



When does procedural fairness promote organizational citizenship behavior? Integrating empowering leadership types in relational justice models

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ARTICLE INFO

Article history:

Received 11 January 2011

Accepted 16 October 2011

Available online 14 December 2011

Accepted by Douglas Brown

Keywords:

Justice

Procedural justice

Fairness

Empowerment

Empowering leadership

Organization citizenship behavior

Autonomy

Self-development

ABSTRACT

We examined how procedural fairness interacts with empowering leadership to promote employee OCB. We focused on two core empowering leadership types—*encouraging self-development* and *encouraging independent action*. An experiment revealed that leaders encouraging self-development made employees desire status information more (i.e., information regarding one's value to the organization). Conversely, leaders encouraging independent action decreased employees' desire for this type of information. Subsequently, a multisource field study (with a US and German sample) showed that encouraging self-development strengthened the relationship between procedural fairness and employee OCB, and this relationship was mediated by employees' self-perceived status. Conversely, encouraging independent action weakened the procedural fairness-OCB relationship, as mediated by self-perceived status. This research integrates empowering leadership styles into relational fairness theories, highlighting that multiple leader behaviors should be examined in concert and that empowering leadership can have unintended consequences.

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Introduction

Scholars and practitioners increasingly recognize the relevance of procedural fairness as a determinant of effective organizational leadership (e.g., Bies, 2005; Colquitt & Greenberg, 2003; De Cremer & Tyler, 2010; Greenberg, 2009; Van Knippenberg, De Cremer, & Van Knippenberg, 2007). This interest is likely in part because leaders who enact decision-making procedures in a fair manner promote cooperative employee behaviors like organization citizenship behavior (OCB; see De Cremer and Tyler (2005a), Organ, Podsakoff, and MacKenzie (2006) for overviews; see Cohen-Charash and Spector (2001), Colquitt, Conlon, Wesson, Porter, and Yee (2001), for meta-analyses). OCB, in turn, contributes to better organization functioning and performance (Podsakoff, Whiting, Podsakoff, & Blume, 2009). Influential procedural fairness theories like the group engagement model (Tyler & Blader, 2003) and the self-based model of cooperation (De Cremer & Tyler, 2005a) note that fairly enacted procedures have this desirable influence on employee OCB because they address important identity concerns, particularly with respect to employees' self-perceived status within the organization

(De Cremer & Sedikides, 2008; Smith, Tyler, Huo, Ortiz, & Lind, 1998; Tyler & Blader, 2002; Tyler & Lind, 1992; van Dijke & De Cremer, 2008).

Given the large number of studies that address the procedural fairness – OCB relationship, it is surprising that we know virtually nothing about how leaders should coordinate procedural fairness with other elements of their leadership style to stimulate this important employee behavior (cf. Bies, 2005; van Knippenberg et al., 2007). To start addressing this gap in the literature we set out to investigate how leaders' procedural fairness interacts with empowering leadership to relate to employee OCB. We focus on two empowering leadership types – *encouraging self-development* and *encouraging independent action* – (Pearce & Sims, 2002). These leadership types reflect core empowerment processes by stimulating employee skill development and independent decision-making (Ahearne, Mathieu, & Rapp, 2005; Arneson & Ekberg, 2006; Spreitzer, 1995, 2008). As we will argue later on in this paper, whereas we expect encouraging self-development to strengthen the effect of procedural fairness on employee OCB, we expect encouraging independent action to weaken this procedural fairness effect.

Understanding how leaders should coordinate procedural fairness with their empowerment efforts to stimulate employee OCB is clearly relevant from a practical perspective. However, our primary interest lies in making two theoretical contributions to

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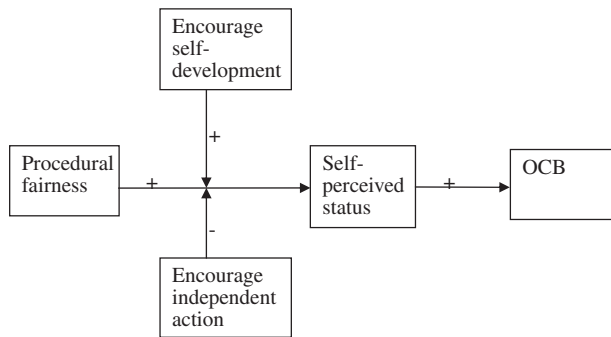


Fig. 1. Visual depiction of our proposed model.

the literature. First, we aim to broaden the scope of relational theories of procedural fairness to enable them to also account for the role of other leader behaviors. In order to achieve this integration, we will explicitly consider the mediating role of an employee's self-perceived status in this process. Self-perceived status refers to how valued and respected an employee perceives him- or herself to be as an organizational member (e.g., Simon & Stürmer, 2003; Tyler, 1999). As noted, relational fairness theories consider self-perceived status a critical mediator of the effect of procedural fairness on employee OCB (e.g., Blader & Tyler, 2009; Tyler, 1999; Tyler & Blader, 2002). We will argue that the type of empowerment that leaders display influences employees' desire for information about their value to their organization. Thus, the fairness of the enacted procedures should directly address this desire by shaping employees' perceptions of their status in the organization.

