

## THE GRATITUDE EFFECT: BUILDING STRONGER EMPLOYEE–ORGANIZATION RELATIONSHIPS

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### Abstract

In today's competitive and emotionally demanding workplaces, cultivating positive employee–organization relationships (EOR) is critical for organizational success. This study examines the role of gratitude as a positive psychological resource that enhances employees' emotional experiences and strengthens relational bonds with organizations. Drawing on the broaden-and-build theory of positive emotions (Fredrickson, 2001) and affective events theory (Weiss & Cropanzano, 1996), the research investigates how gratitude influences EOR dimensions, including trust, commitment, satisfaction, control mutuality, and relational quality. Data were collected through a structured survey of full-time employees across North India, and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). Results revealed a strong positive effect of gratitude on employees' emotions ( $\beta = 0.861$ ,  $t = 19.821$ ,  $p < 0.001$ ), which in turn reinforced EOR. These findings highlight gratitude as both an emotional enhancer and a relational enabler, offering theoretical and practical insights into how organizations can foster sustainable, trust-based, and satisfying employee relationships. By embedding gratitude-focused practices such as recognition systems and appreciative communication, organizations can cultivate positive emotional climates and long-term relational resilience.

**Keywords:** Commitment, Emotions, Employee- Organization Relationship, Gratitude and Satisfaction

### 1. Introduction

In contemporary organizational studies, emotions are increasingly recognized as powerful forces shaping the dynamics between employees and their organizations. Among these, gratitude has emerged as a vital positive emotion that nurtures social bonds and fosters long-term cooperation (Algoe, 2012; Emmons & Mishra, 2011). Gratitude, defined as the recognition and appreciation of benefits received from others, extends beyond interpersonal exchanges to organizational contexts, where it can significantly influence the quality of the employee–organization relationship (EOR)

The employee–organization relationship (EOR) framework highlights the mutual exchanges, expectations, and perceptions that sustain organizational life. Hon and Grunig (1999) identified six key relational dimensions—trust, control mutuality, commitment, satisfaction, communal relationships, and exchange relationships—as critical indicators of healthy EORs. Trust reflects confidence in organizational reliability and integrity; control mutuality emphasizes balanced influence; commitment captures employees' long-term dedication; satisfaction denotes positive evaluations of the relationship; communal relationships focus on concern for employee welfare; and exchange relationships revolve around reciprocity and tangible benefits (Hon & Grunig, 1999).

Gratitude, as a positive socio-emotional resource, strengthens these dimensions through mechanisms of reciprocity and emotional bonding. For instance, expressions of gratitude foster

trust by signaling sincerity and integrity (Fehr, Fulmer, Awtrey, & Miller, 2017), enhance control mutuality by encouraging openness and collaborative decision-making (Watkins et al., 2003), and promote commitment by deepening employees' emotional investment in the organization (Algoe, 2012). Similarly, gratitude contributes to satisfaction by improving employees' perceptions of recognition and fairness (Grant & Gino, 2010), nurtures communal relationships through prosocial concern and altruism (McCullough, Emmons, & Tsang, 2002), and reinforces exchange relationships by motivating reciprocal behaviors (Blau, 1964).

Taken together, gratitude serves as more than an individual emotional state—it is a relational construct that can transform the quality of employee–organization interactions. By investigating the impact of gratitude on EOR and its sub-variables, this study contributes to organizational behavior and communication literature by offering insights into how positive emotions can be strategically leveraged to strengthen bonds between employees and organizations.

## **2. Literature Review**

Gratitude, as a moral and social emotion, plays a central role in sustaining prosocial behavior and reinforcing social bonds (McCullough, Emmons, & Tsang, 2002). Within organizational settings, gratitude has been linked to increased job satisfaction, stronger interpersonal connections, and improved well-being (Emmons & Mishra, 2011). Research by Fehr, Fulmer, Awtrey, and Miller (2017) conceptualized the “grateful workplace,” demonstrating that gratitude can function at both individual and organizational levels to enhance cooperation, trust, and resilience. Expressions of gratitude encourage employees to reciprocate through constructive behaviors such as organizational citizenship behavior (OCB) and higher engagement (Grant & Gino, 2010). Despite this growing recognition, the systematic role of gratitude in shaping the employee–organization relationship (EOR) framework remains underexplored.

