Leader charisma and affective team climate: The moderating role of the leader’s influence and interaction

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In this study, we evaluate the role of leader charisma in fostering positive affective team climate and preventing negative affective climate. The analysis of a longitudinal database of 137 bank branches by means of hierarchical moderated regression shows that leader charisma has a stronger effect on team optimism than on team tension. In addition, the leader’s influence and the frequency of leader-team interaction moderate the relationship between charisma and affective climate. However, whereas the leader’s influence enhances the relationship between leader charisma and positive affective climate, the frequency of interaction has counterproductive effects.

Carisma del líder y clima afectivo de los equipos de trabajo: el rol moderador de la influencia del líder y su interacción con el equipo. En el presente estudio se evalúa el rol del carisma del líder a la hora de potenciar un clima afectivo positivo y prevenir o reducir un clima afectivo negativo. La muestra consta de 137 oficinas bancarias medidas en dos momentos temporales. Los análisis de regresión jerárquica moderada realizados muestran que el carisma del líder tiene un efecto más fuerte sobre el optimismo del equipo que sobre la tensión. Además, la influencia del líder y la frecuencia de sus interacciones con el equipo modulan la relación entre carisma y clima afectivo. Sin embargo, mientras que la influencia del líder potencia la relación entre el carisma del líder y un clima afectivo favorable, la frecuencia de las interacciones tiene un efecto contraproducente.
Humphreys, 2002). Transformational leadership refers to leaders who, through their personal influence, cause changes in their followers’ beliefs, values and attitudes (Bass, 1985). This can be accomplished through one or more of the factors that constitute transformational leadership: Charisma, inspirational motivation, intellectual stimulation and individual consideration. The factor of interest for this paper, charisma, is characterized by the ability of the leader to provide vision, a sense of a mission, to build trust, and instil pride in the group (Humphreys, 2002).

Team affective climate is defined as “shared affective responses by workteam’s members” (González-Romá et al., 2000, p. 98) and has been linked to different processes and outcomes, such as motivation and performance (e.g., McColl-Kennedy & Anderson, 2002). In this study we examined two dimensions of affect: team tension and optimism as indicators of negative and positive affect, respectively. These dimensions are part of a more general conceptual framework: the circumplex model of affect. In a circumplex model all variables array in a circular fashion within a two-dimensional space, with pleasure-displeasure on one axis and degree of arousal on the other (George, 1990; Russell, 1980; Yik, Russell & Barret, 1999). Optimism and tension can be located in this circumplex as bipolar indicators of positive and negative affect, respectively (Lloret & González-Romá, 2000; Russell, 1980).

Experimental studies show that charismatic leaders express positive affect which, in turn, results in positive affect experienced by followers (Bono & Ilies, 2006; Erez et al., 2008). Also in natural work setting settings, Pirola-Merló, Håkelt, Mann and Hiss (2002) found that transformational leadership (of which charisma is a component) had an effect on team climate (a composite of affective and attitudinal items) which in turn had an effect on team performance. However, there remains a lack of research on team affective climate with formal leaders in real settings, especially with regard to the impact of charismatic leadership on negative affect. One exception is McColl-Kennedy and Anderson’s (2002) study which showed that transformational leadership had a significant direct influence on frustration and optimism of followers, with frustration having a stronger negative effect on performance than the positive effect of optimism. Taking into account that negative emotions have a stronger and longer lasting effect than positive emotions at work (e.g., Miner, Glomb, & Hulin, 2005), and that previous studies have shown charismatic leaders elicit more positive affect from their followers (e.g., Dashborough, 2006), it is relevant to evaluate the extent to which negative team affective climate is reduced through charismatic leadership. Thus, we posit two hypotheses:

1. Higher levels of perceived leaders’ charisma will predict higher levels of team optimism.
2. Higher levels of perceived leaders’ charisma will predict lower levels of team tension.

The moderating role of leaders’ influence and their interaction with the team

Apart from leaders’ charisma there are some other leaders’ characteristics that could contribute to shaping teams’ affective climate (e.g., Pirola-Merló et al., 2002). The current study focuses on the influence (power) of the leader to make decisions about the team’s work, and the frequency of interaction between the leader and the team members.

