Leader integrity and organizational citizenship behaviour in China

By: Gang Zhang, Yuntao Bai, Arran Caza, and Lu Wang

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Abstract:

In this study, we use implicit leadership theory to investigate how leader integrity, one of the most important traditional Chinese virtues, influences subordinates' organizational citizenship behaviour (OCB) in the Chinese context. The results of our survey reveal that leader integrity is associated with subordinates' OCB, and that this relationship is fully mediated by leader effectiveness. In addition, traditionality moderated the relationship between leader integrity and leader effectiveness; the relationship was significant among less traditional subordinates, but insignificant among more traditional subordinates. We conclude with a discussion of the theoretical and managerial implications for leaders in China.

Keywords: Chinese leadership | implicit leadership theory | leader effectiveness | leader integrity | organizational citizenship behaviour | traditionality

Article:

Introduction

Organizational citizenship behaviour (OCB) is defined as individual behaviour that benefits an organization and its members. Although the behaviour is not explicitly recognized by formal reward systems (Organ, 1988), it has been the focus of decades of research (Lin & Peng, 2010; Podsakoff, Whiting, Podsakoff, & Blume, 2009) and has attracted substantial research attention in the Chinese context (Ang, Van Dyne, & Begley, 2003; Bachrach, Wang, Bendoly, & Zhang, 2007; Chen, Hui, & Sego, 1998; Farh, Earley, & Lin, 1997; Farh, Zhong, & Organ, 2004). Promoting these discretionary and spontaneous behaviours, which include making constructive suggestions, helping others solve work-related problems, and preserving harmonious workplace relationships (Farh et al., 2004), has the potential to enhance the effectiveness and efficiency of organizations, which is especially important for managing the uncertainty and complexity inherent in China's transitional economy (Ang et al., 2003; Bachrach et al., 2007; Chen et al., 1998; Farh et al., 1997, 2004). However, despite OCB's importance to Chinese organizations, its very nature precludes it from being included in employees' job descriptions.

Chinese managers are thus faced with the challenge of eliciting voluntary OCB (Ang et al., 2003; Farh et al., 1997).

Effective leadership offers one means of addressing this challenge. In particular, studies have linked OCB in Chinese organizations to transformational leadership behaviours (Kirkman, Chen, Farh, Chen, & Lowe, 2009; Li, Bai, & Xi, 2012; Song, Tsui, & Law, 2009; Wang, Law, Hackett, Wang, & Chen, 2005) and to leader—member exchange (Hackett, Farh, Song, & Lapierre, 2003; Hui, Law, & Chen, 1999). Those two research streams focus on how leaders' overt behaviours when interacting with their followers can persuade the followers to engage in OCB. However, another element of leadership may also be important in motivating OCB in China: the character of the leader. Confucian philosophy, which has been influential in Chinese culture for centuries, emphasizes the importance of leaders cultivating personal virtue (Lakey, 2007; Yang, 1993). Confucius explained that when leaders have superior character, they do not need to entice followers with tangible rewards; rather, they can induce appropriate actions among followers by serving as role models (Bass & Steidlmeier, 1999; Yang, 1993). Thus, individual character has played an important role in the selection of Chinese leaders for more than 2000 years (Lakey, 2007). Despite this lasting importance, little empirical research has examined whether and how the character of leaders influences OCB among subordinates in the Chinese context.

Akin to the influence of leader virtue, Chinese society also places considerable importance on followers' values. Although Chinese society is rapidly modernizing, traditional Chinese values continue to be prevalent in organizations (Chai & Rhee, 2010; Farh et al., 1997). The effects of leadership in China may vary, however, depending on how deeply subordinates espouse traditional Chinese values (see, e.g., Chen & Aryee, 2007). Thus, individual differences in traditionality may be relevant in examining how subordinates respond to a leader's character.

In this article, we take an implicit leadership perspective to extend previous research on leadership and OCB by exploring the effects of one specific leader virtue: integrity. Integrity is the personal characteristic of consistency, honesty, and trustworthiness (Peterson & Seligman, 2004; Yukl & Van Fleet, 1992) and is a valued leadership quality throughout the world (Palanski & Yammarino, 2009). Despite the importance of integrity, however, little is currently known about the links between leader integrity and subordinate responses (Sosik, Gentry, & Chun, 2012). Implicit leadership theory focuses on followers' attributions of effectiveness based on leader characteristics, which offers a framework for understanding the likely effects of leader integrity. Based on implicit leadership theory, we predict that leader integrity fosters OCB among subordinates through the mediating mechanism of leader effectiveness. We test this relationship and examine the influence of traditional values on the effect of leader integrity. Specifically, we investigate how leader integrity varies in influence, depending on how deeply subordinates endorse traditional Chinese values. Figure 1 presents our theoretical model.

