

Differential Leadership, Organizational Identity, and Employee Voice Behavior

-- The Moderating Role of Perceived Insider Status

Lin Chen

School of Management, Shanghai University, Shanghai, China

Abstract

The employee voice behavior is of great significance in improving organizational performance and helping organizations to avoid potential crises. As a kind of leadership style with Chinese characteristics, differential leadership has helped to encourage and promote voice behaviors. However, the exploration of its internal mechanism is still insufficient. In view of this, based on social exchange theory and insider perspective, this study incorporates and explores the mechanism of organizational identity and insider identity perception in the relationship between differential leadership and employee voice behavior. In order to better play the leading role of differential leadership, and provide inspiration for promoting employee voice behavior and improving organizational effectiveness.

Keywords

Differential Leadership; Employee Voice Behavior; Organizational Identification; Perceived Insider Status.

1. Introduction

For a long time, what is an effective leadership style has been an important issue in the field of organization and management (Gao, 2006). From the theory of leadership traits to the theory of leadership contingency, scholars have never stopped explaining the phenomenon of leadership, but it cannot be ignored that these management theories all imply cultural presuppositions in the Western world. The connotation and style of leadership will be affected by the cultural atmosphere, and leadership styles are not universal. Therefore, it is necessary to understand the psychology, behavior, and influence history of Chinese leaders under the current requirements of "face directly to Chinese management practice" and to develop local leadership theory. In Chinese organizations, there is mainly a pattern of diffusivity that spreads to the outside with the leader as the core. This difference of closeness and distance represents different ways of interaction, which actually affects the psychological distance and emotional trust of both parties. Differential leadership is precisely the leadership style that emerged on this basis. Compared with the Western management style that regards the leader-member as an equal relationship, the core of the differential leadership behavior model is that the leader divides his subordinates into insiders and outsiders according to the standard of "prosperity, loyalty, and talent," Insiders give too much favoritism and show more management characteristics of "personality" and "differential order" in the management process (Jiang et al., 2014). This way of thinking about relationship orientation as resource allocation and interpersonal communication has an important impact on the organization's operation and employee psychology.

The employee voice behavior, which is closely related to the study of leadership style, has always been a topic of close attention in the academic circle and industry. In the process of

continuous advancement of global economic integration, if companies want to accurately respond to market risks and opportunities, not only the strategic control of the leader, but also the teamwork of internal employees for organizational development. This kind of teamwork not only requires employees to complete their own work, but also embodied in the organization's expectations of higher roles. As a positive off-role behavior, employee voice are of great significance in stimulating employee innovation, improving the quality of decision-making, improving employee initiative and employee performance, and avoiding or reducing the cost of organizational errors. But in fact, because this behavior involves high interpersonal risk and uncertainty, employees often choose to remain silent. In view of this contradiction, wide-opening in the context of innovation has become an urgent problem for organizations to solve. The leader, as the direct object of the subordinate's advice, has a key influence on the behavior of advice. Therefore, this article will conduct a theoretical deduction on how differential leadership affects employee suggestions from the path of "insiders" based on the theory of social exchange. The question addressed is: Will differential leadership play an effective role in employee suggestions? What is the impact logic? Is there any difference in the behaviors of employees with different individual characteristics under the differential order? This research will help to open the "black box" of differential leadership and employee voice behavior, and provide enlightenment for Chinese managers to effectively implement differential leadership style to improve corporate management and achieve innovative development.

We contribute to the literature in three important aspects. First, the act of advocacy plays an important role in promoting organizational development, but in the past, the research on leadership style and employee voice was mostly Western results, based on the Chinese cultural context. On the one hand, when western management theories are used to explain Chinese practice, there is often a phenomenon of "non-compliance" (Yin, 2010). On the other hand, the partial leadership style is likely to be an important factor influencing employees' opinions, but current research is scarce. Therefore, under the fact that the issue of "Chinese Soul Western System" is highly valued in management research, exploring the influence of differential leadership on employee voice behavior is conducive to enriching my country's research results in this field and has local significance.

Second, as an important organizational behavior variable, organizational identity has a key impact on employee behavior. However, the current research has not explored its mediating role as the relationship between differential leadership and employee voice behavior. Starting from the theory of social exchange, this study verifies the process of organizational identity under differential leadership, and can clarify the triggering mechanism of employee voice behavior in the context of Chinese leadership. In addition, the perception of internal identity is considered to be an important variable explaining the relationship between employees and the organization. This article can interpret the impact of differential leadership from the perspective of employee psychological perception, and expand the boundary of differential leadership.

