EXAMINATION OF THE RELATIONSHIP BETWEEN LEADER-MEMBER EXCHANGE (LMX) QUALITY AND EMPLOYEE JOB PERFORMANCE IN THE MODERATING CONTEXT OF PERCEIVED ROLE AMBIGUITY

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Abstract

This study aims to examine the relationship between perceived Leader-Member Exchange (LMX) quality and job performance with the moderating role of perceived role ambiguity of food&drink service sector employees working in service organizations in Istanbul-Turkey. Within the framework of this study, the suggestions are derived from LMX Theory, Attribution Theory and Performance Behavior Approach while examining the proposed relationships among the research constructs. The findings revealed that LMX quality and its dimensions had positive significant correlations with job performance. Moreover, the research results showed that perceived role ambiguity had a significant moderating role on the relationship between LMX and job perception.

Keywords: Leader-Member Exchange (LMX), Job Performance, Role Ambiguity.

ÖZET


Anahtar Kelimeler: Lider-Üye Etkileşim Kalitesi (LÜE), İş Performansı, Rol Belirsizliği.
1. Introduction

The relationship between leader-member exchange and a variety of important outcome variables, especially employee performance has been well established. In the past more than 25 years, substantial research has been done to understand the nature of exchanges in employee-supervisor relationships, known as Leader-Member Exchange (LMX) theory (Graen & Uhl-Bien, 1995). The roles of LMX on different kinds of employee outcomes were the main topics considered by many scholars as well as the different antecedents of the domain. Many studies have been performed for investigating the individual (Gerstner & Day, 1997; Kuşçuluoğlu, 2008) and organizational consequences (Burns & Otte, 1999) of LMX quality involving many concepts such as employee turnover and intention to leave (Bauer & Green, 1996; Gürpınar, 2006), career development (Maslyn & Uhl-Bien, 2001), employee job satisfaction and organizational commitment (Gerstner & Day, 1997; Şahin, 2011), job performance, organizational performance, and organizational citizenship behavior (Wayne & Green 1993; Carolina & Benson, 2001; Tierney, Bauer & Potter, 2002; Kuşçuluoğlu, 2008)

Leader–member exchange focuses on the individual dyadic relationship between supervisors or managers and each of their subordinates, and emphasis the differences in the manner in which a supervisor behaves toward different subordinates (Katz, Fisher, & Notrica, 2007:316). Many studies about importance of LMX were performed to examine its role on number employee outcomes (intention to leave, organizational citizenship behavior, job satisfaction, commitment, etc.) recently, however, this study has specifically concentrated on the relationship between LMX and employee job (task) performance. Moreover, one of the most significant factors which possess moderating affect over the relationship between LMX and organizational subordinate performance is suggested to be task characteristics. With that respect, in this study, it is mentioned that the LMX quality would influence employee performance according to the nature of task characteristics.

In this framework, it is suggested that employees’ perceptions of LMX quality will be the predictor of their job performance. Besides, it is suggested that how much the employees have the perception of LMX quality will be the predictor of job performance outcomes on condition that they have judgments and perceptions about their task characteristics. Therefore, such a judgment of task characteristics is found as a useful contingent variable (moderating variable) in examining the relationship between antecedent to job performance and in explaining why this job performance is conditional and can be impacted by employees’ perceptions of task related constructs.

Furthermore, in this study, employee job performance is considered as an integration of both task-related performance and contextual performance. The dimensions of employee performance affected by relationship of leader and employee have been identified as task and contextual performances. Contextual performance was introduced by Katz’s (1964) and comprises the task performance in addition with intra-individual, social and motivational context.

Following Katz’s (1964) categorization of performance behavior, most studies have supported the distinction between task-related (in-role) and contextual (extra-role) performance
behavior (Motowidlo & Van Scotter, 1994; Van Dyne, Cummings, & McLean-Parks, 1995; Organ, 1997; Van Dyne & LePine, 1998; Allen, Facteau & Facteau, 2004; Taştan, 2011), although some studies (e.g., Morrison, 1994) have pointed out the difficulty in differentiating the two types of behaviors, mentioning that employees are more likely to see their specific behavior as in-role, rather than extra-role behavior.

As such, the purpose of this study is to provide an understanding by defining the relationship between LMX quality and subordinate job performance, whether the employee-leader relations, distinctions and shared cultural values are influencing the high/low employee job performance in the organizations. The results will provide contributions to the knowledge of the importance of leader and employee relationships in order to bring better performance in the organizations.

2. Literature Review and Theoretical Framework

This study will focus on main proposition which states that LMX quality may have a relationship with and may have an influence on employee task performance. In order to formalize the basic relationships and to generate the hypotheses, a preliminary literature survey has been performed. In this part, the conceptual definitions of the variables of the study will be provided and the suggested relationships will be examined with the evaluation of the previous literature evidences.

2.1. Understanding of Leader-Member Exchange (LMX) Theory and Its Dimensions

The assumption that leaders approach to all their followers in a similar and identical way is a general premise in almost all leadership theories. One exception to this is the Vertical Dyad Linkage theory of Dansereau, Graen & Haga (1975). In this theory it is claimed that the superior and the member who are linked to each other hierarchically, through a series of role taking experiences, exchange various currencies over time and the degree of negotiation latitude that is granted to the member by the superior is predictive of subsequent behavior of both parties. This leadership model that propose differentiated leadership approaches of the superior towards specific members of the dyadic relationship, have developed in time and later became known as Leader- Member Exchange Quality (LMX) and established its place among other leadership theories (Bauer & Green, 1996).

