

*Full Length Research Paper*

# Perception of organizational politics and LMX: Linkages in distributive justice and job satisfaction

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This study aimed to examine (a) the mediating role of leader-member exchange (LMX) in distributive justice-job satisfaction relationship and (b) the moderating role of perceptions of organizational politics in this mediation model. Sample of the study consisted of 1401 employees working in private business enterprises in Turkey. Results showed that (a) leader member exchange partially mediated distributive justice-job satisfaction relationship, and (b) perceptions of organizational politics moderated the mediation model. Specifically, leader member exchange mediated distributive justice-job satisfaction relationship when perceptions of organizational politics is low but not when it is high. In summary, the findings demonstrated that leader member exchange and perceptions of organizational politics represent key mechanisms in determining how distributive justice is associated with job satisfaction.

**Key words:** Job satisfaction, leader member exchange quality, distributive justice, perceptions of organizational politics, moderated mediation model.

## INTRODUCTION

Job satisfaction which refers to an employee's overall sense of well being at work (Ang et al., 2003) has been attracted the attention of scholars for many years. As it is seen as one of the important antecedents of life satisfaction and happiness (Rain et al., 1991; Rode, 2004), its importance has been mounting with the global crises that affect lots of people negatively all over the world. Thus, the necessity of understanding situational factors that may affect employees' job satisfaction has been increasing.

Among the variety of situational factors, distributive justice (Tyler, 1984; Folger and Konovsky, 1989; McFarlin and Sweeney, 1992) and quality of Leader Member Exchange (LMX) (Gerstner and Day, 1997; Green et al., 1996; Janssen and Van Yperen, 2004) are seen as important determinants of job satisfaction by previous research. Moreover, the positive association between distributive justice and LMX is underlined by different researchers (Cohen-Charash and Spector, 2001; Colquitt et al., 2001; Scandura, 1999). Although the dual relationships among these variables are recognized by researchers, their interaction in the same model has

not been examined yet (to our knowledge). Based on this gap in distributive justice, LMX and job satisfaction literature, this study investigates the relationship between distributive justice and job satisfaction with a linking mechanism of LMX.

This linkage mechanism can be open to effects of different situational factors in organizational settings. Hence, it is expected that the relationship among these three concepts and the mediating effect of LMX can be weaker or stronger according to different factors (moderators). In this study, a perception of organizational politics (POP) is examined as a moderating variable.

Hence, the aim of this study is twofold. First is to examine the mediating role of LMX between distributive justice and job satisfaction, and second is to identify the effect of POP in these relationships as a moderating variable. In the following section, conceptual background of the study hypotheses and the research model is explained.

## THEORETICAL BACKGROUND

### Distributive justice and job satisfaction

An employee's affective reaction towards his or her job

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plays an important role in work motivation, behavior and retention (Boswell et al., 2009). This affective reaction defined as job satisfaction (Locke, 1976; Wanous and Lawler, 1972) which refers to an employee's overall sense of well being at work (Ang et al., 2003).

Previous research provides evidence that job satisfaction is relatively stable over time (Judge et al., 2002; Levin and Stokes, 1989; Staw et al., 1986). Hence it can be treated as a dispositional factor. However, researchers also argued that the level of job satisfaction of an employee is influenced by situational factors, including the nature of work, human resource elements and the organizational environment (Gerhart, 1987; Hackman and Oldham, 1975; Smith et al., 1969). Combination of these dispositional and situational perspectives suggests that individuals have a tendency toward some level of job satisfaction, but there are factors that lead to higher or lower levels of satisfaction with the present situation (Steel and Rentsch, 1997). This study focuses on distributive justice perceptions of employees as a situational factor which is expected to affect employees' job satisfaction.

Justice in work settings is an extremely important issue to employees and management. The study of organizational justice, which started in 1960s, is a dominating theme in organizational life (Adams, 1965; McFarlin and Sweeney, 1992; Colquitt, 2001; Tekleab et al., 2005; Bhal and Ansari, 2006; Burton et al., 2008; Fryxell and Gordon, 1989; Wright and Sablinski, 2008). The clues from the organizational life suggest that organizational justice can be reflected in different facets of working lives. Thus, as the discussions continued, three distinct dimensions of organizational justice were defined, namely; procedural justice, distributive justice and interactional justice (Colquitt, 2001). Procedural justice is the perceived fairness of the policies and procedures (Folger and Greenberg, 1985); while distributive justice refers to the perceived fairness of outcomes or resource allocations. Procedural justice concerns how decisions are made, whereas distributive justice concerns their content and consequences (Folger and Greenberg, 1985). On the other hand, interactional justice involves the dignity and respect with which one is treated by one's supervisor (Bies and Moag, 1986; Colquitt, 2001).

