

The “Bottom-Line” Mentality of Leaders and Subordinates Towards Social Undermining

Noviardi Effendi ^a, M. Rasyid Abdillah ^{a,*}, Helwen Heri ^a

^a Magister of Management, Postgraduate Program, Universitas Lancang Kuning, Indonesia.

ABSTRACT

Securing certain bottom-line results is usually considered beneficial to the profitability of the organization. Organizations have an interest in upholding different goals and values which have different effects on different stakeholders. But adopting a bottom-line mentality encourages simple thinking where employees treat every situation as if only one goal is relevant. In terms of the theoretical model, we use socio-cognitive theory (Bandura, 1977, 1986) to propose that the bottom-line mentality of leaders is positively related to the bottom-line mentality of employees. On the basis of conceptual arguments related to bottom-line mentality (Callahan, 2004; Wolfe, 1988), we hypothesized that leader mentality is positively and significantly related to employee mentality. Likewise with the leader's mentality towards Social Undermining, the two variables are positively related but not significant. On the other hand, subordinate mentality is negatively and insignificantly related to Social Undermining.

ARTICLE HISTORY

Received 17 October 2022
Revised 28 October 2022
Accepted 31 October 2022

KEYWORDS

Bottom Line Mentality,
Social Undermining

Introduction

Bottom-line mentality or BLM (Bottom-Line Mentality) is one-dimensional thinking that revolves around securing bottom-line outcomes by ignoring competing priorities [1]. Existing empirical work on BLM has revealed the influence BLM leaders can have on workplace behaviors, such as belittling co-workers, unethical pro-leader behavior (Mesdaghinia et al., 2018), abusive supervision [2], and exemplary behavior [3]. The term underscore is informally defined as gain or loss, as business or basic or most important factor, consideration, meaning, etc. Social disempowerment or destruction in the workplace is defined as behavior intended to impede the ability to build and maintain positive interpersonal relationships, work-related success, and a good reputation over time [4].

PT CKDT is a foreign private company operating in Indonesia in the field of petroleum chemicals (Oil Field Chemicals) with the CX brand for a global-international scale. Currently, the number of man power CX for operations throughout Indonesia is in the thousands. With quite a number of employees at CX, there are also many activities that connect one another. And it is possible that there will be many different perspectives. Employees may engage in social harm because of the way they perceive priorities in the workplace. The case that often occurs is the attitude of senior employees who feel they have worked longer and are more powerful than junior employees. This has a bad effect on junior employees such as

* **CORRESPONDING AUTHOR.** Email: m.rasyidabdillah@unilak.ac.id

disrespecting or not helping seniors who are not good at work. Likewise, employees who have higher education than employees with lower basic education. The attitude of feeling "more" because they have the above abilities make the attitude of employees with higher education rarely to help employees with lower education. As such, they may feel threatened by the success of their co-workers. This is where the expertise of a leader is needed in assessing and managing his resources so that cases like this do not become a boomerang for the effectiveness of performance among employees.

This study will use Social Cognitive Theory (Social Cognitive Theory) developed by Albert Bandura [5]. Social cognitive theory is a theory that emphasizes the idea that most human learning occurs in a social environment. Bandura developed his theory to discuss the ways in which people have control over events in their lives through self-regulation of their thoughts and actions. The basic process includes setting goals, assessing the likely outcomes of actions, evaluating progress toward goal attainment, and self-regulation of thoughts, emotions, and actions.

According to Greenbaum et al, leaders with high BLM tend to ignore competing priorities such as employee welfare and use employees as interests that focus on the bottom line, and therefore employees will perceive BLM leaders as poor exchange partners. Existing research shows when employees and leaders have differences in values and/or attitudes, it results in lower quality relationships [6]. Employees who adopt a one-dimensional frame of mind that revolves around end results tend to ignore competing organizational priorities, a phenomenon we refer to as bottom line mentality [7]. Meanwhile, according to [8] social harassment is a subtle but harmful form of workplace aggression that includes actions such as taking credit for the work of others, withholding information, or slandering.

The following is an overview of the framework of thinking in this research:

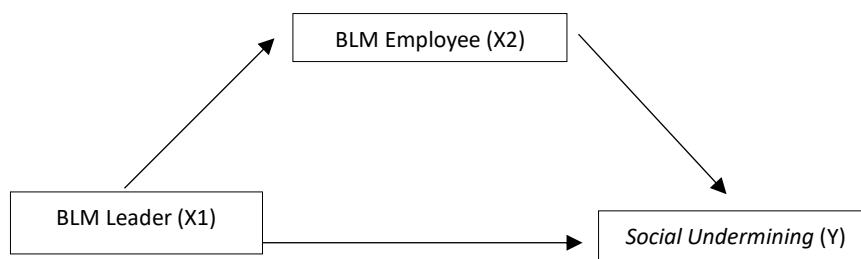


Figure 1. Thinking Framework

Research method

Quantitative Method

The research method that will be used is descriptive quantitative with probability sampling technique. The population of CX companies throughout Indonesia is thousands of people. However, for the sample, only 75 people will be taken. Primary data will be examined through surveys with closed questionnaires and secondary data, namely through books or previous

scientific research. The scale of the survey formulation will use a Likert scale of 7 answers (value 1 for strongly disagree – 7 for strongly agree).