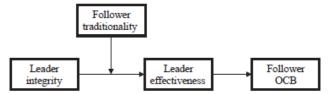


Figure 1. Proposed model linking leader integrity to follower OCB

Theoretical Background and Hypotheses

Leadership Prototypes, Integrity, and Organizational Citizenship Behaviour

Most people consider themselves to be reliable judges of leadership quality (Nye, 2005). To make such judgements, they apply their expectations of effective leadership characteristics (Shondrick, Dinh, & Lord, 2010; Shondrick & Lord, 2010). Implicit leadership theory argues that people use their observation and experience (Brown & Lord, 2001; Lord & Maher, 1991) to develop cognitive structures or prototypes that specify the traits and behaviours that characterize effective leaders (Calder, 1977; Den Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999). These prototypical expectations are the benchmarks they use to 'distinguish leaders from followers, effective leaders from ineffective leaders, and moral leaders from evil leaders' (House, Hanges, Javidan, Dorfman, & Gupta, 2004: 9). In other words, when followers evaluate leaders, they tend to compare the leaders' characteristics to their leader prototype (Lord, Foti, & de Vader, 1984). When the leader matches the prototype, followers will increase their support (Calder, 1977; Lord, 1985).

Integrity, defined as consistency, honesty, and trustworthiness (Peterson & Seligman, 2004; Yukl & Van Fleet, 1992), is an important attribute of effective leadership prototypes throughout the world (Den Hartog et al., 1999; Moorman & Grover, 2009). For example, in a sample of more than 17,000 managers from 62 different cultures, including Mainland China, Hong Kong, and Taiwan, the GLOBE project found that integrity was universally valued as a characteristic of outstanding leaders (House et al., 2004). Similarly, of the four main factors in Chinese leadership prototypes, personal morality, a trait similar to leader integrity, was the most important, accounting for 35.79 percent of the variance in Chinese characterizations of effective leadership (Ling, Chia, & Fang, 2000). This evidence suggests that integrity is likely to be an important element of the effective leader prototype, particularly in China.

According to implicit leadership theory (Brown & Lord, 2001; Lord & Maher, 1991), when a leader embodies characteristics congruent with followers' prototypes, a number of positive outcomes can occur. For example, followers are more likely to like and be satisfied with leaders who meet their expectations (Engle & Lord, 1997; Hunt, Boal, & Sorenson, 1990). Followers are also more likely to be positive about and supportive of the leader's vision and goals (Hansbrough, 2005). OCB is an important way followers can show their support for a leader (Bai, Li, & Xi, 2012; Chen, Tsui, & Farh, 2002). Moreover, because OCB is discretionary, followers can choose whether and how much to engage in such behaviours, based on how much

¹ The construct of leader integrity is closely related to the moral leadership component of paternalistic leadership, a leadership construct indigenous to China. Paternalistic leadership, a behavioural style deeply rooted in Chinese culture, 'combines strong discipline and authority with fatherly benevolence and moral integrity couched in a personalistic atmosphere' (Farh & Cheng, 2000: 94). A key component of paternalistic leadership is moral leadership, which concerns whether a leader's behaviour demonstrates self-discipline, unselfishness, and superior personal virtues. While moral leadership and leader integrity are related, they emphasize different aspects of ethics. Moral leadership stresses unselfish behaviour, including refusing to take personal revenge in the name of public interest and refusing to abuse power for selfish reasons. Leader integrity, on the other hand, stresses honesty, consistency, and trustworthiness. Because of these different emphases, integrity should have an effect on follower responses that is distinct from that of the moral leadership component of paternalistic leadership.

they identify with or trust in their leader and organization (Bai et al., 2012; Chen et al., 2002; Li et al., 2012; Podsakoff, MacKenzie, Moorman, & Fetter, 1990). As a result, OCB is especially likely to be influenced by how well a leader's character fits with the followers' leadership prototype.

In particular, because integrity is an important dimension of leadership prototypes in China (Ling et al., 2000), leaders with integrity are likely to elicit OCB. Although we are not aware of any study directly examining the relationship between leader integrity and follower OCB, some indirect evidence exists. For example, data collected in a large Canadian bank showed that when employees trusted in their manager's benevolence and integrity, they also reported more helping and voicing behaviours, which are related to OCB (Dirks & Skarlicki, 2004). Although that study focused on employees' trust, it provides indirect evidence that leaders with integrity may motivate subordinates to engage in OCB. Moreover, helping and voicing behaviour represent specific types of OCB where leaders' benevolence may play an important role. Combining this indirect evidence with the theoretical arguments above, we expect a positive relationship between leader integrity and followers' OCB.

Hypothesis 1: Leaders' integrity will positively relate to followers' OCB.

