



REVIEW ON LEADER MEMBER EXCHANGE (LMX), PERCEIVED HRM PRACTICES AND WORK BEHAVIORS A NEXUS FOR PERFORMANCE – ADDRESSING THE MISSING LINKS IN THE CONTEXT OF DEVELOPING WORLD

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ABSTRACT

The main objective of this research is proposed the nexus of performance by reviewing literature on Leader Member Exchange, perceived HRM practices and work behaviors, such as organizational citizenship behavior, innovative work behavior. Our research draws upon the social exchange theory, and we propose that links among perceived HRM practices and work behaviors are subject to the quality of relationship among supervisor and employees (LMX). This research added value in existing body of knowledge by proposing a research framework worth examining. Gaps are highlighted and future research directions have been provided

Keywords: Perceived HRM Practices, LMX, OCB, Turn over Intention, Innovative Work Behavior

JEL Codes: O15, O30

I. INTRODUCTION

I.1. RESEARCH BACK GROUND

The Human Resource Management practices have gained considerable importance after the realization of corporate sector, that it is people which are the main reason for the success of any organization not brick and mortar's buildings. The assumption that human resource management (HRM) is a recent phenomenon is not reasonable. Managing people is the key objective of HRM. HRM is dying need of organizations, which is necessary to achieve the business objective via people. The main part of the discussion is to look for the meaning of HRM, as of this time HRM is not universally defined with one single definition. Each definition varies from one another. Different people have defined HRM in different ways, the HRM literature put forward quite range of definitions; some relate HRM with PM (Personal Management), and some have extended the concept different concepts. However, in term of philosophy and practices of HRM the latter concepts depict the real picture. By nature, Personal Management features reflects the activities pertaining to providing staff or labor and to further think about their development, to fulfill the current and shorter time requirements of the business. Various HRM practices such as selection, staffing or recruitment, compensation & perks and rewards, trainings and various other activities are considered to be separate functions which reflect and perform an individual function. It is HRM which perform the role to unite all functions in to one strategy. At one side HRM consider whole organization as a unit of analysis, and on the other side it take care of each employee personal files and other job related activities. HRM is a rational, planned scheme to manage the people of an organization and to unit them together to achieve the organizational objectives. Moreover, it is a collection of principles, guidelines, rules, regulations and procedures along with their rational and logical grounds. According to Storey (1987) HRM concept mostly linked with aspects of specialized and the specific bundle of viewpoints and the assumptions, the trust of strategic options related to HRM, the participation of line managers and further to depend upon particular group of levers to create employment related association.

HRM is based on two different kinds of aspects one is called soft and another is called hard, the human resource and material resources. In here the hard aspect of HRM deals with calculative and quantitative factors linked with HR,

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similarly as other economic resources (Legge, 1995). In the words of Sett (2004) that among South Asian countries since mid 1980's the industry went through many qualitative changes, which made it crucial for organization to follow a comprehensive strategic approach. This approach should focus on to manage people to teach them how to be adaptive to the new environment. Globalization has not left Pakistan alone and it was due to this factor, Human Resource Management in Pakistan was adopted to bring effectiveness and efficiency in business and overall economic activities. But it will not wrong to say that HRM is still at its preliminary stage in Pakistan. Among organization HRM has become a major paradigm to gain competitive advantage beside quality, product functionality and cost effectiveness. The world has faced and been facing many changes in all aspects due to globalization and technical progression, due to these two major factors, the working procedures of organizations are changing. Flexible and vigorous HRM practices have the capacity to face the challenges of real world, challenges which are happening due to ever changing business environment.

