

**INTI INTERNATIONAL UNIVERSITY**

**MASTER OF BUSINESS ADMINISTRATION**

**BENEVOLENT LEADERSHIP  
AND TASK PERFORMANCE  
RELATIONSHIP BY LMX**

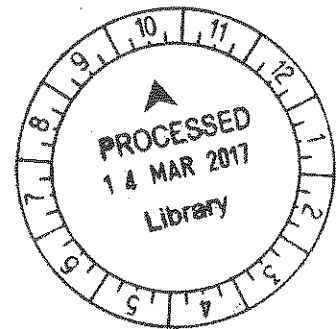
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## Abstract

The research mainly concerns on the relationship on benevolent leadership, task performance and LMX in Shenzhen, China. Benevolent leadership and LMX are related with leader and followers in the workplace, which is important to task performance.

Benevolent leadership is defined by the behavior of the leader's individualized care, understanding and forgiving to followers of the organization while LMX is the relationship that develops between leader and employees in an organization, as well as task performance refers to the quality of the task that employees finish in an organization.

The research is a correlation study which uses the quantitative method. The questionnaire is used to collect data. The survey is to evaluate the relationship on benevolent leadership and task performance by LMX. The results are to show that benevolent leadership has a positive relationship with task performance, and the benevolent leadership has a positive relationship with LMX, as well as the LMX has a mediating relationship with task performance.

Key words: Benevolent leadership, Task performance, LMX.

# Table of Contents

<b>CHAPTER 1: Introduction .....</b>	<b>4</b>
1.1 Overview .....	4
1.2 Background .....	4
1.3 Problem Statement.....	6
1.4 Research Objectives and Questions .....	7
1.5 Significance of the Study .....	8
1.6 Limitation of the Study.....	9
1.7 Operational definition .....	10
1.8 Scope of the study.....	10
1.9 Organization of Chapters .....	11
<b>CHAPTER2: Literature Review .....</b>	<b>12</b>
2.0 Overview .....	12
2.1 Task Performance .....	13
2.1.1 The Definition of Task Performance .....	13
2.1.2 The Importance of Task Performance .....	14
2.2 Benevolent Leadership .....	16
2.2.1 The Definition of Benevolent Leadership .....	16
2.2.2 The Grounded Theory of Benevolent Leadership .....	17
2.2.3 The Importance of Benevolent Leadership .....	18
2.3 Leader – Member Exchange .....	19
2.3.1 The Definition of LMX.....	19
2.3.2 The Grounded Theory of LMX .....	21
2.3.3 The Importance of LMX .....	22
2.4 Linkage .....	24
2.4.1 The Relevance of Benevolent Leadership to Task Performance .....	24
2.4.2 The Relevance of Benevolent Leadership to LMX .....	25
2.4.3 The Relevance of LMX to Task Performance.....	27
2.5 Theoretical Framework .....	29
2.6 Highlights of the Research Hypotheses Formation .....	29
2.7 Conclusion.....	30
<b>CHAPTER3: Research Methodology .....</b>	<b>30</b>
3.1 Overview .....	30
3.2 Research Design.....	30
3.3 Study Population and Unit of Analysis.....	31
3.4 Sampling Design .....	31
3.5 Measurement Instrument.....	32
3.6 Factor Analysis and Reliability Tests .....	33
3.7 Questionnaire Design.....	34
3.8 Data collection and Analysis method.....	36
3.9 Hypotheses Testing .....	36

