

Chinese paternalistic leadership and non-Chinese subordinates' psychological health

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Past research on Chinese leadership, a style which is different from that practiced in the West, has demonstrated that paternalistic leadership within Chinese society is significantly related to employees' psychological health. This research contributes to the literature by providing results from the interaction between Chinese and non-Chinese society and examining the moderating role played by the cultural value of uncertainty avoidance (UA). Based on the bottom-up model of the subjective well-being theory, this study aims to disclose the relationship between Chinese leadership behavior and its effects on the psychological health of non-Chinese subordinates from cross-cultural and multi-national backgrounds. Results from the study sample of 160 non-Chinese subordinates from 31 overseas branches of the selected, large, Chinese multinational enterprise (MNE), showed that the moral and authoritarian styles of the Chinese paternalistic leadership contributed negatively to psychological health in the workplace, a different pattern of results from studies completed with Chinese subordinates in previous research. In addition, it also showed that UA partly moderated this unique leader-follower relationship. Specifically, when non-Chinese followers had a higher UA value orientation, the negative effects of their superior's moral style on their psychological health was weakened.

Keywords: Chinese paternalistic leadership; cross-cultural management; psychological health

Introduction

In an era of heightened global business competition, the performance of multinational corporations depends heavily on the leaders' ability to cope with heterogeneous cultural environments (Ricks, Toyne and Martinez 1990). Moreover, business executives have been faced with the challenge of motivating their increasingly diverse employees in their globalizing organizations. As such, leadership research in the context of work-related stress and its effect on subordinates opens up a broader area of academic interests and increasing humanistic concerns at work.

Years of emic research have revealed a consistent pattern in Chinese leadership that is different from that practiced in the West. The prevalent leadership style is known as paternalistic leadership (PL) (e.g., Farh and Cheng 2000). Previous PL studies were obtained mainly from data collected from Chinese communities, including Taiwan, China, and Hong Kong (e.g., Cheng, Chou and Farh 2000; Chao and Kao 2005), with both the leaders and subordinates of Chinese ethnicity. These studies have shown that the PL behavior is significantly related to the followers' responses. This study, however, examines the relationship between the PL behavior and the non-Chinese employees'

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psychological health, as well as the moderating effects of Hofstede's cultural value of uncertainty avoidance (UA) for this particular health-related leader-follower relationship.

Paternalistic leadership

Paternalistic leadership (PL) is a widespread people management phenomenon in Chinese organizations. Its conceptualization is based on a series of empirical studies on family enterprises, high-tech companies, military establishments, and educational institutions in Taiwan (Silin 1976; Farh and Cheng 2000). Other contributory sources to this style of leadership have come from research focusing on Chinese enterprises in Southeast Asia (Redding 1990; Westwood 1997). This prevalent Chinese PL has been identified as 'a style that combines strong discipline and authority with fatherly benevolence and moral integrity couched in a personalistic atmosphere' and which has three stylistic dimensions: *benevolence*, *moral* and *authoritarianism* (Farh and Cheng 2000).

Leaders with the benevolent style exhibit kindness and tolerance to employees, and show concern for their employees' activities; personal or job-related. They stress the importance of harmonious and reciprocal social relationships, along with a sense of human heartedness, consideration, and favor granting (Cheng, Chou, Wu, Huang and Farh 2004). The moral style values integrity, self-discipline, and unselfishness, and focuses on maintaining justice and pureness with moderation and prudence. It entails such behaviors as 'integrity and fulfilling one's obligations,' 'never taking advantage of others,' and 'selfless paragon' (Chinese Culture Connection 1987). The authoritarian style, moreover, has a special emphasis on the social order and hierarchical roles in the leader-follower relationship. The leaders with high authoritarianism possess strong personal authority and dominance over their subordinates. It comprises such awe-inspiring behaviors as 'powerfully subduing,' 'taking authority and control,' 'hiding one's intentions,' and 'espousing doctrine' (Cheng et al. 2000).

