



QUALITY OF SUPERVISOR-SUBORDINATE RELATIONSHIP AND WORK OUTCOME: ORGANIZATIONAL JUSTICE AS MEDIATOR

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ABSTRACT

The quality of the leader-member exchange relationship is conceptualized in the leader-member exchange (LMX) theory as a determinant of employees' attitude and behavior. Likewise, organizational justice, which includes distributive and procedural justice, is recognized as an important determinant of employees' commitment, satisfaction and other outcome variables. Although the LMX-work/organizational outcome relationship has attracted considerable research interest, the role of mediating variables such as organizational justice perception has not been well examined. This paper reports the findings of a study which investigates how the quality of supervisor-subordinate relationship determines employees' distributive and procedural justice perception which in turn determines employees' job satisfaction, organizational commitment and turnover intentions. It is expected that in a relationship-oriented society like Malaysia, the quality of the dyadic relationship would strongly influence employees' attitude and behavioral tendencies. Data are collected from one food processing, one pharmaceutical, and two manufacturing companies located in Malaysia. The sample consists of 154 executives, supervisors and middle-level managers who volunteer to participate in this study. The results support the hypothesis that distributive and procedural justice mediates the relationship of LMX with employees' job satisfaction, organizational commitment and turnover intentions. Procedural justice is found to have full mediation effect in the LMX-outcome variables relationships. It was partial mediation in the case of distributive justice. The results suggest the importance of leader behavior and organizational justice

in promoting job satisfaction and organizational commitment, and minimizing the turnover intentions of employees.

JEL classification: D230, L200

Key words: LMX, organizational justice, job satisfaction, organizational commitment

1. INTRODUCTION

The quest for organizational efficiency, high performance and customer satisfaction has led to a growing body of literature demonstrating the relationship between employees' attitude and behavior. For instance, there is evidence to suggest that job satisfaction improves customer satisfaction (Bitner, Booms, and Tetreault, 1990), role conflict and role ambiguity negatively affect job performance (Babakus et al., 1996), pay satisfaction reduces turnover intention (Lum et al., 1998), and organizational commitment leads to job performance (Meyer et al., 1989). It is also reported that supervisors as leaders play an important role in shaping the attitude and behavior of their subordinates (Dansereau, Graen and Haga, 1975). Leader-member exchange (LMX) theory is a subset of social exchange theory, and it describes how leaders develop different exchange relationships over time with various subordinates of the same group. The LMX model is based on the concept that role development will naturally result in different levels of leader-member exchanges and the quality of relationships. Leaders usually establish a special exchange relationship with a small number of trusted subordinates who function as assistants, *wazirs*, or advisors. The exchange relationship established with the remaining subordinates is substantially different (Yukl, 1994). Recent research efforts have noted the potential importance of differentiated levels of exchange with respect to subordinates' attitude formation, and have called for further study to determine if such differential treatment might affect perceptions of fairness and various organizational outcomes (Cobb and Frey, 1991; Forret and Turban, 1994).

In the past two decades, a lot of research interests have been generated on organizational justice issues, namely distributive, procedural, and interactional justice and their potential role in determining employees' commitment and behavioral intentions to leave

the organization (Greenberg and Cohen, 1982; Greenberg, 1990; Folger and Cropanzano, 1998). According to the LMX theory, since leaders have a limited amount of resources such as discretion and time, they selectively distribute these resources among the group members based on the quality of the relationship (Dansereau, Graen and Haga, 1975; Graen and Scandura, 1987). The exchange relationships determine employees' perception of organizational policies and practices such as distributive and procedural justice. This perception, in turn, influences their attitude and behavior. Organizational justice includes distributive, procedural and interactional justice facets. Distributive justice has to do with fairness of allocation of resources as contrast with procedural justice, which focuses on the fairness of the process of decision-making. Interactional justice refers to the perceived fairness of the interpersonal treatment that employees receive from the decision makers. Some scholars consider interactional justice as part of procedural justice (e.g., Cropanzano and Greenberg, 1997; Tyler and Bies, 1990).

