

The Impact of Leadership styles on Innovative
Work Behavior by mediating effect of Employee
Voice and moderating role of Leader Member
Exchange.



TAYYBA SARFRAZ

01-229192-013

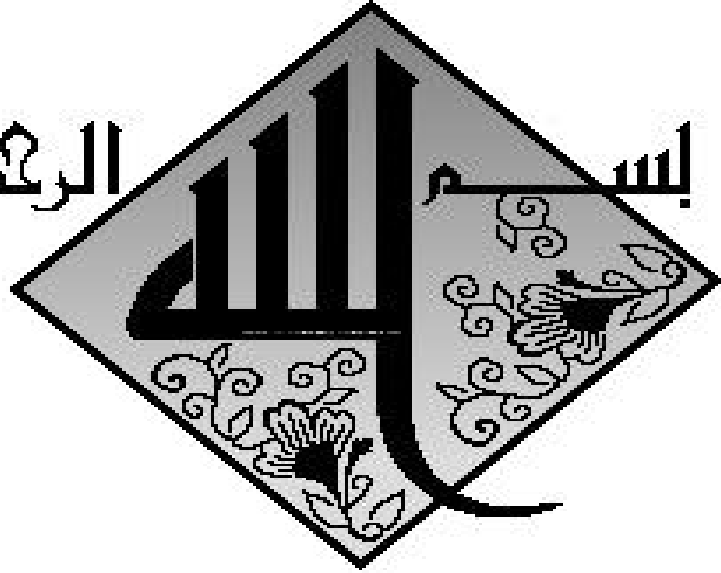
A thesis submitted in fulfillment of the
Requirements for the award of the degree of
MPhil (MS)

Department of Management Studies

BAHRIA UNIVERSITY, ISLAMABAD

JULY 2021

الرحمن الرحيم



With Name of

اللَّهُمَّ

*Most Merciful and Compassionate the Most Gracious and Beneficent Most kind
and Generous*

DEDICATION

*I would like to devote this
accomplishment
to my adored and caring Family
specially my Father
and
to compassionate Supervisor Dr. Arif Khattak
with his support
I was able to fulfill the necessities of
thesis.*

**SUBMISSION FORM OF THESIS FOR HIGHER RESEARCH DEGREE
BAHRIA UNIVERSITY, ISLAMABAD**

Candidate Name: TAYYBA SARRAZ

I submit 2 Copies of thesis for examination for the degree of MPhil Management Sciences,
Thesis Titled: “The Impact of Leadership styles on Innovative Work Behavior by mediating effect of
Employee Voice and moderating role of Leader Member Exchange”

Candidate Signature: _____ Date: _____

Certificate of Principal Supervisor

I _____ being the principal Supervisor for the above student, certify that thesis is in
a form suitable for examination and that the candidate has pursued his course in accordance with
the Rules of the University.

Signature: _____ Date: _____

Recommendation for Examination

I recommend that the thesis be examined.

Principal Supervisor: _____ Date: _____

Not Recommended for Examination

I recommend that the thesis be examined.

Principal Supervisor: _____ Date: _____

Co-Supervisor: _____ Date: _____

Statement by the Head Faculty/Department

I support the submission of the thesis of the above named student for examination under the
University Rules for higher degrees.

Signature: _____ Date: _____

BAHRIA UNIVERSITY, ISLAMABAD

APPROVAL SHEET

SUBMISSION OF HIGHER RESEARCH DEGREE THESIS

Candidate's Name: **TAYYBA SARFRAZ**

Discipline: **MPhil (Management Sciences)**

Faculty/Department: **Management Studies**

I hereby certify that the above candidate's work, including the thesis, has been completed to my satisfaction and that the thesis is in a format and of an editorial standard recognized by the faculty/department as appropriate for examination.

Signature(s): _____

Principal Supervisor: _____

Date: _____

The undersigned certify that:

1. The candidate presented at a pre-completion seminar, an overview and synthesis of major findings of the thesis, and that the research is of a standard and extent appropriate for submission as a thesis.
2. I have checked the candidate's thesis and its scope, format; editorial standards are recognized by the faculty/department as appropriate.

Signature(s):

Dean/Head of Faculty/Department: _____

Date: _____

Thesis Completion Certificate

Student's Name: Tayyba Sarfraz

Registration No. 63501

Programme of Study: MPhil (MS)

Thesis Title: ‘‘The Impact of Leadership styles on Innovative Work Behavior by mediating effect of Employee Voice and moderating role of Leader Member Exchange’’

It is to certify that the above student's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for Evaluation. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at **3%** that is within the permissible limit set by the HEC for the MS/MPhil degree thesis. I have also found the thesis in a format recognized by the BU for the MS/MPhil thesis.