As stated above, justice perceptions have been recognized as one of the major predictors of job satisfaction (Colquitt et al., 2001; Masterson et al., 2000; Moorman, 1991). Although three types of justice perceptions have separate impacts on job satisfaction, previous research has identified that distributive justice is a better determinant of job satisfaction compared to procedural and interactional justice (Tyler, 1984; Folger and Konovsky, 1989; McFarlin and Sweeney, 1992).

The notion of distributive justice refers to workers' concern about the fairness of resource distributions such as pay, rewards, promotions, and the outcome of conflict resolutions. According to Homans (1961), Blau (1964) and Adams (1965), distributive justice is judged by gauging

whether rewards are proportional to costs, outcomes and adhere to expectations, and outcome / input ratios match of comparison other (Colquitt et al., 2006). Folger and Konovsky (1989) found that perceptions of procedural justice were more strongly related to attitudes about an institution and its authorities, whereas perceptions of distributive justice were more strongly related to personal outcomes (Fryxell and Gordon, 1989) such as job satisfaction. Based on aforementioned findings of previous research, which emphasizes the vitality of distributive justice perceptions of employees on their job satisfaction, the first hypothesis of the current study is formulated thus:

H<sub>1</sub>: Distributive justice will be positively related to job satisfaction

### **Distributive justice and LMX**

The dyadic relationship between a leader and a member is examined under leader-member exchange (LMX) theory, which posits that leader behaviors are not necessarily consistent across all subordinates (Lee et al., 2007). According to LMX, leaders are considered to develop close relationships with only a few subordinates who are treated as trusted assistants (in-group members), and these relationships are characterized by high quality exchanges (high level of LMX quality) (Ellemers et al., 2004; Epitropaki and Martin, 2005). High level of LMX quality relationships are characterized by mutual trust, respect (Graen and Schiemann, 1978), positive support, open communication, shared loyalty (Dansereau et al., 1975; Dienesch and Liden, 1986; Graen and Uhl-Bien, 1995) and affection (Liden et al., 1993). On the other hand, low level of LMX quality relationships can be characterized by formal, role-defined relationships and by limited interaction (Howell and Hall-Merenda, 1999).

As previous research has identified that high level of LMX quality may create positive employee outcomes such as increasing job satisfaction, high performance and commitment (Graen and Schiemann, 1978), researchers have attempted to understand what factors play important role in determining the level of LMX quality and formation of in and out groups. In addition to factors emphasizing similarity between a leader and a member such as demographic and cognitive similarities (Atabay, 2007; Suazo et al., 2005), the notion of justice has appeared as one of the predictors of level of LMX quality. Justice perceptions of employees may play an important role in both formation and continuation of in and out group membership.

Regarding the role of justice perceptions in formation of in and out groups, it has been argued that only employees, who perceive their leaders' treatments, organization-wide policies and procedures and distribution of rewards as fair, can establish high quality LMX relationships with their leaders and be labeled as in-

group members (Dansereau et al., 1975; Dienesch and Liden, 1986; Graen and Uhl-Bien, 1995). Graen and Scandura (1987: 182) emphasize the role of justice as a predictor of level of LMX quality and state that one of the requirements for the development of high quality leader-member exchanges in organizations is that “each party should perceive the exchange as reasonably equitable or fair”. This argument has also been supported by previous research which stated that when individuals perceive that their contributions are evaluated and rewarded fairly, they tend to develop closer relationship with their supervisors, and in time, they can be labeled as in-group members (Manogran et al., 1994; Tekleab et al., 2005; Masterson et al., 2000; Cropanzano et al., 2002; Erdogan et al., 2006; Scandura, 1999).

Concerning the continuation of in-group membership, it can be argued that in-group members work harder and contribute more to the organization than out-group members but they also receive more positive outcomes such as challenging and meaningful task assignments (Scandura, 1999). Hence, this contribution-outcome relationship may refer to the fundamental dynamics of equity theory which states that employees compare their contributions and rewards with others’, and based on these comparisons they evaluate whether the situation is fair or not (Adams, 1965). As this evaluation can be a base for their future contributions and responses to the demands of their leader, it may be an important factor affecting level of LMX quality.

It is worth noting that LMX theory focuses on the dyadic relationship between a supervisor and a subordinate, and hence it may refer to intermediate (relationship) level concept. However, it is known that justice perceptions are attributed to organization itself, so they refer to macro (organization) level entities from the employees’ perspective (Burton et al., 2008). From this point of view, one can question, how a macro level entity (justice perceptions) can be a predictor of intermediate level concept (LMX quality). In order to answer this question, the role of supervisors as representatives of organizations should be underlined. Supervisors represent their organizations in their relationships with the subordinates. Hence, subordinates may tend to attribute their supervisors’ fair or unfair treatments to organization, or organization’s treatments to their supervisors. Therefore, it is expected that justice perceptions of employees will affect their relationship quality with the supervisors.