PL and the subordinate's psychological health

Based on the bottom-up approach of the subjective well-being model, the role of the external environment can account for people's psychological wellness vis-à-vis the immediate environment (Lu 1999). Therefore, on the basis of a bottom-up conceptualization, people express a higher state of well-being because they actually experience more favorable situations (Seidlitz and Diener 1993). In an organization, supervisory behaviors do not directly relate to an individual's health condition (Gardner, Avolio, Luthans, May and Walumbwa 2005), but they do affect one's feelings. For example, in the leader-follower relationship, leadership is often seen as a stressor (e.g., Seltzer, Numeroff and Bass 1989; Tepper 2000). Previous research on work-related stress has revealed a significant role of abusive leadership behavior in negatively influencing the employees' psychological well-being (Dierendonck, Haynes, Borrill and Stride 2004; Gilbreath and Benson 2004), job stress (Graen, Novak and Sommerkamp 1982), sick leaves (Nardozi 2003), burnout (Martin and Schinke 1998) and psychological distress (Tepper 2000). More recently, Frost (2003, 2004) even conceptualized certain leadership behaviors as 'toxic emotions' in the workplace, where 'all leaders create pains in their subordinates.' Thus, a leader's supervisory style and actions can be seen to potentially affect the psychological state of the subordinates, disrupting the balance between leader-follower relationships, and thereby lowering the subordinates' work performance.

Some recent studies have looked into such potential effects of Chinese PL on the subordinates' psychological health. The three specific dimensions of PL have been found to predict the responses of employees, specifically leaders' authoritarianism which negatively relates to employee job satisfaction in Chinese Society (Cheng et al. 2000, Cheng, Chou, Wu, Huang and Farh 2004). With respect to specific health effects, Chao and Kao (2005) found that a leader's authoritarian style not only predicts the subordinates' job stress but is also negatively associated with their job satisfaction, as well as with their physical and psychological well-being. Moreover, the benevolent and moral style of leadership would not only negatively relate to the subordinates' job stress and predict their level of job satisfaction and psychological health, but would also at the same time negatively relate to the subordinates' levels of distress.

Home-country leadership style and host-country subordinates

Since the above-mentioned findings are based on studies investigating the impact of PL in Chinese enterprises, we considered it interesting and important to also understand the likely manifestations and effects of this Chinese leadership style in situations where the recipients of such leadership style were the non-Chinese employees working in an international Chinese company operating on a global scale. This raised a research question: Would these foreign subordinates exhibit similar psychological or health states when their Chinese supervisors were PL practitioners?

Further, when reviewing the universal models of leadership, such as transformational leadership, Bass (1985) elaborated that transformational leaders show personal charisma and individual care, similar to leaders with a benevolent style of Chinese PL. Moreover, many empirical studies have highlighted the efficacy of transformational leadership in reducing the employees' stress and facilitating their well-being (e.g., Seltzer et al. 1989). Similarly, leaders who choose to display their own virtues and self-discipline would be expected by their subordinates to contribute positively to their followers' well-being (Cheng et al. 2004).

On the other hand, if leaders have absolute power and authority over their followers and earn the deference of their subordinates, it results in negative subordinate responses (Lewin, Lippitt and White 1939). Therefore, based on this review of leadership literature conducted in both Chinese and Western societies, we expected to observe significant associations between Chinese supervisors' PL behavior and non-Chinese employees' psychological health. Thus, the following was proposed:

- Hypothesis 1:* A benevolent style of PL leadership will be positively related to the non-Chinese subordinates' psychological health.
- Hypothesis 2:* A moral style of PL leadership will be positively related to the non-Chinese subordinates' psychological health.
- Hypothesis 3:* An authoritarian style of PL leadership will be negatively related to the non-Chinese subordinates' psychological health.

