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# Examining the relationship between charismatic leadership and the lower-order factors of LMX

# A follower based perspective of the moderating effect of communication frequency

Trent Salvaggio

Management and Marketing Department, College of Charleston, Charleston, South Carolina, USA, and

Thomas W. Kent Management and Entrepreneurship Department, College of Charleston, Charleston, South Carolina, USA

## Abstract

**Purpose** – The purpose of this paper is to test the effects of a followers' perception of charisma to the followers' perceived quality of each of the four sub-dimensions of LMX quality, and the moderating effect of communication frequency on such a relationship. The study hopes to assess the relationship of the four sub-factors of LMX to charisma and, thereby, to advance the current understanding of relationship-based views of leadership.

**Design/methodology/approach** – In total, 208 employed adults who are currently residing within the USA completed surveys that assessed charisma, LMX and it's sub-factors, and communication frequency. The surveys were validated and the relationships between the variables were tested using partial least squares regression.

**Findings** – Charismatic leadership was shown to have significant effects on all the LMX sub-factors suggesting that charisma is not a simple trait possessed by some leaders. Additionally, the data suggests that there is a significant yet different level of effect of communication frequency on all the LMX sub-factors.

**Research limitations/implications** – Implications of the research findings are discussed; however, there are some shortcomings in the research. As the variables of communication frequency and LMX quality were rated by the same individual, a limitation to this study exists by way of possible same source bias. A further limitation results from the measurement method utilized to determine communication frequency and its dependence upon the ability of the survey respondent to accurately recall this information free from any type of recall bias (Raphael, 1987). Further study needs to be done into the nature of the moderating effects present on the four lower order factors of LMX. If there are intervening factors that influence the quality of the moderating effects, such as role expectation and role congruence, then the authors may be able to gain further insight into the positive and negative nature of these moderating effects.

**Practical implications** – The findings suggest that charisma is not a simple, one-dimensional factor and also suggests that the authors need to reconceptualize the ideas of charisma. At a minimum, the authors must rethink how to train people to become leaders.

**Originality/value** – The study advances the understanding of the relationship between charisma and LMX and its composite factors.

Keywords LMX, Affect, Charisma, Communication frequency, Professional respect Paper type Research paper Moderating effect of communication frequency

1223

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## Introduction

LODI

1224

37.8

Researchers investigating the dynamics within the leader-follower relationship have explored a myriad of variables that impact such a relationship. Focusing on a leader-based perspective of leadership, variables such as leader personality (Judge and Piccolo, 2004) and leadership behaviors (Bass, 1999) have all been shown to influence the leader-follower relationship. This study attempts to build upon these earlier findings but with a focus on a different domain of leadership – the follower. Of particular interest to this study is the followers' perception of charisma of his or her leader, and the effect of such on the followers' perception of the LMX relationship.

There exists a litany of research suggesting a positive relationship between charismatic leadership, high-quality LMX relationships, and positive outcomes. Recently, emphasis has been placed on understanding how aspects of such a relationship (namely LMX to outcomes) might be affected by moderating variables such as communication frequency (Antonakis and Atwater, 2002; Kacmar *et al.*, 2003). Such research, it seems, is putting the "cart before the horse" in that no attention has been placed on understanding how situational variables, such as communication frequency, may moderate the effect of charisma on the development of high-quality LMX relationships in the first place. Furthermore, there has been very little research into the underlying process of connecting charismatic leadership to LMX quality. It is the aim of this paper to address these existing gaps in the literature and to also further develop the current level of understanding surrounding the charismatic leadership – LMX relationship.

This study contributes to the existing knowledge of leadership in four ways. First, the results obtained from partial least squares (PLS) testing confirm and extend existing theories about communication behaviors that are associated with the building of high-quality LMX relationships. Second, the findings of the study provide empirical evidence demonstrating the importance of frequent communication within the leadermember dyad when building and maintaining high-quality LMX relationships. Previous research on LMX and communication frequency has focused only the outcomes of LMX relationships. The findings of this study work in conjunction with such previous findings to provide a more robust model of leadership, LMX, LMX outcomes, and the effects of the contextual variable of communication frequency. Third, it provides empirical support for multiple dimensions of the LMX construct which increases our understanding of the construct itself, and also of its relationships to charismatic leadership. This multidimensional understanding of LMX may be helpful to future researchers in understanding how LMX relationships develop, and how to maintain them (Liden and Maslyn, 1998). Finally, the results of the study provide organizational leaders with an increased understanding of how their actions/inactions may enhance/limit the positive effects commonly associated with charismatic leadership.