With regard to leader’s influence it is argued that some individuals can be more influential than others in affecting team mates’ moods (Totterdell, Kellett, Teachmann, & Briner, 1998). Specifically, positive emotions expressed by leaders in organizations may be especially contagious due to their position in the power hierarchy (Friedrickson, 2003; Sy et al., 2005). In this regard, Anderson, Kelner and John (2003) found that partners with more power influenced the emotions of the less powerful partner, but the reverse was not true. Thus, assuming that charismatic leaders tend to express positive emotions to motivate their followers (Shamir, House, & Arthur, 1993) and that those emotions have an effect on the emotions and self-esteem of followers (House, Woycke, & Fodor, 1988) and considering that leaders are in a privileged position to transmit emotions, the following moderating effects are expected:

1. Leader’s influence will make the positive relationship between leader’s charisma and team optimism stronger.
2. Leader’s influence will make the negative relationship between leader’s charisma and team tension stronger.

It has also been pointed out that leaders’ efficacy depends on the interaction between leaders and their subordinates (Sánchez, 2000). It can be argued that for charismatic leaders to transmit their positive view and have an impact on their teams’ affective climate, the leaders should interact and communicate with the team members. Based on emotional contagion studies (Totterdell et al., 1998) the effects should be especially strong when there is a close, interactive and enduring relationship among the people involved. In fact, Fiol, Harris and House’s (1999) assertion that charismatic leaders increase followers’ motivation through communication could be also applied to affective climate. In addition it is reasonable to expect that having a manager that cares about and discusses team functioning, team work, etc. should enhance a positive affective climate. Consequently it is expected that charismatic leaders that frequently interact with team members and discuss work related issues will have a higher impact on team affective climate than leaders that do not. Thus, the following hypotheses are proposed:

1. More frequent leader’s interaction will make the positive relationship between leader’s charisma and team optimism stronger.
2. More frequent leader’s interaction will make the negative relationship between leader’s charisma and team tension stronger.

Method

Participants and procedure

The unit of analysis was the work team, which consisted of an entire bank branch. The members of these branches shared common goals and interacted with each other in order to achieve those goals; their roles were functionally interdependent, they had a formal manager/leader and specific work norms according to the organization. Therefore, the bank branches can be considered work teams (Guzzo & Dickson, 1996).

Personnel managers from the three banks were contacted by the researchers and asked for their collaboration. Confidentiality and
LEADER CHARISMA AND AFFECTIVE TEAM CLIMATE: THE MODERATING ROLE OF THE LEADER’S INFLUENCE AND INTERACTION

Anonymity of responses were guaranteed for all respondents. A group of trained questionnaire administrators collected data at two different times separated by six months. Only work teams with 3 or more subjects were included in the study. The final data are based on 137 teams for which the manager had not changed from Time 1 to Time 2. The teams were composed of an average of 4.93 members (SD= 1.80), and had an average tenure of 26.62 months (SD= 35.36). The average response rates were 95.69% and 93.11% for Time 1 and Time 2, respectively.

Data analysis

A number of hierarchical regressions were carried out by means of SPSS 15.0. Specifically 2 different sets of regressions were carried out for each dimension of team affective climate. The dependent variables team optimism and tension were analyzed at time 2. The effects of interest were analyzed by sequentially including the following variables: 1) team tenure and team size (as control variables); 2) team optimism and team tension at time 1 (separately introduced in the two equations to control for the stability effects); 3) the independent variable, leader’s charisma, 4) the direct effects of the moderator variables x and y; 5) the interaction terms between the moderators and leaders’ charisma. All the independent variables were mean centered before the analyses to facilitate interpretation and avoid multicollinearity problems between predictors and interaction terms.

Instruments

Leader’s charisma. This variable captures the charismatic component of transformational leadership. It was measured at Time 1 by means of a 4-item Likert scale with 6 response options (α=.95). This scale was taken from Molero’s (1994) adaptation of the Multifactor Leadership Questionnaire created by Bass and Avolio (1990).