Uncertainty avoidance (UA): a moderating variable

Since the Chinese executives and the non-Chinese employees were involved in an intercultural situation, we also wanted to know if there were any organizational factors that might have moderated these types of leader–follower relationships. For this purpose, we adopted uncertainty avoidance (UA) as the sole moderator because it refers to the extent or

degree of norm or formalization in the organizational setting (Hofstede 1984). Generally speaking, Chinese PL managers are expected to act with a powerful sense of authoritarianism to control the followers' behavior (Cheng et al. 2004). Therefore, according to the bottom-up model of the subjective well-being theory, UA can measure, we believe, the extent of the subordinates' feelings or perception of culture as threatened by uncertain environmental situations. This feeling is not only 'expressed through nervous stress and in a need for predictability: a need for written and unwritten rules' (Hofstede 1991), but also may moderate the relationship between PL and the non-Chinese subordinates' psychological health.

The non-Chinese subordinates having a higher UA more similar to that of the Chinese subordinates are basically more concerned with security in life that is manifested in such areas as a greater need for consensus and written rules. Thus, when typical supervisors with Chinese PL demonstrate their authority and show consideration for their subordinates in the form of an extension of the father-son vertical order of the Confucian work dynamism in Chinese organizations (Farh and Cheng 2000) and, at the same time, exhibit their own power and self-discipline by setting up more written and unwritten rules as well as structured activities in order to control situations of uncertainty, their non-Chinese employees who have a high UA would respond much like their Chinese colleagues to such PL leadership style in terms of the relationship between the followers' perception of the PL and their response. In contrast, the non-Chinese subordinates with a lower UA are less concerned with security, rely less on written rules, and are more risk-tolerant. Their relationship between leader and follower would generally be much weaker. For the purpose of examining the differential effects of Chinese expatriate managers' PL behaviors on their host-country subordinates' psychological health, we also propose the following:

- Hypothesis 4:* UA will moderate the relationship between non-Chinese subordinates' perception of Chinese PL and their psychological health.
- Hypothesis 4a:* The higher the UA cultural value, the stronger the positive relationship will be between the benevolent style of PL and the non-Chinese subordinates' psychological health.
- Hypothesis 4b:* The higher the UA cultural value, the stronger the positive relationship will be between the moral style of PL and the non-Chinese subordinates' psychological health.
- Hypothesis 4c:* The higher the UA cultural value, the stronger the negative relationship will be between the authoritarian style of PL and the non-Chinese subordinates' psychological health.

Method

Participants

As the focus of this research is on exploring the PL effects on the non-Chinese subordinates' psychological health in the globalization of Chinese multinational enterprises (MNEs), this study was conducted on all non-Chinese subordinates from a selected pool of Chinese MNEs based in Taiwan that operate 31 branches in Asia, Europe, America, and Oceania. This company, with a history spanning over 50 years, was famed for practicing exclusive traditional Chinese PL, as PL is the chosen leadership behavior for Chinese family corporations as well as Chinese MNEs (Cheng et al. 2000, 2004). This was the case not only for the home country executives in

their corporate management governance but also for all host expatriate managers in overseas branch offices. Besides, these expatriate Chinese managers were all senior, high-level officers who had climbed up the corporate hierarchy through years of commendable contributions and proven performance and who had long been exposed to the corporate paternalistic culture and immersed in the practice of PL before their overseas assignments.

This large, single company was chosen so as to control the heterogeneity of the practice of PL and its interactions with the non-Chinese subordinates of different cultural backgrounds. In addition, the respondents all had direct interactions with expatriate PL managers and represented the host-country subordinates working under a Chinese PL style. The participants provided their ratings of their expatriate managers and their self-reported psychological health as well.

Of the 265 questionnaires mailed out, 169 were returned. With a response rate of 60.4%, the valid sample consisted of 160 subordinates supervised by 52 Chinese expatriate managers from the company's 31 overseas branches. Three to four respondents worked under each supervisor. Within each branch, the number of respondents ranged from 3 to 16, and the minimum and maximum numbers of subordinates under each supervisor were 3 and 4. Concerning the participants, 61 of the subordinates (38.1%) were male and 55 were unmarried (56.3%). Their mean age was 40.32 years ($SD = 11.27$), and their mean job tenure was 5 years ($SD = 6.18$). For the most part (61.9%), the subordinates were in non-managerial positions.

