THE EFFECT OF LEADER-MEMBER EXCHANGE ON TURNOVER INTENTION AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR: THE MEDIATING ROLE OF MEANINGFUL WORK

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ABSTRACT
This study examined a mediated model of leader-member exchange (LMX) on meaningful work, organizational citizenship behavior (OCB) and turnover intention. First, we investigated the relationships between both leader-member exchange and turnover intention/OCB. Second, we also investigated the mediating role of meaningful work on these relationships. For the aim of this study, we made a survey that included 440 participants from a manufacturing firm. The results partially supported the given hypotheses that there are positive relationships between both LMX and meaningful work, and LMX and OCB. We also found that meaningful work partially mediates the relationship between LMX and OCB.

KEYWORDS: Leader-Member Exchange, Meaningful Work, Organizational Citizenship Behavior, Turnover Intention.

JEL CLASSIFICATION: D23, L2.

1. INTRODUCTION
In the last years, leaders and their behaviors are becoming as an important issue for academicians, and also for practitioners. The relationship between LMX and its outcomes have been studied by many scholars in the organizational behavior field. However, there are limited researches investigated the role of meaningful work on the relationships between LMX and its outcomes. Thus, in this study we wanted to highlight the existing gap for LMX literature.

Management scholars have increasingly recognized that work is a central part of human life that can serve as a primary source of meaning and associated identity construal. A growing body of research evidences that meaningful work has a positive influence on numerous attitudinal and behavioral work outcomes (Martela, 2010; Schlegel et al., 2009). As stated by Humphrey, Nahrgang, and Morgeson (2007), meaningfulness is an important mediator between workplace characteristics and individual outcomes. Thus, in this study we suggested that meaningful work mediates the relationship between LMX and turnover intention/OCB (Figure 1).

The article is comprised of four main sections. First, we presented a review of the literature on LMX, turnover intention, OCB, and meaningful work. Second, we presented the research methodology and procedures we employed for data collection and data analysis. Third, we presented the results of our hypotheses. Finally, we presented a discussion of the results of the study, strengths and weaknesses, research implications and future research recommendations.

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2. THEORETICAL FRAMEWORKS AND HYPOTHESES

This chapter reviews theoretical framework for this study. Dimensions tested in this study are leader-member exchange (LMX), meaningful work, organizational citizenship behavior (OCB) and turnover intention. The main question which motivates us to conduct this study is to analyze the effect of leader-member exchange on turnover intention and organizational citizenship behavior and the mediating role of meaningful work in this relationship. At the frame of theoretical background, this study will be conducted with manufacturing employees in Kayseri.

2.1. Leader-Member Exchange

In literature leadership studies have been conducted for years. The relationship between leadership styles and its outcomes have been studied by many scholars in the organizational behavior studies. In this sense, according to the organizational behavior literature leaders have an important effect on employees’ attitudes and behaviors, both positive and negative employee outcomes (Agarwal et al., 2012). This critical role of the leader on employee behavior is significant contextually. Traditional approaches about leadership theories claim a single leadership style with all subordinates in organizations (Dunegan, 2003). In recent years researchers deal with leadership theories from a different perspectives. The argue that there can be different types of relationships between a leader and each subordinate in organizations. Each leader-member relationship is a unique interpersonal relationship within an organizational structure.

Leader-member exchange literature based on the idea that supervisors have different quality relationships with their members, develop either high or low quality exchanges with one another (Illies et al., 2007; Liden, Sparrowe, & Wayne, 1997). According to LMX theory, leaders can develop special relationships, increased communication with different work group members whom they manage (Kraimer et al., 2001, Gersner & Day, 1997). It is believed that from social exchange theory employee who perceives high LMX quality from superior and safety environment in organization may feel obligation to work with high performance (Kim et al., 2010; Spreitzer et al., 2010; Çelik et al., 2014). A majority of researche results demostrate that high LMX quality provides desirable outputs like higher levels of performance (in the forms of task and contextual performance), job satisfaction, organizational commitment, organizational trust, loyalty, organizational citizenship behavior and lower levels of employee turnover (Harris et al., 2009; Sparrowe & Lide, 1997; Gerstner & Day, 1997; Morrow et al., 2005).
2.2. The Mediator: Meaningful Work

