

Leader–member Exchange and Subjective Career Success through the Functional Aspect of the Negative Emotion of Envy

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Abstract

Leadership plays a vital role in the success of employees and the organisation by controlling and moulding employees' emotions in the workplace. This study attempts to address the role of leader–member exchange to enhance subjective career success by backing negative emotions in the workplace. Data were collected from 244 employees from the telecommunication sector in Pakistan. A significant relationship was found between leader–member exchange and subjective career success, while the relationship between leader–member exchange and envy is not significant, but between envy and subjective career success is significant. Moreover, envy mediates the relationship between leader–member exchange and subjective career success. Managerial implications are provided and the study recommends that scholars explore more evidence regarding the role of leadership, employees' emotions, and their success at the workplace in various contexts.

Keywords: Leader–member exchange, subjective career success, envy, telecommunication sector

Introduction

Leadership has remained a dominant area for organizational studies for almost one century (Antonakis, 2017). Organizations invest a considerable amount of time, energy, and monetary resources in the development of leadership (Leonard & Kridar, 2014). Leadership is considered a major workplace interpersonal relationship (Dulebohn et al., 2017) because leaders have a powerful impact on the lives and survival of their subordinates, groups, organizations, and societies (Tuncdogan et al., 2016). Nevertheless, the primary focus of leadership studies to date is the dyad relationship between leaders and followers (Cashman, Dansereau, Graen, & Haga, 1976; Graen & Uhl-Bien, 1995). As such, this dyadic relationship using the social influence process is vital for the attainment of organisational objectives (Chemeers, 2014). The importance

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of this relationship was highlighted in a groundbreaking work by Dansereau, Graen, and Haga(1975)when they introduced the concept of vertical dyadic linkage (VDL).

Later on, VDL was refined in the form of the leader–member exchange (LMX) theory by Graen and Ulbien (1995). Leader–member exchange is a follower-based theory, which holds that leaders develop different types of relationships with subordinates commonly referred to as the quality of relationships(Park et al.,2015). This quality of exchange is created among both in group and out group employees (Dansereau et al.,1975). This differentiation leads towards various consequences, which can ultimately affect the effectiveness of the group following a leader (Anand, Liden,&Vidyarthi, 2014).Many scholars(Boies & Howell,2001; Pelligrini & Scandura,2006; Hooper & Martin,2008; Harris et al.,2014) worked on the phenomenon of leader–member exchange with various variables, but the link of LMX with subjective career success is rare and still needs investigation (Brelan et al.,2007).

Most of the studies(Ng et al.,2005;Day & Allen,2004;Abele & Spurk,2009;Colakoglo,2011) conducted have been on career success, focusing on external rewards, promotions, and achievements(objective success) but ignoring the internal perspective(subjective career success). Subjective career success is understanding of one’s career evaluation (Arthur,2005), goal realization, self-identity, and perceived opportunity for promotions(Heslin,2005). More empirical research is needed using different research models to explore more predictors, outcomes, mediators, and moderators of subjective career success (Dai & Song,2016). Park et al. (2016) also identified the association of LMX with subjective career success and further suggested future work on this relationship in various countries.

Furthermore, the role of leadership in generating negative emotions has also been observed. Lange and Crusius (2015) claimed that envy is a social–functional phenomenon, and there is a need for future work on envy at the interpersonal level. According to Kim et al(2010),employees having a poor working relationship with the supervisor are more likely to show a higher level of envy. Existing research(Smith,2004;Abrams et al.,2007;Hughes,2007;Charash,2009;Hartline & Yan,2011; Hill et al.,2011; Kransova et al.,2013) narrowed down the scope of envy to various antecedents of negative emotions such a sun just treatment, lack of support, favoritism, and prejudice, but this study’s focus will be on LMX as the predictor of envy.

Previous works on envy focused on its detrimental outcomes, but these can be functional and healthy in the form of avoidance of harm and danger (Gilbert et al., 2014). The emergence of positive psychology (Seligman, 2005) has also encouraged research on the functional outcomes of emotion at the workplace. According to Lange (2016), an envious person always tries to equalise the position of self and the envied person either by depriving others or by getting what others have. However, studies on the functional effect of envy are still in a nascent stage, specifically on the quality of leader–member exchange (LMX). Hence, this study will emphasise the positive outcomes of negative emotions in the workplace.

The current study will be a valuable addition to the extant literature as it investigates the functional outcomes of negative emotion, namely, envy. This study will examine the impact of leader–member exchange on subjective career success with the mediating role of envy. Although it may be intuitive that negative emotional experiences can harm the quality of social interactions and a leader's perception, much less is known on how specific negative emotions could benefit the organization. Hence, this study will focus on the positive and beneficial outcomes of envy in the workplace. Various studies (Lange & Cruise, 2015; Li et al., 2015; Ven, 2010; Charash & Mueller, 2007; Lange, 2016; Morgan et al., 2016; Evan & Warrens, 2015; Tandoc et al., 2015) found that LMX affects various outcomes including employees' attitudes and behaviors, and yet its link with certain variables like subjective career success is almost unexplored.