The need for this study was based on the following reasons. Firstly, studies examining the role of LMX as antecedent, organizational justice as mediating, and work outcomes as dependent variable are not many. The few that have been reported belong to the western and specific industry context. (e.g., Lee, 2000; Lee, 2001; Tansky 1993; Bies and Shapiro, 1987). There is a need to validate the findings in other cultural contexts. As strong value differences have been reported between western countries and the Asians (Hofstede, 2001; Sinha, 1995), the need to examine the organizational issues like leadership and employees' behavior in a cultural context cannot be overemphasized. It is expected that in a relationship oriented and collectivistic society like Malaysia (Abdullah, 1996; Hofstede, 2001), the quality of leader-member relationship will demonstrate a strong influence on employees' attitude and behavioral tendencies such as turnover intentions.

Secondly, while a number of studies have examined relationship between LMX and organizational commitment, few have attempted to examine the relationship between LMX and turnover intentions (Linden, Sparrowe and Wayne, 1997). Thirdly, although good number of correlational studies have been conducted to examine the relationship between LMX work/organizational outcome variables as well as between organizational justice and work/organizational outcome variables, few have examined the mediating role of organizational justice

in the LMX work-outcome relationship. Based on Hollander's (1978) notion of 'fair exchange leadership', Scandura (1999) recommends that LMX be studied in the organizational justice perspective. Scandura observes that the reasons why most of the studies on LMX and organizational outcome report an equivocal relationship is because they have neglected the mediating role of other variables. It was against this backdrop that this study was conducted.

2. LMX AND ORGANIZATIONAL JUSTICE

As conceived in the LMX theory the dyadic relationship is based on trust, confidence, and support for in-group members. This may not be the case for out-group members. The nature of this relationship is expected to promote the perception of justice and fairness with the former rather than with the latter. Support for this hypothesis has come from a few studies. For example, Tansky (1993) reports that the nature of the LMX relationship is positively correlated with both subordinates' perceptions of organizational fairness and citizenship behaviors. Kozlowski and Doherty (1989) find that the nature of interactions between leaders and subordinates mediates and structures subordinate interpretations of organizational practices and events. This seems to be more profound in a relationship oriented society such as Malaysia (Abdullah, 1996). It is, therefore, hypothesize that:

H1a: Higher quality of LMX is positively related to distributive justice perception.

H1b: Higher quality of LMX is positively related to procedural justice perception.

3. LMX AND WORK OUTCOME

According to the LMX theory, a leader treats subordinates differently based on the quality of the dyadic relationship. A good quality relationship has been found to promote a higher performance rating (Linden, Wayne and Stilwell, 1993), stronger organizational commitment (Nystrom, 1990), higher overall satisfaction (Scandura and Graen, 1984), and lower turnover intentions (Vecchio and Gobel, 1984). For example, Linden and Graen (1980) find that out-group members are less likely to volunteer

for special assignments and for extra work, and were rated by the leader as being lower on overall performance than in-group members. Nystrom (1990) reports that managers who experience low-quality exchanges with their bosses tend to feel little organizational commitment, whereas managers with high-quality exchanges express strong organizational commitment. This seems to be equally true in other cultural contexts. As such, the following relationships are hypothesized:

- H2a: Higher quality of LMX is positively related to job satisfaction;
- H2b: Higher quality of LMX is positively related to organizational commitment; and
- H2c: Higher quality of LMX is negatively related to turnover intention.

4. ORGANIZATIONAL JUSTICE, JOB SATISFACTION, ORGANIZATIONAL COMMITMENT, AND TURNOVER INTENTIONS

The degree of fair treatment some employees received relative to others has been postulated to influence their motivation and performance (Adams, 1965) which may include their intention to leave or stay with the organization. In line with Adam's equity theory, the contemporary studies on organizational justice have reported that people tend to be less satisfied with outcomes they perceive to be unfair than those they perceive to be fair (Cropanzano and Greenberg, 1997).

Several studies have demonstrated the importance of fairness in allocation decisions in promoting positive work outcomes. For instance, Lawler (1977) notes that the distribution of organizational rewards such as pay, promotion, status, performance evaluations, and job tenure can have powerful effects on job satisfaction, quality of work life, and organizational effectiveness. Hassan (2002) conducts a study in Malaysia on the relationship of employees' equity and justice perception with organizational commitment and turnover intentions. The results confirmed the hypothesis that perceived equity and fairness was, indeed, positively related to organizational commitment and negatively related to turnover intentions.