Moreover, the differential leadership arises from our country's unique Confucian culture, and it exists in various organizations. For corporate development, this research can provide inspiration for Chinese managers to effectively implement differential leadership style, help managers understand the relationship between differential leadership and employee voice behavior, and continuously adjust management methods and methods to improve corporate management.

2. Theoretical Background and Hypotheses

2.1. Differential Leadership and Employee Voice Behavior

At the earliest, Zheng (1995) discovered that Chinese leaders would classify employees based on the criteria of "relationship, loyal, and talented", forming two types of employees, insiders and outsiders, and showing differential treatment. On this basis, Jiang and Zhang (2010) defined differential leadership as a leadership behavior in which a leader treats different subordinates differently in the three aspects of care and communication, promotion and reward, and tolerance and trust. It is a leadership style with obvious partiality. Specifically, this mode of operation is mainly that leaders tend to prefer people in the circle, giving more care, support, career guidance, decision-making opportunities, and promotion rewards.

In the research, the most closely related to the leadership style is the employee voice behavior. More mature research results have been achieved. employee voice behavior refers to a constructive behavior that employees take the initiative to propose solutions to problems to their superiors on how to improve the current situation of the organization (Rusbult, 1998). As the research progresses, it is regarded as a proactive and constructive off-role behavior, which is oriented towards innovation and change, and is a positive and organizational behavior. Existing studies have focused on the two topics of individual characteristics and organizational contexts on the pre-dependent variables of the suggestive behavior. Starting from the organizational context, the research focus of scholars is to demonstrate in what organizational atmosphere, subordinates will show more suggestions. As an important component of the organizational situation, leadership behavior plays a vital role in the process of employee suggestions. For example, transformational leaders have the characteristics of moral model, vision motivation and personalized care, which can motivate employees to make suggestions.

In the Chinese context, leaders in the differential order emphasize different attitudes based on the classification of employees, and give more care, care and support to "insiders". According to the theory of social exchange, when individuals gain trust, respect, support and other resources in the process of interpersonal interaction, they will give back based on the principle of reciprocity. When employees perceive that they are inclined in terms of resources, emotions, and work support, they often believe that the organization is reliable, thus showing more trust. Then, based on the motivation of "reporting", people in the circle will respond positively, performance and loyal to the leader or the organization, and are more willing to put forward ideas to promote the development of the organization or the improvement of leadership. At the same time, this kind of positive economic and social exchanges will encourage employees to form resource dependence and emotional dependence, and then form a strong identity psychology. Based on the psychology of exchange, individuals will act according to group expectations or in ways that benefit the group, and show more pro-organizational behaviors, such as advocacy behaviors. Hence, this article puts forward the following propositions,

Proposition 1: Differential leadership is positively related to employee voice behavior.

2.2. The Mediating Role of Organizational Identity

From the perspective of social exchange, employees often have a sense of identity with the organization because of the leader's care, and they also have low identity and rejection of the organization because of the leader's alienation and indifference. Based on this, organizational identification can be used as a mediating variable to explore the relationship between differential leadership and employee voice behavior.

Organizational identity is the individual's willingness to be consistent with the organization or to belong to the organization. It reflects the degree to which employees combine their own personality with organizational personality. Its strength reflects the degree to which employees' self-concepts fit with their organizational membership (Mael & Ashforth, 1992).

Under organizational identification, employees will regard themselves as a part of the organization, and the organization will become part of the employee's self-image (Li et al., 2016). The current research has fully explored the antecedents and outcome variables of organizational identity. Studies have confirmed that individual factors such as personality traits and employee attitudes have an impact on organizational identity, such as individual cultural values and perceptions of fairness. The active communication atmosphere of the organization, including superior leadership support, leader charisma, trust, openness, and the right to speak, have a significant positive correlation with organizational identity (Li et al., 2016). In terms of outcome variables, scholars believe that organizational identification has a significant impact on employee behavior and results. Employees with high organizational recognition will think more from the perspective of the organization or implement behaviors that are beneficial to the organization, such as organizational citizenship behavior or innovative behavior.

