

A Systematic Review of Perceived Insider Status

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Abstract

Perceived Insider Status (PIS) is defined as the extent to which an individual employee perceives him or herself as an insider within a particular organization. It represents that employees have earned a “personal space” and acceptance inside their work organization. Researches show that PIS has a strong effect on employee’s job performance and organizational citizenship behavior (OCB), etc. Through a review of PIS, this paper places emphasis on the elaboration of influencing factors and mechanisms of PIS from a concept perspective and tries to shed some light on not only the limitation of current researches, but also the new breakthrough points for future research.

Keywords

Perceived Insider Status, Job Performance, Organizational Citizenship Behavior

1. Introduction

With the development of science and technology and the exchange of global economy, the organizational employment is becoming more and more complex [1]. In the past, people often use “insiders” and “outsiders” to represent the different employment relationship between employees and organization. For example, Pfeffer and Baron divided it through variations in temporal exposure to the organization, they believed that the employees who had less temporal exposure, are more likely to be seen as “outsiders”, such as the part-time employees [2]. The most popular frame model of the division is Atkinson’s core-periphery mode. On the perspective of flexible organization, workers can be divided into core workers and periphery workers [3]. The core staffs are necessary, and they often engage in some critical issues in the company, so the organization generally endows them with better pay and benefits, and takes a long-term, full-time employment. Such employees are always treated as “insiders”. While periphery staffs, whose work is relatively simple and needless, often been treated as “outsiders”.

Researchers had explored its influence on organizational performance on the basis of this division, but draw some different conclusions. For example, Stamper and Van Dyne pointed out that, compared with full-time employees, part-time staffs own less OCB, and they may even have some negative behaviors [4]; while Witte and Naswall did not find the different contributions to the organization between these two types [5]; more interesting is that some researchers even got the opposite conclusion [6]. Following these conclusions, Stamper and Masterson therefore put forward the concept of PIS. They believed that employees' perception of the insider status may impact on their attitudes and behavior more directly than the objective identity itself [7].

The concept of PIS had caused scholars' great attention. Through a review of PIS, this paper places emphasis on the elaboration of influencing factors and mechanisms of PIS from a concept perspective and points out existing research's shortcomings and future breakthrough directions.

2. The Overview of Perceived Insider Status

2.1. Definition

In the past, researchers have defined PIS from two aspects: the employee-organization relationship and the employee's self-concept.

On the perspective of the employee-organization relationship: Stamper and Masterson put forward the concept of PIS first, they defined it as "the extent to which an individual employee perceives him or herself as an insider within a particular organization", which is the employee's perception of their own identity [7]. After that, on the basis of McMillan's belonging of community, Masterson and Stamper further pointed out that PIS is that employees have earned a "personal space" and acceptance inside their work organization as members of the organization, which was mainly used to measure employees sense of belonging in the organization [8]. In the study of community psychology, McMillan pointed out that before establish a community, we needed to distinguish insiders and outsiders in the community, and this process would results in boundaries (its forms included shared symbols or language, such as use jargon, dress, etc.) [9], the existence of this boundaries helps community members develop a personal space within the community, which they may share their needs and feelings, and develop close relationship with each other. Similarly, Masterson and Stamper thought that there may have such a personal space in the organization, and this personal space could create a feeling of closeness for employees, which could help employees to develop an accepted feeling by other internal members, and even made employees devote themselves or to increase their perception of belonging to the organization [8]. Therefore, PIS represents the sense of belonging and a feeling that employee put themselves into the organization and have the right to belong to the organization. What's more, it is a part of the relationship between employees and organization.

On the perspective of the self-concept: From the perspective of employees' self-concept, Chen expanded the concept of PIS [10]. Self-concept refers to "otality of an individual's thoughts and feelings having reference to him or herself as an object" [11]. Gecas distinguished between two dimensions of self-concept's construct: self-conception and self-evaluation. Self-conception reflects the meanings that comprise the self as an object, such as identity. Chen pointed that this identity was mainly reflected by the status of the insiders in the organization, when employees perceived himself owes an insider status [10], he may put this status into the self-concept to get a deeper recognition of himself. So PIS reflects the self-conception dimension of self-concept.

As a perception of the employee-organization relationship, PIS is different from the other perceptions in this area, especially we need to pay attention to distinguish the differences with organizational identification. Therefore, in order to understand this concept deeply, it is necessary to compare it with organizational identification.

