

Linking Justice, Performance, and Citizenship via Leader–Member Exchange

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Abstract While organizational justice continues to garner attention by researchers, *why* perceptions of justice influence a variety of outcomes is still in need of explanation. In this paper, we examine one type of social exchange process that may provide a better link between perceptions of fairness and important organizational outcomes. Specifically, we examine how leader–member exchange (LMX) affects the relationship between employee perceptions of fairness and supervisor-rated performance and organizational citizenship behaviors (OCBs). Data from our study demonstrates that LMX fully mediates the relationship between interactional justice and performance and OCBs. In addition, the results demonstrate that LMX moderates the relationship between both distributive and procedural justice and OCBs.

Keywords Leader–Member Exchange · Justice · Performance

Introduction

The relationship between organizational justice and a variety of important outcome variables is well established.

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For example, research has revealed that individuals who face a perceived injustice are more likely to quit an organization (Folger and Cropanzano 1998; Olsen-Buchanan 1996) or increase their level of absenteeism (Gellatly 1995). In addition, violations of justice have been linked to lower levels of performance (Williams 1999) and organizational citizenship behaviors (OCBs) (Moorman 1991), and increased levels of retaliation behavior (Skarlicki and Folger 1997). However, what is missing in the literature is an explanation of *why* perceptions of justice influence a variety of outcomes (e.g., Liden et al. 1997). In other words, is there some linking mechanism or variable that explains why perceptions of justice influence outcome variables such as performance and OCBs?

Although there are many potential linking mechanisms one could study (e.g., affect, job context), our study focuses on a social exchange process, such as what occurs between a supervisor and his/her subordinate (Rupp and Cropanzano 2002; Masterson et al. 2000; Cropanzano et al. 2002). This social exchange process is likely very salient and meaningful to employees in an organization and therefore is likely to affect their behavior. Although, different types of relationships or exchanges can develop in an organization (Blau 1964), we focus in this paper on the exchange process with one's supervisor. Specifically, leader–member exchange (LMX) represents the social exchange process between an employee and his/her supervisor (e.g., Masterson et al. 2000; Cropanzano et al. 2002). To date, research incorporating LMX and justice has focused on the mediating process of LMX on the relationship between interactional justice perceptions and a variety of organizational outcomes. However, the samples in these studies have been limited to university settings, some have used self-reported performance measures, and have focused exclusively on the fairness of the performance appraisal

process. In addition, the research has overlooked how social exchange constructs, such as LMX, may affect the relationship between procedural and/or distributive justice with a variety of important outcomes. Previous research identified the mediator role of such social exchange constructs. On the other hand, this paper theorizes not only the mediator role but also theorizes the moderator role of LMX between certain justice perceptions and individual outcomes. In short, this paper contributes to a richer understanding of the role of LMX on the relationship between justice perceptions and employee outcomes, which is in fact more complex than was understood in the past. Such an approach contributes to our understanding of “why” justice relates to organizational outcomes.

Literature Review and Hypotheses

Organizational Justice

Organizational justice refers to an individual’s perception or evaluation of the appropriateness of some process or outcome (Cropanzano and Greenberg 1997). Most researchers accept that a perceived injustice can be explained in terms of distributive, procedural, and interactional justice. Distributive justice (Homans 1961) relates to the perceived fairness of an outcome that a person receives. Equity theory (Adams 1965) built upon the ideas initially presented by Homans. Equity theory indicates that individuals make fairness judgments regarding the outcomes they receive by comparing the ratio of their outcomes to their inputs to some referent comparison. Procedural justice (Leventhal 1980; Thibaut and Walker 1975) deals with one’s perception of fairness regarding the procedures used to allocate the outcome(s). Thibaut and Walker (1975) stated that procedural fairness is enhanced if people are given a “voice” in the procedures that affect them. Leventhal (1980) agreed with Thibaut and Walker’s idea of voice, but argued there were additional requirements for a system to be procedurally just. Specifically, he added that procedurally just systems require consistent application, be free from bias, accurate, correctable, represent all parties concerned, and be based on ethical standards. Finally, interactional justice (Bies and Moag 1986) refers to the perceptions of fairness regarding treatment during some social exchange. Specifically, perceptions of justice are enhanced if one is treated with dignity and respect, and is provided with adequate explanations for the decisions that affect them (Cropanzano and Greenberg 1997). Thus, justice perceptions may interact with perceptions of leadership in predicting organizational outcomes. We now describe one particular theory of leadership, that of LMX.

