

# An Investigation of Leader Member Exchange Effects on Organizational Citizenship Behavior in Malaysia

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*Past literatures have found that subordinates were not passive, but rather proactive participants who would try their best to change their work environment. Literature on manager-employee attitudinal congruence has generally found that attitude similarities between managers and employees are linked positively to job-related outcomes. This research attempts to analyze the relationship between leader-member exchange (LMX) and Organizational Citizenship Behavior (OCB) among executives and managers employed in the East Malaysian manufacturing organizations. The manufacturing companies chosen in this study included both local and multinational companies covering various sectors. In addition to the direct effect of LMX on OCB, this study has also explored the moderating effect of the supervisor's gender on the above relationship. The findings suggested that LMX has significant impact on citizenship behavior performed by subordinates but the gender of the supervisor did not appear to moderate the relationships between LMX and OCB. Implications of the findings were discussed further.*

Management behavior is an important area of study as it can provide assistance or guidelines to management on the appropriate method of developing the most effective workforce. The ability of supervisors to influence subordinates within organizations has become a requisite competency and may be critical to job-related success for managers. Lord and Brown (2001) revealed that leadership works best when there is a match between the identity level of followers and the focus of leaders, as people of similar behavior tend to be attracted to each other. Past research on manager-employee attitudinal congruence has generally found that attitude similarities between managers and employees are positively linked to job-related outcomes. Supervisor-subordinate interactions and unequal power distributions are some pervasive features of modern organizations. Understanding these effects, by and large, will offer insights into employees' behaviors. The major concern of organizations today is to establish effective leadership management, and the core element in developing effective leadership management is the quality level of exchange relationship between superiors and subordinates.

The leader-member exchange (LMX) and Organizational Citizenship Behavior (OCB) have become the foundation of a new era of managing a diversified workforce in the advent of a globalized world. It is believed that understanding the process paths by which LMX relationships impact important performance behaviors, (for example, OCB) are crucial to advancing leadership in the organization. Sarawak, a state located in East Malaysia, has gone through rapid transformation from the primary sector, such as agriculture and mining, to a highly skilled manufacturing sector in the 1990s. Thus, understanding the relationship between supervisors and subordinates would serve as a platform for supervisors to assist them in developing the OCB culture among their subordinates through favorable LMX or social exchange relationships between superiors and their subordinates.

The major objective of this particular research is to promote awareness among the superiors with regards to the importance of understanding and practicing LMX as an effective medium of interaction between superiors and subordinates as well as fostering OCB among subordinates. The major concern of this research is to determine whether the LMX theory and OCB are applicable in the manufacturing companies located in Sarawak. This research attempts to answer the following questions:

- Does Leader-Member Exchange (LMX) affect Organizational Citizenship Behavior (OCB) among employees?
- Does gender of the supervisors moderate the relationship between LMX and OCB?

## Literature Review

### *Leader-Member Exchange (LMX)*

LMX theory was first illustrated in the works of Dansereau, Graen, and Haga (1975) 30 years ago, and has recently been gaining momentum. Many studies have been conducted to investigate the role supervisors play in their relationship with subordinates. Essentially, the supervisor, the subordinate, or both, will evaluate the relationship according to the quality of the interaction, and these perceptions have a

fundamental influence on individual outcomes. As mentioned by Murry, Sivasubramaniam, and Jacques (2001), the positive exchanges are typically reciprocated with positive outcomes from the subordinates. Each member of the dyad has the other's best interest at heart and this is reflected in more supportive behavior.

LMX describes the relationship between a leader and a subordinate and how they influence each other in an organization and their interdependencies (Yukl, 1998; Scandura, 1999). Early works in LMX have found two types of relationships between the subordinate and supervisor, namely the in-group and the out-group. In-group refers to linkages based on expanded and negotiated role responsibilities, which are not specified in the employment contract; conversely out-group is based on the formal employment contract. Subordinates in the in-group claimed to have more power as they receive more information, are more influential and confident, and have personal concern from their leaders as compared to the out-group subordinates (Liden, Wayne, & Sparrowe, 2000). In-group members are willing to do extra tasks to which their leaders will reciprocate (Graen & Scandura, 1987), but out-group members receive lesser attention and support from their leaders and thus might see their supervisors as treating them unfairly.

