



Contents lists available at ScienceDirect

## European Management Journal

journal homepage: [www.elsevier.com/locate/emj](http://www.elsevier.com/locate/emj)

# Social and economic leader-member exchange and employee creative behavior: The role of employee willingness to take risks and emotional carrying capacity

Stine Therese S. Berg<sup>a</sup>, Arnhild Grimstad<sup>b</sup>, Miha Škerlavaj<sup>c,\*</sup>, Matej Černe<sup>d</sup>

<sup>a</sup> OSM Aviation Management, Norway

<sup>b</sup> Google Ltd., Ireland

<sup>c</sup> BI Norwegian Business School, Norway

<sup>d</sup> Faculty of Economics, University of Ljubljana, Slovenia

## ARTICLE INFO

### Article history:

Received 27 May 2016

Received in revised form

23 June 2017

Accepted 1 August 2017

Available online xxx

### Keywords:

Creative behavior

Leader-member exchange

Social and economic leader-member

exchange

Willingness to take risks

Emotional carrying capacity

## ABSTRACT

In the current study we explore the relational aspect of leadership for stimulating employee creative behavior. Drawing on leader-member exchange (LMX) theory, we propose that the association between two distinct types of leader-member exchange relationships (social [SLMX] and economic [ELMX]) and creative behavior is mediated by employee willingness to take risks and moderated by emotional carrying capacity. Based on two-wave data from a sample of 147 employees, we surprisingly find only marginal support for the association between SLMX and creative behavior, and, as expected, we find no support for the association between ELMX and creative behavior. We do find evidence of the full mediation of willingness to take risks in these two associations. Furthermore, we also find a positively significant interaction of SLMX with emotional carrying capacity (ECC), but no support for the interaction of ELMX with ECC in predicting employee creative behavior. We contribute to a deeper view of understanding the leadership of employee creativity as a relational process, contingent upon both employee characteristics as well as the nature of leader-member exchange.

© 2017 Elsevier Ltd. All rights reserved.

## 1. Introduction

As the work environment becomes increasingly globalized, fast-paced, and competitive, the pressure on organizations to improve continuously, innovate, and adapt grows accordingly. As a result, innovation has become a highly important determinant of organizational performance, success, and long-term survival (e.g., Anderson, Potočnik, & Zhou, 2014; Oldham & Cummings, 1996). The term innovation is often used interchangeably with the related term creativity. However, despite being closely linked, creativity and innovation are distinct constructs (Isaksen & Ekvall, 2010; Shalley & Gilson, 2004; Škerlavaj, Černe, & Dysvik, 2014). In other words, creativity can be seen as the development of new ideas, while innovation is the translation and application of these new ideas in practice (Mumford & Gustafson, 1988; West, 1990). In the

present study we seek to increase our knowledge of what leads to creative behavior, as encouraging the creative behavior of employees is essential for continued growth in organizations (Simmons & Ren, 2009).

Among the factors identified as essential for promoting creative behavior in organizations, leadership is considered by many to be one of the most important (e.g., Hunter & Cushman, 2011; Jung, Chow, & Wu, 2003; Mumford & Gustafson, 1988). Leaders are thought to influence creativity by facilitating original thinking and instantiating novel ideas (Anderson et al., 2014; Hunter & Cushman, 2011). Researchers have also started investigating the link between creativity and a relational concept of leadership, namely leader-member exchange (LMX), pointing to the importance of high-quality LMX relationships (e.g., Basu & Green, 1997; Scott & Bruce, 1994; Tierney, Farmer, & Graen, 1999; Volmer, Spurk, & Niessen, 2012). For example, Basu and Green (1997) have demonstrated that LMX quality was positively related to employee innovative behaviors, both directly and indirectly, by increasing leader support of followers and follower commitment in organizations. Furthermore, LMX has been found to influence

\* Corresponding author. BI Norwegian Business School, Nydalsveien 37, 0484 Oslo, Norway.

E-mail address: [miha.skerlavaj@bi.no](mailto:miha.skerlavaj@bi.no) (M. Škerlavaj).

innovative workplace behavior indirectly, both through increased work engagement (Agarwal, Datta, Blake-Beard, & Bhargava, 2012) and through increased psychological empowerment (Schermuly, Meyer, & Dämmer, 2013). However, by demonstrating heterogeneous findings (Hammond, Neff, Farr, Schwall, & Zhao, 2011), these studies point to the relevance of investigating potential third variables that can influence the association between LMX relationships and creativity.

In the present study we seek to increase our knowledge of the association between LMX and creative behavior by focusing on two distinct types of LMX (social and economic; Kuvaas, Buch, Dysvik, & Haerem, 2012). In addition, we include willingness to take risks (as mediating) and emotional carrying capacity (as moderator) as variables that can possibly influence the association. Willingness to take risks is defined as “a willingness to engage potential risks at work in an effort to produce positive organizationally relevant outcomes such that one is open to the possibility of negative personal outcomes as a result” (Dewett, 2006, pp. 28–29). High-quality LMX relationships have been found to be associated with higher levels of risk-taking, compared to low-quality LMX relationships (Graen & Cashman, 1975; Liden & Graen, 1980), which is why willingness to take risks appears to hold potential to add explanatory power as a mediator in the LMX-creativity relationship. Emotional carrying capacity relates to connection or relationship quality, and refers to the relationship’s capacity to express more emotion overall, both positive and negative emotions, and to do so in a constructive manner (Stephens, Heaphy, Carmeli, Spreitzer, & Dutton, 2013). We propose that emotional carrying capacity positively affects the association between social and economic LMX relationships and willingness to take risks, as it contributes to creating a supportive environment where people dare to be themselves and are not afraid of making mistakes (Carmeli, Brueller, & Dutton, 2009; Dutton & Heaphy, 2003), potentially helping LMX relationships to further enhance employees’ willingness to take risks.

