

Power Distance Belief and Employee Volunteering: The Moderating Effect of Leader-Member Exchange

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Abstract: In China, the implementation of volunteering is mostly under the organizational mobilization. The consciousness of people to actively participate in volunteering is relatively weak. Although employee volunteering is one of the important forces in the development of Philanthropy in China, the factors that affect employee volunteering are still poorly understood. This paper explores the effect of power distance belief on employee volunteering and its boundary conditions. The results show that individual-level PDB has a significant negative effect on employee volunteering. Leader-member exchange plays a moderating role in the relationship between power distance and employee volunteering.

Keywords: Power Distance Belief; Employee Volunteering; Leader-Member Exchange

1. Introduction

Volunteering behavior is an important symbol of civilization and progress in modern society. It has made positive contributions in making up the absence of market and government services, maintaining social order and promoting social fairness and harmony. In China, the implementation of volunteering behavior is mostly under the organizational mobilization and the consciousness of people to actively participate in volunteering behavior is relatively weak. As the public's expectations of corporate social responsibility rise, organizations shoulder greater responsibilities to society. As one of the main ways for organizations to assume social responsibility, voluntary service has attracted more and more attention from organizations. Farh, Zhong and Organ (2004) found that employees' participation in social public welfare activities such as voluntary service is a unique organizational citizenship behavior of Chinese employee^[1], and employee volunteering can significantly promote job satisfaction and performance. Therefore, exploring the factors that affects employee volunteering not only plays an important role in expanding the volunteer service group and developing the volunteer service cause, but also improves employees' work enthusiasm and performance. This paper explores the influence of power distance belief (hereafter PDB) on employee volunteering and its boundary conditions. As an important variable in organizational context, PDB refers to the degree of employees' recognition or acceptance for unequal power distribution (Farh, Hackett and Liang, 2007)^[2]. PDB exerts a subtle influence on employees' world outlook and values, and directly affects employees' prosocial behaviors (Luria, Cnaan and Boehm, 2015)^[3]. Employees with low PDB have a low level of tolerance to power distribution inequality and are willing to actively participate in prosocial behaviors to reduce social inequality. Employees with high PDB have a high tolerance degree for power distribution inequality, so they are not willing to change social inequality and are less motivated to participate in prosocial behaviors (Winterich and Zhang, 2014)^[4]. Therefore, PDB should have a significant negative effect on employee volunteering.

2. Hypothesis

2.1 Power Distance Belief and Employee Volunteering

Power distance was proposed by Hofstede in 1980. Hofstede (1980)^[5] summarized the cultural dimensions of a country from the perspective of national cultural values and pointed out that power

distance is the tolerance of a country or society to the unequal distribution of power. Power distance belief (PDB) measures individual acceptance of unequal distribution of power in a country or a society. Although power inequality exists in all countries, some countries are more likely to accept hierarchy than others (Oyserman, 2006)^[6]. Countries with high power distance culture mainly include Malaysia, Mexico and India. Countries with low power distance cultures include Austria, Denmark and the Netherlands. Compared with power distance, PDB is an individual's acceptance or recognition of the unequal distribution of power (Hofstede, 2003)^[7]. It is worth emphasizing that there are essential differences between the power distance and the sense of power. The sense of power is an individual's psychological perception of the size of his own power and his ability to influence others (Anderson, John and Keltner, 2012)^[8]. To be specific, individuals with a high PDB have a high degree of acceptance and tolerance of inequality in power distribution, and they are more tolerant to inequality. Individuals with a low PDB have a low degree of acceptance and tolerance for unequal distribution of power, so they will seek opportunities to reduce inequality. Farh, Hackett and Liang (2007)^[2] firstly introduced the PDB into the study of organizational behavior and found that PDB played a negative moderating role between the perceived organizational support and employee job performance.