#### Theoretical framework

#### Charismatic leadership

As noted by Milosevic and Bass (2014) the current body of research focused on charismatic leadership is vast and covers a myriad of views of the construct. In line with the seminal work by Weber (1978), leadership is defined as charismatic when individuals follow a person because he or she is "considered extraordinary and treated as endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities" (Weber, 1978, p. 241). Bass' (1985) later work on charismatic relationship has added the importance of vision, the ability to influence, and the ability to build the confidence of others to the concept. Yet even more recent research has focused on the

role of the follower and emphasized the importance of the relationship between the leader and follower (Erez *et al.*, 2008; Martin *et al.*, 2015). This relational-based view of charismatic leadership posits that charisma is not purely a function of a leader's behaviors but is, instead, an outcome of the relation between the leaders' attributes and the needs of the follower (Conger and Kanungo, 1987). It is also suggested that charisma exists "within" the relationship between a leader and follower (Howell and Shamir, 2005) in such a way that the same leader may be considered very charismatic toward one follower but less so by others, and this continues to exist as a major theme in contemporary charismatic leadership research (Milosevic and Bass, 2014).

## Leader-member exchange (LMX)

Initially introduced over 35 years ago (Dansereau and Graen, 1975) as an alternative to traditional leadership models, LMX theory, in its' current form, examines the quality of dyadic relationships formed between leaders and their followers (Krishnan, 2005), the leaders' perception of the member (Wallis *et al.*, 2011), and also the members' perception of the leader (Joseph *et al.*, 2011). At a more detailed level LMX quality has been shown to be a multi-dimensional construct consisting of a combination of the factors of affect, loyalty, contribution, and professional respect (Joseph *et al.*, 2011; Liden and Maslyn, 1998). Liden and Maslyn (1998) provide explanation of each of these four factors.

*Affect.* The mutual affection members of the dyad have for each other based primarily on interpersonal attraction, rather than work or professional values.

*Professional respect.* Perception of the degree to which each member of the dyad has built a reputation within and/or outside the organization, of excelling at his or her line of work.

*Loyalty*. The expression of public support for the goals and the personal character of the other member of the LMX dyad. Loyalty involves a faithfulness to the individual that is generally consistent from situation to situation.

*Contribution.* Perception of the current level of work-oriented activity each member puts forth toward the mutual goals (explicit or implicit) of the dyad.

#### Communication frequency

Communication has been shown to be of vital importance in the development of aspects of high-quality LMX relationships such as trust, cooperation, and a sense of shared vision (Schoorman *et al.*, 2007; Staples and Webster, 2008) and in the outcomes of such LMX relationships (Gajendran and Joshi, 2012; Jian and Dalisay, 2015). Research by Niedle (2012), exploring variables such as LMX and communication among dyadic units, discusses communication as important in the creation of shared meaning, developing interpersonal trust, and in the development of cooperative relationships.

The responses from 198 managers from various organizations to the research by Niedle (2012) provide support for such a postulation and are in alignment with previous research such as that by Gerstner and Day (1997), and Graen and Scandura (1987) suggesting that dyadic units engaged in high-quality relationships communicate more often than those in lower quality relationships. Because communication is so important in the formation of effective relationships, past researchers have posited that activities or working arrangements which decrease communication frequency would pose problems in the building of effective, high-quality LMX relationships between supervisors and their employees (Bass, 1990).

Moderating effect of communication frequency

Charisma and LMX

While there is a large body of literature demonstrating the linkage of charismatic leadership to LMX, there is little work that describes how this linkage comes about or how it serves the relationship when LMX is treated as a multidimensional construct. It is suggested that more precise measures that show how charismatic leadership is associated with LMX quality are needed along with the effect of potential moderators or mediators (Schyns, 2013). The limited literature which does exist suggests that the linkage of charismatic leadership to LMX may exist through the construct of "commitment to leader," which includes trust in the leader, loyalty, unquestioning acceptance, and obedience (Boal and Bryson, 2001).

