Chapter 55
Linking Paternalistic Leadership and Organizational Creativity: A Multilevel Model

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Abstract Despite the increasing number of leadership-creativity studies and the fact that paternalistic leadership is a demonstrated popular leadership style in Chinese organizations, few studies have investigated the relationship between paternalistic leadership and organizational creativity. Meanwhile, the psychological processes underlying the leadership-creativity link remain unclear, at either the team level or the individual level. Drawing upon the componential theory of individual creativity, the input–process–output model of team creativity and the interactionist perspective, this study theoretically develops a multilevel model for understanding the influence of paternalistic leadership on creativity. Summarized by six testable hypotheses, the results provide important insights into the mechanisms linking paternalistic leadership and creativity in the Chinese context.

Keywords Intrateam conflict • Organizational creativity • Paternalistic leadership • Psychological empowerment

55.1 Introduction

Given the increasingly dynamic environment facing today’s organizations, creativity is recognized as the key to organizational innovation and effectiveness, and the capacity to foster creativity has become a feature of contemporary leadership (Tierney et al. 1999; Tierney and Farmer 2006). Recently, researchers have been paying more and more attention to the leadership-creativity link, with many studies reflecting the recognition that leadership is quite instrumental in advancing the creativity of today’s organizations (Zhou and Shalley 2008). However, this direction of research is still in its nascent stage and many issues of this topic need further and closer research.
Firstly, previous studies examining the leadership-creativity link mostly focused on the organizations from the US or other Western nations (Zhou and Shalley 2008). The paternalistic leadership-creativity link has been noticeably missing from current research attention, even though prior work has suggested that paternalistic leadership is a demonstrated popular leadership style in Chinese organizations (Farh and Cheng 2000), and employees may behave differently in non-Western organizational cultures (Westwood 1997). It may be necessary to explore what paternalistic leadership means to creativity and how it relates to creativity of the Chinese workforce.

Also, because of the complex social-psychological forces characterizing creative performance (Amabile 1988), it is important to delve more deeply into the complex patterns that underlies the leadership-creativity relationship. Further research should also lead us to consider more closely how, and under what conditions, these effects might take place in Chinese business organizations.

Finally, even though a substantial number of scholars have been calling for more multilevel investigations of organizational creativity (Zhou and Shalley 2008), leadership-focused studies of this kind remain quite limited in the extant literature.

The primary purpose of this article is to address these specific issues. By building a multilevel model of the relationship between paternalistic leadership and organizational creativity, we make at least three important contributions to the literature. Firstly, the conceptual model can advance our understanding of how Chinese employees react differently to the three elements of paternalistic leadership. Secondly, this study deepens our understanding of the psychological processes underlying the effects of paternalistic leadership on organizational creativity. Thirdly, from a practical perspective, the findings can advise managers of the potential consequences when exercising the three types of paternalistic leadership.

55.2 Literature review

55.2.1 Organizational Creativity

According to Woodman, Sawyer, and Griffin, organizational creativity is “the creation of a valuable, useful new product, service, idea, procedure, or process by individuals working together in a complex social system” (Woodman et al. 1993). Research in this area began to be active during the late 1980s and more and more emphasized the importance of social and contextual influences, at either the individual level or team level. Most studies in this area have been guided by the following frameworks (Zhou and Shalley 2008).

At the individual level, researchers are largely guided by the componential model of creativity. Building on her work on the social psychology of creativity, Amabile proposed a theory-based componential framework to understand what
factors can facilitate or inhibit employee creativity (Amabile 1983, 1988, 1996). According to Amabile, there are three key components of creativity, namely, domain-relevant skills, creativity-relevant processes and intrinsic motivation. And the model is often considered an intrinsic motivation perspective of creativity because of its emphasis of intrinsic motivation.

At the team level, researchers usually follow an input–process–output model of creativity (Hülsheger et al. 2009; West and Anderson 1996; Cheng 1995). For example, based on the IPO model, Hülsheger and Anderson (West and Anderson 1996) reviewed many group and organizational factors that could influence team creativity, including input variables such as team composition and structure, and team process variables such as intrateam conflict, team vision, safety of participation, support for innovation, and task orientation. It is also suggested that leadership moderates the relationship among team inputs, team processes and team creativity (Hülsheger et al. 2009; Cheng 1995).

