

Role of the Integral Leader towards the Employee Voice and Wellbeing: A Mediated Research Framework

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Article History

Received: 21 April 2019

Revised: 12 May 2020

Published: 30 June 2019

Abstract

Employee voice has become an important construct and its absence is attributed with the negative influence on the organizations. Therefore, the present study attempted to examine the influence of leadership behavioral integrity on the employee voice and wellbeing. Further, the study also considered the independence climate as a mediator. Data were collected and analyzed by using Smart-PLS. Results revealed a positive influence of leadership behavioral integrity on the employee voice and wellbeing. Further the results also signified the independence climate as a mediator between the influence of leadership behavioral integrity on employee voice and wellbeing.

Keywords: Employee Voice, Wellbeing, PLS-SEM, Empowerment, Climate

Introduction

Nowadays, organizations are challenged with intensive competition locally and globally. Economies are no more financially oriented rather they have become the knowledge oriented and in this regard the employees play a vital role. Employee voice has gained much attention in the recent decade and it is considered as important for survival of organizations as they have to invest on the employees' initiatives (Morrison, 2011). Therefore, it can be stated that the employee voice is necessary in order to drive the new ideas and any lack in the existing implemented systems. Going on further Morrison (2014) contended that the employee voice is not preferred by the employees and is not the first option they go for to choose. Employees tend to withhold recommendations and advices when they do have valuable ideas or concern regarding anything happening in the organization (Detert, 2010). Notably, Souba et al. (2011) in their study reported that 69% of the polled chairs related to medicine and surgery department do not raise any problem in the organization. It affirms that employees withheld the information even though they know that something is not happening in good way.

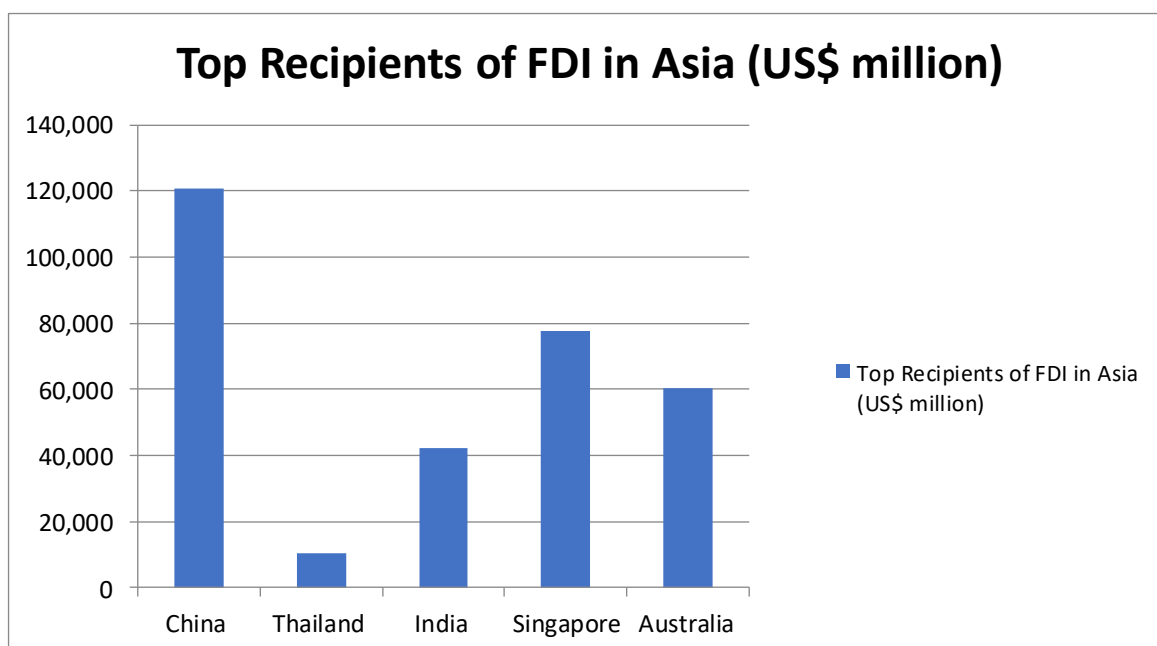


Figure 1: Top Recipients of FDI in Asia (US\$ million)

Source: Ginting (2019)

