

**An Exploration of LMX and Personal Guanxi on Job
Performance :
The Mediating Effects of CSR**

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Abstract

The purpose of this study is to examine leader-member exchange (LMX) and personal guanxi between its relationships with organizational citizenship behaviors (OCBs) and to test empirically whether this relationship is mediated by corporate social responsibility (CSR) in financial service personnel. Drawing a sample of two hundred and twenty-eight financial service employees, we tested several causal hypotheses pertaining to antecedents and impacts of organizational citizenship behaviors by means of structural equation modeling to measure the relationship among the constructs. The empirical results illuminate that leader-member exchange (LMX) and personal guanxi are significant relationship with organizational citizenship behaviors (OCBs). When CSR is introduced into the model, the previously highly significant relationships between LMX and personal guanxi with OCBs becomes insignificant and much weaker. The mediating effect of CSR can positively influence OCBs of financial service personnel and in turn job performance of employees. Implications of the findings are discussed and directions for future research are suggested.

Keywords: Leader-Member Exchange (LMX), personal guanxi, Corporate Social Responsibility (CSR), Organizational citizenship behaviors (OCBs), job performance.

1. Introduction

As the financial markets confront highly and unforeseen competition, the relationship of employer-employee beyond the employment contract is more important than before. LMX theory of leadership can diagnose this relationship so a higher quality can be developed in this relationship, enabling improved job performance of employees (Dae-seok Kang and Jim Stewart, 2006). A high quality of interaction is characterized with relationship that goes beyond the contract and is likely to lead to extra-role organizational citizenship behaviors (Kanika et al., 2006). OCBs are considered intangibly precious for organizations attempting to strengthen their capability in competitive global market. According to the recently research studies conducted by Rotenberry and Moberg (2007) and Chu et al., (2005), OCBs have a positive relationship on job involvement, reflecting a positive attitude towards the job. Thus we have explicated assessed the causal relationship between LMX, personal guanxi, OCBs, and job performance to gain a better understanding of the LMX-job performance and personal guanxi-job performance as our first objective in this context.

Besides, corporate social responsibility is a regulatory framework for corporate to improve the legitimacy of corporations. Recently, CSR has emerged as a social movement. Chamhuri Siwar and Md Tareq Hossain (2009) view CSR is an organization's commitment to conduct its business in an economically, socially and

environmentally sustainable manner while balancing the interests of a diverse range of stakeholders. Moreover, leaders play an important role in setting the standard for social responsibility in organizations. CSR is becoming a deep-rooted conception and an increasingly critical issue in the financial services industry, but there are still questions whether organizations spend resources on corporate social responsible significantly related to employees' organizational citizenship behaviors, devoted as their enthusiasm for the organization and produce job performance. Although previous studies have identified how the moral development and ethical behavior of employees affect attitudes such as satisfaction, organizational commitment (Hackett and Lapierre, 2004) and person-organization fit (Schminke et al., 2005; Maureen et al., 2008). Few studies have assessed the causal relationship among LMX, personal guanxi, CSR, OCBs, and job performance of employees.

Thus in this paper we researching and studying over the past literature, we will not only uses both the Chinese personal guanxi defined as a personal connection and the Western theory of LMX to examine the direct effects of LMX and personal guanxi on OCBs but will also study its indirect effect via CSR and in turn job performance of employees.

2. Review of related literature and hypotheses development

2.1 Leader-Member Exchange (LMX)

The quality of relationships between supervisors and subordinates is often studied via LMX theory. LMX describes the relationship between a leader and a subordinate and how they influence each other in an organization and their interdependencies (Yukl, 1998). LMX literature has found LMX to be positively related to desired outcomes including increased job performance (Schriesheim, Castro, and Cogliser, 1999), contextual performance (Ilies, Nahrgang, and Morgeson, 2007) and task performance (Deluga, 1998; Hui, Law, and Chen, 1999). With its roots in role theory (Kahn, Wolfe, Quinn, Snoek, and Rosenthal, 1964) and social exchange theory (Cropanzano and Mitchell, 2005), the LMX model suggests that supervisors form differential relationships with their subordinates. LMX describes the quality of the supervisor-subordinate relationship, with qualities varying from low to high (Liden, Erdogan, Wayne, and Sparrowe, 2006). Higher-LMX subordinates received more preferential treatment, increased job-related communication, differential allocation of formal and informal rewards, ample access to supervisors, and increased performance-related feedback than lower-LMX subordinates (Elicker, Levy, and Hall, 2006). These advantages for high quality LMX subordinates are likely to be related to positive outcomes. Kanika T. B. (2007) regarded the nature of exchanges or the quality of interaction of a leader varied of interaction across different subordinates in the work group, which impacts the subordinate outcomes.