Meanwhile, Woodman, Sawyer, and Griffin (1993) proposed an interactionist perspective of organizational creativity. They argued that creativity was an individual level phenomenon affected by the interaction of personal and organizational factors. They also stressed the influences across levels of analysis, and argued that cross-level impacts were critical in identifying and understanding group and organizational factors that could facilitate or stifle creative behavior in a complex social system (Zhou and Shalley 2008; Woodman et al. 1993).

55.2.2 Paternalistic Leadership

Building on the work of Silin, Farh and Cheng (2000) developed a Chinese indigenous theory of paternalistic leadership and defined it as a leadership style “that combines strong discipline and authority with fatherly benevolence and moral integrity in a personalistic atmosphere”. According to Farh and Cheng (2000) (Cheng 1995), paternalistic leadership is composed of three dimensions, namely, authoritarian leadership, benevolent leadership, and moral leadership.

Authoritarian leadership can be depicted as a style that maintains complete authority and control over subordinates and requires indisputable obedience. Benevolent leadership refers to a leader’s behavior that gives individualized, holistic concern for subordinates’ personal or familial wellbeing. Moral leadership can be seen as a leadership style showing personal virtues, self-discipline, and unselfishness. From Farh and Cheng’s perspective (Cheng et al. 2000, 2002a, 2004), authoritarian leadership may lead to subordinates’ compliance and dependence, benevolent leadership may result in subordinates’ gratitude and reciprocation, whereas moral leadership may increase subordinates’ respect and identification.

Despite the three seemingly paradoxical components of paternalistic leadership (Cheng et al. 2000; Cheng 2002), it’s suggested that from the duality view of Chinese culture, the three dimensions actually all exert differential effects on
subordinates’ perceptions and outcomes, meanwhile coexist, interact, and form paternalistic leadership as a whole (Cheng et al. 2002b; Farh et al. 2006). While transformational leadership is considered to be most prevalent in Western organizations, evidence indicated that paternalistic leadership is the popular leadership style in Chinese organizations, which is effective because it fulfills the demands for leaders in the Chinese context (Westwood 1997).

During the past decade, paternalistic leadership has been researched by more and more scholars (Farh et al. 2000; Pellegrini and Scandura 2008). It is generally suggested that authoritarian leadership is negatively related to both benevolent leadership and moral leadership, and also negatively related to subordinate outcomes. Whereas, benevolent leadership and moral leadership were positively related to each other, as well as subordinate outcomes (Cheng et al. 2002a, b; Farh et al. 2000).

55.2.3 Paternalistic Leadership and Creativity

Many theoretical models have suggested that leadership style plays an important role in influencing employees’ creativity by affecting their intrinsic motivation (Amabile 1996; Spreitzer 1995). Some empirical studies have also examined such effects of transformational leadership on organizational creativity. In view of the considerable evidence that leadership may affect organizational creativity, scholars have been calling for deeper investigations of leadership styles that might fundamentally address the nature of creativity (Zhou and Shalley 2008; Paulus and Nijstad 2003).

Surprisingly, one of the most lacking research areas lies in paternalistic leadership (Pellegrini and Scandura 2008). Whether paternalistic leadership enhances or inhibits creativity in the workplace? And how does it take place? There is much promise of paternalistic leadership to influence creativity in the Chinese work context. For example, given the motivational effects of empowering, it is reasonable to presume that the autocratic-style authoritarian leadership may negatively relate to creativity. Paternalistic leadership thus deserves more attention from researchers of organizational creativity.

At the same time, although several studies have focused on the relationship between paternalistic leadership and organizational creativity, they only provided a conceptual or uncompleted relationship model (Zhou 2006; Wang and Cheng 2010). For example, Zhou (2006) developed a model concerning effects of paternalistic organizational control on team creativity. This model assumed that paternalistic organizational control enhances work team creativity for teams in the East and the impact of paternalistic organizational control on team creativity is mediated by teams’ intrinsic motivation while moderated by national cultures. Yet empirical evidence of these arguments has been lacking. Similarly, Cheng and his colleagues (Wang and Cheng 2010) investigated the relationship between benevolent leadership and individual creativity. In view of the dual influence of
benevolent leadership on creativity, they assumed that benevolent leadership might be a neutral predictor of individual creativity. However, the results indicated that benevolent leadership was positively related to creativity, inconsistent with their argument (Wang and Cheng 2010).