Similarities: First, both are self-referential valuations of the employee-organization relationship. In effect, organizational identification refers to the employees' perception of consistence with the organization or belonging to the organization, which represents employees' determination that "I made fined by my organization"; PIS is a perception of the employee that "I'm an important part of my organization". Second, the two concepts are personal perceptions of employees, not necessary grounded in objective criteria.

Distinctions: The essence of the two concepts and theoretical basis is very different. Originating from social identity theory, organizational identification emphasizes the employees' identification to organization; rooted in the sense of inclusion, while PIS emphasizes employees' belief that they are important and central within their organization.

2.2. Measures

When proposing the theory of the PIS, Stamper and Masterson also developed a scale to measure it [7]. The scale has only one dimension, which has six items totally, and alpha coefficient equals 0.88, responses were given using a 5-point Likert-type response format (1 = strongly disagree to 5 = strongly agree), and the scale score was calculated by summing the individual item scores. After that, Chen and Aryee translated the scale into Chinese (alpha coefficient = 0.8) [10]. So far, all foreign studies use the scale put forward by Stamper and Masterson, while domestic studies use the Chinese version of Chen. The six items include: “I feel very much a part of my work organization”, “My work organization makes me believe that I am included in it”, “I feel like I am an ‘outsider’ at this organization”, “I don’t feel included in this organization”, “I feel I am an ‘insider’ in my work organization” and “My work organization makes me frequently feel ‘left-out’”.

There are only two scales to measure PIS, the following research should try to explore the structure of PIS to develop a multidimensional scale. In addition, due to the differences in culture and education, we cannot blindly use the scale developed by the European countries into a Chinese background, which could affect the precision of the measurement. Future research should consider our own culture and develop some local scales.

3. Theories

3.1. Inducements-Contributions Theory

When the concept of PIS proposed, researchers also answered why insiders and outsiders have different perceptions by inducements-contributions theory [7]. Inducement refers to the payment that organization gives to the participants, such as pay salary to workers, service to customers [12]. There are three types of inducements generally: economic inducements; inducements of development, such as provide training or advancement opportunities and participation in decision-making; social emotional support, including perceived supervisor or colleagues support, the high-quality of leader-member exchange (LMX) and so on. According to the social exchange theory of Blau, when organization provides inducements to the employees, these workers may feel obligated to work better in the organization than the workers who do not receive such inducements. Stamper and Masterson thought that organization may offer different inducements to different workers, such as benefits, training and advancement opportunities, etc. These inducements have passed some signals of their insider status to workers. Compared with those employees who have no inducements or get less inducements, workers who get more inducements will be more likely to perceive their self-worth in the organization, so as to promote the formation of PIS. In short, inducements implied the importance of employees in an organization, and it can promote the employees’ perception of “I am an insider in this organization”.

3.2. Organizational Socialization Theory

Schein put forward the concept of organizational socialization earliest and defined it as a process that the new employees learned and adapted to an organization’s values, norms and patterns of behavior they need. Bauer thought that organizational socialization refers to the process that the new employees made their knowledge, attitude and behavior accepted by the other members in organization, which was a role conversion process of the individual from an organization’s external person to an insider. Stamper and Masterson pointed out that when new workers entered the organization, their perception of the relationship between the leadership or organization was extremely flexible and can be easily impacted by various socialization factors in organization, such as proactive tactics and various types of socialization [7]. In this process, new members would obtain some information or feedback related to the self-concept by different socialization behaviors (such as a proactive strategy, building relationships or participating in, etc.), these can help workers understand the organization’s expectations for them and the borders of insiders and outsiders. All these will increase their sense of involvement in the organization so as to improve the perception of insider status.

3.3. The Comparison of Two Theories

Inducements-contributions theory and organizational socialization theory have explained how PIS developed from two different perspectives: the inducements and the organizational socialization. Inducements-contributions theory suggest that inducements can imply some information that the workers are very important for the organization, these information may enhance their perception of being insiders; while organizational socializa-

tion theory draws the attention to the newcomers' organizational socialization process, they believe that this process not only can increase employee's involvement in the organization, but also can help them to obtain some related information about self-concept (see **Table 1**).

Although there are some essential differences between these two theories, they actually have some connections. In terms of content aspect, organizational socialization tactics include organization leading strategy and personal leading strategy. The organization leading organizational socialization tactics are mainly dominated by organization, which may affect the workers through a variety of strategies (such as the targeted training, organizing collective learning, etc.). These strategies, as we see, are similar to the inducements like providing training and opportunities for advancement in the theory of inducements-contributions. Therefore, when future research explains the dependent variable of PIS by these theories, we should not only consider it from the aspect of individual, but also from all possible perspective, which is good for analyzing the formation mechanism of PIS more deeply.