Like distributive justice, procedural justice is an equally important determinant of employees' attitudinal and behavioral outcomes such as satisfaction, commitment and turnover intentions (Sweeney and

McFarlin, 1993; Hassan, 2002; Tyler and Lind, 1992). For example, Schaubroeck, May and Brown (1994) find that salaried employees react less negatively to a pay freeze when the decision is implemented in a procedurally fair manner. According to Greenberg (1990), the effect of distributive and procedural justice may vary. In particular, distributive justice leads to more specific attitudinal outcomes such as pay satisfaction, whereas the consequences of procedural justice reflects more on the organizational system such as organizational commitment. Thus, the following hypotheses are developed.

- H3a: Perception of distributive justice is positively related to job satisfaction.
- H3b: Perception of distributive justice is positively related to organizational commitment.
- H3c: Perception of distributive justice is negatively related to turnover intention.
- H4a: Perception of procedural justice is positively related to job satisfaction.
- H4b: Perception of procedural justice is positively related to organizational commitment.
- H4c: Perception of procedural justice is negatively related to turnover intention.

5. MEDIATION EFFECT OF DISTRIBUTIVE AND PROCEDURAL JUSTICE

A given variable functions as a mediator to the extent that it accounts for the relationship between the predictor and the criterion (Baron and Kenny, 1986). This study predicts that distributive and procedural justice will mediate the relationships between LMX and job satisfaction, organizational commitment, and turnover intentions. The studies on LMX have amply demonstrated that high quality of leader-member exchange relationship leads to better distributive and procedural justice perception. It is also noted that both distributive and procedural justice promote a number of organizational outcomes such as higher job satisfaction, organizational commitment, and lower intention to turnover.

Lee (2001) reports a strong positive contribution of LMX on organizational justice perception which, in turn contributes to cooperative

communication in the organization. Lee (2000) conducts a similar study in the lodging industry and found that the quality of interpersonal relationships significantly influences employees' perceptions of fairness. Moreover, justice perception mediates the relationship between LMX and several work outcome variables such as job satisfaction, organizational commitment, and turnover intentions.

Recently, Ansari, Aafaqi and Hung (2004) examines the mediation effect of procedural justice climate in the relationship of LMX with organizational commitment and turnover intentions. Examining different dimensions of LMX, they report that the mediation effect of procedural justice climate to be true.

Thus, it can be assumed that LMX affects employees' perceptions of the fairness of organizational outcomes. This perception may prompt employees to reciprocate with increased job satisfaction and organizational commitment, and decreased turnover intentions. The literature review indicates a lack of research examining the mediating role of the distributive justice and procedural justice factors in the LMX and work/organizational outcome relationship in the Malaysian context. Accordingly the following hypotheses are examined.

- H5a: Perception of distributive justice mediates the relationship of LMX with job satisfaction, organizational commitment, and turnover intentions.
- H5b: Perception of procedural justice mediates the relationship of LMX with job satisfaction, organizational commitment, and turnover intentions.

6. THE RESEARCH INSTRUMENTS

The variables are measured as follows:

- i. Measurement of the Supervisor-Subordinate Relationship
A 7-item scale developed by Scandura and Graen (1984) is used to measure the perceived quality of the relationship between the supervisor and subordinates. The instrument is based on the LMX construct and has been reported to have strong correlations with several other LMX measures (Lee, 2000).

ii. **Distributive Justice**

The Distributive Justice Index developed by Price and Mueller (1986) is adapted to measure the perception of distributive justice construct. The 5-item scale measures the degree to which rewards received by the employees are perceived to be related to performance inputs. Each item asks for the degree to which the respondent believes that he or she is fairly rewarded on the basis of some comparison with responsibilities, education, and training, effort, stresses and strains of the job, and performance.

iii. **Procedural Justice**

Perception of procedural justice is measured by a 15-item scale developed by Niehoff and Moorman (1993). The items measure the degree to which the decision-making process ensure the accurate and unbiased gathering of information, institution of employees' voice and appeal process, consistency, accuracy, correctability, representativeness, and ethicality. Items also include the supervisor's consideration of employees' rights, the treatment of employees with respect and kindness, and the provision for explanations and justifications for decisions.

iv. **Job Satisfaction**

A 14-item scale based on Hackman and Oldham's (1975) Job Diagnostic Survey is used to measure job satisfaction. The scale measures five facets of job, namely, job security, pay, social, supervisory, and growth satisfaction. The instrument is reported to be adequately reliable with a Cronbach alpha ranging from .64 to .87 (Hackman and Oldham, 1975).

