Followers’ agreeableness and extraversion and their loyalty towards authentic leadership

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Abstract

Background: Effective leaders understand that loyal followers are the key for success. To win their loyalty, leaders usually build social exchange relationships with them, through a wide range of behaviours, such as honouring agreements or using open and transparent communication. However, the effect of these behaviours on their followers’ loyalty can differ depending on followers’ individual differences, especially in relational traits such as agreeableness and extraversion. Method: We explored the moderating role of followers’ agreeableness and extraversion in the relationship between authentic leadership (using transactional leadership as reference group) and followers’ loyalty. A two-wave experiment, where 224 participants with and without work experience were randomly assigned to either a transactional or authentic leadership style condition was conducted. Results: Our results show that followers in the authentic leadership condition had higher levels of loyalty toward their leader. Moreover, followers’ agreeableness played a negative moderating role in this relationship whereas extraversion played a positive moderating role in it. Conclusions: Our results indicate that followers’ characteristics influence the effect of situational factors on their attitudes, such as loyalty, providing support for the need of a more integrative approach to leadership, where followers need to be considered as active elements of this process of influence.

Keywords: Authentic leadership, loyalty towards the leader, extraversion, agreeableness.

Followers’ agreeableness and extraversion moderates how authentic leadership affects their loyalty towards their leader

When “the going gets tough”, loyal followers can make the difference in a leader’s success. Podsakoff, MacKenzie, Moorman, and Fetter (1990) define loyalty as allegiance or commitment to a leader, even in the face of adversity. In this line, according to the Leader-Member Exchange theory (LMX; Graen & Uhl-Bien, 1995), loyalty is an important facet of high quality leader-member exchanges (Liden & Maslyn, 1998), which, in turn are associated with a large number of organizational outcomes (Erdog˘an & Liden, 2002).

Depending on their style, leaders will display different behaviours to ensure their followers’ loyalty. For example, transactional leadership (TL) behaviours, such as contingent rewarding, are well-known antecedents of quality LMX (Wayne, Shore, Bommer, & Tetrick, 2002). However, to our knowledge, no study has compared whether new forms of leadership, such as authentic leadership (AL), will influence followers’ loyalty more than traditional leadership behaviours, such as contingent rewarding.

In this line, several leadership scholars agree that, with a few noteworthy exceptions (e.g., LMX), leadership research has been mainly “leader-centric”, meaning that while leader characteristics and behaviours received more attention in academic research, followers only have occupied a passive role (Avolio, 2007). Because we consider that followers are indeed active elements of the leadership process, greater emphasis on the study of the
follower characteristics, which affect this influence process, should contribute to developing more integrative approaches to leadership (Avolio, Walumbwa, & Weber, 2009).

For example, personality research shows that some traits affect how much individuals will commit to a relationship. In the Five-Factor model (McCrae & Costa, 2003), agreeableness and extraversion are considered “relational-based” traits (Spitzmuller & Ilies, 2010), as they describe individuals’ tendency to remain loyal to a relationship or actively seek new ones. For example, highly agreeable people will try to maintain existing relationships, as they naturally seek the acceptance of others, even if this implies being obedient or submissive to a certain extent. Similarly, individuals with low extraversion will commit more to existing relationships as a way to avoid the anxiety associated with new social situations.

These considerations should also apply to leader-member relationships, as previous research shows that agreeableness and extraversion affect the way followers perceive leaders’ behaviours and attributes (Schyns, 2006). Therefore, leader behaviours should not have the same effect on introverts and highly agreeable people as on extroverts and less agreeable individuals. In other words, extraversion and agreeableness may moderate the relation between different leadership styles and their followers’ loyalty. The present study contributes to both the leadership and personality literatures, first by comparing the effect of authentic leadership on followers’ loyalty, using transactional style as reference group, and second by analysing the role of followers’ agreeableness and extraversion in this relationship. To this end, we performed a two-wave longitudinal study using an experimental setting.

Theoretical background

In the last decade, leadership scholars incorporated humanistic and ethical components to their theory building, proposing a shift in how to understand leadership. This implied moving from a charisma-based and leader-oriented construct towards a relational-based and follower-development oriented approach (Avolio, 2007).