Among the three types of justice, distributive justice, which directly refers to fair rewarding the contributions of employees, is a good predictor of LMX quality (Bhal and Ansari, 2006). As explained above, when employees perceive that their contributions are rewarded fairly, they are willing to contribute more and take more responsibility which is expected to affect LMX quality in a positive manner (Cohen-Charash and Spector, 2001; Colquitt et al., 2001). Based on these explanations, the second hypothesis of the study is formulated thus:

H<sub>2</sub>: Distributive justice will be positively related to LMX

### **LMX and job satisfaction**

As stated above, supervisors generally assign in-group members to important, challenging and meaningful work tasks and make their contributions to the success of the organization clear (Graen and Uhl-Bien, 1995). Indeed, during their work, in-group members can gain considerable support, which can be characterized by delegation of formal authority and frequent feedback (Graen and Uhl-Bien, 1995), from their supervisors. Delegation, frequent feedback and support of the supervisor may help employees greatly to deal with the work-related problems (Janssen and Van Yperen, 2004). Moreover, receiving feedback from supervisor allows employees to experience positive feelings about themselves because by this way, they can realize that their accomplishments and efforts are recognized by their supervisor and the supervisor care about them. As feeling of accomplishment, recognition, having close relationships with supervisors are considered as the situational antecedents of job satisfaction (Tziner and Latham, 1989; Yukl, 1989), it can be argued that LMX can be a predictor of it. Hence, higher level of LMX indicates higher level of job satisfaction, which has also been supported by previous research (Gerstner and Day, 1997; Green et al., 1996; Janssen and Van Yperen, 2004). Accordingly, the third hypothesis of the study is formulated thus:

H<sub>3</sub>: LMX will be positively related to job satisfaction.

### **Mediating role of LMX between distributive justice and job satisfaction**

The dual relationships between distributive justice, LMX and job satisfaction has been examined by previous research as explained above. Also, LMX has been examined as a linking mechanism between the different types of justice perceptions and important employee outcomes such as job performance (Burton et al., 2008) and organizational citizenship behaviors (Burton et al., 2008; Masterson et al., 2000; Wayne et al., 1997). Moreover, its mediating role is identified in the relationship between procedural and interactional justice and job satisfaction (Masterson et al., 2000).

Although previous research treated LMX as a linking mechanism between different types of justice perceptions and employee outcomes, the relationship between distributive justice, LMX and job satisfaction has not been examined in the same model yet (to our knowledge). Thus, based on the aforementioned findings of the related research we argue that LMX mediates the relationship between distributive justice and job

satisfaction, and developed our fourth hypothesis is thus:

H<sub>4</sub>: LMX will mediate the relationship between distributive justice and job satisfaction.

### **Moderating role of perceptions of organizational politics**

Gandz and Murray (1980) suggest that organizational politics can be defined as *“a subjective state in which organizational members perceive themselves or others as intentionally seeking selfish ends in an organizational context when such ends are opposed to those of others”*. In the literature different kind of behaviors, which are directed towards serving the self interest of employees and managers at all levels, are considered as a part of organizational politics (Allen et al., 1979; Gandz and Murray, 1980). As it is difficult to determine whether a behavior is self-serving or not by employing an objective criterion, research on organizational politics mainly depends on people's perceptions (Harris et al., 2007). However, this is not seen as a problem for research accuracy, since people feel and act according to their perceptions (Lewin, 1936).

According to Kacmar and Carlson (1997), perceptions of organizational politics (POP) represents the degree to which respondents view their work environment as political in nature, promoting the self interest of others, and thereby unjust and unfair from the individual point of view. When people perceive their environment as highly politicized, they feel threatened. Thus, negative work attitudes such as turnover intentions (e.g., Miller et al., 2008; Poon, 2003), low worker satisfaction (e.g., Miller et al., 2008; Parker et al., 1995; Poon, 2003; Vigoda and Cohen, 2002; Witt et al., 2000) and low organizational commitment (e.g., Vigoda and Cohen, 2002; Witt, 1998) as well as occupational stress (e.g., Ferris et al., 1996; Harris and Kacmar, 2005; Poon, 2003) will arise. Poon (2006) mentions the inverse relationship between justice and politics perceptions and states that people may not know whether their efforts will be evaluated fairly or not, or they are uncertain about the accuracy of reward system, when they perceive their environment as highly politicized. In addition to its role as an independent variable, the indirect (moderating) effects of POP have been examined in predictive models of employee attitudes. For example, it is found that POP weakens the relationship between trust-in supervisor and helping behaviors of employees to coworkers (Poon, 2006), and between the accountability and job satisfaction (Breux et al., 2008).

When employees perceive high level of POP in their work environment but treated fairly by their supervisors, they will think that fair treatment is quite rare in their organization and perceive it as a more valuable asset comparing to employees who perceive low level POP in

their work environment. Hence, they tend to respond the fair treatment by showing their willingness to take more responsibility and work harder. By this way, the relationship between the leader and the employee becomes closer and goes beyond the formal requirements. Based on this argument, this study proposes that the relationship between distributive justice and LMX can be affected by the level of POP. Specifically, in a highly politicized work environment, distributive justice-LMX relationship becomes stronger. Hence, the fifth hypothesis of the study is formulated thus:

H<sub>5</sub>: POP will moderate the relationship between distributive justice and LMX. Specifically, under conditions of high perceptions of organizational politics, the relationship between distributive justice and LMX will become stronger.

