

# The Relationship of Leader-Member Exchange and Organizational Citizenship Behavior, the Moderating Impact of the Role of Subordinate LMX

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## Abstract

The fundamental purpose of the study is to check the impact of leader-member exchange (LMX) with reference to having in view the superior authority LMX and Subordinate LMX on organizational citizenship behavior (OCB). This study also focus on the role of subordinate-LMX on OCB, the role of subordinate-LMX would be examined as moderating variable. The estimated results described that LMX form the superior side has a good impact on OCB, while the impact of LMX by subordinate has not significant impact on OCB. Findings of this study enhancing the existing Research work. Moreover managerial implication and findings of this research work are based on extensive literature.

**Key words:** Leader-member exchange, Organizational citizenship behavior

## 1. Introduction

Now a day's world has become a global village that reflect as boundryless market, which causes to increase compatibility of organization's competitiveness with respect to critical behaviors, that can help individual to achieve their goals which ultimately effects organization's overall performance. Service sector related organizations are becoming more profitable like banks and financial institutions in Pakistan. Customers are looking for those employees who are "good citizen" – all those individuals want to give solution to their colleagues and supervisors in real time specially in banking sector (Sloat, 1999).

To take the commutative advantage, Banks must keep an eye to make sure about employees compassion, skill and efficiency while performing the job. Banks should have egg on so that they can perform the assigned task with full talent. Employees who are performing beyond expectations they should be rewarded and management should appreciate them for their role in organization's performance that will further lead to enhance their confidence level. This experience is adhesive for organizational efficiency, as managers are unable to keep eyes on the run time activities executed by all employees (Katz & Khan, 1966; Ogan, 1988a). To perform a job with full concentration having in mind that there should be no extra reward it indicates "OCB" in this research study (here in after, OCB, SEE Organ, 1988a).

Researchers had dig out scores of study on OCB, although research work among connection of leader-member exchange (here in after, LXM) having view point of superior (Superior-LXM) and subordinates (Subordinate-LXM) alone with OCB where the outcome of self-esteem as mediator. Having lack of data many researcher tries to give solution for the four queries.

Eminence of Superior-LXM affects Subordinate OCB?

Is subordinate's self-esteem mediating the linkage between eminence of subordinate-LXM and OCB?

Is subordinate self-esteem mediating the linkage between the eminence at superior-LXM and OCB?

## **2. Conceptual background**

This study based on subordinate-LMX and superior-LMX relation having different dimensions of OCB-conscientiousness, civic virtue, sportsmanship, altruism and courtesy. Additionally we consider the moderating relationship by role of subordinate-LMX.

## **3. Organization citizenship behavior (OCB)**

In modern decades, more awareness has given the idea about OCB. OCB is actually to increase the organizational overall performance as they fully utilize the social network of the organization, to decrease resistance by increasing effectiveness and efficiency of the organization (Bateman & Organ, 1983; Smith, Organ, & Near, 1983). OCB gave us individual behaviors representation that is optional, which may be straightforwardly or indirectly familiar with official compensation methods, that should increase the overall effectiveness and efficiency of organizational functions (Organ, 1988a). More of the actions in OCB, has taken solely, that would not decrease the aggregate results of the organization (Organ, 1988b). The most serious ingredients of behavior are defined at the face-value. OCB also includes all those behaviors that are easily observable by CEO's boss's or Scholars.

### **3.1 Dimensions of OCB**

Initially, smith at el. (1983) offered a model having two different types of OCB:

Altruism and generalized compliance (newly named as conscientiousness). We cannot reach on any final conclusion with regard to definition of OCB these lines related to the concept of Organ (1988, 1990)

#### **3.11 Conscientiousness**

This type of approach, can be said to having high level of awareness to the related work, it may also include willing behaviors that can lead beyond the minimum imagination of role definition and performance of employee more extra than minimum expected level. We can take instance that are maximum attendance levels, punctuality in the working environment, be in time, utilizing given time without dishonesty, to fulfill the given task within the given time to follow the rules (Organ, 1988)

#### **3.12 Civic Virtue**

Civic virtue includes all those behaviors which has linkage with the political environment of organization i.e. (to attend meeting s to keep in touch with policy discussion and to take side of others suggestions in formulation and implantation of new policy, etc.).

