Vol. 4, No. 4 (Fall 2023)

Pages: 1 - 14

p-ISSN: 2791-0237

DOI: 10.55737/qjss.268722239



• e-ISSN: 2791-0202

Open Access 3



# Role of Psychological Contract Violation between Employee **Expediency and Exploitative Leadership**

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**Abstract**: Previous studies rarely examined the antecedents of employee expediency(EE) with interactive effect of exploitative leadership(EL) with mediating role of psychological contract violation(PCV) in banking sector of developing country like Pakistan. Based on social cognitive theory, this study tried to fill the research gap by investigating the direct relationship between EE and EL and also checked the mediating role of PCV between the relationship of EL and EE. To validate this relationship, 400 employees who were working in different banks of Punjab, Pakistan were investigated through survey questionnaire. The smart PLS 4.0 was used to measure the relationship and test the hypothesis in which structured equation modeling played a vital role in checking the relationship between variables. The results showed that EL directly effect on EE. This study also found that PCV mediates the relationship between EL and EE. This study enhances the literature and body of knowledge in HRM and OB. Finally, this study helps managers to understand the employees, co-operate and support them in order to get good performance from them and to improve the overall performance of organization.

Key Words: Exploitative Leadership (EL), Employee Expediency (EE), Psychological Contract Violation (PCV)

#### Introduction

Recently, researchers have given considerable attention to a set of behaviors of employees in the workplace that are both negative and problematic, as well as unethical or illegal. From the last few years, it has seen a number of researchers paid close attention to these behaviors in the workplace (Dhanani & LaPalme, 2019). Academic studies have focused on overt unethical behaviors, including bullying, cheating, abuse, and stealing, in order to better understand their causes and effects (Tepper et al., 2007). It is disappointing that the research community has largely ignored covert unethical workplace behavior that can impact organizations in a subtle and damaging way. This behaviors is known as expediency (Ren et al., 2021). The term employee expediency refers to employees who engage in unethical practices to expedite their work (Greenbaum et al., 2018).

Researchers tend to agree that it is a common phenomenon that expediency at work has negative consequences despite the fact that the topic is understudied at present (Eissa, 2020; Jonason & O'Connor, 2017). The fact that employees engage in such behaviors in the workplace has been largely unanswered by researchers (Eissa, 2020). The present study examines the organizational factors that lead employees to engage in expedient behavior. Many reasons may be behind an employee's expedient behavior, such as personal reasons or factors related to the organization (Fayyaz & Waheed, 2023).

It has been observed that leadership research in recent years has increasingly examined the negative aspects of destructive leadership behaviors, which have been neglected for a long time since leadership research in recent years has increasingly focused on the destructive side of destructive leadership

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To Cite: Khan, N., & Tariq, A (2023). Role of Psychological Contract Violation between Employee Expediency and Exploitative Leadership. Qlantic Journal of Social Sciences, 4(4), 1-14. https://doi.org/10.55737/qjss.268722239



behaviors (Krasikova et al., 2013). There are different structures and patterns of destructive leadership that lead to different negative behaviors of leaders (Schyns & Schilling, 2013).

A destructive leader's multiple behaviors can have negative consequences as a result of his or her destructive leadership style(Abdulmuhsin et al., 2021). Leaders who make decisions primarily to further their own interests are considered selfish leaders (Schmid et al., 2019). Research into exploitative leadership has increased in recent years. Exemplifying exploitative leadership by putting followers under pressure, taking their credit, giving them tedious tasks, and manipulating them have all gained much attention. Several previous studies have shown that exploitative leadership can increase psychological distress, turnover intention, knowledge hiding, and deviant behaviors among employees, as well as impair their job satisfaction, commitment to the company, innovative behavior, and job performance, as well as impairing their performance at work (Sun et al., 2023).

There are certain expectations from every employee when they join an organization. One of those expectations is to have a stable, positive, unbiased work environment that will continue to keep them engaged throughout their tenure in that organization (Ahmed & Azmi Bin Mohamad, 2016). It is a common occurrence that organizations do not fulfill psychological contracts by failing to fulfill informal agreements, commitments, expectations, and understandings between employees and their employers (Lim et al., 2023). Negative workplace events and major organizational results can be explained by psychological contract breaches as an affective state (Nabawanuka & Ekmekcioglu, 2022). Here, exploitative leadership is related to negative workplace events, which lead to employee expediency.