LMX is an ongoing value-added process of social interaction where the leader's ability to influence the behavior of their subordinates can strongly influence job performance (Pirola Merlo et al., 2002). Previous research shows positive relations of leadership to subordinates' work-related attitudes and in turn will increase subordinates' willingness to invest efforts and their enthusiasm for the task, engaging in more positive behaviors (De Hoogh et al., 2005; Dae-Seok Kang et al., 2006). Therefore, the quality of the leader-subordinate relationship plays an important role in defining subordinate's overall job attitudes (Mulki et al., 2006).

2.2 Employer-employee personal guanxi

Employer–employee guanxi is a personal tie that employees develop with their employer from social interactions both inside and outside working hours, particularly in the Chinese context (Millissa F. Y. and Cheung et al., 2009). Nancy and Dean (2007) have noted that personal guanxi is usually developed through social occasions, such as lunches, dinners, and gift giving. It is like a private channel through which people communicate and exchange (Chen and Chen, 2004). Personal guanxi is used to exchange promises for doing favors for each other and is viewed as a useful social capital that provides access to distribution channels (Bian and Ang, 1997; Nee, 1992) and enhances business performance (Peng and Luo, 2000). Besides, firms in Chinese society tend to be owned by founders and families resulting in bureaucratic control and centralized decision making by fewer leader (Peter Lok et al., 2004). Thus, promotion of employees is often highly associated with families and guanxi networks (Chen, 2001; El Kahal, 2002). However, most western firms tend to be owned by shareholder and run by professional managers, so promotion is often related to individual competencies and merits (El Kahal, 2002). Consistent with the prior literature and results, we predicted that employer–employee guanxi would be positively associated with job performance in the Chinese society.

2.3 Corporate Social Responsibility (CSR)

Corporate social responsibility (CSR) has attracted massive attention from the business world, politicians and scholars alike. Corporate social responsibility (CSR) is about how companies conduct their business in an ethical way, taking account of their impact economically, socially, environmentally, and in terms of human rights (Roger, 2009). William (2009) views corporations have an obligation to avoid harming the environment, to contribute positively to the local community, and to promote the well-being of their employees and treat them fairly. There are several different theories that mentioned the notions of CSR. The social contract theory refer that business must act in a responsibility manner, not only cares about its commercial interest (Moir, 2001) and should join with other social structure like the family (Chamhuri Siwar et al., 2009). The instrumental theory pays attention to some social programs or reasons of competitive advantage and for good imagine (Greenfield, 2004). According to the stakeholder theory, business may beware of the needs and rights of all the stakeholders as a useful way of developing socially responsible behavior by managers (Maignan and Ferrell, 2004)

Jay P. M. et al. (2009) identifies a type of leadership style that can help firms back to the subject of corporate social responsibility and whether business firms do have obligations to fulfill their social duty and moral obligations that go beyond maximizing their profits. A number of studies have shown the issues related to leaders who play a key role in the attitudes and behaviors of employees (Mulki et al., 2007). Grojean et al. (2004) note that organizational leaders play a role in shaping ethical climate by both stating and implementing ethical policies and practices. Schwepker and Good (2004) have also found that sales manager's ethical attitude influences salesperson's quota achievement. Ingram et al. (2007) have explored the influence of a model of leadership style and assess the impact on ethical climate. Redington (2005) concurs companies need to engage with CSR because it offers a better way of doing business. Sirota et al. (2005) also mentioned there is a strong positive relationship between employee morale and business success. Consistent with these prior results and the literature, we predicted that LMX and employer-employee personal guanxi would be positively associated with OCBs of employees via a well corporate social responsibility.