3.10	Ethical Consideration .....	37
3.11	Conclusion .....	38
<b>CHAPTER 4: Research Findings .....</b>		<b>38</b>
4.1	Overview .....	38
4.2	Pilot Test .....	38
4.2.1	Factor Analysis of Pilot Test .....	38
4.2.2	Reliability Analysis of Pilot Test .....	40
4.3	Descriptive Statistics .....	42
4.4	Factor Analysis .....	44
4.5	Reliability Analysis .....	45
4.6	Results of Hypothesis Testing .....	46
4.7	Summary of Findings .....	48
4.8	Justifications on Findings .....	49
<b>CHAPTER5: Conclusion and Recommendations .....</b>		<b>50</b>
5.1	Overview .....	50
5.2	Conclusion .....	50
5.3	Contribution .....	51
5.3.1	Contribution to University .....	51
5.3.2	Contribution to Industry .....	52
5.4	Limitation of Study .....	53
5.5	Future Directions of Research / Future Research Focus .....	54
5.6	Personal Reflection .....	55
<b>References: .....</b>		<b>57</b>
APPENDIX 1. INITIAL RESEARCH PROPOSAL OF PROJECT .....		69
APPENDIX 2. QUESTIONNAIRE (ENGLISH VERSION) .....		109
APPENDIX 3. QUESTIONNAIRE (CHINESE VERSION) .....		111
APPENDIX 4. SPSS OUTPUT .....		117
APPENDIX 5. TURNITIN RESULTS .....		128
APPENDIX 6. PROJECT PAPER LOG .....		129

## List of Tables

Table 3.6.1:	Guideline of KMO.....	34
Table 3.7.1:	Questionnaire Adaption.....	35
Table4-1:	Dependent Variable Factor Analysis of Pilot Test.....	40
Table4-2:	Independent Variable Factor Analysis of Pilot Test.....	40
Table4-3:	All Variables Factor Analysis of Pilot Test.....	41
Table4-4:	All Variables Reliability Analysis of Pilot Test.....	42
Table 4-8:	Factor Analysis on Task Performance, Benevolent Leadership and LMX.....	45
Table 4-9:	Reliability Analysis on Task Performance, Benevolent Leadership and LMX.....	46
Table 4-10:	Correlation of Benevolent Leadership and Task Performance.....	47
Table 4-11:	Correlation of Benevolent Leadership and LMX.....	47
Table 4-12:	Hierarchical Multiple Regression Analysis of Task Performance and LMX.....	48
Table 4-13:	Hypothesis Testing Results.....	48

## List of Figures

Figure4-5:	Age.....	43
Figure4-6:	Gender.....	43
Figure 4-7:	Job Position.....	44

# CHAPTER 1: Introduction

## 1.1 Overview

This chapter briefly introduced the research through six areas, such as introduction which discussed on the background of the research, problem statement, research objectives and questions, significance of the research, scope of the research and limitations of the research. This chapter provided overview of the research, and explained the usefulness of the findings and research directions as well.

## 1.2 Background

To be honest, in an organization, the leadership plays an important role for managing the employees according to Sudha, Shahnawaz and Farhat ( 2016), it is essential to understand the leadership style in the organization. Nowadays, in the complex work environment, it is quite difficult for leaders to carry out the leadership ignoring the level of experience, knowledge skills or education background as Wu and Cormican ( 2016) suggested that, it should pay attention on the leadership style in the team. Consequently, organisational leader faces complex situations with inherent conflicts, as well as with these challenges is growing concern that organizations are experiencing a leadership crisis, with leaders exhibiting corrupt, even evil behaviours (Salicru and Chelliah, 2015).

Furthermore, leadership is related to the needs of people like Beiko, Barling, Houle, Davies and Oake (2016) stated that, the leadership can be positive or negative in facing the challenges of the organization. Especially in modern organizations, the condition is much dynamic and leaders has a function on the

employees' activities and behaviors, hence according to Martin, Liao and Campbell ( 2013) that the leadership is an influencer on the employee performance. At the same time, Wu, Hu and Jiang ( 2012) also suggested that the leadership style would be an important evaluation for the treatment of leaders to the employees.

Since leadership practices tend to be culturally bound, leadership styles that are effective in the West may become problematic in the East, in other words like the leadership style application in China will need to be explored according to Chinese values( Han, 2013). On the other hand, according to Liden ( 2012), the leadership practices in Asian and Western countries should become more closely aligned over time, especially given increased international travel and rapid growth in the worldwide usage of the Internet, and leadership styles vary from nation to nation and culture to culture( Xiao and Wu, 2014). Moreover that, compared with most Western organizations, leaders in Chinese organizations tend to have a wider range of resources to 'exchange' with followers, and their followers are more concerned about maintaining high LMX because of the high power distance between leader and followers(Jiang, Law and Sun, 2014), such as *guanxi* is an important resource for individuals and firms in China to induce relationships efficiently( Yang and Zhang, 2014). Most important, leadership behaviors conforming to Chinese cultural characteristics will be more effective, whereas those conflicting with Chinese cultural features will be less effective( Gu, Tang and Jiang, 2013).