Literature in the past has revealed that supervisors do differentiate between their subordinates in terms of the exchange. It is an advantage to be in a high LMX as it is associated with higher trust, greater warmth and support, and there is more frequent interaction between the members of the dyad (Dansereau et al., 1975; Brower, Schoorman, & Tan, 2000). Most current LMX research departs from previous LMX research by looking into other analysis as long as the relationship remains the focus. Recently, LMX has been related to behaviors such as organizational citizenship behaviors (Settoon, Bennett, & Liden, 1996; Wayne, Liden, Graf, & Ferris, 1997; Deluga, 1998; Hui, Law, & Chen, 1999), task performance (Howell & Hall-Merenda, 1999; Hui et al., 1999; Settoon et al., 1996; Wayne et al., 1997), turnover intention (Ansari, Daisy, & Aafaqi, 2000), organizational outcome (Omar, 2001), and influence tactics (Liew, 2003).

LMX literature has found that subordinates in high-quality exchange relationships received more desirable assignments, more rewards, and had greater support from their supervisors. This is congruent with social exchange theory, where individuals who are engaged in high-quality relationships will behave in such a way that their exchange partner will also get the benefits (Murphy, Wayne, Liden, & Erdogan, 2003).

### ***Organizational Citizenship Behavior (OCB)***

Organizational citizenship behavior, which is also known as extra-role behaviors, is the act of performing beyond the stated job requirement. Subordinates impulsively go beyond the employment contract and carry out non-obligatory tasks without expecting explicit rewards and recognition (Organ, 1988). This implies that employees who engage in citizenship behaviors are more likely to be favorably perceived by their supervisors and work colleagues in their organization.

Bolino (1999) has pointed out that if the employees realized that they have limited control on in-role performance, they would be more likely to rely upon extra-role behaviors to enhance their image and distinguish themselves from others. In addition to that, citizenship behaviors can be explained based on the psychological contract between employees and organizations where the core element in the contract is reciprocity

obligations between employees and organizations (Masterson & Stamper, 2003; Thomas, Au, & Ravlin, 2003). Organizations have the obligation in terms of providing employees benefits, such as career advancement, promotions, job security, training, and increased salary. In return, the employees' responsibility to the organization will include loyalty, helping colleagues, willingness to work overtime, and accepting tasks that are beyond normal job requirements. In summary, OCB is the extra-role behavior exhibited by the employees, which goes beyond the formal job requirement without expecting recognition in term of either explicit or implicit rewards from supervisors. The effect of OCB is more likely to promote a positive social and working environment, while maintaining the performance of a work unit relative to the core products of the organization.

### *Dimensionality of Organizational Citizenship Behavior*

Motowidlo (2003) revealed that OCB can be viewed as a multidimensional latent variable reflecting the ability and willingness to work with, and assist in decision making in the organizations. However, Chien (2004) pointed out that past research has not generated conclusive evidence of the dimensionality of OCB. Thus, the widely acknowledged five categories that OCB contributes to organizational effectiveness include altruism (helping), courtesy, conscientiousness, civic virtue, and sportsmanship (Organ, 1988). These dimensions will be used in this study.

Smith, Organ, and Near (1983) define altruism as voluntary behaviors where an employee provides assistance to an individual with a particular problem to complete his or her task under unusual circumstances. Courtesy includes behaviors which focus on the prevention of problems and the taking of necessary steps so as to lessen the effects of the problem in the future. Organ (1988) defined sportsmanship as the behaviors of warmly tolerating the irritations that are an unavoidable part of nearly every organizational setting. According to Deluga (1998), civic virtue includes subordinate participation in organization political life and supporting the administrative function of the organization. Meanwhile, conscientiousness is considered as one of the personalities of the "Big Five Dimensions of Personality," which is used to indicate that a particular individual is organized, accountable, and hardworking. Studies have also revealed that conscientiousness can be related to organizational politics among employees (McCrae & Costa, 1987).

### *The Impact of Organizational Citizenship Behaviors on Organizational Effectiveness*

Prior studies have shown that OCB has significant impact on the organizations' output. In research conducted by Podsakoff, Ahearne, and Mackenzie (1997), they found that there is a positive correlation between OCB and an organization's outcomes. This is due to the OCB being able to foster the effectiveness of organizations in terms of achieving a higher level of work group performance from the perspective of quantity and quality of work. According to Aquino and Bommer (2003), OCB can enhance the social attractiveness in a work unit. As OCB is normally labeled as positive behaviors, those who exhibit OCB may become more socially attractive which makes them more likely to be appreciated as friends or partners. Consequently, this may create a favorable working environment in a work unit.