Dansereau vd., (1975) have suggested that almost all leaders perceive some of their members as distant and some of them as close to himself/herself because of their a) competence b) trustworthiness –especially when they are not being watched over- c) willingness to take responsibility within the department. On the other hand some other demographic factors such as; gender, social status have also been suggested as causing in and out difference among members (Duchon, Stephen, Green, & Taber, 1986).

According to Liden & Maslyn, Leader-Member Exchange (LMX) theory suggests that leaders do not use the same style in dealing with all subordinates, but rather develop a different type of relationship or exchange with each subordinate (Liden & Maslyn, 1998:43). It focuses on the individual dyadic relationship between supervisor and managers (leader) and each of their subordinates (member) (Janssen & Yperen, 2004; Katz, Fisher & Notrica, 2007; Özutku,
Ağca & Cevrioğlu, 2008). Past research has also assumed the existence of a ‘general leadership style’, which a leader displays toward all subordinates. However, there are more modern, alternative approaches to leadership that emphasize the importance of the exchanges between leader and follower. One conceptualization central to the understanding of leadership practices is the leader–member exchange model (Katz et al., 2007). According to some authors LMX can be one-dimensional and multi-dimensional. The supporters of LMX one-dimensional relation understanding focusing on importance of work behaviors between leader and subordinate, which exposes the uniformness, on the other hand the algorithm of relations between subordinates and leaders, the stages and levels which emphases the connection points between those two mediums show the multidimensionality of the relation type (Liden & Maslyn, 1998:44-45). According to the perception of dimensionality the relations between mediums have been structured and organized. Each leader form different relations with each of its subordinate, the researchers define two different types of LMX in-group and out-group leader-subordinate relationship. Respectively in-group employees will be more trusted, empowered and will possess ‘expanded responsibilities’ ‘respect, liking, reciprocal influence or obligation, loyalty, professional respect and contributory behavior’, on other hand the out-group relationship between employee and leader will possess less influence over the employee outcomes (Dienesch & Liden, 1986).

In group members, on the other hand as they make contributions beyond their normal duties for the completion of their critical tasks by taking extra responsibilities also receive concern, sensitivity and support from their superiors in return (Graen & Uhl-Bien, 1995; Akdoğan, Cingöz & Mirap, 2009; Şahin, 2011). In contrast to this, employees perceived by the superior as out members, experience more formal relations with the superior and more often find themselves in doing more routine and mundane work (Liden & Graen, 1980; Sparrowe & Liden, 1997; Kang & Stewart, 2007). Kozlowski & Doherty (1989) in their study of vertical dyad linkage model in relation with organizational climate have found that members of the in-group perceive organizational climate more positively and more similar to what their superior perceive in comparison to out-group members.

In between 1980-90 studies of Graen with his 13 colleagues, added some other dimensions to the LMX construct including motivation, help and support, negotiation latitude, authority, knowledge and influence on decision taking processes (Kuşçuluoğlu, 2008). Liden & Maslyn (1998) tested the multi dimensional construct of LMX by developing and validating a new scale and added “professional respect” as a new dimension to the former ones suggested by Dieneesch & Liden (1986) as “affect”, “loyalty” and “contribution to the exchange”. Liden & Maslyn (1998), in line with the hypothesis of role making theory (Graen, 1976) and the hypothesis of social exchange theories claimed that LMX should be multi rather than single dimensional construct and explained their reasoning behind this by pointing out that; according to the premises of role making theory, leaders observe and test their followers as they do their tasks, evaluate how they achieve the requirements of their tasks and decide whether or not they deserve to be trusted. Perceptions of leaders during these observations set the tone of their relationship with each individual employee.

On the other hand according to the “social exchange theories”, this relationship quality determines what the leader might provide for the employee in return, such as sharing information, giving inspiring tasks or autonomy. Psychometrically tested dimensions of LMX proposed by Liden & Maslyn (1998) are presented as follows:
“Affect”: is a kind of bond that develops between the leader and the member due to mutual affection for each other based primarily on interpersonal attraction rather than work or professional values. This affection might also be manifested in a rewarding outcome such as friendship.

“Loyalty”: is the expression of public support for goals and personal character of the other member in the dyad. It also includes faithfulness to the member that is generally consistent from one situation to another.

“Contribution to the exchange”: is the perception of the dyad, of current level of work-oriented activity of each member puts forth implicitly or explicitly towards mutual goals. This perception can be due to the personal experiences with the other party, opinions of some authorities from within or outside of the organization or achievements and rewards of that party.

As further, when the measurement of LMX quality is reviewed through the literature survey, it is seen that measurement of LMX was developed from two item scales measuring negotiation latitude, to multi-dimensional scale of Liden & Maslyn (1998). However, in LMX literature until the multi dimensional scale developed, the most widely used scale with highest reliability had been the scale named as LMX7 of Graen & Uhl-Bien (Gerstener & Day, 1997). Besides, it is recognized that multi dimensional scale of Liden & Maslyn (1998) as an alternative to LMX7 has been used in literature in several studies (e.g. Wang, Law, Hackett, Wang & Chen, 2005; Maslyn & Uhl-Bien, 2001).