Dealing with different behaviors, attitudes and personalities have become a challenge in its own capacity. Every employee need a particular handling in different ways, some employees prefer creative work, while other prefer rewards and training & development. Consequently, the organizational success through, the execution of HRM practices has become a complicated job but it is essential endeavor. The triumph of any organization in any competitive market is based on access to capital, creativity, use of innovative technology and economies of scale. The success is only possible when staff is hired on merit and they possess right attitudes, knowledge and skills. This will ensure proper HR with motivation and ultimately will lead towards success. Only with right frame of mind an employee can possess a right attitude and can deliver results. Among majority of developing countries, vital cause of less growth is lack of good HRM practices and its applications. HR in developing countries has become a big question mark, but the great efforts are on the way to find the best ways of using these HRM practices. Optimum solutions are needed to make HRM practices worthwhile. One side having good HRM practices are important but on other side, organizations need to see the impact of these practices on organizational performance, work outcomes and behaviors of employee. In Pakistan the main focus is on industrial growth since last few decades, and due to this various organizations are performing a great role in developing country's economic situation. However, even organizations are doing their level best to perform but still there are a lot of institutional , structural and HR related weaknesses, which have really have hindered the progress and getting full benefit of HRM practices and globalization. Moreover, organizations are implementing their best HRM practices, best according to employers perspective, there is need to integrate employers perspective with employees perception. Only then the Real benefits of HEM practices can be yield.

II. HUMAN RESOURCE MANAGEMENT FRAMEWORK AND MODEL

As it is stated by Fombrun et al., (1984) that the organization structure & HRM system has to be in direction of core objective and game plan (strategy) of the organization. The HRM cycle comprises of different roles that are based on selection (matching right aspirant with jobs available), assessment of staff' performance for upgrading (performance appraisal), & compensation (gratifying recruits by means of considerable salary and perks packages) which attached them with organization for long time and development (escalation workforce with modern functioning skills). HRMs' main purpose is matching accurate aspirant with right job for having a desirable output at proper driven packages that comprises of training and development opportunities after performance assessment. HRM system is consider as the potential tool that allow organization to grab the contemporary opportunities (David Ulrich & Lake, 1990; Haider & Ali, 2015; Kassem et al., 2019; Roussel et al., 2021; Sajid & Ali, 2018) HRM importance has been identified well in the book "The Human Equation: Building Profits by Putting People First" written Pfeffer (1998). High economical returns for long time are the result of organizations' high management practices. To support this statement, he point out several HRM practices named as management practices, people centered strategies (PCS) that is step by step proper recruitment, selection, training, development and compensation in result of merit and performance, and suggest PCS as a competitive advantage for organization leads to high returns. The statement of Pfeffer has a need the proof to hold the relation between two i.e. HRM practices and Organizational performance and employee work outcomes. HRM effectiveness can be measured in two dimensions, one is the technical HRM that focus on effective implementation of the designed strategies strategic and the second, HRM that is based on methodology to adopt these practices associated with the organizational strategy and (Huselid et al., 1997).

III. SIGNIFICANCE AND PHILOSOPHY OF HRM

The concept of HRM got it peak as premeditated and meticulous approach in late 20th century. It was the year 1970 where its origin and evolution can be traced among the main aspects of human resources accounting theory was

most prominent. Before this theory, workforce was paid equivalent to their production capability. Employee's talent and capability to deliver, mental and physical struggle has results the strong financial position of the organization. Human resource accounting theory reshaped this philosophy and come with the new concept of workforce as the strategic asset for a corporate entity, so these assets should be treated in a well defined system that could boost their motivation and results in desired work outcomes and increased organizational performance. As a result of that approach, human resource management reshaped the practices for the human resource based on selection, job description, performance evaluation, reimbursement, training, career planning and appreciating worker's involvement in decision making. In other aspect, HRM was describe as phenomenon of the person's ability and attitude development directed to personal growth and self actualization which results in their able to play a part in organizational goals. To better understand the needs and hopes of the workers, a developed and fortified concept of HRM is required. As beautifully described by this proverb,

"If you wish to grow something for a season, grow mangoes. If you wish to grow something for a year, grow rice, but if you wish to grow something for a lifetime, develop manpower".

In mid 90s multinationals corporation start focusing on HRM polices. In Pakistan the HRM initiative was linked with the foundation of Pakistan institute of management (PIM), which was established in 1954 by Pakistan government to promote management progress in the country, functioned under the ministry of industries and production. PIM has been proved as a mile stone and a leading organization in the field of human resource development (HRD). Then after SBP, commercial banks and insurance companies start focusing on the concept and have started own internal T&D, and HRM departments. That was followed by top universities and public administration departments were established to boost the efficacy of human resource. Due to greater emphasis on HRM practices by various forces, the HRM departments of various organizations carry out better practices than past.