To measure the indicator of the independent variable (seeking profit, using employees as the interests of the organization, seeing anyone as an opponent, being selfish) namely BLM Leaders symbolized by X1 will be used the Tepper scale with 15 question items. Meanwhile, to measure the indicators of the mediating variable (irresponsible for their work, neglect of duties, disciplinary deviations, eroding organizational values, reducing resource productivity), namely Employee BLM symbolized by X2, the Behaviorally Anchor Rating Scale (BARS) scale will be used with 13 question items. And to measure the dependent variable indicators (somatic complaints, depression, self-efficacy), namely Social Undermining symbolized by Y, the Maslach Burnout Inventory (MBI) scale will be used with 21 question items.

Data analysis in this study will use the SmartPLS software, which is a variant-based structural equation analysis (SEM) that can simultaneously test the measurement model as well as test the Structural model. The measurement model is used to test the validity and reliability (outer model). While the structural model is used for causality test.

Results

The results of the Convergent Validity Test state that there are 5 valid indicators from 15 questions on the Leader BLM variable, 5 valid indicators from 13 questions for the BLM Subordinate variable and 12 valid indicators from 21 questions on the Social Undermining variable. This valid indicator can be interpreted as a representative of the latent variable (loading factor value 0.7)

The results of the Discriminant Validity Test stated that the variable X1 to X1 (0.803) had a higher value than X1 to X2 (0.791) and to Y (0.176). Likewise, the variable X2 to X2 (0.763) has a higher value than X2 to Y (0.076). This means that all variables used in this study have met discriminant validity.

The results of the reliability test stated that the X1 variable was very reliable with a value of 0.790, the X2 variable was reliable with a value of 0.642 and the X3 variable was very reliable with a value of 0.901. And the Composite Reliability variables X1, X2 and X3 are above 0.7. This means that the instrument used is reliable. When compared between Cronbach Alpha and Composite Reliability the value of Composite Reliability is greater than Cronbach Alpha.

The Model Fit Test results state that the SRMR value is 0.079, meaning that the value is in the range of standard values and the model can be said to be suitable. While the NFI value is between 0 and 1, namely 0.665, meaning that the NFI model can be said to be in accordance with the model built.

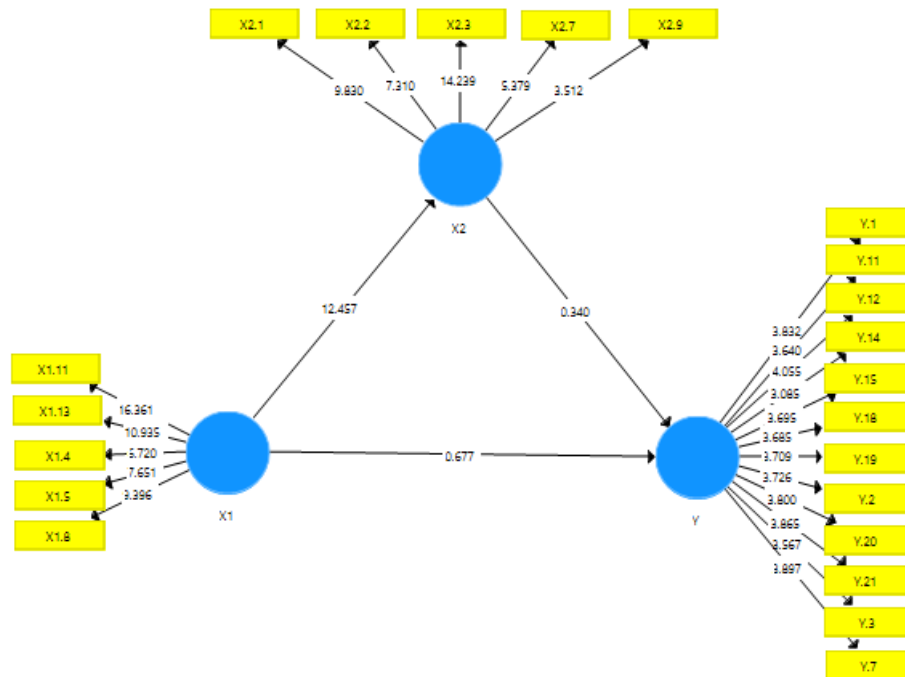


Figure 2. Model Structure Between Variables

The results of the test of the relationship between variables are carried out by looking at the path coefficient value. The following are the results of the Hypothesis Testing in this study:

1. Hypothesis 1 test states that the magnitude of the parameter coefficient for the variable X1 to X2 is 0.791, which means that there is a positive effect of X1 on X2. Based on calculations using bootstrap or resampling, where the test results of the estimated coefficient of X1 against X2 of bootstrap results are 0.811 with a t-value of 12.45 and a standard deviation of 0.063. Then the p-value is $0.000 < 0.05$ so that H1 is accepted or which means that there is a direct effect of X1 on X2 which is statistically significant or significant.