Employees accomplish higher performance when they experience a strong connection with their organization (Fry, 2003; Malik et al., 2011). Dimension of workplace spirituality is meaningful work, sense of community, alignment with organizational values, organizational commitment, intention to quit, intrinsic work satisfaction, job involvement, organizational based self-esteem (Milliman et al., 2003; Ashmos & Duchon, 2000).

Meaningful work is defined as “the value of a work goal or purposes, judged to the individual’s own ideals or standards” (Lips-Wiersma & Morris, 2009). The expression of meaningful work involves the assumptions that each person has his/her own inner motivations and truths in this/her worklife (Ashmos and Duchon, 2000). Employees have an inner life that nourishes and nourished by meaningful work that takes place in the community (Bowie, 1998). Also meaningful work provides physical well-being and satisfaction etc. from working. With meaningful work employees experience as joy in work, spirit is energized by work, look forward to coming to work, see connection between work and social good (Fry, 2003; Malik et al., 2011).

In recent years studies have focused to understand the spiritual subjects in organizational life. Workplace spirituality has a new paradigm, both organizational and theoretical perspectives. Management researchers have investigated this kind of studies. Workplace spirituality is significant in a person life. Relationship between their daily works and spirituality is an important question for employees (Örgev & Günalan, 2011).

The interest in meaningful work has significantly increased. Scholars have argued that effective organizational leaders are those able to create a sense of meaning for their followers (Chalofsky, 2003; Michaelson, 2005; Pratt & Ashforth, 2003). Management scholars have increasingly recognized that work is a central part of human life that can serve as a primary source of meaning/purpose and associated identity construal. Workers’ conceptions of meaning are constructed while interacting with their work and task environment (Blatt & Ashford, 2006), and Vough (2007) stated that meaningfulness occurs when employees seek a connection between their sense of self and their work, and perceive that the working context provides the conditions to allow for this connection.

2.3. Organizational Citizenship Behavior

Our research model’s another important part focuses on organizational citizenship behavior (OCB) that helps to increase the organizational performance and in today’s competitive environment organizations could not survive without their personal behaviors like OCB (Podsakoff et al., 2000). OCB as “individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate, promotes the effective functioning of the organization” (Organ et al., 2005). This behavior is extremely positive and desirable behavioral phenomenon. Organ (1988) defines OCB is key for an organization’s success. Earlier researches included two main dimensions of OCB as altruism and conscientiousness (Morrow et al., 2005). Later efforts expanded this framework and now there are five forms of OCB (Organ et al., 2005; Bies, 1989; Van Dyne, 2005; Özyer & Alici, 2005). These are given as below:

(1) Altruism; directed helping behavior directed to other individuals such as co-workers;
(2) Conscientiousness; in the proper use of time and extra effort to enhance the efficiency of both the individuals and the organizations;
(3) Sportsmanship; in decreasing the time spent on whining and complaining, and in increasing the time spent on organizational endeavors;
(4) Courtesy; in preventing problems and providing constructive information;
(5) Civic virtue; by broadly promoting the interests of an organization such as voluntarily serving in committees and attending functions.
2.4. Turnover Intention
And as a final dimension of our study is turnover intention. Turnover intention is defined as a conscious and deliberate willingness to leave the organization (Tett & Meyer, 1993; Mobley, 1977). The causes of employee turnover can be work environment, leadership style, salary system, and perceived over qualification, dissatisfaction of the work and another personal and organizational problems (Vandenberg & Nelson, 1999). Turnover rates are critical managerial issue because of risks, financial costs, transaction costs and psychological costs. Employees quit has been a focus interest of organizational scholars (Kim et al., 2010; Mitchel, 1981). With many instances, researchers have examined turnover intent rather than actual turnover. Employees who are not satisfied with their jobs will have negative attitudes for their jobs and positive attitudes to quit the job (Rastgar et al., 2010). If employees think they have resources to skill to quit and find another job, they will likely foster turnover intentions. Behavioral intention to quit has been found to be a strong predictor of personnel turnover across industries and theoretically is believed to be an important antecedent to turnover (Helman, 1997).

