The impact of Paternalistic Leadership on Organization Commitment and Organization Citizenship Behaviour

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Paternalistic Leadership is generally used to humanize and moralize the workplace. It is argued that paternalistic leadership plays an important role in organizational citizenship behaviour and organization commitment. It is very important for employees to be motivated not only to increase in-role performance but also to engage in citizenship behaviours that are important to the well-being of the organization. Questionnaires are used in this research to survey the relationship between paternalistic leadership, organization commitment and organizational citizenship behavior. Data was obtained from 350 individuals working in various SME’s of Pakistan. The results showed that paternalistic leadership has positive impact on increasing the commitment of the employees as well as improving citizenship behaviors in various SMEs of Pakistan.

Keywords: Paternalistic Leadership, Organization Citizenship Behaviour, Organization Commitment

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Literature Review

What does paternalism leadership mean? After Farh and Cheng (2000) studied all the research done since Silin’s (1976), they define PL as treating the relationship with discipline, fatherly authority and morality embedded in it. According to this definition PL composed of mainly three elements:
authoritarianism, benevolence, and moral leadership. Authoritarianism is the leadership style in which leader exercise authority over subordinates and each subordinate has a duty to obey the leader. Benevolent leadership means that leader lead subordinate by care and have individualized concern toward subordinate and their well being. Moral leadership style reveals higher moral qualities, selflessness, and self discipline. PL compose of three main elements that are benevolence, morale and authoritarianism. Among this benevolence is same like presenting elegance, showing business owner’s full concern of subordinate, morale is to conduct higher morale excellence showing a business owner’s high personal values to be a role model. Authoritarianism is to asserting their control and showing business owner’s authority and control, so the competency of the leadership is based on coordination between leader and its member.

A paternalistic leadership shows a power regulation and reputation (Farh & Cheng, 2000), as a transformational leadership display appealing personality inspire with their intellect (Bass, 1985) these both leadership styles are similar to some extent. Transformational leadership have individualized concern similar to the benevolence leadership. Several scholars (Parry & Proctor-Thomson, 2002) have started to investigate the integrity similar in both transformational and morale leadership.

Leaders generally have particular relationship with internal assistant and consultants who have generally higher responsibility and approach to the resources. This is termed as ‘in-group’ confidant relationship in Chinese (chinxin), who is doing tougher task, more dedicated toward organizational goals, Cheng, et al., (2007) figure out that quanxi loyalty and competence are three important aspects in confidant relationship in the leader’s selection of confidant relationship. On the other hand a subordinate in the out group is being set at lower level of selection and put constriction on leader. Researchers (Chang & Chao, 2008; Chao & Kao, 2005; Cheng, Farh & Chou, 2006; Cheng, Jiang & Cheng, 2007; Chu, 2005; Chu & Hung, 2009; Hsu, Hu, Ling, Cheng & Chou, 2004; Yao, Chu & Liu, 2009) argued the relationship between paternalistic and subordinate-supervisor relationship. Paternalistic leadership is considered to be the important factor in organizational behaviour, as leader-member relationship (Chu & Hung, 2009; Yao, Chu & Liu, 2009), organizational citizenship performance (Chu & Hung, 2009; Hsu, Hu, Ling, Cheng & Chou, 2004), organizational conflict (Chu, 2005), subordinated pressure (Chao & Kao, 2005), and upward communication (Chang & Chao, 2008; Chu & Hung,
2009), etc. in short paternalistic leadership has a considerable impact on subordinate-supervisor relationship.

Farh and Cheng’s (2000) model, authoritarian leadership suggests a stronger answer of reliance and obedience; benevolent leadership evokes more appreciation and compensation; and moral leadership results in value and recognition. Cheng (2005) pointed out the role and significance of authoritarianism in paternalistic leadership, in which any ideas from lower level are overlooked. Up to him, there is only one way communication that is downward communication in a Chinese family business attributing paternalistic leadership. Though, some researchers (Chu P.C., 2005; Tsai, S.P., 2000; Chiu, S.J., Chu P.C., & Yu, T.H., 2003; Leung, K., Liang, X.F., & Lu, L., 2000), after studying a number of empirical researches on organizational behavior within Taiwanese enterprises, highlighted that recent human resource management has moved the concept of conventional personnel administration to a recent one of human resource development, which emphasizes the significance of personnel communication and leader-member exchange value. So, the purpose of this study is to consider the possibility of the goal of this research is to examine the chances of bottom to top communication in Chinese family business characterizing paternalistic leadership.

In today’s world where there is cut-throat competition the possibility in favour of cross-cultural divergence is normal. Large no. of companies have their most part of the sale outside their home country (Adler, 2001). Also due to different business strategies such that mergers/acquisitions, joint ventures, and buyer-supplier relationship the workforce become more and more culturally diverse and crossing the boundaries (Bartlett & Ghoshal, 1998). In today’s business environment as globalization increase it is necessary to understand effective leadership style that vary with individual cultural course (Dorfman & Howell, 1997).