Although we propose that leader integrity is positively associated with follower OCB, the mechanism underlying this relationship still needs to be clarified. Our prediction, based on implicit leadership theory, is that leader effectiveness mediates the relationship between leaders' integrity and followers' OCB. According to implicit leadership theory, leader effectiveness – the ability to influence followers to achieve specific goals (Bass & Avolio, 1995) – depends on whether a leader's characteristics and behaviours are congruent with followers' prototypes (Lord et al., 1984). A match between leader and prototype will increase leader effectiveness in at least two ways (Hansbrough, 2005). First, followers more favourably evaluate leaders who fit with their prototypes of effective leaders (Calder, 1977; Lord, 1985). Specifically, because integrity is among the most valued and expected of leader traits, followers will perceive a leader with integrity as more effective. Indeed, leader integrity has been found to be more positively related to perceptions of leader effectiveness (Hooijberg, Lane, & Diversé, 2010). Second, followers' belief that a leader is effective can contribute to the leader's actual effectiveness (Epitropaki & Martin, 2005). Similar to trust (Dirks & Skarlicki, 2004), perceived leader effectiveness could cause other factors, such as incentive schemes and feedback, to generate positive outcomes (Mesquita, 2007). If followers perceive their leader to be effective, they are more likely to trust, follow, and commit to the leader's vision.

In turn, two interrelated mechanisms should cause leader effectiveness to be positively related to followers' OCB. First, followers gain future benefits from performing both in-role and extra-role behaviours to support effective leaders (Lapierre, 2007). Thus, engaging in OCB is an important way for followers to contribute to organizational goals. In turn, effective leaders benefit both organizations and employees by making more successful managerial decisions and by teaching followers how to be effective themselves, how to better understand what actions are needed, and how to contribute to organizational goals (Kirkpatrick & Locke, 1991). For both of these reasons, followers are likely to respond to effective leaders with increased OCB.

In sum, the more integrity followers see in a leader, the better that leader will match their prototype, which then increases the leader's effectiveness. That effectiveness should motivate followers to help and support the leader by increasing their OCB. We therefore propose:

Hypothesis 2: Leader effectiveness will mediate the relationship between leader integrity and followers' OCB.

Traditionality, Leader Integrity, and Leader Effectiveness

Although research has identified numerous universally esteemed leader qualities (Peterson & Seligman, 2004), nonetheless, followers' cultural values shape the specific behaviours that constitute those qualities (House et al., 2004). Culture is the human-made part of the environment (Triandis, 1994); it defines each person's role in the collective, indicates group norms, and reflects the values advocated among group members (Robert, Probst, Martocchio, Drasgow, & Lawler, 2000). Many dimensions have been proposed to describe differences among cultures, but research suggests that traditionality plays a particularly strong role in influencing cognitions and behaviours in Chinese culture (Farh et al., 1997; Hui, Lee, & Rousseau, 2004; Pillutla, Farh, Lee, & Lin, 2007). Followers' traditionality may therefore have an important influence on their responses to leader integrity.

Traditionality is defined as commitment to, respect for, and acceptance of the norms and customs of a traditional society (Schwartz, 1992). In Chinese society, respect for authority is a key aspect (Chen & Aryee, 2007; Farh et al., 1997). Confucian philosophy, which has strongly shaped traditional Chinese society (Farh et al., 1997; Yang, 1993), prescribes that organizations are managed according to family principles: managers are the parents of the organization and employees are the children (Rarick, 2007). In such relationships, Confucianism dictates that junior, less powerful people respect and comply with senior, more powerful people, without question (Ames, 1998). In other words, leaders expect compliance and respect from followers (Cheng, Chou, Wu, Huang, & Farh, 2004; Farh & Cheng, 2000). This respect for authority is perhaps the most prominent trait of Chinese traditionality (Yang, 2003; Yang, Yu, & Yeh, 1989).

We argue that Confucian customs of deference will influence how followers respond to the integrity they see in their leaders. Given the importance of submission and devotion to authority, more traditional Chinese followers may be less concerned with an authority figure's character or integrity (Farh, Hackett, & Liang, 2007). Rather, traditional followers may believe that as long as an individual occupies a leadership position, the followers' duty is to recognize the leader's right and ability to lead, to obey and serve regardless of their opinion about the leader's integrity. This suggests that the leader's integrity may be unimportant to followers who espouse traditional values. Consistent with this prediction, unjust treatment was found to have less influence on OCB among employees who strongly endorsed traditional Chinese values compared with the responses of less traditional workers (Farh et al., 1997). Therefore, we propose:

Hypothesis 3: Followers' traditionality will moderate the relationship between leader integrity and leader effectiveness, such that the relationship between leader integrity and effectiveness will be weaker when followers are more traditional.

Method

Sample and Procedure

Participants in the sample used for hypothesis testing were employees from three entertainment and service companies in northwest China. The employees worked in teams as tea, food, and beverage servers, and thus were engaged in customer-driven activities that would benefit from high levels of OCB. For example, service quality could be improved if co-workers were willing to help when needed in areas outside their formal duties. Moreover, none of these companies had a formal training program for newcomers, and thus voluntary assistance from experienced workers was important to the development of new employees.