Leader–Member Exchange (LMX)

Theories of LMX first appeared almost 30 years ago (Dansereau et al. 1973; Graen et al. 1982). The basis of LMX is that “dyadic relationships and work roles are developed and negotiated over time through a series of exchanges...between leader and member” (Bauer and Green 1996, p. 1538). LMX is different from traditional leadership theories because it incorporates the relationship between the leader and follower. Specifically, leaders treat their subordinates differently rather than the same (i.e., a dyadic relationship); the relationship between the leader and follower is evolutionary; and the relationship evolves quickly. According to this theory, some relationships evolve into a high quality exchange while others are based on a more formal, traditional relationship between leader and members.

The relationship between a leader and his/her subordinate(s) has been shown to be important for a variety of individual and organizational outcomes. The quality of LMX influences organizational commitment (Kinicki and Vecchio 1994), job satisfaction (Schriesheim et al. 1998), goal commitment (Klein and Kim 1998), citizenship behaviors (Wayne et al. 1997; Deluga 1994), career satisfaction and salary progression (Wayne et al. 1999), and turnover (Ferris 1985). There is also support for the quality of relationship between a leader and member on performance ratings (Gerstner and Day 1997; Wayne et al. 2002).

As stated earlier, LMX represents the social exchange process between an employee and his/her supervisor (e.g., Masterson et al. 2000; Cropanzano et al. 2002). During this type of exchange process, a norm of reciprocity is created (Gouldner 1960). For example, once a high or low quality LMX relationship has been formed, the relationship between the leader and the members of each group has distinct characteristics. Individuals in the in-group (high quality LMX) are provided with more authority to make decisions (Yukl and Fu 1999; Schriesheim et al. 1998; Bauer and Green 1996), are given special information to help them complete tasks (Graen 1989), are consulted prior to decisions (Yukl and Fu 1999), and are given special mentoring opportunities (Graen and Scandura 1987).

Linking Justice, LMX, Performance and OCBs

Considering the evidence that the three components of organizational justice are theoretically and empirically distinct (e.g., Colquitt 2001), it is likely that the consequences of these types of justice should be somewhat different (Ambrose and Schminke 2003). Recently, it has been argued that procedural and distributive justice should be considered a “system” or “structural” level variable

since both procedural and distributive justice deal with an exchange between an individual and an organization (Cropanzano et al. 2002). Alternatively, interactional justice represents a “social” or supervisory level variable since it deals with the exchange between an individual and his/her supervisor (or another person). However, we believe that the three types of organizational justice are likely to contain both structural (or system) and social components, but the portion of each component may be different according to each justice type. This is not inconsistent with past research in this area. For example, Colquitt et al. (2001) recently demonstrated that procedural, as well as interactional justice can be a system-level or supervisory-level variable. In other words, procedural justice perceptions by an employee may be a result of organizational-wide issues (e.g., having a “voice” in the performance appraisal process) or a result of supervisory implementation of the procedures (i.e., manner in which the performance appraisal is conducted by the supervisor). From the employee’s perspective, an organizational process (i.e., performance appraisal process) may be perceived as fair, but the supervisor’s interpretation or implementation of the formal procedure may be viewed as unfair. In addition, distributive justice may be a supervisory-level social exchange process when viewed from the perspective of the employee. Specifically, some employees are likely to view the outcomes they receive (e.g., pay, etc.) to be influenced by their supervisor rather than some “system” entity. Overall, it is likely that interactional justice contains a large portion of the social component and a very small portion of the structural component. On the other hand, distributive and procedural justice are likely to contain a large portion of structural or system-level components and have a relatively small portion of social components. Therefore, it is reasonable to predict that distributive, procedural, and interactional justice perceptions will be positively related to LMX, but interactional justice perceptions may explain a larger portion of the variance in LMX than distributive or procedural justice perceptions. Thus,

Hypothesis 1a Procedural, interactional, and distributive justice will be positively related to perceptions of LMX quality.

Hypothesis 1b Interactional justice will explain a larger portion of the variance in LMX than perceptions of procedural or distributive justice.