Literature Review

The most prominent interpersonal relationship at the organizational level is the relationship between leaders and their subordinates (Dulebohn et al., 2017). Leadership has been divided into three areas, namely, task-oriented, relation-oriented, and participative leadership but much of the research has involved the dyadic relationship between a leader and a follower (Yukl, 2003). It is a diverse global phenomenon which has the potential of reflexivity, moral liability and change with earnest pursuits in contemporary organizational life (Fairhurst & Connaughton, 2014).

The LMX differentiation counters the rules of equality that is vital for maintaining social harmony among employees and leads to negative reactions at the workplace (Hooper & Martin, 2008). Furthermore, Langford (2000) examined the link of leader–member exchange with outcomes like objective and subjective career success. He revealed the association between the relationship quality of a leader and

his/her subordinates with subjective career success. Brunetto et al (2016) used the leader–member exchange theoretical framework to compare the relationship of the supervisor–subordinate relationship and their perceptions of well-being. They identified that a high level of the supervisor’s relationship affects the subordinate’s perceptions of teamwork and well-being. Volmer et al (2011) emphasized the importance of LMX on job satisfaction and their reciprocal relationship. They argued that LMX enhances the quality of relationships and leads to job satisfaction.

In earlier literature, career success has been defined as hierarchical progression in occupation and characterized by two magnitudes, objective and subjective career success (Seibert & Kraimer, 2001). Objective career success defines progress in terms of rewards and promotions, while subjective career success is one’s perception of his/her career development (Stumpf & Tymon, 2012). Most of the studies (Ng et al., 2005; Day & Allen, 2004; Abele & Spurk, 2009; Colakoglu, 2011) conducted on career success have been focusing on external rewards, promotions, and achievements while ignoring the internal perspective.

Parker and Liao (2016) worked on career success and presented that a passive approach in one’s career makes them stuck in an exhausting job, remaining unsatisfied and not realizing their work self. Instead, they considered proactive personality, positive energy, and high motivation as powerful predictors of career success. According to Otto et al (2017), internal feelings are regardless of job position, promotion, and salary while employees with a high achievement motivation hold the need for intrinsic success. The researchers focused on both path and quality of motivation to comprehensively explore their effect on intrinsic success.

Envy is a common negative emotion and more easily institutionalised than joy (Schoeck, 1969) because of its unpleasant and reprehensible nature. Gururaj and Schat (2016) worked on LMX differentiation and the adverse reaction of aggression at the workplace. They revealed that the quality of LMX is closely linked with employee performance on various tasks by minimizing aggression at the workplace. Harris and Kacmar (2006) acknowledged that many studies empirically support the correlation between LMX relationships and unwanted individual outcomes, including stress.

Thomas and Lankau (2009) investigated LMX as a source of support and its effect on various negative emotions. They suggested that high-quality LMX and nonsupervisory mentoring reduces burnout and

stress. Eslami and Arshadi (2016) studied the competitive climate of organizations and pro social behavior along with envy as a mediating mechanism. They revealed that a competitive climate makes people compare themselves with others, which leads to envy and ultimately reduces the pro social behavior.

A recent study by Ding et al (2017) examined envy as a mediator between social media sites and subjective well-being. They revealed that envy mediates the relationship between social networking sites and subjective well-being when gender acts as the moderator. On the other hand, Fan (2016) studied the impact of Facebook check-in on brand equity using envy as the mediator. He concluded that envy plays the role of a mediator between these two variables. Another study by Appel et al (2016) investigated the use of social media, social comparison, envy, and depression. They revealed that envy mediates the positive association between Facebook use and undesirable affective outcomes such as depression.

The literature review provides viable ideas for future research. Therefore, the current study will be testing the following hypotheses through empirical data collected using a self-administered survey questionnaire:

H 1: Leader–member exchange (LMX) has a positive relationship with subjective career success.

H 2: Leader–member exchange (LMX) has a negative relationship with envy.

H 3: Envy has a negative relationship with subjective career success.

H 4: Workplace envy mediates the relationship between leader–member exchange (LMX) and subjective career success.

Methodology

In the context of budget constraints, high unemployment rates, competition, and organizations survival are becoming crucial and negative emotions are unavoidable (Borgonovi & Wharton, 2014). Khan et al (2009) conducted a study in the telecommunication sector of Pakistan and suggested to explore these sectors further indifferent cultures for generalisability of research. Also, more research is required about how the quality of the supervisor-subordinate relationship affects the outcomes for other sectors (Brunetto et al., 2011).

This study utilized self-administered survey questionnaire and data were collected from employees of the telecommunication sector through convenience sampling. The scale employed by Graen and Bien (1995) to measure leader–member exchange consisted of seven items.

Envy was measured by Vecchio (2000) using a five-item scale. Subjective career success was measured by Shockley et al (2016) with a 24-item scale.

RESULTS

Testing the Measurement Model

Confirmatory factor analysis was conducted using AMOS21 to test the measurement model.

