

EFFECT OF LMX ON JOB PERFORMANCE: MEDIATING ROLE OF WORKPLACE EMPOWERMENT AMONG UNIVERSITY TEACHERS

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Abstract

Considerable and excessive contributions for the advancement of developing countries has extensively provided remarkable achievement in the present scenario of higher education institutions. It has been noted in the modern era that higher education institutions are importing their share for the advancement of socio-economic growth. Therefore, the goal of university education is to produce competent human resources. This goal can be achieved through effective teaching. The major objective of this study was to determine the relationship between leader-member exchange and job performance: mediated by empowerment of university teachers in Punjab. The population of this research was teachers from public universities in Punjab, Pakistan. By adopting multistage sampling technique 463 respondents were selected as sample. A survey method was used to collect the data through questionnaires. Smart PLS-SEM-4 software was used to analyse the collected data according to the hypotheses proposed in this study. The findings of this research indicated the positive correlation of LMX and empowerment on job performance and empowerment intervening significantly between LMX and job performance. This study may be helpful for the growth of educational institutions through capable human resources.

Keywords: LMX, Teachers' Empowerment, Job Performance, Public Universities

Introduction

In the modern era the organizations have their naked eyes to search for competent human resources. Whereas the employees' performance is one of the key constructs for the development of the whole institutions (Hassan et al., 2020). Moreover, the success of the organization evaluates the performance of their employees. The dedicated and motivated workers determine the performance according to the vision and mission of the organization.

(Abbas, 2017; Purwanto et al., 2021).

Numerous studies have focused on empowerment, according to Zulfqar et al (2016) empowerment is essential for improving employees' performance. Additionally, they highlighted empowerment as a means of enhancing a group's and an individual's capacity to transform diverse decisions into anticipated acts and results. In his research, Kosar & Naqvi (2016) asserted that, in the age of globalization, individual empowerment is the most important factor influencing employee performance.

Leadership paid a lot of attention to empowerment of the employees (Malik et al., 2015). This strategy is frequently used by organizations to give their human resources an effective tool, namely workplace autonomy (Goins, T. A. (2022). The research conducted by Qu et al (2017) which stated that LMX has a direct influence on the performance of a university in Turkey, these

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results are in line with research by Fein, et al (2020) which concluded that LMX has a positive effect. and crucial to the university employees' performance. Furthermore, LMX has a significant effect on university performance.

Literature Review

Higher education plays its pivotal role for the socio-economic development of the countries and empowering human resources through knowledge and skills (Shah, 2017; Purwanto et al., 2021). Moreover, the developing and developed countries have been acknowledged the importance of experienced and skillful human capital that is more valuable than the physical resources for the growth of the country (Jamil, 2017).

Job performance is a main factor which can be measured for the growth of the organizations. The employees perform their professional activities according to setting standards and produce the desired outcome regarding vision and mission of the institution which is considered as organizational performance (Fernandez, 2015; Torlak & Kuzey, 2019). It implicates the cost, energy, and time with the available resources to give the accuracy of the results which are proposed in the organizational objectives (Taylor, 2017; Zakaria et al., 2016).

To achieve institutional objectives leadership plays a vital role, for this concern leaders eliminate the difficulties which workers face while they are performing professional activities (Oreg, 2018). On the other hand, LMX helps in vertical linkage with the subordinates and change the behavior and mindset towards the working relationship between workers and leaders. This style of leadership gives the responsibilities of everyone on job hours regarding the skills and capabilities (Fein, et al., 2020). The various groups are administered according to the attitude and personality of the employees and render the professional duties by the leader to achieve the specific goals (Lam et al., 2017; Shahi & Bhatti, 2021). It accentuates the leader to provide an attractive environment to workers for enhancement of motivation so that organizational goals can be achieved successfully (Amarantou et al., 2018; Bayram et al., 2017).

On the other hand, to promote trust and confidence leaders focus on the workplace empowerment for the employees. Due to these workers feel confidence being a part of the organization and producing the best performance (Aggarwal et al., 2020; Oreg, 2018). Due to this they get the proud status and show their loyalty towards achieving the setting goals (Zulfqar et al., 2016). Empowering employees to get a favorable working environment during job hours and produce the desire outcomes (Avidov et al., 2014; Malik et al., 2015). In this situation the employees show a definite commitment to getting the aesthetic output. Therefore, the employee's performance is predominantly based on the empowerment at workplace and behavior of the leader (Garg & Dhar, 2017; Jabbar et al., 2020).

Objectives

- i. To determine the relationship of LMX and job performance.