Second, focusing on interactive effects of procedural fairness and the two types of empowering leadership on employee OCB also contributes to the empowerment literature. Research has revealed various positive effects of empowerment on variables such as employee job satisfaction, organizational commitment, and job performance (see Seibert, Wang, and Courtright (2011), for a meta analysis; see Spreitzer (2008), for a review). However, we know of no prior work that has distinguished different processes to explain the workings of different types of empowering leadership. We aim to show empirically that such a distinction is important as it influences the extent to which procedural fairness is associated with employees' self-perceived status and OCB. In fact, distinguishing employees' independent action and development has also implications for other literatures in which these concepts play a central role, such as the job design literature (Johns, 2010).

We will develop a mediated moderation model in which two types of empowering leadership uniquely interact with procedural fairness to relate to employee OCB via an employee's self-perceived status. Fig. 1 presents a visual illustration of our model.

Theoretical background

Procedural fairness

Procedural fairness refers to the perceived fairness of decision making procedures and the enactment of those procedures when allocating resources to organizational members (Tyler, 1988). Research shows that procedures are perceived as more fair when they are applied consistently over time and people (van den Bos, Vermunt, & Wilke, 1996), accurately and without regard for leaders' self-interest (De Cremer, 2004), and when they allow employees to provide voice in the decision-making process (Thibaut & Walker, 1975). The present study focuses specifically on procedural

fairness as it is enacted by the supervisor. Note that this type of fairness is conceptually and empirically distinct from interpersonal fairness, i.e., supervisors treating employees with dignity and respect, and informational fairness, i.e., supervisors giving adequate explanations regarding the rationale for decisions as part of the enactment of procedures (Bies & Moag, 1986; Colquitt, 2001; Greenberg, 1993).

Relational models of procedural fairness like the group value model (Lind & Tyler, 1988) and the relational model of authority (Tyler & Lind, 1992) build on the notion that people are naturally predisposed to belong to social collectives and therefore they are very attentive to signals that indicate their status in the organization (Tyler & Smith, 1999). Fairly enacted procedures signal that the organization, by means of its representatives (the enacting leaders), respects and values its members thus indicating that the employee has high status in the organization. Conversely, unfairly enacted procedures signal to employees that they are peripheral, low status organizational members (Lind & Tyler, 1988; Tyler & Lind, 1992).

Two subsequent theoretical developments, the group engagement model (Tyler & Blader, 2003) and the self-based model of cooperation (De Cremer & Tyler, 2005a) argue that fairly enacted procedures will also increase employee's motivation to support the organization by means of engaging in discretionary behaviors that benefit the organization. Specifically, the positive effects of procedural fairness on employee OCB should result *because* perceiving that one has high status in the organization instills an intrinsic motivation in organizational members to support the organization's goals (De Cremer & van Dijk, 2002; Tyler, 1999).

These relational models have been supported in different research streams. First of all, studies show that procedural fairness positively influences employees' self-perceived status in the organization (Smith et al., 1998; Tyler, 1989; Tyler, 1994; Tyler, 1999; Tyler & Blader, 2002; van Dijke & De Cremer, 2008). Furthermore, a large number of studies show that procedural fairness promotes employee OCB (see Cohen-Charash & Spector, 2001; Colquitt et al., 2001, for meta-analyses). In line with relational procedural fairness models, self-perceived status in the organization has been shown to mediate the relationship between procedural fairness and employee OCB (Blader & Tyler, 2009; Tyler & Blader, 2002).

Other research has identified boundary conditions to procedural fairness effects that form relevant tests of relational fairness models. This research shows that procedural fairness is most impactful among people for whom it is relevant to assess their relationship with the group or organization. For instance, people who strongly identify with or feel committed to the organization respond particularly strongly to procedural fairness (Brockner, Tyler, & Cooper-Schneider, 1992; Tyler & DeGoey, 1995; see also Tyler, DeGoey, & Smith, 1996). Furthermore, procedural fairness influences people's perception of their status in the organization particularly when they are concerned about their status. This is arguably because status concerns make people attend more to status relevant information conveyed by procedural fairness (De Cremer & Sedikides, 2008; see also De Cremer & Tyler, 2005b; Van Prooijen, Van den Bos, & Wilke, 2002).

The important role of the leader in communicating status information to employees suggests that specific leader characteristics may also influence the effectiveness of their procedural fairness. According to relational fairness models, to convey meaningful status information to employees, the enacting authority should represent the organization (Tyler, 1999). In support of this assumption, Smith et al. (1998) showed that the fairness of treatment by an ingroup leader influences group members' self-perceived status and self-esteem stronger than the fairness of treatment by an outgroup leader. Further, group members react with higher levels

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