Earlier studies have uncovered a number of conceptual and theoretical gaps concerning exploitative leadership and employee expediency. This study aims to fill those gaps. The objective of this study is to demonstrate the relationship between exploitative leadership (EL) and employee expediency(EE) in the banking sector of Pakistan by using social cognitive theory. This study examines EL and EE with mediation roles of physiological contract violations (PCV) in Pakistani banking sectors. As the researcher knows, PCV provokes employees' expediency when they face EL. As far as researcher knowledge is concerned, this relationship has not been widely researched in the past. Employees of banks were studied for this study. An organization's success is dependent on the performance of its employees. Banks are the largest financial institutions in any nation, so when banks achieve their goals, the economy of the nation automatically grows.

The population of this study is public and commercial banks in Punjab, Pakistan. These are the objectives associated with this study.

- 1. To investigate the effect of EL on EE.
- 2. To identify the effect of EL on PCV.
- 3. To identify the effect of PCV on EE.
- 4. To determine the role of PCV between EL and EE.

This study will answer the following research questions.

**RQ1:** What is the impact of EL on EE?

**RQ2:** What is the impact of exploitative leadership on PCV?

RQ3: What is the impact of PCV on EE?

**RQ4:** What is the impact of PCV on the relationship between EL and EE?

#### Statement of Problem

As soon as an employees joins any organization, they have different expectations. Psychological contracts themselves is based on the assumption that unwritten agreements between employers and employees will be fulfilled. During a manager's or supervisor's interaction with an individual, they form an understanding of the workplace environment that is reinforced by policies and systems, which include the expectation that employers should provide protection for employees and create a safe working environment that is free from negative acts such as exploitation and that employers should not force their employees into situations that are extremely difficult for them in exchange for the work they have done for the organization.

People learn from one another according to social cognitive theory, so when they feel PCV from top

management, they react negatively, and it leads to poor performance and a decline in the overall performance of an organization. It is important to address this behavior and performance issue in banks since they are large organizations which role is to support the economy of any country.

# Significance of the Study

Banks are the organizations where careful working is needed. For managers of banks or other organizations, this study will assist them in gaining a deeper understanding of how their exploitative behavior affects employees as well as how they act expediently as a consequence. Consequently, employee loyalty decreases every day, and this will adversely affect the quality of services provided by banks and other organizations. In other words, it is a loss for an organization in the long run. It is obvious that employees who are satisfied with their working environment will perform better. This study will help top management to understand that mental well-being plays an important role in employee performance. We intend to use this study as a tool to help managers of organizations to understand the importance of creating a working environment that is conducive to employee satisfaction. As a result of top management's effort to develop a corporate culture, employees will follow this culture automatically, improving the performance of the organization as a whole.

# Development of Hypotheses and Literature Review Social Cognitive Theory

Albert Bandura's social cognitive theory proposes that human behavior is the product of the interaction between personal factors, environmental influences, and behavioral patterns. He emphasized the role of observational learning, social experience, and reciprocal determinism in human behavior, suggesting that people are both influenced by and actively influenced by their environments.

# Exploitative leadership and Employee expediency

Whenever an employee conducts unethical acts in order to facilitate their work for their own benefit, it is called employee expediency (EE). EE is an unethical behavior that is hidden, non-interpersonal, and has low moral value (Eissa, 2020). An employee who is expedient will ignore company protocols in order to get what they want, enforce company rules only when it benefits them financially, and so forth (Greenbaum et al., 2018). Researchers have begun to investigate the antecedents of EE and have found that the more initiative employees take and the more expedient their supervisors behave, the greater the chances that employee expediency will occur (Eissa, 2020; Greenbaum et al., 2018).

The EL style has been documented as one of the most destructive and passive leadership styles that have been associated with negative leadership styles and has resulted in the failure of many contemporary initiatives that sought to strengthen both the competitiveness and sustainability of organizations (Schmid et al., 2019). A typical leadership behavior at times is for leaders to prioritize their own goals over those of their subordinates by manipulating and lying, blaming subordinates for mistakes they make, and indulging in other hidden bullying behaviors. A self-interest concept can be derived from egocentric behaviors such as demonstrating a disregard for subordinates' achievements, putting pressure on subordinates to accomplish the tasks they have set out to accomplish, and basing employees' success on those of their subordinates (Maner & Mead, 2010; Schmid et al., 2019). EL is individualized behavior in which the leader puts his own interests before the interests and needs of his subordinates and the objectives of his organization. The outcomes of exploitation-based leadership are that the concepts of self-interest and priorities that exploitative leaders foster negatively impact the motivational and behavioral patterns of their subordinates as well as their ability to generate valuable insights and ideas that can benefit the organization as a whole (Camps et al., 2012).