2.4 Organizational Citizenship Behaviors (OCBs)

The LMX and OCBs have become the foundation of a new age of managing a diversified workforce in the advent of a globalized world (May Chiun Lo et al., 2006). OCBs are behavior that is voluntary and not part of formal role requirements, and not directly recognized by the formal reward system. OCBs are also innately moral in that the actor chooses to perform a behavior that is beneficial to another person, generally regarded as honorable. Research from a social exchange perspective has viewed OCBs as a contribution to the organization (Organ and Paine, 1999).

Moorman (1991) found a positive and significant relationship between a subordinate's perception of his or her leader's interactional behaviors and four of the five dimensions of OCB. Moorman concluded that when leaders behave in ways that employees perceive to be fair and consistent, when leaders are open to contributions from their subordinates, when leaders are considerate and kind, and when leaders accurately perceive the needs and feelings of their followers, subordinates respond with increased levels of altruism, courtesy, sportsmanship, and conscientiousness. Because the leader trusts a particular subordinate and provides certain advantages to him or her in terms of greater authority, consequently the subordinate may develop a feeling that he (she) wishes to pay the favor back to the leader. Consequently, the favorable exchange relationship will bring about the citizenship behaviors from subordinates. This is further supported by May Chiun Lo (2006), where the positive reciprocity is influenced by subordinates when subordinates receive or accept favors from their superiors, this will cause the subordinates to feel obliged to restore the good deed of their superiors by performing OCBs. Consistent with the prior literature and results, we predicted that LMX has significant influence on the level of OCBs among subordinates as a high quality of LMX may motivate employees to exhibit extra-role behaviors without any formal rewards from the organization.

Employees perceived that leadership will be positively related to their job involvement within their organizations. As a result, employees display a higher degree of OCBs to facilitate effective functionality in the organization. Bolino (1999) has pointed out that if the subordinates realized that they have limited control in-role performance, they would be more likely to rely upon extra-role behaviors to enhance their images and distinguish themselves from others (Masterson and Stamper, 2003; Thomas, Au, and Ravlin, 2003). OCBs can be explained based on the psychological contract between organization and employees. According to Podsakoff, Ahearne, and Mackenzie (1997), OCBs can boost up the impact on the organizations' output and promote the effectiveness of organizations in terms of achieving a higher level of work group performance.

Taken together the prior literature and discussion, we predicted the following hypotheses :

H1: Leader-Member Exchange (LMX) has positive association with corporate social responsibility (CSR).

H1-1: Leader-Member Exchange (LMX) has positive association with subordinates' organizational citizenship behaviors (OCBs) via corporate social responsibility (CSR).

H2 : Employer-employee personal guanxi has positive association with corporate social responsibility (CSR).

H2-1: Employer-employee personal guanxi has positive association with employees' organizational citizenship behaviors (OCBs) via corporate social responsibility (CSR).

H3: Leader-Member Exchange (LMX) has positive association with subordinates' organizational citizenship behaviors (OCBs).

H4: Employer-employee personal guanxi has positive association with employees' organizational citizenship behaviors (OCBs).

H5: Corporate social responsibility (CSR) has positive association with employees' organizational citizenship behaviors (OCBs).

H6: Employees' organizational citizenship behaviors (OCBs) have positive association with employees' job performance.