Recently, researchers have argued that social exchange processes, such as LMX, might serve to be the linking mechanism through which fairness perceptions affect a variety of employee behavior and organizational outcomes (e.g., Wayne et al. 2002; Masterson et al. 2000; Cropanzano et al. 2002). The primary argument in this research is

that LMX mediates the relationship between interactional justice and performance (or OCBs) since interactional justice is an exchange between an employee and a supervisor. However, the research in this area has found mixed results. While there has been agreement that interactional justice’s relationship to job satisfaction is fully mediated by LMX (Masterson et al. 2000; Cropanzano et al. 2002), the results regarding OCBs and performance are contradictory. While Masterson et al. (2000) found no support for the mediation effect of LMX on the relationship between performance and interactional justice, Cropanzano et al. (2002) did find support for mediation. Although both of these studies were extremely well done, we believe more research is needed in this area using a different type of work setting (they both used employees in an university setting), different measures of justice (they focused exclusively on the fairness of the performance appraisal process), and using supervisor-rated performance and OCBs. Thus,

Hypothesis 2 LMX mediates the relationship between perceptions of interactional justice and supervisor-rated performance and OCBs.

Finally, while LMX may mediate the relationship between interactional (social) justice and various outcome variables, we argue that the type of relationship between procedural and distributive justice, LMX and outcomes is different. As stated earlier, distributive and procedural justice can be viewed as a system-level or a supervisory-level exchange process. Therefore, LMX may also influence the relationship of procedural and distributive justice and a variety of outcomes. However, instead of mediation, LMX may serve to moderate this type of relationship. In the case of the social side of justice (i.e., interactional justice), it makes sense that LMX mediates the relationship because such justice components are often under the direct control of supervisors. However, in the case of the structural side of justice, it makes more sense that LMX moderates the relationship because this type of justice may be largely outside the control of supervisors. Therefore it is unlikely that LMX would mediate the relationship between these types of justice perceptions and various outcomes. Instead of mediation, we argue that higher LMX leads to *stronger* relationships between distributive and procedural justice and performance and OCBs. Specifically, if people feel that the structures or systems within the organization are fair, they trust their organizations. However, whether such trust results in actual performance and citizenship behaviors may depend much on their relationships with immediate supervisors (i.e., LMX). If LMX is low, people may not exert much effort to increase performance and may not be willing to help their supervisors and coworkers. Also, the low quality leader–member relationship inhibits individuals from high performance and OCBs even if the

individuals want to contribute to the organization they trust, partly because of the poor communications and mutual misunderstandings. If LMX is high, the positive attitudes and trust to both supervisors and organizations increase their performance and citizenship behaviors. This explanation is clearly distinct from the mediation hypothesis in which the social side of justice directly influences the quality of the leader–member relationship, which in turn influences individual performance and OCBs. Thus,

Hypothesis 3a LMX moderates the relationship between procedural justice and supervisor-rated performance and OCBs.

Hypothesis 3b LMX moderates the relationship between distributive justice and supervisor-rated performance and OCBs.

Method

Procedures

Participants for this study were recruited from a large, international manufacturing company located in the western United States. The lead author approached the organization and received permission to approach the supervisors and employees of various departments within the organization. The supervisors within each department were given a packet of information that explained the study and asked for them to rate the performance (and OCBs) of their immediate subordinates. In addition, the packet contained sealed envelopes that contained the employee surveys. The supervisors were asked to hand out the sealed envelopes to their employees with instructions to bring the sealed envelope to the company-wide meeting that would occur later in the week. The organization provided time during this meeting to allow the employees to complete the surveys. When the surveys were complete, the respondents returned the survey directly to the researcher who was given permission to attend the meeting. At no time did the various supervisors have access to the individual employee responses. In order to keep all responses anonymous, random codes were generated for each supervisor within each department. In addition, this particular random code was attached to the surveys the supervisor handed out to each of his/her employees.

Participants

Two hundred fifty-eight employees (66% response rate) and 34 supervisors (89.5% response rate) agreed to participate in the study. Fifty-seven percent of the employees and 64% of the supervisors who provided their gender were

male. The employees' and supervisors' average age were 41.94 ($SD = 11.04$) and 48.09 ($SD = 8.39$) respectively. The employees averaged 9.46 ($SD = 7.62$) years with their employer and 4.37 ($SD = 5.01$) years with their respective supervisor. The supervisors averaged 17.69 ($SD = 8.80$) years with the organization.

Measures

We conducted separate confirmatory factor analysis using AMOS (Arbuckle and Wothke 1999) for each of our scales and demonstrated the unidimensionality of our independent and dependent measures. In addition, we conducted a confirmatory factor analysis with all of our scales entered to establish convergent and discriminant validity ($NFI = .97$, $RFI = .96$, $TLI = .98$, $RMSEA = .06$). An examination of the individual item factor loadings indicates that all are significant. Please see the appendix for a listing of all of the items.