Authentic leadership as root construct of positive forms of leadership

Adjectives such as authentic (Avolio & Gardner, 2005) describe how leaders influence followers through exemplary behaviors, for example, establishing clear and transparent relations, managing according to high ethical standards, or empowering followers by building up their psychological capital and not necessarily through charismatic displays. Avolio and Gardner (2005) propose that these exemplary behaviors in this style and other forms of leadership emerge from personal authenticity, understood as the expression of optimal levels of self-esteem (Harter, 2002). In consequence, authenticity would then act as a common denominator, or “root construct”, underlying all these new forms of exemplary leadership.

Optimal levels of self-esteem allow acting coherently with one’s values, even in roles that receive contextual pressure from different stakeholders (e.g., executive or managerial positions; Randolph-Seng & Gardner, 2012). This inner coherence will positively shape followers’ work attitudes, such as trust and loyalty. Furthermore, because these leaders establish open and transparent relations with followers, Ilies et al. (2005) proposed, and Hsiung, (2011) found that authentic leadership behaviors predict high quality LMX. While the theoretical propositions of authentic leadership seem intrinsically appealing as a sustainable approach for influencing followers, it is still necessary to assess its discriminant validity over other styles on attitudinal outcomes and to explore its potential boundary conditions (Cooper, Scandura, & Schriesheim, 2005; Gardner, Cogliser, Davis, & Dickens, 2011). Therefore, we chose a style that enables comparisons with authentic leadership based on three criteria: First, it should also be a “root” construct, but ideally with a different basis for its effect on followers from authentic leadership. Second, it should also have a relational component, and third, it should be strongly related to our criterion variables.

Transactional style as a root construct of reinforcement-based leadership

According to Bass (1995), transactional leadership comprises the mere essence of all reinforcement-based leadership styles. More specifically, contingent rewarding is implicit in leadership styles such as autocratic, initiating structure, or directive leadership. The above-mentioned study of Wayne, Shore, Bommer, and Tetrick (2002) report contingent rewarding as a positive predictor of LMX outcomes, such as loyalty. “Graen and Uhl-Bien (1995) noted that LMX has a transactional component based on equitable social exchange. A primary means by which supervisors can fulfill this social exchange is to exhibit contingent reward behavior toward an employee” (Wayne et al., 2002, p. 595). In turn, some meta-analyses show contingent rewarding as predictor of followers’ positive work-attitudes (Judge & Piccolo, 2004; Podsakoff, Bommer, Podsakoff, & MacKenzie, 2006).

Leadership styles and followers’ loyalty towards the leader

Transactional leaders shape followers’ loyalty by establishing and fairly honouring exchange agreements (Podsakoff, Bommer, Podsakoff, & MacKenzie, 2006; Wayne et al., 2002). Because of their internalized moral perspective, similar to transactional leaders, authentic leaders are concerned about equity and justice when rewarding (or punishing) followers. However, they also strive to establish transparent and rich relationships with their followers, displaying behaviours such as listening to followers before making important decisions, using a clear and open communication style and acting as exemplary role models (Avolio & Gardner, 2005). Unlike transactional leaders, they show genuine interest in developing followers through high quality relationships, which in turn, should further strengthen their followers’ loyalty (Piccolo, Bardes, Mayer, & Judge, 2008). In other words, these behaviors should foster higher quality LMX (Ilies, Morgeson, & Nahrgang, 2005; Hsiung, 2011).

Followers’ extraversion and agreeableness as moderators in the relationship between leadership styles and followers’ loyalty to the leader

Highly agreeable individuals are cooperative, friendly, altruistic and empathic, but also obedient and submissive to some extent. They have a strong tendency to seek the liking and approval of others. Erdheim, Wang, and Zickar (2006) found that agreeableness strongly relates to normative commitment.
words, highly agreeable individuals will tend to follow rules and
stand by their leader in tough times, regardless of their leaders' behavio
ral style.

But individuals who are less agreeable tend to be more critical
and rebellious, and their loyalty toward their leader will depend
largely on how the leader behaves toward them. They will be loyal
to a leader who displays contingent rewarding behaviours, but if
a leader also establishes a clear and transparent communication
style, displays ethical behaviour and gives them a voice before
making important decisions (authentic leadership behaviours),
followers should perceive him or her more positively than a purely
transactional leader. Consequently, less agreeable followers should
report higher levels of loyalty toward authentic leaders. In other
words, differences in followers’ loyalty toward the leader with
an authentic or a transactional leadership style will be greater for
individuals with low levels of agreeableness than for those who
score high on this trait.