#### **3.13 Sportsmanship**

Sportsmanship means to work with patience with those employees who frustrate others that can be foreseeable in the working environment. These behaviors also include having less concentration of ideal situations of working environment without passing argument to the authorities. Sportsmanship also highlights the protection of status of the organization from those who are not in the favor of the organization (Netemeyer, Boles, McKee and Mc Murram,1997).

#### **3.14 Altruism / Helping Behaviors**

All those acts which are taken willingly by the employee which shows that he want to provide assistance of his mate employee by giving solution that can make ease in his or her task in real time within the organization (Podsakoff and Organ, 1988,1990 et al., 2000). We can exemplify those individuals or employees who provide assistance to the newly hired employees to make them use at working environment, it also include to share the work load of their work mate employees, to provide assistance by giving the solutions of the current problems, on work training for the usage of newly installed equipment, to provide help of mate employees for getting the material and equipment which are necessary to complete the work within the given time span (Podsakoff and et al., 2000).

### **3.15 Courtesy**

Courtesy covers all those behaviors that are related to adopt proactive approach to solve the upcoming problems. Courtesy is something that differs from altruism as we know altruism is just to provide help someone in problem, and courtesy is something which help to stay away from problems, passing mature and serious singles to others.

### **3.2 LMX and OCB**

LMX guide the managers to make the swap over relation through timely communication with their different juniors having pressure on one another (Farouk, 2002).

From another reference in literature researcher originate that due to the excellent eminence of LMX there is a healthy connection in employee OCB and eminence of LMX (Deluga, 1994). We dig out from literature that research discloses the superficial help of organization through, LMX which is an excellent interpreter of OCB (Settoon, Bennett, & Liden, 1996). Liden and maslyn (1998) discovered a LMX model which is based on four different constructs, Faithfulness, Contribution, Influence and esteem of professionals.

### **3.3 LMX and Self-esteem**

A reasonable theory recommends that increase in LMX employees consequently raise the self-esteem. Even though there is not a good work has done to observe the link among LMX and self-esteem. Human give more importance that how they behaved (Tyler & Folger, 1980). If the subordinates are behaved in a good way by the authorities then resultantly it will make them happy and accordingly it will help to enhance their self confidence. Another way through which self-esteem could be compelled out is that by giving community incentive and opinion of people's with respect to that individual's performance (Korman, 1970).

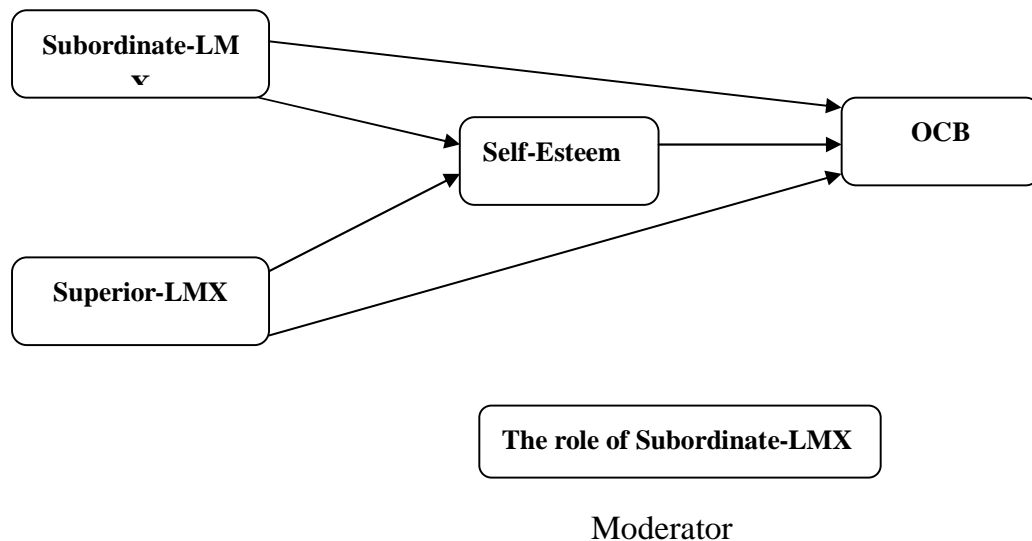
### **3.4 Self-esteem and OCB**

Pervious literature explain, having all the factors same, if anyone thinks that he or she is more capable, talented and experienced person for a specific designation, consequently it will increase his or her overall output on that designation (wener, 1973). Awareness and unawareness are both falls in self-esteem. Which may be providing further guidance to make the basis for developing helping behaviors for anyone. This process starts form early days and further grows by passing through different situations after which one could know his strengths and weaknesses. Even though research has ambiguous results with reference to impact of self-esteem on the outcome of a job, study has proved that temper of one kind of a task content, have a good relation with outcome (Kramer, Newton & Pommerenke, 1993).