Leader–Member Exchange

Participants rated the perceived quality of their relationship with their immediate supervisor using the LMX7 scale (1 = strongly disagree; 7 = strongly agree) developed by Graen and colleagues (1982) and modified by Liden et al. (1993). The LMX-7 scale is the most frequently used measure of the relationship between a leader and their followers (Liden and Maslyn 1998). Consistent with past research, items from this scale were summed to form the composite measure of LMX ($M = 35.51$, $SD = 8.77$, $\alpha = .92$).

Organizational Justice

Interactional (8 items), procedural (7 items), and distributive (5 items) justice (1 = strongly disagree; 7 = strongly agree) were measured with a scales developed by Moorman (1991). This scale has recently been described as one of the most comprehensive and frequently used measures of organizational justice (Colquitt 2001). In addition, several items were added to the scale based on the work of Colquitt (2001) to reflect the interpersonal nature of interactional justice. The various items were averaged to form our measures of interactional ($M = 5.43$, $SD = 1.27$, $\alpha = .96$), procedural ($M = 4.70$, $SD = 1.25$, $\alpha = .95$) and distributive ($M = 4.19$, $SD = 1.60$, $\alpha = .96$) justice.

Performance

Supervisors rated their employees' level of performance using 5 items (1 = strongly disagree; 7 = strongly agree) from a scale developed by Williams and Anderson (1991).

The five items were averaged to form our composite measure of performance ($M = 5.94$, $SD = .90$, $\alpha = .87$).

OCBs

Supervisors rated their employees' level of OCBs based on the work of Podsakoff and Mackenzie (1994). The five items (1 = strongly disagree; 7 = strongly agree) were averaged to form our measure of OCBs ($M = 5.14$, $SD = 1.02$, $\alpha = .83$).

Dyadic Tenure

To control for alternative explanations to our findings, and therefore increase the internal validity of our study (Mitchell 1985), we also measured the length of time (in years) a person had worked with their particular supervisor via one fill-in-the-blank item ($M = 4.37$, $SD = 5.01$). Dyadic tenure is often seen as relating to perceptions of LMX (e.g., Wayne et al. 1997) and may influence supervisor ratings of performance and OCBs.

Results

The means, standard deviations, and correlation matrix for the variables in this study are presented in Table 1.

A perusal of our correlation matrix lends initial support for hypotheses 1a and 1b. Specifically, interactional ($r = .75$)¹, procedural ($r = .49$) and distributive ($r = .46$) were significantly related to LMX (at $p < .001$). In addition, as suggested in hypothesis 1b, interactional justice had a stronger relationship with LMX than both procedural and distributive justice.

To further test hypotheses 1a and 1b, we utilized ordinary least squares regression controlling for the effects of dyadic tenure on the relationship between justice and LMX. When LMX is regressed onto the three different components of justice, only interactional ($t = 13.57$, $p < .001$) and distributive ($t = 3.47$, $p < .001$) justice are significantly related to LMX after controlling for the effects of dyadic tenure. Again, interactional justice has the strongest relationship to LMX compared to the other justice variables. After controlling for dyadic tenure and the other justice variables, interactional justice explains an additional 32% ($F = 184.11$, $p < .001$) of the variance in LMX while the unique variance explained by distributive justice reached 2.1% ($F = 12.04$, $p < .001$). Hypotheses 1a and 1b are supported.

¹ Although the relationship between LMX and interactional justice is very strong (as expected), confirmatory factor analyses demonstrated the discriminant validity of these constructs.

In order to test for the mediating effect of LMX on the relationship between interactional justice and performance (and OCBs), we utilized structural equation modeling (SEM) that allows for measurement error and simultaneous tests of multiple relationships. Consistent with past research examining these effects, we used scale values as the indicator of the latent construct in order to provide an adequate sample size-to-degrees of freedom ratio (Bentler and Chou 1988). In addition, we adopted the approach suggested by Wayne et al. (1997) and adjusted for measurement error in our indicator variables (except for tenure with supervisor which was assumed to have no measurement error) “by setting the path from the latent variable to the indicator equal to the square root of the scale reliability” (p. 100). We multiplied the value of the indicator by one minus the reliability of the scale to determine our error variance (Maruyama 1998).