Similarly, extroverted individuals tend to be dynamic and
domineering to some extent. In organizations, they actively try to gain
other people’s attention and develop wide social and professional
networks. However, they tend to establish shallow and superficial
affectie bonds with those around them (Bauer, Erdogan, Liden,
& Wayne, 2006). As a result, their loyalty will depend largely on
the quality and closeness of the affective bonds they establish with
their leader (Meyer & Allen, 1991). Because extroverts tend to lack
close social bonds, they should perceive more positively a leader
who displays genuine interest in establishing open and transparent
relationships, allowing followers to express their points of view
(even if they challenge the leader’s own perspective), reporting,
in turn, higher levels of loyalty toward their leader than toward a
purely transactional leader.

In contrast, introverts are inward-oriented individuals who are
less likely to develop social or professional networks and tend to
avoid establishing close affective ties. In a work setting, they will
be more indifferent to the behavioural style of their leader, merely
focusing on fulfilling the tasks set by the leader and minimizing
social exchange opportunities. Based on the above, we could
expect that differences in levels of loyalty toward leaders with
authentic or transactional leadership styles should be more evident
in extroverted followers than in those who score low on this trait.

Taking all this into account, the present study has two main
purposes. First, to determine whether authentic leadership behaviou
will influence followers’ loyalty beyond a transactional behaviours.
More specifically, we expect followers under an authentic leadership to report higher levels of loyalty than under a
transactional one. Second, to empirically test a possible moderator
role of followers’ agreeableness and extraversion on the above
relation. More specifically, we expect that followers who score
low on agreeableness will report higher levels of loyalty under an
authentic leader than will highly agreeable followers. We also predict
that there will be greater differences in loyalty toward leaders with
authentic or transactional leadership styles in followers who score
high on extraversion than in those with low levels of extraversion.

Method

Participants

The sample was composed of 240 students of the University of
Valencia (Spain). Twelve participants were discarded due to
cloud server recording errors, and four outliers were excluded
from our analysis. The final experimental sample consisted of 224
students. Participants were enrolled in a university Organizational
Psychology course. Their participation was a way to meet a course
requirement. Their age ranged from 18 to 47 years, with a mean
of 22.79 years (SD = 4.81). From the total sample, 67.9% were
female and 32.1% were male; 66.1% were full-time students, and
the remaining 33.9% combined their studies with full or part-time
jobs.

Instruments

All participants worked individually on a PC. To minimize
experimenter interference bias, the main author designed a
software using Microsoft Access 2007 © and Visual Basic for
Applications © (VBA), which was used to perform all assignments
to conditions, manipulations, work sessions, task feedback and
questionnaires.

At the beginning of the work session, the software in each
PC showed a welcome screen, explaining the participant’s role
as general manager of a company, reporting to the CEO of this
fictitious company. On the next screen, each participant watched a
video from the CEO (further explained in the following section).
On the following six screens, six middle managers each from a
different division of the company presented participants with a
problem taken from real-life work situations, three trials of
intellective nature and three of a creative nature. After each trial,
real-time feedback was given to participants. The feedback screen
consisted of several elements: first, a leadership manipulation, in
the form of a brief commentary on trial performance according
to each leadership style; and second, performance feedback in
terms of successful (or unsuccessful) task performance, the time
required to complete the current trial, as well as the accumulated
results of previous trials. Third, procedural feedback was also
provided (for creative tasks, guidelines for brainstorming were
offered; for intellective tasks, explanations about why only the
correct answer was correct).

Procedure

The experiment consisted of three parts: A measurement of
personality traits and two work sessions, with 7 days between
each session. Before the first work section, our software randomly
assigned all participants to one of two possible leadership styles
(authentic or transactional styles). The authentic leadership (AL)
style condition comprised 113 participants and the transactional
leadership (TL) style condition comprised 111.

An initial manipulation in the form of a video was shown to
participants in each condition, on the rationale that this ensured
maintaining the same stimuli for all participants within each
condition. Other leadership studies successfully used this approach
before (Shea & Howell, 1999). In the AL style condition, participants
watched a leader displaying high levels of self-awareness,
moral perspective, a balanced processing of information, and
relational transparency (Walumbwa, Avolio, Gardner, Wernsing,
& Peterson, 2008). In the TL condition, participants watched the
same actor stressing the importance of contingent rewards upon
performance and active management by exception (Podsakoff
et al., 1990). Examples of the script for AL manipulation are “I
am an open person and I like to speak frankly, telling things as

they are; also, I expect the same things from our collaborators” (Relational transparency) or “While our company is interested in maximizing profit, we are aware of our responsibilities in the way we generate those profits” (Internalized moral perspective). For TL, an example is “In terms of the management style, this company requires the clarification of roles and expectations, while rewarding the performance of those who attain our objectives. That is what I expect from you” (Contingent Rewards). After each session, post-session questionnaires were administered through our software instrument.

