



CrossMark



Full Length Article

Does relational leadership generate organizational social capital? A case of exploring the effect of relational leadership on organizational social capital in China

Tayyaba Akram^{a,b,*}, Shen Lei^b, Syed Talib Hussain^b, Muhammad Jamal Haider^b,
Muhammad Waqar Akram^c

^aFaculty member, FMS, BUITEMS, Quetta, Pakistan

^bGlorious Sun School of Business and Management, Donghua University, Shanghai, China

^cSoochow University, Suzhou, China

Received 6 March 2016; received in revised form 7 June 2016; accepted 15 June 2016

Abstract

The aim of this study was to investigate the effect of relational leadership on organizational social capital. Three forms of organizational social capital namely structural, relational and cognitive organizational social capital are used as dependent variables. Using self-administered questionnaire, Data of 240 employees was collected from an IT company in China. Data was analyzed using correlation and multiple regression analysis. Results of this study suggested that relational leadership plays a positive and significant role in generating structural and relational organizational social capital. However, this study failed in finding the effect of relational leadership on cognitive organizational social capital. Practical implications and limitations are also provided at the end.

© 2016 Faculty of Commerce and Business Administration, Future University. Production and Hosting by Elsevier B.V. All rights reserved.

Keywords: Relational leadership; Structural organizational social capital; Relational organizational social capital; Cognitive organizational social capital; China

1. Introduction

The reason why leadership matters a lot in organizational behavior studies is evident from the fact that, since 2000, organizations have spent \$50 billion per year on the leadership development (McCallum & Connell, 2009). Recent studies also indicated an increase interest in studying the social facets of leadership (Balkundi & Kilduff, 2006; Uhl-Bien, 2006). According to many authors, the role of leaders and managers in optimizing the organizational social capital is also under critical debate since last decade (e.g. Hitt & Duane, 2002; Lengnick-Hall & Lengnick-Hall,

*Corresponding author.

E-mail addresses: tayyaba.akram1@hotmail.com, tayyaba.akram@buitms.edu.pk (T. Akram).

Peer review under responsibility of Faculty of Commerce and Business Administration, Future University.

2003; Luthans & Youssef, 2004; Ellinger, Ellinger, Bachrach, Wang & Bas, 2011). Moreover, in the past decade, due to the increased focus in exploring the social facets of leadership, researchers' interest in finding out the relationship between leadership and social capital has also captured extended interest. According to McCallum and Connell (2009), in the presence of virtual business settings and unpredictable business conditions, it is very crucial for organizations to prepare its organizational leaders with such skills that help them to generate, use and also endure organizational social capital. As the importance of different facets of leadership has augmented, so does the value of relational leadership's effect have burgeoned. It has become a critical form of leadership displaying more effectiveness on behalf of the leaders (Komives, Lucas, & McMahon, 2009; Uhl-Bien, 2006; Komives, Lucas & McMahon, 2013). Therefore, it suggests that relational leadership is considered relatively a new concept in leadership studies (Uhl-Bien, 2006). On the other hand, organizational social capital (OSC) is although not very new concept but considered as very important element for organizational competitiveness (Hitt & Duane, 2002), advocating that it is increasingly recognized as beneficial organizational resource by many researchers (e.g., Cohen & Prusak, 2001; Briena & Smallman, 2011). Some authors mentioned that social capital is still under developmental stages and for human resource development professionals and researchers it is at its exploratory stages (particularly in organizational context). Most of the workplace studies focused social capital as a result of worker behavior (for example Adler & Kwon, 2002). Additionally, some (e.g., Hodson, 2005; Whiteneret al., 1998) also focused managerial behavior as a contributor for organizational social capital. Further, others insisted on the increased responsibility of managers and leaders in leveraging organizational social capital for their followers (Ellinger et al., 2011). Therefore, leadership is proposed as an important organizational element that is found effecting organizational social capital significantly. Although, different forms of leadership are considered in previous studies (For example; transformational leadership); however, the role relational leadership in generating organizational social capital is yet has to be discovered. Therefore, the purpose of this research study is to find out that what is the effect of relational leadership on organizational social capital, particularly in Chinese context. Particular focus is given to three popular forms of organizational social capital i.e. structural organizational social capital (SOSC), relational organizational capital (ROSC) and cognitive organizational social capital (COSC). This study also provides practical implications and limitations at the end.

2. Literature review

2.1. Relational leadership

Leadership has been a very broad topic of interest for researchers in the field of organizational behavior. Research about leadership is spread on many decades, identifying a record number of models, theories and measurement instruments. These studies, altogether tried to enhance the reader' understanding that how leadership can lead to achieve organizational objectives while, unfortunately, ignored and underestimated the complexity of relationship among the leader and followers (Hilaire, 2008). Historically speaking, in leadership studies, different time periods have manifested different forms of leadership. While defining leadership, up to late 1940s, trait approach was considered very important and the only representative definition for a leader. Further, style approach to leadership evolved, became very popular and continued to remain famous till 1960s. Instead of traits, style approach suggested that leaders' actions are more important for organizational effectiveness and therefore, more valuable asset. Next, contingency approach was introduced in early 1980s. This approach postulated that everything is based on situation present around leaders and leaders' effectiveness is also based on such situations (leaders are not as effective as in all these situations). After 1980s, another approach seized the interest of people that considered leadership as vision and goal provider and focusing more on inspiring the followers. This overtime evolution in leadership approaches continued and has lead most of the present studies to redesign the leadership's theoretical basis (Hilaire, 2008). Along with other leadership approaches, relational leadership is also among such emerging approaches (e.g. ethical leadership) presented by Uhl-Bien (2006) that has seized the interest of researchers in recent years. It can also be defined by the Theory of Identity to seize the leader phenomenon. Most of the present theories of leadership are focusing on the understanding and assessing the leadership process, but the Theory of Relational Leadership goes even further by proclaiming that the capacity of individuals to influence others is due to the social dynamism. Currently, the theories of leadership dominated prior industrial era, are heavily dependent on relationship of trust among employees and leaders (Komives, Lucas, & MaMahon, 2013; Osteen, Owen, Komives, Mainella, &

Download English Version:

<https://daneshyari.com/en/article/7428918>

Download Persian Version:

<https://daneshyari.com/article/7428918>

[Daneshyari.com](https://daneshyari.com)