

# Organizational Behavior Research in Transition Time of China\*

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**Abstract** *The article is to introduce author's research results in recent years in the field of leadership behavior. The main researches conducted in this field include competency model of senior executives in communication industry and family firms; transformational leadership and its relationship with leadership effectiveness, the impact of supervisor's feedback on employees' behavior and the cross-culture study of supervisor's feedback. Theoretical and practical contributions of these researches are explained. Directions for future research are discussed.*

**Key words** *competency model; transformational leadership; leadership effectiveness; feedback*

As 21st century comes, China has been brought to a pivotal phase of the social and economic transition. Entering WTO signifies China's further participation into the family of international economies. On the other hand, China has her unique history, culture and system problems in management practice in the particular stage of economic development and transition. What kinds of competencies do successful leaders possess? What effects does the transition have on leadership styles? What kinds of leader behaviors can help to shape a new employment relationship between leaders and employees, to decrease the job insecurity and work stress, to inspire the organizational citizenship behavior and to promote the organizational performance? These questions are in need to be answered. Systematically exploring the structure and mechanism of transformational leadership in transition time is a hot and difficult topic in organizational behavior and managerial science, so is the study of relationship between leader behavior, organization culture and employee adaptation behavior. These studies can provide theoretical significance and practical importance to the human resource management in China. Therefore, we developed the Leadership Behavior research in transition time in

recent years.

Nowadays, widespread interest in competencies model of entrepreneurs occur as it is one of the critical and essential issues in leadership behavior researches. But little empirical study has been done in China. For the scant of such kind of research in Chinese contextual, we study the competency model of senior managers in Chinese communication industry and family firms. Based on these researches, we begin to develop and validate the structure of Chinese transformational leadership and explored its relationship with leadership effectiveness. During these prophase researches on leadership behavior, we find that leader's feedback is a critical factor that influenced the leadership effectiveness. So we explore the impact of leader's feedback on employees' behavior and also tested the cross-culture differences in this research field. The details are as follow.

## 1 The Competency Model of Leaders in Communication Industry

The study systematically explored the competency model of senior managers by the mixed method including the Emic study and the Etic study, such as Behavior Event Interview (BEI),

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scenario-based Simulation and questionnaire survey. We selected 20 senior managers from communication enterprises in Shanxi, Hubei, Anhui and Beijing to interview by BEI technique. Coding was performed based on the competency coding dictionary composed by Spencer et al. (Crick J E, Brennan R L, 1983). Data were processed through SPSS and GENOVA. In the end, we made a test of variance significance on the average score of each competency in outstanding group and average group to identify competencies of significant difference and construct the competency model of senior managers<sup>[1]</sup>.

The results are as follows: 1) No significant difference is found between the protocol length of outstanding and average managers. Frequencies of occurrence of most competencies correlate

significantly to protocol length, however few average score and maximum score correlate significantly to protocol length. It seems using average score in coding is more suitable. (see Tab.1) 2) G coefficient based on Generalization Theory shows that the two coders' coding are consistent; 3) Study of criterion sample shows that competency model of senior managers in Chinese Communication Enterprises includes: impact and influence, organizational commitment, information seeking, team leadership, achievement orientation, interpersonal understanding, initiative, customer service orientation, self-confidence and developing others. This model is generally consistent with the competency model of senior managers explored by western scholars (Spencer Jr. L M, Spencer S M, 1993).