## *Gender*

Lizzio, Wilson, Gilchrist, and Gallois (2003) revealed that male managers would sanction themselves to use formal authority to deal with issues as compared to female managers, who are more likely to adopt more interpersonally complex and facilitative modes of intervention. Karakowsky, McBey, and Miller (2004) found that men in male-dominated groups exhibited higher levels of power displays as compared to women in female-dominated groups.

According to Wayne, Liden, and Sparrowe (1994), there are two approaches to gender effects on LMX; one is known as the similarity-attraction approach revealed by Byrne (1971). The approach conceptualized that similarity between leader and member may lead to increased liking and thus influence their exchange relationship. Meanwhile, the other approach which is known as the situational approach is related to proving that situational variables such as formal authority, experience and influence may affect the gender effect in developing the exchange relationship between leader and member.

According to Xin and Pelled (2003), role conflict may arise from task conflict and emotional conflict that may leave a significant impact on the social exchange between superiors and subordinates. Therefore, the outcome of their study indicated that female leaders with female members develop a favorable relationship in terms of high ratings and liking by leaders and have a very low level of role conflict and ambiguity.

## *LMX and OCB*

Social exchange theory complements the foundation of LMX as the theory emphasizes the purpose that leaders and members attempt to develop and to maintain the exchange relationship (Graen & Scandura, 1987; Graen & Uhl-Bien, 1995; Sparrowe & Liden, 1997). Graen and Scandura (1987) concluded that leaders and members must provide something, which is perceived to be valuable by each party, and that the exchange must be balanced. In addition, employees not only require tangible materials but would also need social support in terms of psychological and emotional support. Further studies also supported that the exchange between leaders and members covers a range of specific resources such as information to emotional support. High quality LMX comes from the perception of the value of material being exchanged between leaders and members (Graen & Uhl-Bien, 1995).

Prior studies have revealed that LMX is influenced by the five main factors, which in turn become the determinant of the quality of the exchange relationship between leaders and members. As a result, the five dimensions may affect the quality of LMX in a work unit and thus influence the level of OCB exhibited by the employees. If the employees perceived the quality of LMX as high, this may encourage them to perform citizenship behaviors for the work unit and organizations. Scandura and Graen (1984) revealed that the cycle of citizenship behavior for reciprocal accomplishment of goals helps further strengthen the quality of the LMX. This is supported by other researchers, where they suggested that in-group members or a work unit that has a high quality LMX may receive various types of rewards that are formal and informal (Settoon et al., 1996). Members would perform extra-roles by providing citizenship behavior to the supervisors, who in exchange provide more mutual support and greater opportunities to the members.

Correspondingly, according to Deluga (1998), as a subordinate who performs OCB will not be formally rewarded, he or she may be informally rewarded in terms of supplementary resources and support from the leader. Consequently, the subordinate will be motivated to continue to maintain the favorable relationship. Despite that, Aquino and Bommer (2003) noted that the person who received some benefits from others may indirectly have the tendency to return or feel obligated to return the favor and this interaction is known as positive reciprocity. This kind of interaction can also be applied in the context of relationship between LMX and OCB. This is because when the leader trusts a particular subordinate and provides certain advantages to him or her in terms of greater authority, more support and so forth, consequently the subordinate may develop a feeling that he or she wishes to pay the favor back to the leader. This can be done by performing behaviors that are beyond the formal employment contract, which is known as citizenship behaviors.

Taken together, LMX has significant influence on the level of OCB among employees as a high quality of LMX may motivate employees to exhibit extra-role behaviors without any formal rewards from the organization. The theoretical framework is listed in Appendix 1.

### **Research Methodology**

The respondents of this study are executives employed in manufacturing companies located in Sarawak, Malaysia. Sarawak was selected to be the site for data collection because it has gradually become a major destination for foreign investment, particularly in the manufacturing sector, due to the recent establishment of Sama Jaya Free Industrial Zone (SJFIZ). A total of 10 manufacturing companies have been identified for this study. The questionnaires have been classified into two sections where the first section is to determine the social exchange relationship between superiors and subordinates in a work unit. Meanwhile the other section of the questionnaires is to identify the level of OCB performed by subordinates in a work unit.