v. **Organizational Commitment**

Organizational commitment is measured by the 9-item short version of the Organizational Commitment questionnaire developed by Mowday, Steers and Porter (1979). Satisfactory reliability and validity evidence has been provided by Steers (1977).

vi. **Turnover Intention**

This outcome variable is operationally defined as thinking of quitting,

intent to search for a new job, and intent to quit (Hom and Griffeth, 1991). The three item scale used in this study to measure this outcome variable is taken from the *Michigan Organizational Assessment Questionnaire* (Cammann et al., 1979). They report a high internal consistency ($\alpha = .83$) of the scale, and support construct validity with correlation of $-.58$ with overall job satisfaction.

All instruments use in this study, except for background information, provide responses based on a 7- point scale (1 = strongly disagree; 7 = strongly agree).

Table 1 displays the descriptive statistics of the variables and reliability estimates of the research instruments.

The proportional mean for LMX indicated that overall the quality of the leader-member relationship was rated positive (proportional mean = 4.93 on a 7-point scale). Such was also the case with other variables except for turnover intention, which obtained a low mean score.

TABLE 1
Descriptive Statistics of the Study Variables

| | Minimum | Maximum | Mean | Prop. Mean | SD | Alpha |
|---------------------------------|---------|---------|-------|------------|-------|-------|
| <i>LMX</i> (7) | 13 | 49 | 34.55 | 4.93 | 7.93 | .90 |
| <i>Distributive Justice</i> (5) | 6 | 35 | 23.55 | 4.71 | 6.14 | .97 |
| <i>Procedural Justice</i> (15) | 29 | 105 | 73.32 | 4.88 | 15.94 | .95 |
| <i>Job Satisfaction</i> (14) | 24 | 98 | 69.03 | 4.93 | 15.24 | .95 |
| <i>Org. Commitment</i> (9) | 17 | 63 | 45.52 | 5.05 | 9.03 | .92 |
| <i>Turnover Intention</i> (3) | 3 | 21 | 9.72 | 3.24 | 4.23 | .93 |

Note: Numbers in parentheses denote the number of items in the scale. Proportional mean is obtained by dividing the mean with the number of items in the scale.

7. SAMPLE

The participants in the study are selected from four companies - two multinational manufacturing companies, one food processing company, and one pharmaceutical company – all operating in Malaysia. The sample consists of 154 middle- and lower-middle level personnel who volunteered to participate in the study. They include 58 percent males and 42 percent females. Most of them have tertiary level education, 30 percent of them working at supervisory level, 20 percent as executives, and nearly 40 percent as middle level managers and engineers. Most of them (90 percent) are full-time employees. Their mean age is 33.52 years (SD = 7.18) and the mean number of years served in the organization is 5.81 (SD = 3.17).

8. RESULTS

In order to test hypotheses H1a, H1b and H1c, LMX along with biographical factors are regressed with three dependent measures, namely, job satisfaction, organizational commitment, and turnover intention. The results are given in Table 2.

The estimated model shows the significant effect of LMX on the three dependent variables, namely, job satisfaction, organizational commitment, and turnover intention. In the case of job satisfaction and

TABLE 2
Regression: *LMX* as a Predictor of *Job Satisfaction*,
Organizational Commitment and *Turnover Intention*

| | <i>Job Satisfaction</i> | <i>Org. Commitment</i> | <i>Turnover Intent</i> |
|----------------------------------|-----------------------------|----------------------------|----------------------------|
| | Std. β | Std. β | Std. β |
| <i>Gender</i> (Male =1) | -.067 | -.029 | -.009 |
| <i>Age</i> | .058 | .053 | -.060 |
| <i>Education</i> (Lower Sec = 1) | .021 | .057 | -.254 |
| <i>Experience</i> | -.009 | .049 | -.076 |
| <i>LMX</i> | .748*** | .762*** | -.221** |

Note: **significant at the 1% level; ***significant at the 0.1% level.

organizational commitment, the LMX coefficients are positive. In addition, LMX has a negative impact on turnover intentions, as expected. The results support hypotheses H1a, H1b, and H1c.

Table 3 shows the regression results of the relationship between distributive justice and job satisfaction, organizational commitment, and turnover intention. The results support hypotheses H2a, H2b and H2c as the regression equations clearly demonstrate the positive effect of distributive justice on job satisfaction and organizational commitment, and a negative effect on intention to turnover.