H1: EL significantly affects EE

### Exploitative Leadership and Psychological Contract Violation

Five high-order behaviors describe EL, according to Schmid and his colleagues (2019): displaying genuinely egoistic behavior, taking credit from followers, exerting pressure on followers, manipulating



followers, and under-challenging followers. It is first important to note that exploitative leaders are genuinely egoistic: they prioritize their own interests above those of their followers. Second, they are not averse to taking credit from their followers. A common tactic used by exploitative leaders is to claim credit for their followers' work despite the fact that they make no contribution to it themselves, despite the fact that they are taking credit for their followers.

A third characteristic of EL is that they place excessive pressure on followers, regardless of whether they are already overburdened with work. A fourth characteristic of exploitative leaders is their tendency to manipulate followers. In order to accomplish their own self-interests, exploitative leaders tend to under-challenge followers by putting them through tedious tasks or hindering their advancement. Finally, exploitative leaders tend to undermine followers by putting them through tedious tasks or hindering their advancement. It's important to note that leaders who exploit their followers in this manner can both take advantage of them in the long run and keep them from becoming potential competitors in the future (Sun et al., 2023).

According to Rousseau's original projects, the concept of psychological contract first appeared in 1989, where the employer-employee relationship was explained in terms of mutual and reciprocal responsibilities (Rousseau, 1998); it also recognized the possibility that groups of individuals could form non-written agreements with their organizations (Gibbard et al., 2017). A psychological contract represents an implied or tacit agreement between one group of workers and another group of supervisors (Argyris, 1960). A presupposition lies in the fulfillment of an unwritten agreement between the company and the employees (Coyle-Shapiro et al., 2019; Rousseau, 1998). As a result, employees are more likely to perceive psychological contract breaches because they don't receive the adequate feedback they need about how to deal with the situation, and their expectations aren't met by their employers or colleagues (Salin & Notelaers, 2017; Ugwu & Oji, 2013).

Prior research indicated that some psychological factors also perform their role between EL and EE (Cheng et al., <u>2021</u>). So, in this study, PCV is considered as a mediator in order to check its impact on the dependent and dependent variables.

**H2:** EL is significantly related to PCV.

#### Psychological Contract Violation and Employee Expediency

When employees work closely together and have frequent interactions with their managers, an implied agreement can be discerned if their managers are expected to meet these expectations, and it is apparent when these expectations are not met. Once the implied agreement is breached, the implied agreement is recognized as a breach (De Vos & Tekleab, 2014; Laulié & Tekleab, 2016). Considering the interdependence between leaders and employees, the degree of interdependence between them, and the amount of time needed to complete successive tasks that are required to be achieved, psychological contracts between employers and employees have been breached.

According to Ju et al., 2019, employees are more motivated internally to perform responsibly when their psychological needs at work are met. However, when psychological needs are not met at work, employees may perceive that they have been violated psychologically, which may lead to demoralization among employees. A situation in which employees behave expeditiously is, therefore, more likely to be present in such a situation. An employee exhibiting expediency is one who skips important steps and stretches organizational rules to get things done faster (Eissa, 2020). It has been demonstrated that expediency is more likely to occur when work conditions are highly demanding, and efficiency is the top priority of the organization (Jonason & O'Connor, 2017). Due to the lack of expediency, organizations suffer a great deal of failure and ignominy because important procedures are skipped under the excuse of expediency (Greenbaum et al., 2018). As unethical behavior, self-interest enhancement takes precedence over rules and ethical expectations within an organization. The concept of expediency refers to the trade-off between means and ends that individuals make when choosing between them (McLean Parks et al., 2010).

Using unethical shortcuts or tactics in order to achieve personal interests is expediency, according to a recent study (Greenbaum et al., 2018). It's quite convenient for performance to be increased at the expense of ethical standards when employees who expedite their behavior are perceived as flexible, and it's very easy for their behaviors to be regarded as flexible, especially when they expedite their behaviors (Greenbaum et al., 2018; Ren et al., 2021). A lot of low-status employees in modern organizations are still under the pressure of their employers. If they cannot cross the line, they may simply lower their additional efforts and act unethically in order to meet their superiors' demands (Mishra et al., 2022). Prior research proved that employees engage in unethical acts like expediency when they feel Psychologically breached. So, in this study, the next proposition is the relationship between PCV and EE.