2. Hypothesis 2 test states that the parameter coefficient for the X2 variable against Y is (0.169) which means that there is a negative effect of X2 on Y. Based on calculations using bootstrap or resampling, where the results of the X2 estimation coefficient test on Y the bootstrap result is (0.065).) with a t-count value of 0.340 and a standard deviation of 0.496. Then the p-value is $0.734 > 0.05$ so that H0 is accepted or which means that there is no direct effect of X2 on Y, which is significant or statistically significant.

3. Hypothesis Test 3 states that the magnitude of the parameter coefficient for the X1 variable to Y is 0.310, which means that there is a positive effect of X1 on Y. Based on calculations using bootstrap or resampling, where the test results of the estimated coefficient of X1 against Y bootstrap results are 0.211 with a t value calculate 0.677 and standard deviation 0.458. Then the p-value is $0.499 > 0.05$ so that H0 is accepted or which means that there is no direct effect of X1 on Y, which is significant or statistically significant.

4. Hypothesis 4 test measured from the results of bootstrapping can be seen in the specific indirect effects which states that the magnitude of the parameter coefficient for the variable X1 to Y with X2 mediation is (0.134) which means that there is a negative effect of X2 on the relationship between X1 and Y. Based on calculations using bootstrap or resampling, where the test results of the estimated coefficient of X2 on the relationship between X1 and Y from bootstrap results are (0.0082) with a t-count value of 0.317 and a standard deviation of 0.421. Then the p-value is $0.751 > 0.05$ so that H_0 is accepted or which means that there is no direct effect of X2 on the relationship between X1 and Y, which is significant or statistically significant.

Conclusion

This study answers the research question that leader behavior is very influential and significant on employee behavior. Although employee behavior is negative and insignificant to social undermining, the leader's behavior remains an influence on social damage in the field. This indicates how strong the leader's behavior is in creating a conducive atmosphere in the field.

Acknowledgement

We thank the anonymous reviewers for their valuable support and guidance in improving the quality of the paper. Furthermore, we thank M. Rasyid Abdillah and Helwen Heri for his feedback on earlier versions of the paper. Besides, we also thank Universitas Lancang Kuning, Indonesia, for their assistance and support along the undertaken of this research.

Disclosure statement

No potential conflict of interest was reported by the authors.

References

- Bandura, A. (1982). Self efficacy in human agency: American Psychologist Association Inc, Vol 37, No. 2, 122-147, 0003-066X/82/3702-0122300.75.
- Bonner J, Greenbaum R and Quade M. (2017). Employee unethical behavior to shame as an indicator of self-image threat and exemplification as a form of self-image protection: The exacerbating role of supervisor bottom-line mentality. *Journal of Applied Psychology* 102 (8) : 1203–1221.
- Dulebohn J, Bommer W, Liden R, Brouer R and Ferris G. (2012). A meta-analysis of antecedents and consequences of leader-member exchange: Integrating the past with an eye towards the future. *Journal of Management*, 38(6): 1715–1759.
- Duffy, M. K., Ganster, D. C., & Pagon, M. (2002). Social undermining in the workplace. *Academy of Management Journal*, 45, 331–351. doi: 10.2307/3069350.
- Greenbaum, R. L., Mawritz, M. B., & Eissa, G. (2012). Bottom-line mentality as an antecedent of social undermining and the moderating roles of core self-evaluations and conscientiousness. *Journal of Applied Psychology*, 97, 343–359.
- Herscovis, M. S., Reich, T. C., Parker, S. K., & Bozeman, J. (2012). The relationship between workplace aggression and target deviant behaviour: The moderating roles of power and task interdependence. *Work and Stress*, 26, 1–20. doi:10.1080/02678373.2012.660770.
- Mawritz M, Greenbaum R, Butts M and Graham K. (2017). I just can't control myself: A self-regulation perspective on the abuse of deviant employees. *Academy of Management Journal*, 60 (4) : 1482–1503.
- Wolfe, D. M. (1988). Is there integrity in the bottom line: Managing obstacles to executive integrity. In S. Srivastva

Noviardi Effendi, *The Effect Organizational Justice...*

(Ed.), *Executive integrity: The search for high human values in organizational life*, (pp. 140–171). San Francisco, CA: Jossey-Bass.