The questionnaire used in this study consists of three parts. Section 1 required the respondents to rate a total of 20 items on the five dimensions of OCB namely, altruism (helping), courtesy, conscientiousness, civic virtue, and sportsmanship. Section 2 contains 12 items which require the respondents to assess their relationships with their supervisors; and finally Section 3 contains 12 items regarding the demographics of the respondents such as gender, gender of respondents' leaders, races, age, educational background, working experiences, monthly gross salary, nationality, type of company, and years of working together with leaders.

The relationship between superiors and subordinates was measured based on the questionnaires LMX-MDM developed by Liden and Maslyn (1998). This questionnaire has twelve items, which can be categorized into four dimensions so as to provide a multidimensional approach. From the perspective of OCB, there will be 20 questions used to determine the level of citizenship behaviors among subordinates based on five main dimensions. A Likert-like scale was used to measure both LMX and OCB elements, which ranks from 1 (Strongly Disagree) to 7 (Strongly Agree).

The total number of questionnaires disseminated was 130 sets to the

manufacturing companies located in Sarawak, with employee numbers of more than 150 persons. 113 set of questionnaires or 86.9% were collected while 17 sets of questionnaires were not collected. From the 113 sets of questionnaires, 10 sets were incomplete, and another 9 sets were answered by non-Malaysians. As a result, the total number of questionnaires that was usable for this research was 94 sets, constituting a return rate of 72.3%.

## Findings

Table 1 shows the demographic profile of the respondents.

**Table 1: Demographic Characteristic of Respondents**

Demographics		Frequency	Percentage
Subordinates' Gender	Male	58	62
	Female	36	38
Superiors' Gender	Male	65	69
	Female	29	31
Period of Working with Superior	Less than 1 year	5	5.3
	1-2 years	46	48.9
	3-4 years	33	35.1
	More than 5 years	10	10.7
Race	Chinese	57	60.6
	Malay	18	19.1
	Others	19	20.3
Age (years)	16-20	1	1
	21-25	26	27.7
	26-30	35	37.2
	31-40	29	30.9
	41-50	3	3.2
Education Background	High School	31	33
	Diploma	37	39.4
	Degree	25	26.6
	Others	1	1
Work Experience	1-5 years	61	64.9
	6-10 years	24	25.5
	More than 10 years	9	9.6
Monthly Gross Salary	Less than RM1,500	31	33
	RM1,500-RM3,000	52	55.4
	RM3,001 - RM4,500	10	10.6
	RM4,501 - RM6,000	1	1
Nationality	Malaysian	94	100
Company Status	Locally Owned Company	78	83
	US Based Company	11	11.7
	Others	5	5.3

The Cronbach's alpha coefficients for LMX were .72 to .91, and for OCB were from .58 to .80. Sportsmanship had only two items, which probably accounted for its low Cronbach's alpha coefficient. Generally, the values indicated good internal consistency estimates of reliability of the grouped items for both factors. The findings of the reliability analysis are summarized in Table 2.

**Table 2: Results of Reliability Analysis**

Variables	No. of Items	Cronbach's alpha
<b>LMX</b>		
Affect	3	.90
Loyalty	3	.78
Contribution	3	.72
Respect	3	.91
<b>OCB</b>		
Altruism	4	.80
Conscientiousness	6	.64
Sportsmanship	2	.58
Civic Virtue	4	.80
Courtesy	4	.76

Table 3 illustrates the intercorrelations among the subscales obtained using the Pearson correlation to determine whether the subscales were independent measures of the same concept. Generally, intercorrelations among the four factors for LMX registered values ranging from .51 to .67 ( $p < .01$ ), whereas, the intercorrelations for the subscales of OCB ranged from .39 to .59 ( $p < .01$ .) On the whole, the results have demonstrated acceptable levels of correlation.

**Table 3: Intercorrelations of the study variables**

Variable	1	2	3	4	5	6	7	8	9	10
1. Gender	1.00									
2. Affect	.07	1.00								
3. Loyalty	.05	.61**	1.00							
4. Contribution	.06	.64**	.52**	1.00						
5. Respect	.09	.63*	.51**	.67**	1.00					
6. Altruism	-.01	.38**	.28**	.56**	.39**	1.00				
7. Conscientiousness	-.07	.32**	.22*	.40**	.33**	.50**	1.00			
8. Sportsmanship	-.25*	.14	.25*	.31**	.09	.43**	.52**	1.00		
9. Civic Virtue	-.24*	.34**	.37**	.49**	.44**	.38**	.59**	.49**	1.00	
10. Courtesy	-.10	.15	.17	.30**	.20*	.44**	.48**	.48**	.43**	1.00

Note.  $N = 94$ , \*\* $p < .01$ , \* $p < .05$ .