There may be several reasons for the employee voice but one of them is the status quo which considered such voice as destructive even though the employees are constructive and may benefit an organization (Van Dyne et al. 2003). In this regard, leadership style is considered as an important factor which determines the organizational success or failure. A good leadership tends to positively influence the organizational environment such as organization citizenship behavior (Haider, Nisar, Gill, & Ali, 2017), commitment (Noreen, Saif, & Haider, 2016) and also reduces the negative behaviors in workplace (Gill, Haider, & Noreen, 2016) where as bad leadership brings negative outcomes for the organization. Besides the bad leadership also lowers the wellbeing of employees (Freedom to speak) and results in work place deviance such as absenteeism (Haider, Nisar, Baig, & Azeem, 2018). When the employees are not communicated by their leadership, they resist to raise voice in organization and when the employees are appropriately communicated regarding what type of behavior is accepted within an organization then the employees feel confidence in the leadership integrity. Thus, it is argued that the behavioral integrity of leadership can determine the employee voice (Simons et al. 2015). Therefore, the present study is primarily aimed to examine the behavioural integrity influence on the employee voice.

Additionally, the study has also considered the well-being which is also influenced by leadership. Having a supportive and positive leadership the employees tend to have positive attitude and show job satisfaction through their behaviours and dealings. Thus, the present is aimed to examine the determinants of the employee voice and wellbeing. The study has considered the independence climate as a mediator. Hence, the present research study will address the following research objectives:

- 1) To determine the influence of leader behavioral integrity on the employee voice.
- 2) To determine the influence of the leader behavioral integrity.
- 3) To examine the mediation role of independence climate between association of leadership behavioral integrity and employee voice.
- 4) To examine the mediation role of independence climate between association of leadership behavioral integrity and wellbeing.

Significance of the present study lies in the fact that it addresses the both positive and negative constructs under a single theoretical framework. Additionally, it is also significant as it has addressed the environmental aspect as a mediator from the independence perspective which is still a novel notion. Therefore, the present study provides the empirical evidence with regard to the behavioral integrity and its influence on the employee behaviors through mediation. Previously majority of the studies have considered the ethical leadership as a predictor for employee voice however, few studies have adopted the concept of behavioral integrity. Thus, the present study provides empirical evidence on behavioral integrity and also extends the previously available literature as well. The next sections of the present study elaborate the literature review, methods, results and findings.

Literature Review

Employee Voice

Employee voice has emerged as key predictor for the creativity and productivity at all levels in an organization (individual, team and organization) (Ng & Feldman, 2012). Previously studies have paid greater attention towards the significance of the employee voice and regarded it as a vital factor for productive decision making, alignment with the learning culture and implementation of the improved practices (Morrison, 2011). Employee voice has been studied across the disciplines such as human resources management, organizational behaviours social economics and law (Wilkinson, Dundon, Donaghey, & Freeman, 2014). It is obvious that it has been defined in various ways as per the discipline diversity. Notably, at micro level the employee voice can be defined as “informal and discretionary communication by an employee of ideas, suggestions, concerns, information about problems, or opinions about work-related issues to persons who might be able to take appropriate action, with the intent to bring about improvement or change” (Morrison, 2014). The aforementioned definition emphasizes on the employee motivation to get engaged in the behaviours which do improve the organizational working and also prove to be beneficial for the organization as well (Mowbray et al., 2015). The organizational behaviour approach of the employee voice has been criticized by various researchers (Barry & Wilkinson, 2016; Wilkinson & Barry, 2016). Therefore, the present study follows the HRM perspective to define the employee voice. As per this perspective employee voice denotes to the employee participation in the organizational decision making which is inclusive of in-role behaviour and extra role behaviour (Mowbray, Wilkinson, & Tse, 2015). Employee voice can be regarded as the “informal communication to a person who might be able to take an appropriate action” (Morrison, 2014). Addition, argued that the employee voice is also inclusive of the formal communication as well (Kwon & Farndale, 2020). Employee voice has also been regarded as extra-role behaviour. However, it is worthy to mention that the extra-role behaviours such as helping others, being courteous and compliance with the rules and regulations do promote the positive behaviours whereas the employee voice is aligned with the behaviours which are intended to change the status quo and improvement oriented (Choi, 2007). Therefore, it is to be noted that employee voice because of its nature can cause risks such as misunderstanding and also disturb the relationships as well (Liang, Farh, & Farh, 2012). Thus, employees are very calculated when they raise their voice in organizations.