4. Antecedents of Perceived Insider Status

4.1. Organizational Factors

The interaction between the individual and the organization is a process of two-way influence, how organization treat to employee will turn out to affect their cognitions and behaviors. In terms of organizational factors, many scholars have discussed the influence of human resource management practice, and mainly focused on delegation, participative decision-making, pro-diversity practice and so on. Being an important part of leader's effective management, delegation cultivates the high quality of employee-organization relationship which will suggest that workers are not only a part of the team, but also own insider status in the organization [10]. Yin and Wang also found some dimension of empowering leader behaviors, such as coaching for innovative performance and skill development. These behaviors convey the information that these workers are very useful to organization, and organization wants to give some investments to them, which may promote the perception of inside status [13]. The participative decision-making is another powerful factor of human resource practices to influence PIS. What an employee is asked to do and how he or she is allowed to perform those tasks can also provide important signals of the employee's value to the organization. By the empirical study, Wang found that when employees take part in some decisions that may affect the organization, they may feel that they can control these important tasks and grant their status [14]. In addition, greater cultural diversity in the workforce is a fact of life in many countries, how to devote efforts to managing cultural minorities is a very urgent problem. On the point of perception of fair and the group engagement, Guerrero and Sylvester pointed out that pro-diversity practices make employees perceive themselves as being highly regarded by the organization, and feel like as an insider of the organization [15].

Besides human resource management practices, PIS is also affected by leader-member exchange relationship (LMX). By exploring the influence of Chinese business family leadership-members exchange to organizational citizenship behavior, Wang found that the quality of LMX would reflect an employee's status as an "in-group members" or "out-group members" [16]. Accordingly, the leaders may provide different inducements for these subordinates depending on the differentiated relationships, these inducements signal to the employees' inside status.

4.2. Personal Factors

In addition to the organizational factors, PIS is also influenced by personal factors. In this part, we mainly talk

Table 1. The comparison between two theories.

Theory	Contents	The pathway	The related researches
Inducements-contributions	Inducements	Inducements implied how important the worker is	Armstrong-Stassen & Schlosser, 2011; Wang, 2014 etc.
Organizational socialization	Organizational socialization tactics	To obtain some related information about self-concept or improve the sense of involvement in organization	Kim & Hon, 2009 Wang, 2013

about the influence of the objective status, proactive personality and personal perception.

Previous researches mainly discussed whether informal employees can perceive insider status. Although these employees are classified as an “out-group member” objectively, but many studies have shown that they also feel insider status. For example, Buonocore have discussed whether contingent workers’ job insecurity would influence their work behaviors, and then found that contingent work status was not related to PIS, meanwhile they also found that the higher PIS the contingent workers have, the more positive behavior they will have (as same as peripheral worker), such as helping behavior or voice behavior [17]. Lapalme and Stamper also supported that conclusion, they believed that agency workers could also perceive insider status [18].

Newcomers’ perception to the employee-employer relationships are extremely pliable, can be easily impacted by many social factors, so employees with proactive personalities tend to control their environment, actively seek opportunities to identify new ways to improve their job, they develop PIS by their creativity. Proactive personality will enhance the employees’ perceptions of themselves as valuable members of the organization [19].

Finally, the employee’s personal perception may also influence PIS. As a kind of perception to employees-organization relationships, the strength of PIS can also be affected by the employee’s other perception of the employee-organization relationships. Armstrong-Stassen and Schlosser had discussed how to retain the old staffs, they found that when the organization was perceived to be providing human resource practices tailored to the needs, preferences, and desires of older employee, and when the supervisor was perceived to be managing human resource practices targeting older employees fairly, the old employees’ PIS will significantly be improved, which will have an impact on the retention of old employees [20].

5. Consequences of Perceived Insider Status

5.1. Mediating Effect

In the past, almost all the researches focused on the mediating effect of PIS between the antecedent variables to the attitudes or behaviors. Most of them explain the influence of PIS by Graham’s research about organization citizenship. Graham noted that having citizenship bestowed on an individual requires that individual to accept certain responsibilities [21]. Similarly, based on the principle of reciprocity in social exchange theory [22], when employee perceives himself becomes an insider, he may shoulder these responsibilities which the organizational citizenship have, and adopt behaviors that go beyond their personal interest-behaviors consistent with their organizational citizenship. According to Graham’s view, this article sorting out the mediating effect respectively between the employee-organization relationship to employee’s behaviors and employee’s attitudes, on the base of the existing literature. Due to the space, here just lists the mediating effect of PIS to innovation behavior and emotional organizational commitment.