- ii. To investigate the relationship of leader-member exchange and workplace empowerment.
- iii. To examine the relationship of workplace empowerment and job performance.
- iv. To investigate the mediation effect of workplace empowerment on the relationship between leaders-member exchange and job performance.

Conceptual Framework of the Study

Figure 1.1 shows that the leader-member exchange used as independent variable, workplace empowerment as mediating variable and job performance as a dependent variable. The variables of this research were directed based on theories and past literature to develop the job performance of university academicians for the growth of higher education institutions through experienced and skillful human capital.

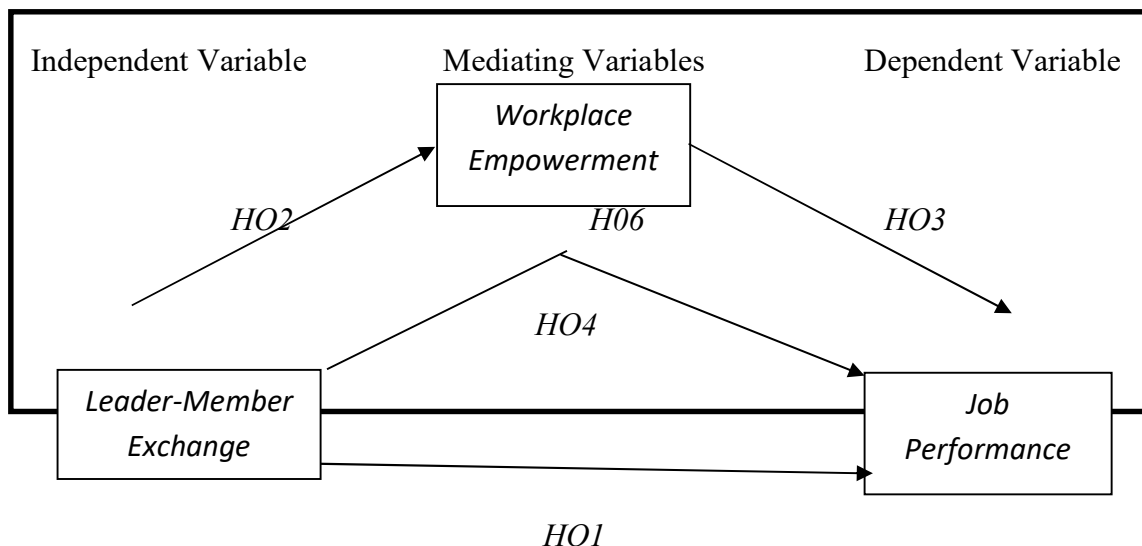


Figure 1. Conceptual framework

Theoretical Framework of the Study

For this research theory of LMX was administered as underpinning theory. It was organized by Graen and Uhl-Bien in 1995 which emphasized the leader and worker mutual relationship which is based on trust, commitment, and confidence (Fein et al., 2020). According to this theory leaders provide attractive workplace environments which change the behavior of employees towards achieving desired outcomes by empowering them (Goins, 2022; Qu et al., 2017).

Research Methodology

The research design of this research was correlational based on quantitative approach and leader-member exchange was used as an independent variable whereas, job performance as dependent variable while teachers' workplace empowerment was administered as mediating variable. The population of the study was university academic staff. Krejcie and Morgan (1970) model was applied to select the sample size which was 463 selected through multistage sampling technique. At first stage, two public universities were selected from South Punjab and two public universities from North Punjab while, four universities were selected from Central Punjab. At second stage, 10 common departments such as Education, Sociology, Psychology, Political Science, English, Islamic Studies, Economics, Physics, Math, and Chemistry were chosen from these eight universities. At third stage, six teachers from each department were selected. Therefore, the total sample size of this study was 480. Thus, 463 return and useable questionnaires were finalized to conduct this study. The standardized questionnaires were administered based on seven points Likert scale 1. Strongly disagree to 7. Strongly agree and were used for data collection through survey method. Leader-Member Exchange 7 Questionnaire (LMX-7) was adopted from Graen and Uhl-Blen (1995) with seven items, School Participant Empowerment Scale (SPES) was adopted from Short and Rinehart (1992) with 38 items and job performance questionnaire was adopted from Goodman and Svyantek (1999) with fifteen items. For analysis of the data PLS-SEM software was used by applying measurement model and structural model as suggested by (Henseler et al., 2009).