Principal Supervisor’s Signature:

Date: _____

Name: Dr. Shazia Rehman

Author's Declaration

I, Tayyba Sarfraz hereby state that my MPhil thesis titled “The Impact of Leadership styles on Innovative Work Behavior by mediating effect of Employee Voice and moderating role of Leader Member Exchange” is my own work and has not been submitted previously by me for taking any degree from this university “Bahria University “or anywhere else in the country/world.

At any time if my statement is found to be incorrect even after my Graduate the university has the right to withdraw/cancel my MPhil(MS) degree.

Name of student: Tayyba Sarfraz

Date: _____

Plagiarism Undertaking

I, solemnly declare that research work presented in the thesis titled “The Impact of Leadership styles on Innovative Work Behavior by mediating effect of Employee Voice and moderating role of Leader Member Exchange” is solely my research work with no significant contribution from any other person. Small contribution / help wherever taken has been duly acknowledged and that complete thesis has been written by me.

I understand the zero tolerance policy of the HEC and Bahria University towards plagiarism. Therefore I as an Author of the above titled thesis declare that no portion of my thesis has been plagiarized and any material used as reference is properly referred / cited.

I undertake that if I am found guilty of any formal plagiarism in the above titled thesis even after award of MPhil degree, the university reserves the right to withdraw / revoke my MPhil degree and that HEC and the University has the right to publish my name on the HEC / University website on which names of students are placed who submitted plagiarized thesis.

Student / Author's Sign: _____

Name of the Student: _____

ACKNOWLEDGMENT

The Thesis outline **“The Impact of Leadership styles on Innovative Work Behavior by mediating effect of Employee Voice and moderating role of Leader Member Exchange”**.

This thesis was based on research and I have finished this under the assistance of Dr. Arif Khattak, my faculty guide.

I obligated massive intellectual debt to him; because he improved my awareness in the field of research in addition he helped me gaining knowledge about the subject matter and also provided me important impending interest in the subject matter.

My improved understanding in this subject is the effect of him unvarying supervision along with positive path with the purpose of helping me to understand appropriate, significant plus superior information.

I would like to express my intense appreciation towards BAHRIA UNIVERSITY, for having believe on me and also giving me the opportunity to carry out the above research.

Last but not the least I feel grateful to all those people who facilitated me directly or indirectly in doing well achievement of this learning.

ABSTRACT

Purpose- This study examines the leadership styles (Abusive, Autocratic & Ethical) and innovative work behavior through the moderator leader–member exchange (LMX) and mediator employee voice behavior. Particularly, this study utilized the social exchange theory to investigate the indirect effect of three distinct leadership styles on innovative work behavior through moderator LMX and mediator employee voice behavior.

Design/methodology/approach – Online Google questionnaires were used to collect data from 460 employees working in selected ten Institutions from Islamabad/Rawalpindi. Hypotheses were tested using SPSS and Process Macro.

Findings – One of the leadership styles was significantly related to IWB. LMX had a significant effect on employee voice behavior and innovative work behavior. Further, employee voice boosted the indirect relationship between Ethical leadership and innovative behavior. However, abusive and autocratic leadership styles demonstrated a significant but negative in direct effect on innovative behavior employee voice.

Practical implications – The organizational members need to encourage a high voice behavior to enhance the positive effects of Ethical leadership style on innovative employee behaviors.

Contrarily, they need to discourage abusive and autocratic leadership styles if they want to enhance innovative work behavior through employee voice and moderating role of LMX.

Furthermore, when leaders provide a safe environment to employees at the workplace, then they may feel secure to take risks and exhibit innovative work behavior, which ultimately contributes to increasing employee and organizational performance.

Originality/value – This study extended the existing literature on leadership styles in two important ways. First, this study examined the effect of leadership styles on innovative work behavior through voice behavior. Second, this is a key study to investigate which leadership styles are effective to boost employees' innovative work behavior at the individual level in the Pakistani organizational context.

Keywords: Abusive leadership, Autocratic leadership, Ethical leadership, LMX, Employee voice, Innovative work behavior