H3: PCV positively related to EE.

# Psychological Contract Violation Mediate the Relationship between Exploitative Leadership and Employee Expediency

According to Schmid et al. (2019), leaders who exploit their followers are more likely to prioritize their own interests over those of their followers, and they see the followers as tools for their own goals. The exploitative leader, for example, will not hesitate to take credit for a project they didn't manage much of for their own benefit(Van Dijk & De Cremer, 2006). A manager who exploits their followers can exert extreme pressure using cruel deadlines and manipulations. Moreover, exploitative leaders will not hesitate to overburden them with drab, mundane tasks even when they are already overwhelmed. (Schmid et al., 2019). As a result, exploitative and constructive voice leaders are less likely to think twice about exploiting a team member rather than furthering their career, in contrast to other forms of leadership, such as servant leadership, who are more likely to take advantage of their team members for their own advantage and ethical leadership(Van Dijk & De Cremer, 2006; (Brown & Treviño, 2006). Psychological contract theory describes a contractual relationship as one in which an individual believes that an obligation or promise exists and that, regardless of the explicit nature of the contract, the one party (often the employer) in the relationship is obligated to fulfill the promises and obligations it makes to the other party (employee) (Ali et al., 2010; Guest & Conway, 2002). When the employee perceives that the organization has failed to fulfill its own commitments, he or she perceives a PCV (Tomprou et al., 2015). It has been suggested by Wolfe-Morrison and Robinson (1997) that employees may perceive violation when the employer fails to fulfill an obligation it owes them, either because the employer lacks the ability or simply is unwilling to fulfill it. Conversely, perceptions of violation can occur when there is confusion or misunderstanding between the parties about the nature of their responsibilities or expectations (Morrison & Robinson, 1997). In most cases, such perceptions trigger an emotionally and psychologically negative reaction. The result is usually significant frustration and deep-seated anger (Robinson & Wolfe Morrison, 2000).

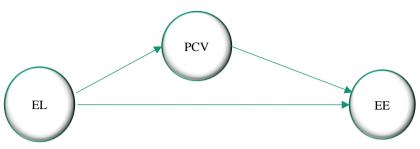
Furthermore, employees are motivated to act expeditiously when faced with performance pressures since that is a direct and efficient method of dealing with difficult and urgent circumstances (McLean Parks et al., 2010). It is important to understand that in order to effectively achieve specific objectives, the rules that govern how things are supposed to function become elastic and are able to accommodate increasing pressures on them to perform (McLean Parks et al., 2010). When employees are faced with high demands, they expedite their work to meet those demands, and their efficiency is the most important thing that helps them succeed in their jobs (Jonason & O'Connor, 2015). Expediency is considered an unethical behavior. It fails to consider an organization's rules and society's expectations in favor of self-interest enhancement (McLean Parks et al., 2010).

It is obvious that employees have some expectations from their leaders or managers that they understand their work pressure and will give them ample time for their career development. But when these expectations are not fulfilled, they feel betrayed, and in return, they show expedient behavior to complete the tasks. Here, we develop the next hypothesis, which explores the relationship between exploitative leadership and employee expediency in the presence of psychological contract violation as a mediator.

**H4:** PCV mediates the relationship between EL and EE.



# Hypothesized Model



#### Research Methodology

A thorough understanding of the important assumptions that underpin the research philosophy is critical to selecting appropriate methods for a study (Saunders et al., 2009). It is important for business and management researchers to understand the philosophical commitments associated with selecting a research strategy so that they can both understand what they are doing and what they are investigating (Blumberg et al., 2014). The study takes a positivist philosophical stance because it examines the research hypotheses proposed by the study. From a quantitative paradigm perspective, the study is chosen, and from a philosophical perspective, the study takes a quantitative paradigm perspective (Antwi & Hamza, 2015). Positivism is appropriate when it comes to quantifying relationships (Ryan, 2006). It is the positivist philosophy that is closest to natural science since it is based on observable phenomena, and the results of such studies are law-like generalizations similar to those produced by natural scientists; therefore, positivism is the philosophy closest to natural science (Saunders et al., 2009). A non-probability sampling strategy is used to collect data and meet the objectives of a study. The carelessness of the people involved can also result in a partial sampling of the ideal sample despite the strength of probability sampling. Non-probability sampling can, when carefully controlled, deliver acceptable results (Cooper et al., 2006).