Table 2

Confirmatory Factor Analysis of the Measurement Model

| | Chi-Square | df | CMIN/DF | RMSEA | IFI | TLI | CFI |
|----------------|------------|------|---------|-------|-------|-------|-------|
| Initial Model | 5305 | 2606 | 2.036 | .050 | .883 | .878 | .882 |
| Modified Model | 4535 | 2557 | 1.774 | .043 | 0.914 | 0.909 | 0.914 |

Model

From the table above, it can be said that the minimum criteria of model fitness were almost met in the original model as the value of chi-square was 5305, degree of freedom (*df*) was 2606, RMSEA was .050, IFI was .883, TLI was .878, and CFI was .882, which are reasonable. However, slight modifications were performed to obtain a good fit of data. After the modification, the values meet the threshold proposed by Hair et al (2009).

Descriptive Statistics and Correlation Analysis

The descriptive statistics and correlation analysis of the variables examined in the study are shown below.

Table 3

Descriptive Statistics and Correlation

| | Mean | Std. Deviation | 1 | 2 | 3 |
|-----------|------|----------------|---------|--------|--------|
| lmx_mean | 3.56 | 0.78 | (.873) | | |
| envy_mean | 3.07 | 0.93 | -.182** | (.903) | |
| s_mean | 3.79 | 0.84 | .274** | .340** | (.957) |

The mean and standard deviation for leader–member exchange is 3.56 and 0.78, for envy is 3.07 and 0.93 and for subjective career success is 3.79 and 0.84. The bivariate correlation matrix shows that envy is significantly but negatively correlated with leader–member exchange ($r = -.182$). Furthermore, subjective career success is positively

and significantly correlated with leader-member exchange ($r=.274, p=.01$) and envy ($r = .340, p=.01$).

Hypotheses Testing

Table 4: Standardized Coefficient of Structural Paths

| Structural Path | β | S.E | P-value |
|----------------------------------|---------|------|---------|
| Leader-member exchange → | .340 | .050 | *** |
| Subjective career success | | | |
| Leader-member exchange → | -.162 | .060 | *** |
| Envy | | .044 | *** |
| Envy → Subjective career success | -.179 | | |

The first hypothesis of the study is that leader-member exchange is directly related to subjective career success, which is supported by the results presented in Table 4 ($\beta=.340, p<.05$). The leader-member exchange is negatively but significantly linked with envy ($\beta= -.161, p<.05$). Moreover, envy is negatively and significantly associated with subjective career success ($\beta= .285, p<.000$).

Table 5: Mediation Analysis

| Hypothesis | Direct effect | Indirect effect | LL 95%CL | UL 95%CL | Results |
|--------------------------|------------------|-----------------|----------|----------|-----------|
| Leader-member exchange → | .318 $p<0.05$ | .022 | .007 | .046 | Mediation |
| Social comparison → | | | | | |
| Envy | | | | | |

Note: Bootstrap sample size 2000, LL=lower limit, CI=confidence interval, UL=upper limit

The results depict that the relationship between leader-member exchange and envy is significant in the presence of social comparison ($\beta= .318, p<.05$). Also, the indirect effect via envy on the association between leader-member exchange and subjective career success falls between .007 and .046. Furthermore, there is no zero value present in the 95% confidence interval.

Discussion

The purpose of this study is to examine the impact of leader-member exchange on subjective career success with the mediating role of envy. The results show that all hypotheses are accepted. The results show that the direct relationship between leader-member exchange and subjective

career success is highly significant and positive. The main reason for the hypothesis acceptance is the quality of leadership, as when the quality of leader–member exchange is high, employees will tend to have higher internal satisfaction, which ultimately leads to subjective career success. In developing countries, objective success is more important for employees, but when the leader is non-cooperative, then employees become preoccupied in negative emotions like envy. The final result of such negative emotions will be detrimental to both employees and employers. On the other hand, the mediation hypothesis is that envy mediates the relationship between leader–member exchange and subjective career success. Contrary to expectation, envy partially mediates the relationship between leader–member exchange and subjective career success. The reason behind the partial mediation is the prevalence of nepotism, politics, and favoritism in organizations. This factor promotes leader’s attention to certain employees while neglecting the others, causing them to have negative emotions. Moreover, the high power distance culture (Hofstede, 1983) becomes a hurdle in which there is no concept of cooperation, support, and grievance handling; this culture ultimately resists the cultivation of a better relationship with the leader or the out group employees.

Conclusion, Limitations, and Future Direction

This study provides empirical evidence of the negative consequence of poor leader–member exchange quality. There is a need for proper policy and management of emotions at the workplace, and it is recommended that scholars explore more evidence regarding the role of leadership and employees’ emotion in their success at the workplace.

Although the findings of this study complement the extant literature and are more generalizable, this study has few limitations. First is the issue of sample size as it does not represent the entire population. Questionnaires based on surveys were employed, and 220 responses were collected. Moreover, many other important facets of leadership, negative emotions, and career success were not covered in this paper.

The current study provides managers of various organizations with a theoretical framework and empirical evidence of why and how important is the role of leadership in organizations. This study suggests that leaders should focus on their behavior and treat every employee equally based on performance. Employees must be accorded equal treatment as well as organizational and leadership support to make them internally satisfied, thus attaining subjective career success.

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