The factor analysis gave rise to a factor structure with 2 interpretable factors with eigen values exceeding 1.0. The Kaiser-Meyer-Olkin measures of sampling adequacy stood at .86 and the diagonal entries of the anti-image correlation matrix were above .50. The Barlett's test has indicated significance of overall correlations within the correlation matrix with a value of 831.08. The two factors explained 53.24 and 11.39 percent respectively of the variance with Cronbach's alpha of .90 and .87 respectively. The factor loadings are exhibited in Table 4 where they ranged from .64 to .86.

Respect and contribution merged as one factor to denote the feelings of respect and willingness to contribute that a member holds for a leader. On the other hand, loyalty and affect were grouped under the factor that indicated that the level of respect a member has for a leader was determined by the level of affect that the members felt for their leaders.

**Table 4:** LMX: Rotated Factors, Item Loadings, Reliabilities, Means and Standard Deviations

	Factors	
	I	II
<b><u>Factor I: Contribution Respect</u></b>		
Respect 2	<u>.86</u>	.18
Respect 1	<u>.81</u>	.33
Respect 3	<u>.80</u>	.35
Contribution 2	<u>.78</u>	.14
Contribution 3	<u>.70</u>	.33
<b><u>Factor II: Affect Loyalty</u></b>		
Loyalty 1	.04	<u>.83</u>
Loyalty 3	.28	<u>.74</u>
Affect 2	.48	<u>.70</u>
Loyalty 2	.17	<u>.67</u>
Affect 3	.46	<u>.65</u>
Affect 1	.49	<u>.64</u>
Eigenvalue	6.39	1.36
Variance (%) (Total: 49.89%)	53.24	11.39
Kaiser-Meyer-Olkin MSA	.86	
Bartlett's test of sphericity	831.08	
Reliability (Cronbach's alpha)	.90	.87

Note:  $N = 94$ ;  $**p < .01$ ; Items are grouped for presentation purpose: Underlined loadings indicate the inclusion of those items in the factor.

The 20 items were subject to a varimax rotated principal components analysis and were subsequently reduced to 12 items that comprised four interpretable factors with eigenvalues greater than 1.00. In total, the four factors explained a total of 59.64% of the variance. A summary of the results of the analysis is presented in Table 5.

A 3-step hierarchical multiple regression analysis was carried out to test the hypotheses that comprised the direct and moderating effects of LMX, gender, and OCB. Tables 4, 5, 6, and 7 present the results of the analysis.

**Table 5: OCB: Rotated Factors, Item Loadings, Reliabilities, Means and Standard Deviations**

	<b>Factors</b>			
	I	II	III	IV
<b><u>Factor I: Civic Virtue</u></b>				
Civic Virtue 2	<u>.76</u>	-.01	.17	.23
Civic Virtue 1	<u>.76</u>	.02	-.03	.14
Civic Virtue 4	<u>.68</u>	.05	.24	.10
<b><u>Factor II: Altruism</u></b>				
Altruism 2	.01	<u>.84</u>	.21	.14
Altruism 1	-.03	<u>.82</u>	.17	-.01
Altruism 3	.42	<u>.70</u>	.13	-.07
<b><u>Factor III: Courtesy</u></b>				
Courtesy 2	.03	.09	<u>.84</u>	.16
Courtesy 1	.16	.23	<u>.73</u>	.07
Courtesy 4	.22	.04	<u>.71</u>	.32
Courtesy 3	.44	.36	<u>.49</u>	.06
<b><u>Factor IV: Conscientiousness</u></b>				
Conscientiousness 6	-.02	-.36	.01	<u>.67</u>
Conscientiousness 5	.28	.22	.11	<u>.66</u>
Eigenvalue	6.80	2.01	1.64	1.46
Variance (%) (Total: 59.64%)	32.05	10.08	8.21	7.30
Kaiser-Meyer-Olkin MSA	.82			
Bartlett's test of sphericity	976.34			
Reliability (Cronbach's alpha)	.75	.85	.76	.42

Note: N = 94; \*\*p < .01; Items are grouped for presentation purpose: Underlined loadings indicate the inclusion of those items in the factor.