The data collection technique used in this research paper is cross-sectional. Purposive sampling (restrictive) was used to gather data according to the study's research questions and objectives. Using a one-shot approach, the data in this paper is acquired from employees of public and commercial banks in Punjab, Pakistan, through a questionnaire administered both personally and electronically. Approximately 207 samples should be included in an average study, according to a recent study (J. F. Hair et al., 2012). It is generally understood that the population of an investigation refers to all the people, objects, and events that have an impact on the research subject. This study examines public and commercial banks in the Punjab province of Pakistan. Because of time and resource limitations, this study has been unable to examine the entire population; therefore, the data have been collected from the associated sample, a subset of the entire population. Several middle managers of commercial banks are carefully selected from this population. According to Sekaran (2006), It is important that the population size is large enough so that generalizations about the population can be made. Cochran's formula is used when an explanation for the population is not available (Kotrlik & Higgins, 2001). The formula calculates 400 respondents to be included in the sample. A total of 450 questionnaires were distributed at the beginning, and 90% of respondents responded because the data collection was administered personally. Approximately 400 questionnaires were filled out by respondents between 25 and 56 years old. We got 400 questionnaires with complete responses in the final. Some values were missing in some questionnaires.

**Table 1** *Measurement instrument* 

Variables	No of Item	Authors	Cronbach's Alpha value
Exploitative Leadership	15	Schmid ( <u>2019</u> )	0.95
Employee Expediency	04	Greenbaum ( <u>2018</u> )	0.82
PCV	04	Robinson & Morrison (2000)	0.94

The independent construct of this study was exploitative leadership. The measurement scale to measure EL has been reformed by Schmid (2019), cited in Ken Cheng et al. (2021). The scale has 15 questions,

comprised of 'My manager takes it for granted that my work can be used for his or her personal benefit' and My manager does not hesitate to manipulate or deceive employees in order to reach his or her goals, 'etc. The dependent variable of this study was employee expediency. Scale to EE has been modified from Greenbaum (2018) cited in Ken Cheng et al.(2021). The scale contained 4-items for measurement. Sample items included 'I often cut corners to complete work assignments more quickly' and I only apply firm rubrics when it benefits or wellbeing myself.' etc. The measurement scale to measure PCV has been adapted from (Robinson Morrison, 2000), cited in (Saleem et al., 2021).

A questionnaire survey was sent to 450 employees of the Banking sector in Punjab, Pakistan, to determine the validity and reliability of the data. The most commonly encountered problem in obtaining valid and reliable results is missing data in addition to out-of-range results. When there is missing data in a dataset, it is statistically weak and might result in a biased estimate (Kang, 2013). Four hundred scores were obtained with an 89% response rate after the researcher dropped 50 incomplete questionnaires from the final dataset. Out of 450, 50 questionnaires were missing values, and we found 400 questionnaires with full responses. After evaluation of the data, we found 318 were male participants while 82 females attempted this questionnaire. The data shows male is 79.5% and female are 20.5 at the workplace. Regarding education, the data shows that only 10 % of respondents had bachelor's degrees, 58.4 % acquired master's degrees, 28 % obtained MS/MPhil degrees, and only 3.8 % were PhD's. After evaluation of the data, we find that 39.5 % of persons have 5-10 years of experience, 54.3 % have 11-20 years of personal mastery, and only 6.3 % have the experience of 21-30 years. According to the study, only 4% of respondents were between 21-35 years age group while 92.5 % belonged to the age group of 36-45 and only 3.5 % were of 46-55 years of age group. Below is a detailed demographic assessment of the respondents:

**Table 2**Demographic variable demographic variable category count (N)

Demographic Variable (400)	Category	Count (N)	Percentage (%)	
Gender	Male	318	79.5	
	Female	82	20.5	
Age	21-35	16	4.0	
	36-45	370	92.5	
	46-55	14	3.5	
Experience(Years)	5-10	158	39.5	
	11-20	217	54.3	
	21-30	25	6.3	
Education Level	Bachelor Degree	40	10	
	Masters Degree	233	58.4	
	MS/MPhil	12	28.0	
	PhD	15	3.8	