Procedure

The present study was conducted with the approval of the corporate chief executive and assisted by his staff. The distribution and collection of questionnaires was carried out through the company's intranet mail system. All questionnaires were explicitly transmitted directly to all of the non-Chinese subordinates in the overseas branches without the involvement of their immediate supervisors. All participants were assured of complete anonymity and confidentiality handling of all of their personal data.

However, instructions on all questionnaires explicitly identified their 'direct supervisor' as the subject to be rated. Because each subordinate provided ratings of both PL and psychological health, common method variance was a concern (Podsakoff, MacKenzie, Lee and Podsakoff 2003). Therefore, we calculated the PL score of each subordinate, but when a group of raters themselves were under the same supervisor, we used the mean of their PL ratings excluding themselves to replace each individual rating.

We further checked the viability of the mean score to represent the PL construct. Following James, Demaree and Wolf (1984), we assessed an inter-rater agreement by computing $r_{wg(j)}$ and obtained the mean values of .94 (range: .79–.99) for benevolence, .96 (range: .83–.99) for moral, and .95 (range: .79–.99) for authoritarianism, which supported the higher level of agreement between the subordinates under the same supervisor.

Measures

PL scale – the 27-item Chinese PL scale was adapted from the research of Cheng and associates (2000, 2004). It includes three distinct leadership styles: the *benevolent style*, *moral style*, and *authoritarian style*. Participants rated their supervisor's leadership behaviors using a 6-point Likert scale, ranging from 1 (strongly disagree) to

6 (strongly agree). Cronbach's alpha for the final three PL dimensions were .94, .86, and .89 respectively.

Psychological health – the participants' psychological health conditions were assessed by the 28-item General Health Questionnaire (GHQ-28), which is a self-administered screening test designed to detect the following four dimensions: 'somatic symptoms;' 'anxiety and insomnia;' 'social dysfunction;' and 'severe depression.' After the results are collected, they can be given a total score from which conclusions can be drawn. Previous work has established the reliability and validity of this scale for general health (Goldberg and Hillier 1979; Shek 2005). The GHQ items have a 4-point Likert scale response and a highly satisfactory internal consistency reliability rating (Cronbach's alpha = .92).

Cultural value: uncertainty avoidance (UA) – the 5-item UA index was adopted from work by Hofstede (1984), Budner (1962), and Norton (1975). The country level was used as the unit of analysis for Hofstede's scale. However, in the present study, UA is defined at an individual level as the extent to which an individual's particular cultural feelings were threatened by uncertain situations. Therefore, Hofstede's scale setting was modified by including the person's degree of ambiguity tolerance based on the research of Budner (1962) and Norton (1975). Some of the example items are: 'If I am uncertain about the responsibilities of a job, I get very anxious,' and 'I like to work in a well-defined job where the requirements are clear.' A high score for this measure suggested that a respondent was risk-averse and desired formal rules and regulations in order to ensure certainty and stability. This distinction indicated that this cultural value differed from the difference in cultural background in cross-cultural research. Cronbach's alpha score was .74.

Control variables – to reduce any confounding effects, we controlled for the five demographic variables including gender, marital status, age, position, and job tenure. These are proxies of human capital and have been identified as possible confounders of the relation between leadership and subordinates' reactions, as suggested by Cheng and his associates (2004). In addition, in the top-down approach of the subjective well-being model, personal demographic variables can explain one's well-being (Lu 1999). Therefore, past research showed significant differences among genders, management levels, educational levels, and age groups as factors causing differential influences on perceived stress and mental health in the work environment (e.g., Bednar, Marshall and Bahouth 1995; Siu, Lu and Cooper 1999).

Results

Factor structure of the leadership scale

Before testing our hypotheses, we first tested whether the non-Chinese respondents' rating would load on a 3-factor structure: the benevolent style; moral style; and authoritarian style. We conducted a confirmatory factor analysis based on the correlation matrix and used the maximum likelihood estimation as implemented in LISREL 8 (Jöreskog and Sörbom 1993) to ensure that the items were measuring theory-based constructs proposed by Cheng et al. (2000, 2004).