This research can contribute to the LMX and taking charge literatures by examining the effects of LMX quality and taking charge on task performance in the Chinese context. Thus, for the research of benevolent leadership and task performance relationship by the leader-member exchange in the organization will be quite meaningful.

### 1.3 Problem Statement

Generally, the benevolent leadership could be as a process to create common good in organizations through encouraging good spirits or making ethical decision and so on according to Karakas and Sarigollu (2011). In the meantime, Wang and Cheng( 2010) provided that the benevolent leadership as a form of care could correct the followers' mistakes, avoid the embarrassment of employees in public or show concerns on employees' career development, which means that the benevolent leadership will make the leader develop an appropriate relationship with followers in an organization.

At the same time, the benevolent leadership may promote the leader genuinely to concern the employees' well-being, as Wu et al ( 2012) suggested that it may affect the employees' performance in the organization when employees feel the care of leader. Furthermore, with the benevolent leadership, Philp ( 2014) said that the leader may drive the organization forward, in this case, the benevolent leadership will be related with the followers' outcomes in the organization.

Furthermore, leader-member exchange relationship mainly focus on leaders and its followers, according to LMX theory, the quality of leader- member relationship builds on a consistent ranging from low-quality, where the exchange is limited to the employment contract, to high-quality relationships, where the latter is based on social exchange, mutual liking, trust, respect, and influence( Liden & Maslyn, 1998. Cited in Furunes, Mykletun, Einarsen, and Glas, 2015), in other words, the leaders' emotions tie up relationship with the members , on the basis of relationship, its quality may affect workers' outcome, such as job satisfaction, work performance, task performance, satisfaction with pay, contribution for the goal and so on which will have a relationship with the benevolent leadership. Moreover that, as Law, Wang and Hui (2010) suggest, it is not likely to build an effective work relationship without work-related currencies of exchange.

Specifically, it is worth to mention that in some Eastern cultures such as China, the leader-subordinate exchange is much more complex than western countries( Jiang et al., 2014), under this particular situation, the LMX theory is more complicated.

In addition, inside of the organization, leaders have to consider the task or goals for the enterprise, and whether good or bad of the task which is finished decides the results of the leadership to a certain degree, so that task performance has an relationship with the benevolent leadership, meanwhile, the task performance could help followers who complete the task together to come true their value in the group, it is usually believed that task performance help employees to get their career outcomes by contributing to their own values to organization( Rosenbaum, 1984. Cited in Cheng, Chui, Chang, and Johnstone, 2014).

Deeply, one side, the benevolent leadership has a positive or negative relationship with the task performance, as well as if leader-member exchange has a mediating relationship with the task performance need to be identified ; on the other side, the relation between the benevolent leadership and LMX relationship also needs to be evaluated, as Geertshuis, Morrison and Thomas (2015) suggest, it is possible that performance precedes the evaluation of LMX.

## **1.4 Research Objectives and Questions**

To be honest, there always will be some directions in most research, in addition, these objectives and questions are quite important in the study process, hence, according to the theory of benevolent leadership, LMX and task performance, the objectives and questions are as following :

Research objectives:

1. To determine the benevolent leadership relationship with task performance.
2. To determine the benevolent leadership relationship with LMX.
3. To determine the LMX mediate the relationship with task performance.

Research questions:

1. Will benevolent leadership have a positive relationship with task performance?
2. Will benevolent leadership have a positive relationship with LMX?
3. Will LMX have a mediating relationship with task performance ?

## **1.5 Significance of the Study**

Sincerely, in this study, it is about the factors on the benevolent leadership, we could see that benevolent leadership takes an important role in the organization, especially for leaders in the domestic organization.

As we know that, in essence, the benevolent leadership is a way that makes the leader get believed from those employees by doing sincere and kind things to them, in other words, the benevolent leadership could make the work environment become warm and peace to some extent that will benefits the organization's development, like Martin et al ( 2013) said there will have a nature relationship between leader behavior and employee performance.