TABLE 3
Regression: *Distributive Justice* as a Predictor of *Job Satisfaction*,
Organizational Commitment and *Turnover Intention*

| | <i>Job Satisfaction</i> | <i>Org. Commitment</i> | <i>Turnover Intent</i> |
|----------------------------------|-----------------------------|----------------------------|----------------------------|
| | Std. β | Std. β | Std. β |
| <i>Gender</i> (Male =1) | -.034 | -.002 | -.023 |
| <i>Age</i> | -.012 | -.034 | -.030 |
| <i>Education</i> (Lower Sec = 1) | .029 | .083 | -.258 |
| <i>Experience</i> | .009 | .087 | -.096 |
| <i>Distributive Justice</i> | .816*** | .764*** | -.255** |

Note: **significant at the 1% level; ***significant at the 0.1% level.

Table 4 presents the regression results taking procedural justice as independent variable and job satisfaction, organizational commitment, and turnover intention as the dependent variables. Again, the results support our hypotheses. Procedural justice contributes positively to job satisfaction and organizational commitment, and negatively to turnover intention.

To test the mediating effect of distributive justice as well as procedural justice in the relationship between LMX and work outcomes, namely, job satisfaction, organizational commitment, and turnover intentions, a four-step procedure developed by McKinnon, Warsi and Dwyer (1995) is employed. According to them, mediation is generally present when: (i) the independent variable (LMX) significantly affects the mediator (distributive justice/procedural justice); (ii) the independent variable significantly affects the dependent variables (job satisfaction,

TABLE 4
Regression: *Procedural Justice* as a Predictor of *Job Satisfaction*,
Organizational Commitment and *Turnover Intention*

| | <i>Job Satisfaction</i> | <i>Org. Commitment</i> | <i>Turnover Intent</i> |
|----------------------------------|-----------------------------|----------------------------|----------------------------|
| | Std. β | Std. β | Std. β |
| <i>Gender</i> (Male =1) | -.074 | -.016 | -.047 |
| <i>Age</i> | .005 | -.020 | -.053 |
| <i>Education</i> (Lower Sec = 1) | -.008 | .052 | -.272 |
| <i>Experience</i> | .011 | .086 | .083 |
| <i>Procedural Justice</i> | .871*** | .0845*** | -.278*** |

Note: ***significant at the 0.1% level.

organizational commitment, and turnover intentions); (iii) the mediators have significant unique effects on the dependent variable; and (iv) the effect of the independent variable on the dependent variables shrinks upon the addition of the mediator to the model. According to Baron and Kenny (1986), after controlling for the mediator variables (distributive justice/procedural justice), the power of the independent variable (LMX) to predict the dependent variables (job satisfaction, organizational commitment, and turnover intention) should become significantly smaller (for partial mediation effect) or non-significant (for full mediation effect). Table 5 shows the mediation effect of distributive justice in the relationship between LMX and work outcome measures.

In the case of LMX and job satisfaction, and LMX and organizational commitment, the mediation effect of distributive justice is partial as the predictive power of the independent variable is reduced yet it is significant. However, in the case of turnover intention, the mediation effect is complete as the power of LMX in predicting turnover intention becomes insignificant in the second equation. The results support hypothesis H5a.

Table 6 shows the full mediation effect of procedural justice in relation to LMX and the dependent variables. The predictive power of LMX becomes insignificant in all the cases when procedural justice is entered into the equation as another independent variable. The findings fully support hypothesis H5b.

TABLE 5
Regression: *LMX* and *Distributive Justice* as Predictors of *Job Satisfaction*, *Organizational Commitment* and *Turnover Intention*

| | <i>Job Satisfaction</i> | <i>Org. Commitment</i> | <i>Turnover Intent</i> |
|----------------------------------|-------------------------|------------------------|------------------------|
| | Std. β | Std. β | Std. β |
| <i>Gender</i> (Male =1) | -.040 | -.007 | -.018 |
| <i>Age</i> | .015 | .010 | -.042 |
| <i>Education</i> (Lower Sec = 1) | .033 | .068 | -.257 |
| <i>Experience</i> | -.002 | .063 | -.081 |
| <i>LMX</i> | .274** | .430*** | -.063 |
| <i>Distributive Justice</i> | .601*** | .431*** | -.205* |

Note: *significant at the 5% level; **significant at the 1% level; ***significant at the 0.1% level.