The effective sample size for the present study was 160 non-Chinese subordinates. Thus, the item to response ratio, based on Hinkin's (1998) recommendation, is adequate to perform a factor analysis.¹ To reduce the bias in the estimated parameters, we used the accepted approach of parceling (Bandalos 2002) in this study. The results showed that the 3-factor model fit the data well, as research by Cheng and his associates (2000, 2004) suggested. The $\chi^2(32, N = 160) = 93.04, p < .00$, comparative fit index = .95,

nonnormed fit index = .94, and standardized root-mean square residual = .07, meeting the goodness-of-fit criteria (Bentler 1988; Hu and Bentler 1999; Hair, Black, Babin, Anderson and Tatham 2006). The items employed in this study were all loaded significantly on the assigned latent construct (benevolence: $\lambda = .50 - .89$, moral: $\lambda = .65 - .90$ and authoritarianism: $\lambda = .39 - .74$, $t > 1.96$, all $p < .05$).

Correlations among the principle variables

Table 1 shows the means, standard deviations, and inter-correlations of the principle variables in this study. As shown, the authoritarian style correlated with the multinational subordinates' overall psychological health ($r = .17$; $p = .041$). This result provided general support for the predicted negative effects of the authoritarian style on the non-Chinese subordinates' psychological health.

As shown in Table 2, we performed the hierarchical moderated regression analysis to test our hypotheses (Cohen and Cohen 1983). In the first step of the regression analysis, the

Table 1. Means, standard deviation, and correlation for principle study variables^a.

Variable	M	SD	1	2	3	4	5
1. Benevolence	3.76	1.05	.94				
2. Moral	4.63	.97	.55*	.86			
3. Authoritarianism	3.00	.81	-.39*	-.60*	.89		
4. Uncertainty avoidance	5.49	.90	-.13	-.04	-.04	.74	
5. Psych. health ^b	.59	.36	-.01	.04	.17*	-.05	.92

Notes: Cronbach's alpha scores appear on the diagonal in bold; ^aSample size varied between 155 and 160; ^bLower scores signify better psychological health; * $p < .05$.

Table 2. Results of the regression analyses of PL and cultural value on subordinates' psychological health^a.

Variable	Model 1	Model 2	Model 3	Model 4
Control variable:				
Gender ^b	-.03	-.04	-.04	-.02
Age	-.15	-.19 [†]	-.19	-.20
Marriage ^c	-.15	-.13	-.13	-.13
Position ^d	-.04	-.09	-.10	-.05
Tenure	-.09	-.08	-.08	-.06
Paternalistic leadership (PL):				
Benevolence		-.05	-.05	-.33
Moral		.23*	.23*	1.53*
Authoritarianism		.34**	.33**	1.30
Uncertainty avoidance (UA)			-.02	1.85
Interactions:				
Benevolence × UA				.28
Moral × UA				-1.78*
Authoritarianism × UA				-1.19
Overall R ²	.08	.16	.16	.19
Adjusted R ²	.05	.10	.10	.11
ΔR ²	.08*	.08**	.00	.03
Model F	2.37*	2.96**	2.62**	2.31**

Notes: The entries in the table are standardized betas; ^aLower scores signify better psychological health; ^bGender, 1 = male and 0 = female; ^cMarital status, 1 = marriage and 0 = single; ^dPosition: 1 = managerial/admin. and 0 = non managerial/admin; * $p < .05$; ** $p < .01$.

personal demographic variables (gender, age, marital status, position, and tenure) were entered (as shown in Model 1). In the second step, the three dimensions of Chinese PL were entered. The results shown in Model 2 indicate that the coefficient for the benevolent style was not statistically significant; however, we found interestingly that the moral style ($\beta = .23, p = .038$) and authoritarian style ($\beta = .34, p = .002$) of the Chinese expatriate managers were both negatively related to the host-country subordinates' general psychological health. In summary, Hypothesis 3 was supported, whereas Hypothesis 1 and 2 were not. Furthermore, these results are strikingly different from those of past research that focused on the positive effects of a moral leadership style on employee's health conducted in home communities in China and Taiwan (Chao and Kao 2005; Cheng et al. 2003, 2004).