**Table 4: Hierarchical Regression Results Using Leaders' Gender as a Moderator in the Relationship between LMX and Altruism**

Independent Variable	Std Beta Step 1	Std Beta Step 2	Std Beta Step 3
<b>Model Variables</b>			
Contribution Respect	.35**	.35**	.22
Affect Loyalty	.13	.13	.54
<b>Moderating Variable</b>			
Gender		.01	.64
<b>Interaction Terms</b>			
Contribution Respect*Gender			.25
Affect Loyalty*Gender			-.97
R <sup>2</sup>	.20	.20	.21
Adj R <sup>2</sup>	.19	.18	.18
R <sup>2</sup> Change	.20	.00	.01
F Value	12.75**	.00	1.86

\*\*p<.01, \*p<.05

Altruism is one of the five dimensions investigated in OCB. Step 1 was found to be significant ( $p<.01$ ). Hence, the direct effects of the predictors significantly explained 20% of the variability in altruism. Only one dimension in LMX, namely contribution respect, was found to be significantly related to altruism. The incremental variance of 1% in step 3 was not significant. This indicated that the interaction effects of LMX and gender of the supervisors did not add any significant contribution in explaining the variation in altruism.

**Table 5: Hierarchical Regression Results Using Leaders' Gender as a Moderator in the Relationship between LMX and Conscientiousness**

Independent Variable	Std Beta Step 1	Std Beta Step 2	Std Beta Step 3
<b>Model Variables</b>			
Contribution Respect	-.12	-.13	-.08
Affect Loyalty	.02	.03	.21
<b>Moderating Variable</b>			
Gender		-.14	.34
<b>Interaction Terms</b>			
Contribution Respect*Gender			.13
Affect Loyalty*Gender			.42
R <sup>2</sup>	.01	.03	.04
Adj R <sup>2</sup>	-.01	.00	-.01
R <sup>2</sup> Change	.01	.02	.01
F Value	.62	1.94	.26

\*\*p<.01, \*p<.05

Tables 5 and 6 tabulated the regression results between LMX and two dimensions of OCB. In analyzing the conscientiousness and courtesy dimensions of OCB, the main effect of the predictors was not significant. No interaction terms were statistically significant. These results conclusively suggest that supervisors' gender did not moderate the relationships between the predictor variables and two dimensions of OCB.

**Table 6:** Hierarchical Regression Results using Leaders' Gender as a Moderator in the Relationship between LMX and Courtesy

Independent Variable	Std Beta Step 1	Std Beta Step 2	Std Beta Step 3
<b>Model Variables</b>			
Contribution Respect	.21	.21	.04
Affect Loyalty	.04	.05	.38
<b>Moderating Variable</b>			
Gender		-.11	.30
<b>Interaction Terms</b>			
Contribution Respect*Gender			.34
Affect Loyalty*Gender			-.80
R <sup>2</sup>	.06	.07	.08
Adj R <sup>2</sup>	.04	.04	.03
R <sup>2</sup> Change	.06	.01	.01
F Value	2.96*	1.24	.44

\*\*p<.01, \*p<.05

**Table 7:** Hierarchical Regression Results using Leaders' Gender as a Moderator in the Relationship between LMX and Civic Virtue

Independent Variable	Std Beta Step 1	Std Beta Step 2	Std Beta Step 3
<b>Model Variables</b>			
Contribution Respect	.42**	.42**	.55
Affect Loyalty	.06	.07	-.01
<b>Moderating Variable</b>			
Gender		.23**	-.17
<b>Interaction Terms</b>			
Contribution Respect*Gender			-.27
Affect Loyalty*Gender			-.21
R <sup>2</sup>	.21	.27	.27
Adj R <sup>2</sup>	.19	.25	.23
R <sup>2</sup> Change	.21	.06	.00
F Value	13.65**	7.10**	.07

\*\*p<.01, \*p<.05

The ANOVA table revealed that the model as a whole was not significant. However, step 1 and step 2 were found to be significant with  $F=13.65$ ,  $p<.01$  and  $F=7.10$ ,  $p<.01$  respectively. Hence the direct effects of the predictors, especially the combination of contribution respect dimensions of LMX and the supervisors' gender, were the significant contributors to civic virtue. This indicated that supervisors' gender was directly predicting the civic virtue aspect of OCB and did not moderate the relationship between LMX and civic virtue.