Yu discussed the influence of PIS to innovation behaviors, under the perspective of the employee-organization relationship [23]. They found that the strong relationship between employee and organization can increase employee’s awareness of self-concept, and PIS reflects the self-conception dimension of self-concept. So once employees perceive themselves as the person in the organization, in order to meet these responsibilities, they must behave in certain ways, such as helping coworkers or do some innovation behaviors. The enhancement of the self-concept will improve the endeavor-achievement expectation, and intrinsic titer of goal achievement, in order to motivate employees to implement more roles, including innovation behavior.

Lapalme and Stamper had explored whether agency employees could perceive insider status [18]. Perceived support from supervisors and the client firms’ permanent workers may related to agency worker’s perceptions of insider status, once agency workers experienced a strong support for the superior and colleagues, their sense of belonging to the customer company may increase, which can promote these workers’ PIS. In return, this perception may develop more affective commitment to the organization and improve employees’ affective organizational commitment.

In recent years, it was also found by the researchers that the mediating role of PIS will be moderated by some variables (such as the Chinese traditional and social comparison). On the aspect of traditional, based on the cultural self-representation model, Chen and Aryee discussed the moderating influence of traditionality on the relationship between delegation and the self-concept constructs of organization-based self-esteem and perceived insider status [10], they found that the low traditional employees’ power distance is smaller, these people often see the relationship between superior and subordinate as the unequal exchange relationship. Delegation can reduce

the power distance between superior and subordinate to make employees experience a high sense of control. For this type of employees, the influence of delegation on PIS is higher than these for high-traditional employees. In addition, some researchers verified it at the perspective of the tradition of the leaders, and found that when newcomers proactively seek information and feedback about their jobs, supervisors with low traditionality are more likely to disclose a wide range of information that can help newcomers clarify their role expectations. With a clearer understanding of their roles, newcomers can easily adopt to their organizations, leading to a sense of inclusiveness to their organizations [24]. In the aspect of social comparison, the researchers mainly discussed the moderating effect of perceived leader-member exchange differentiation. LMX differentiation refers to the degree of variability in the LMX quality between a team supervisor and various team members. On the base of empirical research, Kessler and Zhao pointed out that when employees perceived obviously higher quality of LMX compared with other colleagues (the LMX differentiation is high), he will feel more respected by superiors and feel better than others, which can improve his acceptance of the organization and develop his PIS [25].

5.2. Moderating Effect

Besides the mediating effect, other studies also found that PIS can be viewed as a mediating variable. Although there are only several studies to measure the moderating effect of PIS, but they enrich the mechanism model of PIS and develop a new direction to understand PIS better. For example, Liao discusses the moderating effect of PIS between proactive personality and the workers' attitudes and behaviors [26]. They have shown that the lower sense of belonging, acceptance, or benefits the workers have, the more they may motivated to enhance their perceived "belongingness" to the organization or insider status in the employing organization. So for low PIS employees, the positive relationship between proactive personality and OBSE can be strengthened.

6. Prospects

There are many potential areas of future research suggested by the current studies. Therefore, this paper summarizes the shortcomings of existing studies, and gives some advisements for the future research.

Firstly, additional research must be conducted in order to better understand the antecedents and consequences associated with PIS. For example, only Wang (2010) discussed the manager's PIS, while other researches all talked about the employee's perception. And this study also failed to verify whether the leaders' PIS can impact subordinates' cognition and behaviors. The future research could strengthen the discussion about leaders' PIS. Furthermore, almost all of the antecedent variables about PIS are on the organization level or on the leader level. The further research can demonstrate the other influence on PIS on the employee's individual level, such as the employee's other traits, including emotion, motivation, and personality.

Finally, investigators must not overlook the importance of study context. Different cultural and international contexts may limit the generalizability of results. We need to compare different professions, cultures, and industries, in order to truly understand PIS. What's more, the Chinese literature in this field is very few. As cultural self-representation theory mentioned, employees' cultural value orientation is very important for their cognition. Therefore, it is necessary to do more foreign studies based on their own culture, such as the values, behaviors, and morality.

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