**Tab.1 Test of variance significance on average score of competencies in outstanding group and average group**

Items	Outstanding Group		Average Group		Df	t
	M	SD	M	SD		
Achievement Orientation	4.16	1.12	2.37	1.73	18	2.751*
Quality and Order Orientation	2.03	2.21	1.85	2.14	18	0.188
Initiative	2.94	1.80	0.91	1.81	18	2.511*
Information Seeking	3.97	0.99	1.72	2.02	#1	3.155**
Interpersonal Understanding	3.08	0.89	2.12	0.78	18	2.541*
Customer Service Orientation	4.22	3.35	1.12	2.12	18	2.477*
Impact and Influence	5.61	1.39	3.01	2.00	18	3.381**
Authority Consciousness	2.91	0.89	2.28	0.90	18	1.580
Public Relations	2.93	2.17	3.07	2.72	18	-0.129
Developing Others	3.41	2.51	1.02	1.98	18	2.362*
Directiveness	4.69	2.19	3.01	2.58	18	1.566
Team Cooperation	3.28	1.96	2.68	2.03	18	0.665
Team Leadership	3.73	1.51	1.87	1.65	18	2.627*
Analytical Thinking	2.74	0.49	2.44	0.36	18	1.526
Conceptual Thinking	3.11	0.63	3.27	0.75	18	-0.518
Technical Expertise	4.33	0.70	4.55	0.92	18	-0.590
Self-control	1.99	2.15	0.75	1.05	#2	1.635
Self-confidence	2.98	0.60	2.02	1.06	18	2.472*
Flexibility	2.48	1.66	1.12	1.33	18	2.019
Organizational Commitment	3.64	1.01	1.88	1.30	18	3.358**

\*.significant difference at 0.05 level

\*\*. significant difference at .01 level

#1, #2. Represents unequal variances (F=13.05, 13.69, respectively, df=13.066, 13.055, respectively).

## 2 The Competency Model of Senior Managers in Chinese Family Firms

This research is developed based on the study of competency model of senior managers in communication industry. We chose 20 senior managers of medium and small family firms in Wenzhou of Zhejiang Province, China. We designed Behavioral

Event Interview Outline A, Behavioral Event Interview Outline B and Behavioral Event Interview Record Card. Data collected by two independent coders are accumulated, recorded and analyzed. Comparative analysis of every competency frequency and level is made between the outstanding group and the average group. Competencies with significant difference are identified thus to validate the competency model of

senior managers in family firms<sup>[2]</sup>.

The results show: Firstly, competency scores using coding standard of average level and using coding standard of competency frequencies show more reliability, competency's maximal level of complexity is influenced by interview length. Secondly, the competencies of senior managers in family firms include: Authoritarianism Orientation, Initiative, Seizing Opportunities, Information Seeking, Organization Awareness, Directiveness, Benevolence and Consideration, Self-control, Self-confidence,

Self-learning, Impact and Influence. And in all the 11 competencies, there are 9 competencies being similar to that of the generic competency model of senior managers in the overseas firms (Spencer, 1993), 8 competencies being similar to that of the generic competency model of state-owned firms in China (SHI Kan et al, 2001). And Authoritarianism Orientation and Benevolence and Consideration are the exclusive competencies, which are included in the competency model of senior managers in Chinese family firms. (see Tab.2)

**Tab.2 Comparison between competency model of senior managers in Chinese family firms, overseas entrepreneurs and communication industry**

	Chinese Family Firms	Overseas Entrepreneurs	Communication Industry
Similar competencies	Self-confidence	Self-confidence	Self-confidence
	Initiative	Initiative	Initiative
	Information Seeking	Information Seeking	Information Seeking
	Organization Awareness	Organization Awareness	Organization Awareness
	Impact and Influence	Impact and Influence	Impact and Influence
	Seizing Opportunities	Seizing Opportunities	
	Directiveness	Directiveness	
	Self-control	Self-control	
	Self-learning	Self-learning	
Different competencies	Authoritarianism Orientation	Systematic Planning	Interpersonal Understanding
	Benevolence and Consideration	Analytical Thinking	Team Construction
		Developing Subordinates	Developing Subordinates
		Attention to Staff Benefits	Customer Services

### 3 Transformational Leadership and Its Relationship with Leadership Effectiveness

Most research results show a positive correlation between Transformational Leadership and Leadership Effectiveness (Lowe K B, Kroeck K. G, Sivasubramaniam N, 1996). Transformational Leadership has become a new paradigm in leadership researches in the west, however, there are few related empirical researches in China. We apply the newest scale in MLQ 5x (Bass B M, Avolio B J, 1996) to measure Transformational Leadership and the questionnaire included four dimensions: Charisma or Idealized Influence, Inspirational Motivation, Intellectual Stimulation and Individual Consideration. Leadership Effectiveness is measured by three variables in MLQ: Extra Effort, Satisfaction with the Leader, Leader Effectiveness. Total valid subjects were 149. We used Amos 4.0 (Arbuckle, J. L., Wothke, W., 1999) to examine the construct validity of

Transformational Leadership and made regression analysis to examine the relationship between Transformational Leadership and Leadership Effectiveness<sup>[3]</sup>.