2.5. LMX, Meaningful Work, Turnover Intention, OCB Relationship
Analyses show that LMX with high degree quality is associated with increased citizenship behaviors, as well as decreasing employee turnover, because of critical impact of leaders (Gerstner & Day, 1997; Illies et al., 2007). Research about the relationship between LMX and turnover intent suggests that, employees who perceive lower quality LMX relationships with their leader are show greater intent to quit than those with higher LMX quality (Bauer et al., 2006; Gerstner & Day, 1997; Lee et al., 2010, Graen, Linden, & Hoel, 1982). On the other hand more researchers in some studies have suggested that a curvilinear relation can be between LMX and turnover intention (Morrow et al., 2005; Collins, 2007). Employees with very low quality of LMX and very high quality of LMX tend to have high levels of turnover intent. Because of feeling pushed out of the organization or feeling pulled away from organization (Kim et al., 2010). But generally this can happen in very high and very low degrees. Also Collins (2007) claims that if employees with very low LMX quality were actually less likely to intend to quit because of lower alternative employment.
As research analysis and the results show that LMX has a significant positive influence on OCB of employees. The results of the study provide for managers of organizations the quality of their leader-member relationship to achieve competitive advantages with OCB (Rastgar et al., 2010; Lee et al., 2010). The role of leaders in facilitating employees’ OCB becomes crucial. If subordinates feel that they receive more than they give to the leaders, they are likely to restore equity by engaging in OCB (Zhong et al., 2011; Hui, Law, & Chen, 1999, Podsakoff et al., 2000). High quality leader-member exchanges have been associated with increased non-task related activities such as OCB. In another study Tansky (1993) emphasized that employee perceptions of the quality of the supervisory/subordinate relationship were significantly correlated to all five OCB dimensions. The primary explanation for the relationship found between LMX-quality and OCB lies in the framework of social exchange and reciprocity (Deluga, 1994). Because of this in the social exchange perspective, supervisors play a vital role in promoting OCB. Meaningful work is expected to be related to an individual’s attitudes in their organization, interesting and challenging work has been found to be negatively related to turnover and absenteeism (Milliman et al., 2003).
From this point, we suggested the below hypotheses:

- **Hypothesis 1:** LMX is positively related to Meaningful Work
- **Hypothesis 2a:** LMX is negatively related to Turnover Intention
- **Hypothesis 2b:** LMX is positively related to OCB.

2.6. Mediating Role of Meaningful Work
This study predicts that meaningful work will mediate the relationships among LMX, OCB and turnover intentions. Also this study addresses a call to examine the mechanisms that operate
between LMX and attitudes and behaviors. Gerstner and Day (1997) called for research to examine more closely by looking at variables that mediate or moderate process and proposed that LMX might affect turnover through work attitudes, including satisfaction, OCB etc. (Gerstner & Day 1997). In addition to the direct effects of LMX relationships on important outcomes, researchers also have suggested that dispositional and contextual variables may moderate or mediate these associations (Gerstner&Day,1997). Meaningful work can be a mediator between organizational factors and work outcomes (Rastgar et al., 2012). For instance empirical evidence has found both LMX and meaningful work to be positively related to important positive organizational behaviors (Örgev &Güalan, 2011; Fry, 2003; Malik et al., 2011).