Leader’s influence. This is the degree to which the leader has an influence on team norms, tasks, methods, and objectives. It was measured at Time 1 by means of a 4-item Likert scale with 6 response options taken from the Organizational Assessment Instrument (c.f., Van de Ven & Ferry, 1980) (α=.88).

Frequency of the interaction between the leader and the team. This measure refers to the frequency with which the leader talked to the members about a number of work and organizational issues such as work organization in the team, team goals or team member relationships. It is an adaptation of the team-members interaction scales used by González-Roma, Peiró & Tordera (2002). This variable was measured at Time 1 by means of a 7-item scale with 5 response options ranging from 1 (never) to 5 (quite frequently) (α=.94).

Team affective climate. This was an aggregation of individual scores of the optimism and tension dimensions of the Affective Well-being Scale (Lloret & González-Romá, 2000). Both dimensions were measured through three couples of opposed adjectives. Team members responded to them by using 5 response options. For team optimism, α equaled .94, both for time 1 and time 2. For team tension α equaled .93, both for time 1 and time 2.

Table 1

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Table 2

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Results

After controlling for team size, team tenure and team affective climate at time 1, leaders’ charisma had an effect on team optimism but not on team tension (see tables 1 and 2, respectively). Focusing on the positive dimension of team affective climate, team optimism, the introduction of leaders’ charisma in the equation explained an additional significant 2% of variance (p<.05). As expected the effect was positive and statistically significant (B= .89, p<.05). Regarding the negative dimension of team affective climate, team tension, the effect of leaders’ charisma, although negative as expected, was not statistically significant. These results support H1, but not H2.

With regard to the hypothesized moderating effects, results show that the two variables examined, leaders’ influence and frequency of leaders’ interaction with the team, did moderate the relationship between leaders’ charisma and team affective climate, both for team optimism and tension (ΔR²= 3.2% and ΔR²= 2.7%, respectively; p<.05). Although both moderators were significantly correlated (r=.49, p<.01), results showed there was not a serious problem with multicollinearity in the data (see tables 1 and 2).

Focusing on the moderating effects of perceived leader’s influence, the results show a significant moderating effect both for team optimism (B=.281, p<.01) and team tension (B= -.25, p<.05) (see table 1 and 2, respectively). As expected, the influence of the
leader enhances the positive effect of leaders’ charisma on team optimism and makes the negative relationship between leaders’ charisma and team tension stronger. Thus H3a and H3b are supported by the data. The moderating effects of leader’s influence are represented in Figure 1 following the simple slope procedure (see Aiken & West, 1991). Additional analyses on the interaction effects show that the simple slope is statistically significant only when the teams perceive that their leaders have high levels of influence (1 SD above the mean) (with p<.01 for team optimism and p<.05 for team tension).

Focusing on the moderating effects of the frequency of leaders’ interaction with the team the results, although significant, were not in the expected direction. The frequency of leaders’ interactions attenuated the positive effect of leader’s charisma on the increase of team optimism (B=-.177, p<.05) and the effect of leader’s charisma on the reduction of team tension (B= .175, p<.05). Specifically, the higher the frequency of leader’s interaction with the team the lower the effect of leader’s charisma on increasing team optimism and reducing team tension. Consequently H4a and H4b are not supported. The unexpected direction of the results can be attributed to the unexpected direction the main effect leaders’ interaction has on both dimensions of team affective climate (see Table 1 and table 2 for team optimism and team tension, respectively). In this last case this effect is only marginally significant. The interaction effects are represented in Figure 2. Additional analysis focused on the interaction effects show that the simple slope is statistically significant only when the frequency of leaders’ interaction is low (1 SD below the mean) (with p<.01 for team optimism and p<.05 for team tension).

Conclusions

The present study focuses on the impact that leader’s charisma has on team affective climate and the moderating effects of specific leader characteristics, such as the leader’s influence and the frequency of a leader’s interaction with the team managed. Opposite to most studies on the emergence of team affective climate we focus on the role of formal leaders’ charisma in real settings. Results show that to better understand the impact of leader’s charisma on team affective climate it is necessary to differentiate between positive and negative affect. Specifically, after controlling for the stability effects of team affective climate, leader charisma plays a role on increasing team optimism. This result together with previous studies (Bono & Illies, 2006; Erez et al., 2008) supports the positive effects of charismatic leadership on fostering positive affect. However the direct effect of leader charisma on team tension is non-significant. This result supports Erez et al’s (2008) suggestion that charisma is associated with positive followers affect rather than negative followers affect due to two of the main characteristics of charismatic leaders: leader positive affect and leader positive expression.