2.2. The Variables Related with LMX

In meta-analysis of Gerstner & Day (1997) it was revealed that LMX has positive relations with job satisfaction, performance evaluations, organizational commitment, role clarity and negative relations with role conflict and intention to leave. According to LMX, the quality of the relationship that develops between a leader and a follower is predictive of positive organizational outcomes including job satisfaction, performance ratings, tenure, subordinate decision influence, and career progress of managers (see Liden, Sparrow & Wayne, 1997, for a thorough review). Compared to low quality LMX relationships, high quality LMX relationships are characterized by mutual trust, respect, influence, and obligation (Graen & Uhl-Bien, 1995). Followers in high-quality LMX relationships interact frequently with their leaders and have their leaders’ support, confidence, and consideration, and they take on added duties and deliver performance beyond contractual expectations (Liden et al., 1997; Wayne, Shore & Liden, 1997; Ko, 2005).

Studies by Major, Kozlowski, Chao & Gardner (1995), Lee (2001) indicate that high quality LMX relationship is positively correlated with organizational commitment and negatively correlated with turnover. However, given the benefits that tend to accrue to employees in high-quality exchange relationships, employees who have relatively low-quality exchange relationships with their supervisors are likely to be frustrated when they compare their situation to that of their peers (Bolino & Turnley, 2009). The study of Bolino & Turnley (2009) have indicated that employees with relatively low quality LMX relationships are most likely to feel aggrieved.
Element analysis made by Gerstner & Day (1997) also reveals that LMX are positively correlated with organizational commitment. Additionally, there are findings that LMX is a moderating variable between trust that a leader has for a member and the level of empowerment the employee provides (Carolina & Benson, 2001), and that has effects on extra role behavior (Tierney, Bauer & Potter, 2002) and organizational citizenship behavior (Wayne & Green, 1993; Kuşçuluoğlu, 2008).

A study of Jing-Zhou, Xiao-Xue & Xia-Qing (2010) has provided evidence about the significant association between LMX and organizational commitment and about the mediating role of psychological empowerment on that association. In a study of Wang, Law, Hacket, Wang & Chen (2005), the leader-member groups were investigated and the results showed that LMX was a full mediator between transformational leadership behaviors and both member job performance and OCB. Besides, Piccola & Colquit (2006) have analyzed the role of job characteristics on the relationship between transformational leadership behaviors and members’ task performance, found that members perceiving high LMX were more affected by transformational leadership behaviors. Wayne, Shore, Bommer & Tetrick (2002) performed a research on the relation between perceived organizational support and LMX with structural equitation model and found that there were different cause and result variables for the two exchange relations. Developmental experiences, job promotion and organization working age were the significant predictors of perceived organizational support, while preference, expectation, and duration of the establishment of leader-member relationship were the significant predictors of LMX. Another study has been done in order to evaluate the effect of LMX on organizational trust with participants working in different hierarchical level of SMEs in Turkey and as a result it has been revealed that the employees who positively evaluate the LMX were found to have high organizational trust. At the same time, it was concluded that they evaluated their own performance positively and they felt close to their managers (Aslan & Özata, 2009).

Moreover, the study of Ko (2005) has attempted to address the concerns for LMX by exploring antecedents of LMX, team-level LMX and TMX (Team-Member Exchange) and by comparing predictive power of those constructs on team-level outcomes such as team performance and team viability. Jing-Zhou et.al (2010) have insisted that the relationship between the leaders and members, not only affects employee performance, but also can affect the relationship between employees and organizations. Besides, to explore the impact of LMX on affective commitment, Jing-Zhou et.al (2010) have introduced psychological empowerment as a mediate variable and perceived organizational support as a moderating variable. The results showed that psychological empowerment partially mediated the relationship between LMX and affective commitment. However, it was seen that perceived organizational support couldn’t moderate the relationship between LMX and affective commitment, thus LMX was very important for the employees-organizational relationships.

2.3. The Relationship between LMX and Employee Job Performance

Despite considerable support for Graen’s theory of Leader-Member Exchange (for reviews see Graen & Uhl-Bien, 1995; Liden et al., 1997; Dunegan, Uhl-Bien & Duchon, 2002), there are also inconsistencies, especially in studies linking LMX with turnover (Vecchio
& Norris, 1996) and subordinate performance (Gerstner & Day, 1995; Jensen, Olberding & Rodgers, 1997). Numerous studies reported higher performance from subordinates in higher quality exchanges (e.g., Dansereau, Graen & Haga, 1975; Deluga & Perry, 1994; Dockery & Steiner, 1990). Others reported LMX and job performance relationships that were weak (Rosse & Kraut, 1983), mixed (Vecchio & Gobbel, 1984; Wayne & Ferris, 1990), or not significant (Liden, Wayne & Stilwell, 1993; Vecchio, 1982).

Even though the LMX literature documented several arguments and inconsistent evidences, it is more suggested that reciprocal obligation and supervisory support stemming from high quality LMX serves as motivational factors for individuals to perform their tasks. Employees with high-quality LMX also are provided with a better environment and resources by their supervisors (e.g., more authority, special information, and mentoring opportunities) to perform their tasks effectively (Sekiguchi, Burton & Sablynsky, 2008:766). Also according to Duneghan, Duchon & Uhl-Bien (1992), the subordinates in a high quality dyadic exchange would be more likely to exhibit higher levels of performance because of the additional resources (greater information, increased interactions, greater personal concern) they typically receive from the leader. Moreover, Lee (2007:672) stated that “Leader-Member Exchange theory suggests that leaders do not use the same style in dealing with all subordinates, but rather develop a different type of relationship or exchange with each subordinate”. According to these relations the quality of LMX will be defined, therefore the affection over the employee performance will be greater (Lee, 2007). Additionally, Stringer (2006) suggested that the leaders who are successful in creating high-quality leader–member exchanges (partnerships) minimize employee turn-over, increase positive performance evaluations.

