is high time to incorporate coordinated comprehensive programmes on CRE to improve managers' awareness of the CRE strategy. This substantially helpful to create a favorable attitude on CRE among managers of NWSDB.

The results of this study have important practical implications for the decision-makers of NWSDB. The results confirmed the importance of involvement in promoting and supporting CREAM to create a bond between positive perception and sense of belonging of CREAM of NWSDB. Therefore, the management of NWSDB should improve the positive perception of managers toward CREAM and involvement of CREAM; moreover, they should endeavor to mitigate the negative impacts associated with CREAM.

Besides, the results confirmed the strong and significant effect of managers involved in promoting and supporting CREAM for a sense of belonging of CREAM at NWSDB. Therefore, top management should investigate possible avenues to improve the participation of management on the CRE decision making process to increase the sense of belonging on CREAM. However, as results do not confirm the mediation effect of involvement in promoting and supporting of CREAM between negative perception and sense of belonging of CREAM, this suggestion is valid only with managers who have a positive perception of CRE of NWSDB. As such an umbrella program to create a positive attitude among managers' on CRE is an urgent requirement at the NWSDB. Therefore, the study recommended that it is the duty of the strategic management of the NWSDB to make avenue to the management staff of the organization to contribute CRE decision of the organization to create a sense of belonging of CREAM.

Finally, it is noted that as the study limited to a case study of NWSDB and therefor to generalize the results into an organizational context becomes unrealistic. Thus, it is recommended to extend the study into a national level which covers different sectors retail and leisure, education, health care, etc. and profit versus non -profit) of the organization including public and private to identify the more generalized version of the stated hypotheses of the study.

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