

Leadership Behavior, Trust and Job Performance -Based on Social Exchange Theory

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ABSTRACT: *It is very important to clarify the internal relationship among leadership behavior, subordinate trust and organizational performance for in-depth analysis of the influence path of leadership behavior on organizational performance. Based on the theory of social exchange, this paper analyzes the interaction between leaders and subordinates, especially the process of social exchange between the two, explains theoretically the path of the trust of subordinates and the roles and functions of different leadership behaviors in this process, and then clarifies how leadership behaviors affect organizational performance through the trust of subordinates. This paper provides a theoretical basis for further empirical analysis of related issues.*

KEY WORD: *Social Exchange; Leadership Behavior; Organizational Performance*

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I. INTRODUCTION

Any organization operates under the joint action of its members. As individuals with independent consciousness, organization members inevitably interact with others in the process of completing their work. It is necessary to analyze the interaction between the members of the organization and the results of the interaction for the analysis of the specific path of the leadership behavior through the interaction between the members of the organization, and then on the organizational performance. As a representative theory of interpersonal interaction, social exchange theory mainly analyzes the interaction between people from the operation process of social exchange relationship. From the perspective of this theory, we can more clearly analyze the interaction between leaders, subordinates and their organizations, especially when trust is the intermediary element, the mechanism between leadership behavior and organizational performance. To clarify these relationships is the basis of the follow-up empirical research, which is very useful for understanding the relevant issues.

II. ANALYSIS OF LEADERSHIP BEHAVIOR FROM THE PERSPECTIVE OF SOCIAL EXCHANGE

(1) Economic exchange and social exchange in Organizations

Generally, the resources available for human exchange can be divided into two categories: external rewards (such as money, goods, etc.) and internal rewards (such as trust, respect, etc.). In accordance with this division, the exchange relationship between people in the process of interaction is divided into economic exchange and social exchange. The so-called perspective of social exchange refers to a thinking and analysis path to analyze the interaction and friction mechanism between people, people and organizations, organizations and organizations through the operation process of social exchange. Because of the dominant characteristics of economic exchange, it often exists as a reference object in the thinking and analysis path mentioned above, which plays an auxiliary role. The economic exchange refers to the exchange of external rewards between the exchange parties according to the agreed agreement or the contract protected by law, that is, both parties can clearly predict what resources they will get through the exchange. Different from this, the biggest characteristic of social exchange is that the party who initiated the exchange can't expect or make clear the resource return it can get. Therefore, unlike economic exchange, the process of social exchange is based on voluntariness, which is neither restricted by law or express terms, nor limited in advance. One party has the right to determine whether it needs to make a return and the specific content of the return after sensing the actions of the other party.

In these two kinds of exchange relations, only social exchange can trigger the other party's personal obligations, gratitude and trust, while economic exchange can not bring other emotional results beyond the contract. Therefore, the basic assumption of social exchange is that after long-term development, the exchange parties can derive spiritual resources such as trust, loyalty and commitment. Social exchange is a kind of autonomous action that one of the two sides of exchange tends to give back to the other side after obtaining the "voluntary behavior" of the other.

Specific to the organization, the exchange relationship between the members of the organization can also be divided into the above two forms. For example, it is a typical economic exchange for members of an organization to exchange labor for wages. If the purpose of their labor is to gain trust, respect or sense of belonging, such exchange will begin to favor social exchange. The difference between social exchange and economic exchange in attributes and functions can well explain why in reality, there is a diminishing marginal utility of pure material incentive to organizational members, and why leaders' caring behaviors for subordinates often get better performance of subordinates in their work. Therefore, it can be said that social exchange can bring spiritual exchange activities (such as consciousness, trust, commitment, respect and loyalty) beyond the scope of economic exchange agreed in advance between the organization and its members, thus leading to the positive influence, trust and intimate relationship between the members of the organization beyond the pure economic exchange.

(2) Leadership behavior and social exchange

The most representative individual subjective behavior in an organization is leadership behavior. The analysis path of leadership behavior in academic circles is quite different due to different schools and contexts. Transformational leadership theory based on mainstream According to leadership theory, we can divide complex leadership into three categories: Transformational Leadership (including personalized care, vision incentive, intellectual stimulation and leadership charisma / charisma), transactional leadership (including passive exception management, active exception management and after effect reward elements), and laissez faire leadership (including laissez faire elements, some studies Also known as the inaction element). Among them, transformational leadership and transactional leadership are considered to have a positive incentive effect on the personal and organizational performance of subordinates, and the incentive effect of transformational leadership is stronger than transactional leadership. However, laissez faire leadership will have a negative effect on the performance of subordinates and organizations, which should be avoided as much as possible.