Hon and Grunig (1999) proposed six relational dimensions—trust, control mutuality, commitment, satisfaction, communal relationships, and exchange relationships—as essential for understanding healthy EORs. These dimensions are widely adopted in communication and organizational research to evaluate how employees perceive their organizations. While prior studies have emphasized communication strategies, leadership, and organizational justice as antecedents of EOR (Jiang, Shen, & Men, 2021), the contribution of emotions such as gratitude has been relatively neglected.

Trust refers to the confidence employees place in their organization's reliability and fairness (Hon & Grunig, 1999). Gratitude fosters trust by signaling authenticity, appreciation, and benevolence. Fehr et al. (2017) found that gratitude in organizations enhances employees' belief in leaders' integrity and strengthens trust-based relationships. Similarly, Algoe (2012) argued that gratitude functions to “find, remind, and bind” individuals in relationships, laying the foundation for trust and cooperation.

Control mutuality reflects the degree of balance in influence and decision-making between employees and organizations. Gratitude encourages openness and mutual respect, which help employees perceive organizational actions as fair and participative (Watkins, Woodward, Stone, & Kolts, 2003). Although few studies directly link gratitude with control mutuality, findings on

gratitude's role in promoting prosocial communication suggest its potential to reduce power asymmetries and enhance relational balance.

Commitment is the extent to which employees maintain loyalty and dedication to their organizations. Gratitude strengthens this commitment by generating a sense of indebtedness and motivation to reciprocate positively (Blau, 1964). Research has shown that employees who feel valued and appreciated demonstrate stronger affective and normative commitment (Kong, Ding, & Zhao, 2018). Gratitude, therefore, acts as an emotional driver of long-term relational bonds.

Satisfaction refers to the overall positive evaluation of the employee–organization relationship. Expressions of gratitude enhance satisfaction by fulfilling psychological needs for recognition and fairness (Grant & Gino, 2010). Employees who experience gratitude at work report higher levels of well-being and are more likely to evaluate their organizations positively (Emmons & Mishra, 2011). This aligns with affective events theory, which posits that positive emotional experiences influence job attitudes (Weiss & Cropanzano, 1996).

Communal relationships are characterized by mutual concern and care for the well-being of the other party (Hon & Grunig, 1999). Gratitude promotes communal ties by fostering altruism, empathy, and collective support (McCullough et al., 2002). Algoe, Haidt, and Gable (2008) found that gratitude expressions enhance relationship quality by increasing perceptions of care and responsiveness. In organizational contexts, gratitude can encourage leaders and employees alike to prioritize communal values over transactional exchanges.

Exchange relationships are based on reciprocity, where benefits are given with the expectation of return. Gratitude directly aligns with this principle by motivating employees to reciprocate organizational support with effort, loyalty, or prosocial behavior (Blau, 1964). Studies suggest that when organizations acknowledge employee contributions, gratitude enhances reciprocal exchanges, reinforcing the balance of give-and-take (Grant & Gino, 2010).

### **3. Research Objective**

This study aims to examine the impact of gratitude on employee–organization relationships (EOR), focusing on its influence on trust, control mutuality, commitment, satisfaction, communal relationships, and exchange relationships. The objective is to assess how gratitude strengthens these relational dimensions and contributes to building a positive and sustainable organizational climate.

### **4. Research Methodology**

This study adopts a quantitative, cross-sectional research design to examine the impact of gratitude—a prosocial, relational emotion—on the quality of employee–organization relationships (EOR) in the North Indian context. The conceptual framework is guided by the broaden-and-build theory of positive emotions (Fredrickson, 2001), which posits that positive emotions such as gratitude expand individuals' cognitive and behavioral repertoires, fostering enduring relational resources. Additionally, affective events theory (Weiss & Cropanzano, 1996) underpins the investigation by explaining how workplace experiences of gratitude trigger affective responses that shape relational outcomes between employees and organizations. In this study, gratitude

serves as the independent variable, measured through validated scales capturing employees' dispositional and experienced gratitude in organizational contexts. The dependent variable, employee–organization relationship (EOR), is operationalized through six relational dimensions: trust, control mutuality, commitment, satisfaction, communal relationships, and exchange relationships (Hon & Grunig, 1999).