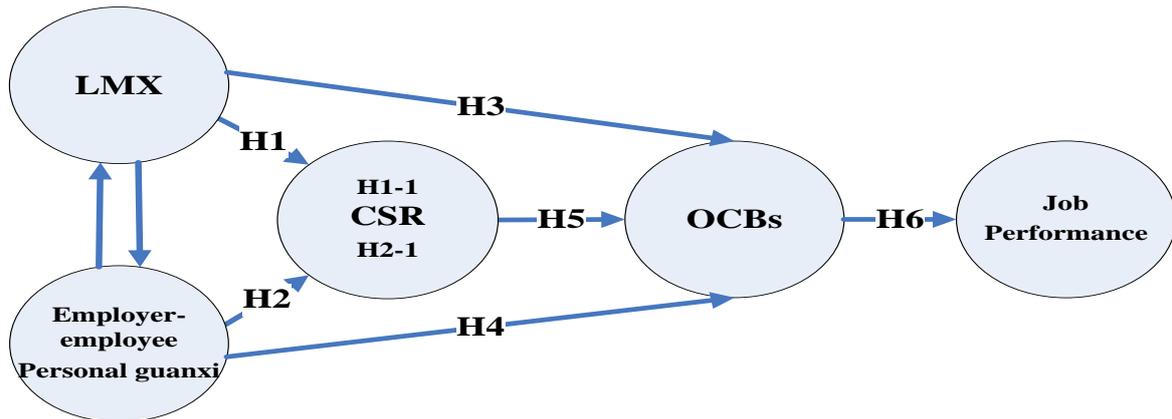


Figure 1 Hypothesized relationships between the variables

3. Methodology

The research is based on a survey, and the study has been conducted on managerial perspective. It focuses on the employees of financial services organizations in Taiwan. A questionnaire was developed for the survey. SPSS 15.0 for Windows and Amos 7.0 were used to analyze the data. The total number of 228 responses was received, resulting in an overall 45.6% response rate. The respondents were asked to state their level on a Likert-like scale pertaining to LMX, personal guanxi, CSR, OCBs, and job performance, which ranks from 1 (Strongly Disagree) to 7 (strongly Agree). The period of survey was from June, 2009 to August, 2009. The statistical procedures and measures used in this paper are methodologies recommended by Bontis et al. (2000). These methodologies aim to find the causal relationships among LMX, personal guanxi, CSR, OCBs, and job performance and determine their significance, as well as estimating the predictive power of the model. The procedures and measures, in chronological order, are :

- (1) Reliability analysis
- (2) Confirmatory factor analysis
- (3) Structural equation modeling (SEM)

4. Results

4.1 Demographic Characteristic of Respondents

In the survey, about 31 percent of respondents were male and 69 percent were female. A large proportion of the sample population, representing 76.3 percent, was between the ages of 26 and 45. About 72.4 percent had university level qualifications. The respondent profile shows that 27.6 percent of the sampled employees had

worked in the financial institutions less than 3 years, 23.3 percent for three to six years, 17.1 percent for seven to ten years, and 32 percent for more than ten years.

Table 1 Profile of the characteristics of respondents

Demographics		Frequency	Percentage
Gender	Male	70	30.7
	Female	158	69.3
Age (years)	Under 25	20	8.8
	26~35	114	50.0
	36~45	60	26.3
	46~55	34	14.9
Job	Security	14	6.1
	Banking	82	36.0
	Insurance	132	57.9
Education Background	High School	58	25.4
	University	165	72.4
	Graduated	5	2.2
Work Experience	Less than 3 years	63	27.6
	3~6 years	53	23.3
	7~10 years	39	17.1
	More than 10 years	73	32.0

4.2 Reliability and validity

Based on the SEM results, we analyzed convergent validity, discriminant validity, and reliability of all the multiple-item scales, following the guidelines from previous literature (e.g., Fornell and Larcker, 1981; Gefen and Straub, 2005). The measurement properties are reported in Tables 2 and 3.

Reliability was assessed in terms of composite reliability, which measured the degree to which items are free from random error and therefore yield consistent results. Composite reliabilities in our measurement model ranged from 0.8881 to 0.9537 (see Table 2), above the recommended cutoff of 0.70 (Fornell and Larcker, 1981; Nunnally and Bernstein, 1994). Convergent validity was assessed in terms of factor loadings and average variance extracted. According to the prior study, convergent validity requires a factor loading greater than 0.70 and an average variance extracted no less than 0.50. As shown in Table 1, all items had significant factor loadings higher than 0.7. Average variances extracted ranged from 0.7265 to 0.8376, suggesting adequate convergent validity. Thus, all factors in the measurement model had adequate reliability and convergent validity.