# **Analysis Strategy**

Data distribution plays an important role in multivariate analysis (J. F. Hair et al., 2012). As an advantage, Smart-PLS does not take into account normal distributions of data. Hair et al. (2017) found that PLS-SEM can be used with non-normal data as well. Skewness and kurtosis were used to determine if the data was normal (Tabachnick & Fidell, 2007), giving threshold values of 2 for skewness and kurtosis;(Blanca et al., 2013) giving threshold values of 1.38 and 5.045 for skewness and kurtosis respectively, and Stevens (2002) gives thresholds of 2 and 7 respectively. Latent and exogenous variables are related through their intercorrelations to determine the degree of multi-collinearity. A high multi-collinearity value shows unreliable estimates (J. F. Hair et al., 2012). To determine whether an indicator is multi-collinear, the variance inflation factor (VIF) is calculated, which measures the amount of variance that other indicators of the same construct contribute. The variance inflation factor (VIF) value should be less than 5 for p > 0.05 to prevent multi-collinearity issues. As a result of this research, all values were well below 5 with exploitative leadership (2.949) being the highest and Psychological contract violation (1.925) being the lowest.



**Table 3** *Multicollinearity intercorrelations* 

	VIF	
EE1	1.964	
EE2	2.546	
EE3	2.159	
EE4	2.034	
EL1	1.821	
EL10	2.784	
EL11	2.878	
EL12	2.852	
EL13	2.71	
EL14	2.781	
EL15	2.877	
EL2	2.164	
EL3	1.961	
EL4	1.929	
EL5	2.615	
EL6	2.949	
EL7	2.736	
EL8	2.826	
EL9	2.744	
PCV1	2.194	
PCV2	2.505	
PCV3	2.511	
PCV4	1.925	

#### Structural Equation Modelling (PLS-SEM)

As part of this research study, Hair et al. (2017) analyze the suggested theoretical model using the Partial Least Square Structural Equation Model (PLS-SEM). Models based on PLS-SEM have powerful predictive capabilities. Discriminant validity— Heterotrait-monotrait ratio (HTMT) As defined by (Henseler et al., 2015), heterotraitmonotrait (HTMT) is superior to cross-loadings and Fornell Larcker in Monte Carlo simulations. A recommendation was made to use HTMT inference in PLS path modeling to assess discriminant validity. As described by Roemer et al. (2021), HTMT inference has threshold values, respectively, of 0.85 and 0.90. All HTMT values were below the acceptable threshold. As a result, discriminant validity is good in this research, as shown in Table 4/

**Table 4**Heterotrait-monotrait ratio (HTMT)

	EE	EL	PCV
EE			
EE EL	0.718		
PCV	0.774	0.688	

# Construct Reliability and Validity

An instrument's validity is determined by whether it calculates what it developed to measure. To improve the measurement model, reliability tests were conducted to ensure that results were consistent and equal (Blumberg et al., 2014). Adding a minimum alpha threshold of 0.50 was utilized to ensure internal consistency reliability, and reliability maximization iterations were performed in order to increase internal consistency reliability. We maximized reliability by using an alpha threshold of 0.50 combined with

sufficient internal consistency and performed reliability maximization iterations for each item. A construct's dependability is examined as part of determining the instrument's internal consistency level, and an average extracted variance (AVE) is calculated to establish the construct's convergent validity.

Table 5

	Cronbach's Reliability of		The composite reliability of	AVE (Average Variance	
	alpha	Composites(rho_a)	coefficient(rho_c)	Extracted)	
EE	0.872	0.873	0.913	0.723	
EL	0.958	0.959	0.962	0.63	
PCV	0.881	0.89	0.918	0.737	