Besides that, leader-member exchange relationship theory concerns on the relationship between leader and subordinate, in an organization, the leader and subordinate are the main part, which make the organization go forward and

arrive to the company goal together, and the leader influences and motivates the followers inside of the company to contribute to the organization management, as followers and leaders can be viewed as partners who move with ease from one role to another within the same group based on contextual factor such as task, interest, and expertise (Kelly, 1992. Cited in Baker, Mathis, and Doe, 2011), that perform the role to meet best organization's needs.

## **1.6 Limitation of the Study**

In this study, there are still some limitations in the research. Firstly, the population as limited by region, communication or other factors will be hard to control the research process to some extent, furthermore the leadership looks like be wide in concept, for some organizations, that may be short of the relative knowledge, which will cause some misunderstanding. Even more, there may not be applied with LMX or task performance in some enterprises, that will be difficult to deep into this study.

Secondly the LMX relationship develops quickly, some new contents may be added in some area, and it is quite complicated to study so that leads to incomplete in some points in the research because the study only focuses on the LMX and task performance on the benevolent leadership, as Kangas (2013) suggests, the process of LMX is more complex than it was thought to be and the existence of multiple dimensions should be recognized.

Thirdly, as the researcher's knowledge is limited, for the benevolent leadership study, including the LMX relationship theory and task performance may need a large amount of experience in the work practically, in the meantime, in the process of analysis, there may still have some shortcomings for the study.

## 1.7 Operational definition

As in an organization, leader and followers are tightly connected in the organization, there is no exception in the benevolent leadership, hence, the relationship between leader and followers needs to be taken into account, as well as the performance for the work or task needs to be considered, as Letwin, Wo, Folger, Rice, Taylor, Richard and Taylor ( 2016) said that if the leader is benevolent, then it will help to improve a broad range of outcomes for employees consequently.

On the one hand, when an organization distributes a task, the workers may have different reaction and performance, that also is related with the benevolent leadership, as Cheng, Chui and Chang(2014) suggested, task performance is akin to the motivation to get ahead in the organization. Furthermore, the task performance is considerable in the workplace, especially for the whole goal of the organization, that could say effective workers have a sense of responsibility for their own performance, they generally expect a high level performance and also responsible for their own goals because they derive personal performance from their work performance with high standards and take pride in their accomplishment( Potter and Rosenbach, 2006. Cited in Baker et al., 2011).

On the other hand, as kangas(2013) suggested, LMX theory describes the relationship, its quality and characteristics, and the exchanges between a leader and their subordinate. The quality of LMX influences the workers' behavior, attitude or performance to the organization management , especially in an organization, at the same time to get to the organization goal and requires, nevertheless the result may be positive or negative, so that in this level, LMX relationship has an influence on it.

## 1.8 Scope of the study

This study mainly tells the benevolent leadership and the task performance, as

well as their relationship with the LMX as organizations or enterprises are growing rapidly in China as personal connections are a deep-rooted Chinese cultural value ( Cheung and Wu, 2012). There are a great number of employees in the organizations while Chinese leadership is different from that of the West (Mcdonald, 2012), so that the research of benevolent leadership will be easy reliable.

At the same time, the relationship on the benevolent leadership and task performance, the relationship on benevolent leadership and LMX, as well as the relationship between LMX and task performance of leader and employees are attracting organizations' attention, hence the research will be available.

## **1.9 Organization of Chapters**

At the moment, the study is organized into three chapters with distinctive purpose to keep the research simple and easy to understand firstly. The brief information of respective chapter is elaborated as below:

Chapter One: Introduction - In this chapter, there are eight items to introduce the study, including overview of whole paper, background of this study, problem statement, research objective and questions, significance of the study, limitation of the study, operational definition and the scope of the study. Therefore, the chapter has a clear description for the contents of the study, and also closely associated with the employees performance, no matter what kind of performance, the leadership is quite important, thus, the area and its objectives are valuable to research and may have significant influence on organizations today.

Chapter Two: Literature Review - This chapter includes the definition of keywords involved in this research as well as the