### **3.5 The Role of subordinate LMX**

Previous results has explored that the superior-LMX has a positive impact on OCB but the previous research work seems to be unable to cover the role of subordinate and its impact on OCB. In this research study the role of subordinate-LMX has taken with two different dimension like mission and vision awareness of subordinate to see its impact on OCB.

## **4. Theoretical Framework**



## 5. Discussion

On the basis of literature our study explored that many researchers has try to do much work on OCB having different sort of angels with different type of variables, but our study specifically examined the Organizational Citizenship Behavior having subordinate-LMX and Superior-LMX as independent variables while self-esteem as mediating additionally this research work include a new dimension in the existing research work having the role of subordinate-LMX as moderating variable. This study examined the impact of all variable one by one on OCB and performance of employees, in existing research the researchers has seen the impact of subordinate-LMX on OCB directly and indirectly through self-esteem as mediator where as subordinate-LXM includes two different dimensions i.e. emotional attachment and job responsibilities, with reference to these facets subordinate-LMX shows a good relation on OCB because subordinates have much work burden assigned by the superiors on the other hand their emotional attachment force them to complete the assigned task effectively due to which they receive appreciation which enhance their self-esteem that leads to good performance and resultantly increase the level of OCB among employees.

Previous research work has describes that superior-LMX also stands in a good relation with OCB because it includes superior authority influence and effective communication as its two different aspects, due to authority influence and effective communication it's easy for superior to communicate with subordinates throughout the organization while by using authority influence superiors used their social network to motivate employees which enhance the self-esteem of employees and that ultimately leads to make a positive relationship of superior-LMX with OCB. Furthermore self-esteem also shows a good relation with OCB as mediation. Now the moderator which is an addition in the existing research work i.e. the role of subordinate-LMX, literature has explored that the previously ignored variable "the role of subordinate LMX" its a new dimension to examined the existing model of OCB. Our research aims to examine as moderating variable and how it has impact on OCB, the role of subordinate-LMX contain (facets) the awareness of vision, mission and strategy to employees. It is compulsory for the organizations to develop and trained their employees in a way so that they all should be aware about the vision, mission and strategies of the organization as it should help to understand them what to do where to go and what is ultimate objective, it will play continuous role which consequently enhance the level of OCB that should be fruitful for the organization in achieving their objectives and goals.

The implication of this research work can help for all the organizations, because the subordinate-LMX can play a major role if it will handle carefully, normally organizations do not take it seriously but if they want to get work properly and in good way from their employees it is necessary for the organizations to trained their employees in a healthy environment so that all the employees should know about the organizations vision, mission and strategies it should help to easily understand for them that how much their role is important for the organization. Moreover organizations need employees awareness about vision, mission and strategies during the real working time. So if subordinates-LMX backed by the awareness of vision, mission and strategies they will perform effectively and efficiently and it will also increase the level of OCB.

## 6. Conclusion and Recommendation

Our research concludes that superior-LMX has a greater impact in relation with OCB but the subordinate-LMX has not a significant impact. Due to the superior authority influence and effective communication superior-LMX causes greater impact on subordinate for performing OCB on the other hand due to the job stress, work load and authority pressure from the superior the subordinate-LMX does not count in any way. The research also describes that the subordinates-LMX to superiors have no impact as it is not much helpful for superiors in performing OCB, although self-esteem has taken an important variable which has shown the mediation impact on OCB, but it seems that self-esteem is just mediating and pushes subordinates role in performing OCB as self-esteem is that feeling of sense of worth and confidence which is necessary to motivate employees but it does not work for the role of superior in performing OCB.

There are some short comings in this research work which causes for some limitations, the consequences of this research related to the results of LMX and OCB these consequences could be doubtful with reference to familiar way to find differences, the other short coming in this research was fractious part model that never goes with an estimation of causality resultantly one can criticize if matter of causality comes. The previous research work and existing literature is unable to support the mediation effect of self-esteem on superior-LMX in performing OCB while much work has done with respect to subordinate-LMX and mediation effect of self-esteem towards in performing OCB. So the avenue for future research is to work on examining the relationship of superior-LMX and self-esteem in performing.

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