Findings

Table 1. *Descriptive Analysis*

<i>Variables</i>	<i>M</i>	<i>SD</i>
LMX	5.53	1.01
Empowerment	5.58	.89
Job Performance	5.76	.91

Multicollinearity Test

The VIF value, together with the tolerance value for the independent and intervening variables, were also looked at to perform a multicollinearity test. In a structural model, tolerance describes the variance of variables that are not explained by the other variables, whereas VIF describes how much the standard error has been inflated because of collinearity (Götz et al., 2010). A multicollinearity issue is indicated by a tolerance of 0.20 or less, a VIF of 5.0 or more, and a condition index of 30 or more. Multicollinearity is not a problem in our investigation, as indicated in the following table.

Table 2. *Tolerance and Variance Inflated Factor*

Variables	Collinearity Statistics		
	Tolerance	VIF	Condition Index
Leader Member Exchange	.67	2.85	14.23
Empowerment	.53	1.00	21.27

Measurement Model

The association among the latent constructs and indicators is called measurement model (Hair et al, 2011). For this study CFA, consistency reliability, discriminant and convergent validity was measured to assess the measurement model. According to the this, Cronbach's Alpha value was assessed for reliability that is recommended greater than 0.7 and AVE more than 0.5 and loading should be >0.6. Confirming by (Nunnally & Bernstein, 1994). Figure 1 shows that the loading of all the items is acceptable.

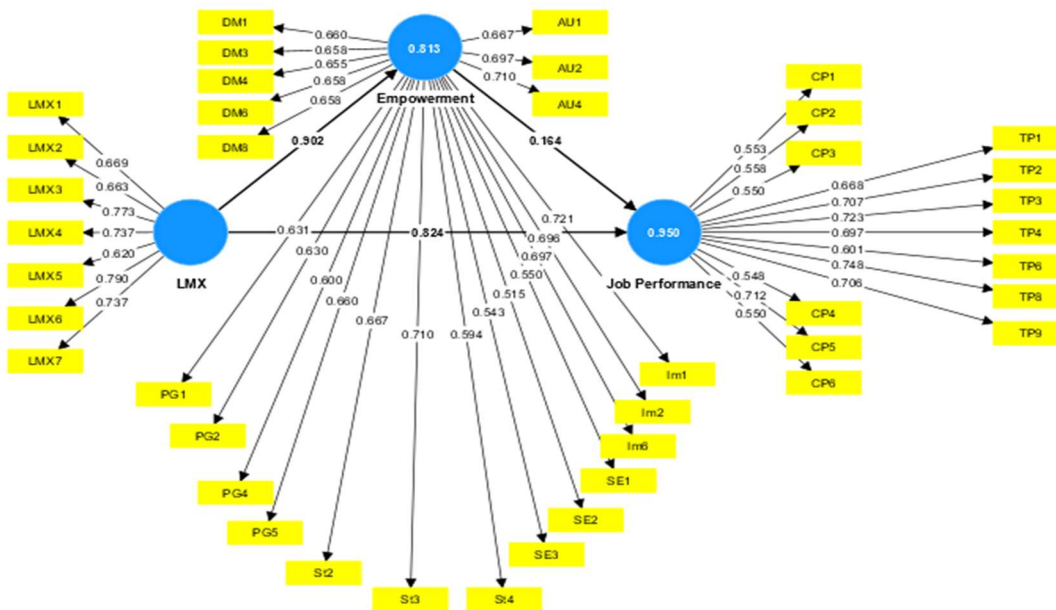


Figure 1. *Measurement Model*

Structural Model

Hair et al (2014) said that in hypothetical model it deals with the significance relationship among the variables of the study. Through the structural model hypotheses were formulated according to

the model of the study. The structural model encompassed the exogenous variables which were leader member exchange, teachers' empowerment and the endogenous variable that was job performance. The path coefficient and specific indirect effect among the constructs of the study were measured the relationship among the constructs through structural model. Additionally, coefficient of determination (R^2), was evaluated (Hair et al., 2014; Henseler et al., 2009).

Table 3. *Path Coefficient (Direct Effect)*

Variables	Beta	SD	t	Sig.
LMX → JP	.823	.025	33.72	.00*
LMX → Emp	.901	.011	90.81	.00*
Emp → JP	.163	.027	6.24	.00*

Table 4. *Specific Indirect Effect (Mediating Effect)*

Variables	Beta	SD	t	Sig.
LMX → Emp → JP	.147	.023	6.164	.00*

Path Coefficient was administered to investigate the direct effect of exogenous construct on endogenous construct. Whereas specific indirect effect was administered to evaluate the mediating effect. The t-value was > 1.96 and the p-value was $< .05$ is acceptable (Hair et al., 2014; Henseler et al., 2009). Thus, findings in tables 3, 4 and figure 2 are shown acceptable.