Data analysis

In order to achieve our study objectives, we used hierarchical regression analysis, considering loyalty towards the leader at Session 2 our dependent variable. In the first step, we entered control variables (age, biological gender, work experience, openness, conscientiousness, emotional stability and loyalty at Session 1) into the regression equation. In Step 2, we entered our independent (leadership style) and moderator variables (followers’ agreeableness and extraversion). In Step 3, both interaction terms were entered into the regression equation. In order to further test our results, we conducted simple slope analyses (Aiken & West, 1991).

Control variables

As mentioned above, we used the random function in Microsoft VBA© to randomly assign participants to our experimental groups. This allows for experimental control of extraneous variables, so that groups were probabilistically equated on all known and unknown variables at the start of the experiment. This control makes very plausible attributing to the effect of AL style any significant observed difference between groups on follower’s loyalty after our manipulation.

Furthermore, we statically controlled for the effects of age, biological gender, work experience the three remaining personality factors (emotional stability, conscientiousness and openness) and loyalty towards the leader at Session 1 by entering these variables in our hierarchical regression equation. Biological gender was coded as a Dummy variable (0 = Female/1 = Male), while work experience was coded as 0 = “only student”/1 = “Student and worker”. Scholars have proposed that “men and women differ ideologically to some extent, especially in terms of the twin themes of women’s greater social compassion and men’s more nontraditional morality and greater tolerance of ethical lapses” (Eagly, 2005 p. 467). Consistently, meta-analytic findings show that women are more likely to perceive specific hypothetical business practices as unethical (Franke, Crown, & Spake, 1997). As authentic leadership considers an internalized moral perspective as one of its core characteristics, men’s tolerance of ethical lapses may affect our results. We also controlled for age, as younger individuals may be more agreeable or extrovert than older individuals (Field & Millsap, 1991). Furthermore, in order to isolate the effects of agreeableness and extraversion on loyalty towards the leader, we also controlled for the other three personality traits, a common practice in personality research (Judge, LePine, & Rich, 2006; Kalshoven, Den Hartog, & De Hoogh, 2010). To control for the possible effect of time, we controlled for previous levels of loyalty towards the leader (Work Session 1).

Measures

Personality Traits: We used the Big Five Questionnaire (BFQ; Caprara, Barbaranelli, Borgogni, & Perugini, 1993), in its Spanish version (Bermúdez, 1995). It consists of five dimensions measured by 12 items in each scale: Agreeableness, Openness, Conscientiousness, Emotional Stability, and Extraversion. Items were measured on a 4-point Likert scale, ranging from 1 (Strongly disagree) to 4 (Strongly agree).

Agreeableness: Individuals who score high describe themselves as cooperative, cordial, altruist and empathic. Example items are “If necessary, I don’t mind helping a stranger” and “I believe that everyone has some good in them”.

Extraversion: Individuals who score high describe themselves as dynamic and dominant to some extent. Example items are “It is easy for me to talk to strangers” and “I always find arguments to support my ideas and convince others of their validity”.

Conscientiousness: Individuals who score high describe themselves as reflective, tidy, diligent and perseverant. Example items are “I take care of things, even the smallest details” and “I follow through on the decisions I make”.

Emotional Stability: Individuals who score high describe themselves as passionate, resilient, capable and self-assured. Example items are “I always get agitated” and “I am always informed about what is going on in the world”.

Results

Table 1 provides descriptive statistics, Cronbach’s alphas and correlation coefficients for the continuous variables.

The results show that at Step 3, loyalty at Session 1 (β = .74, p =.001) and leadership style (β = .09, p<.05) had a positive effect on loyalty towards the leader at Session 2. Followers in the AL condition had higher levels of loyalty than those in the TL condition. Agreeableness was positively related to followers’ loyalty (β = .16, p<.05). However, extraversion was negatively related to loyalty towards the leader (β = -.18, p<.05). The interactions between leadership style and extraversion (β = .16, p<.05) and, leadership style and agreeableness (β = -.16, p<.05) were significant (table 2).