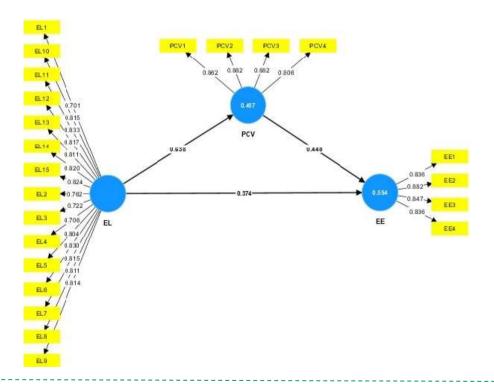
Table 5 illustrates the model's validity. Table 5 shows that all requirements for valid constructs have been fulfilled. This number falls between 0.5 and 0.9 using Nunnally's guidelines (Götz et al., 2010) for validating constructs. When Cronbach's alpha is greater than 0.5, it shows the construct as a whole is homogeneous. The scale must have a reliability of at least 0.70 in order to qualify for a good rating, so we can conclude that it is reliable. Correlation between constructs determines discriminant validity (J. Hair et al., 2017). In cases where the AVE is greater than 0.5, manifest variables can explain more than half the variance. In spite of this, Henseler et al. (2015) note that AVE values over 0.4 should be considered acceptable. AVE values for all three latent constructs were above 0.50, which shows strong convergent validity and shows that the measurement scales have a high degree of accuracy.

#### Structural Model

In Figure 2, we show a prototype for identifying the linkages among latent constructs through the study of their relationships.

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Figure a



Based on bootstrap-generated R2 values for each dependent variable, all central R2 values for this study are excellent matches. This study demonstrates that bootstrap-generated R2 values can be used to evaluate the forecasting ability of the model. This study is sufficient to show that exogenous variables impact endogenous variables, EE, in this study due to the minimum value of R2.

Figure 2 shows that Cronbach's alpha is high and good in all latent variables, which proves the significant relationship between variables. All the outer loadings are more than 0.50, which is good and



shows a significant relation (with a 0.000 value where p<0.05) between the variables. The above model showed Cronbach's Alpha value of EE is 0.872, EL has 0.958, and PCV is 0.881, which shows the strong reliability of the latent variables.

In this study, for validating and invalidating hypothesis testing, Chin's (2020) approach has been used. For the Evaluation of a hypothesis, to determine whether it is accepted or rejected, the bootstrapping method is used. Hence, there is a hypothesis that the P value p < 0.05 threshold is statistically significant, and in the results of this study, all the resulting values are according to the p < 0.5 threshold. We use the p < 0.05 threshold to check the significance of the relation with 5000 bootstrapping.

**Table 6**Structural model estimation on the total sample

	Path	Sample	Standard deviation	T statistics	P	Hypothesis
	Coefficients	mean	(STDEV)	( O/STDEV )	values	
EL -> EE	0.374	0.373	0.061	6.175	0	Accepted
EL -> PCV	0.638	0.639	0.041	15.738	0	Accepted
PCV -> EE	0.448	0.449	0.057	7.819	0	Accepted
EL -> PC>EE	0.286	0.288	0.045	6.4	0	Accepted

PLS-SEM is used for the estimation of the path coefficient, which represents the relationships hypothesized among variables that are latent in nature (Hair et al., 2017). path coefficient values range from -1 to +1 for the standardized approach. Usually, values close to 1 specify a strong relationship, while values close to 0 specify weak or no relationships (Hair et al., 2017). the standard error determines the coefficient's significance in bootstrapping. For significance checks, each structural path model is analyzed using an empirical t-value and p-value. With "two-tailed tests," t-values are assessed differently depending on the significance level, i.e., 2.57 with 1.96 with a significance level of 5%, 1%, and 1.65 with a significance level of 10%. (Hair et al., 2017). Table 6 shows the path coefficients for direct and indirect effects. The signs are given based on the hypothesized relationships between the latent constructs. This resulted in the identification of a model path that showed the direction of the relation, which yielded a t-value higher than 1.65 in both situations and a t-value higher than 1.96 in the other cases.

The other path coefficients ranged between 0.374 for direct relationships and 0.488 for indirect effects of EL on the relationship of EE and PCV, with t-values of more than 2.57, showing statistical significance at P<0.05. As a result, all the hypothesized relationships in this study were proved, as shown in the table. Our H1 is "Exploitative leadership effect on employee expediency," which is accepted and shows the significant effect of the independent variable (EL) on the dependent variable (EE). Our H2 is exploitative leadership is positively related to Psychological contract violation. According to the values of the table, our mediating variable (PCV) has a significant positive impact on the dependent variable (EE) and is accepted here in this study. The third hypothesis is "Psychological contract violation positively related to Employee Expediency," which shows the significant positive impact of the mediating variable (i.e., Psychological contract violation) on the dependent variable (i.e., Employee expediency) in a direct relationship. The fourth hypothesis, "Psychological contract violation mediates the relationship between EL and EE," shows the significant impact of our mediator (PCV) on the relationship of the independent variable (i.e., EL) and dependent variable (i.e., EE) and it is an indirect effect of the latent variable.