Paternalism is not only a leadership style but it is also a cultural trait. It is not a paradigm that just implies the quality of relation between responsibilities and duties. Paternalism can be studies with regard to the parental relations or organizational level relations. The cultural and structural determinant of paternalism must have to be define. Paternalism is a prevailing cultural trait of conventional eastern societies such as China, Japan, India, and Korea (Aycan, 2001). Paternalism can be explain in different context like social organizational, and personal relationship. From the perspective of interpersonal relationship we take subordinate-member relationship, leader with positive attitude due
to fatherly concern for the followers. While negative aspect of paternalism is mentioned as it can turn into biasness and let only loyal group of follower to have approach to the resources, though not including others (Kabasakal and Bodur, 2003, p. 21). Also many researchers have disapprove the paternalism from ideological and rational ground. The understanding of public about different ways of democratic relationship is increasing now by media educational and political organization, individual relations in place of work turned down and market determinism pressed for huge lay-offs, unionization and general wellbeing policies caused in the failure of paternalism (Padavic and Earnest, 1994).

From the organization perspective ‘new paternalism’ is assessed as improving and civilizing workplace, in ‘new paternalism’ companies are more concerned into personal lives of their employees and supporting them in their family’s issues. So due to this concern and caring attitude by subordinate toward their employee increase their dedication and loyalty. Like Gordon (1998) and Warren (1999) argued the new paternalism bring out employee loyalty, efficiency, and promote team-work output (Aycan, 2002). Benevolence leadership means that leader lead subordinate by care and have individualized concern toward subordinate and their well being. Moral leadership style reveals higher moral qualities, selflessness, and self discipline. (Cheng et al., 2004).

It is noticed that subordinate attitudes toward their leader behaviour are different along with the kind of the leadership. Benevolent leadership contains shi-en behaviours (kindness), such as ‘individual concern’ and ‘thoughtful and kind’. Allen and Meyer, describe organization commitment like a multidimensional construct. So, organizational commitment has three types: namely affective, normative, and continuance commitment. Affective commitment is “how much employee is emotionally attached and involved with organization while normative commitment is sense of responsibility to employment”. Lastly continuance commitment is “an understanding of the costs linked by leaving the organization ‘each of them is contributing to the employee’s relationship toward the organization. (Meyer and Allen, 1991).

Many researchers has referred to OCB as the voluntarily behavior (beyond job duties) performed by the individual to help the organization to achieve its goals. OCB includes Task performance, social support for other colleges, transferring knowledge, defending the organization, proposing solution and suggestions to enhance the organization performance... etc.

This is what many researchers concluded, such as:

With respect to the organizational commitment, Cullen et al. (1993) discussed that people select definite kinds of normative climates, with these kinds of climate employees need to be more dedicated toward organization, so commitment toward organization in benevolence-base climates must be comparatively higher than egoism-based climates. Employees need to have more know how about the values of organization and feel more attach to it that will increase its continuity and more care toward the employee (Cullen and Victor, 1993; Mowday et al., 1979). It is observed, Cullen et al. (1993) that benevolent climate found that perceptions of a benevolent climate were positively related to commitment and perceptions of an egoistic climate were negatively related to commitment. Furthermore, in the organization where ethical climate is present must has higher employee commitment. The employee will make assessment whether to leave or stay in organization. As discuss earlier that the leader behaviour has significant impact on organizational climate.

Even though paternalism is a common cultural aspect in eastern societies, it did not get much attention of researchers it. As a result of globalization, some standards widen in the whole world with the argued of universalism.

Hypotheses and Theoretical Framework

H1: There is a significant relationship between paternalistic leadership and organizational citizenship behavior.

H2: There is a significant relationship between paternalistic leadership and Organization Commitment

The theoretical framework is given below:
Results

The questions measuring the three variables are as follows.

**OCB**

OCB 1 How often do you help & motivate colleagues through the following: [Offering suggestions]

OCB 2 How often do you help & motivate colleagues through the following: [supporting them emotionally when they have personal problems]

OCB 3 How often do you help & motivate colleagues through the following: [Informing them of events]

OCB 4 How often do you help & motivate colleagues through the following: [Teaching them]

OCB 5 How often do you help & motivate colleagues through the following: [Showing consideration, courtesy and tact]

OCB 6 How often do you help & motivate colleagues through the following: [Motivating and showing confidence on them]

OCB 7 When you refer to your company, how often do you use: ["Them"]

OCB 8 When someone talks negatively about your company or it’s services to the customers, you would: [Defend your company, and prove that he was wrong]

OCB 9 If your company is going throw hard time, and you are facing management pressure, you would: [Stay with the company, thigs would go back to normal]

OCB 10 If your company is going throw hard time, and you are facing management pressure, you would: [Start searching for a job]
OCB 11 You know that an operation is consuming the company resources, but this is not within your direct responsibility. [it is none of your business]

OCB 12 You are going through difficult work conditions, you would: [lay-down and have a break... things would change eventually]

OCB 13 Your boss is on leave, you are ahead of schedule and all your tasks are done: [I have so many ideas that would increase work productivity.]

OCB 14 You are interested in a task, but that task was assigned to your colleague: [I would be willing to be in his team, because I want to be part of this.]

OCB 15 You have a challenging tasks that would add to your experience, but it would need to do it voluntarily and in your own time: [Invest your personal time and effort]

**OC**

OC1 This organization has a great deal of personal meaning to me.

OC2 One of the major reasons I continue to work for this organization is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain.

OC3 I feel emotionally attached to this organization.

OC4 I feel as if these organization's problems are my own.

OC5 I feel that I have few options to consider leaving this organization.

OC6 One of the serious consequences of leaving this organization would be the scarcity of available alternatives.

OC7 I was taught to believe in the value of remaining loyal to one organization.

**PL**

PL1 My supervisor takes good care of my family members as well.

PL2 My supervisor encourages me when I encounter arduous problems.

PL3 My supervisor never avenges a personal wrong in the name of public interest when he/she is offended.

PL4 My supervisor employs people according to their virtues and does not envy others’ abilities and virtues.

PL5 My supervisor does not take the credit for my achievements and
contributions for himself/herself.

PL6 My supervisor does not take advantage of me for personal gain.
PL7 My supervisor exercises strict discipline over subordinates.
PL8 My supervisor scolds us when we cannot accomplish our tasks.
PL9 I feel pressured when working with him/her
PL10 My supervisor always behaves in a commanding fashion in front of employees.
PL11 We have to follow his/her rules to get things done. If not, he/she punishes us severely.
PL12 My supervisor uses his/her authority to seek special privileges for himself/herself
PL13 My supervisor asks me to obey his/her instructions completely

The above opinions were measured by requesting respondents to indicate, on a seven-point Likert-type scales, anchored on "1 = to a very little extent" through "7 = to a very great extent", their agreement or disagreement with a series of statements that characterize the constructs for PL. The validity determines the extent to which a scale measures a variable of interest. In this research, we have conducted a principal components factor analysis with varimax rotation to investigate the distinctions among PL, OC and OCB. In this research, Bartlett’s test of sphericity (p=0.00) indicated the statistical probability that the correlation matrix has significant correlations among at least some of the variables, and the Kaiser-Meyer-Olkin measure of sampling adequacy (0.873) showed middling sampling adequacy. The three factors emerged with no cross-construct loadings above 0.5, indicating good discriminant validity. The research also demonstrated convergent validity with factor loadings exceeding 0.5 for each construct. Consequently, these results confirm that each of the three constructs is unidimensional and factorially distinct and that all items used to operationalize a particular construct is loaded onto a single factor. The reliability of the questions and variables was tested and Cronbach’s Alpha for all items was above 0.80.

The hypothesized relationships were tested using the multiple regression analysis of SPSS. The average scores of the items representing each of the three factors were used in the data analysis. The R2 was used to assess the model’s overall predictive fit. Properties of the causal paths, including standardized path coefficients, t-values, and variance supported the hypotheses. As expected, PL (β=0.183, t-value=5.754, p<0.01) had a strong positive influence on the OC. Similarly, PL (β=0.418, t-value=7.856, p<0.001)
had a significant positive effect on the OCB. Therefore, hypotheses H1 and H2 are supported. We found that the proposed model explained a significant percentage of variance in PL (R²=83.8%, F-value=92.41, p<0.001). It means that about 83 percent of the variance in PL was accounted for by OC and OCB. According to the path coefficients, OCB exhibited the strongest direct effect on PL.

Conclusions

Organizational commitment is the relative strength of employees’ identification with and involvement in the organization and it is affected by leadership styles and organizational climate (Allen & Meyer, 1990). In this sense, the results of the study indicated that paternalistic leadership had a moderate effect on affective commitment but a strong effect on continuance commitment. These findings can be explained due to the fact that the individualized care of the benevolent leader fosters the identification of the employee with the organization and encourages the employee to emotional attachment as well as employees’ evaluation about the costs associated with leaving the organization. In this framework, employees would consider the benevolent leader as a bond that ties him to the organization. In addition to this, employees would be worried about not having such a leader in other organizations. Also, it is indicated in the literature that most people who work for paternalistic leaders would not leave their organizations for better payment or promotion opportunities. Although paternalism is a prevalent cultural dimension in eastern societies, it has not drawn much attention of scholars. As a consequence of globalization, some values spread all over the world with the claim of universalism. It can be said that there are fruitful research avenues concerning issues about eastern culture and business implications. This study examined only organizational commitment as a dependent variable. Future research may focus on paternalistic leadership behaviors more closely and can make a strong contribution by testing alternative models or multiple dependent variables. Future research interested in paternalistic leadership may also consider the effect of perceived organizational justice as an important variable because the concept of paternalism is closely related with individual liberty, equity, and justice. This research has some limitations, which are time and money. Although it is a valid sample size, but if the time allowed this research could be done in a bigger sample size which needs time and money.
The research could be carried out in other organizations of Pakistan but again that needs a lot of time and money.

References