As such, it is seen that the research on LMX has shown significant associations with many important work outcomes. In our case, this study will look closer and mainly focus on the relationship between LMX and employee job performance. Therefore, the present study will attempt to address these concerns by exploring the relationship between LMX and job performance and by examining the predictive power of LMX constructs on job performance outcome.

2.4. Role Ambiguity as a Moderating Construct on the Relationship between LMX and Job Performance

Dunegan et al. (2002) has mentioned that LMX and job performance relationship could be affected by some contingent factors which should be considered as moderating factors. These are task characteristics which are defined as “role conflict”, “role ambiguity” and “task satisfaction”. First of all, it is known that all three concepts have been examined in organizational research and shown to be important situational variables and each has a theoretical ground and has demonstrated an empirical connection with LMX (e.g. Rizzo, House & Lirtzman, 1970; Bedeian & Armenakis, 1981; Deci & Ryan, 1985; Kozlowski & Doherty, 1989; Dunegan et al., 2002; Slattery, Selvarajanb & Anderson, 2008).

Moreover, given the widely held belief that situational factors moderate leadership influences, a contingency-based examination of the LMX and job performance link not only makes sense but may provide an explanation for previously reported inconsistencies (e.g.
Vecchio, 1982; Liden et al., 1993; Vecchio & Norris, 1996). To test this possibility, in this study, the author assumed that the task characteristics would have a contingent affect on LMX and job performance relation and decided to study the potential moderating effect of one factor among the task characteristics, namely, “role ambiguity”. This factor was chosen for a number of reasons. First of all, following the attribution theory, it is suggested that causal attributions, or inferences about the perceived cause of events (Smith, Haynes, Lazarus & Pope, 1993), are strongly related to the emotions associated with the event (Weiner, 1985). It is mentioned that, with regard to locus, events may be attributed to internal causes, indicating that the event was due to a trait or characteristics of the person (e.g., intelligence, effort), or external causes, indicating that the event was due to a force outside of the person, such as fate, luck, or organizational environment factors within a workplace. In addition to that, events may be attributed to controllable causes, or uncontrollable causes, which are subject or not subject to personal control (e.g., external environment conditions) (for reviews see Heider, 1958; Mallalieu, 2005; Nicbin, Ismail, Marimuthu & Abu-Jarad, 2011; Taştan, 2011).

An underlying principle of “attribution theory” within the organizational settings is that employees make sense of what happens in the workplace environment with causal explanations (Hewstone, 1983; Morling & Epstein, 1997). In line with the attribution approach, the employees may have causal explanations of specific issues like their performance level or job success. Other reason for choosing role ambiguity as a contingent variable in this study is that it is the perception that one lacks information necessary to perform a job or task, leading the perceiver to feel helpless (Onyemah, 2008). Therefore, role ambiguity could be an important factor of task characteristics as the employees might attribute their performance status to their appraisals of role ambiguity. Thus, in this study, role ambiguity is discussed as a factor that may enhance or inhibit LMX’s influence on job performance.

Conceptually, role ambiguity is defined as “the existence of a lack of clarity in the roles an employee is expected to fulfill” (Judeh, 2011:173). Role ambiguity is viewed as the situation where an individual does not have a clear direction about the expectations of his/her role in the job or organization (Rizzo et al., 1970). It occurs when a person’s tasks or authority are not clearly defined and the person becomes afraid to act on or take responsibility for anything (Jones, 2007). Since an employee needs to understand clearly what his or her role is, not clearly knowing what one’s role is may lead to higher levels of job tension and also directly lead to lower levels of job satisfaction for temporary employees (Slatterya et al., 2008). According to these definitions, role ambiguity is described as the perception that one lacks information necessary to perform a job or task, leading the perceiver to feel helpless. Thus, it is an employee’s uncertainty about the expectations of different members in his or her role set (Onyemah, 2008).

The literature about this concept demonstrates that role ambiguity results from inadequate information or knowledge to do a job. This ambiguity may be due to inadequate training, poor communication, or the deliberate withholding or distortion of information by a coworker or supervisor (Luthans, 2008). Therefore, in the scope of this study, it is supposed that an employee’s cognitive explanations for his/her job performance may be expected to play a role in the extent to which he/she perceives himself/herself oriented towards exposing job performance. Then, it is suggested that role ambiguity domain (in line with attribution
approach) will be related to different employee job performance. At this point, the attributed role ambiguity level of the employees may be related to their job performance levels. The perceived role ambiguity level is likely to have a moderating role on the link between LMX and job performance.

2.5. Variables, Theoretical Research Model and Hypotheses

Although the main variables of this study -LMX and job performance- have extensive literature of their own, developed with different definitions of constructs and sub-dimensions, there are only very few studies that both of them are considered together (e.g. Gerstner & Day, 1995; Garmon, 1996; Carolina & Benson, 2001). Several studies reported higher performance from employees in higher leader-member Exchange quality (e.g., Dansereau, Graen & Haga, 1975; Dockery & Steiner, 1990; Deluga & Perry, 1994; Janssen & Yperen, 2004). In Turkish context, there are recognizable evidences about the significant relationship between LMX and job performance (Cevrioğlu, 2007; Arslantaş, 2007; Aslan & Özata, 2009) and LMX and extra-role performance (Kuşçuluoğlu, 2008).