The results show preliminary evidence of Transformational Leadership's construct validity and it could be divided into Idealized Influence, Inspirational Motivation, Intellectual Stimulation and Individual Consideration. Regression analyses show that there are positive relationships between Idealized Influence, Intellectual Stimulation, Individual Consideration and Leadership Effectiveness. However the relationship between Inspirational Motivation and Leadership Effectiveness is not significant. (See Tab.3) Next, we do the Emic study to explore the structure of transformational leadership by the Inductive methods. The result show that transformational leadership is a four-dimension structure which included articulate vision, morale modeling, charisma and individual consideration. (See Tab.4)

**Tab.3 Regression analysis of relationship between transformational leadership and leadership effectiveness (N=149)**

Transformational Leadership	Extra Effort $\beta$	Satisfaction with the Leader $\beta$	Leader Effectiveness $\beta$
Charisma or idealized influence	0.31**	0.38**	0.48**
Inspirational motivation	0.11	-0.02	0.07
Intellectual stimulation	0.19*	0.33**	0.19*
Individual consideration	0.30**	0.12	0.14
$R^2$	0.65**	0.57**	0.64**

\* $p < .05$  (two-tailed) \*\* $p < .01$  (two-tailed)

**Tab.4 Comparison between structures of transformational leadership in China and western countries**

	Structure of transformational leadership in China	Structure of transformational leadership in western countries
Similar dimensions	Charisma or idealized influence Individual consideration*	Charisma or idealized influence Individual consideration
Different dimensions	Articulate vision Morale modeling**	Intellectual stimulation Inspirational motivation

\* Contrast to other researches, individual consideration includes leader's consideration on subordinate's life and family besides western individual consideration.

\*\* Contrast to other researches, Morale modeling emphasizes leader's morale behavior's modeling effect on subordinate.

## 4 The Impact of Supervisors Feedback on Workers' Behavior

There are three problems in common in current research of leader feedback. Firstly, most research situations do not involve other work members, which differentiate from the real work situation. Secondly, most selected dependent variables are related to task performance and feedback's effects on employees' contextual performance are paid less attention. Thirdly, most cross-cultural comparative analysis is performed on the nation level, and more studies on the individual level are needed. This research attempts to explore on the individual level into the effects of leader feedback in the background of Chinese culture by taking account of the presence of other work members and employees' contextual performance.

Adopted  $2 \times 2$  (type of feedback and target of feedback) two factors between subjects design, Individualist orientation and collectivist orientation on individual level considered as mediators, 303 subjects participated. To measure individualism and collectivism, we select 16 questions that have max loadings on factors from the questionnaire developed by Singles et al and apply back-translation to keep to

the original meaning<sup>[4]</sup>.

The results show that: the Individualism-Collectivism theory frame of Singles, Triandis, etc. generally applied to Chinese subjects; The main effects of type of feedback and target of feedback were significant, positive feedbacks from the superior increased Non-confronting behavior intention and individual feedback produced higher Conflict Behavior; the individual level of individualism-collectivism had moderating effects on feedback., it is as Tab.5 shows.

We attempt to map and explain differences in the content-based quality and meaning of performance feedback in different situations. Additionally, we attempt to open the black box of still other intrapersonal reactions to the feedback. Our thinking and research are guided by two assumptions. First, communicated performance feedback evokes covert informational, relational, emotional, and behavioral reactions in the recipient. Second, the informational, relational, emotional, and behavioral reactions are driven by the extent to which the performance feedback is depersonalized, has no reference to or connection with the performer as an individual.