Citing the work of Bass (1985), Wang *et al.* (2001) explains the linkage through affection and loyalty. Previous research (Bono and Ilies, 2006; Richards and Hackett, 2012) suggests a linkage of charismatic leadership to positive affect, and that similar outcomes may be produced by each. Through a series of two studies (one laboratory and one field-based) Erez *et al.* (2008) found charismatic leadership to be positively associated with the positive affect of the followers. Such a relationship has been explained in the existing literature through the process of impression management (IM). Suggesting that charismatic leaders engage in IM to enhance their image of competence (Bass, 1985), and thus increase levels of professional respect, while also attempting to inspire their followers (Conger and Kanungo, 1988), Gardner and Avolio (1998) explain the process of IM as packaging selected information in a way to best lead audiences to desired conclusions.

It has also been argued that the professional respect aspect of LMX is less of a measure of the social aspect of the leader-member relationship and is, instead, more task-oriented (Olsson, 2012). A followers' feeling of professional respect for his/her leader may be based on historical data concerning the person, such as personal experience with the individual, comments made about the person from individuals within or outside the organization, and awards or other professional recognition achieved by the person (Graen, 2003). Thus it is possible, as theorized by Schyns (2013), to have developed a perception of professional respect before working with or even meeting the person, and it does not require direct contact.

However, when leaders are unable (or simply choose not to) communicate on a frequent basis, information which influences the followers' impression of the leader which originates from outside of the leaders control (and thus outside of the IM process), may become more salient to the follower. Since such information is not able to be filtered through the leaders' use of IM, the ability to build positive affect and high levels of professional respect between the leader and follower may suffer. To this end, *H1-H4* are stated as:

- H1. Charismatic leadership is positively associated with followers' positive affect.
- *H2.* Communication frequency moderates the relationship between charismatic leadership and followers' positive affect such that low communication frequency will decrease the strength of the relationship.
- *H3.* Charismatic leadership is positively associated with followers' perception of professional respect.
- *H4.* Communication frequency moderates the relationship between charismatic leadership and followers' perception of professional respect such that low communication frequency will decrease the strength of the relationship.

LODI

1226

37.8

Yukl (1999) explains that follower loyalty is a result of strong personal identification with the charismatic leader, and such identification has been identified as the primary influence process in the initial version of charismatic leadership (Conger and Kanungo, 1987). The importance of identification found support in later research, and as part of a six phase process explaining the charismatic leadership process, was posited to lead to followers' commitment to the mission (Jacobsen and House, 2001). However, it is not until the third phase of the process, the so-called "peak" of charismatic leadership (p. 79), that commitment develops, and such development is dependent upon a number of salient actions by the leader including public demonstrations of dedication to the cause and personal sacrifice; only after such actions are observed will followers demonstrate commitment to the leader (Jacobsen and House, 2001). Thus, in dyads who communicate less frequently the follower has less opportunity to observe the necessary acts of personal sacrifice and dedication to the cause. As these observations serve as the basis for the followers feelings of heightened levels of loyalty to the leader, H5 and H6 are stated as:

- H5. Charismatic leadership is positively associated with followers' perception of loyalty.
- *H6.* Communication frequency moderates the relationship between charismatic leadership and followers' perception of loyalty such that low communication frequency will decrease the strength of the relationship.

The application of charismatic leadership entails demonstrating behaviors such as communicating ideological vision, expressing confidence in others, serving as a role model, and performing admirable/desirable behaviors (Howell and Shamir, 2005). These behaviors are not abstract and are, instead, observed through direct experiences between the leader and follower. These demonstrated behaviors are viewed by followers as benefits which, ultimately, contribute to the quality of the LMX relationship. As such, the relationship between charismatic leadership and LMX quality should be positive, in that, higher levels of charismatic leadership should lead to higher quality LMX relationships.