TABLE 6
Regression: *LMX* and *Procedural Justice* as Predictors of *Job Satisfaction*, *Organizational Commitment* and *Turnover Intention*

| | <i>Job Satisfaction</i> | <i>Org. Commitment</i> | <i>Turnover Intent</i> |
|----------------------------------|-------------------------|------------------------|------------------------|
| | Std. β | Std. β | Std. β |
| <i>Gender</i> (Male =1) | -.090 | -.027 | -.038 |
| <i>Age</i> | .021 | .000 | -.058 |
| <i>Education</i> (Lower Sec = 1) | .007 | .040 | -.027 |
| <i>Experience</i> | .012 | .083 | -.075 |
| <i>LMX</i> | .090 | .149 | .043 |
| <i>Procedural Justice</i> | .795*** | .719*** | -.314** |

Note: **significant at the 1% level; ***significant at the 0.1% level.

9. DISCUSSION AND CONCLUSION

The results provide strong support for all the hypotheses formulated in the study. They validate the findings reported by other scholars that quality of leader-subordinate relationship, indeed, positively shapes the perception of distributive and procedural fairness (Podsakoff et al., 1990; Dansereau, Graen and Haga, 1975; Tansky 1993). Thus, according

to the findings of this study, in-group employees would possibly receive more justification for procedural justice as well as a larger amount of those resources (distributive justice) due to the relative advantage of higher quality of interactions and a closer relationship with the supervisor. Employees' perception of fairness improves when they believe that they are valued members of the group.

This study also demonstrates the role of LMX in promoting employees' job satisfaction and organizational commitment, and reducing their desire to leave the organization. The findings support earlier studies on LMX-attitudinal outcome relationships (Graen, Novak and Sommerkamp, 1982; Rosse and Kraut, 1983; Scandura and Graen, 1984; Duchon, Green and Taber, 1986; Nystrom, 1990; Vecchio and Gobdel, 1984). This seems to be more true in a relationship-oriented society like Malaysia, where loyalty, trust, and a sense of belonging are highly valued (Abdullah, 1996). According to Abdullah, in order to be effective in Malaysia, the manager must cultivate a personalized relationship with people with whom he or she has to deal. The result is in line with studies examining the relationship between cultural values and leadership effectiveness in India (Sinha, 1980; Hassan, 1989). For instance, Sinha identifies preference for personalized relationship and dependency on superiors as employees' strong values in Indian organizations. According to him, leaders who are able to cultivate a personalized relationship with subordinates and act as nurturing superiors are rated as more effective in terms of task performance and satisfaction of group members.

This study also strongly supports earlier evidence indicating the positive contribution of distributive and procedural justice on employees' job satisfaction and organizational commitment, and the negative impact on their turnover intentions (Hassan, 2002; Lawler 1977; Martin and Bennet, 1996). In conclusion, individuals tend to be more satisfied with allocations they perceive to be fair than with those they perceive to be unfair.

The results of the study also substantiate the hypothesis that both distributive and procedural justice perceptions mediate the relationship of LMX with job satisfaction, organizational commitment and turnover intentions. There is evidence of full mediation of procedural justice in the case of LMX and the three work outcome variables. Distributive justice provides a partial mediation effect in the case of LMX-job

satisfaction and LMX-organizational commitment relationships, and a full mediation effect in the case of LMX-turnover intentions relationship. The results support the findings of Lee (2001) and Lee (2000) who reports a similar mediating impact of distributive and procedural justice perception in the relationship of LMX with several work outcome variables. According to Organ (1990) if employees make unfair judgments in social exchanges, they negatively influence the employees' attitude such as on job satisfaction. Employees also use their experience with fair or unfair procedures of resource allocation as information that reflects on the organization system as a whole (Lind, 1995; Tyler and Dawes, 1993). In conclusion, LMX affects employees' perceptions of fairness, and these perceptions of fairness prompt employees to reciprocate with their work-related outcomes.

The results of the study have some practical implications for managers. Firstly, if the quality of leader-member relationship promotes better distributive and procedural justice perception, then supervisors and managers should be trained to expand the in-group membership. Secondly, findings of the study provide an insight into the formation of employees' perceptions of fairness and suggest that managers should carefully manage justice issues to benefit from the positive attitudinal and behavioral responses and minimize turnover problems.

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