In the last step of the regression analysis, the moderator variables (e.g., UA and the three hypotheses interaction variables) were entered in Model 3 and 4. As suggested previously, Model 4 shows the interactive effect of the moral leadership style and UA on employee's psychological health to be statistically significant ($\beta = -1.78, p = .048$). However, the interactive effect of the benevolent leadership style and UA, as well as that of the authoritarian style and UA, respectively, on general psychological health is not statistically significant. Therefore, on the one hand, this result partially supports Hypothesis 4, especially Hypothesis 4b. On the other hand, subordinates with higher UA scores were found to be more able to moderate the negative health effects of the moral style than those subordinates with lower UA scores.

To understand the picture of the significance of interaction terms better, it is helpful to examine Figure 1. It suggests that although subordinates with a higher level of the UA cultural value had worse psychological health than those with a lower UA value at the mean level, when accompanied by an increased level in moral style, subordinates with a lower level of the UA cultural value displayed a stronger negative relationship between the moral style of leadership and their psychological health.

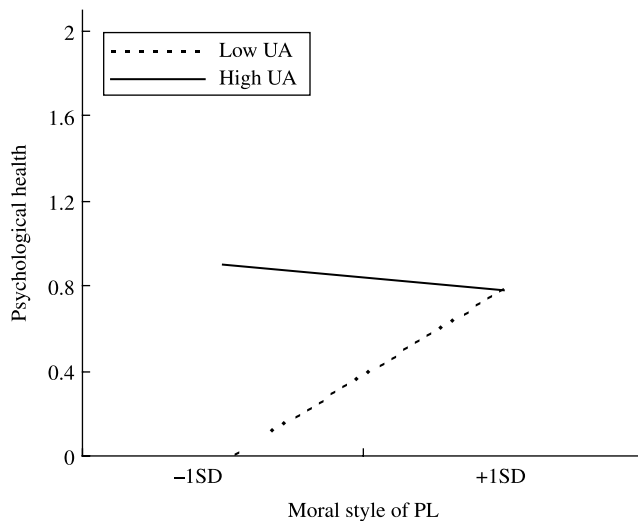


Figure 1. The moderating effect of uncertainty avoidance (UA) on the relationship between supervisors' moral style of PL and subordinates' psychological health.
Note: Lower scores signify better psychological health.

In addition, the present study clarified the role of general PL on subordinates' psychological health. The present findings show that the expatriate supervisor's three paternalistic behaviors together explained the $\sim 8\%$ variance in subordinates' health conditions (after controlling the personal demographical variables in Table 2, $R^2 = .08$, $p = .014$). On the other hand, the value of the zero-order correlations for psychological health and moral leadership suggests that .08 might be a slight overestimate, due to the suppressor effects of the control variable. However, when the control variables were not included, overall PL leadership styles together accounted for a 6% of variance in health conditions. Hence, it seems that there is a modest suppressor effect. Especially, in the supplemental analysis, excluding the control variables, authoritarian style ($\beta = .30$, $p = .005$) and moral style ($\beta = .24$, $p = .037$) were each independently associated with health.

In summary, the results indicate that the Chinese leaders varied in the extent to which they displayed the various Chinese expatriate PL leadership styles, with the variability in the PL style predicting subordinate health outcomes. This is especially evident in the negative impact on the latter's health conditions, deriving from both the moral and authoritarian styles of supervision. In addition, when these subordinates had higher UA values, the negative effect of the superiors' moral style on their psychological health was weakened. This could signify that a higher UA orientation on the part of the host employees is perhaps essential, in order for them to adjust and adapt to the localized PL culture created by the Chinese expatriate managers in their overseas branches. This finding deserves closer research scrutiny.