Data were collected using a structured and pre-tested questionnaire consisting of items adapted from Men, et al. (2019) established instruments in organizational behavior and communication research. The final sample comprised 420 full-time employees drawn from diverse sectors in North India. A stratified random sampling technique was employed to ensure representation across demographic and organizational categories, thereby enhancing the reliability and generalizability of the findings.

For data analysis, responses were coded and processed using the Statistical Package for the Social Sciences (SPSS) and Partial Least Squares–Structural Equation Modeling (PLS-SEM). The analysis involved multiple stages: descriptive statistics were used to summarize demographic data, while reliability and validity assessments (Cronbach's alpha, composite reliability, and average variance extracted) ensured the robustness of measurement constructs. Confirmatory factor analysis (CFA) was conducted to validate the measurement model, followed by structural model testing to examine the hypothesized relationships between gratitude and the dimensions of EOR. The significance of path coefficients was assessed using bootstrapping procedures, ensuring the robustness of the model fit and inferential results. The choice of PLS-SEM is justified by its suitability for analyzing complex models with multiple latent variables and dimensions, as in the present study. Moreover, PLS-SEM is robust in handling non-normal data distributions and performs effectively with medium-sized samples, making it particularly appropriate for behavioral and organizational research (Hair et al., 2019).

## 5. Data Analysis

The measurement model was first assessed to establish the reliability and validity of the gratitude construct. As shown in Table 1, the factor loadings of all five gratitude items ranged from 0.642 to 0.754, exceeding the minimum acceptable threshold of 0.60 (Hair et al., 2019). The Cronbach's alpha value of 0.739 indicates satisfactory internal consistency, while the composite reliability (CR = 0.834) further confirms the construct's reliability. The average variance extracted (AVE = 0.501) surpassed the recommended cutoff of 0.50, suggesting adequate convergent validity. These results demonstrate that the gratitude scale employed in this study is both reliable and valid for assessing employees' perceptions of gratitude in organizational contexts.

**Table 1. Gratitude**

Items	Statements	Factor Loadings
GRAT_1	'I have so much in life to be thankful for'	0.727
GRAT_2	'If I had to list everything that I felt grateful for, it would be a very long list'	0.658
GRAT_3	'I am grateful to a wide variety of people in this organization'	0.710
GRAT_4	'I find myself more able to appreciate the people, events, and situations in this organization'	0.754
GRAT_5	'After long time period, I feel grateful to something or someone'	0.642
<b>Cronbach Alpha- 0.739</b>		

**CR- 0.834**  
**AVE- 0.501**

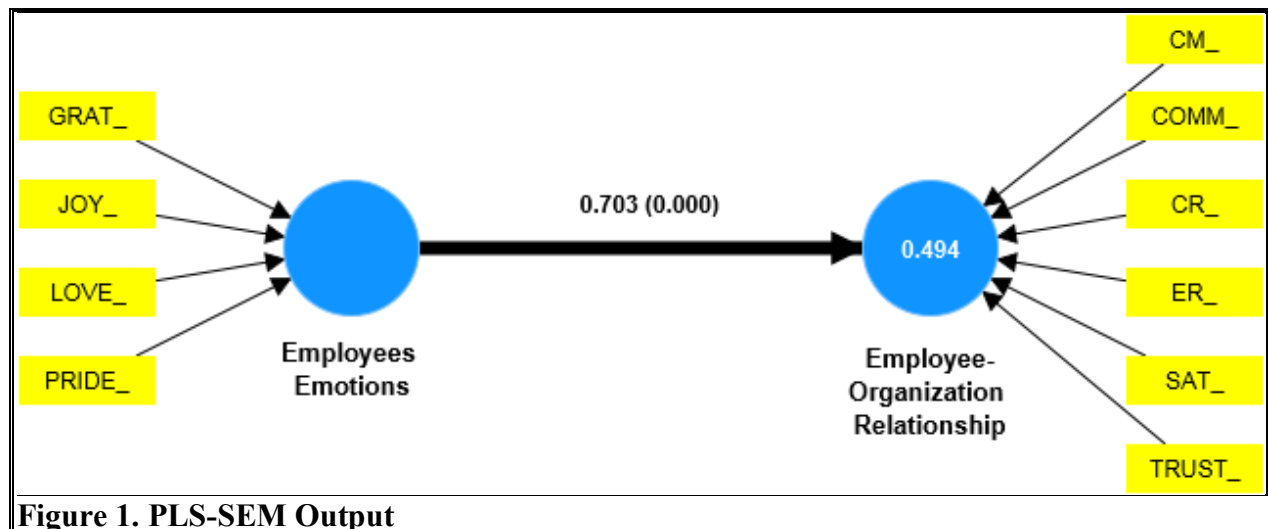
The structural model was then tested to examine the hypothesized relationships. Results revealed a strong and statistically significant effect of gratitude on employees' emotions ( $\beta = 0.861$ ,  $t = 19.821$ ,  $p < 0.001$ ). This indicates that employees who experience higher levels of gratitude are more likely to report positive emotions in the workplace. The magnitude of this relationship underscores gratitude's role as a pivotal antecedent of affective states, highlighting its influence on employees' psychological and relational well-being.