## Discussion

LMX and OCB are two essential components related to establishing favorable relationships between superiors and subordinates, and therefore motivate subordinates to perform extra-role behaviors. This research study has answered the call to clarify the nature of the relationship between LMX and OCB. We offer strong support to date for a central premise of OCB theory that LMX is partially an expression of subordinate gratitude and reciprocity for positive work-related behaviors originating from a high-quality relationship with one's supervisors. A number of researchers have revealed that there are significant relationship developments between LMX and OCB in a work unit where high quality of LMX would lead to positive behaviors or OCB being exhibited by subordinates.

In this particular study, the outcomes of the analysis indicated that LMX has a significant relationship with OCB in a work unit based on the data sample covering manufacturing companies in Sarawak. This was also supported by other researchers such as Deluga (1994) as well as Hui et al. (1999), where they found that LMX and OCB have a positive relationship in a work unit. The results also revealed that perceptions of equitable treatment by supervisors would gain respect from subordinates and subsequently would drive subordinates' decision to contribute and demonstrate higher levels of OCB.

As hypothesized, contribution respect has a direct relationship with two dimensions of OCB. This finding seems logical and further supported by Norris-Watt and Levy (2004) where the subordinates are more likely to treat the supervisors with more altruistic behaviors if the supervisors provide them with a more positive feedback environment. It seems reasonable that an employee's attachment to the supervisor resulting from continuing reciprocal exchanges and respect over time will enhance the altruism and civic virtue aspects of OCB, as the supervisor is perceived by the employee as the key organizational agent of the organization. However, only two dimensions of LMX, namely respect and contribution factors, were found to have consistent and statistically significant relationships with civic virtue and altruism aspects of OCB. The rationale could be due to the fact that contribution is measured on the effort and investment contributed either explicitly or implicitly to the work unit (Dienesch & Liden, 1986). Thus, contribution is the most important factor that will lead to higher performance of OCB. Findley, Giles, and Mossholder's (2000) findings explained that direct interactions with supervisors, where supervisors observed and listened to their employees, would increase the respect of the subordinates towards their supervisors and further lead to an increase in OCBs by subordinates.

In contrast, affect and loyalty factors of LMX seem not to be affecting any dimension of OCB, leading to a weaker relation between the LMX and OCB. These findings could be due to the fact that Malaysian society is a collectivist, relationship-oriented, and hierarchical society (Abdullah, 1992; Ansari, Ahmad, & Aafaqi, 2004). As noted by Abdullah (1996), in the Malaysian context, an organization or a corporate entity not only strives to achieve higher profit and achieve a specific task, but also to demonstrate a sense of social responsibility for the advancement of the community. Comparatively, Western managers were found to be more direct and task oriented (Yukl, Fu & McDonald, 2003).

Furthermore, this result is also congruent with the findings of Deluga (1994), as well as Settoon et al. (1996), where the significant relationship between LMX and OCB in this study is due to the high quality of social exchange developed between superiors and subordinates that has motivated the subordinates to perform citizenship behaviors in their respective workplaces.

This study has shown that these are strong positive correlation values for LMX determinants such as professional respect and contribution. This indicated that a high quality of social exchange is established between superiors and subordinates. This denotes that high quality of LMX between superiors and subordinates would induce the subordinates to attain a high level of OCB and vice versa. Therefore, this finding was also supported by other research such as Hui et al. (1999), where subordinates with a high degree of LMX, otherwise known as the in-group, will perform with a higher degree of OCB. The main reason could be due to the fact that the interaction presented between superiors and subordinates is a reciprocal relationship and thus relies very much on the degree of exchange in term of access to information, support, time, and greater authority (Scandura & Graen, 1984; Deluga, 1998).

Consequently, the favorable exchange relationship will bring about the citizenship behaviors from subordinates. The act of performing extra-role behaviors by subordinates is influenced by the fact that when subordinates receive or accept favours from their superiors, (e.g. greater autonomy or minimum supervision), this will cause the subordinates to feel obliged to restore the good deed of their superiors by performing OCB. This is further supported by Aquino and Bommer (2003), where this relationship is known as positive reciprocity.

## Conclusions

Our results suggest that how subordinates in Malaysia perceived the quality of relationship with their leader influences their contributions to OCB. Based on these results, it may be concluded that the predictors were directly predictive of OCB, particularly the contribution and respect dimension of LMX. The moderating effects of gender on the interaction terms of other predictors were only partially significant for OCB, indicating that gender did not affect most of the relationships between LMX and OCB. This is mainly because subordinates who performed citizenship behaviors in the workplace did so because of the high quality of social exchange, which existed between superiors and subordinates. In a leadership study by Ronk (1993), no difference was detected between male and female leadership styles based on

personality traits and their leadership quality (Campbell, Bommer, & Yeo, 1993).