From the perspective of social exchange, we can find that the essential difference between transformational leadership and transactional leadership lies in whether leaders adopt social exchange or economic exchange when they influence their subordinates (since laissez faire leadership basically belongs to inaction, such leadership behavior is not involved in subsequent discussions). The basic assumption of transactional leadership is that the relationship between leaders and subordinates is based on the pre-defined contracts and contracts. That is, when the subordinates finish the specific tasks, they will give the promised reward. The whole process is like an economic transaction.

The main characteristics of transactional leadership behavior can be summed up as follows: first, leaders guide and motivate subordinates to move towards the established goals by clarifying the role and task requirements. Leaders explain performance standards to subordinates, which means that leaders tell subordinates what they want from subordinates. Once subordinates meet the requirements of leaders, subordinates will get corresponding rewards; second, leaders are based on the authority and legitimacy of organizational management, and fully rely on the rewards and punishments of the organization to affect the performance of subordinates; third, leaders often emphasize work standards, task assignment and task-oriented objectives, and tend to pay attention to the completion of tasks and compliance of subordinates.

The transformational leadership behavior is a process in which leaders transmit their thoughts and moral values to subordinates and encourage subordinates to achieve common goals. In this process, in addition to guiding subordinates to complete their work, leaders often show concern to subordinates by virtue of their personal charm, encouragement to subordinates, stimulation of their creative thinking and other ways, and then change their working attitude, beliefs and values, so that they can surpass their own interests for the benefit of the organization, so as to be more engaged in work. This kind of leadership can make subordinates have a greater sense of belonging, meet the needs of subordinates at a higher level, and obtain high productivity and low turnover rate. Therefore, the main characteristics of transformational leadership can be classified as: first, the relationship between leaders and subordinates goes beyond economic exchange. Leaders achieve the expected performance goals by providing intelligence incentives to subordinates, encouraging subordinates to be the group's goals, tasks and development prospects to surpass their own interests; second, leaders focus on the longer-term goals, emphasize the development vision to encourage subordinates to play their innovative ability, and create a good atmosphere for the realization of the expected goals; third, leaders care about subordinates' own development And actively create more conditions and support for it. Based on the differences between the two kinds of leadership behaviors, some scholars have come to the conclusion that the relationship between transformational leadership and subordinates is a kind of social exchange relationship, while the relationship between transactional leadership and subordinates only shows an economic exchange relationship. From the perspective of social exchange, we can understand these two kinds of leadership behaviors and their influence on subordinates and organizations from the perspective of deeper interpersonal interaction mechanism.

III. THE EXCHANGE PROCESS BETWEEN LEADERS AND SUBORDINATES

Generally speaking, the social exchange within an organization mainly exists in the interaction between leaders and subordinates, subordinates and subordinates, or members of the organization and the organization they belong to. With their exchange of a certain resource, it forms the social exchange relationship between leaders and subordinates, the social exchange relationship between team members and the society between members of the organization and the organization they belong to. They exchange relationships. The representative theories corresponding to the above three kinds of social exchange relations are: Leadership member exchange theory, team member exchange theory and organization member exchange theory (also called organization support theory in some researches). Among these three kinds of theories, the leadership member exchange theory is a mechanism theory to explain the exchange process between leadership behavior and subordinate trust, and this paper pays special attention to it. "Leader member exchange" is defined as the relationship based exchange between leaders and subordinates, emphasizing the understanding and explanation of the interaction and influence relationship between leaders and members from the perspective of exchange relationship. The theory of leader member exchange originated from the hypothesis that there are differences in the interaction between leaders and different subordinate individuals. It was originally called "vertical pairing theory". The theory finds that leaders do not treat all subordinates in an average and the same way. Leaders and any subordinate will form a specific relationship.