IV. PAKISTAN'S WORKFORCE AND EMPLOYMENT CONDITIONS

Pakistan is on 6th number due to its population that was 184.35 million (in 2012-2013). Growth rate of Pakistan population is 2 % therefore the population of Pakistan is expected twofold in 2045. Population density in discussed year was 203 person square kilometer. Rural population continuously shifting to urban area; where the population has raised up to 114.4 million. This continuous migration requires standard shift and expansion in housing, transportation, electricity, water, sewerage, sanitation, health, educational facilities and businesses. Labor participation rate in Pakistan has been increased as compare to previous years; however it is relatively smaller than regional and global rates. This makes diverse sectors vibrant and also enhances the employment opportunities for females. 86% of the workforce contributes in 4 sectors of economy e.g. 45 % in the agriculture sector, 14.43 % in trade, services 14.41 % in service and 13.7% in manufacturing (PEC, 2012-2013). Changes in work force fact and figures in various sectors observers a prototype shift in country's' economical development. Agriculture sector in Pakistan is largest employment sector others are wholesale and trade, community and social services, and the manufacturing sector. These sectors are contributing 42.38 % in work force employment. Deregulation, privatization and liberalization make private sector to contribute in this regard too. On the whole new employment opportunities have generated in all industries and for having good out comes their assets including HR should be used in a planned way.

The theme of this research is to investigate the influence of Perceived HRM practices (Opportunities for Training and development, selection process, Job security, Rewards, Career Management, Promotion, Appraisal System, and Feed Back System) on employees' work behaviors (OCBO, Innovative work Behavior and Turn over intention) and further to test the moderating effect of Leader member Exchange (LMX) on this relationship between perceived HRM practices and work behaviors. Following are the objectives of this research.

- To highlight the gaps in existing research on Perceived HRM practices, in the light of above mentioned theme of research and to select specific research gaps that this study will attempt to address.

V. THE NEXUS OF LMX, PERCEIVED HRM PRACTICES AND WORK BEHAVIOR REVIEW OF LITERATURE

V.I. ORGANIZATIONAL CITIZENSHIP BEHAVIOR

In the competitive world most of the organization requires the employees that perform beyond their job description or formal duties which are assigned to them and that high performance can be fruitful for the organization. Further it shows the employees give best performance at the higher level when they are more satisfied from their jobs and feel that they are treated fairly at workplace. The employees may performance or excellent if they feel that they are not fairly treated at workplace. Fair treatment plays a major role promotes and enhance the performance of the

employees. The originated concept of organizational citizenship behaviour introduced first time Barnard's studies (1938) (Tabarsa & others, 2011). Bateman and Organ (2011), they argued that this concept is consider as part of workers operations through which improve the productivity and team building at workplace that should be greater than duties of the employees.

V.II. DIMENSIONS OF OCB

According to different authentic research by different authors explored and examined that there are almost 30 different forms of organization citizenship behaviour. And out of them there are four main forms such as:

V.III. HELPING BEHAVIOR (ALTRUISM)

According to (organ, et al) it is important form of the organizational citizenship behavior. The behavior of the employees should be interactive; they should help others with work related problems. As according to (Organ, 1988, 1990) the first part of this definition is depend on the altruism, peacemaking, and cheerleading dimensions. Another aspect is Graham's interpersonal helping (Graham, 1989). Second, part of this term demonstrates the organ words such as notion of courtesy which means helping others by resolving the conflicts and avoid the creation of problems of employees in workplace.

V.IV. SPORTSMANSHIP

This term seems to be less important in the arguments of authors on the literature review. Organ defines it that sportsmanship as an employee's tolerance the problems and burden of work. Further they defined that good sports are those people that are not only complain whenever they have any conflict but they also maintain a positive attitude towards things are not according in their ways.

V.V. ORGANIZATIONAL LOYALTY

George & Brief (1992) and George & Jones (1997) described that it consist on the organization loyalty and spreading and the good will and protecting the organization and as well as defining and construct the organizational objectives.

V.VI. ORGANIZATIONAL COMPLIANCE

According to Smith et al, (1983) explored that this traditional form of organizational citizenship behaviour, this dimension define capture the persons that how they understand the rules, regulation and procedures of the organization.

