LMXSC AND PARADOXICAL COWORKER-DIRECTED BEHAVIORS: A DUAL-PATH MEDIATION MODEL INVOLVING PRIDE

BENJAMIN A. KORMAN
Kühne Logistics University   Erasmus University Rotterdam
20457 Hamburg, Germany   3062 PA Rotterdam, Netherlands

CHRISTIAN TRÖSTER
Kühne Logistics University

STEFFEN R. GIESSNER
Erasmus University Rotterdam

INTRODUCTION

Prior research assumed that employee perceptions of having better leader-member exchange (LMX) relationships (Graen & Uhl-Bien, 1995) compared to their coworkers (i.e. downward social comparisons relating to LMX) lead to positive employee outcomes. At the individual level, relative LMX (RLMX) (i.e. individuals' LMX subtracted from the mean LMX of their work group) has been linked to benefits such as increased self-esteem (Liao et al., 2010) and organizational citizenship behavior (OCB) (Henderson et al., 2008; Hu & Liden, 2013). In fact, negative consequences of social comparisons of LMX (e.g. envy) have been limited to the domain of upward comparisons where employees' LMX compares unfavorably to their coworkers' LMX (Kim et al., 2010; Tse et al., 2018). At the team level, researchers argue that LMX differentiation (i.e. the group-level variability in LMX relationships within a work group) should lead to negative team outcomes because, although a few coworkers will benefit from high LMX, many others will suffer from comparatively low LMX (Hooper & Martin, 2008). LMX differentiation should, therefore, undermine interpersonal relations (Tse et al., 2016; Uhl-Bien et al., 2000). However, many findings are inconsistent with this notion (Matta & Van Dyne, 2018) and studies report LMX differentiation to be positively (e.g. Liden et al., 2006), negatively (e.g. Sui et al., 2016), or unrelated (e.g. Schyns, 2006) to team outcomes. Matta and Van Dyne (2018) posit that these mixed findings may lie in the diverse emotions experienced by employees making downward social comparisons relating to LMX. The question remains, therefore, how these inconsistencies can be explained.

In an attempt to explain these inconsistencies, we propose that high LMXSC (i.e perceiving a better relationship with one's leader relative to other coworkers) can have both positive and negative interpersonal consequences. Recent studies argue that high LMXSC leads to OCB (Vidyarthi et la., 2010) and arguably so because they infer higher standing in their group (Thau et al., 2013). We extend this perspective by integrating it with work on pride. Pride is the emotional experience of high within-group standing (Tracy et al., 2009) which is comprised of two facets: authentic pride and hubristic pride. That LMXSC promotes OCB is consistent with the notion of authentic pride, which is associated with feelings of accomplishment and a prosocial conceptualization (Tracy & Robins, 2007a, 2007b). In this study, however, we draw attention to hubristic pride, the facet associated with self-aggrandizement (Tracy & Robins, 2007a, 2007b). Essentially, we argue that LMXSC leads to hubristic pride, which, in turn, leads to coworker-directed social undermining, "behavior intended to hinder, over time, the ability [of

coworkers] to establish and maintain positive interpersonal relationships, work-related success, and favorable reputation" (Duffy et al., 2002, p. 332). Thus, while the dual-facet logic of pride explains why people respond with OCB to LMXSC, it also highlights that people may simultaneously respond with social undermining towards their coworkers.

This research has several theoretical implications. First, we advance the literature by showing that LMXSC is associated with coworker-directed social undermining via hubristic pride, thereby offering the first empirical evidence that negative coworker-directed behaviors can arise from high LMXSC. Second, by honing in on the personal experience of LMX variation in teams, we demonstrate that high LMXSC can have both positive and negative interpersonal consequences, thereby helping to explain why LMX differentiation is sometimes positively (e.g. Liden et al., 2006), negatively (e.g. Sui et al., 2016) or unrelated (e.g. Schyns, 2006) to team outcomes. Third, we heed calls for further investigation into emotional mechanisms driving the effects of LMX (Matta & Van Dyne, 2018). By focusing on the authentic and hubristic facets of pride, we introduce an emotion into the LMX literature that has, until now, gone undiscussed.