It has been found that the PDB has a significant effect on employee prosocial behaviors. Some studies have explored the correlation between power distance and employee prosocial behaviors at the national level. For example, De Kort et al. (2010) found that power distance at the national level was significantly negatively correlated with blood donation^[9]. Luria, Cnaan and Boehm (2015)^[10] found in a survey of 66 countries that power distance was significantly negatively correlated with donation level, that is, employee in countries with high power distance showed less donation behavior. However, in countries with low power distance, employees' intention to donate is higher. Winterich and Zhang (2014)^[11] further verified the impact of PDB on employee donation behavior. They pointed out that employees with a low PDB had a low acceptance or tolerance of power distribution inequality. Thus, they always try to find opportunities to reduce inequality, so they have a high donation intention. However, employees with a high PDB have a high degree of tolerance or acceptance of unequal power distribution, and they will take inequality for granted, so they have a lower intention to donate. Employees with a low PDB, they are not willing to accept the unfair and unequal distribution within and outside the organization. They will try their best to reduce inequality and seek opportunities to make their own contributions.

H1: PDB is negatively correlated with employee volunteering.

2.2 The Moderating Effect of Leader-Member Exchange

The effectiveness of a leader's influence on followers or subordinates is through a focus on the binary relationship between the leader and his subordinates. Originally known as the vertical binary connection, leader-member exchange (LMX) differs from other leadership theories. The theory of LMX was originally developed as an alternative to the general leadership style. By referring to the social exchange theory, it is expected to explain the development of the dual relationship and the contact between the leadership process and the results. The characteristics of high quality LMX include high level of trust, interaction, support and formal and informal rewards. Therefore, to maintain balance or for the consideration of the principle of equitable social exchange, subordinates may go beyond their work role behaviors to engage in prosocial behaviors. Chinese society was divided as "differential pattern" according to the principle of "closeness and distance". Therefore, "relationship" was mostly centered on "self" and based on blood relationship. In this differential pattern, there are relatives, acquaintances and strangers and other groups. As an informal system, "circle" and "acquaintance" relationship play an important role in regulating people's behavior. In the context of "relationship" and "authority", the behavior of employees in an organization is often influenced by the relationship with their leader. Therefore, LMX may moderate the relationship between PDB and employee prosocial behaviors. Specifically, with higher quality of LMX, employees are more trust leaders, and have a higher level of recognition for leaders and evaluate them more positively. Hence, employees will be more willing to comply with their leaders' demands. In such an organizational environment, the negative effect of PDB on employees' prosocial behaviors will be weakened. On the contrary, when LMX is poor, employees are reluctant to comply with the requirements and instructions of leaders and are unwilling to make more efforts to obtain benefits for leaders. In such an environment, the negative effect of PDB on employees' prosocial behaviors is likely to be intensified.

H2: Leader-member exchange moderates the relationship between power distance belief and employee volunteering.

3. Study 1

To test H1, study 1 conducts a PDB priming experiment developed by Zhang, Winterich and Mittal (2010)^[12]. The temporary PDB manipulation will also have an impact on subsequent tasks.

3.1 Participants and Design

In study 1, participants were recruited from employees of a large hotel chain. 172 employees volunteered to participate in the experiment, including 80 males and 92 females, with an average age of 27.24 and ages ranging from 21 to 35. The experiment adopted a between-subject design. 86 employees were randomly assigned to the high PDB manipulation group, and 86 employees were randomly assigned to the low PDB manipulation group. All employees were told that the experimental results were only for academic research, and the experimental data would not be disclosed to anyone, and the experiment was completely anonymous. Participants were asked to answer according to their real situation. The experiment was carried out on WeChat platform through questionnaire star. We randomly divided 172 employees into the high PDB manipulation group and the low PDB manipulation group. In the high PDB manipulation group, employees need to complete the manipulation task of high PDB through the Internet. In the manipulating group of with low PDB, employees need to complete the manipulation task of low PDB online. After completing the PDB manipulation task, subjects were required to complete three manipulation test questions. Then, participants then responded to Rodell's (2013) five-item measure of employee volunteering ($\alpha = .89$; e.g., "I will give my time to help a volunteer group"). Finally, participants completed the prosocial behavioral tendency questionnaire and reported their gender, age, and education level.