However, as communication frequency decreases and these necessary direct experiences become rare, the charismatic leaders' contributions to the relationship may become less salient to the other member of the dyad. This relationship has received theoretical support, in part, by an argument put forth by Schyns *et al.* (2010) which suggests that a leaders' increased span of control leads to decreased levels of identified contribution. Such an argument is based upon the belief that increased span of control ultimately leads to decreased interaction within the dyad. As such, *H7* and *H8* are stated as:

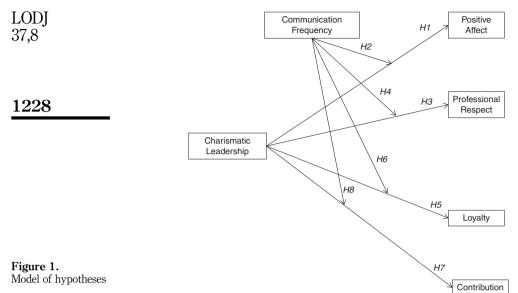
- *H7.* Charismatic leadership is positively associated with followers' perception of contribution.
- *H8.* Communication frequency will negatively moderate the relationship between charismatic leadership and followers' perception of contribution (Figure 1).

## Methods

#### Participants

In total, 208 participants from a large and diverse pool of over 500,000 workers (Amazon, 2014) participating on Amazon Mechanical Turk, an online crowdsourcing system (Simcox and Fiez, 2014), successfully responded to the request for participation

Moderating effect of communication frequency



in the survey. Respondents were recruited by posting an electronic announcement on the Mechanical Turk website of the availability of the survey, invitations to participate, and a hyperlink to a secure internet site where the survey would be completed. Only respondents who identified themselves as: employed on either a full or part-time basis; currently residing within the USA; and over the age of 18 were included in the study. Past research has identified numerous advantages to the use of online methods in behavioral research (see e.g. Kraut *et al.*, 2004; Mason and Suri, 2012). Notably, by including responses from individuals of differing organizations through the use of Amazon's Mechanical Turk, there is decreased potential for the introduction of unintentional biases based on type of work performed, geographical location, similar organizational cultures, or other workplace specific variables to enter the study and thus, better generalizability of the results (Reips, 2002).

Of the 208 participants 108 were women (51.9 percent) and 100 were men (48.1 percent) and had a mean age of 36.9 (SD = 12.69) years. The educational profile of the sample included 87 participants who possessed a four-year college degree (41.8 percent), 18 who possessed a second-year college degree (8.7 percent), 45 who attended college but did not complete a degree (21.6 percent), nine with a high school diploma or GED (4.3 percent), eight doctoral degree holders (3.8 percent), three with a professional degree (MD, JD) (1.4 percent), and one with less than a high school diploma (0.5 percent). Employment tenure ranged from less than one month to 400 months with an average of 54.81 months (SD = 61.19) and tenure with current supervisor, in months, ranged from less than one to 324 with an average of 32.63 (SD = 44.13).

#### Measures

*Charisma*. In total, 12 items from the Multifactor Leadership Questionnaire (MLQ-5x), a widely utilized measure of charismatic leadership, were utilized to measure charismatic leadership. In line with prior research (Avolio *et al.*, 1999; Bono and Ilies, 2006), the dimensions of idealized influence (attributes), idealized influence (behaviors), and

inspirational motivation were summed to form a measure of charisma where higher scores indicated higher levels of charisma. The charismatic leadership construct was tested for reliability and demonstrated such as evidenced by a sufficient Cronbach's  $\alpha$  result of 0.91. Each question begins with the stem "The person I am rating [...]" followed by items including "talks optimistically about the future" and "specifies the importance of having a strong sense of purpose."

*LMX*. Due to the widespread use of, and strong evidence supporting the validity of the tool to measure LMX as a multi-dimensional construct (Joseph *et al.*, 2011), LMX quality was measured using the LMX-MDM, a seven-point, 12-item, Likert-type scale with responses ranging from "totally disagree"(1), to "totally agree" (7). This tool measures the dimensions of affect, loyalty, contribution, and professional respect via three items for each dimension which are summed to determine a score for each. Items include "I like my supervisor very much as a person." and "I do not mind working my hardest for my supervisor." and higher scores suggest higher levels of each dimension. Each of the four categories were tested for reliability and have demonstrated such as evidenced by sufficient Cronbach's  $\alpha$  results (affect 0.92, loyalty 0.85, contribution 0.76, professional respect 0.94); the  $\alpha$  for total LMX is 0.92 (Alabi, 2012).