Apart from the nature of affect (positive or negative), the results also show that the relationship between leader charisma and team affective climate depends on the team perceptions of the leaders’ influence to decide about the team’s work and the frequency with which the leader interacts with the team.

As expected, the positive effects of charisma (to increase team optimism and reduce team tension) are enhanced with more influential leaders. This result suggests that, in order to foster
«good» team affective climate, charismatic leaders should be given influence to make decisions about work in the team (team goals, procedures etc). In fact, the results of the present study suggest that leader’s charisma does not matter when teams perceive that their formal leaders have a low «real» influence in their work. Interestingly, highly charismatic and influential leaders can contribute not only to increase team optimism but also to reduce team tension. Because of the aforementioned evidence for the power of negative emotions relative to positive emotions, even on performance outcomes (McColl-Kennedy & Anderson 2002; Miner et al., 2005) this is an important result to take into account in order to prevent negative affect.

However, contrary to our expectations, the positive effects of charisma (to increase optimism and reduce tension) are weakened for leaders that interact more frequently with their teams. The unexpected moderating effect can be attributed to the unanticipated negative and significant effect that leaders’ interaction had on team optimism and the positive effect that leaders’ interaction had on team tension. There are some possible explanations for the undesired effect of more frequent interactions. First, it is possible that more frequent leader interactions to discuss work team issues lead to low perception of collective efficacy, which may be associated with a decrease in the optimism of team members (Kark, Shamir, & Chen, 2003). Team members may think that the leader increases the frequency of the interaction as a way of controlling and supervising their work because the leader does not think that the team is effective enough, which in turn could decrease team optimism and happiness and increase team frustration and tension. Second, it is possible that when leaders interact very frequently with the team members those members feel more pressured than when leaders do not interact so frequently, increasing their tension and decreasing their levels of optimism and happiness. This possible explanation is partially supported by Antonakis and Atwater (2002) when evaluating followers’ satisfaction with leadership. According to Antonakis and Atwater (2002) the optimal degree of leader-follower interaction is contingent upon situational variables. In certain situations (e.g., task ambiguity), followers would require more frequent task or socioemotional interaction, whereas in other situations they may require less frequent interaction with their leader. In the same line Ashford and Cummings (1985) pointed out that followers initiate leaders’ feedback-seeking behaviors when ambiguities regarding roles and tasks are presented in the working environment or if followers are newly hired and inexperienced. Although in the present study we did control for the effects of team tenure, future research should also consider contextual factors, such as task characteristics or team members’ abilities and experience. These two explanations for the counterproductive effect of the frequency of leader interaction with the team on team affective climate suggest a negative effect for overmanaging leaders under certain conditions. A different possible explanation is that managers increase the frequency of the interactions with their teams when the teams have problems or difficulties, whereas when team functioning and performance is good, the manager does not need to interact so frequently to improve things. The adequacy of these different explanations should be tested in future research as well as the role of other aspects of leader-member interactions such as quality of communication (see Van Breukelen, Schyns, & Le Blanc, 2006).

In addition, although the present study shows that charismatic and influential leaders foster a good team affective climate, some recent studies have shown that followers’ affect has an effect on the attributions of a broader conception of charismatic leadership (Johnson, 2008). The strength and consequences of the possible reciprocal relationships between leaders’ charisma and team affective climate should be evaluated in future research as well as the processes through which charisma and team affect are related.

Finally, this study has the limitation that all the measures are self-report data (specifically team members report their leaders’ characteristics and their own emotions). Although we think that attributed charisma can be more appropriately assessed by the followers than by the leaders, the fact that all measures are assessed by the same raters could constitute an undesirable «method effects» source. Despite this limitation, we believe that this paper contributes to our understanding of how leaders’ characteristics interact with charisma to shape team affective climate.

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References