Leader Behavioral Integrity and Employee Voice

Integrity is emerging as an important construct in the domain of leadership, even though it is now regarded as a leader’s axiomatic personality aspect as well (Simons, Palanski, & Treviño, 2013). Several business scandals have been reported and are also growing with the time which has resulted in the emergence of the leadership integrity. 70% of companies in S&P reported about the integrity maintenance while presenting their values (Guiso, Sapienza, & Zingales, 2015). Studies have regarded the integrity as they key trait of the leaders and

various leadership types such as ethical leadership (Brown, Treviño, & Harrison, 2005) and authentic leadership (Avolio & Gardner, 2005) consider the integrity as a core component. Anyhow, these leadership styles do not consider and elaborate that how the integrity is a function of the leadership and its associated consequences (Palanski & Yammarino, 2011). Therefore, the present study has considered the behavioural integrity of leadership which is defined by different researchers.

Behavioural integrity can be described as “observed alignment of words and deed done by an individual (Simons, 2002). Generally, in organizations it is observed by employees over a period of time and it is conceptually different from the well-known leadership styles such as ethical leadership, authentic leadership and other positive leadership styles as well. Behaviourally integral leadership has emerged to be the need of highly dynamic work settings (Leroy et al., 2012).

Recently, research studies have established that the behavioural integrity significantly drives the workplace outcomes (Simons et al., 2015). The present study proposes that the integral leadership predicts the employee voice and it is backed by rationale as well. Since the integral leadership is believed to have strongly aligned deeds and actions which boost the confidence of employees that the leader is credible, and they trust him. Furthermore, integral leader is regarded as necessary condition for capturing the trust of employees and certainty perceptions among employees. For instance, when the subordinates are confident about the integrity of leader and also perceive that they will be listened with positive attitude then they will be more inclined to raise their voice if anything goes wrong or they wanted to improve something. Accordingly, Peng and Wei (2019), argued that perceived leadership integrity generates a sense of safety, trust and supportive work environment among the employees due to which their voice also increases. Thus, it is hypothesized that:

H1: Leader behavioural integrity is positively and significantly associated with the employee voice.

Leader Behavioral Integrity and Wellbeing

In general wellbeing can be related to the state of happiness and significance of human life which is in line with the Aristotle view according to which happiness is reflection of the goodness of life which is based on the livelihood that actively represents the perfection of the character (Haybron, 2000). Accordingly, it is experienced when someone perceives his or her intensive engagement and personality fit with the activity being performed. Therefore, such kind of engagement is backed by the assumption that the thoughtful reflection of one's values and reasons to get engaged in an activity (Ilies, Morgeson, & Nahrgang, 2005). Thus, the employee wellbeing can be defined as “the positive affective states associated with happiness and meaningfulness at work and has been found to be positively related to maintaining quality relationships and work performance” (Avey, Wernsing, & Palanski, 2012).

Previously studies have established a link with the positive leadership and employee wellbeing. In this regard it is worthy to mention that the ethical leadership is highly integral in their doings and the present study also considers the ethical leadership as an integral leadership style. Regarding this, previously (Zhang & Tu, 2018) conducted a study to assess the cross-domain influence of ethical leadership on life and family satisfaction of employees and their wellbeing as well. They used the work-family enrichment theory to determine the influence and reported that the ethical leadership strongly influence the employee voice. Similarly, it is worthy to mention that such leaders influence the employees indirectly and regulate their behaviours by influencing the emotions. Notably, such leadership philosophy is focused on the compliance with the normative norms, doing the right things and act as a role model for the employees. Since such leadership is considered as integral so the employees working under such integral leadership behaviour will perceive their tasks fair and meaningful (Avey et al., 2012). Thus, it is argued that when the employees observe the

behavioural integrity in the leader they tend to raise their voice for the things going wrong or want to improve the things. Hence it is hypothesized that:

H2: Leadership behavioural integrity is positively and significantly associated with the wellbeing.

Independence Climate

Climate denotes to the shared point of view regarding the rules and regulations and practices as well among the organizational members (Schneider et al. 2013). It has gained much attention over the years and considered as the main driver used by leaders to influence the work behaviours of individuals. It has also been established as a mediator between the relationship of leaders and the individuals (Lu and Lin , 2014). More recently, Peng and Wei (2019) proposed that the independence climate is a significant factor which mediates the relationship between behaviourally integral leadership and employee voice. They collected data from the managers and employees and affirmed independence climate as a positive mediator which explains the process regarding how the integral leadership influence the employee voice. Therefore, it is also argued that behaviourally integral leadership fosters the independence climate within an organization which then results in the employee voice as they employees are confident about the leader that he or she is integral and will listen to the suggestions and new ideas aimed at to improve the organizational functioning. Thus, it is hypothesized that:

H3: Independence climate is positively and significantly associated with the employee voice.