This study can be seen as an attempt to use LMX and job performance constructs simultaneously where its inspiration came from the theoretical study of Brower, Schoorman & Tan (2000) as they have called it the “relational leadership”. On the light of the previous research, the research model of this study is shaped. Since the independent, dependent, and moderating variables of this study have some limitations, it is found valuable and inspiring to reach some empirical findings. It is confirmed that the variables and the associations between the variables of the research model of this study were previously inspired, investigated and examined with different point of views and research models in the studies of scholars. However, to the knowledge of the author of this study, there has been no study conducted involving the three variables of this study and the hypothesized research model as well. This situation may differentiate the current study from the relevant studies in the literature.

With that respect, Liden & Maslyn’s (1998) approach on the dimensionality of LMX construct resulting with a proposition of only four dimensions -affect, loyalty, contribution to the exchange, professional respect- and used to develop a psychometrically tested scale is being utilized in this study. Therefore the purpose of this study is by using the relational leadership model as a basis; to define the roles of variables within the model and to examine the relation of LMX -as have been proposed by Liden & Maslyn (1998)- on job performance, with a moderating variable of perceived role ambiguity.

As such, the overall proposed theoretical research model of the present study can be presented in Figure 1. To explicate this model, it was tried to explain the effect of LMX quality perception on employees’ job performance (H1) and the moderating role of role ambiguity on the relationship between LMX and job performance (H2).
Figure 1: Proposed Theoretical Model of the Study

Research Variables

*Dependent Variable*: Employee Job Performance (self-report of employees)

*Independent Variable*: Leader-Member Exchange Quality and Its Dimensions (affect, loyalty, contribution to exchange, and professional respect)

*Moderating Variable*: Perceived Role Ambiguity

The Research Questions

In addition to the hypotheses outlined below, the research questions are developed for the aim of the study. The purpose in this study is to conduct a survey in Turkish service industry setting and investigate the relationship between LMX and job performance with the moderating role of perceived role ambiguity of the employees. Thus, the research questions of the current study can be presented as follows:

RQ1. What is the overall relationship between LMX and employee job performance?

RQ2. Is there any effect of LMX – Moderating factors (Perception of role ambiguity) interaction on employee job performance?

RQ3. How does “Perception of role ambiguity” influence the relationship between LMX and employee job performance?

The Generated Hypotheses

The theoretical research model of the relationships among the variables of the study is summarized in Figure 1 and the hypothetical propositions can be presented as follows:

Hypothesis 1. There is a positive relationship between perceived LMX quality and employees’ job performance.
Hypothesis 1a. There is a positive relationship between the affect dimension of perceived LMX quality and employees’ job performance.

Hypothesis 1b. There is a positive relationship between the loyalty dimension of perceived LMX quality and employees’ job performance.

Hypothesis 1c. There is a positive relationship between the contribution to exchange dimension of perceived LMX quality and employees’ job performance.

Hypothesis 1d. There is a positive relationship between the professional respect dimension of perceived LMX quality and employees’ job performance.

Hypothesis 2. Perception of role ambiguity will moderate the relationship between perceived LMX quality and employees’ job performance. (The higher the perception of role ambiguity, the weaker the relationship between perceived LMX quality and employees’ job performance)

3. Methodology

3.1. Sample

The study sample consisted of 190 individuals working in Istanbul. Respondents work in food and drink service industry. Two hundred and twenty questionnaires were distributed and 190 were returned for a response rate of 84%. Data were collected by convenience sampling. About 46% of the respondents were male and 68.5% were single. The sample included a wide age range. About 80% of the respondents were between the ages 19–39. Majority of the samples (65.9%) had a high school degree and 32.5% had bachelor’s degree. The work experience of the respondents varied between 1 and 20 years. The mean of work experience of the respondents was 11 years. About 84% of the respondents had been working for 1–9 years in their current organization.

3.2. Procedure

All of the questionnaires were distributed by the author with face to face communications. The respondents and the managers of the stores initially interviewed with the author and were given some information about the procedure of the study. The questionnaires were answered and returned directly to the authors by hand. Each phase of the questionnaire survey was performed by the author directly in order to prevent biases and misinformation as the items in the questionnaire form were related with the leader behaviors.

3.3. Statistical Tools for Data Analyses

The data analyses were done with SPSS version 18. Reverse coded items were recoded and the data analysis has been performed after having completed the organization of the data. The normality and linearity tests have been done. The analyses started by examining the demographic characteristics of the study sample. Then, factor and reliability analyses were conducted. After the factor and reliability analyses, the hypotheses based on the research model were tested with Pearson Correlations Tests. On the other hand, simple and hierarchical
regression analyses were used to examine the explanatory power of the independent variables and the moderating role of the moderating variable.

3.4. Scales

There were four independent sections in the survey instrument. Initially, there was a cover letter to give information to the respondents about the purpose of the study, that their participation and responses would be confidential and that their answers would be evaluated only by the author/researcher. After the cover letter, in the first section there were some demographic questions to determine some individual characteristics of the respondents such as gender, age, marital status, education, number of years in work life, and in current workplace.