V.VII. KEY ANTECEDENTS OF ORGANIZATIONAL CITIZENSHIP BEHAVIOUR

The one of the other antecedent of OCB is the conscientiousness; it has also the high level of relationship with OCB. When employees will be more conscientious it can be befits for them in terms of getting the up to date knowledge of product or services which are offered by the organization (Neihoff & Yen, 2004). The third one antecedent is civic virtue that also hugely effect on OCB. It defines the unofficial activities of the organization, but benefits are social cohesiveness in the organization even though those activities are not mandatory art obligatory. According to Borman et al, (2001) the civic virtue enhance the individual to fulfil the own self responsibility for the life and prosperity of the organization.

V.VIII. IMPACT OF HR PRACTICES ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR

Organizational citizenship behavior is strongly affected by the human resource practices. Many researchers argued about Hr practices regarding the different types of employee's behaviors. The previous studies gave the idea of hr practices that effect on the performance of the organization and as well behavior of the employees. The outcomes of Hr practices or impact results of Hr practices are efficiency, productivity and other main important employee satisfaction and employees commitment towards the organization which enhance the performance of the employees. One of the main outcomes of Hr practices is Empowerment which gives the control and ownership to the employees. Empowerment increase the organizational learning in this way the level of employees is also enhanced. Training and development programmes can be successful when employees have clear understanding of the organizational and which highly favorable for the organization. There are many researches which demonstrated that organizational commitment enhanced by the training and development. This studies clearly defined that why Hr practices and organizational commitment is highly important for the improvement of organizational citizenship behavior and as well as the organizational effectiveness. This study highlighted the some factors which show that how HR practices effect on the organizational citizenship behavior these are the following:

V.IX. RECOGNITION PRACTICES

It is the main important source of Hr practices which enhance the human behavior and give motivation to the employees. Employee's commitment towards the organization can be enhanced through the organization, such as top management appreciate to regarding job they have done. In this way employees feel their importance in the organization. Recognition such as prolonged holidays, match tickets and note of thanks, in this way organization shows the gratitude of excellent work and accomplishment towards the employees. Employees are more loyal with the organization when they get high level of recognition from the organization.

V.X. TRAINING AND DEVELOPMENT PRACTICES

The individuals, teams, and organizational performance improve through the training, which is the organized way of leaning. In other side, the development is the long-term process which also enhances the individual, teams and organizational performance in HR practices and it is considered to be one of the significant enhancements. The main source is support for training and motivation for learning are highly linked with the all the components of organizational citizenship behaviour. It means training play an important role in the succession of commitment among employees and management. This shows that encourage the learning environment can create the important source to enhance the organizational citizenship behaviour. According to Dockel, there is positive link between training and development and OCB and it can be done through the high level of commitment of the employees. As per the studies, there is probability that organizational citizenship behaviour is enhanced due to intrinsic motivation and that improved citizen behaviour display the high level of satisfaction of the employees.

V.XI. EMPOWERMENT PRACTICES

Empowerment is that process through which workers enhance their capabilities to deal with the competencies and find out the solution of own problems (Greer and Melvin). Further, it explained that empowering means decentralizing system in the organization, the employees can be involved in the decision making process of the organization. In this way they can also resolve the problems of teams and units. There is one of important factor which greatly enhance and contribute in the organizational citizenship behaviour that is commitment (Lepine et al, and Johnson, 2002). Commitment of employees is positively related with the organizational citizenship behaviour (O' Reilly and Chatman, 1986). As per Becker (1992) OCB and commitment has significant relationship with each other. Further Truckenbrodt (2000) explained that when there is commitment between supervisor and subordinate and if there is altruistic organizational behaviour then it is significant sign of organizational citizenship behaviour. As per there is the different studies on the organizational citizenship behaviour and according to Borman (2004), the job performance categories in two dimension. The first one task performance and other one is contextual performance. The task performance includes the activities which are part of the employee's job and they can also contribute to the technical activities. And they try to use their skills, such as technical skills to achieve the core job responsibilities (Borman & Motowidlo, 1993; Senturk & Ali, 2021; Audi et al., 2021 Ali et al., 2016). According to Werner (2000) the term contextual performance means the efforts of the employees which are not actually the main task of the employees. But these contextual tasks are important for the organization because it impact on the social and psychological aspects which give the shape to the organizations and also it help them to sustain the competitive advantage.