THEORY & HYPOTHESES

LMX theory is founded on the premise that leaders develop relationships of differing quality with their employees (Graen, 1976). As a result of LMX being a limited resource (Liden et al., 1997), high LMX employees receive greater socioemotional and tangible resources than low LMX employees (Erdogan & Bauer, 2013; Graen & Uhl-Bien, 1995). Consequently, leader treatment is indicative of members' status in the group (Tyler & Blader, 2002) and humans are naturally inclined to evaluate their status relative to other group members (Pettit et al., 2010; Wood, 1996). Since objective standards for what constitute high or low leader treatment are lacking (Folger & Cropanzano, 1998), employees socially compare (Festinger, 1954) with those in their immediate reference group (i.e. coworkers) (Goethals, 1986). Employees engage in LMX-related social comparisons with coworkers to better evaluate their relationship with the leader (Greenberg et al., 2007; Sias & Jablin, 1995).

Recent work by Vidyarthi and colleagues (2010) demonstrates that employees' self-reported levels of LMX relative to their coworkers predicts increased OCB (see also Thau et al., 2013). Using the leader-member exchange social comparison (LMXSC) construct, they propose that high LMXSC employees engage in OCB as a means of reciprocating for their high LMX relative to others (Vidyarthi et al., 2010). This reasoning has been similarly applied by researchers linking relative leader-member exchange (RLMX), operationalized as employees' LMX subtracted from the mean LMX of their work group, to OCB (Henderson et al., 2008). However, this theorizing is limited because it ignores potentially negative, self-interested behavior on behalf of high LMX employees, such as coworker-directed social undermining. Coworker-directed social undermining has been shown to be triggered by social comparisons and status cognitions (Reh, Tröster, Van Quaquebeke, 2017) and, thus, relates to social comparisons of LMX. High LMX employees may feel tempted to engage in self-interested behavior (i.e. social undermining), leading to negative consequences for their organization (Lee et al., 2019). Researchers' focus on the positive aspects of LMX-related downward social comparisons, therefore, has formed a one-sided representation of social comparison in LMX at the individual level. Considering the potential negative aspects of downward social comparisons, such as social undermining, may explain the mixed LMX findings at the group level. Somewhat paradoxically, employees often engage in productive *and* counterproductive work behaviors directed at their

coworkers (Dalal et al., 2009). Similarly, we expect that employees engage in OCB and social undermining because they are motivated to both dominate others (hubristic pride) and to gain their recognition and prestige (authentic pride). Thus, we argue that previous inconsistencies involving theorizing on LMX can be explained by recognizing that LMXSC can trigger OCB and social undermining simultaneously.

LMX differentiation, the group-level variability in LMX relationships within a work group (Liden et al., 2006), is grounded in social comparison theory (Anand et al., 2015) and accounts for the social context of the work environment (Liden et al., 2006). Research on LMX differentiation has offered mixed results (Anand et al., 2015; Liden et al., 2006) with some authors reporting positive effects on team performance (Naidoo et al., 2011; Schriesheim et al., 1999) and others reporting a negative relationship between the two constructs (Li & Liao, 2014). Furthermore, both positive and negative effects of LMX differentiation on team commitment have been reported (Le Blanc & González-Romá, 2012; Schyns, 2006). Such contradictory theorizing has led scholars to refer to the LMX differentiation literature as "fragmented and complex" and "lacking a systematic understanding of mechanisms that drive these differential effects" (Matta & Van Dyne, 2018, p. 4).