The second section consisted of items measuring LMX perception of the respondents. LMX was measured using Liden & Maslyn’s (1998) 11-item psychometrically tested scale (LMX-MDM) in four factors. As this scale measures LMX in dimensions such as “loyalty”, “affect”, “contribution to the exchange”, and “professional respect”, it provides an opportunity to see different aspects of LMX and to examine their effects on dependent variables in a more profound way. Following the first introduction of LMXMDM Settoon, Bennett & Liden (1996) have used this scale in their studies on social exchange in organizations and have found reliabilities for loyalty (.92), professional respect (.78), contribution to the exchange (.70) and affect (.96). Recently, in Turkey, Kuşculuoğlu (2008) has used this form of LMX scale and reliability for “loyalty and respect” was .90 and for “professional respect” was .89. In the current study, with a 6-point evaluation scale ranging from 1= totally disagree to 6=totally agree, total variance explained was found to be 74.66% and reliabilities for “loyalty and respect” (.91), for “affect” (.90), and for “contribution to the exchange” (.88).

The third section consisted of items measuring perceived role ambiguity. Role ambiguity perceptions of the respondents were assessed with the 6-item Role Conflict and Role Ambiguity Scales of Rizzo, House & Lirtzman (1970) which Schuler, Aldag & Brief (1977) revised and confirmed the final version of the scale. Within the original scale there were 14 items and 6 of the items measured role ambiguity with 5-points Likert scale from “never” to “always” having 0.70-0.87 Cronbach Alpha values. In the original form, the low level of total score for role ambiguity indicated that the role ambiguity perception was high. However, in the doctorate dissertation of Taştan (2011) minor changes have been done and 6-point Likert scale from “always=1” to “never=6” for each of the 6 items was used. Additionally, in that study, in order to make the evaluation of the results easier, the reverse of the answers given to the items was taken up and thus, it has indicated that the higher role ambiguity score would mean the low role ambiguity perception of the participant. The reliability for role ambiguity was .70. Therefore, in the current study, in order to measure role ambiguity the recent form of the scale was utilized with 6 items and 6-point Likert scale ranging from “always=1 to “never=6”. According to the result of the current study, the reliability value was .81.

The fourth section consisted of items measuring employee job performance. 7 item part of a 21 item scale developed by Williams & Anderson (1991) measuring general performance including in-role and extra-role was used with a 6-point Likert type evaluation scale ranged from 1= never to 6= always. Initially, with this one dimensional scale with 7 items, a pilot study
on 65 participants working in various sectors in Istanbul. The pilot study has revealed alpha reliability coefficient of .77, and in the current study it was .86.

3.5. Results

3.5.1. Factor Analysis for LMX, Role Ambiguity, and Job Performance Items

Initially factor analyses were conducted for the scales of LMX, role ambiguity, and job performance. Consistent with Liden & Maslyn’s (1998) methodology, factor analyses using a principle components solution with varimax rotation was applied to the 11 items representing the dimensions of LMX to determine whether the four factors found by Liden & Maslyn (1998) would emerge again. Numerous rotations were made to obtain the best representation of the data and two items were excluded from the analysis that did not have strong factor loadings (<0.40) and items that had cross loadings. However, three of the LMX dimensions were found as a result of the factor analysis which different from Liden & Maslyn’s (1998) dimensions – “loyalty and respect”, “affect”, and “contribution to the exchange”. Role ambiguity and job performance scales were emerged as single factor scales. Only one item was extracted from both role ambiguity analysis and job performance analysis.

3.5.2. Mean Values and Standard Deviations for the Study Variables

Mean values and standard deviations of all interval scaled variables were calculated in order to see the general perception on LMX dimensions, role ambiguity and employee job performance.

The mean values shown in Table 1 indicate that, among the mean values of the dimensions of LMX, “loyalty and respect” is the highest (Mean: 4.95) and affect is the lowest (Mean: 4.26). Among the three variables of the study, job performance as a single factor has the lowest mean (Mean: 4.383). Role ambiguity as a single factor is found to have higher mean compared to job performance (Mean: 4.471).

Table 1: Mean Values and Standard Deviations for the Study Variables

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>DIMENSION</th>
<th>MEAN</th>
<th>STD DEVIATION</th>
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<tbody>
<tr>
<td><strong>LMX:</strong></td>
<td></td>
<td>4.855</td>
<td>1.04</td>
</tr>
<tr>
<td></td>
<td>Loyalty and Respect</td>
<td>4.95</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td>Affect</td>
<td>4.26</td>
<td>1.08</td>
</tr>
<tr>
<td></td>
<td>Contribution to the Exchange</td>
<td>3.379</td>
<td>1.34</td>
</tr>
<tr>
<td><strong>Role Ambiguity:</strong></td>
<td></td>
<td>4.471</td>
<td>1.06</td>
</tr>
<tr>
<td><strong>Job Performance:</strong></td>
<td></td>
<td>4.383</td>
<td>1.18</td>
</tr>
</tbody>
</table>

Note: All the variables are scored in a 6-item scale (For LMX ranging from totally disagree to totally agree; for role ambiguity and job performance from never to always)
3.5.3. The Relationship between LMX and Job Performance

The theoretical model of the study was presented as LMX dimensions are positively related with employee job performance and role ambiguity perception has a moderating role between LMX and job performance. To test this relationship, after the factor and reliability analyses, Pearson Correlation Analysis was conducted with all the variables of the research, in order to see the dimensions of the concepts which are related to each other (Table 2).

The results of the correlation analysis showed that all dimensions of LMX were positively correlated to employee job performance. Besides, the moderating variable role ambiguity was negatively correlated to all dimensions of the other research variables. These findings support the first hypothesis of the research which was: “Hypothesis 1: There is a positive relationship between perceived LMX quality and employees’ job performance”. In Table 3, it is also shown that the total of LMX dimensions and total job performance are related to each other with “Pearson Correlation r value” of 0.594 which indicates a correlation on the moderate level.