We distributed a consent form introducing our study and ensuring confidentiality to all participants: team managers and their subordinates. After receiving consent, we distributed two questionnaires: one asking subordinates to rate their team managers' integrity and effectiveness as well as their own traditionality, and one asking team managers to evaluate their subordinates' OCB. Using these two sources of data provided the best assessment of each variable, and reduced the threat from same-source and self-report biases. We used the subordinate's employee identification number to match the manager and subordinate data. To protect confidentiality, the researchers collected all questionnaires on-site immediately after they were completed.

In total, 47 manager questionnaires and 233 subordinate questionnaires were distributed. After excluding incomplete questionnaires, 211 sets of manager–subordinate dyads remained, constituting the final sample (overall response rate 90.6 percent), with an average of 4.5 subordinates per manager. The average age of subordinates was 24.11 years (SD = 4.05), with an average job tenure of 1.63 years (SD = 1.83). Most subordinates were female (76.3 percent). The average age of team managers was 26.51 years (SD = 4.87), most were male (61.7 percent), and their average job tenure was 3.98 years (SD = 2.79). Table 1 presents the profiles of the samples in the three companies separately. The samples represented a relatively wide range of working experience in the company, from three to 11 years.

Table 1. Profiles of samples from three companies^a

Characteristics	Firm 1	Firm 2	Firm 3	F test	Sig.
Firm size (number of employees)	120	72	41		
Firm age (years)	11	4	3		
Respondent employee number	107	67	37		
Respondent employee age (years)	25.21 (4.18)	22.30 (3.58)	24.19 (3.29)	11.82	0.00
Respondent employee tenure (years)	2.32 (2.23)	1.07 (0.99)	0.65 (0.66)	18.33	0.00
Respondent supervisor age (years)	27.92 (5.87)	24.47 (3.09)	26.13 (2.70)	2.5	0.09
Respondent supervisor tenure (years)	5.02 (2.78)	3.20 (2.53)	2.32 (2.17)	4.19	0.02
Respondent employee gender (number)				0.97	0.38
Male	25	19	6		
Female	82	48	31		
Respondent supervisor gender (number)				0.13	0.88
Male	14	10	5		
Female	10	5	3		

^a Numbers in parentheses are standard deviations.

Measures

The surveys were written using standard back translation: a native speaker translated the materials from English to Chinese, and then another native speaker translated them back to English to ensure clarity and consistency. We used seven-point Likert-type scales to measure all variables (1 = strongly disagree, 7 = strongly agree).

Leader integrity

The eight-item perceived leadership integrity scale was used to measure leader integrity (Craig & Gustafson, 1998; Kottke & Pelletier, 2013). Sample items include: 'My manager would lie to me' (reverse scored) and 'My manager would falsify records' (reverse scored). The reliability (Cronbach's alpha) for the scale was 0.94.

Leader effectiveness

Leader effectiveness was assessed using the four-item effectiveness scale from the Multifactor Leadership Questionnaire (Bass & Avolio, 1995). Sample items include: 'My manager is effective in meeting organizational requirements. Overall, my manager leads a group that is effective'. The scale's reliability was 0.82.

Traditionality

Traditionality was measured using five items (Farh et al., 1997) adapted from the Chinese Individual Traditionality Scale (Yang et al., 1989). A sample item is: 'The best way to avoid mistakes is to follow the instructions of senior persons'. This scale has been successfully used as a traditionality measurement with samples from Taiwan (Farh et al., 1997; Spreitzer, Perttula, & Xin, 2005), Hong Kong (Farh, Tsui, Xin, & Cheng, 1998), and Mainland China (Hui et al., 2004). Scale reliability was 0.93.

Organizational citizenship behaviour

Managers rated each subordinate on the 20-item scale (Farh et al., 1997) to measure staff OCB, specially developed for OCB studies in the Chinese context. Sample items include: 'This employee makes constructive suggestions that can improve the operation of the company. This employee is willing to help colleagues solve work-related problems. This employee complies with company rules and procedures even when nobody watches and no evidence can be traced'. The scale's reliability was 0.91.

Control variables

Control variables included the age, gender, and organizational tenure of managers and subordinates, as well as the subordinates' tenure with their managers, because past research (see, e.g., Hui et al., 2004) has shown that these characteristics are associated with employees' OCB. Age and tenure were measured in years. Gender was coded 1 for male and 2 for female. Because

of significant differences in demographic characteristics between companies, we included dummy variables for company of employment to control for organizational differences.

Analyses

A confirmatory factor analysis (CFA) was used to examine the properties of our measures. For hypothesis testing, we used hierarchical linear modeling (HLM) (Raudenbush & Bryk, 2002) because our data were clustered rather than independent (each manager evaluated multiple subordinates). HLM controls for non-independence in the data by partitioning the total variance into within-group and between-group components. Since our hypotheses were concerned with within-group relationships, we report the results associated with these individual-level relationships. Grand-mean-centered linear terms were used as predictors and constituents of interaction terms to model employee (level 1) outcomes (Hofmann & Gavin, 1998). Since our hypotheses had no group-level linear or interaction relationships, the only group level (level 2) predictors entered were those controlling for the organization and for manager demographics.