3.2 Manipulation Check

First, the randomness of the experiment in Study 1 is tested. Table 1 shows the randomness test results in the experiment. As shown in the Table1, the mean value of gender in the low PDB manipulation group was 0.468, and in the high PDB manipulation group was 0.432. There was no statistically significant difference between two groups ($p = 0.631$). The mean value of age in the low PDB manipulation group was 28.261, while in the high PDB manipulation group was 26.213. There was no statistically significant difference between two groups ($p = 0.219$). The mean value of educational level in the low PDB manipulation group was 1.991, while in the high PDB manipulation group was 1.814. There was no statistically significant difference between two groups ($p = 0.415$). The mean value of prosocial behavior tendency in the low PDB manipulation group was 3.568, and in the high PDB manipulation group was 3.713, showing no statistically significant difference ($p = 0.533$). Therefore, in experiment 1, the subjects in the low PDB manipulation group and in the high PDB manipulation group are randomly assigned.

Table 1: The Sample Randomness Test in Study 1

	High PDB (n=86)	Low PDB (n=86)	Samples (n=172)	p-value
Gender	0.432 (0.131)	0.468 (0.141)	0.451 (0.155)	0.631
Age	26.213 (3.105)	28.261 (3.301)	27.237 (3.013)	0.219
Education level	1.814 (0.289)	1.991 (0.218)	1.891 (0.287)	0.415
Prosocial tendency ($\alpha = 0.84$)	3.713 (0.521)	3.568 (0.661)	3.621 (0.598)	0.533

Note: Gender is 0-1 variables, and male is 1 and female is 0. Age is a continuous variable (ranging from 21 to 35). Prosocial tendency is a continuous variable (ranging from 0 to 7). Education level is an ordered variable (1 = High school and below, 2 = Junior college, 3 = Undergraduate, 4 = Master and above). 0-1 variables were tested by χ^2 . Continuous variables were tested by Mann-Whitney test. The parentheses are the standard error of the mean value.

Secondly, we tested whether the manipulation of PDB was successful. Three manipulation test items were "Now, I think...", and "At this moment, I agree with..." They are tested with Likert 7-point scale, (1 = "Social class is important", 7 = "Social equality is important", $\alpha = 0.79$). The higher the score, the lower PDB of participants. The mean value reported by participants in the low PDB manipulation group is 4.433 (standard error of the mean was 0.243), while the mean value reported by

subjects in the high PDB manipulation group is 3.822 (standard error of the mean was 0.255). There is a significant difference between them ($p < 0.01$, Mann-Whitney test). Therefore, the manipulation for PDB in study 1 is successful.

3.3 Hypothesis Testing

Firstly, we tested the experimental results by ANOVA analysis. The results showed that there was a significant difference on the employee volunteering intention between the manipulating group of low PDB and high PDB [$F(1, 171) = 7.22, p = 0.012$]. Gender, age, education level and prosocial behavioral tendency of employees were taken as covariables to conduct ANOVA analysis. After controlling these variables, the main effect of PDB remained significant [$F(1, 171) = 6.98, p = 0.019$].

Figure 1 shows the mean value of employee volunteering reported by employees in the manipulating group of high PDB and low PDB. The employee volunteering in the low PDB manipulation group is 3.812 (standard error is 0.511). The employee volunteering intention in the high PDB manipulation group is 3.011 (standard error is 0.492). There is a significant difference between them ($p = 0.033$, Mann-Whitney test).

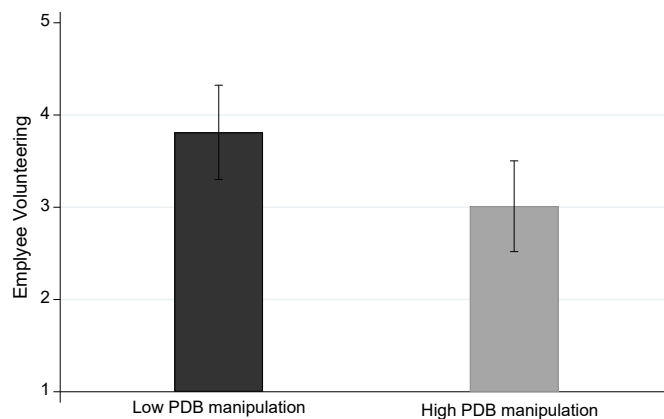


Figure 1: Employee volunteering in the different PDB manipulating group. Error bar is the mean \pm standard error of mean.