Based on social exchange theory, most positive outcomes came up with LMX and positive emotions of workers are high (Harris et al., 2009). When an immediate supervisor provides opportunities for development, fair supervision, meaningful work, and autonomy, subordinates feel obliged to repay leaders with higher levels of organizational commitment, citizenship behaviors, innovation and trust (Rastgar et al., 2012). Recent research has given information about the link between transformational leadership and employee perceptions of meaning in terms of job characteristics. As a study researchers considered the indirect relationship between transformational leadership and psychological well-being as mediated by meaningful work. In conclusion, they have found a positive relationship between transformational leadership and psychological well-being that was mediated by the meaning found in work. Tests of this model suggested fully mediated result. Also authors perceptions are meaningful work can moderate the relationship between transformational leadership and psychological well-being (Arnold et al., 2007). The experience of having a meaningful job mediates the effect of transformational leadership on psychological well-being, work engagement, and affective commitment. As a mediator of transformational leadership such as justice perceptions, meaningfulness, work characteristics and work climate (Cho & Dansereau, 2010). Mediates the effect of transformational leaders on OCB, trust (Kirkman et al., 2009; Tremblay, 2010).

From this point, we suggested the below hypotheses:

**Hypothesis 3a:** Meaningful work mediates the relationship between LMX and Turnover Intention.

**Hypothesis 3b:** Meaningful work mediates the relationship between LMX and OCB.

### 3. METHODOLOGY

To test the given hypotheses, we conducted a face to face survey to employees who are working in a manufacturing firm in a city of Turkey. We established the sample from employees who works as a full-time employee. The researchers’ presence allowed clarifying and misunderstandings related to the survey items. In the final sample, there were 440 respondents. 72% of the respondents were male while 28% were female. The mean age was 43.11 years; while the average job experience with the organization was 11.7 years.

Unless otherwise noted, all measures used a 5-point Likert-type agreement scale in which 1 = “strongly disagree” and 5 = “strongly agree”. Items comprising each scale were averaged to create composite measures for each variable. All items were coded such that high scores equate to higher levels of the construct of interest.

To evaluate Leader-Member Exchange, we used the 7 items LMX scale, which was improved by Liden et al. (1993). A sample item is “I feel that my immediate supervisor understands my problems.” Cronbach’s alpha for the scale was .900.

**Meaningful Work** was measured using the Work as Meaning Inventory (Steger et al., 2012). It consists of 10 items. A sample item is “I understand how my work contributes to my life’s meaning”. The Cronbach’s alpha for this scale was .878.

**Organizational Citizenship Behavior**, we used the scale that was suggested by Moon et al. (2004). This scale was comprised of 24 items and organized from a wide range of researches including the
all sub-sections of OCB items. A sample item is “My supervisor helps others who have heavy workloads”. The Cronbach’s alpha for this scale was .879.

For the last variable, Turnover Intention, we used the scale that was developed by Rosin and Korabik (1991). The scale consists of 4 items. A sample item is “I am thinking of changing my job”. The Cronbach’s alpha for this scale was .707.

4. RESULTS

Table 1 shows the means, standard deviations, and correlations for the study variables. As can be seen from the table, except for turnover intention, LMX is significantly correlated with meaningful work and OCB.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Leader-Member Exchange</td>
<td>3.35</td>
<td>.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Meaningful Work</td>
<td>3.63</td>
<td>.75</td>
<td>.516**</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Turnover Intention</td>
<td>2.51</td>
<td>.58</td>
<td>.064</td>
<td>.136**</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>4. Organizational Citizenship Behavior</td>
<td>3.78</td>
<td>.51</td>
<td>.419**</td>
<td>.634**</td>
<td>.107*</td>
<td>-</td>
</tr>
</tbody>
</table>

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

Hypotheses Testing

Hypothesis 1 proposed a positive relationship between LMX and meaningful work. To test this hypothesis we regressed the mediator variable (meaningful work) on LMX. As shown in Table 2 (Model 1), the coefficient for LMX is significant (β= .516; p < .01) and in the predicted direction. Thus, Hypothesis 1 was supported.