Results

Table 2 presents the results from the CFA regarding all the multi-item variables, using LISREL 8.70 (Jöreskog & Sörbom, 2001). The fit statistics indicated that the baseline model with the four factors – leader integrity, leader effectiveness, OCB, and traditionality – adequately represented the data ($|^2 = 333.60$, df = 203; RMSEA = 0.055; CFI = 0.98; TLI = 0.97). In addition, all items loaded significantly on their respective factors. Furthermore, several competing CFA models were used to test the measures' discriminant validity. As shown in Table 2, all alternative models had worse fits than our baseline model, which indicated that the four factors were distinct constructs. We also computed the average variance explained (AVE) of the four factors, and the estimates for leader integrity, leader effectiveness, OCB, and traditionality were 0.66, 0.55, 0.65, and 0.73, respectively. All were greater than the AVE benchmark of 0.50 and larger than the squares of the correlations among them (the largest correlation in the baseline model was between leader effectiveness and OCB, r = 0.62), providing further evidence of discriminant validity among the measures (Fornell & Larcker, 1981). A summary of the descriptive statistics and correlations among all the level-1 and level-2 variables is presented in Table 3. The correlations among leader integrity, leader effectiveness, and OCB are in the expected direction.

Hypothesis 1 predicted that leader integrity would be positively related to OCB. Model 1 in Table 4 shows that none of the control variables was significantly related to OCB. After introducing the main effect in model 2, leader integrity had a significant positive relationship with OCB ($\beta = 0.15$, p < 0.05), and the difference of a chi-square test with deviance values indicated that model 2 represented a significantly better fit than model 1 ($\Delta \chi^2(1) = -7.44$, p < 0.05) (Raudenbush & Bryk, 2002), supporting hypothesis 1.

Table 2. Results of the confirmatory factor analyses a

Model	Factors	χ^2	df	$\Delta \chi^2$	RMSEA	CFI	TLI
Baseline model (4-factor model)	Integrity, leader effectiveness, OCB, and traditionality	333.60	203		0.055	0.98	0.97
Rival model 1	Combine integrity & leader effectiveness into one factor	779.74	206	446.14 (3)*	0.117	0.92	0.91
Rival model 2	Combine integrity & traditionality into one factor	1460.31	206	1126.71 (3)*	0.170	0.84	0.82
Rival model 3	Combine integrity & OCB into one factor	1418.23	206	1084.63 (3)*	0.167	0.87	0.85
Rival model 4	Combine leader effectiveness & traditionality into one factor	1480.06	206	1146.46 (3)*	0.172	0.84	0.82
Rival model 5	Combine leader effectiveness & OCB into one factor	577.14	206	243.54 (3)*	0.093	0.95	0.94
Rival model 6	Combine OCB & traditionality into one factor	1476.39	206	1142.79 (3)*	0.171	0.84	0.82
Rival model 7	Combine all four factors into one factor	3158.69	209	2825.09 (6)*	0.259	0.69	0.65

p < 0.05.

Table 3. Means, standard deviations, and correlations of the variables^a

Variable	Mean	SD	1	2	3	4	5	6	7	8
Level 1										
1 Employee age	24.11	4.05								
2 Employee gender	1.76	0.43	0.10							
3 Employee tenure	1.63	1.83	0.49*	-0.15*						
4 Tenure with manager	0.67	0.82	0.09	-0.14*	0.43*					
5 Leader integrity	6.15	1.16	0.12	0.17*	-0.17*	-0.02	(0.94)			
6 Leader effectiveness	5.03	1.49	0.09	-0.08	-0.15*	0.00	0.28*	(0.82)		
7 Traditionality	3.56	1.83	0.10	-0.11	0.13	0.06	-0.14*	-0.04	(0.93)	
8 Follower OCB	5.26	0.95	0.03	-0.02	0.10	0.04	0.19*	0.54*	0.06	(0.91)
Level 2										
1 Manager age	26.51	4.87								
2 Manager gender	1.38	0.49	0.04							
3 Manager tenure	3.98	2.79	0.66*	0.14						

^{*} p < 0.05.

^a $N_{level1} = 211$, $N_{level2} = 47$.

^a $N_{level1} = 211$, $N_{level2} = 47$. Numbers in parentheses on the diagonal are Cronbach's alphas of the scales.