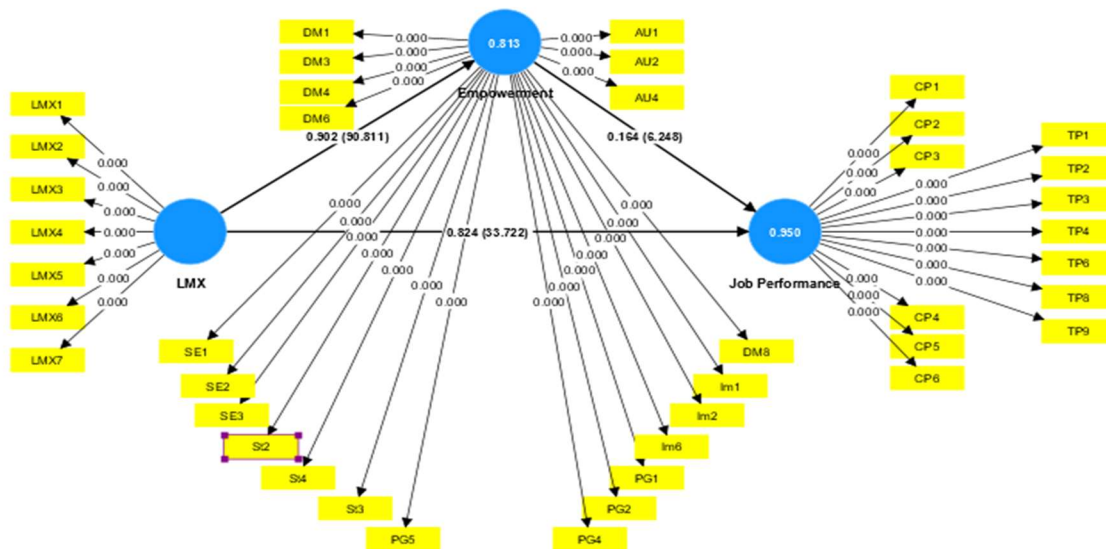


Figure 2. *Structural Model*

Coefficient of Determination (R^2)

The relationship between all the variables is identified by the coefficient of determination, which also indicates how strong the suggested model is. Additionally, it confirms that all exogenous (independent) variables are capable of accurately forecasting the endogenous (dependent) variable (Hair et al., 2014). According to Henseler et al (2009), R-square value of 0.10 is acceptable. Additionally, R^2 values of 0.67, 0.33, and 0.19 are deemed to be significant, moderate, and weak, respectively, by Chin (1998). The R^2 value is 0.922, which can be deemed to be significant for work performance.

Table 5. Predictive Relevance (R^2)

Variables	R^2	Range
Job Performance	0.922	substantial

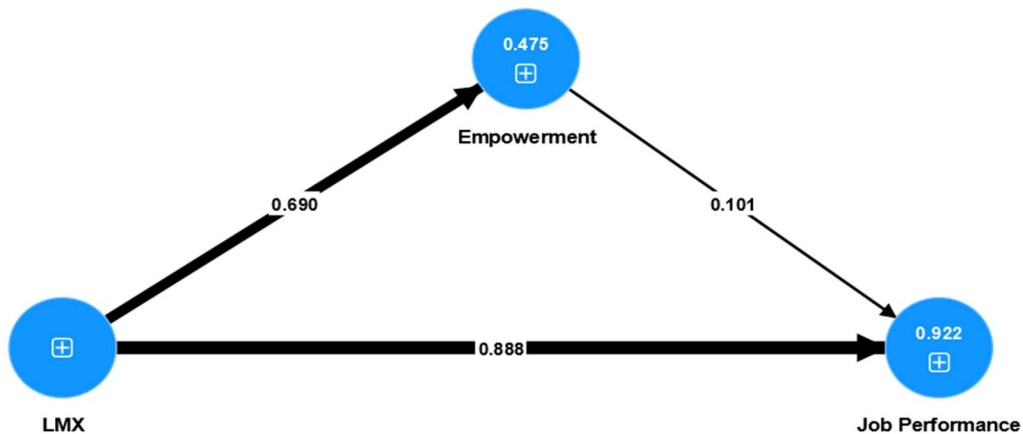


Figure 3. Predictive relevance (R^2)

Conclusion and Recommendations

It concluded that the respondents were moderately satisfied with the study variables such as LMX, empowerment and performance. It indicated a significant correlation of LMX and empowerment with performance of the university teachers. Moreover, empowerment played a positive intervening role for the enhancement of the relationship between LMX and job performance. This research is beneficial to assume the innovative strategies and techniques for

the development of the educational institutions by adopting effective leadership style and behavior according to the required situation. Further studies should be conducted with other variables to investigate the performance of academic faculty in different territory of the country and globe as well.

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