*Communication frequency*. Communication frequency was assessed through the use of an existing and previously validated ( $\alpha = 0.70$ ) tool developed by Niedle (2012) which captures responses through the use of a six-point Likert-type scale to questions with the stem of "On average, how frequently do you and your supervisor use the following media to communicate?" followed by items such a "phone" and "face-to-face conversation." The average of these responses was calculated and used to represent an overall communication frequency variable where a higher score indicates more frequent interaction between the leader and member. Using the data collected for this study, Cronbach's  $\alpha$  was assessed and a value of 0.76 was found.

*Control variables.* Previous research has suggested that select human capital factors might exert influence on LMX quality (Maslyn and Uhl-Bien, 2001; Wayne *et al.*, 1997). In particular, educational level has been shown to have a positive association with LMX quality (Wayne *et al.*, 1999) and as such, demographic information of age and educational background was collected via the questionnaire (e.g. please indicate the highest level of education you have completed). It has been suggested that the length of tenure within an organization and with ones' supervisor might influence LMX quality by way of a shared common vernacular, improved communication, and a better understanding of policies and procedures (Zenger and Lawrence, 1989). As such, participants were also asked to provide information related to their job tenure and tenure with their current supervisor (e.g. "How many total months have you held your current job?," "How many total months have you reported to your current supervisor?").

#### Procedures

The study data were captured through the use of an on-line survey hosted on a secure internet site. Before being granted access to the survey, respondents were asked to identify their current employment situation (employed on a full-time basis, employed on a part-time basis, currently unemployed) and verify that they were at least 18 years of age. Individuals who identified as currently unemployed or under the age of 18 were not allowed to complete the survey. A short explanation of the purpose of the survey and directions on how to complete it were provided to the participants.

Moderating effect of communication frequency

### Results

An assessment of the data were performed prior to assessing the hypothesized relationships. Of the 221 responses received, 13 (5.8 percent) were found to be missing at least one piece of data. After determining that the values were missing completely at random they were excluded through the process of listwise deletion.

#### Factor analysis

The items for charisma and LMX were analyzed using WarpPLS software to determine the un-rotated loadings and also the oblique rotated cross-loadings in an effort to verify sufficient construct validity. Results of this procedure indicated that the items used for each construct had significant and substantial loadings (range of 0.75-0.95) on their intended factors suggesting good convergent validity, and no significant crossloadings (range of 0-0.51) suggesting good discriminate validity. Table I provides detail of the constructs, their associated loadings, and cross-loadings and Table II provides results of correlation testing between the two constructs.