Secondly, the experimental results were tested by regression analysis. Employees volunteering was taken as the dependent variable, and low PDB was taken as the independent variable. If employees came from the manipulating group of low PDB, the value was 1. If employees came from the manipulating group of high PDB, the value was 0. Gender, age, education level and employees' prosocial behavioral tendency were taken as control variables to conduct orderly Logistic regression. The regression results were shown in Table 2.

Table 2: Regression analysis of PDB priming on employee volunteering

Variable	Employee volunteering		
	(1)	(2)	(3)
Low PDB manipulation	0.214*** (0.134)	0.198*** (0.121)	0.175*** (0.144)
Gender		-0.015 (0.012)	-0.010 (0.019)
Age		0.241 (0.444)	0.321 (0.642)
Education level		0.254 (0.092)	0.143 (0.099)
Prosocial behavior tendency			0.213* (0.099)
Constant	0.891 (0.433)	0.889 (0.658)	0.718 (0.511)
Pseudo R^2	0.098	0.123	0.154

Note: *, **, ***represents $p < 0.10, p < 0.05, p < 0.01$. Numbers in brackets are the robust standard errors clustered at the individual level.

Table 2 are the regression analysis results of the manipulation of PDB on employee volunteering.

Model (1) in Table 2 is the regression analysis of the manipulation of low PDB on employee volunteering. The regression coefficient of low PDB manipulation was significant as 0.214, which was statistically significant at 1% level. In other words, low PDB manipulation significantly improves employee volunteering. In model (2), gender, age, education and other control variables of employee were added, and the results showed that the regression coefficient of manipulation of low PDB was 0.198, which was statistically significant at 1% level. The regression coefficients of gender, age and education level were not statistically significant. In model (3), the prosocial behavior tendency of employee was further added, and the results showed that the regression coefficient of manipulation of low power distance was 0.175, which was still statistically significant at 1% level. The regression coefficient of prosocial behavioral tendency was 0.213 and had statistical significance at the level of 10%. The prosocial behavior tendency of employees has a significant positive effect on employee volunteering intention. The regression coefficients of sex, age and education level were not statistically significant.

4. Study 2

4.1 Participants and Measurement

Participants in Study 2 are 192 employees from a real estate enterprise. In each questionnaire, we briefly explained the purpose of the questionnaire firstly. Then participants were clearly informed that the study was anonymous. The data was mainly used for academic research, and the confidentiality of the data was fully guaranteed. A total of 187 valid questionnaires were collected, with a recovery rate of 97.4%. To avoid measurement error, the scales of PDB, LMX and employee volunteering were measured in three waves. In wave one, participants filled in the PDB scale. One month later, participants finished the LMX scale. Two month later, they finished the employee volunteering scale and control variables (e.g., age, sex and education). We used a six-item measure of PDB developed by Farh, Hackett and Liang (2007)^[2]. The sample items were “Managers should make most decisions without consulting subordinates”, and so on. It is measured by 7-point scale (1 = “Strongly disagree” and 5 = “strongly agree”) ($\alpha = 0.88$). Employee volunteering was measured using Rodell’s (2013)^[13] five-item on a 5-point scale from 1 (almost never) to 5 (very often). The sample items were “I give my time to help a volunteer group”, and so on ($\alpha = 0.86$). LMX used the seven-item of Gerstner and Day (1997)^[14]. The sample items were “My supervisor would come to my defense if I were ‘attacked’ by others”, and so on ($\alpha = 0.86$). It is measured by 5-point scale (1 = “Strongly disagree” and 7 = “strongly agree”).