H1a: Independence climate is a significant mediator between the association of leadership behaviour integrity and employee voice.

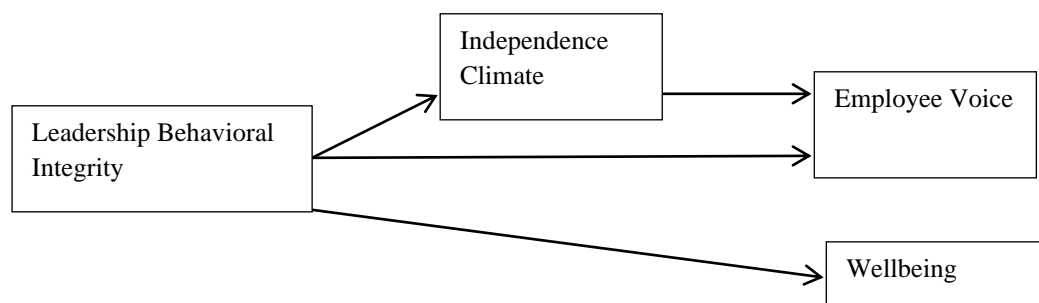


Figure 2: Research Framework

Methodology

The present study is aimed to examine the influence of leadership behavioural integrity towards the employee voice and wellbeing. Additionally, the study also considers the role of independence climate as a mediator. The study followed the quantitative approach.

Non-profit organizations are important as they do work for the betterment of the society. In this regard it is worthy to mention that the leadership of these organizations should be integral to achieve the purpose of NGO for which it is formed. The unit of analysis is the individual employees working in the NGOs in Indonesia. Data were collected from the employees regarding the under-study variables.

For the finite population the (Krejcie & Morgan) table is used for selecting the sample size (Krejcie & Morgan, 1970). Conferring to Raune (2005) for sample size the scholar essentials to usage the ratio, from the large population size there is small ratio sample size. However, in current situation the population was not limited. Similarly, for structural equation model of 200 to 400 respondents is enough for sample size (Oke, Ogunlana, & Ogunlana, 2012). On the bases of above-mentioned arguments, the 500 employees was determined to collect the data as sample size in current study from NGO employees.

Further, the next question that arises in researcher mind is sampling technique after deciding the sample size. Large number of sampling technique is available, but the simple random sampling technique is used under this study for collecting data from the NGO employees. Moreover, the data were collected to individuals through administrated questionnaires. The questionnaire could be distributed verse face to face distribution. The post mail and electronic mail is used because the NGO are far away and having along geographical distance. The questionnaire consisted on two sections, the section A related with demographics and section B related with all variables questions. Following are the details of the questionnaires adopted for the present study: Employee voice was measured by using four items instrument (Van Dyne & LePine, 1998), Leadership behavioural integrity was measured by using six items measure (Moorman, Darnold, & Priesemuth, 2013), independence climate was measured by using the four items instrument (Victor & Cullen, 1987). Finally, the employee wellbeing was measured by using six items instrument. Data were analysed by using PLS-SEM.

Results

Confirmatory Factor Analysis

Measurement model has been assessed by performing the confirmatory factor analysis. It is performed to confirm the validity and reliability of measurement model. Table 1 shows the values for the composite reliability which must be greater than 0.80. All the values of CR in above table for all the variables are greater than 0.8 which affirms the CR. Additionally, values of AVE for the variables must be greater than 0.5. All the values of AVE for all the variables are greater than 0.5. Both of the parameters are fulfilled which affirms that the convergent validity exist.

Table 1: Convergent Validity

Constructs	Items	Loadings	Alpha	CR	AVE
Employee Voice	EV1	0.793	0.84	0.893	0.676
	EV2	0.834			
	EV3	0.839			
	EV4	0.823			
Independence Climate	IC1	0.835	0.835	0.883	0.602
	IC2	0.771			
	IC3	0.806			
	IC4	0.757			
	IC5	0.703			
Leadership Behavioural Integrity	LBI1	0.751	0.86	0.897	0.593
	LBI2	0.797			
	LBI3	0.808			
	LBI4	0.628			
	LBI5	0.842			
	LBI6	0.777			
Wellbeing	WB1	0.794	0.827	0.878	0.554
	WB2	0.859			
	WB3	0.754			
	WB4	0.419			
	WB5	0.718			
	WB6	0.835			

Fornell & Larckers Criterion

Fornell & Larckers criterion is used to assess the discriminant validity. As per the rule square root of AVE must be greater than its correlation with other variables. Findings reported in table 2 are meeting the parameter therefore; there is no issue with the discriminant validity.