|                     | ** • • •  | <b>a</b>  | LMX         | LMX         | LMX             | LMX professional           |       |  |  |
|---------------------|---|-----------|-------------|-------------|-----------------|----------------------------|-------|--|--|
|                     | Variable  | Charisma  | affect      | loyalty     | consideration   | respect                    | SE    |  |  |
|                     | Charisma 1  | 0.812**   | 0.286       | 0.065       | 0.02            | -0.175                     | 0.047 |  |  |
|                     | Charisma 2  | 0.785**   | 0.176       | 0.056       | -0.17           | 0.215                      | 0.046 |  |  |
|                     | Charisma 3  | 0.851**   | 0.317       | -0.06       | -0.07           | 0.119                      | 0.04  |  |  |
|                     | Charisma 4  | 0.774**   | 0.195       | -0.083      | 0.03            | 0.117                      | 0.077 |  |  |
|                     | Charisma 5  | 0.815**   | -0.216      | -0.18       | 0.251           | -0.312                     | 0.076 |  |  |
|                     | Charisma 6  | 0.756**   | 0.031       | -0.13       | -0.032          | -0.222                     | 0.052 |  |  |
|                     | Charisma 7  | 0.796**   | 0.075       | -0.045      | -0.232          | 0.476                      | 0.055 |  |  |
|                     | Charisma 8  | 0.756**   | -0.134      | 0.013       | 0.1             | -0.194                     | 0.058 |  |  |
|                     | Charisma 9  | 0.772**   | 0.049       | -0.131      | 0.225           | -0.368                     | 0.058 |  |  |
|                     | Charisma 10   | 0.814**   | 0.174       | -0.215      | 0.085           | -0.299                     | 0.06  |  |  |
|                     | Charisma 11   | 0.816**   | -0.277      | 0.099       | 0.112           | -0.185                     | 0.049 |  |  |
|                     | Charisma 12   | 0.812**   | -0.079      | 0.295       | -0.083          | 0.133                      | 0.052 |  |  |
|                     | LMX affect 1  | 0.007     | 0.947**     | -0.035      | -0.022          | 0.004                      | 0.046 |  |  |
|                     | LMX affect 2  | 0.033     | 0.94**      | -0.072      | -0.024          | 0                          | 0.059 |  |  |
|                     | LMX affect 3  | -0.042    | 0.915**     | 0.111       | 0.048           | -0.005                     | 0.046 |  |  |
|                     | LMX loyalty 1                                       | -0.048    | -0.18       | 0.885**     | -0.193          | 0.164                      | 0.048 |  |  |
|                     | LMX loyalty 2                                       | 0.061     | 0.047       | 0.935**     | 0.124           | -0.069                     | 0.05  |  |  |
|                     | LMX loyalty 3                                       | -0.015    | 0.124       | 0.929**     | 0.059           | -0.087                     | 0.064 |  |  |
|                     | LMX contribution 1                                  | -0.058    | 0           | 0.009       | 0.929**         | -0.094                     | 0.052 |  |  |
|                     | LMX contribution 2                                  | 0.058     | 0           | -0.009      | 0.929**         | 0.094                      | 0.076 |  |  |
|                     | LMX contribution 3                                  | -0.027    | -0.024      | 0.117       | 0.768**         | 0.515                      | 0.074 |  |  |
|                     | LMX professional respect 1                          |           | -0.088      | 0.05        | -0.121          | 0.939**                    | 0.046 |  |  |
| Table I.            | LMX professional respect 2                          |           | 0.03        | -0.042      | -0.136          | 0.955**                    | 0.053 |  |  |
| Factor loadings and | LMX professional respect 3                          | 0.06      | 0.078       | -0.104      | -0.164          | 0.933**                    | 0.056 |  |  |
| cross-loadings      | <b>Notes:</b> * <i>p</i> < 0.05; ** <i>p</i> < 0.01 |           |             |             |                 |                            |       |  |  |
|                     |   |           |             |             |                 |                            |       |  |  |
|                     | Variable  | Mean      |             | SD          | 1<br>0.796      |                            | 2     |  |  |
|                     | 1. Charisma   | 34.10     |             | 9.36        |                 |                            | 0.015 |  |  |
| Table II.           | 2. LMX 61.38 15.80 0.679**                          |           | -           | 0.917       |                 |                            |       |  |  |
| Correlation matrix  | Notes: The square root of                           | the AVE v | alue is pre | sented on t | he diagonal. *p | < 0.05; ** <i>p</i> < 0.01 |       |  |  |

LODJ 37.8

1230

Further analysis was performed in an effort to affirm the results extracted from the interpretation of the factor loadings and cross-loadings in Table I. Kock (2013) suggests that the measurement model contains acceptable convergent validity when p-values associated with loading values are less than 0.05, and when such loadings are equal to or greater than 0.5. These p-values are seen as validation parameters of a confirmatory factor analysis as "they result from a test of a model where the relationships between indicators and latent variables are defined beforehand" (Kock, 2013). As can be seen in Table I, these requirements have been met for the respective factors of each construct.

#### Hypotheses testing

To test the hypotheses, a PLS regression analysis was utilized along with an indicator product approach for moderating effect analysis using WarpPLS 4.0 software. PLS analysis allows for the creation and testing of latent variables, each of which consists of a number of indicator variables, which can greatly reduce the effects of common measurement error (Chin *et al.*, 2003). This, along with the ability of PLS to model multiple structural paths simultaneously, makes the use of this technique preferable considering the number of multidimensional variables tested.

Results from testing of *H1*, which predicted that charismatic leadership would be positively associated with followers' positive affect, indicate that the relationship between charismatic leadership and positive affect is significant and positive ( $\beta = 0.56$ , p < 0.01, es = 0.433). *H2*, which tested the moderating effect of communication frequency on the relationship between charismatic leadership and positive affect using the indicator product approach within WarpPLS was shown to be true ( $\beta = 0.16$ , p < 0.01, es = 0.030) (Table III).