Table 4. HLM results for mediating effect of leader effectiveness and moderating effect of traditionality^a

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
			Leader	Leader			Leader	Leader
Variables	OCB	OCB	effectiveness	effectiveness	OCB	OCB	effectiveness	effectiveness
Control variables								
Employee age	0.00	0.00	0.00	0.01	0.00	0.00	0.01	0.00
Employee gender	-0.02	-0.03	-0.30	-0.45	-0.05	-0.04	-0.45	-0.41
Employee tenure	0.00	0.01	-0.01	-0.01	0.01	0.01	-0.01	-0.01
Tenure with manager	0.00	0.00	0.01	0.00	-0.01	-0.01	0.00	0.00
Manager age	0.02	0.02	0.01	0.03	0.01	0.01	0.03	0.02
Manager gender	-0.09	-0.06	-0.10	-0.01	-0.05	-0.05	-0.02	-0.06
Manager tenure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Organization 1	0.12	0.11	-0.09	-0.10	0.14	0.13	-0.10	-0.11
Organization 2	0.37	0.38	-0.04	-0.04	0.39	0.39	-0.04	-0.05
Main effects								
Leader integrity		0.15*		0.38*		0.02	0.38*	0.45*
Leader effectiveness					0.36*	0.35*		
Traditionality							0.00	0.01
Moderating effect								
Integrity*Traditionality								-0.11*
Deviance ^b	555.48	548.04	754.56	736.03	467.50	467.21	736.02	729.97
$\Delta Deviance$	_	$-7.44*^{c}$	_	$-18.53*^{d}$	-87.98*c	-88.27*c	$-18.54*^{d}$	-6.05*e

^{*}p < 0.05.

 $^{^{}a}$ $N_{level1} = 211$, $N_{level2} = 47$. Manager's age, gender, and tenure are in level 2, and other variables are in the level 1 equation.

b Deviance is a measure of model fit; the smaller the deviance is, the better the model fits. Deviance $= -2 \times \log |i| = -2 \times \log |i|$ (Raudenbush & Bryk, 2002). Compared with model 1; d compared with model 3; c compared with model 7.

Hypothesis 2 predicted the mediating role of leader effectiveness between leader integrity and OCB. We used HLM in conjunction with the mediation testing procedure (Baron & Kenny, 1986) to test this hypothesis. In testing hypothesis 1, we showed that the independent variable (leader integrity as X) was significantly related to the dependent variable (OCB as Y) (in model 2). Model 3 showed that no control variables were significantly related to the mediator, leader effectiveness (as M). In model 4, we found that the independent variable, leader integrity, had a significant positive relationship with leader effectiveness ($\beta = 0.38$, p < 0.05). In model 5, leader effectiveness was also significantly related to OCB ($\beta = 0.35$, p < 0.05). In sum, the first three conditions of the mediation test $(X \to Y, X \to M, M \to Y)$ were satisfied (Baron & Kenny, 1986). After this, the final step for testing mediation was to regress follower OCB simultaneously on leader integrity and leader effectiveness. The results, in model 6, showed that the effect of leader integrity on follower OCB became insignificant when leader effectiveness was also included as a predictor (changing from $\beta = 0.15$, p < 0.05 in model 2 to $\beta = 0.02$, p > 0.05 in model 6). The chi-square tests of the differences between models 3 and 4 $(\Delta \chi^2(1) = -18.53, p < 0.05)$, between models 1 and 5 $(\Delta \chi^2(1) = -87.98, p < 0.05)$ and between models 1 and 6 ($\Delta \chi^2(2) = -88.27$, p < 0.05) indicated the significantly better fit of models 4, 5, and 6, respectively. Thus, the data suggested full mediation (Baron & Kenny, 1986). To further assess the significance of mediation, a Sobel (1982) test was conducted to measure the indirect effects of leader effectiveness. Results reveal that the intervening effect of leader effectiveness was significant (Z = 3.10, p < 0.05), confirming the mediating role of leader effectiveness. Hypothesis 2 was thus supported: leader effectiveness fully mediated the relationship between leader integrity and follower OCB.

Hypothesis 3 predicted the moderating effect of traditionality on the relationship between leader integrity and leader effectiveness. We followed the recommendation for examining moderating effects (Aiken & West, 1991). We first checked the main effect of the moderator and then introduced the interaction term between integrity and traditionality into the regression model of leader effectiveness. As shown in model 7 of Table 4, the moderator, traditionality, had no direct relationship with leader effectiveness ($\beta = 0.00$, p > 0.05), whereas the interaction term was significantly related to leader effectiveness in model 8 ($\beta = -0.11$, p < 0.05), and the test of the chi-square difference supported the introduction of the interaction term ($\Delta \chi^2(1) = -6.05$, p < 0.05). Thus, traditionality had a negative moderating effect on the relationship between leader integrity and leader effectiveness. To clarify the interaction, we plotted leader integrity and traditionality at values one standard deviation above and below the mean (Aiken & West, 1991). The plot of the interaction is shown in Figure 2. The simple slopes of the regression lines shown in the figure were tested, and we found that among highly traditional employees, leader integrity had an insignificant relationship with leader effectiveness (simple slope = 0.25, p > 0.05), whereas among low traditionality employees a significant, positive relationship occurred between leader integrity and leader effectiveness (simple slope = 0.65, p < 0.05). Thus, hypothesis 3 was supported.