Matta and Van Dyne (2018) propose that investigations into underlying emotional mechanisms are warranted to better understand the subjective experience of employees LMX-related social comparisons at the individual level, as well as mixed findings reported at the group level. They suggest that social comparisons relating to LMX can result in diverse emotional experiences leading to different behaviors. Emotions are important for predicting the effects of LMX on employees' coworker-directed behavior because affect makes up one of the four "currencies of exchange" in LMX relationships (Dienesch & Liden, 1986) and the LMX process is an emotional one (Graen & Uhl-Bien, 1995). Scant investigations into negative outcomes of LMX-related social comparisons have attributed them to unfavorable upward social comparisons. Kim, O'Niell and Cho (2010) suggest that differences in LMX among subordinates negatively impact work teams by eliciting negative emotions (e.g. envy) in employees with low LMX relative to their coworkers. Motivated by envy, employees may socially undermine coworkers to "even the score" (Cohen-Charash, 2009; Cohen-Charash & Mueller, 2007; Duffy et al., 2012). Though limited, the LMX literature suggests that negative consequences stem from employees with low LMX compared to their coworkers (e.g. Wang & Li, 2018; Townsend et al., 2000; Tse et al., 2018).

In general, studies on the emotional mechanisms through which perceived differences in LMX affect employee behavior are lacking (Tse et al., 2015) and this similarly applies to positive emotions stemming from LMX-related downward social comparisons. A notable exception is work highlighting self-esteem (a cognition) as a mediator of effects stemming from social comparisons in leadership (Thau et al., 2013). Extending this work to affective correlates of self-esteem (Stanculescu, 2012; Tracy, Cheng, Robins, & Trzesniewski, 2009), we integrate prior theory on the effects of differential LMX with work on pride. Perceiving oneself as having a comparatively better relationship with one's leader (i.e. having high LMXSC) would be expected to result in feelings of pride because leader treatment can be interpreted as symbolizing the employees' social standing in the work group (Tyler, 1989; Tyler & Blader, 2002).

Pride is, however, comprised of two facets, one of which is authentic pride (Tracy & Robins, 2007a). Authentic pride is the respect-based, achievement-oriented facet of the emotion associated with feeling accomplished and having a sense of self-worth (Tracy & Robins, 2007a, 2007b). Cheng and her colleagues (2010) suggest that authentic pride evolved to promote

prestige, a status acquisition and maintenance strategy in which individuals earn recognition and respect from their peers by sharing their skills and knowledge (Cheng et al., 2013). That is, authentic pride and its associated feelings of confidence and self-worth foster sociability and a willingness to share one's knowledge. Previous findings that LMXSC promotes OCB are consistent with this notion of authentic pride. The other, self-aggrandizing, facet of pride, hubristic pride, on the other hand, is associated with feeling arrogant and pompous (Tracy & Robins, 2007a, 2007b). Cheng and her colleagues (2010) theorized that hubristic pride evolved to promote dominance, a status acquisition and maintenance strategy in which individuals demand status by intimidating other group members (e.g. by taking or withholding resources) (Cheng et al., 2013). That is, hubristic pride and its associated feelings of superiority motivate individuals to demonstrate aggression (e.g. social undermining). This aggression, garners compliance and deference from others (von Rueden et al., 2011). By engaging in social undermining, employees can gain and maintain their within-group rank by hindering and intimidating their coworkers (Duffy et al., 2002, p. 332). We, therefore, propose the following:

Hypothesis 1: LMXSC has a positive association with coworker-directed social undermining, which is mediated by feelings of hubristic pride.

STUDY 1

An online vignette experiment was completed by 600 (54% male) participants located in the United States via Amazon's Mechanical Turk (MTurk). Participants were on average 36.7 years old ($SD = 10.4$), predominantly White (79%), and had on average 16.5 years of work experience ($SD = 10.8$). Furthermore, the majority of participants reported having a bachelor's degree (65%) and all participants reported having full-time employment (outside of MTurk).