General discussion

Several interesting observations can be drawn from these results. First, supervisors with an authoritarian style of leadership have been found to have a negative impact on the psychological health of their non-Chinese subordinates. As expected, this result is consistent with much of the recent PL research conducted in Chinese society (e.g., Chao and Kao 2005; Cheng et al. 2000). These results seem to imply that the supervisor's authoritarian leadership behaviors, such as strictly controlling subordinates and requesting for their absolute obedience, are not well suited to cross-cultural leadership strategy in Chinese international organizations, because these are deeply rooted in Chinese traditions and can be traced back to China's paternalistic family system which emphasizes on implications of forced submissiveness and dependency (Pellegrini and Scandura 2008). Second, inconsistent with previous PL research which examined Chinese subordinates, this present study has shown that the moral leadership style negatively predicts non-Chinese subordinates' psychological conditions. One possible explanation for this finding is that the moral style in the Chinese culture stresses the need for leaders to demonstrate self-discipline and personal virtues in order to win the followers' respect and honor (Farh and Cheng 2000). However, the cultural background of non-Chinese followers may influence their perceptions of the leaders' moral behavior, which is different from the findings reported in other studies done on Chinese subordinates (Chong and Thomas 1997). Furthermore, our own recent, unpublished data collected from the same company under investigation also supported our claim that the non-Chinese subordinates of varied ethnic and cultural backgrounds have different perceptions of the moral style of the Chinese paternalistic leadership.²

The above findings suggest that for Chinese MNEs, leaders accompanied by their own culture-conditioned PL leadership style will be faced with different perceptions of their style from their cross-cultural subordinates. Hence, with the development of the

globalization of Chinese businesses, this is becoming a shared experience and certainly deserves close research attention. The present study has provided one such case with empirical evidence. Third, our findings show that when non-Chinese followers had higher UA values, the negative effect of their superior's moral style on their psychological health was weakened. On the contrary, lower UA values reflect those individuals would avoid the authority of rules in the organization (Hofstede 1984). This observed phenomenon is in sharp contrast to that found in previous Chinese studies and revealed cultural context may play an important role in how subordinates react to paternalism. Therefore, some cultural adjustment, accommodation, or even the localization of leadership practices in the cross-cultural settings of the Chinese MNEs may be needed.

Theoretical and practical implications

As the aforementioned observations highlight, the findings of this study have revealed several important theoretical issues and practical implications. First, Chinese managers with such authoritarian behaviors, like a household head in a traditional family, demonstrate stringent control over the power of influence in the leader-follower relationship (Cheng et al. 2000). This study contributes to the literature by providing results from non-Chinese employees and observes that traditional Chinese behaviors, such as being authority-centered, are negatively associated with these subordinates' psychological health. Moreover, as Frost (2003, 2004) suggested, a supervisor's compassionate response serves as a buffer that enhances employee health and productivity because the toxicity arising from leader behaviors will result in a significant experience of stress for the individual and also engender heavy losses for the organization. Overall, based on Frost's observations, more research is needed to clarify the role of compassionate responses, such as individual care, in the relationship between leaders' authoritarian styles and their followers' health, and on whether it is practiced in a Chinese work setting either at home or in a foreign business environment.

Second, following the person–environment fit model devised by Edwards, Caplan and Harrison (1998), if the individual and the environment have a poor fit, employees will experience greater psychological and behavioral stress and strains. Similarly, if the adaptation of an authoritarian Chinese supervisor is not commensurate with the employee's own cultural expectation of leadership, the cross-cultural followers may suffer from the emotional pains that arise from these supervisors' Chinese PL behaviors in a Chinese organization and may lead to a worsening state of their psychological health. Therefore, this study suggests that the practice of the authoritarian style of leadership could depend on non-Chinese subordinates' personal attributes and consider their local value orientations. Simultaneously, authoritarianism as a style of leadership is what Chinese international organization could infuse organizational culture with fairness and humanistic considerations. Furthermore, certain cross-cultural transformations and the adaptation of leadership practices are the imperatives for Chinese MNEs' management in the global arena.