To clarify the nature of the interaction effects, graphical representations are shown in Figures 1 and 2.

The slope gradient for low levels of agreeableness shows significant differences between leadership styles (β = .41, t (6, 214) = 3.28, p<.001). Participants with low levels of agreeableness displayed significantly higher levels of loyalty towards the leader in the AL condition (-1SD = 2.74) than participants in the TL condition (1SD = 2.32). The slope gradient for high levels of agreeableness was non-significant (β = -.11, t (6, 214) = -0.93, p=.35). Participants with high levels of agreeableness did not display differences between the authentic leadership (+1SD = 2.55) and transactional (+1SD = 2.66) conditions.
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The slope gradient for low levels of extraversion was non-significant (β = -.06, t(6, 214) = -.52, p<.60). Participants with low levels of extraversion did not display significant differences in loyalty between the authentic leadership (-1SD = 2.59) and transactional (-1SD = 2.64) conditions. The slope gradient for high levels of extraversion shows significant differences between leadership styles (β = .37, t(6, 214) = 3.30, p<.001). Participants in the AL condition displayed higher levels of loyalty (+1SD = 2.71) than participants in the TL condition (+1SD = 2.34).

Discussion

This study has the objective of examining differences between two leadership styles in followers’ loyalty. Furthermore, we proposed that authentic leadership would operate differently depending on the level of their followers’ agreeableness and extraversion. We predicted that participants in the AL condition would show higher levels of loyalty. Our results support this prediction and are consistent with previous findings (Hsiung, 2011). As mentioned above, if followers are an active part of the leadership process, the effect of a certain leadership style on loyalty toward the leader could also depend on followers’ individual characteristics.
This study has focused on two followers’ traits: agreeableness and extraversion. Our results show that these traits moderate the relationship between leadership style and followers’ loyalty, providing support for a contingency approach. We found that participants with low levels of agreeableness reported higher levels of loyalty toward the leader in the AL condition than in the TL condition. However, participants with high levels of agreeableness did not show significant differences between the AL and TL conditions. The opposite occurred for extraversion. Participants with high levels of extraversion displayed higher levels of loyalty in the AL condition than in the TL condition, whereas this did not occur for participants with low scores on this trait. These results support the idea that the influence of different leadership styles is not homogeneous for all followers, who are indeed active elements of the leadership influence process (Avolio et al., 2009).

These results justify considering followers’ personality as another explanatory factor of the difference in effects between leadership styles. However, further research should examine the moderating role of other personality traits in the relation between leadership styles and other work outcomes. For example, future studies should test the moderating effects of personality traits in the relationship between these leadership styles and work-related variables such as task performance or job satisfaction. Moreover, other factors, such as organizational climate and goal setting practices may also affect these relations.

This study contributes to authentic leadership theory by testing the effect of this style using an experimental and two-wave design, as requested by different scholars (Gardner, Cogliser, Davis, & Dickens, 2011). In spite of this, future research could address several limitations of this study. First, we used students as participants and a multimedia video with an actor for the leadership style manipulation. Future studies should attempt to replicate the results using workers and managers in a real context. Second, one week may be not enough time to allow participants to adapt to a leadership style, as authentic leader-member relationships may take more time to emerge. However, participants in our authentic leadership condition showed higher levels of loyalty toward the leader than those in the transactional leadership condition, and these differences could increase over longer periods. Future studies should examine whether the effects of leadership style increases or levels out when participants work longer with a particular leader. Third, the present study contemplates one component of LMX (loyalty). The interactive effects of leadership styles and personality traits on other dimensions (professional respect, affect and contribution; Liden & Maslyn, 1998) should also be investigated.

Our findings have relevant implications for management, as companies invest considerable amounts of money attracting and selecting talented people, but usually fail to retain them. Our results show that authentic behaviours, such as establishing clear and transparent communication with followers, conducting themselves according to high ethical standards, and striving for their development through exemplary modelling, are especially relevant for improving employees’ loyalty, which in turn, should increase talent retention. Authentic leadership is particularly effective for followers low on agreeableness and highly extroverted. Identifying leadership behaviours that fit followers’ traits can be useful when planning training that aims to improve managers’ awareness of followers’ individual differences and adjust their style to them.

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