Table 2 Reliability and factor loadings

Constructs/Measurement Items	Standardized loadings	CR	AVE
Leader-member exchange (LMX)		0.9038	0.8245
LMX1: Our leader encourages us to make great effort toward the perspective of our company.	0.900***		
LMX2: Our leader is friendly very much and is always very attentive to his subordinates.	0.916***		
Employer-employee guanxi (GX)		0.9175	0.788
GX1: I have good guanxi with my employer, so I can work happily.	0.942***		

GX2: Establishing a good interaction with my employer out of the working hours, I can get more business resources.	0.822***		
GX3: I am very confident on my work because I have good personal guanxi with my supervisor.	0.895***		
Corporate Social Responsibility (CSR)		0.9537	0.8376
CSR1: Our company is making progress towards implementing its CSR Strategy.	0.904***		
CSR2: Our company pretty cares about customers' benefits and responsiveness and voluntarily helps customers to increase their financial knowledge.	0.955***		
CSR3: Our CSR Strategy makes me feel proud to be working at the firm.	0.923***		
CSR4: Our company makes efforts in multiple CSR issues involving women, ethnic minorities, and disabled minorities.	0.877***		
Organizational Citizenship Behaviors (OCBs)		0.9296	0.7681
OCB1: I always spend time listening to the unhappiness of others.	0.819***		
OCB2: The colleagues always believe the commitment that I give to him. (her)	0.926***		
OCB3: I always take the initiative to inform the message about my job to my colleagues.	0.932***		
OCB4: While treating the newcomers, I will not treat them with different attitudes.	0.822***		
Job Performance		0.8881	0.7265
JP1: I usually plan and arrange the progress of work that I am responsible for.	0.797***		
JP2: I would like to pay additional efforts to reach the target I set.	0.924***		
JP3: I have the energies of learning incessantly.	0.831***		

4.3 Inter-correlations of the study variables

Correlation analysis focuses on the measurement of the degree of affinity between variables and inference that will determine if the parent bodies are correlated. The correlation coefficients are between -1 and 1. If the correlation coefficient of two is -1, they have “absolute negative correlation”; if the correlation coefficient is 1, they are “absolute positive correlation”; if the correlation coefficient is zero, it means that they have no correlation. The research used Pearson Coefficient of Correlation to test if there was any significant correlation between the aspects of the degree of LMX, personal guanxi, corporate social responsibility, and OCB and pointed out the degree of affinity between the aspects of variables before we used regression analysis to explore the causality of each aspect. In summarizing below-mentioned figures, we could understand that there were significant positive correlations between variables. On the whole, the results have demonstrated acceptable levels of correlation.

Discriminate validity was assessed via comparisons of the square roots of the AVE values with the correlations between the latent constructs (Table 3). Fornell and Larcker (1981) assert that average variance shared between a construct and its measures (square root of the AVE) should be greater than the variance shared between the constructs and other constructs in the model. Table 3 shows the inter-construct correlations off the diagonal of the matrix. This showed that the shared variance between factors were lower than the average variance extracted of the individual factors, confirming strong discriminate validity (Fornell and Larcker, 1981). In summary, the psychometric properties of the scales are very good.

Table 3 Correlation matrix of latent variables

Construct	(1)	(2)	(3)	(4)	(5)
(1)LMX	.9080				
(2)Personal guanxi	.836(**)	.8877			
(3)CSR	.585(**)	.565(**)	.9152		
(4)OCBs	.625(**)	.540(**)	.719(**)	.8764	
(5)	.503(**)	.471(**)	.569(**)	.763(**)	.8523

Note : All correlations are significant at the 0.01 level (2-tailed).

The diagonals represent the square root of Average variance extracted.

4.4 The results of structural model

SEM is a model analysis technique encompassing methods such as covariance structure analysis, latent variable analysis, confirmatory factor analysis, path analysis and linear structural relation analysis (Hair et al., 2006). SEM is also particularly useful in this paper because it can estimate “a series of separate, but interdependent, multiple regression equations simultaneously” in a specified structural model (Hair et al., 2006). Therefore, SEM is the most suitable analysis to estimate the strength of causal relationship of these constructs. We formulated an SEM using AMOS 7.0 to analyze our model. Bogozzi and Yi (1988) suggested a similar set of fit indices used to examine the structural model. (See Table 4) Comparison of all fit indices with their corresponding recommended values, provided evidence of a good model fit ($\chi^2 / d.f. = 2.34$, 60 degrees of freedom, GFI= 0.914, AGFI= 0.870, CFI =0.974, NFI= 0.956, IFI=0.974, RFI=0.943, PNFI=0.735, PGFI=0.603 and RMSEA 0.077). Thus, we could proceed to examine the path coefficients of the structural model.

