

Relationships between Apparel Buyers' Mediated Power and Bangladeshi Suppliers' Psychologically Defensive Workplace Behavior

Md. Rafiqul Islam Rana and Jung Ha-Brookshire, University of Missouri, USA

Keywords: social power, workplace behavior, buyer-supplier, apparel industry

The United States Environmental Protection Agency (EPA) (2017) stated that, to increase growth and global competitiveness, many companies are considering "sustainability" as a crucial objective in their strategy and, in many cases, these efforts are having compelling results. However, when most of the companies are focusing on improving "Machine" and "Material" of the basic "3M" of manufacturing cycle, "Man" factor is often very little discussed. The relationship between a buyer and a supplier in a global sourcing setting can be discussed in terms of influence and control. In this relationship, buyers often utilize power, as the use of power could be an influential tool to make the orders follow and to achieve desired outcomes (Faiz, 2013). On the other hand, suppliers' psychologically defensive workplace behavior (PDWB) is a common scenario in the apparel manufacturing sector because of the expanding global supply chain structure, buyers' negligence of labor regulation and workplace conditions, and the difficulties in monitoring apparel manufacturing sites located offshore (Haque & Azmat, 2015). Therefore, this study aimed to investigate the relationships between power from the buyers in developed countries towards the suppliers in a developing country in the global apparel supply chain, and the subsequent PDWB exhibited by the suppliers while working under the power influence of the buyers.

In this paper, we consulted the social power theory proposed by French and Raven (1959). Two mediated power bases, reward and coercive, are in focus because these two are commonly observable powers in the buyer-supplier relationship in the global supply chain. Reward power is defined as the ability to administer positive valence or decrease negative valence (French & Raven, 1959), which is often used by buyers to induce desired behaviors from suppliers. Buyers also use coercive power, the ability to punish if the power recipient fails to respond (French & Raven, 1959), and/or to pressure suppliers to comply with the buyers' requirements. According to Allcorn and Diamond (1997), when an organization does not promote security, risk-taking, autonomy, self-esteem, and/or self-integrity, the employees in that organization tends to defend themselves psychologically which is called PDWB. The authors proposed a theoretical model that includes three major PDWB: (a) perfectionist practice [described as authoritarian and hyper-critical]; (b) arrogant-vindictive practice [described as unethical and manipulative]; and (c) narcissistic practice [described as non-cooperative and whimsical]. The authors proposed that this classification clarifies the different types of negative behavioral attitudes of upper management.

An online survey was used to collect the data in the spring of 2018. The target samples were professionals who are working in the apparel exporting companies in Bangladesh, which is the

Page 1 of 3

Published under a Creative Commons Attribution License (<https://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

ITAA Proceedings, #76 - <https://itaaonline.org>

second largest textile and apparel exporters in the world (Mirdha, 2016). All participants were in direct communication with buyers on a daily basis, with at least two years in the industry to allow sufficient experiences with foreign buyers. Snowballing and convenient sampling techniques were used. The measurement items for reward and coercive power were adapted from Zhao et al. (2008), using a seven-point Likert scale (Cronbach $\alpha = .77$ for reward and Cronbach $\alpha = .89$ for coercive). The measures for PDWB have been adopted from Allcorn and Diamond (1997) who proposed a list of characteristics commonly exhibits by each psychologically defensive employee. A set of 5 items have been constructed from the given attributes for each PDWB to assess the level of psychologically defensive behavior using a 5-point Likert scale (Cronbach $\alpha = .66$ for perfectionistic, Cronbach $\alpha = .66$ for arrogant-vindictive and Cronbach $\alpha = .65$ for narcissistic). A total of 299 responses were recorded; among them, 94 responses were not counted due to not meeting the sample criteria, incomplete survey and missing values and 205 responses were used in the final data analysis.

The results of the adjacent approach of ordinal logistic regression analyses showed that the exercise of buyers' reward power ($\beta_- = -1.02, p < 0.001$), coercive power ($\beta_- = -.869, p < 0.01$) and their interaction term ($\beta_- = .154, p < 0.01$) were associated with the respondents' perfectionistic workplace behavior. The exercise of buyers' reward power ($\beta_- = .004, p > 0.05$) was not associated with the respondents' arrogant-vindictive workplace behavior, however, coercive power ($\beta_- = -.199, p < 0.001$) was. The interaction term of the two power bases found to be statistically insignificant in the case of arrogant-vindictive behavior. The exercise of buyers' reward power ($\beta_- = -.403, p < 0.01$) was associated with the respondents' narcissistic workplace behavior and the use of coercive power ($\beta_- = -.308, p = 0.07$) by the buyer in developed countries was found to be statically suggestive. Additionally, the interaction term ($\beta_- = 0.061, p < 0.05$) was associated with Bangladeshi apparel suppliers' narcissistic workplace behavior. Figure 1 shows the interaction effects.