The study points out that the organizational identity of employees in the Chinese context depends to a large extent on the recognition of the "owner" between the superior and the subordinate and the concept of mutual exchange of individual employees. Differential leadership will cause employees to perceive the difference between internal and external groups, and subordinates who give more attention are considered insiders. In this kind of interaction between superiors and subordinates, the subordinates will establish shared values and care based on the judgment of the superior's behavior, the leadership's intention and future expectations, to form organizational identity (Liu, 2014).

For insiders, employees who are supported and appreciated by leaders will be given the sharing and support of the organisation's resources, and they tend to regard the organisation as reliable, which helps reduce uncertainty about the individual's future in the organisation and increases the tendency to identify with the organisation. At the same time, leadership often gives members of the circle more important responsibilities. As important members, they will also have better career development in the organization. Based on their motivation for self-improvement, they develop strong organizational identity. In addition, studies have shown that in Chinese practice, the degree to which employers and employees' responsibilities match and the concept of social exchange can significantly affect employees' organizational identity (Liu, 2014). Jiang (2010) points out that the superior's differential treatment can further enhance the subordinate's "own person" cognition. Therefore, leaders give more care to subordinates, resource allocation and work autonomy, can meet the expectations of employees in Chinese cultural situations, so that employees feel the attention of the organization, and further enhance the sense of organizational identity and belonging. Hence, this article puts forward the following propositions,

Proposition 2a: Differential leadership is positively related to employee organizational identification.

Organizational identification emphasizes employees' recognition of the organization and improves the sense of belonging to the organization. The stronger the employee's sense of belonging, the greater the power to internalize organizational goals, the stronger the identification with the organization, and the higher the employee's level of effort. Employees' efforts outside the scope of work are called organizational citizenship behavior. Van Dyne pointed out that employee voice behavior is one of the main and special forms in the organizational citizenship behavior. Studies have shown that organizational identity can have a significant positive impact on employee voice behavior. For example, Duan (2016), a well-known domestic scholar who studies employee voice behavior, puts forward, "The core mechanism of employee voice behavior occurs through the social cognition of the organization, that is, social identity. When employees accept the organization from their hearts, they will make more suggestions. When employees feel the support of their leaders in the organization, they consider themselves an integral part of the organization. They will put the interests of the

organization first, and this high sense of organizational identity inspires the employee voice behavior. Hence, this article puts forward the following propositions,

Proposition 2b: Organizational identification is positively related to employee voice behavior.

Zhao (2005) proposed that people choose group members mainly to satisfy the four psychological motivations of belonging, improve cognitive security, improve self-esteem, and search for meaning. If these four motivations are satisfied, individuals can improve organizational identity. According to the theory of social exchange, differential leadership has characteristics such as care, communication, promotion, reward, tolerance and trust, which are the main factors that affect organizational identity. At the same time, the individual's identification with the organization to which they belong is conducive to beneficial organizational behavior. Hence, this article puts forward the following propositions,

Proposition 2c: Organizational identification mediates the link between differential leadership and employee voice behavior.

2.3. The Moderating Role of Perceived Insider Status

Although the differential leadership promotes the opinions and behaviors of people in the circle, the behavior outside the role of employees is the result of a combination of many factors. Studies have shown that individual characteristics play an important role in the relationship between the organization and employees. Based on the perceived insider status is an important variable that explains the relationship between employees and organizations at the individual level (Zhao, 2015), this research selects it as a moderating variable.

The perceived insider status mainly describes the perception of the relationship between employees and the organization, that is, in the organization where the individual is located, whether the employee has a special identity and development space (Stamper & Masterson, 2002). Relevant research under Chinese culture believes that perceived insider status plays an important role in employees' self-cognition, which is their perception of organizational ownership or ingroup identity (Yin, 2012; Wang, etc., 2009). Previous studies have suggested that, on the one hand, employee initiative, actual involvement (length of working time in the organization) and individual creativity, as well as the exchange relationship between leadership and subordinates, organizational support and organizational justice at the organizational level will have an impact on the perceived insider status. On the other hand, individuals with a high level of perceived insider status will show higher levels of job satisfaction, performance, organizational commitment and creativity (Stamper & Masterson, 2002), more civic behavior (Li et al., 2017). Specifically, in a company with a humanist atmosphere, the differential leadership will adopt an inconsistent approach based on the classification of employees. Favored employees can participate more in organizational decision-making. Employees with a high sense of perceived insider status feel that they have a higher degree of personal development and organizational acceptance, and they tend to closely link the degree of leadership recognition and organizational recognition. This means that the higher the leadership's acceptance of employees, the more employees will think the organization's acceptance of themselves. Therefore, employees with high perceived insider status have a higher degree of perception of their identity as insiders in a specific organization. This consistent perception helps strengthen employees' identification with the organization. When employees have a low level of perceived insider status, even if the leader gives them a certain degree of preference. Because they can't really understand the leader's partiality or intentions, their organizational identity will be reduced accordingly. Hence, this article puts forward the following propositions,