V.XII. PERCEIVED HRM PRACTICES AND WORK BEHAVIORS

Many researcher demonstrated that there is positive effect of High performance Human resource Management practices on the employee as well as organizational performance (Boselie, Dietz, & Boon, 2005). However , some studies have focused on large scale survey of single HRM practice (Combs et al., 2006). The way HRM practices are being implemented in organizations may vary from one organization to another, and the HRM practices may be perceived in different way by different employees.(Kuvaas, 2008) . Moreover, the approaches used to measure HRM practices and its impact on employee performance are subject to discussion and it being highlighted by researchers that employee 's experience and perception of HRM practices is more important in HRM and performance chain (Conway & Monks, 2008; Gerhart, 2005). So, the way an organization will implement HRM strategies will vary in organizations and these practices will be perceived in different ways by different employees(Khilji & Wang, 2006; Kuvaas, 2008). According to (Nishii, Lepak, & Schneider, 2008) ,It is important to study employees' perception of HRM practices not just to focus on what employer want. Though much research have been conducted on HRM practices, mostly focusing on single HRM practices for example selection, performance management and training effect on individual behaviors (Boselie, 2005), but researchers are still of the opinion and argued that HRM practices and strategies should be considered holistically rather than as an individual HRM practice, in order to assess their

effects on employee outcomes (Snape and Redman, 2010). Though research has been conducted on this issue, but it is still an area where more work is required. So, our study will attempt to fill the gap in understanding the perception of HRM practices by employees. The most prominent theory, the Social exchange theory justify how perceived HRM practices are connected with the behavioral outcomes of employees, such as OCB, turn over intentions. The social exchange theory states that all social relationship are based on give and take and norms of reciprocity (Blau, 1964). As (Saks, 2006) stated that employees often feel obliged to organizations because they receive social, economic and emotional benefits in return of their efforts. It is often claimed that employees are the assets of organization and HRM practices are kind of investment on employees, it is because organization assume that due to good HRM practices employees will try to reciprocates and will show positive attitudes such as affective commitment and even engagement (Liden, 1996; Saks, 2006), low intention to quit as well as extra role performance (Anand et al., 2010; Cropanzano et al., 2003). Because the focus of the relational exchange is organization, in our study we will stress on OCB towards the organization not towards other individual (employees). We argue here that the employees, which have positive perception towards HRM practices will show positive organizational Citizenship behaviors towards organization.

V.XIII. LMX AS A LINK BETWEEN PERCEIVED HRM PRACTICES AND EMPLOYEES BEHAVIORS

LMX theory stated that, scarcity of time and resources for devoting to individual employee creates an opportunity for leaders to have a close social interaction with few crucial subordinates and this leads to a paired relationship between them (Cashman and Graen, 1975; Scandura and Graen ; 1987; Graen and Liden ,1980). The remaining staffs are categorized as out-group. When there is the existence of high levels of LMX, subordinates come to know how satisfied the supervisor is, with their performance and believe that they have a good work relationships with their supervisor (Graen et al., 1982). Before we go any further, let's look to the fundamentals and bases of LMX stated by researchers. Process of LMX development is two ways process, as it not only influenced by other relationships but also have influenced upon other relationships development. That's why it is called as dynamic and interactive process which is not limited within leader –member pairing and for this reason the process could be expanded for network orientation (i.e. forth stage). According to Graen and Uhl-Bien (1998) recapitulate, is to accumulate distinguished paired relationships to group and network levels. According to the researchers, majority of LMX's work is based on dyads and within groups. But in complex organization is supposed that leader have to work with number of member in certain conditions.

Sparrowe and Lisen (1997) supported the idea that for the future research on nature of LMX, social analysis is supposed to provide a progressive path. Researchers of LMX give emphasis to quality of relationship while social network analysis dealing scholars lengthened LMX perspective by elucidating the structural base of research and theory. Leader member exchange has further extended the study of social network by taking into account the quality of relationship, the exchanges nature and conjoint social networks. Since during preliminary stages it might be true that exchange are essential to build a high quality LMX. Faith, devotion and deference are considered as the essence of stable relation between member and leader. If anyone anticipate the results of each and every efforts made by him for everything than there is less possibility of forming a good relationship of faith and deference between them and it leads to a short period LMX relationship. The exchange of high leader member exchange can be a result of high quality along with herald. In this context, Graen and Uhl-Bien (1998) explained that leader member exchange is more transformational than transactional.