The findings in Table 2 also supported the hypothesis H1a to H1d. However, the factor analysis of this study has revealed that the loyalty and professional respect dimensions of LMX were loaded on the same factor and the factor was named as “loyalty and respect”. Therefore, it was seen that “loyalty and respect” had moderate positive significant correlation with job performance (r=0.504; p<.01). The “affect” dimension of LMX had moderate positive significant correlation with job performance (r=0.489; p<.01) and finally “contribution to exchange” dimension had moderate positive correlation with job performance (r=0.385; p<.01). These results “supported Hypothesis 1a, Hypothesis 1b, and Hypothesis 1c, and Hypothesis 1d” which have indicated that there would be positive relationship between the affect, loyalty, contribution to exchange, and professional respect dimensions of perceived LMX quality and employees’ job performance.

Table 2: Correlation Analysis Results of All Variables

<table>
<thead>
<tr>
<th>VARIABLE:</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Loyalty and Respect</td>
<td>1</td>
<td>0.528*</td>
<td>0.685*</td>
<td>0.565*</td>
<td>0.504*</td>
</tr>
<tr>
<td>2. Affect</td>
<td>0.528*</td>
<td>1</td>
<td>0.547*</td>
<td>0.417*</td>
<td>0.489*</td>
</tr>
<tr>
<td>3. Contribution to the Exchange</td>
<td>0.685*</td>
<td>0.547*</td>
<td>1</td>
<td>0.597*</td>
<td>0.385*</td>
</tr>
<tr>
<td>4. Role Ambiguity</td>
<td>0.565*</td>
<td>0.417*</td>
<td>0.597*</td>
<td>1</td>
<td>-0.21*</td>
</tr>
<tr>
<td>5. Job Performance</td>
<td>0.404*</td>
<td>0.389*</td>
<td>0.385*</td>
<td>-0.21*</td>
<td>1</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.01 level (2-tailed). All the variables are scored on a 1 to 6 point scale. (N: 190)

Table 3: Correlation Analysis Results of LMX Dimensions (Total) and Job Performance

<table>
<thead>
<tr>
<th>VARIABLE:</th>
<th>LMX DIMENSIONS (TOTAL)</th>
<th>JOB PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX DIMENSIONS</td>
<td>1</td>
<td>0.594*</td>
</tr>
<tr>
<td>JOB PERFORMANCE</td>
<td>0.594*</td>
<td>1</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.01 level (2-tailed). All the variables are scored on a 1 to 6 point scale. (N: 190)
3.5.4. The Effect of LMX and Role Ambiguity on Job Performance

In order to examine the explanatory power of LMX as the independent variable on employee job performance, regression analysis was conducted. When Table 4 is examined, it is seen that averaged LMX has significant effect on job performance ($\beta=.456; p=.000$). Moreover, it is seen that role ambiguity has significant negative effect on job performance ($\beta=-.201; p=.000$). Table 4 reveals that average LMX with all three dimensions is statistically significant ($p$ value: $0.00 < 0.05$) in predicting the job performance explaining the 44.4% of the variance in job performance. Moreover, in Table 4, it is seen that role ambiguity has the explanatory power of 18.9% ($p$ value: $0.00 < 0.05$) on job involvement. Thus, it can be suggested that role ambiguity has a significant negative effect on employee job performance.

Table 4: Regression Analysis Results for LMX, Role Ambiguity and Job Performance

<table>
<thead>
<tr>
<th>Dependent Variable: Job Performance</th>
<th>Independent Variable</th>
<th>Beta</th>
<th>t value</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX</td>
<td></td>
<td>0.456</td>
<td>4.122</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>=0.456; $R^2=0.444$; $F=91.328; p=0.000$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Role Ambiguity</td>
<td>-.201</td>
<td>-3.101</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$R=-.201; R^2=.189; F=90.545; p=0.000$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.5.5. The Moderating Effect of Role Ambiguity on the Relationship between LMX and Job Performance

Baron & Kenny (1986) has indicated that a moderator is a qualitative or quantitative variable that influences the strength or the direction of the relation between the independent and the dependent variable. For testing the moderator effect of a variable, hierarchical multiple regression analysis can be conducted with several steps of analysis. First, a new variable should be created which is the multiplication of the independent and the moderating variables’ centered values. This multiplied new variable is mentioned as the interaction term. Following this stage, the independent and the moderating variables are entered into the regression one by one and finally the interaction term is entered as the last step of the hierarchical regression analysis.

Consequently, the output provides $R^2$s, the changes in $R^2$s and F-statistics which are produced according to these changes for the three models successively after adding the moderating variable and the interaction term (Aguinis, 1995). Baron & Kenny (1986) have emphasized that the moderating hypothesis is supported if the interaction term is significant in the last model.

In this study, these stages were followed in order to test the moderating role of role ambiguity on the relationship between LMX and job performance. At first the independent variable “LMX” was entered into the analysis. In the second step, the moderator “Role Ambiguity” was added to the model. In the final step of the hierarchical regression, the
interaction term was entered which contributed to an increase in $R^2$ (from 0.444 to 0.463) for the employee job performance. This change in $R^2$ represents the increase in the explanatory of the research model. As a result of statistically significant interaction effects shown in Table 5, perceived role ambiguity was found to moderate the relationship between LMX and job performance.