Table 4 Results of the best fitting model

Fit Indices	Benchmark	Value
Absolute fit measures		
CMIN (χ^2)		200.594
DF		98
CMIN (χ^2)/DF	3	2.05
GFI (Goodness of Fit Index)	0.9	0.902
RMSEA (Root Mean Square Error of Approximation)	0.08	0.068
Incremental fit measures		
AGFI (Adjusted Goodness of Fit Index)	0.80	0.864
NFI (Normed Fit Index)	0.90	0.948
CFI (Comparative Fit Index)	0.90	0.973

IFI (Incremental Fit Index)	0.90	0.973
RFI (Relative Fit Index)	0.90	0.936
Parsimony fit measures		
PGFI (Parsimony Goodness of Fit Index)	0.50	0.650
PNFI (Parsimony Normed Fit Index)	0.50	0.774

4.5 Path co-efficients and predictive ability

Properties of the causal paths (standardized path coefficients) and t-values are shown in Fig 2. The effect of CSR on OCBs was significant ($\beta= 0.580, p<0.001$). As expected, LMX had a strong positive and highly significant influence on CSR ($\gamma= 0.356$). Personal guanxi was found to be a significant factor in determining CSR ($\gamma= 0.372, p<0.001$). The effect of OCBs on job performance was significant ($\beta= 0.840, p<0.001$). Altogether, LMX, personal guanxi, CSR, and OCBs accounted for 70.6% of the variance in job performance. LMX, personal guanxi, and CSR accounted for 60.9% of the variance in OCBs of subordinates, with CSR exerting a stronger direct effect on OCBs of subordinates than LMX, personal guanxi, and CSR. About 50% of the variance in CSR was explained by LMX and personal guanxi.

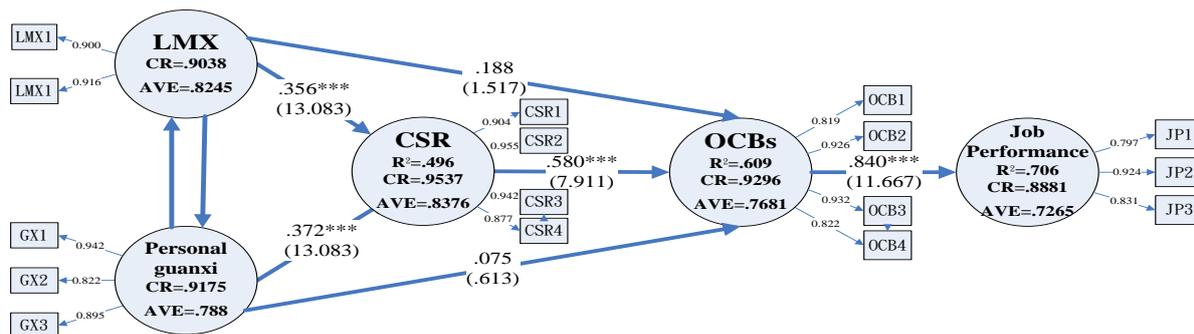


Figure 2 The relationship between LMX, Personal guanxi, CSR, OCBs, and job performance

We tested two versions of our model. In the first model (Figure 2) we included all constructs, testing a direct and indirect (via CSR) relationship between the two forms of LMX and personal guanxi and OCB. With the exception of two paths (LMX=>OCB and Personal guanxi=>OCB), all paths are significant. The direct and total effects of CSR on OCBs were 0.580. However, the indirect effect (0.206) of LMX on OCBs showed a stronger effect than the direct effect (0.188), exhibiting CSR was the important mediator to influence OCBs of employees. The direct, indirect and total effects of personal guanxi on OCBs were 0.075, 0.215, and 0.290 respectively. However, the indirect effect (0.215) of personal guanxi on OCBs shows a stronger effect than the direct effect (0.075), exhibiting CSR was also the key mediator to influence on OCBs of employees. The direct, indirect, and total effects of LMX, personal guanxi, and CSR on OCBs of subordinates were summarized in Table 5.