As noted by Randall, Cropanzano, Bormann, and Birjulin (1999), owing to the support received from the supervisors, the subordinates' performance could be enhanced because support appears to engender more positive work attitudes. Our results were also supported by prior studies which revealed that LMX has a significant relationship with OCB, which indirectly contributed to the organizations' outcomes (e.g., Dansereau et al., 1975; Liden & Graen, 1980; Vecchio & Gobdel, 1984; Deluga, 1998; Settoon et al., 1996). Our research has also extended these findings in showing that OCB is likely to be enhanced by improving employee attitudes via enhanced contribution respect of LMX quality.

### Limitations and Implications

The design of this study is not without limitations. The major limitations of this study revolve around sampling issues such as the small sample size reported here, which may have affected the current results. However, the small sample size, coupled with the significant results reported does suggest that the current findings can be reliable. Secondly, the study has relied primarily on samples drawn from the manufacturing sector, thus the findings cannot be generalized to other sectors. It could be conceivable that issues related to organizational climate might have affected some of the relations studied. Thirdly, this study was not longitudinal; cross-sectional studies only provide a static perspective on the relationship between LMX and OCB.

Lastly, this study underscores the need to uncover the similarity and dissimilarity of gender between supervisors and subordinates. The finding of Duchon, Green, and Taber (1986) suggested that gender similarity between superiors and subordinates would lead to high quality social exchange being established between superiors and subordinates. Correspondingly, this is further supported by Tsui and O'Reilly (1989), where gender similarity between superiors and subordinates would enhance the level of interpersonal liking and reduce the role of conflict and ambiguity between superiors and subordinates, thus contributing to high quality of LMX.

One obvious implication of the present study is that supervisors should be aware of the importance of developing supervisory coaching skills. If supervisors realize that their interactions with subordinates affect the subordinates' work behaviors, they can further improve their downward interaction to elicit more desired subordinate behaviors. As noted by Norris-Watts and Levy (2004), positive perception is likely to increase employees' affective commitment and OCBs, thus serving to increase overall organizational performance.

This study has contributed to the importance of OCB theory, yet future endeavors should be dedicated to comparing these findings with similar predictors and criterion in other sectors. All in all, this study suggests that LMX and OCB should be taken more seriously by managers in the manufacturing sector on account of its influential and important role in inspiring employees. Also it should be used as a means to increase one's career satisfaction or multiple aspects of organizational performance.

## References

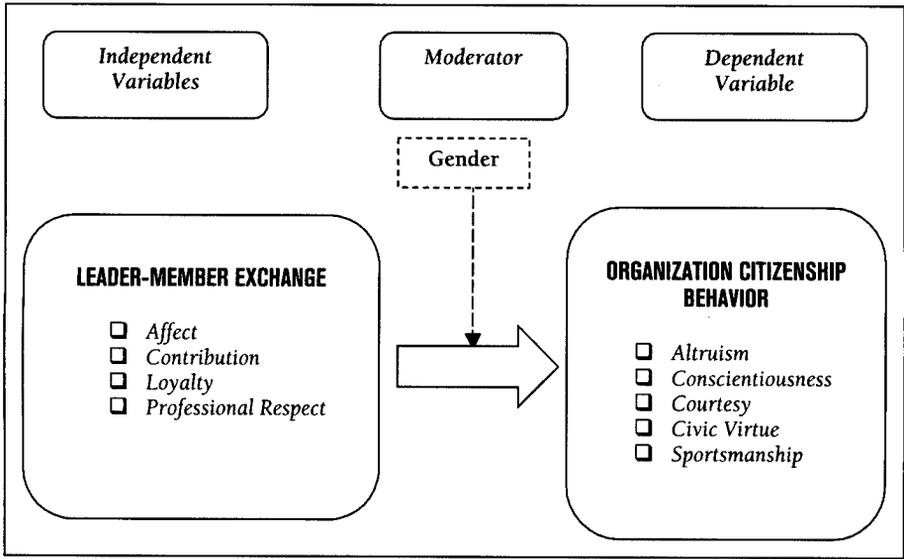
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## Appendix I

The Linkage between Independent Variables and Dependent Variable



Source: Adapted from Liden and Maslyn (1998) and Organ (1988).