Construction of a Relational Leadership Model Based on a Two-Stage Least Square Method and an Investigation on the Interaction Among the Factors in the Model

Shubing Guo, College of Management and Economics, Tianjin University; Yantai City Tobacco Monopoly Bureau, China
Xueli Zhan, School of Economics, Beijing Wuzi University, Beijing, China
Junhai Ma, College of Management and Economics, Tianjin University, Tianjin, China

ABSTRACT

This article conducts a theoretical analysis and empirical study on the complex relations among five elements (leadership, followership, leader-member exchange, leadership situation, and leadership performance) based on a two-stage least square method (TSLS). Results show that in China leadership and followership are positively correlated with performance; LMX (Leader–Member eXchange) is negatively correlated with performance; LMX show significant positive correlations with leadership and followership; circle and face are positive correlated with leadership and followership, but favor is negatively correlated with leadership, followership, and LMX. Moreover, a SLRFP (Situation, Leadership, Relationship, Followership, Performance) five-force relational leadership model was constructed, revealing the core contents of relational leadership. These elements mainly include relational structure, dynamics and process, and provide a theoretical framework for establishing a unified theory of leadership based on the integration of traditional theories. The present study has high academic and favorable reference value.

KEYWORDS
Leadership Processes, Model, Relational Leadership, System Dynamics, Two-Stage Least Square(TSLS)

INTRODUCTION

Hogg has pointed out that leadership is a relational term (Hogg, 2005), and Anderson has said that leadership is a relationship (Anderson, 2012). Relational leadership, as an emerging leadership theory, represents a new trend in leadership research in the 21st century (Murrell, 1997). Dinh, Lord, Gardner, Meuser, Liden, and Hu (2014) generated statistics from research papers about leadership from ten top academic publishing institutions, such as The Leadership Quarterly, Journal of Applied Psychology and others. In total, 752 papers were analyzed; of these, 32 papers focused on relational leadership. This is 4.26% of the total papers.

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Relational leadership theory originated from leadership research that examined a relational approach. The most popular leadership theory based on the relational approach is Leader-Member eXchange theory (LMX), proposed by Grane in 1972. It is now one of the most popular methods for learning about leadership in the workplace (Thomas, Martin, Epitropaki, Guillaume, & Lee 2013). LMX leadership theory is based on the binary relation between leaders and team members. According to LMX theory, leadership depends on the quality of exchanges between leader and team members; a high-quality exchange is characterized by trust, liking, and mutual respect. Relationship quality has important implications for work-related welfare and employee effectiveness (Erdogan & Bauer, 2015).

Based on LMX theory, Murrell formally proposed the concept of relational leadership (Murrell, 1997). Other scholars subsequently conducted in-depth studies on the connotation of relational leadership. Uhl-Bien (2006) summarized main ideas and research methods regarding relational leadership from the perspectives of entity and relation. She defined ‘relational leadership’ as a process of social construction through emergency coordination (i.e., the evolving social order) and variations (mainly including new values, attitudes, methods, behaviors and ideologies). Carmeli, Tishler, and Edmondson (2009) concluded that relational leadership refers to the CEO’s behaviors encompassing encouraging collaboration and open communication and promoting sincere behaviors.

Carifio (2010) developed the relational leadership questionnaire (RLQ), and defined relationship leadership as the leader’s caring, empowering, ethical, inclusive, and visionary characteristics. Cunliffe and Eriksen (2011) conducted similar research, stating that relational leadership is a way of being-in-the-world that embraces an intersubjective and relationally-responsive way of thinking and acting.

However, relational leadership, as an emerging leadership theory, was formally proposed by Uhl-Bien (2006). The theoretical framework mainly focuses on the process of social construction and emphasizes leadership relations (the results of interpersonal relationship or interactive background) and relational dynamics (social interaction and structure). Kurucz, Colbert, Lüdeke-Freund, Upward, and Willard (2016) drew on previous research results and conducted tests using a Framework for Strategic Sustainable Development (FSSD) at five levels (system, success, strategic guidelines, actions and tools). They concluded that relationship leadership plays an important role in the sustainable development strategy and business model.

The core and essence of relational leadership are leadership processes (Uhl-Bien, 2006; Uhl-Bien & Ospin, 2012). Uhl-Bien and Marion (2009) stated that leadership is multi-level, processual, contextual, and interactive. While the leading process is quite complex, this allows the close combination of relational leadership theory and complex leadership theory. Schneider and Somers (2006) applied complex theory to research organizational leadership and verified the leadership processes in a complex adaptive system. However, it is still quite difficult to determine how to develop and test the complex theory-based leadership model.

The construction of a relational leadership model is a core subject in relational leadership theory. By combining LMX theory and trust theory, Brower, Schoorman, and Tan (2000) established a binary leadership model including both leader and members. That study proposed that LMX is constructed on the basis of evaluating both leader and followers on each other’s ability, benevolence, and integrity. The follower’s performance, satisfaction, commitment and organizational citizenship behavior can all impose positive impacts on the leader’s leader’s perceptions of follower’s ability, benevolence, integrity. Komives, Lucas, and McMahon (1999) noted that the constitution of relational leadership is a complex concept and developed a relational leadership model consisting of five elements: process, purpose, inclusion, empowerment, ethics. Lord and Dinh (2014) established the dynamic model of leadership process, noting that Leadership is a socially constructed, enacted process that involves bidirectional influences among multiple individuals. The leader’s capability can affect the followers, and thus affect the organizational performance. Leadership imposes the following effects: the leader (L) first affects the followers (F) and then affect performance (P). However, similar to other emerging leadership models, the currently developed relational leadership models would be difficult to put into action (Komives et al., 2009).
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