Hypothesis 2a proposed a negative relationship between LMX and turnover intention. As can be seen from the coefficient results (β= .064; p > .05), Hypothesis 2a was not supported. Hypothesis 2b also proposed a positive relationship between LMX and OCB. Thus, the results (β= .419; p < .01), supported the suggested hypothesis.

<table>
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<tbody>
<tr>
<td>Independent variable</td>
<td>LMX</td>
<td>.516**</td>
<td>.064</td>
<td>-.008</td>
<td>.419**</td>
</tr>
<tr>
<td>Mediator</td>
<td>Meaningful Work</td>
<td>.140</td>
<td></td>
<td></td>
<td>.570**</td>
</tr>
<tr>
<td>R²</td>
<td>.266</td>
<td>.004</td>
<td>.018</td>
<td>.175</td>
<td>.413</td>
</tr>
<tr>
<td>F Change</td>
<td>158.650**</td>
<td>1.790</td>
<td>6.399*</td>
<td>93.034**</td>
<td>177.426**</td>
</tr>
<tr>
<td>Durbin-Watson</td>
<td>1.798</td>
<td>1.949</td>
<td>1.937</td>
<td>1.889</td>
<td>1.865</td>
</tr>
</tbody>
</table>

n = 440, **p < .01; *p<.05; Note: Standardized Betas are shown. IV = independent variable; DV = dependent variable; Med = mediator
To test the stated hypotheses, *Hypothesis 3a* and *3b*, we used Baron and Kenny’s (1986) three-step procedure. Testing for the presence of mediation using this procedure requires satisfying three conditions. First, the independent variable should be significantly related to the mediator variable (step 1). Second, the independent variable should be significantly related to the dependent variable (step 2). Lastly, the significant relationship between the independent variable and the dependent variable should significantly lessen or become insignificant when the mediator is added to the model (step 3). If the independent variable has a non-significant beta weight in the third step, then complete mediation is present. However, if the independent variable maintains significance but has a reduced beta weight, then partial mediation is present (MacKinnon, Lockwood, Hoffman, West & Sheets, 2002).

As shown in Table 2, the first two conditions for a mediating effect for *Hypothesis 3a* was not obtained (β = .064 and β = -.008; p > .05). Thus, *Hypothesis 3a* was not supported. Similarly, in testing *Hypothesis 3b*, results showed that meaningful work partially mediated the relationship between LMX and OCB. Here we found a substantially reduced beta coefficient for LMX (reduced from β = .419; p < .01 to β = .125; p < .01) while remaining significant. Therefore, results showed that LMX only has indirect effect (mediated through meaningfulness) on OCB.

4. DISCUSSION

This study examined the effect of LMX on followers’ perceptions of meaningful work, and through that mechanism, on followers’ levels of turnover intention, and OCB. The study was conducted in a stratified random sample of 440 followers in the context of a manufacturing firm. Results indicated that LMX has positive direct effects on meaningful work and OCB. Further, results also showed that meaningful work mediated the relationship between LMX and OCB. These findings offer various theoretical and practical implications.

*Strengths, Limitations, and Future Research*

Our study has some notable strengths. First, a large stratified random field sample of full-time employees were surveyed. Second, we examined the mediating effects of meaningful work on the relationships between LMX and OCB/Turnover Intention. This study also has several limitations. First, like any others, the data sample comes from a manufacturing firm that operating in Turkey. Thus, generalization of these findings to other settings is needed. Secondly, we gathered all the data at the same time. Thus, this should has a negative effect on common method variance problem. In conclusion, this study found that LMX has a positive effect on meaningful work and OCB. Further, we found that meaningful work partially mediates the relationship between LMX and OCB. Our findings concerning the relationships between LMX and both turnover intention and OCB were analyzed only through meaningful work. Thus, future researches should test additional potential mediators on the effect of LMX.

REFERENCES