Third, this study shows that the home-country's moral style practiced through expatriate Chinese managers will negatively predict the host-country's subordinate's health. Under different systems of cultural values held by the supervisors and their followers, the perception of moral style might reflect a sharp contrast to the modern-day mainstream theories of leadership, for example, in the case of transformational leadership, the leaders are admired, respected, and trusted because their idealized influence is exercised through an idealized attribution and idealized behaviors (Avolio, Waldman and Yammarino 1991). However, the moral style of this study highlights a leadership style that

exhibit self-discipline and personal virtues rather than idealized external behavior. Therefore, a consequence of these unrealistic expectations from an authoritarian Chinese style of management is, as we have found, associated with negative health states on the part of the non-Chinese subordinates.

Finally, this study provides initial empirical evidence about the effects of PL on non-Chinese employees and observes that paternalistic leadership may be perceived as authoritative and manipulative by non-Chinese subordinates in the cross-cultural context (Pellegrini and Scandura 2008). It is because although PL in which the leader is involved in employees' personal lives and shows their authority and control is an effective leadership style in many Chinese cultures (Farh, Cheng, Chou and Chu 2006), the same leadership style would be perceived as a violation of privacy in more individualistic cultures (Pellegrini and Scandura 2008). Therefore, for a successful globalization of Chinese business practices, corporations operating globally are advised to make every effort to modify their home-grown PL styles and the associated behaviors in order to adapt their practices to the cultural orientations of the host-country values of their cross-cultural employees.

Limitations and future research

Although our research provides the initial evidence concerning Chinese leadership styles on non-Chinese subordinates' psychological health, a few limitations of the present study need to be noted. First, the zero-order correlation with moral style was nonsignificant; however, there was more significance in the regression. One possible explanation for this finding is that there are strong correlations among the dimensions of PL because PL is a higher-order factor proposed by Cheng and his associates (2000). Therefore, future research can improve on the statistical power of a moral style of leadership to clarify this issue. Second, in order to control other exogenous variables, our samples are representative of a single Chinese MNE, so there may be a concern about the external validity of the results. Further research could extend the generality of our findings. Third, in the factor analysis of the leadership scale, the sample size is a little small for structural equation modeling. Thus, the current study should be cross-validated on a larger sample. Finally, the present study has investigated cultural values from one whole organization to view the moderating role of the employees' uncertainty tolerance of the corporate environment. To expand on the current findings, future research may explore other moderators from the perspective of the leader-follower interactions, such as Hofstede's Power Distance.

Conclusion

The present findings show that the authoritarian style leads to negative psychological health in non-Chinese as well as Chinese subordinates when a PL management style is implemented in Chinese MNEs. However, on the other hand, the benevolent and moral styles contribute, to some positive states of psychological health for Chinese employees at home. Yet for the non-Chinese subordinates, we found the moral style of PL to be a contributor to their negative states of psychological health at work. Finally, the results have demonstrated that when the subordinates hold a higher UA as a cultural orientation, the negative relationship between moral leadership and the subordinates' psychological health is weakened. These results suggest that paternalistic practices carried out by expatriate Chinese managers should modify their home-grown PL behaviors to facing the host-country employees in Chinese international organizations.

Notes

1. When conducting a factor analysis on the items to check the underlying structure of the construct, the recommendations of the item to response ratios ranged from 1:4 (Rummel 1970) to 1:10 (Schwab 1980). Based on the criteria of the item-to-response ratio, our item-to-response is 1:6 (160 effective responses/27 items of PL).
2. There may be concerns whether non-Chinese subordinates have a different perception of moral leadership. The results of additional data on Chinese subordinates ($n = 145$) in the same corporation within Taiwan show that the Chinese subordinates have different perceptions of the moral leadership style from those held by their non-Chinese counterparts ($t = 3.68, p < .05$) suggesting that this explanation should be ruled out.

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