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² We conducted a bootstrap resampling test to further assess the mediated effect (Preacher & Hayes, 2004). The results supported the mediating role of leader effectiveness. The indirect effect of leader integrity on follower OCB through leader effectiveness was estimated to be 0.12, with a 95 percent confidence interval from 0.05 to 0.22 (e.g., not containing zero). While the multilevel nature of our data violates the independence assumption of the bootstrap test, the consistency of the results between tests provides some corroboration.

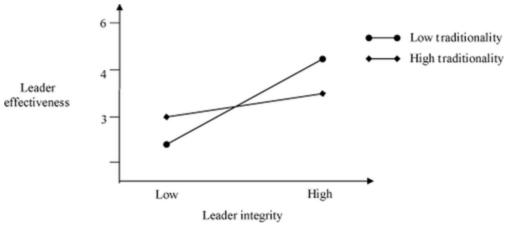


Figure 2. Leader integrity on leader effectiveness: Moderating effects of traditionality

Discussion

Based on implicit leadership theory, we predicted that leader integrity would increase followers' OCB in the Chinese context. Specifically, we expected that leaders with integrity would be more effective, which in turn would motivate followers to engage in more OCB. Our survey results supported these predictions, showing that leader effectiveness fully mediated the positive relationship between leader integrity and OCB. However, the level of traditionality among followers moderated the relationship between leader integrity and leader effectiveness. The relationship was significant among less traditional followers, and insignificant among more traditional followers.

Theoretical Implications

The study reported here is one of the first empirical investigations of how leader traits influence followers' OCB in the Chinese context, and the results have significant implications for our understanding of leadership in China. Previous research has shown that both transformational leadership (Bai et al., 2012; Kirkman et al., 2009) and leader—member exchange (Hui et al., 1999; Wang et al., 2005) can motivate Chinese followers to engage in OCB. However, the Confucian philosophy underpinning China's culture highlights that leaders have another mechanism for fostering follower OCB in addition to using transformational behaviours and forming high-quality relationships with followers; that is, leaders can cultivate their character. Our data support this conclusion, showing that followers respond to their leaders' integrity by engaging in OCB. Future research could extend this line of investigation by examining how other leader traits, such as conscientiousness, influence follower OCB, and by evaluating other traits for their potential to help Chinese leaders motivate followers to make stronger contributions.

Implicit leadership theory allows us to understand why leader integrity is so important in China: it influences leader effectiveness. Our results suggest that Chinese employees believe that leaders with high integrity are more effective, and so they are more willing to support the leader by contributing extra effort in the form of OCB. This mediated result suggests that implicit leadership theory – developed in the Western context – can also be applied to Chinese employees. An important next step in developing this line of research will be to examine the relative importance of integrity and other prototypical traits to transformational leadership

behaviours and leader—member exchange. Prior research has established that leaders' behaviours and treatment of subordinates can influence OCB. Our study adds that leader traits also influence OCB. What remains unknown is the relative importance of these effects. Moreover, possible interactions among leader characteristics, leader behaviour, and leader treatment of subordinates still need more investigation. For example, recent research shows that leaders' moral integrity interacts with leader—member exchange to predict follower perceptions of job demands (Jiang, Law & Sun, 2013). How OCB is influenced by potential interactions should be investigated by future research.

In addition, the results concerning traditionality's moderating effect enrich our understanding of leadership effectiveness in the Chinese context. Our finding of a significant moderating effect is consistent with previous research on leadership in China demonstrating the importance of traditionality in influencing leadership effectiveness (see, e.g., Chen & Aryee, 2007; Farh et al., 2007). Extending previous research, we show that when followers report high traditionality, their evaluations of leader effectiveness are not related to the leader's integrity. That is, while Chinese workers who are low in traditionality perceive leaders of integrity to be more effective, highly traditional workers do not, perhaps because Confucianism obliges followers to respect and comply with leaders indiscriminately (Ames, 1998). Traditional followers may therefore tend to focus on fulfilling their role requirements out of deference and loyalty, rather than adjusting their responses based on perceived leader characteristics (Yang, 1993). Alternatively, traditional followers may evaluate their leaders on other characteristics, such as conscientiousness as an indication that the leader will fulfil role requirements, rather than on leader integrity. That possibility offers another promising avenue for future investigation.