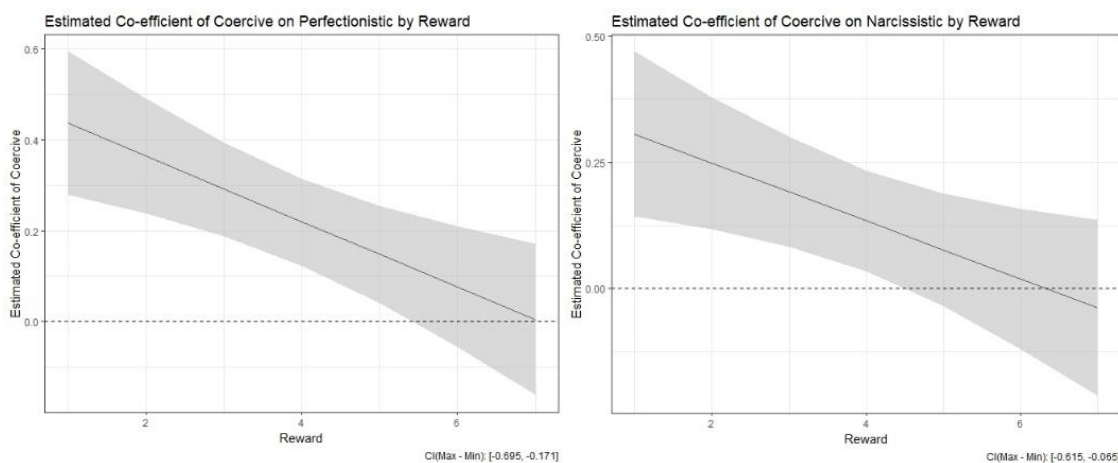


Figure 1. Interaction between reward and coercive power on perfectionistic (left) and narcissistic

In response to the increasing need of corporate social responsibility (CSR), social sustainability, moral and ethical employee training, and workplace safety in the global apparel supply chain, and the lack of scholarly research in the top down managerial practice in the developing country, this study investigated the relationship between buyers' power influence and the resulting PDWB exhibited by the suppliers from the developing country (Bangladesh in this study). This study is expected to add to the literature on social power, and PDWB, specifically related to the apparel manufacturing industry. This study will help illustrate the impact of human behavior on workplace and sustainable development in terms of CSR beyond the usual measurement of the codes of conduct and compliance issues. Such information is vital for buyers to be aware of when they are doing business and negotiating with offshore suppliers in order to truly achieve social sustainability. This will be helpful to the suppliers from developing countries as well. Information about their workplace behavior will help them to implement corrective measures.

References

- Allcorn, S., & Diamond, M.A. (1997). *Managing people during stressful times: The psychologically defensive workplace*. Westport, CT: Quorum Books.
- Faiz, N. (2013). Impact of Manager's Reward Power and Coercive Power on Employee's Job Satisfaction: A Comparative Study of Public and Private Sector. *International Journal of Management and Business Research*, 3(4), 383-392.
- French, J. R., & Raven, B. (1959). *The bases of social power*. In C. Dorwin (Ed.), *Studies in social power*. Ann Arbor: University of Michigan Press.
- Haque, M. Z., & Azmat, F. (2015). Corporate social responsibility, economic globalization and developing countries: A case study of the readymade garments industry in Bangladesh. Sustainability accounting. *Management and policy journal*, 6(2), 166-189.
- Mirdha, R. U. (2016, July 17). Bangladesh remains second largest garments exporter, against all odds. Retrieved from <http://www.thedailystar.net/country/bangladesh-remains-second-largest-garments-exporter-against-all-odds-1255084>
- United States Environmental Protection Agency (2017), Learn About Sustainability. Retrieved from <https://www.epa.gov/sustainability/learn-about-sustainability#what>
- Zhao, X., Huo, B., Flynn, B., & Yeung, J. (2008). The impact of power and relationship commitment on the integration between manufacturers and customers in a supply chain. *Journal of Operations Management*, 26, 368-388.