*H3* was accepted in that the relationship between charismatic leadership and professional respect was shown to be significant ( $\beta = 0.72$ , p < 0.01, es = 0.519), while *H4* was also accepted as communication frequency was shown to moderate the relationship between charismatic leadership and professional respect ( $\beta = 0.19$ , p < 0.01, es = 0.041) using the indicator product approach. *H5* and *H7*, which suggested a direct link from charismatic leadership to both loyalty and contribution, produced significant results from the use of PLS testing and were both accepted ( $\beta = 0.58$ , p < 0.01, es = 0.345;  $\beta = 0.46$ , p < 0.01, es = 0.207). Finally, *H6* and *H8* which examined the moderating effect of communication frequency on the relationship between charismatic leadership and the LMX factors of loyalty and contribution were accepted based on the results obtained through PLS testing ( $\beta = 0.18$ , p < 0.01, es = 0.036;  $\beta = 0.22$ , p < 0.01, es = 0.038). The full set of results is presented in (Table III).

| Hypothesis  |        | Effect size |
|---|--------|-------------|
| Charismatic leadership – positive affect                                | 0.56** | 0.433       |
| Charismatic leadership – positive affect – communication frequency      | 0.16** | 0.030       |
| Charismatic leadership – professional respect                           | 0.72** | 0.519       |
| Charismatic leadership – professional respect – communication frequency | 0.19** | 0.041       |
| Charismatic leadership – loyalty  | 0.58** | 0.345       |
| Charismatic leadership – loyalty – communication frequency              |        | 0.036       |
| Charismatic leadership – contribution                                   | 0.46** | 0.207       |
| Charismatic leadership – contribution – communication frequency         | 0.22** | 0.038       |
| <b>Notes:</b> * <i>p</i> < 0.05; ** <i>p</i> < 0.01                     |        |             |

Moderating effect of communication frequency

1231

Table III.Results ofhypotheses testing

## Model fit

A number of steps were taken to evaluate the fit of the overall model to the study data. First, to test for multicollinearity the average block variance inflation factor (AVIF = 1.003) and the average full collinearity inflation factor (AFVIF = 2.348) were examined and found to meet or exceed ideal thresholds (Kock, 2013). Next, Tenehaus' Goodness of Fit (GoF = 0.633), a measure of the explanatory power of the model and more robust test than an individual communality index (Kock, 2013), exceeded the threshold for "large" explanatory power. These results suggest an acceptable model.

#### Discussion

Charismatic leadership is shown to be related to all four of the lower-order factors of LMX. These findings are to be expected owing to the suggestion that charisma is not a simple trait possessed by some leaders and is, instead, a phenomenon which exists within the leader – member dyad. Of particular interest, however, is the varying size of the effect that charismatic leadership has on each of the four dimensions of LMX.

This research has shown that charismatic leadership has the largest effect on LMX's factor of professional respect (0.519), which, according to Cohen (1992), equates to "medium" sized effect. Charismatic leaderships' effect on LMX's factor of contribution (0.207), however, only narrowly passes for a "small" effect. While an explanation as to why such a difference in effect size exists is not clear, the existence of such a difference may be supported through the theorized multidimensionality of the LMX construct.

Furthermore, while this study found the effect size of charismatic leadership on each of the LMX factors to be quite volatile, the effect size of the moderating variable of communication frequency remained relatively stable across all 4 factors of LMX. Given that factors such as professional respect have been theorized to be less dependent upon direct communication within the dyad as compared to other dimensions such as positive affect (Schyns *et al.*, 2010), this finding is quite interesting. The findings here suggest that there is a significant, yet different than expected, level of effect of communication frequency on all four factors of LMX, however, the question remains "how does this effect exist?"

Based on the literature we should expect to see that communication frequency has a smaller effect on the relationship between charismatic leadership and professional respect than it does on the dimension of affect simply because the formation of professional respect may be influenced by sources other than interpersonal communication. It has been shown, for example, that some aspects of professional respect may be influenced through channels that are not dependent on interpersonal interaction (Schyns, 2013). However, based on the current findings, interactions between leader and member also influence the level of professional respect between the leader and member. Perhaps the nature of these interactions influences the amount and quality of the influence of communication frequency on professional respect, as well as affect. For example, Toegel et al. (2013) found that discrepant expectations concerning emotion helping leads to positive and negative outcomes in the relationship between manager and employees. Thus, while communication frequency affects the influence of charismatic leadership on affect and on professional respect, the direction of this influence may be based on other factors such as role expectations between the leader and member. That is, for example, where the manager sees his/her behavior as normally outside his/her role requirements,

(s)he may expect reciprocation from the employee for this extra-role behavior. Vice versa, when the employee sees that same behavior as part of the manager's normal responsibilities then the employee may not sense a requirement for reciprocation. When these expectations are violated the interaction may result in a negative influence on the quality of the leader-member exchange. Hence, while we may conclude from previous findings that the lower order factors, such as respect, do not contribute to the charismatic leadership – LMX relationship, current findings suggest otherwise. However, the extent and nature of this contribution may be based on other factors such as role expectations, etc.