We draw on LMX theory (Graen & Uhl-Bien, 1995) and social exchange theory (Blau, 1964) that highlight people’s tendency to reciprocate with the exchange partners from whom they receive support and benefits (Liden, Wayne, Kraimer, & Sparrowe, 2003), and we intend to make three key contributions to the leadership and creativity literature. First, we propose that two distinct types of LMX relationships, social LMX and economic LMX, have different effects on employee creative behavior. Our second intended contribution is to introduce willingness to take risks as a possible mediator in the associations between social and economic LMX on the one hand, and creative behavior on the other. Third, we extend the nomological net of the boundary conditions of LMX, and introduce emotional carrying capacity as a moderator in the association between social and economic LMX relationships, and willingness to take risks. In practice, our research should provide organizational knowledge on how to facilitate an environment where creative behavior can flourish.

## 2. Theory and hypotheses

### 2.1. Relational concept of leadership and its association with creativity

Many researchers investigating the impact of leaders on creativity explore the association between a relational concept of leadership and creativity (e.g., Schermuly et al., 2013; Volmer et al., 2012; Wang & Rode, 2010). In order to increase knowledge on the relationship between leadership and creativity, we draw on LMX theory, which addresses the dyadic interaction quality between leaders and employees (Graen & Uhl-Bien, 1995). Much LMX

research relies on social exchange theory (Blau, 1964), which emphasizes reciprocation, referring to people’s tendency to feel obligated to repay the exchange partners from whom they receive support and benefits (Liden et al., 2003).

Given the importance of employees’ creative behavior, several researchers have examined whether it is possible to influence creative behavior through LMX relationships (Li, Fu, Sun, & Yang, 2016; Schermuly et al., 2013). Among the studies employing LMX theory, a positive influence on creative behavior has been demonstrated (e.g., Basu & Green, 1997; Scott & Bruce, 1994). Furthermore, many studies point to the importance of high-quality LMX relationships in order to increase employee creative behavior (e.g., Basu & Green, 1997; Tierney et al., 1999; Volmer et al., 2012).

### 2.2. Social LMX and economic LMX

LMX relationships are traditionally believed to fall on a single continuum from low-quality to high-quality relationships. Low-quality exchange relationships involve short-term, economic, and transactional exchanges of behaviors. In such relationships, both leader and employee expect direct reciprocity and adhere only to what is stipulated in the employment contract. In contrast, high-quality exchange relationships are relational and long-term, involving trust, generalized reciprocity, and exchanges of resources and support (Buch, Kuvaas, Dysvik, & Schyns, 2014; Kuvaas et al., 2012; Liden & Graen, 1980; Sparrowe & Liden, 1997).

Based on pioneering work by Shore and colleagues (Shore, Tetrick, Lynch, & Barksdale, 2006), who have emphasized the distinction between employees’ social and economic exchange relationships with their organizations, Kuvaas et al. (2012) have offered an alternative to the traditional view on LMX relationships. In contrast to the dominant view of LMX relationships as a continuum from low to high quality, Kuvaas et al. (2012) have proposed that there are two forms of LMX relationships: Social LMX and economic LMX. They further argued that these two types of LMX relationships are exchanges of different qualities, as opposed to different levels of qualities, and therefore should not be assessed using a single-continuum approach. They further stressed that previous LMX research has only focused on investigating social exchange relationships in relation to employee outcomes, neglecting economic exchange relationships (Buch et al., 2014; Kuvaas et al., 2012).

Social LMX relationships are characterized by long-term orientation, ongoing exchanges, and diffuse obligations and have a focus on socio-emotional aspects of exchanges, such as “give and take” and “being taken care of.” In such relationships exchange partners do not expect immediate payoff as they trust that the other partner will reciprocate (Blau, 1964; Cropanzano & Mitchell, 2005; Kuvaas et al., 2012; Shore et al., 2006). In contrast, economic LMX relationships are short-term, economic, formal, and transactional-based. These relationships have a contractual character based on clear obligations and expectations, are motivated by self-interest, and involve a demand for repayment within a particular time period (e.g. Buch et al., 2014; Kuvaas et al., 2012; Shore et al., 2006).

Research has revealed that social LMX and economic LMX relationships have different effects on employee outcomes. In a study investigating social LMX and economic LMX relationships in relation to work performance and organizational citizenship behavior, Kuvaas et al. (2012) found that social LMX related positively, while economic LMX related negatively, to these employee outcomes. The reasoning behind these effects was that the positive qualities of social LMX relationships motivate employees to reciprocate the resources given to them by their leaders. Consequently, this may be positive for work performance and organizational citizenship behavior. In economic LMX relationships, by contrast, because of

متن کامل مقاله

دریافت فوری ←

**ISI**Articles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات