

Conditions for the Effectiveness of "Soft" Leadership: The Moderating Roles of Employee Personality and Organizational Context in the Relationship of Servant and Modest Leadership with Employee Attitudes and Performance

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ABSTRACT

Recent leadership theories describe leaders who characteristically emphasize ethical behavior and care for others (Avolio, Walumbwa, & Weber, 2009). These leaders are close to their employees, bear their well-being in mind and encourage them to participate in decision making (Avolio et al., 2009). This is contradictory to the traditional approach according to which leadership means taking centralistic decisions, giving clear task performance instructions and being capable of inspiring awe in employees (Fletcher, 2004; Parris & Peachey, 2013).

Styles of servant leadership (Jones, 2012; Morris, Brotheridge, & Urbanski, 2005; Parris & Peachey, 2013; Newman, Schwartz, Cooper, & Sendjaya, 2015; Panaccio, Henderson, Liden, Wayne, & Cao, 2015), and humble leadership (Ou, Tsui, Kinicki, Waldman, & Xiao, 2014; Owens & Hekman, 2012), jointly described in this study as "soft leadership" (Marques, 2013; Riggio & Tan, 2014) characterize leaders who set an ethical and behavioral model, and demonstrate frankness as to their personal handicaps (Owens & Hekman, 2012). Leaders of this kind are people oriented: they focus on employees, identify their needs and abilities, and bear in mind the latter developmental needs (Owens & Hekman, 2012; van Dierendonck, 2011). Studies that examined the outcomes of servant and humble leadership found that these leadership styles promoted performance of individuals, teams and organizations, and

enhanced the effectiveness and job satisfaction of employees (Walumbwa, Hartnell, & Adegoke, 2010).

However, there still is little existent data on the function of contextual factors regarding the relationship between these leadership styles and leader effectiveness (Owens & Hekman, 2012). This research deficiency stands in contradiction to views of situational approaches and contingency theories that stress that effectiveness depends on the conditions in which a leader operates. Hence, the main objective of the current study is to develop a model that investigates the set of relationships between the leadership style of the supervisor and the attitudes and performance of employees, while focusing on examining the conditions that influence the effectiveness of a soft leadership style.

Underpinned by the approach according to which supervisors characterized as soft leaders have a positive effect on the attitudes and performance of employees (Walumbwa et al., 2010), the current study looked into the relationship between soft leadership and a number of variables crucially important to the success of the organization, such as job satisfaction, engagement, performance and withdrawal behaviors (Macey & Schneider, 2008). Relating to leadership literature (e.g., Fiedler, 1967; Hackman & Oldham, 1976), we investigated the moderating effect of employees characteristics (e.g., House & Mitchel, 1974; Shamir & Howell, 1999), role and task characteristics (Hackman & Oldham, 1980) and team positive and negative emotions (George & Zhou, 2007). The study hypotheses predicted that a positive relationship would be found between soft leadership and organizational outcomes variables. In addition, it was predicted that the relationship between soft leadership and outcomes variables would be stronger in lower levels of task structure, power-distance orientation and negative emotional atmosphere and in the higher level of autonomy, proactiveness and positive emotional ambiance.

The study was conducted in 50 departments located in 25 branches of a major Israeli bank (that has about 100 branches throughout the country). Data were collected from three sources: Worker performance (in-role performance and organizational citizenship

behavior) was assessed by questionnaires filled by direct supervisors. Employees filled questionnaires, at two different times, regarding leadership (servant and humble), attitudes (job satisfaction and engagement), and contextual characteristics (task structure, autonomy, group affective tone, proactive personality and power-distance orientation). Withdrawal data (lateness and absenteeism) of employees were extracted by human resources managers in the various branches from the bank's time tracking system. On the whole, 165 employee questionnaires were used (response rate of 68.2%).

Due to the hierarchic form of data organization, the statistical processing was carried out by HLM (Hierarchical Linear Models), a program designed for multilevel data analysis.

Investigation of the relationships between contextual characteristics as moderating factors of soft leadership as they were reflected in the outcomes variables among employees yielded the following findings: as assumed, soft leadership was found to be positively linked to job satisfaction, engagement, in-role performance and organizational citizenship. Also, a negative relationship was found to exist between measured withdrawal behaviors, that is, lateness and absenteeism. Furthermore, in accordance with the hypotheses, significant interactions were found between the two leadership styles and a large part of the outcomes variables of employees, under the moderating effects of a number of variables. It was found that the relationship between servant and humble leadership and outcomes variables of employees, such as, job satisfaction, engagement and lateness was stronger when task structure was lower, than when it was higher. Additionally, the relationship between servant leadership and organizational citizenship proved stronger when tasks were unstructured than when they were structured. Also, a stronger positive relationship was found between servant and humble leadership and job satisfaction, engagement, in role performance and lateness behavior among employees with low power distance orientation. It was found, in addition, that low power distance orientation strengthens the relationship between servant leadership and in role performance.

As to autonomy, emotions and proactiveness, the findings point to significant effects of interaction converse to the hypotheses. Thus, relationships between servant and humble leadership and job satisfaction, engagement, performance and lateness prove stronger when the task allows for little autonomy than when it allows for a high degree of autonomy. Relationships between servant leadership and job satisfaction, engagement and organizational citizenship are stronger when the emotional atmosphere is highly negative, while the relationship between servant and humble leadership and lateness is stronger when the positive atmosphere in the team is of a low level. Relationships between servant and humble leadership and engagement and absenteeism, and the relationship between servant leadership and performance, organizational citizenship and lateness are stronger when the level of proactiveness is lower than when it is higher. In addition, contrarily to our hypotheses, task Structure, group affective tone and power distance orientation were not found to have moderating effects on the relationship between servant and humble leadership and absenteeism behavior. Finally, task structure and group affective tone had no moderating effect on the relationship between servant and humble leadership and performance, and autonomy and power distance orientation had no moderating effects on the relationship between soft leadership and organizational citizenship.

The research hypotheses predicted that a soft leadership style would have a stronger effect where there was a correlation between the openness and cooperation of the leader and situations where the employees were independent and prone to proactiveness. The hypotheses were that employees working under such conditions would appreciate the soft leadership style and be influenced by it. This view was indeed supported regarding some of the variables, but the significant outcomes that negated some of the hypotheses indicate a possible effect of other central features of soft leadership – the care of the leader for meeting subordinate needs and the personal attention that soft leaders pay to employees (e.g., van Dierendonck, 2011; van Dierendonck & Patterson, 2015). These characteristics might explain the effect of soft leadership on employees who work in less ideal conditions, like,

for example, under a lower level of autonomy and negative emotional atmosphere in the team. According to these findings, soft leaders are sometimes more effective, surprisingly, under situational limitations and situations that put workers in "weakened" psychological conditions.

The study findings contribute to recent theories of leadership by indicating personal and organizational contextual variables that moderate the effect of servant and humble leadership on outcomes variables of employees. While the research literature pointed at soft leadership as having regular positive effects on subordinate outcomes variables, the current study shows which conditions contribute to this impact. Soft leadership is unique in that the leader puts the needs of employees and their interests above the needs and interests of the organization or his own interests (servant leadership) (Jones, 2012; Morris et al., 2005; Newman et al., 2015; Panaccio et al., 2015; Parris & Peachey, 2013). In addition, soft leaders demonstrate their humaneness by being frank about their professional knowledge and experience limitations, and by accepting humbly the fact that others' points of view can widen their own horizon (humble leadership) (Ou et al., 2014). This is a unique style of leadership, different from traditional prototypes of leadership (Atwater & Bass, 1994; Epitropaki & Martin, 2005; Giessner, van Knippenberg, & Sleebes, 2009; Steffens, Haslam, Ryan, & Kessler, 2013). This current study indicates the conditions under which employees and organizations can benefit from this uniqueness.

On the practical level, based on the findings of this study we can suggest that improvement of organizational processes and promotion of performance can be achieved through fostering a leadership style compatible with the employees and the organization teams. Thus, through selection processes for managerial roles and the instructional content materials, paying attention to the features contributing to soft leadership can help in choosing the more suitable candidates and subsequently can help raise their effectiveness as leaders in contexts the require response to subordinate needs, team work and creative and egalitarian approach.