It is possible that all four of these lower order factors are subject to a far greater moderating effect than is currently known or has been measured. If, as Toegel *et al.* (2013) report, the moderating effects may be positive and negative, as in the case of respect, we may be finding little or no moderating effects based on the counteracting impact of both positive influences and negative influences.

#### Conclusions

The results of the research presented here contribute to the existing body of literature in a number of ways. First, by examining the relationship of charismatic leadership to the lower-order factors of LMX it provides an increased understanding of the LMX construct itself, and a much more thorough understanding of its relationship to leadership style. Additionally, the results demonstrate the need for a more complete understanding of the effects of additional contextual factors on the identified relationship between charisma and LMX quality. The results of this research also have implications to practice in that they suggest the need to consider factors within the organizational environment itself when attempting to build and maintain effective leader-member relations.

#### Limitations and future research

As the variables of communication frequency and LMX quality were rated by the same individual, a limitation to this study exists by way of possible single source bias. The presence of single source bias in the responses collected may artificially inflate the size or presence of the relationships between the variables tested (Conway and Lance, 2010) and lead the researchers toward inaccurate conclusions. A further limitation results from the measurement method utilized to determine communication frequency and its dependence upon the ability of the survey respondent to accurately recall this information free from any type of recall bias (Raphael, 1987). The presence of recall bias in the responses collected for this study may lead the researchers to accept indications of moderating effects from the variable of communication frequency when, in fact, there is an alternative explanation. Overall, these limitations may introduce unintended error into the tested model and therefore reduce the accuracy of the conclusions made.

Further study needs to be done into the nature of the moderating effects present on the four lower order factors of LMX. If there are intervening factors that influence the quality of the moderating effects, such as role expectation and role congruence, then we may be able to gain further insight into the positive and negative nature of these moderating effects. Future research may also examine the medium utilized for communication between the leader and member in an effort to discover any possible interaction effects between the communication medium and the frequency of its use.

Moderating effect of communication frequency

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Moderating effect of communication frequency

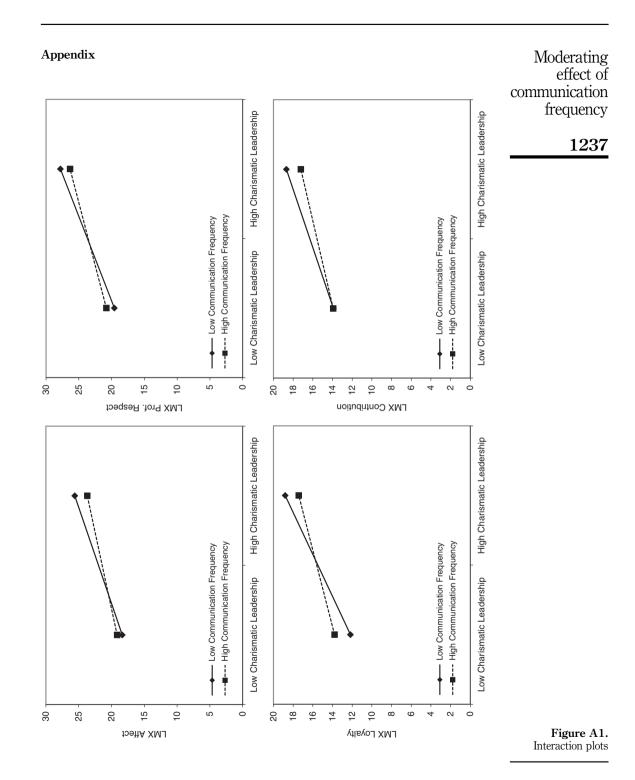
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#### **Corresponding author**

Trent Salvaggio can be contacted at: salvaggiotd@cofc.edu

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