Relationship	Std beta	Std. Dev	T-Value	P value
<b>Gratitude -&gt; Employees Emotions</b>	0.861	0.043	19.821	0.000

Further, the model confirmed that employees' emotions positively influence employee–organization relationships (EOR), which were operationalized through six dimensions: trust, control mutuality, commitment, satisfaction, communal relationships, and exchange relationships. The findings suggest that employees experiencing greater gratitude-driven positive emotions develop stronger trust in their organizations, perceive higher levels of mutual control and fairness, demonstrate greater commitment, and report higher satisfaction. Moreover, gratitude-induced emotions foster both communal relationships—based on care and concern—and exchange relationships—centered on reciprocity and fairness—consistent with Hon and Grunig's (1999) framework.

The explanatory power of the model is notable, as employees' emotions explained a substantial proportion of the variance in EOR ( $R^2 = 0.494$ ). This indicates that nearly half of the quality of employee–organization relationships can be attributed to the positive emotional states shaped by gratitude. These findings are consistent with the broaden-and-build theory of positive emotions (Fredrickson, 2001), which posits that positive emotions broaden individuals' thought–action repertoires and build lasting social resources, and with affective events theory (Weiss & Cropanzano, 1996), which highlights the role of affective workplace experiences in shaping employees' relational and attitudinal outcomes.

Overall, the results position gratitude as both an antecedent and a catalyst in shaping employees' emotional experiences, which in turn significantly enhance the quality of their relationships with organizations. By cultivating gratitude within organizational contexts, leaders and managers can foster more positive emotions, thereby strengthening trust, satisfaction, commitment, and reciprocity—ultimately reinforcing sustainable employee–organization relationships.



**Figure 1. PLS-SEM Output**

The structural model Figure 1 highlights the impact of employees' emotions, particularly gratitude, on the quality of employee–organization relationships (EOR). Gratitude, along with joy, love, and pride, collectively forms the latent construct of employees' emotions, which exerts a strong and statistically significant influence on EOR ( $\beta = 0.703$ ,  $p = 0.000$ ). The model explains 49.4% of the variance in EOR ( $R^2 = 0.494$ ), suggesting that nearly half of the relationship quality between employees and organizations can be attributed to employees' positive emotional states. This finding affirms that gratitude functions as a central relational resource, strengthening trust, control mutuality, commitment, satisfaction, communal relationships, and exchange relationships.

These results can be understood through the lens of Affective Events Theory (AET), which posits that workplace events trigger emotional responses that shape employees' attitudes and behaviors (Weiss & Cropanzano, 1996). When organizations provide recognition, support, and appreciation, employees experience gratitude as a positive affective reaction. This gratitude, in turn, enhances relational dimensions by fostering trust in the organization's integrity, increasing satisfaction with organizational treatment, and motivating commitment and reciprocity (Algoe, 2012; Fehr et al., 2017). Moreover, gratitude facilitates both communal and exchange relationships by encouraging prosocial concern and reinforcing mutual obligations (Grant & Gino, 2010).