Proposition 3: perceived insider status will moderate the relationship between differential leadership and employee voice behavior, such that when perceived insider status was higher, the positive effect of differential leadership on employee voice behavior was higher; when

perceived insider status was lower, the positive effect of differential leadership on employee voice behavior was lower.

3. Summary

This research deeply explores the influence effect, process mechanism and boundary conditions of differential leadership on employee voice behavior.

Specifically, this study argues that differential leadership acts on employee voice behavior in a differential management approach, and its influence path is double-acted by the intermediary of organizational identity and the adjustment of perceived insider status (Figure 1). But for subordinates who are close and distant, their role and influence are different. First, the differential leadership will promote the opinions and behaviors in the circle, and organizational identity will play an intermediary role in this process. Based on the theory of social exchange, the subordinates in the circle will have trust in the leadership's care and more biased behaviors, resulting in higher organizational identity, and promote reciprocal behaviors, and then show more employee voice behaviors. That is, the greater the degree of differential leadership, the higher the organization's identity, and the more positive the employee voice behavior. Second, the perceived insider status plays a moderating role in differential leadership and employee voice behavior. The higher the perceived insider status, the greater the degree of differential leadership perceived by the employee, the higher the employee's degree of organizational identity, and the more employee voice behavior. Conversely, the lower the degree of perceived insider status, the lower the organizational identity, and the less likely it is to make suggestions.

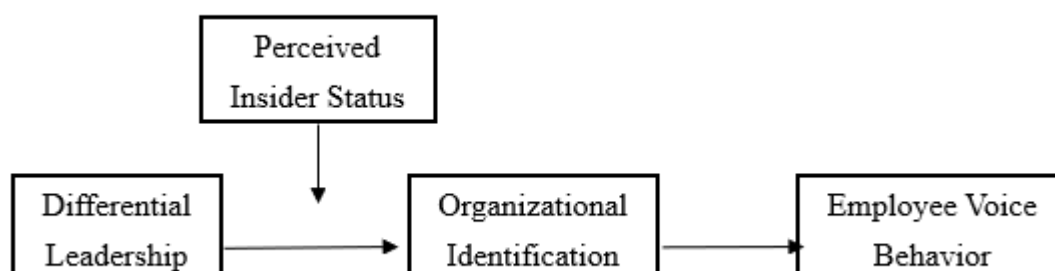


Figure 1. Research model

4. Managerial Implications

Our findings hold several important managerial implications. First and foremost, the employee voice behavior is inseparable from the leader's flexible guidance. Leaders can create a differential leadership atmosphere in the enterprise to promote employee voice. Because this kind of partial treatment by the leaders is in line with the expectations of most Chinese people's cultural values, the differential atmosphere in the organization can strengthen employees' identification with the organization, and thus generate more employee voice behavior. Leaders can promote positive suggestions from people in the circle by giving them more emotional trust and concern. And this difference requires a certain degree of "degree" and is based on fair and reasonable classification standards to stimulate employees' recognition of the organization.

Moreover, in line with previous studies, our results have demonstrated that cognitive biases in the employee-leadership relationship can weaken the employee voice behavior from people in the circle. Studies have shown that the perceived insider status will be affected by the leader-member exchange relationship, organizational justice, organizational support and actual involvement of employees. Then, in the management process, leaders can enhance the

perceived insider status by strengthening frank communication with people in the circle, giving more organizational support, building a good leadership-member exchange relationship and other management methods, so that employees can be more aware of their own circle.

And this approach can enable employees to reach a consensus on the identity of insider with their leaders, thereby reducing and avoiding suggestions that are weakened by cognitive bias.

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