Participants were randomly assigned to one of two experimental conditions (low vs. high LMXSC) and presented a scenario in which they attend a weekly team meeting. To manipulate LMXSC, we manipulated the extent to which participants perceived their leader as providing them with a greater proportion of formal support (leadership opportunities) and informal support (lunch invitations). Afterwards, participants completed measures of authentic and hubristic pride, then measures of coworker-directed social undermining and OCB. Hubristic pride was assessed using Tracy and Robins' (2007) 7-item hubristic pride scale ($\alpha = 0.97$). Coworker-directed social undermining was assessed using the 13-item scale implemented by Castille and colleagues (Castille et al., 2017) ($\alpha = 0.97$). Authentic pride was assessed using Tracy and Robins' (2007) 7-item authentic pride scale ($\alpha = 0.95$). OCB was assessed using Settoon and Mossholder's (2002) 14-item Interpersonal Citizenship Behavior Scale ($\alpha = 0.96$).

Supporting Hypothesis 1, mediation analyses involving 5,000 bias-corrected bootstrap samples show LMXSC to be associated with increases in coworker-directed social undermining via increases in hubristic pride ($\beta = 0.22$, 95% CI [0.082, 0.354]). Supplementary analyses demonstrate that LMXSC simultaneously increases in OCB via increases in authentic pride ($\beta = 0.08$, 95% CI [0.002, 0.158]).

STUDY 2

A time-lagged field study across three time points (each one week apart) was completed by 314 (61% male) participants located in the United States via MTurk. Participants were on

average 36.4 years old (*SD* = 9.7) and predominantly White (77%). Sixty percent of participants reported having a bachelor's degree or higher university qualification. All participants reported having full-time employment (outside of MTurk), 6.5 years average tenure at their current organization (*SD* = 6.7), and 4.5 years average tenure under their current supervisor (*SD* = 3.5). The majority of participants (64%) reported having a male supervisor. Our final sample consisted of 303 participants after removing 11 participants (3.5%) who reported working alone. Leader-member exchange social comparison was assessed using Vidyarthi and colleagues' (2010) 6-item LMXSC scale (α = 0.93). To provide a more robust test of our theory, we collected self-report measures of LMX using Graen and Uhl-Bien's (1995) 7-item scale (α = 0.89) to examine whether LMXSC explains additional variance above LMX. All other variables were measures using the same scales as in Study 1.

Supporting Hypothesis 1, mediation analyses involving 5,000 bias-corrected bootstrap samples show LMXSC is associated with increases in coworker-directed social undermining via increases in hubristic pride (β = 0.17, 95% CI [0.103, 0.255]). Supplementary analyses demonstrate that LMXSC simultaneously increases OCB via increases in authentic pride (β = 0.03, 95% CI [0.010, 0.058]). Robustness checks demonstrated that the inclusion of demographic variables (i.e. participants' age and gender) and workplace characteristics (i.e. participants' organizational tenure, tenure with their supervisor, and their supervisor's gender) as predictors of employees' pride or behaviors did not significantly affect our results or their interpretation.

STUDY 3

An online diary study was conducted with 147 (71% male) participants located in the United States and recruited via MTurk. Participants were on average 35.6 years old (*SD* = 9.9) and predominantly White (76%). Seventy-one percent of participants reported having a bachelor's degree or higher university qualification. All participants reported having full-time employment (outside of MTurk), a work schedule averaging 41 hours per week (*SD* = 6.2), 6.8 years average tenure at their current organization (*SD* = 5.2), and 4.6 years average tenure under their current supervisor (*SD* = 4.0). During a period of two weeks (i.e. 10 working days), participants were given access to two daily surveys, one midway through their work shift (*t*) and one at the end of their work shift (*t* + 1). Data were matched for 138 (94%) of the original 147 participants providing us with 2,176 data points nested within these 138 participants. Daily LMXSC was assessed using 5 items adapted from Vidyarthi and colleagues' 6-item scale (Vidyarthi et al., 2010) (average α = .97). The item "When my manager cannot make it to an important meeting, it is likely that s/he will ask me to fill in" was excluded because it was not expected to fluctuate daily. All other variables were the same as in Study 1. As done in previous longitudinal studies into leader treatment (Barnes et al., 2015; Bono et al., 2007), we only included participant data on days in which participants reported having contact with their supervisor and coworkers. Consequently, our final dataset comprised 1,574 data points nested within 131 participants.