In order to test for mediation (Baron and Kenny 1986), we must first demonstrate that the independent variables of interest are related to the outcome variables. We created a model that linked interactional justice with performance and OCBs. The results indicate that interactional justice is significantly related to both performance and OCBs. Specifically, the standardized regression weights were significant.

For the second step, we created a model that linked interactional justice with the mediator (LMX) and the mediator with performance and OCBs. While controlling for the effects of dyadic tenure, interactional justice was significantly related to LMX. In addition, LMX was significantly related to performance and OCBs. The mediation model fit the data reasonably well using a variety of goodness of fit indices ($NFI = .99$, $RFI = .96$, $TLI = .96$, $RMSEA = .16$). Please see Fig. 1.

To determine mediation, we then added a direct path between interactional justice and performance and OCBs. A non-significant change in χ^2 between the two models and a lack of significant direct path coefficient indicates full mediation (Holmbeck 1997). As expected, LMX fully mediates the relationship between interactional justice and performance and OCBs (χ^2 difference = 1.04, $df = 2$, n.s.). The relationship between interactional justice and performance and OCBs is not significant in the presence of LMX. Hypothesis 2 is supported.

Hypotheses 3a and 3b indicate that LMX will moderate the relationship between procedural (or distributive) justice and performance and OCBs. To test these hypotheses, moderated regression analyses were conducted using an ordinary least squares approach. In step 1, we entered dyadic tenure to control for the effects of this variable. In step 2, either procedural or distributive justice was entered. In step 3, the potential moderating variable (LMX) was entered. Finally, in step 4 the interaction term between

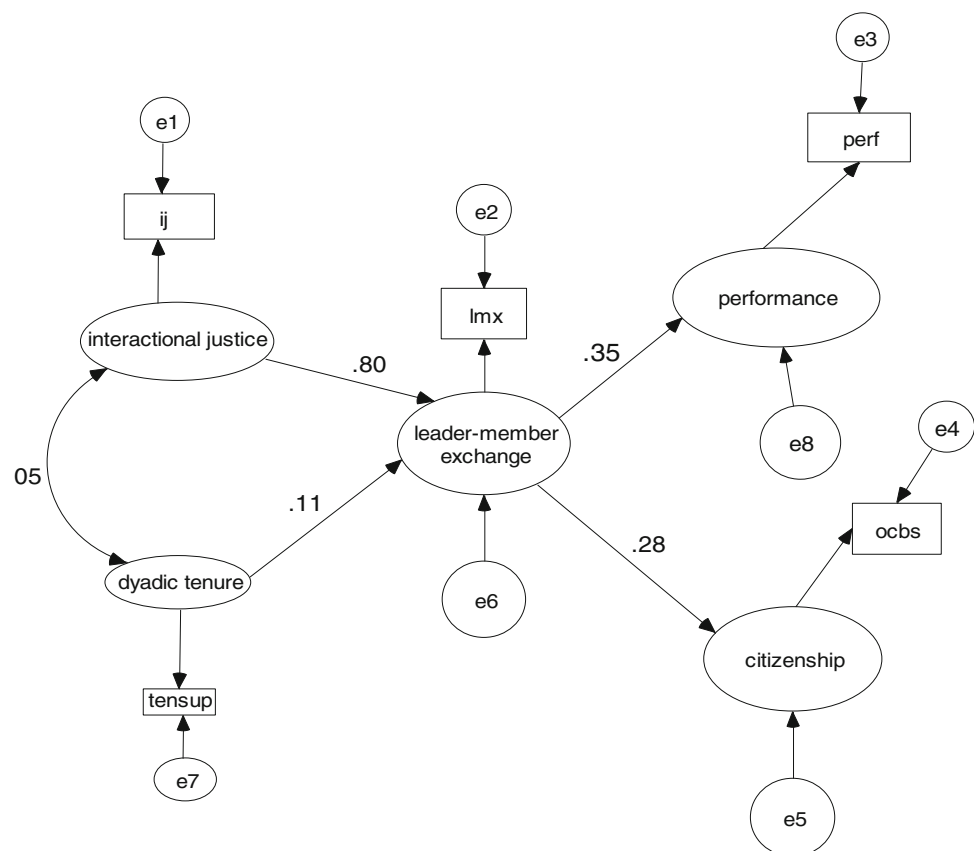
Table 1 Means, standard deviations, and correlations^a