Table 2: Fornell Larcker

	EV	IC	LBI	WB
EV	0.822			
IC	0.631	0.776		
LBI	0.565	0.607	0.77	
WB	0.559	0.562	0.478	0.744

HTMT

HTMT is the latest technique used for the assessment of the discriminant validity. As per rule all values of HTMT must be less than 0.85. Findings reported in table 3 are less than 0.85 therefore; there is no issue with the discriminant validity. Below figure is showing the output of CFA model.

Table 3: Heterotrait Monotrait Ratio

	EV	IC	LBI	WB
EV				
IC	0.741			
LBI	0.663	0.704		
WB	0.67	0.675	0.563	

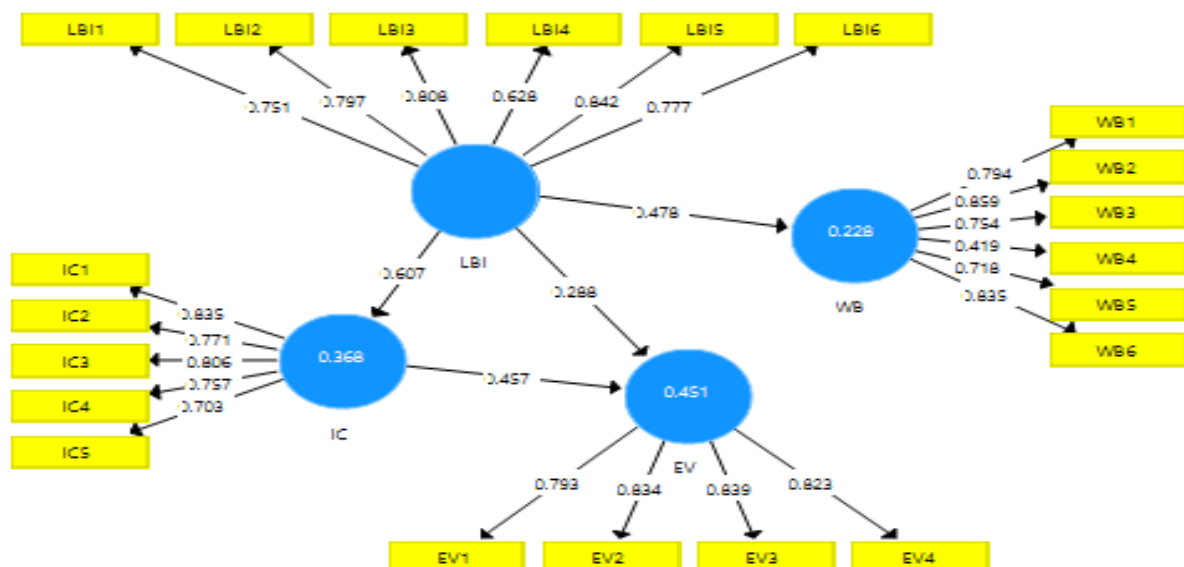


Figure 3: CFA

Structural Equation Modeling

Table 4 is showing the values for the direct relationships between the variables. As per the findings reported above leadership behavioural integrity found to be associated with independence climate positively which establish that the presence of the leadership behavioural integrity fosters the independence climate. In addition findings also reveal that independence climate is significantly associated with the employee voice. All of the relationships are positive and significant, thus supported all hypothesis. Below figure is showing the output of SEM.

Table 4: Direct Effects

	Beta	SD	t value	p value	Decision
IC -> EV	0.457	0.034	13.631	p<0.05	Supported
LBI -> EV	0.288	0.037	7.828	p<0.05	Supported
LBI -> IC	0.607	0.027	22.7	p<0.05	Supported
LBI -> WB	0.478	0.032	14.779	p<0.05	Supported

As per the findings reported in table 5 independence climate significantly mediates the relationship between LBI and EV. It means that the presence of the IC strengthen the association between LBI and EV.