Prior to our analyses, our daily measures were within-person mean-centered with *t* measures centered separately from *t* + 1 measures. Due to the fact that survey measures (level 1) were nested within participants across time (level 2), we conducted our analyses using a series of multilevel and longitudinal regression analyses. Specifically, we used multilevel random effects models with random intercepts as recommended by Rabe-Hesketh and Skrondal (2012). We included various time-varying covariates into our model to provide a better test of our

hypothesis. These included *t* measures of participants' interaction with their supervisor, *t* and *t* + 1 measures of participants' interactions with their coworkers and the survey day on which responses were measured. These time-varying covariates were within-mean centered. We also controlled for participants' coworker-directed behavior in the morning (*t*) when predicting their coworker-directed behavior in the afternoon (*t* + 1). Supporting Hypothesis 1, mediation analyses involving 100,000 Monte Carlo simulations demonstrate that LMXSC (*t*) is associated with increases in coworker-directed social undermining (*t* + 1) via increased hubristic pride (t) (β = 0.005, 95% CI [0.0001, 0.0108]). Supplementary analyses find that LMXSC (*t*) predicts increased authentic pride (β = 0.40, *p* < .001), however, this effect was not propagated to OCB (β = -0.018, 95% CI [-0.0440, 0.0066]).

GENERAL DISCUSSION

Our studies offer several theoretical contributions to the field of LMX. Foremost, we reveal LMXSC's association with coworker-directed social undermining via feelings of hubristic pride. The LMX literature has focused predominantly on the positive consequences of downward social comparison (e.g. OCB) (e.g. Henderson et al., 2008; Hu & Liden, 2013; Thau et al., 2013; Tse et al., 2012) or attributed negative consequences to employees making unfavorable upward social comparisons (e.g. Kim et al., 2010; Tse et al., 2018). The potential negative social consequences of favorable downward social comparisons (see Yip & Kelly, 2013) have, however, been largely ignored in the LMX literature. Our work offers the first empirical evidence that negative coworker-directed behaviors can arise from high LMXSC. We demonstrate that negative interpersonal consequences in the workplace are not solely attributable to employees making unfavorable upward social comparisons relating to LMX.

Focusing on the personal experience of LMX variation in a team, we advance theory on LMX differentiation, which has largely been built around assumptions of how individuals would respond to social comparison of LMX. LMX differentiation has been found to be positively (Liden et al., 2006; Naidoo et al., 2011), negatively (Li & Liao, 2014; Zhao, 2015) or unrelated (Le Blanc & González-Romá, 2012; Liden et al., 2006) to team outcomes and we propose that the mixed results associated with LMX differentiation are, in part, due to the positive and negative behaviors shown by employees making favorable downward social comparisons. As LMX differentiation within a work group increases, so does the salience of the high LMXSC employees' high LMXSC. High LMXSC individuals, as a result, have greater opportunities for making favorable downward social comparisons. Our findings show that these employees can promote the work team by helping team members while also simultaneously inhibiting the work team by socially undermining team members. Thus, we reveal an additional layer of complexity regarding the effects of employees' social comparisons at work as they relate to LMX.

Finally, our work illuminates the importance of subordinates' experiences of pride as a dependent variable and mediator in the field of leadership, a field in which the study of emotions is lacking (Ashkanasy & Humphrey, 2011; Muchinsky, 2000). We address calls for further investigation into emotional mechanisms driving the effects of LMX (Matta & Van Dyne, 2018; Tse et al., 2016) and add nuance to prior investigations of employees' pride which did not take into account its dual facet nature (cf. Lazarus & Cohen-Charash, 2001).

REFERENCES AVAILABLE FROM THE AUTHORS