VI. PRESUMPTION AND DISCUSSION

Much research has been conducted in recent years, to understand the link of human resource management with organizational performance. There are couples of main areas which have been the main focus for researchers. For instance the first area is to differentiate among the planned, actually implemented and perceived HRM practices. Just capturing the data on organizational policy is not enough to provide understanding of employees' beliefs (Conway & Monks, 2008; Snape & Redman, 2010). Our knowledge that how employee's perceive about HRM practices and how it is linked with organizational performance is very limited as very few studies have been conducted to understand the employee's perception on HRM practices or interventions. The other area is, that the previous researches have tested various employees' attitudes as mediating variables in the process of HRM performance delivery chain, but there are very few studies which consider moderating variables affect on HRM practices and performance relationship. The understanding of moderating variables affect will help us to explain more about the situations and the process affect on HRM practices and performance relationship, through which the attitudes of employees are decoded in to preferred and non preferred behaviors (Paauwe & Boselie, 2005). The most important study on the investigation of moderators' roles in HRM and performance chain is the study by Kuvass'

(2008). This study has called for testing the moderation effects of different variables in relationship of perceived HRM practices and work behaviors. We are also of the opinion that the HRM practices will have different effects on behavioral outcomes due to the process of moderation. Taking this sense further, we assume that any action by the management in term of HRM practices will have different effect under different circumstances; there is no published study, to our knowledge, which has tested the moderation effect of LMX in relationship among perceived HRM practices and work behaviors. Organizations are striving hard to make their HRM practices more effective, so that they can have their desired work outcomes. Leadership is one of the main drivers which have been identified as one of the key element to extract desired work behaviors. Various studies have shown this, for example transformational leadership, charismatic leadership, and authentic leadership are found to be directly linked with individual's performance in their jobs. (Tims et. al, 2011, Babcock et. al 2010, Walumbwa et. al 2010)

At operational level, HRM practices are delivered through the managers or supervisors and this delivery process will have the possibility to be affected by the relationship of an employee with his supervisor. This could have effect on the employee's perception of HRM practices and their further effect on work behaviors of those employees. LMX theory states that the relationship among followers and leaders differ in term of support exchanged, information, resources by the followers and leaders (Wayne and Sparrowe, 2006). The low quality relationship among follower and leader will lead to low level of trust and fulfillment of duties, where the follower will only perform the duties which are written in his job description, on the other side the high quality of LMX are types relationships where trust on each other, respect, and liking prevails. (Liden & Maslyn 1998; Graen and Uhl- Bien 1995). To develop our theoretical model, we draw from the related research of Perception of HRM practices and LMX as a moderator to show its effect on organizational outcomes. Social Exchange theory will be the main base of research to explain that how the effect of perceived HRM practices will effect on employee behavior which may be moderated by the leader member exchange (LMX) or employee and line manager relationship, the relationship that a leader established with their followers (Kuvaas & Dysvik, 2010). According to (Graen & Uhl-Bien, 1995) the relationship that a leader establish with their follower reflects the perception of the quality of the relationship among employee and line manager.

In order to reflect job performance, this research has adapted a holistic approach to incorporate the most important types of employees' behaviors. Firstly, the organizational citizenship behavior, turnover intentions are important because these two dependent variables show two different processes, turn over intention is a withdrawal process, where as the OCB is more positive and activating process (Borman & Motowidlo, 1997; Murphy & Kroeker, 1988; Rotundo & Sackett, 2002). Keeping in view the work of (Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhoades, 2002), we will focus on OCB –O in our research rather than OCB-I as LMX is more organizational level variable and supervisors are considered as organizations representative by employees, so we consider LMX to be related to organizational citizenship behavior towards organization (OCB-O). On the other side that the competitive era have changed the face of desired behaviors from employees, most of the modern organizations, the monetary performance or the attractiveness of product or services is not the guarantee for long term survival of an organization, the products have to be innovative, quality and unique (Bolwijn & Kumpe, 1990; Harrison-Walker, 2001). The innovation is referred as: "the deployment and implementation of new ideas by people" (Pierce & Delbecq, 1977). The innovative behavior is defined as the creation, introduction and application of new ideas and thoughts within a group of people or organization in order to benefit performance and considered vital for organizational long term survival. (Janssen, 2000; Van de Ven, 1986).