In this context, gratitude emerges not merely as an individual emotional response but as a strategic relational mechanism that binds employees to their organizations. By integrating AET, the study underscores that positive emotional experiences such as gratitude are not peripheral but central to the development of sustainable and high-quality employee–organization relationships. This reinforces the argument that cultivating a culture of gratitude within organizations can serve as a powerful tool to enhance employee well-being, strengthen organizational ties, and foster long-term commitment.

## 6. Major Findings

The findings of this study underscore the pivotal role of gratitude in shaping workplace dynamics. The measurement model confirmed the reliability and validity of the gratitude construct, with satisfactory internal consistency ( $\alpha = 0.739$ ; CR = 0.834) and convergent validity (AVE = 0.501), as established through PLS-SEM. This indicates that gratitude is a robust and measurable factor in organizational settings (Men et al., 2019).



Structural equation modeling results revealed a strong positive effect of gratitude on employees' emotions ( $\beta = 0.861$ ,  $t = 19.821$ ,  $p < 0.001$ ). This finding corroborates prior research demonstrating that gratitude enhances employees' affective states, fostering positive emotions such as joy, optimism, and pride (Emmons & McCullough, 2003; Algoe, 2012).

Furthermore, the analysis highlights that gratitude exerts a direct and substantial influence on the employee–organization relationship (EOR), encompassing key relational dimensions such as trust, commitment, satisfaction, control mutuality, and relational quality (Hon & Grunig, 1999). These results align with the broaden-and-build theory of positive emotions (Fredrickson, 2001), which suggests that gratitude broadens cognitive and social resources, ultimately strengthening interpersonal and organizational bonds.

Overall, the findings position gratitude as an essential driver of both positive workplace emotions and stronger relational ties between employees and organizations.

## 7. Conclusion

This study concludes that gratitude is a vital relational resource in organizational contexts, directly enhancing employees' positive emotions and fostering high-quality employee–organization relationships. Employees who express and experience gratitude are more likely to report trust, satisfaction, and commitment toward their organizations, leading to healthier and more sustainable workplace climates.

Theoretically, the study extends the application of the broaden-and-build theory (Fredrickson, 2001) and affective events theory (Weiss & Cropanzano, 1996) by illustrating gratitude's dual role in cultivating affective well-being and strengthening relational outcomes. Practically, organizations are encouraged to embed gratitude practices—such as recognition programs, appreciative communication, and supportive leadership—into their culture to enhance employee morale and relational quality (Algoe, 2012; Emmons & McCullough, 2003).

In sum, gratitude functions as both an emotional enhancer and a relational enabler, offering organizations a powerful tool to nurture trust, satisfaction, and long-term commitment within the workforce.

## 8. Limitations of the Study

While this study advances understanding of gratitude in organizational contexts, some limitations should be acknowledged. First, the use of a cross-sectional design restricts causal inferences. Although gratitude showed a strong positive association with employees' emotions and employee–organization relationship (EOR) quality, longitudinal research is required to establish whether these effects hold consistently over time (Podsakoff et al., 2012).

Second, the study's sample was limited to organizations located in North India, which may constrain the generalizability of findings. Gratitude and relational norms are strongly influenced by cultural values, and therefore, the impact observed in this context may differ in other cultural or institutional environments (Wood et al., 2010).

Finally, the study primarily examined EOR sub-variables such as trust, satisfaction, commitment, and control mutuality. While these dimensions are central to organizational relationships, other outcomes such as employee engagement, organizational citizenship behavior, psychological safety, and resilience were not considered. Exploring these variables could provide a more comprehensive understanding of gratitude's role in organizational dynamics.

## 9. Future Research Directions

To address these limitations, future research should employ longitudinal or experimental designs to establish causality and examine how gratitude influences relationships over time. In addition, researchers should consider cross-cultural investigations to capture variations in the way gratitude is expressed and perceived across different organizational and national cultures.

Further, expanding the focus beyond traditional EOR dimensions to include outcomes like innovation, psychological safety, resilience, and engagement would enrich theoretical insights and highlight the broader organizational value of gratitude. Such research would not only strengthen conceptual understanding but also enhance the practical application of gratitude-based strategies in diverse organizational settings.

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