Table 5: Specific Indirect Effects

	Beta	SD	t value	p value	Decision
LBI -> IC -> EV	0.277	0.277	0.027	10.318	Supported

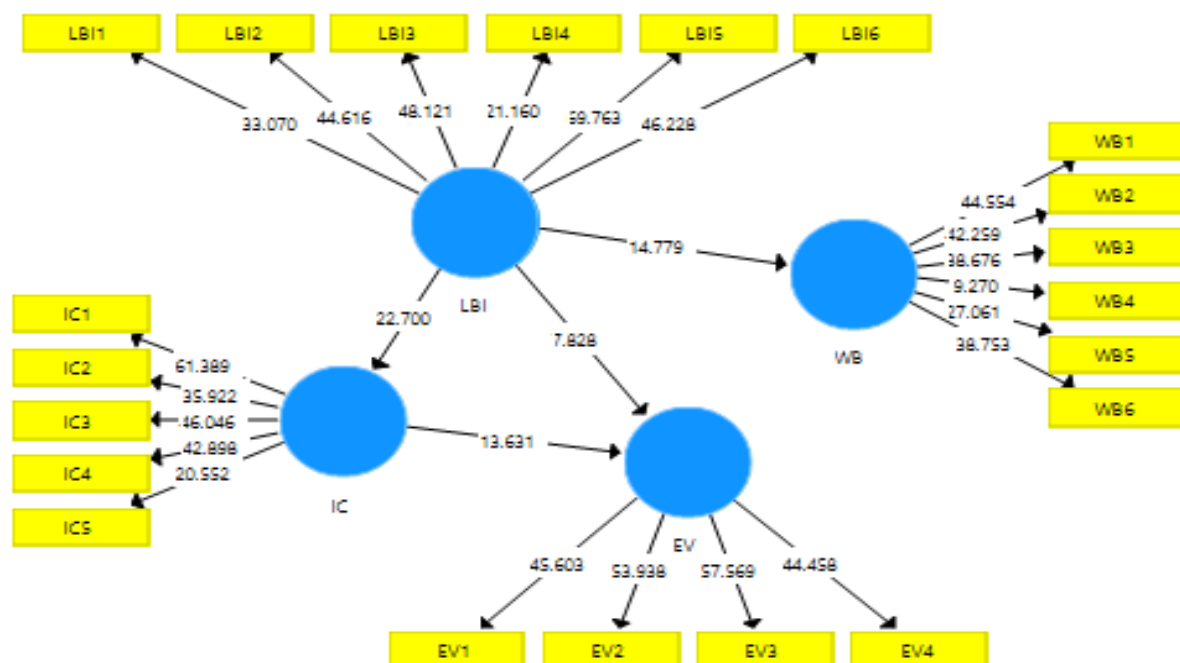


Figure 3: Structural Equation Modeling

Discussion and Conclusion

The present study examined the influence of leadership behavioural integrity on the employee voice and wellbeing. Further, the study also examined the independence climate as a mediator. The results of the study revealed that the leadership integrity is the focal aspect of overall organizational culture. Additionally, in line with the climate theory the findings of the

study also suggest that the independence climate mediates the association between independent and dependent variables. Additionally, the study findings all of the hypotheses framed. Based on the study results it is argued that the leadership with positive behaviour fosters the ethical climate which is psychologically empowered and allows an employee to go for the positive behaviours.

Based on the study findings it is concluded that the presence of the leadership integrity is important in organizations. Such leadership fosters the independence climate within an organization which results in positive attitudes and behaviors among employees. It is also concluded that the absence of the leadership integrity results in less confidence among the employees which means that the employees do not trust their employer and will move towards the negative behaviors. It must be noted that when the organizations want to nurture the strong ethical climate within an organization they need to develop the integrity culture within an organization so the employees may trust and own the organizational philosophy. Conclusively, the employees will raise their voice and contribute towards the organizational improvement and success by showing the integrity in their behaviors.

Limitations and Future Directions

The present study has accomplished all of its objectives but still there are some limitations. First of all the study has considered the independence climate but did not consider any internal or external factor which may result in such climate such as centralization and decentralization have different influence on the independence climate; therefore, it is suggested that the future studies must pay attention towards the variables such as organizational structure as a moderator. Additionally, the study may be conducted in different industries to have more valuable insights and comparative influence of the presence of the behavioural integrity. Future studies are recommended to consider the influence of employee personality traits as a potential moderator.

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