#### Discussion

Based on social cognitive theory (SCT), it has been developed and examined by a mediation model to determine when, why and how EL affects EE. According to SCT, EL positively effect on EE in accordance with theory, in agreement with previous research showing that employees may behave negatively under EL (Schmid et al., 2019; Cheng et al., 2021).

It has been found that EL does have a positive effect on EE, which is an important contribution to the field of research on the antecedents of expediency, and it is one of the key contributions of our study. According to our understanding, the majority of current research on antecedents of EE has focused on how

employees' creativity (Eissa, 2020) and supervisors' expediency (Greenbaum et al., 2018) affect EE; however, the important question of how leaders' influences EE mostly remains unanswered.

According to this study, EL has been demonstrated to be positively correlated with EE, and Leadership plays an important role in fostering EE, which will lead to a deeper understanding of the importance of leadership. Additionally, our research contributes to the literature of EL in that it expands the range of outcomes that EL can achieve in order to contribute to the literature. In this study, PCV is outlined as being a fundamental reason for the positive impact of EL on EE by revealing that PCV mediates the relationship between EL and EE as a whole. EL is destructive leadership. In the past, it also proved that due to destructive leadership, employees are psychologically betrayed, and their performance is affected (Kayani & Alasan, 2021). When employees feel that their leaders use them for their own purposes, overburden them, and put their tags over employees' work in order to show them active and responsible, this is a violation of the psychological contract between the employer and employee.

Our study demonstrated that PCV worked as a critical cognitive phenomena between EL and EE, drawing on social cognitive theory (Bandura, 1991).

## **Practical Implications**

This study provides some managerial implications. First of all, it has been proved in this study that there is a correlation between EL and EE. Organizations must realize that the behavior of leaders or managers contributes a lot to the performance of employees. There should be an easy environment for the employees. Such an environment also encourages the employees to innovate.

Organizations should develop such systems which shoule vigilant over managers to observe their behavior. Their promotion and compensation should be based on zero exploitation complaints. The development of a leader's awareness of one's interdependence with others is also highly recommended as part of training programs. In addition, organizations need to establish safe complaint channels to enable employees to express their concerns regarding the misconduct of their leaders as soon as possible.

Second, we conclude that PCV was a proximal antecedent of EE. Hence, top management should understand that the psychological well-being of employees is a very necessary thing for the progress of the organization, so provide them with a comfortable and relaxed environment, which prevents employees from engaging in expedient behavior. As a result, they tend to disregard job protocols when they feel their leaders disregard values of fairness, which can negatively impact their performance. They also tend to disregard job protocols when they feel they are being betrayed by their manager.

#### Limitations and Future Directions

This study contributes to the literature on EE in the service sector using a psychological contract perspective. This is also one of the rare studies to examine the effect of EL on EE with the mediating role of PCV in the Pakistani banking sector. This study developed and operationalized a mediation model using a longitudinal survey design. However, the study also has some limitations that can be considered in future research.

First of all, this study was conducted in Pakistan and isn't generalizable to other countries, particularly Western countries with individualistic cultures. Consequently, future research that extrapolates the study's results to other developed and developing countries with collectivist and individualistic cultures would serve as a full extension of the findings in this study.

Secondly, due to limited resources and time, this research is conducted in service sectors like banks in Pakistan. It can be done in other service sectors like hospitals and academic institutes and as well as in manufacturing sectors of Pakistan as well as other countries of the world with large sample sizes.

Thirdly, in future research, another potential mediators other than PCV can be used, like stress and Leader-member exchange.

Fourthly, in this research, PCV is considered a mediator in future research. It can be considered as moderator.



#### Conclusions

The relationship between the suggested study variables was determined using the PLS-SEM approach. The findings of the current study will be helpful for managers as well as management to improve the challenges and effects of EL. Exploitative leadership leads to unfavorable psychological results in employees. By being exposed to manipulative management, workers would be forced to implement a policy of reserves defending (Kiyani et al., 2021).

In this study, PCV is one of the reasons for EE due to EL. We present some important suggestions for organizations to reduce EE and EL by embracing the social cognitive perspective. Our observed conclusion enhances our understanding of EE and EL.

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