4.2 Hypothesis Testing

The average age of the participants was 27.43 years, among which 126 were range from 24 to 30 years old, 46 ranging from 31 to 40 years old, and 15 ranging from 41 to 45 years old. There were 81 males, accounting for 43.32% and 106 females, accounting for 56.68%. 95 participants with bachelor’s degree, accounting for 50.81%; 45 participants with junior college degree, accounting for 24.06%; 36 participants with master’s degree, accounting for 19.25%; 11 participants with high school degree or below, accounting for 5.88%. Table 3 is descriptive statistics and correlation analysis of variables in study 2. As shown in Table 3, PDB is significantly negatively correlated with employee volunteering (the correlation coefficient is -0.35). The correlation coefficient between LMX and employee volunteering is not statistically significant. In addition, the correlation coefficient between LMX and PDB is 0.21, which is not statistically significant as well.

Table 3: The Correlation Coefficient in Study 2

Variable	M	SD	1	2	3	4	5	6
1. Employee volunteering	3.01	1.01	1					
2. PDB	2.79	0.56	-0.35**	1				
3. LMX	3.55	1.03	0.10	0.21	1			
4. Gender	0.43	0.32	0.11	-0.02	0.10	1		
5. Age	27.43	3.98	-0.14	0.17	-0.12	0.07	1	
6. Education level	3.21	0.89	0.16	0.04	0.10	-0.01	0.02	1

We examined the validity of the measures using confirmatory factor analyses in Mplus 8. The results indicated that the three-factor model (employee volunteering, PDB and LMX) fit the data very well, $\chi^2(364) = 865.50$, CFI = 0.92, TLI = 0.93, RMSEA = 0.05. We also tested alternative models. The three-factor model provided significantly better fit to the data than the two-factor models, in which employee volunteering and PDB were combined into one factor, employee volunteering and LMX were combined into one factor, and PDB and LMX were combined into one factor. Overall, these findings supported the discriminant validity of the three variables.

Table 4: Moderating effect of LMX on PDB and employee volunteering

Variable	Employee volunteering	
	Model 1	Model 2
Constant	3.21 (1.45)	3.17 (1.56)
Age	1.21 (0.35)	1.26 (0.34)
Gender	0.26 (0.10)	0.29 (0.11)
Education level	0.49 (0.19)	0.57 (0.17)
PDB	-0.29** (0.09)	-0.35** (0.08)
LMX	0.16 (0.13)	0.11 (0.06)
LMX×PDB		-0.17** (0.07)
R^2	0.108	0.141

Note: ** represents $p < 0.05$. Numbers in brackets are the robust standard errors clustered at the individual level.

Table 4 lists the results of the moderating effect of LMX on PDB and employee volunteering. The dependent variables of Model 1 and Model 2 are employee volunteering. Firstly, it can be seen from Model 1 that PDB has a significant negative effect on employee volunteering, with a negative regression coefficient and statistical significance. LMX does not have a significant effect on employee volunteering. Secondly, in Model 2, the regression coefficient of LMX × PDB is -0.17, which is statistically significant at the level of 5%. It means that LMX has a significant moderating effect on PDB and employee volunteering. Hypothesis 2 has been verified.

5. General Discussion

This paper examines the influence of PDB on employees volunteering behavior and broadens the relevant research on volunteering behavior. At present, most of the researches on volunteering behavior concentrate on voluntary organizational management, incentive and safeguard mechanism, motivation and functioning. Most of them are qualitative examination or relevant researches. This paper explored the effect of PDB on employee volunteering and its boundary condition. As an important situational variable in organization, PDB is a root factor in individual decision-making system and guides individual behavior. An individual's behavior is always consistent with his values. Hence, individual cultural values may play a decisive role in volunteering behavior. Secondly, this paper examines the moderating effect of LMX on PDB and employee volunteering and enriches the relevant researches on LMX. Previous studies on LMX have shown that the quality of LMX is positively correlated with the frequency of followers' participation in activities beyond employment contracts.

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