As thus explained, high quality LMX relationships between the leader and in-group members are characterized by mutual trust, respect (Graen and Schiemann, 1978), positive support, open communication, shared loyalty (Dansereau et al., 1975; Dienesch and Liden, 1986; Graen and Uhl- Bien, 1995) and affection (Liden et al., 1993). They are aware that they have common interests and act like “they are on the same ship”. The close interaction and strong collaboration between the leader and in-group members can be perceived as a “coalition” by the rest of the members of the organization (e.g. out-group members, other managers).

The existence of coalitions in organizations has attracted the attention of scholars for many years. The view, which examines organizations as political coalitions, has developed years ago and widely supported by different organizational theorists (Cyert and March, 1963; March, 1962, 1965). According to this view, organizations are composed of different coalitions seeking for their self interests (March, 1962, 1965). As each coalition acts for serving its self-interests, they are expected to conflict with each other when their interests are incompatible. Literature provides strong link between existence of coalitions and the level of competition among them with the level of POP. Accordingly, forming a coalition, and gaining support from the coalition for influencing organizational decisions is seen as one of the frequently used political tactics (Kipnis et al., 1980; Stagner, 1969). Hence, it can be said that when the level of POP is high, people's tendency for acting in coalitions and also perceiving other work groups as coalitions will increase.

Therefore, under high POP settings, it can be argued that people's likelihood of perceiving the close relationship between the leader and in-group members as a coalition may increase. In such cases, rivals of the leader may attempt to outperform him/her through harming his/her in-group members. Thus, the risk of being target of political games may increase for in-group members, and their career may be affected negatively due to the political attacks of opposing coalitions. In this situation, it

can be argued that the in-group members may feel that they are in the middle of political games and their career may be affected negatively because of their close relationships with their leader. When the inverse relationship between the level of POP and job satisfaction is taken into consideration (Haris et al., 2007; Miller et al., 2008; Parker et al, 1995; Poon, 2003; Vigoda and Cohen, 2002; Witt et al., 2000), it can be argued that POP may affect the strength of the relationship between LMX and job satisfaction. Hence, under high POP conditions, it is expected that in-group members may be the target of political games and they feel uncertain about their job and career, which may weaken the positive relationship between LMX and job satisfaction. Based on this assumption, the sixth hypothesis of the study is formulated thus:

H<sub>6</sub>: POP will moderate the relationship between LMX and job satisfaction. Specifically, under conditions of high perceptions of organizational politics, the relationship between LMX and job satisfaction will become weaker.

As predicted in our hypotheses 5 and 6, if high level of POP strengthen the relationship between distributive justice and LMX while weaken the relationship between LMX and job satisfaction, then it is likely that the mediating effect of LXM on the indirect relationship of distributive justice- job satisfaction will also be moderated. Hence, we expect that the mediating effect of LMX may withdraw under high POP conditions referring to moderated mediation model. Accordingly, the last hypothesis of the current study is formulated thus:

H<sub>7</sub>: POP will moderate the positive and indirect effect of distributive justice on job satisfaction (through LMX). Specifically LMX will mediate the indirect effect when POP is low, but not when it is high.

Based on these hypotheses developed, the research model of the current study is developed (Figure 1).

## **MATERIALS AND METHODS**

### **Participants and procedures**

Data for this study was collected from full-time employees of different private business enterprises in Turkey. A total of 1401 employees responded to the survey. Our sample is composed of employees in working in private business companies operating in food, textile, tourism, automotive, education, health, retail and transportation sectors. The reason for collecting data from the above mentioned industries was that they give direction to the region's economy.

The ages of respondents ranged from 17 to 66 years, averaging 31.98 years (SD = 7.72) and average work experience of respondents was 8.8 years (SD = 7.42). Women constituted 50% of the group. 4.9% of the respondents were primary school graduates, 22.7% of the respondents were high school graduates, 58.8% were college graduates and 13.6% of the respondents held graduate degrees. The 23.7% of the respondents were managers; the 32.4% were blue collar and 43.9% were white collar employees.

## **Measures**

### ***Distributive justice***

The scale developed by Colquitt (2001) was used to measure distributive justice. It contains four items ( $\alpha = 0.89$ ), each assessed with a five-point Likert scale.

### ***Perceptions of organizational politics***

Perceptions of organizational politics was measured with the 15-item ( $\alpha = 0.74$ ) Perceptions of Organizational Politics Scale (POPS) (Kacmar and Carlson, 1997). Each item was measured on a five-point Likert scale.