Variable	<i>M</i>	<i>SD</i>	1	2	3	4	5	6
1. Performance	5.94	.90	(.87)					
2. OCBs	5.14	1.02	.45***	(.83)				
3. LMX	35.51	8.77	.26***	.19**	(.92)			
4. Interactional justice	5.43	1.27	.27***	.16*	.75***	(.96)		
5. Procedural justice	4.70	1.25	.15*	.06	.49***	.56***	(.95)	
6. Distributive justice	4.19	1.60	.10	.04	.46***	.36***	.54***	(.96)
7. Dyadic tenure	4.37	5.01	.11	.00	.14*	.03	.04	.12

^a Numbers in parentheses are coefficient alpha

* $p < .05$; ** $p < .01$; *** $p < .001$

Fig. 1 Mediating effect of LMX on interactional justice, performance, and OCBs



justice and LMX was entered. A significant interaction indicates a moderating effect. The results indicate that LMX moderates the relationship between both procedural and distributive justice and OCBs. However, LMX does not moderate the relationship for performance. Specifically, when the interaction of procedural justice and LMX is entered into the regression equation, it explains an additional 2.1% of the variance in OCBs ($F = 4.15$, $p < .05$). When the interaction of distributive justice and LMX is entered into the regression equation, it explains an additional 4% of the variance in OCBs ($F = 8.05$,

$p < .01$). Thus it appears that LMX strengthens the relationship between procedural and distributive justice and OCBs in this sample. Please see Table 2 and Fig. 2. Hypotheses 3a and 3b are partially supported.

Discussion

Our results demonstrate that both interactional and distributive justice (but not procedural justice) explain unique variance in LMX. This lends support for the idea that both

Table 2 Moderating effect of LMX on procedural and distributive justice

Variable	For P.J. ^{a,b}	For D.J.
<i>Performance as dependent variable</i>		
Dyadic tenure	.10	.07
Procedural justice	.44	
Distributive justice		-.16
LMX	.55**	.25
LMX × P.J.	-.66	
LMX × D.J.		.16
Total R ²	.09	.10
Change in R ^{2c}	.01	.00
<i>OCBs as dependent variable</i>		
Dyadic tenure	-.04	-.05
Procedural justice	-.62*	
Distributive justice		-.92***
LMX	-.15	-.19
LMX × P.J.	.86*	
LMX × D.J.		1.14**
Total R ²	.07	.09
Change in R ²	.02*	.04**

^a Standardized betas are reported from the final regression equation

^b P.J. = Procedural Justice; D.J. = Distributive Justice

^c Change in R² for addition of LMX × PJ (or DJ) to equation

* $p < .05$; ** $p < .01$; *** $p < .001$

interactional and distributive justice can be viewed, in part, as a supervisory-level exchange process. In addition, interactional justice had the strongest relationship with LMX when examining all the justice variables simultaneously. Considering LMX and interactional justice are both supervisory-level exchange variables, this is not unexpected. An important implication for future research is that many studies examining the effects of justice do not incorporate LMX. In this case, researchers may not be obtaining an accurate picture of what is occurring in these settings, especially if one is examining the effects of interactional justice on individual-level outcomes such as job performance, OCBs, absenteeism, job satisfaction, and so forth. To get a better picture of what is occurring, future research should measure both interactional justice and LMX.

Our study also lends support for the mediation effects of LMX on the relationship between interactional justice and performance and OCBs (Cropanzano et al. 2002; Masterson et al. 2000). However, we add to these results by demonstrating the mediation effect for a very different sample than has been previously used. Therefore, the external validity of the results is supported. In addition, we found these results using a more general justice measurement instead of focusing specifically on the perceived fairness of the performance appraisal process.