Furthermore, research investigating the psychological mechanisms through which the paternalistic leadership dimensions affect organizational outcomes, including creativity, remains quite limited (Chen et al. 2011). There is a strong need for more sophisticated examination of the complex ways in which paternalistic leadership influences creativity, both at the team level and the individual level.

To address these issues, this article draws upon the componential theory of individual creativity (Amabile 1988), the input–process–output model of team creativity (West and Anderson 1996), as well as the interactionist perspective (Woodman et al. 1993), to respectively investigate the potential mediating effect of intrateam conflict at the team level and psychological empowerment at the individual level. Specifically, we presume that the three dimensions of paternalistic leadership may affect team creativity through its effect on intrateam conflict at the team level and may affect subordinates’ creativity through its effect on employees’ psychological empowerment at the individual level. Figure 55.1 depicts the conceptual model of this study.

55.3 Theory and Hypotheses

55.3.1 Paternalistic Leadership, Intrateam Conflict, and Team Creativity

Intrateam conflict is defined as the process resulting from the tension among team members that is induced by real or perceived differences (Jehn 1994, 1995). According to Jehn (1995), intrateam conflict can be differentiated between task

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**Fig. 55.1** A multilevel model of paternalistic leadership and creativity
conflict and relationship conflict. Task conflict refers to disagreements about the content of the tasks being performed within a team, including differences in viewpoints, ideas, and opinions, whereas relationship conflict refers to emotional conflicts induced by interpersonal disagreements (Jehn 1995).

Theoretically, there are several reasons to expect that paternalistic leadership may affect intrateam conflict. On the one hand, under authoritarian leadership, subordinates are most likely to comply with their leader, instead of conflict with or even challenge them in public, which is detrimental to the emerging of task conflict within a team (Cheng et al. 2002a). Meanwhile, it is unlikely that interpersonal relationships within such teams would be really harmonious and team members are more likely to conflict for relational reasons (Cheng 2002; Cheng et al. 2002b).

On the other hand, benevolent leaders are considerate; they would respect the dignity of their subordinates, tolerate the errors and conflicts, and seldom criticize them publicly. Similarly, moral leaders always make a clear distinction between public and private interest (Cheng et al. 2004; Farh et al. 2006). They can make decisions impartially and accept different points of view. All of these are good for the generation of task conflict within a team. Furthermore, both benevolent leadership and moral leadership are in favor of the formation of harmonious relationships within the team (Farh et al. 2006), which would increase job satisfaction within a team, promote cooperation of the members, and improve the quality of communication, especially the communication between team members and their supervisor (Chen et al. 2011). All of these are inclined to reduce relationship conflict within a team. We thus hypothesize:

**H1a:** Authoritarian leadership is negatively related to task conflict, while positively related to relationship conflict.

**H1b:** Benevolent leadership is positively related to task conflict, while negatively related to relationship conflict.

**H1c:** Moral leadership is positively related to task conflict, while negatively related to relationship conflict.

With regard to the conflict-creativity relationship, it is reasonable to assume that task-related conflict of team members may lead to deeper consideration of different points of view, trigger information exchange, in-depth discussion, reassessment of the situations of their tasks (Jehn 1995; De Dreu and Weingart 2003). These in turn may promote the generation of new ideas and better solutions, and finally improve problem solving within a team.

Whereas, it has been suggested in social-psychological theories that relationship conflict confines the scope of attention, leads to rigid thinking, and also diminishes cognitive complexity of people (Jehn 1995; De Dreu and Weingart 2003). Relationship conflict is thus detrimental to information processing and obstructs the cognitive functions of team members. Furthermore, since anger and frustration inhibits effective communication within a team and would inevitably make team members less receptive to each other’s ideas, relationship conflict is supposed to negatively influence team functioning, and finally team creativity (De Dreu and Weingart 2003).
Taken together, task conflict is expected to facilitate team creativity, whereas relationship conflict is supposed to be detrimental to team creativity. We thus hypothesize:

**H2:** Task conflict positively relates to team creativity, whereas relationship conflict negatively relates to team creativity.