### ***Leader-member exchange quality***

The quality of the supervisor-subordinate relationship was assessed using the seven-item measure ( $\alpha = 0.88$ ) of leader-member exchange (LMX-7) developed by Graen and Uhl-Bien (1995). Each item was measured on a five-point Likert scale. In their meta-analysis, Gerstner and Day (1997) indicated that LMX-7 has the soundest psychometric properties of all instruments.

### ***Job satisfaction***

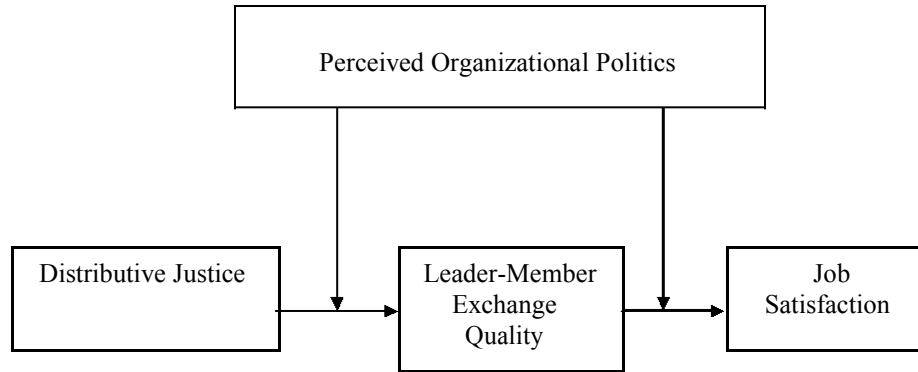
Job satisfaction was measured through the job satisfaction index developed by Brayfield and Rothe (1951) with 18 items ( $\alpha = 0.75$ ) that were evaluated on a 5-point Likert scale.

## **RESULTS**

Data was analyzed with SPSS 11 utilizing descriptive statistics, correlations, hierarchical regressions, Sobel test and a macro designed by Preacher et al. (2007). Descriptive statistics and correlations for key variables were presented in Table 1.

Significant correlations shown in Table 1 provided support for Hypothesis 1-3. There were significant correlations between distributive justice and job satisfaction ( $r = 0.20$ ; Hypothesis 1), distributive justice and leader-member exchange quality ( $r = 0.47$ ; Hypothesis 2), and leader-member exchange quality and job satisfaction ( $r = 0.23$ ; Hypothesis 3).

Leader-member exchange quality was hypothesized to mediate the effects of distributive justice on job satisfaction. According to Baron and Kenny (1986), mediation was indicated if the effect of the independent variable (distributive justice) on the outcome variable (job satisfaction) substantially decreased upon the addition of the mediator (leader-member exchange quality), while the mediator had a significant effect on the outcome variable. To test hypothesis 4, hierarchical regression analysis was run where distributive justice was the independent and the job satisfaction was the dependent variable in the first model, and then leader-member exchange quality was added to the model at the second step. As shown in Table 2, when leader-member exchange quality was added to the model, the regression



**Figure 1.** Hypothesized relationships.

**Table 1.** Means, standard deviations, and correlations among variables.

Key variable	N	Mean	SD	1	2	3
Distributive justice	1401	3.43	1.01			
Leader-member exchange quality	1401	3.54	0.82	0.47**		
Perceptions of organizational politics	1397	2.85	0.61	-0.23**	-0.28**	
Job satisfaction	1400	3.09	0.50	0.20**	0.23**	-0.19**

\*\* p< 0.01.

**Table 2.** Hierarchical regression results for Hypothesis 4.

Step and variable	Job satisfaction			
	Model 1		Model 2	
	Beta	t	Beta	t
1. Distributive justice	0.20*	7.64*	0.12*	4.01*
2. Leader-member exchange quality			0.17*	5.94*
F	(1, 1398) 58.41*		(2, 1397) 47.55*	
R <sup>2</sup>	0.04*		0.02*	
Adjusted R <sup>2</sup>	0.04		0.06	

\*p< 0.01.

coefficient of the relationship between distributive justice and job satisfaction decreased from 0.20 ( $t = 7.64$ ,  $p < 0.01$ ) to 0.12 ( $t = 5.94$ ,  $p < 0.01$ ). Moreover, in order to test whether the effect of distributive justice significantly decreased upon the addition of leader-member exchange quality, the Sobel Test was performed (Baron and Kenney, 1986; Sobel, 1982). This test revealed that leader-member exchange quality mediated the positive effects of distributive justice on job satisfaction ( $Z = 5.70$ ,  $p < 0.01$ ). However, after the inclusion of leader-member exchange quality, the direct effect of distributive justice on job satisfaction was still significantly greater than zero, thus depicting a partial mediation. Hence, the results provided partial support for Hypothesis 4.