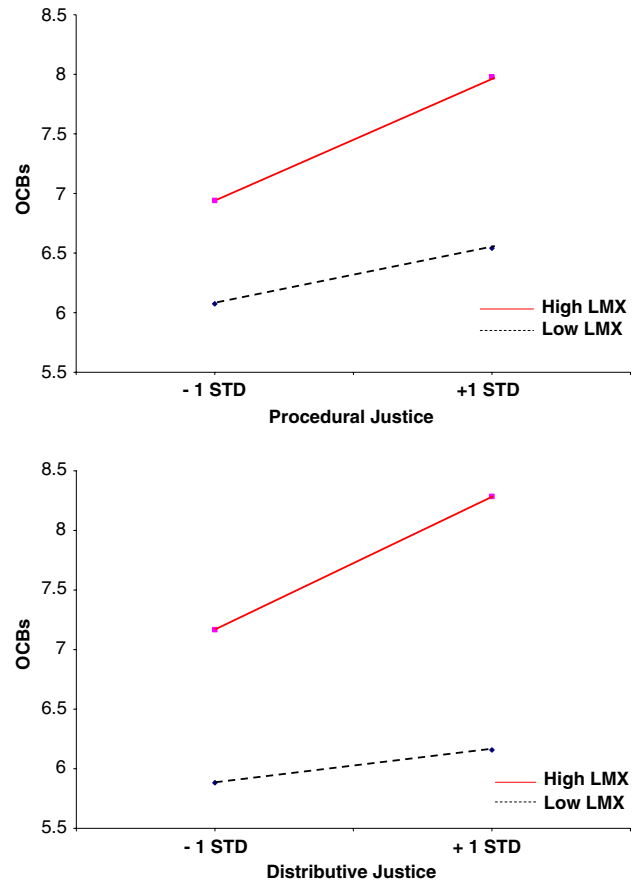


Fig. 2 Moderating effect of LMX on procedural justice, distributive justice, and OCBs

Our study also found some support for the moderating role of LMX in the relationship between justice and OCBs (but not performance). Cropanzano et al. (2001) recently stated that research in justice should explore the potential role of moderators in the relationship between organizational justice and a variety of outcome variables. Our study adds to the literature by demonstrating that LMX moderates the relationship between both procedural and distributive justice and OCBs. Individuals with high quality relationships with their supervisors responded more favorably to perceptions of procedural or distributive justice by engaging in higher levels of citizenship behaviors. This is especially interesting since the items used to measure OCBs in this sample were largely focused on “helping” the organization rather than the supervisor. Therefore, when an individual perceives a good quality relationship with his/her supervisor and sees the formal procedures of the organization as fair, he/she goes above and beyond his/her “normal” duties by helping the organization in any way he/she can.

Our lack of significant results for LMX’s moderating role on justice perceptions and performance may be due to the nature of our particular sample. Specifically, employees

in our sample averaged 9.46 years with the particular company. One may assume that these individuals are likely very proficient at their regular job duties due to their length of time on the job. In fact, the mean level of performance for our sample was rated fairly high ($M = 5.94$) by the supervisors. In addition, in this particular organization, the employees are very specialized in their job skills and may have limited opportunities for other employment. Therefore, the employees in our sample may be reacting to instances of justice/injustice and perceptions of LMX by modifying their OCBs rather than their in-role job behavior (i.e., the employees may fear that changes in job performance may result in retaliation from the organization or supervisor). Future research should investigate this further.

Limitations

The results should be viewed in light of the study's limitations. One limitation is our exclusive use of self-reported LMX quality. Schriesheim and his colleagues (2001, 1999, 1998) have argued that all research in this field should collect data from both the supervisor and the subordinate since LMX is by definition dyadic. As Schriesheim et al. (2001) noted, since there is little agreement between ratings of LMX for supervisors and subordinates, *what* are we really studying if we only get one side of the story? We agree with these arguments and believe future researchers should continue to collect and analyze LMX data at the dyadic level. However, we believe that our results lend some preliminary evidence to the interaction of subordinate-rated LMX, justice perceptions, and supervisor-rated performance and OCBs. In addition, supervisor-rated LMX may not be an appropriate measure in this type of study since we are examining how employees' perceptions of fairness and employees' perceptions of LMX quality interact to predict performance and OCBs. What are we examining/measuring if we look at the interaction of supervisor-rated LMX and employee perceptions of justice?

Another limitation of the study is the fact that we used cross-sectional data. One of the primary criticisms of research in the LMX literature is that the researchers fail to adequately measure the developmental aspects of LMX (Liden et al. 1997). Although we did not collect longitudinal data to examine the development of LMX, we did attempt to examine how time with a supervisor may influence one's performance and OCBs. We agree that future researchers need to conduct longitudinal studies to examine how LMX affects a variety of outcomes at different developmental points in the relationship. It may be that LMX is most important in the early stages of a person's time with the supervisor, but becomes less important later in the relationship.

Our study may also suffer from common method variance problems that should be considered when examining the results. Specifically, the relationship between LMX and interactional justice was very strong. This may have inflated some of our results. However, we hasten to add that confirmatory factor analyses demonstrated that LMX and interactional justice were perceived as two separate constructs in our sample.