Tab.5 Manova results of independent and dependent variables

Source of Variance	Dependent Variables	SS	DF	F	P
Type of Feedback	Integrating Behavior Intention	17.992	1	0.564	0.453
	Conflict Behavior Intention	19.999	1	2.563	0.110
	Non-confronting Behavior Intention	125.556	1	13.991	0.000**
Target of Feedback	Integrating Behavior Intention	3.137	1	0.098	0.754
	Conflict Behavior Intention	80.226	1	10.282	0.001**
	Non-confronting Behavior Intention	11.898	1	1.318	0.252
Type * Target	Integrating Behavior Intention	6.319	1	0.198	0.657
	Conflict Behavior Intention	11.079	1	1.420	0.234
	Non-confronting Behavior Intention	3.236	1	0.358	0.550

\* P<.05    \*\* P<.01

Adopted  $2 \times 2$  (collective versus individual performance and positive versus negative feedback) two factors between subjects design, We recruit Chinese students ( $N = 306$ ) and Dutch students ( $N = 127$ ) as participants. The results show that: Feedback quality and relational quality tend to be higher for matched collectivist-collective or individualist-

individual dispositions than for mismatched dispositions. Collective dispositions enhance constructive behavioral intentions more than do individual dispositions. Positive feedback produces better information, better relationships, more pleasant emotions, and more constructive behavioral intentions than does equivalent negative feedback.(see Fig.1).

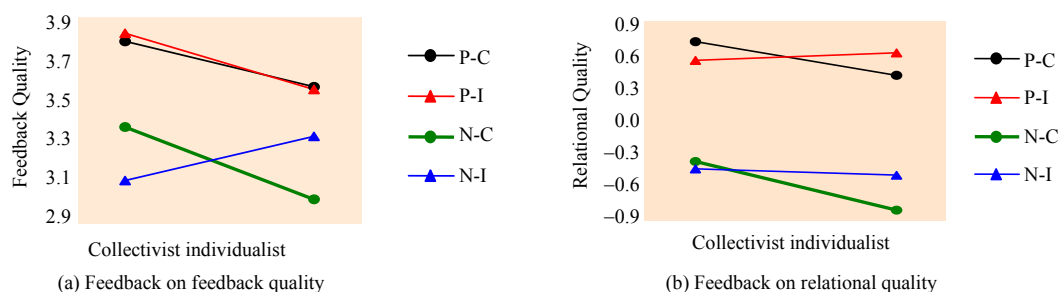


Fig.1 Effects of collectivist and individualist, positive and negative feedback

## 5 Prospect of Future Research

The researches on competency model in Chinese contextual found some exclusive competencies that differ from general competency model developed out of China. The construction of Chinese transformational leadership structure flourished the leadership behavior research theoretically and practically in China. The instruments and techniques developed and used in these researches are very helpful for deeper research. The research of feedback clarified the relationship between feedback giver and receiver in some degree. All of these researches made a great contribution to leadership behavior research theoretically and practically. But there are still some areas that we have

not set foot in. We just conducted researches from the aspect of leaders, we should know more about the behavior of employees. The effective interaction between them is the key factors to the success of an entrepreneur.

We will future probe into the predictive and explanatory models of Chinese psychological behavior in the background of Chinese history, culture and social economic transition. As a result, theoretical foundation and strategy advices will be provided for the government's policy-making and enterprises' development.

Firstly, we will continue our study on the behavior mechanism of transformational leadership in transition time. Paying attention to distinct characteristics in

Chinese social culture and management system in transition time, we will systematically explore the structure of transformational leadership of senior executives and its mechanism at the level of individual, group and organization. The relationship between transformational leadership and organizational culture will also be examined.

Secondly, we will pay more attention on employee adaptation behavior in transition time. In this field, we will develop some researches on pressing problems in transition time such as employee turnover intention, job burnout, job insecurity and influencing factors of work-family conflict. Meanwhile, relevant coping skills in human resource management will be explored.

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### Brief Introduction to Author(s)

**SHI Kan** was born in 1949, Ph.D., Director of the Center for Social & Economic Behaviors, Chinese Academy of Sciences, Vice Director of Academic Committee, Institute of Psychology. His current research interests include: competency model of managers and 360-degree feedback, performance assessment, transformational leadership and organizational culture, job satisfaction, work-family conflict, organizational commitment, organizational citizenship behavior, voluntary turnover, cognitive model of intellectual skill, vocational guidance, job insecurity, reemployment, website training and many other researches about cross-national organizational culture, i.e., transportability of job analysis information across countries, stigma of managers, social dilemma, and expatriates' adjustment.