To test Hypothesis 5, hierarchical regression analysis was run. At the first step, leader-member exchange

quality was regressed on distributive justice. At the second step, perceptions of organizational politics were added to the model to test its main effect. At the third step, the product term of distributive justice and perceptions of organizational politics was added to the model to test effects of moderation. According to the hierarchical regression results summarized in Table 3, the interaction term between distributive justice and perceptions of organizational politics explained a significant increase in the variance in leader-member exchange quality ( $R^2 = 0.01$ ,  $F(1, 1393) = 21.63$ ,  $p < 0.01$ ). Thus, perceptions of organizational politics were a significant moderator of the relationship between distributive justice and leader-member exchange quality lending support for Hypothesis 5.

The moderating effect of perceptions of organizational politics in the relationship between distributive justice and

**Table 3.** Results of hierarchical regression analysis with leader-member exchange quality as the dependent variable (n=1396).

Step and variable	Leader-member exchange quality					
	Model 1		Model 2		Model 3	
	Beta	t-value	Beta	t-value	Beta	t-value
1. Distributive justice	0.48**	20.15**	0.43**	18.22**	0.42**	17.64**
2. Perceptions of organizational politics			-0.18**	-7.60**	-0.18**	-7.66**
3. Distributive justice * perceptions of organizational politics					0.11**	4.66**
Model F	(1, 1395) 406.03**		(2, 1394) 240.17**		(3, 1393) 169.69**	
Total R <sup>2</sup>	0.23		0.26		0.27	
R <sup>2</sup>	0.23**		0.03**		0.01**	

\*\*p < 0.01.

justice and leader-member exchange quality was demonstrated in Figure 2. At high levels of perceptions of organizational politics, the relationship between distributive justice and leader-member exchange quality was stronger compared to lower levels of perceptions of organizational politics.

To test hypothesis 6, hierarchical regression analysis was run. At the first step, job satisfaction was regressed on leader-member exchange quality. At the second step, perceptions of organizational politics were added to the model to test its main effect. At the third step, the product term of leader-member exchange quality and perceptions of organizational politics was added to the model to test effects of moderation. According to the hierarchical regression results summarized in Table 4, the interaction term between leader-member exchange quality and perceptions of organizational politics explained a significant increase in the variance in job satisfaction (R<sup>2</sup> = 0.01, F(1, 1392) = 19.55, p < 0.01). Thus, perceptions of organizational politics was a significant moderator of the relationship between leader-member exchange quality and job

satisfaction lending support for hypothesis 6.

The moderating effect of perceptions of organizational politics in the relationship between leader-member exchange quality and job satisfaction was demonstrated in Figure 3. At low levels of perceptions of organizational politics, the relationship between leader-member exchange quality and job satisfaction was stronger compared to higher levels of perceptions of organizational politics.

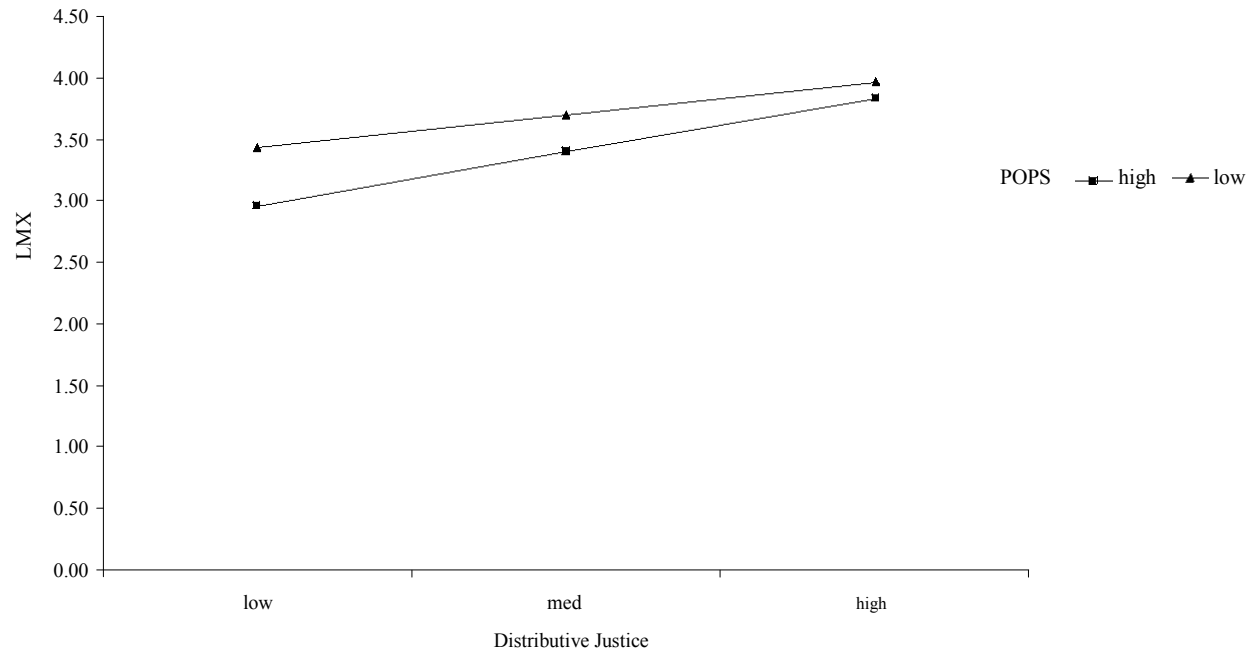
In order to test the moderating effect of perceptions of organizational politics on the mediating role of leader-member exchange quality between distributive justice and job satisfaction which was summarized in hypothesis 7, an SPSS macro designed by Preacher, Rucker and Hayes (2007) was utilized. This macro provided a method for probing the significance of conditional indirect effects at different values of the moderator variable. The results of the macro were shown in Table 5. According to the results presented in Table 5, conditional indirect effect was not significant at high levels of perceptions of organizational politics (at one standard deviation above the mean) while it was significant at lower levels