Table 5: Hierarchical Multiple Regression Analysis Results: The Moderating Role of Role Ambiguity on the Relationship between LMX and Job Performance

<table>
<thead>
<tr>
<th>Dependent Variable:</th>
<th>JOB PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Variables</td>
<td>$R^2$</td>
</tr>
<tr>
<td>1. LMX</td>
<td>0.444</td>
</tr>
<tr>
<td>2. LMX</td>
<td>0.459</td>
</tr>
<tr>
<td>Role Ambiguity</td>
<td>-0.193</td>
</tr>
<tr>
<td>3. LMX</td>
<td>0.463</td>
</tr>
<tr>
<td>Role Ambiguity</td>
<td>-0.193</td>
</tr>
<tr>
<td>LMX x Role Ambiguity</td>
<td>-0.092</td>
</tr>
</tbody>
</table>

According to the results of hierarchical multiple regression analysis, it was seen that the second hypothesis of the study which was “Hypothesis 2: Perception of role ambiguity will moderate the relationship between perceived LMX quality and employees’ job performance. (The higher the perception of role ambiguity, the weaker the relationship between perceived LMX quality and employees’ job performance” was supported.

4. Conclusion and Discussion

In this study, the relationship between Leader-Member Exchange (LMX) and employee job performance was investigated and the moderating role of perceived role ambiguity on this relationship was tested. Due to the interpretation of the research findings, it was seen that all of the variables of the research model showed significant relationships between each other. It was also revealed that LMX dimensions had significant and positive relationships with job performance while perceive role ambiguity had significant and negative relationship with job performance. Moreover, as it was discussed within the aims of this study, it was tried to test the moderating model with the inclusion of perceived role ambiguity which was the assumed moderating variable of the research framework. According to the findings of both simple regression and hierarchical regression analysis, it was revealed that LMX had significant positive effect on job performance and moderating role of role ambiguity was confirmed. Therefore, it can be indicated that since role ambiguity showed moderating effect between LMX and job performance, Hypothesis 2 was supported. As a result, it is concluded that hypotheses 1 with the sub-hypothesis and hypothesis 2 were accepted.
These findings supported the previous literature evidences which have demonstrated that LMX had significant association with employee job the (e.g. Wayne & Green 1993; Gerstner & Day, 1995; Jensen et al., 1997; Carolina & Benson, 2001; Tierney et al., 2002; Cevrioğlu, 2007; Kuşculoğlu, 2008). Besides the finding of this research in terms of the moderating role of perceived role ambiguity on the relationship between LMX and job performance is found to be consistent with the implications of Dunegan et al. (2002) who has implied that LMX and job performance relationship could be influenced by moderating factors, such as task characteristics, role conflict, role ambiguity, and task satisfaction. However, to the knowledge of the author, there is not any research study which exactly investigates the moderating role of role ambiguity on LMX and job performance association in the literature. Therefore, it is suggested that the findings of this study can provide knowledge about the role of role ambiguity as a moderating variable in LMX and job performance relationship studies.

On the other hand, several studies have revealed higher performance from employees who receive higher quality exchanges (e.g., Deluga & Perry, 1994; Dockery & Steiner, 1990; Arslantaş, 2007). In contrast to these, a few studies have addressed that there was a weak relationship between LMX and job performance (e.g. Rosse & Kraut, 1983; Wayne & Ferris, 1990) and some studies have indicated that there was no significant relationship between the two constructs (e.g. Liden, Wayne & Stilwell, 1993; Vecchio, 1982; Stringer, 2006). It can be mentioned that the findings of this study support the results of the studies which demonstrated a positive significant relationship between LMX and employee job performance and may provide a contribution to the LMX literature. Thus, it is suggested that the employees who perceive high-quality LMX and who receive positive job resources from their supervisors may perform their jobs more effectively.

As further, referring to the attribution theory, it was suggested that causal attributions or inferences about the perceived workplace conditions or job-related characteristics could be strongly related to the individual performance outcomes (Weiner, 1985; Smith et al., 1993). Following this suggestion, in this study, it was assumed that perceived role ambiguity would change the strength or direction of the relationship between LMX and employee job performance. Therefore, role ambiguity was included to the research model as a moderating variable. As a result of the statistical analysis of this study, it was reported that role ambiguity was a factor which inhibited LMX’s influence on job performance.

In this context, it is concluded that these findings are consistent with the previous literature arguments which have indicated the conceptual relationship between LMX and job performance constructs. The results can provide a sight by supporting Leader-Member Exchange (LMX) theory as stated by Graen & Uhl-Bien (1995) and can enhance the implications of the “relational leadership” which comes from the theoretical study of Brower et al. (2000). Additionally, the conceptual studies in the literature has supported the role of role ambiguity and task characteristics as moderators between the LMX and job performance but this relationship has never been tested empirically for the moderating role of role ambiguity on the relationship between LMX and job performance. Therefore, the findings of this study are considered to be supporting the literature evidences and also contributing to the related field.
However, as part of a limitation of this study, the questionnaire survey was performed among the employees working in food-drink service sector located in Istanbul city/Turkey. Therefore, the findings might not be transferable to all types of organizations and sectors in all cities or countries. For that reason, it is recommended that further research studies should be performed within larger samples and, also in different regions and sectors for the reliability of the findings. Another limitation of this survey is that job performance items were evaluated by the employees subjectively. It is thought that in further surveys employee job performance related items can be answered by the supervisor-report method or by multiple sources –self reported and supervisor reported- method, in order to enhance objectivity and to minimize same-source biases.

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Seçil BAL TAŞTAN


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