Table 5 The effects of LMX, personal guanxi and CSR on OCBs of subordinates

	Direct effect	Indirect effect	Total effect
LMX	0.188	0.206	0.394

Personal guanxi	0.075	0.215	0.290
CSR	0.580	N.A.	0.580

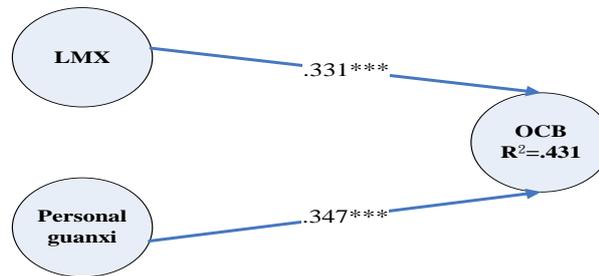


Figure 3 Direct effect model

According to Baron and Kenny’s (1986) logic, which states that a variable function as a mediator to test the mediating effect of corporate social responsibility. As Figure 2 displays, the direct paths of LMX – OCB and personal guanxi - OCB are significant at $p < 0.001$. After introducing CSR as a mediator of the path between LMX and personal guanxi and OCB relationships, the direct path from LMX to OCB (from $\gamma = 0.331^{***}$ to $\gamma = 0.188$) and from personal guanxi to OCB (from $\gamma = 0.347^{***}$ to $\gamma = 0.075$), OCBs became insignificant indicating a full mediating effects of CSR on the LMX-OCB and personal guanxi-OCB relationships (Figure 3).

5. Conclusions

As mentioned earlier, the main focus of this research was to find out what plausible factors have impacts on financial service personnel’s corporate responsibility and OCBs, which in turn cause their job performance. Firstly, we demonstrate that there is strong and positive relationship between LMX, personal guanxi, OCBs, and job performance.

Secondly, we identify LMX and personal guanxi are the important antecedent of OCBs.

Thirdly, we hypothesized and demonstrate empirically that LMX and personal guanxi are also related to OCBs via CSR, whereas the path LMX-OCBs and personal guanxi-OCBs were fully mediated by CSR. Thus, CSR contributes to a better explanation of OCB in the context of LMX and personal guanxi.

5.1 Managerial Implication

One obvious implication of the present study is that leaders should be aware of the importance of CSR. In our empirical evidence that the relationship between LMX-OCBs and personal guanxi-OCBs are better explained when CSR is taken into account. Thus, it is important for financial institutions to put an emphasis on and must be concerned about CSR, with which subordinates can follow. LMX and personal guanxi directly and via CSR indirectly explained 60.8 percent of the variance in OCBs. We acknowledge that there are still some important determinants that could be included in more comprehensive models with possibly higher explanatory power in OCBs.

There is no room for doubt that LMX and personal guanxi appeared to be important determinants of CSR and OCBs of subordinates. In order to obtain higher OCBs and in turn job performance of subordinates, the supervisors of financial institution must fulfill organization’s CSR and in turn subordinates display their organization citizenship behaviors in their job. The Economist (2008) reported practitioners believe that CSR

behaviors result in subordinates feeling proud of the organization and contributes to long-term benefits for the firm. Thus, the supervisors need to fully realize organization's CSR objectives, including the integration of CSR into the strategies of implement. The supervisors should foster a culture of CSR and fully integrate CSR through their daily operations. As expected, subordinates aligned with the CSR of organization will voluntarily contribute their OCBs to their organization and in turn job performance of subordinates.

5.2 Limitations and future research directions

There are several limitations to this study, and they pose restrictions on interpretations of the results. First, data were primarily collected from the southern financial institutions of Taiwan, thus the findings cannot be generalized to all financial institutions. We also suggest the follow-up research may improve the sampling method or choose employees of other service industry as the object and further testify the exterior validity of structure model. It would also be worthwhile to identify the important of LMX and personal guanxi under different economic conditions (e.g. during or after the worldwide "financial tsunami").

Second, future studies should examine the influence of LMX and personal guanxi in other Asia contexts, particularly where Chinese culture has a strong influence.

Additionally, future research may put more efforts in exploring other plausible moderators which have moderating effects between LMX-OCBs and personal guanxi-OCBs. Finally, a longitudinal study might be providing greater insight to understand the development of LMX and personal guanxi more thoroughly and provide more conclusive findings.

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