of perceptions of organizational politics (at one standard deviation below the mean).

## DISCUSSION

Based on the mounting importance of understanding and stimulating job satisfaction during the time when huge global crises have affected lots of employees negatively, this study aimed to identify the key mechanisms determining how distributive justice is associated with job satisfaction. Hence, a moderated mediation model which indicated that LMX mediated distributive justice-job satisfaction relationship while POP moderated this mediated relationship was developed and tested.

Regarding the relationship between distributive justice and job satisfaction, study results supported our first hypothesis indicating the positive effect of distributive justice on job satisfaction. Hence, as consistent with the previous research, this study underlines the importance of perceived fairness in terms of distribution of outcomes on employees' job satisfaction (Colquitt



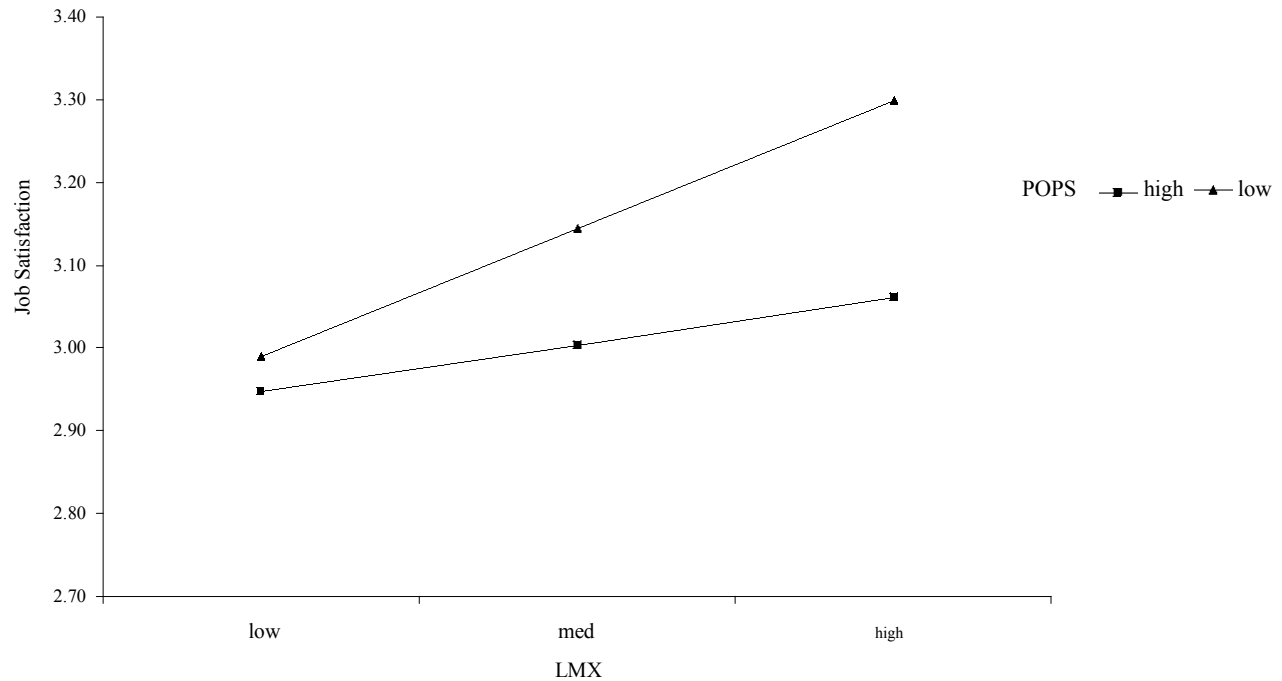
**Figure 2.** Moderating role of perceptions of organizational politics in the relationship between distributive justice and leader-member exchange quality.