Finally, we should note that our measure of *RMSEA* (.16) for our mediation model is somewhat above the normally accepted limit of .10 (Kline 1998). However, this level of *RMSEA* is not uncommon in past research (e.g., Ambrose and Scminke 2003) and the other fit indices suggested the mediation model fit the data very well. With this said, the slightly above normal *RMSEA* may indicate the possible existence of superior models. Future research should continue to explore alternative mediation models.

Practical Implications

The findings of our research indicate that LMX plays a very important role in the organizational justice-outcome link. Therefore, there are several practical implications that arise. First, the social side of justice (e.g., interactional justice) is necessary to develop a high quality LMX, which in turn influence important individual outcomes (i.e., performance and OCBs). Second, the structural side of justice alone is not enough to enhance employee performance and OCBs. A high quality LMX is necessary to enhance the relationship between the structural side of justice and outcomes. Therefore, organizations should focus on both organizational justice and LMX if they want to enhance employee performance and OCBs.

Conclusion

Interest in organizational justice continues to grow and evolve. Researchers are continuing to explore the role of justice in a variety of outcomes (Ambrose 2002). We believe that our findings emphasize "why justice matters" for leaders and followers. Lind and Tyler (1988) and Brockner (2002) point out that justice perceptions are important as they provide individuals with information about their group membership and status and this knowledge influences how they feel about themselves and behave towards others. Thus, if leaders can provide fair interpersonal treatment (as well as utilize fair procedures and provide just outcomes to all of their followers), perhaps a greater sense of self-worth and teamwork can be fostered within followers. In terms of our study, justice certainly seems to "matter" when viewed in relation to LMX and performance.

In addition, researchers in the justice field have pointed out various reasons to “why justice matters” (Ambrose 2002; Cropanzano et al. 2001). As discussed above, our study emphasized why justice matters from a social exchange (or relational—Tyler and Lind 1992) perspective. However, social exchange is still only one perspective of why justice is important. Other perspectives include a self-interest (or instrumental—Lind and Tyler 1988) or moral (Folger 1998) motive. Future researchers should try to integrate or confirm other explanations to why justice matters (e.g., instrumental and or moral virtue). In addition, these different perspectives do not need to be seen in competition to each other (Ambrose 2002). Future research may benefit from an integration of these different perspectives.

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Appendix

Scale Items

LMX7:

- I usually know where I stand with my supervisor.
- My immediate supervisor understands my problems and needs.
- My immediate supervisor recognizes my potential.
- Regardless of how much power my immediate supervisor has built into his or her position, he or she would be personally inclined to use his or her power to help me solve my problems at work.
- Again, regardless of the amount of power my immediate supervisor has, I can count on him or her to “bail me out” at his or her expense when I really need it.
- My immediate supervisor has enough confidence in me that he or she would defend and justify my decision if I was not present to do so.
- On a scale of 1–7, how would you characterize your working relationship with your immediate supervisor? (1 = extremely ineffective; 7 = extremely effective).

Interactional Justice:

- Your supervisor considers your viewpoint.
- Your supervisor is able to suppress personal biases.
- Your supervisor treats you with dignity.
- Your supervisor treats you with respect.
- Your supervisor treats you with kindness and consideration.
- Your supervisor shows concern for your rights as an employee.

- Your supervisor takes steps to deal with you in a truthful manner.
- Your supervisor treats you in a polite manner.

Distributive Justice:

- Fairly rewarded considering my responsibilities.
- Fairly rewarded in view of the amount of experience I have.
- Fairly rewarded for the amount of effort I put forth.
- Fairly rewarded for the work I have done well.
- Fairly rewarded for the stress and strain of my job.

Procedural Justice:

The procedures at XXX are designed to...

- Collect accurate information necessary for making decisions.
- Provide opportunities to appeal or challenge the decision.
- Generate standards so that decisions could be made with consistency.
- Hear the concerns of all those affected by the decision.
- Provide useful feedback regarding the decision and its implementation.
- Allow for requests for clarification or additional information about the decision.

Performance:

- *This particular employee...adequately* completes his/her assigned job duties.
- ...fulfills responsibilities specified in his/her job description.
- ...meet formal performance requirements of the job.
- ...neglect aspects of the job he/she is obligated to perform (Reverse Coded).
- ...fail to perform essential duties (Reverse Coded).

OCBS:

- *This particular employee ...attends and actively participates* in organizational meetings.
- ...willingly gives his/her time to help others in the organization who have work-related problems.
- ...willingly takes time out of his/her busy schedule to help others.
- ...attends company functions that are not required, but help the company.
- ...volunteers to do things that are not required.

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