TABLE OF CONTENTS

DEDICATION

ACKNOWLEDGEMENT

ABSTRACT

LIST OF TABLESiv

LIST OF FIGURES.....vi

LIST OF ABBREVIATIONSvii

CHAPTER 1

1. INTRODUCTION.....1

1.1 RESEARCH GAP.....4

1.2 PROBLEM STATEMENT.....5

1.3 RESEARCH QUESTIONS.....6

1.4 RESEARCH OBJECTIVES.....6

1.5 SIGNIFICANCE OF THE STUDY.....6

1.6 SCOPE OF THE STUDY.....7

CHAPTER 2

2. LITERATURE REVIEW.....8

H1: LEADERSHIP STYLES AND IWB10

H2: EMPLOYEE VOICE AND IWB.....11

H3: MEDIATING ROLE OF EMPLOYEE VOICE.....13

H4: MODERATINGG ROLE OF LMX.....14

CHAPTER 3

3. METHODOLOGY.....17

3.1 RESEARCH PHILOSOPHY.....17

3.2 RESEARCH APPROACH.....17

3.3 RESEARCH TYPE.....18

3.4 RESEARCH DESIGN.....18

3.5 UNIT OF ANALYSIS.....	18
3.6 POPULATION.....	19
3.7 SAMPLING TECHNIQUE.....	19
3.8 SAMPLE SIZE.....	19
3.9 RESEARCH TECHNIQUE.....	19
3.10 DATA COLLECTION.....	20
3.11 DATA ANALYSIS.....	19
3.12 MEASURES.....	20
3.13 STATISTICAL TOOLS & DATA ANALYSIS.....	22
CHAPTER 4	
4. DATA ANALYSIS AND RESULTS.....	28
4.1. DESCRIPTIVE STATISTICS.....	29
4.2. CORRELATION ANALYSIS.....	30
4.3. REGRESSION ANALYSIS	31
CHAPTER 5	
5. DISCUSSION AND CONCLUSION.....	45
5.1 DISCUSSION.....	45
5.2 THEORETICAL AND PRACTICAL IMPLICATIONS.....	48
5.3. MANAGERIAL IMPLICATIONS.....	51
5.4. LIMITATIONS & FUTURE RESEARCH DIRECTIONS	52
5.5. CONCLUSION	53
REFERENCES.....	54
APPENDIXES.....	64
PLAGIARISM REPORT.....	74

LIST OF TABLES

TABLE NO.	TITLE PAGE
Table 2.1 Variables Definitions	8
Table 3.1: Frequency Distribution with respect to Gender.....	23
Table 3.2: Frequency Distribution with respect to Age.....	24
Table 3.3: Frequency Distribution with respect to Qualification.....	24
Table 3.4: Frequency Distribution with respect to University.....	25
Table 3.5: Frequency Distribution with respect to Experience.....	26
Table 3.6: Reliabilities of variables.....	27
Table 4.1: Descriptive Statistics.....	29
Table 4.2: Correlations of Variables.....	31
Table 4.3: Model Summary of relationship between Abusive Leadership and Innovative Work Behavior.....	32
Table 4.4: Model Summary of relationship between Abusive Leadership and Employee Voice Behavior.....	32
Table 4.5: Model summary of Employee Voice Behavior as mediator between Abusive Leadership and Innovative Work Behavior.....	33
Table 4.6: Total effect of Abusive Leadership on IWB.....	33
Table 4.7: Direct effect of Abusive Leadership on IWB when mediator is intermediate.....	34
Table 4.8: Indirect effect Abusive Leadership on IWB through mediator.....	34
Table 4.9: Model Summary of relationship between Autocratic Leadership and Innovative Work Behavior.....	36
Table 4.10: Model Summary of relationship between Autocratic Leadership and Employee Voice Behavior.....	36
Table 4.11: Model summary of Employee Voice Behavior as mediator between Autocratic Leadership and Innovative Work Behavior.....	37
Table 4.12: Total effect of Autocratic Leadership on Innovative Work Behavior.....	37

Table 4.13: Direct effect of Autocratic Leadership on Innovative Work Behavior when mediator is intermediate.....	38
Table 4.14: Indirect effect Autocratic Leadership on IWB through mediator.....	38
Table 4.15: Model Summary of relationship between Ethical Leadership and Innovative Work Behavior.....	39
Table 4.16: Model Summary of relationship between Ethical Leadership and Employee Voice Behavior.....	40
Table 4.17: Model summary of Employee Voice Behavior as mediator between EL and Innovative Work Behavior.....	41
Table 4.18: Total effect of Ethical Leadership on Innovative Work Behavior.....	41
Table 4.19: Direct effect of Ethical Leadership on Innovative Work Behavior when mediator is intermediate	41
Table 4.20: Indirect effect EL on Innovative Work Behavior through mediator.....	42
Table 4.21: Moderating Role of LMX.....	43
Table 4.22: Summary of Accepted and Rejected Hypothesis.....	44

LIST OF FIGURES

FIGURE NO.	TITLE PAGE
Figure 2.1: Theoretical Framework	15
Figure 4.1: The Mediating Role of Employee voice on Abusive leadership and Innovative work behavior.....	34
Figure 4.2: The Mediating Role of Employee Voice Behavior on Autocratic Leadership and Innovative Work Behavior.....	38
Figure 4.3: The Mediating Role of Employee Voice Behavior on Ethical Leadership and Innovative Work Behavior.....	42

LIST OF SYMBOLS/ABBREVIATIONS

IWB - Innovative Work Behavior

LMX - Leader Member Exchange

EVB – Employee Voice Behavior

ABL – Abusive Leadership

AL – Autocratic Leadership

EL – Ethical Leadership