**Table 4.** Results of hierarchical regression analysis with job satisfaction as the dependent variable (n = 1395).

Step and variable	Job satisfaction					
	Model 1		Model 2		Model 3	
	Beta	t-value	Beta	t-value	Beta	t-value
1. Leader-member exchange quality	0.23**	8.83**	0.19**	7.16**	0.21**	7.75**
2. Perceptions of organizational politics			-0.13**	-4.93**	-0.14**	-5.17**
3. Leader-member exchange quality * Perceptions of organizational politics					-0.12**	-4.42**
Model F	(1, 1394) 77.89**		(2, 1393) 51.72**		(3, 1392) 41.46**	
Total R <sup>2</sup>	0.05		0.07		0.08	
R <sup>2</sup>	0.05**		0.02**		0.01**	

\*\*p < 0.01.





**Figure 3.** Moderating role of perceptions of organizational politics in the relationship between leader-member exchange quality and job satisfaction.

**Table 5.** Regression results for conditional indirect effect (n = 1396).

<b>Mediator variable (LMX) Model</b>				
<b>Predictor</b>	<b>B</b>	<b>SE</b>	<b>t</b>	<b>p</b>
Constant	0.02	0.02	0.90	0.37
Distributive justice (DJ)	0.34	0.02	170.62	0.00
Perceptions of organizational politics (POP)	-0.25	0.03	-70.63	0.00
DJ * POP	0.13	0.03	40.62	0.00
<b>Dependent variable (Job satisfaction) model</b>				
Constant	30.08	0.01	2310.18	0.00
Distributive justice (DJ)	0.06	0.01	30.87	0.00
Perceptions of organizational politics (POP)	-0.11	0.02	-40.84	0.00
DJ * POP	0.05	0.03	10.94	0.05
Leader-member exchange quality	0.10	0.02	50.20	0.00
LMX * POP	-0.14	0.03	-40.93	0.00
<b>Conditional indirect effect at POP = M ± 1 SD</b>				
POP	<b>Indirect effect</b>	<b>SE</b>	<b>z</b>	<b>p</b>
-1 SD (-0.61)	0.05	0.01	50.68	0.00
M (.00)	0.03	0.01	40.98	0.00
+ 1 SD (0.60)	0.01	0.01	0.48	0.63

et al., 2001; Fryxell and Gordon, 1989; Masterson et al., 2000; Moorman, 1991). Moreover, the second hypothesis of the study that claims that LMX is positively associated with distributive justice was supported by the study findings. Results of the study supported our third hypothesis

that indicates that LMX is positively associated with job satisfaction. Therefore, study findings emphasize leaders' responsibility on determining employees' job satisfaction. It can be noted that the study results are in line with the previous research that examines the dual relationships

between distributive justice, LMX and job satisfaction (Colquitt et al., 2001; Fryxell and Gordon, 1989; Gerstner and Day, 1997; Graen and Schiemann, 1978; Green et al., 1996; Janssen and Van Yperen, 2004; Masterson et al., 2000; Moorman, 1991).

As stated above, the aforementioned dual relationships are well established in the literature. However, mechanisms that take place in distributive justice-job satisfaction relationship have not been well examined yet. Therefore, we aimed to understand the potential effect of LMX as a mediator in this relationship. Results showed that LMX partially mediated this relationship. Hence, leaders' fair treatments in terms of distribution of rewards played an important role in the development and continuation of high quality exchanges which then positively influenced employees' job satisfaction. Although previous research treated distributive justice as one of the antecedents of job satisfaction, and LMX was treated as a linking mechanism between different types of justice perceptions and employee outcomes such as job performance (Burton et al., 2008), organizational citizenship behaviors (Burton et al., 2008; Masterson et al., 2000; Wayne et al., 1997) and job satisfaction (Masterson et al., 2000), to our knowledge, this is the first study that emphasizes LMX as a mediator in distributive justice and job satisfaction relationship. Hence, this study contributed to the distributive justice, LMX and job satisfaction literature by underlining the role of LMX as a linking mechanism in the relationship between distributive justice and job satisfaction.

Moreover, results of the study supported moderated mediation model demonstrating that magnitude of the mediating effect of LMX was contingent upon the level of POP. Specifically, under high POP conditions the relationship between distributive justice and LMX became stronger, while the relationship between LMX and job satisfaction became weaker indicating that LMX mediated distributive justice-job satisfaction relationship when the level of POP was low but not when it was high. Hence, high level of POP resulted in disconnection between LMX and job satisfaction. This finding indicated an indirect but negative effect of POP on job satisfaction. Although POP was seen as an important situational factor whose effects were investigated as independent, mediator or moderator on different employee outcomes, its moderating role on mediating effect of LMX in distributive justice and job satisfaction relationship was not examined before. Thus, our study contributed to POP literature by identifying its moderating effect on this relationship.

According to the results, it can be argued that fair treatments of leaders and development of high quality exchanges with the subordinates may not increase subordinates' job satisfaction as much as expected when the level of POP is high in the work environment. Hence, through effective communication leaders may decrease the level of POP of their in-group members, and reduce its indirect but negative effects on the in-group members'

job satisfaction.

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