Based on the above discussion, it is also logical to expect that paternalistic leadership affects creativity at the team level through the mechanism of intrateam conflict, when observing from the input–process–output model of team creativity as interpreted earlier (Hülsheger et al. 2009; West and Anderson 1996; Cheng 1995). Taken together, it brings us to the following hypothesis:

**H3:** Intrateam conflict mediates the relationship between paternalistic leadership and team creativity.

### 55.3.2 Paternalistic Leadership, Psychological Empowerment, and Employee Creativity

Psychological empowerment is defined as “intrinsic motivation manifested in four cognitions reflecting an individual’s orientation to his or her work role”, which are meaning, competence, self-determination, and impact (Spreitzer 1995; Thomas and Velthouse 1990). According to the definition, psychological empowerment can be viewed as a type of intrinsic motivation.

There are many reasons to expect that paternalistic leadership may relate to psychological empowerment. Firstly, authoritarian leaders who maintain complete authority and control over subordinates and demands indisputable obedience (Farh and Cheng 2000; Cheng et al. 2000), are most likely to cause a low level of psychological empowerment from subordinates (Pellegrini and Scandura 2008). Whereas, benevolent leadership generally signals a leader’s recognition of a subordinate both as an exemplary role and a valuable person (Farh and Cheng 2000; Cheng et al. 2000). Therefore, as a typical form of supervisory support in Eastern cultures, benevolent leadership will probably cultivate a psychologically safe climate, and results in psychological empowerment of employees. Lastly, considerable evidence has been provided in the transformational leadership literature that moral leadership is positively related to psychological empowerment. In the same vein, prior studies of paternalistic leadership have also provided some preliminary support for the same arguments (Wei and Shi 2010).

Consistent with these ideas, we expect that the three dimensions of paternalistic leadership may influence employees’ psychological empowerment in different ways:

**H4a:** Authoritarian leadership is negatively related to psychological empowerment.

**H4b:** Benevolent leadership is positively related to psychological empowerment.
**H4c: Moral leadership is positively related to psychological empowerment.**

In considering the role of psychological empowerment in facilitating employee creativity, we can turn to the literature of intrinsic motivation, which refers to the degree to which an individual is inner-directed, is interested in or fascinated with a task, and engages in it for the sake of the task itself (Amabile 1996; Deci and Ryan 2000).

According to Amabile’s componential model of creativity (Amabile 1983, 1988, 1996), intrinsic motivation is considered to be one of the most critical and powerful influencing factors on employee creativity. It plays an important role in the interactional process of social context and individual creativity. Considerable research has reported the positive relationship between intrinsic motivation and employee creativity (Gagné and Deci 2005; Gagné et al. 1997; Oldham and Cummings 1996). At the same time, psychological empowerment can be viewed as a type of intrinsic motivation as stated earlier. Taken together, we hypothesize:

**H5: Psychological empowerment is positively related to employee creativity.**

Theoretically, the potential influences of contextual factors on intrinsic motivation can be explained by self-determination theory (Deci and Ryan 2000). According to self-determination theory (Deci and Ryan 2000; Gagné and Deci 2005), people who are involved in the autonomy-supportive social contexts, are more likely to display intrinsic motivation and positive work-related outcomes, including employee creativity.

Following this logic, it is reasonable to presume that paternalistic leadership influence employee creativity by affecting intrinsic motivation. Specifically, benevolent leadership, and moral leadership, as supportive and noncontrolling styles, are expected to facilitate intrinsic motivation, and promote employee creativity, whereas authoritarian leadership, which is essentially controlling, is supposed to diminish intrinsic motivation, and stifle employee creativity (Sun et al. 2011; Farmer et al. 2003; Zhang and Bartol 2010). We thus hypothesize:

**H6: Psychological empowerment mediates the relationship between paternalistic leadership and employee creativity.**

### 55.4 Conclusion

Building on the extant literature, this study provides a theoretical model of the relationship between paternalistic leadership and creativity. Mechanisms of this link are investigated at both the team level and the individual level. We argue that the three dimensions of paternalistic leadership may affect team creativity through its influence on intrateam conflict at the team level and may affect subordinates’ creativity through its effect on employees’ psychological empowerment at the individual level.

Even though the model is rigorously built on theoretical basis and empirical evidence, few studies have systematically examined these potential effects, and little empirical evidence has been directly provided by the extant literature.
Therefore, there is a significant need for further work to investigate the model systematically and empirically. Besides, research of the potential moderating variables is strongly required to provide deeper understanding of the conditions of these potential effects.

References