VII. A FEED FOR THOUGHT - SETTING A FUTURE RESEARCH AGENDA

Leadership is imperative element for both individual and organizational success. Leadership is not even important for profit-oriented organizations and non-profit-oriented organizations but it is evident that it has even become important for military type organizations (Truckenbrodt, 2000). Leadership being an extensively researched construct in behavioral sciences has always been a mystery for researcher (Milne et al., 2007). Since many years, an emergent body of leadership research primarily focusing on the dyadic relationship between supervisor and subordinates, which is known as leader member exchange (LMX) theory, been a keen area of interest for researchers (Stringer, 2006). An ample body of research has shown that higher quality of LMX relationship has positive relationship with employees feeling of obligation to reciprocate by showing excellent work performance and with positive attitudes (Nahrgang & Morgeson, 2007). Regardless of these strong findings, earlier research has mainly focused on the impact of LMX on individual staff at dyad level; largely pay no heed to the fact that LMX is entrenched within wider social context of organization. Organizations are formed to achieve common objectives, and most of the work is done in teams or together due to the component of interdependence or synergy. As a single

employee's LMX is not cut off from other members' LMX and via a sequence of every day exchanges and interactions, casual discussions, and communal events, individual may observe, learn and compare their own LMX relationships with their fellow workers' LMX relationships (Wageman ,2001). One can presume, that there is very clear relationship among LMX and organizational performance, one may say that good quality LMX will lead to good organizational performance.

Ample research has been conducted to investigate the relationship among Quality of LMX and organizational outcomes. Let us review some of the major researches and their findings in this context. Ferris (1985) proposed that, lessen rate of employee turnover is linked with high LMX; moreover, outcomes of subordinates may also be predicted by LMX. Graen et al. (1982) elaborated that employees with high quality exchange relationship with their leaders can enjoy, the increased opportunities of working, freedom of work, and having better job assignments. In contrast of that, the employee with low quality LMX are assigned out of favor jobs and have lessen chances of interaction with leader. In the same context, Carson and Carson (2002) examined that employees with high LMX are provided with extraordinary payback like higher degree of respect, trust, mutual, interaction, support, responsibility, contribution, and rewards from the supervisor and this is unavailable for low LMX (out-groups) employees and in return high LMX employees have to put more efforts and times and higher commitment towards their jobs. According to (Liden, Erdogan, Wayne, & Sparrowe, 2006) Leader member exchange theory is based on the relationship of exchange, which a leader have with its followers differ in term of support, resources and information both on leader side and on follower side. As stated by (Graen & Uhl-Bien, 1995) ,the low quality LMX is labeled with low level of mutual trust and fulfillment of organizational obligations, under this situation followers only perform those duties which are more of formal in nature whereas under high quality of LMX an employee is motivated and ready to put more efforts and go beyond his normal duties mentioned in his job description. Existing research has shown that the good quality of LMX is linked with many organizational and individual outcomes (Dulac et al., 2008; Venkataramani et al., 2010). According to (Liden, et al., 2006) it is been seen that leaders only develop quality relation with some employees. The purpose of HRM practices is also to provide support, resources and information to the employees and managers are hired to deliver these HRM practices to employees, so the perception of HRM practices could have relation with the quality of relationship among leaders and follower. The quality of relationship may cause deviance in the staff perception towards organizational HRM practices. As discussed earlier also Social exchange theory is of the opinion that the positive perception of employees towards their employment relationships are positively related to work behaviors (Blau, 1964). As mentioned by (Cropanzano & Mitchell, 2005) until now it is being believed that HRM practices are the investment in organizational employees , which in turn can affect the perceptions of the exchange relationship of individual and organization. Therefore the existing viewpoints on social exchange theory highlight the importance of LMX and other variables as core elements in a social exchange relationship (Aryee et al., 2002). These viewpoints propose that LMX may act as distinct variable in HRM and performance chain moderating the effect of perception of HRM practices on the behavioral outcome.

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