Finally, although this study investigated the relationship between leader integrity and follower OCB in the Chinese context, we believe that the findings may be generalizable across cultures for two reasons. First, research has demonstrated that integrity is universally valued as an attribute of effective leaders (House et al., 2004; Mellahi, 2001). Therefore, leaders with integrity are likely to be perceived as effective leaders in other cultures and should give rise to greater OCB among followers for the reasons we described. Second, our results reflect that the relationship between leader integrity and leader effectiveness was greatest among individuals who did not hold strong traditional Chinese values. Such individuals are likely to have been influenced by other cultures (Farh et al., 1997), and thus be representative of attitudes common in other parts of the world. We therefore expect the mediated relationships among leader integrity, leader effectiveness, and follower OCB also to hold in other cultures. However, the findings about more traditional employees are likely unique to the Chinese context and the teachings of Confucian philosophy.

Limitations

Our study has certain limitations that future research might seek to address and that should be considered when interpreting the results. First, we used employee reports of their traditionality as well as their leader's integrity and effectiveness. If the responses suffered from significant common method bias, the observed relationships may have been inflated (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). Future studies should collect longitudinal data from

different sources or use various survey and behavioural measures to better understand the relationships among these variables.

Second, although we controlled for demographic variables that might have influenced the relationships among study variables such as age, gender, job tenure, and relationship tenure, other potentially important factors are yet to be explored, including individual differences such as the education levels of employees and managers. It would also be informative to examine the role of variables such as transformational leadership, leader—member exchange, power distance, positive affectivity, and personal ethics, all of which have been linked to leadership effectiveness and/or employee OCB in prior studies. Including them in future research will help to clarify the extent of integrity's incremental contribution to OCB among Chinese employees.

Finally, some boundary conditions of our findings remain to be determined. Although we sampled employees and managers from multiple departments within three organizations in the service industry, unique aspects of the industry may have influenced the results. Future work is needed to replicate these findings in other industries. Similarly, although the strength of traditional Chinese culture suggests that our findings from mainland China will also hold in Hong Kong and Taiwan, these relationships should be tested. Another important boundary to explore is age. Our participants were relatively young, but the Chinese population is aging, so it will be important to determine whether the same relationships hold among older workers.

Managerial Implications

Our findings have at least two important practical implications for Chinese leadership. The first implication is straightforward: to attract follower OCB, leaders must cultivate their character, or at least manage followers' beliefs about their character. To the extent that leaders embody their followers' leadership prototypes, particularly by demonstrating integrity, they should elicit greater discretionary effort and support.

The second managerial implication is that leaders should learn to recognize the different levels of traditionality in their followers and understand how that difference influences their responses, particularly in China, given that 'as traditional Chinese societies underwent industrialization and modernized, they went through revolutionary changes in institutional patterns as well as in people's values and attitudes' (Farh et al., 1997: 424). Traditional values vary greatly in their influence on Chinese workers' attitudes. Chinese leaders who are unaware of traditionality's effects on leadership perceptions may be surprised to discover the unpredictability of their influence on followers.

Conclusion

To cope with the uncertainty and complexity of China's transitional economy, it is crucial for Chinese leaders to motivate followers to engage in OCB. However, because followers gain no formal rewards for OCB, leaders face challenges in finding ways to inspire them to undertake such behaviours. We find that leader integrity can signal leadership effectiveness in China, enhancing organizational competitiveness through increased follower OCB. Our findings extend the current research on leadership in China by examining a neglected area of leadership

effectiveness – the importance of a leader's character. This study shows that to better understand leadership in China, it is crucial for scholars and practitioners to look not only at leaders' overt behaviours but also at their characters.

Notes

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Correspondence regarding this article should be sent to Yuntao Bai, School of Management, Xiamen University, Xiamen, Fujian, China, 361005.

Biographies

Gang Zhang (gzhang.phd2009@london.edu) is a Ph.D. student at London Business School. His current research interests include leader affect and leader evaluation in different cultures, the role of humour in the leadership process, conflict resolution in entrepreneurship teams, and how social interaction influences trust-building process.

Yuntao Bai (ytbai@xmu.edu.cn) is an assistant professor in the School of Management, Xiamen University. He earned his Ph.D. from Xian Jiaotong University. His current research interests include leadership, entrepreneurship, and human resource management practice in Chinese context. His work has appeared in *Management and Organization Review* and *Asia Pacific Journal of Management*.

Arran Caza (a.caza@griffith.edu.au) is an associate professor of Management at the Griffith Business School. He previously was affiliated with Wake Forest University, the University of Illinois at Urbana-Champaign, and the University of Auckland. He earned his Ph.D. from the University of Michigan. His current research is focused in two related areas: (1) leaders' mindsets – how they think and feel, and how those thoughts and feelings influence their own and their followers' outcomes; and (2) the effects of discretion in organizations.

Lu Wang (<u>nick.wang@unsw.edu.au</u>) is a lecturer in the School of Management at the Australian School of Business, University of New South Wales. He earned his Ph.D. from the University of Illinois Urbana Champaign. His research focuses primarily on emotions in organizations and has appeared in international journals such as *Journal of Management*, *Journal of Research in Personality*, and *Organizational Behavior and Human Decision Processes*.

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