The performance of a leader in each relationship is different. He always pays more attention to some subordinates than others, and his relationship with some subordinates is always closer than others. Through research, the interaction between leaders and individual subordinates can be divided into two categories: the relationship between outsiders and the relationship between insiders. Among them, the relationship between outsiders is based on formal employment contracts (such as job description), which is more inclined to economic exchange relationship, while the relationship between insiders is based on additional personal responsibilities (such as mutual trust, respect, preference or reciprocal influence), which is more inclined to social exchange relationship. The subordinates in the circle usually get more information, care or benefits from the leaders. At the same time, they are more motivated and active than the subordinates outside the circle, and have a stronger sense of responsibility and collective honor. The subordinates outside the circle usually occupy less time of leaders, so they have less opportunities to get satisfaction rewards. In this state of exchange, the two sides often lack the power of social exchange. The relationship quality of insiders (also known as exchange quality) has a positive impact on the performance of individuals and organizations compared with that of outsiders, which to some extent has a positive role in promoting performance, so it is regarded as a high-quality exchange relationship. High quality exchange relationship will improve the performance of the organization, so the most ideal state is that the exchange relationship between leaders and all subordinates belongs to the insider relationship.

But in real organizations, which kind of circle subordinates belong to is not only related to the personality of leaders, but also to the personality of subordinates. In terms of subordinates' personality, generally speaking, if a subordinate is willing to communicate with the leader and has the expectation of establishing a closer relationship with the leader, he has a relatively high probability of becoming an insider; similarly, if a subordinate only wants to finish his job and is unwilling to have a deeper relationship with the leader, he has a higher probability of becoming an outsider. In terms of leader's personality, if the leader's leadership style tends to be transactional, the chances of absorbing people in the circle will be relatively small; on the contrary, if the leader belongs to transformational leadership, the chances of absorbing people in the circle will be very high. According to the above point of view that exchange quality will affect organizational performance, we can further draw the conclusion that the contribution of transformational leadership to the organization is higher than that of transactional leadership to the organization. However, since the 1980s, scholars began to study the theory of leader member exchange, which gradually changed from static analysis of the attributes, functions and formation process of the relationship within and outside the circle to discussion of leader member exchange. The dynamic process of relationship and its relationship with organizational performance, especially the relationship between the exchange quality of different levels and the positive output of leaders, subordinates, teams and organizations. Scholars refer to the social exchange theory, focus on the study of insider issues, and focus on how to make leaders expand the relationship between insiders and improve the quality of exchange (that is, to increase the proportion of social exchange between leaders and subordinates), so as to bring benefits beyond the work contract for the organization. In this stage, "leader member exchange" has almost become a synonym of social exchange between leaders and subordinates within the organization, and the economic exchange relationship closely linked with outsiders has been relatively weakened. The representative achievement is the development model of leader member exchange relationship proposed by Graen and Uhl - Bien.

The model divides leader member exchange into three stages: stranger relationship stage, acquaintance relationship stage and partnership stage. In addition, leaders should try their best to develop the relationship with their subordinates into partnership, which will benefit from higher organizational performance, organizational

commitment, job satisfaction and participation. Combined with the content of leadership behavior theory, the typical manifestation of stranger relationship stage is that leaders and subordinates are only a kind of economic exchange relationship based on formal work contract, corresponding to salary and behavior, and subordinates only focus on personal income. In this process, the behavior of leaders shows the characteristics of transaction, and the transformational behavior involving ideology is very limited. With the increase of their contact with each other and behaviors beyond the work regulations (such as exceptional rewards and mutual help), the two sides gradually transition from strangers to acquaintances. In addition to personal interests, subordinates began to pay attention to team interests. During this period, the frequency of transformational leadership began to expand, while the proportion of transactional leadership began to decrease. Finally, when the two sides find that they have common interests, feelings and values in continuous contacts and exchanges, the relationship between the two sides will enter a higher level of partnership stage. At this stage, the most important manifestation of the relationship between the two sides is that the communication between leaders and subordinates is not limited to behavior, but more embodied in mutual respect, trust and loyalty at the emotional level. Trust between the two sides is particularly important, as it is the prerequisite and basis for the maintenance of the partnership. In this stage, leaders will mainly influence their subordinates through transformational leadership behavior, and the incentive effect of transactional leadership behavior in this stage is not obvious. From the perspective of social exchange, the division criteria of the above stages are mainly the differences in the proportion of economic exchange and social exchange. In the stage of stranger relationship, economic exchange occupies the main content of daily communication between leaders and subordinates. With the development of the relationship, the two sides begin to show the social exchange components and occupy a certain proportion in the acquaintance relationship stage. Finally, when social exchange occupies the main body of interaction between the two sides, a partnership is formed between leaders and subordinates. In this process, the leader's behavior choice also transitioned from the transactional leadership behavior to the coexistence of transactional and transformational behavior, and finally gradually to the transformational leadership behavior.

IV. THE PATH OF TRUST GENERATION OF SUBORDINATES IN THE PROCESS OF SOCIAL EXCHANGE

Through the above analysis, we have basically made clear the exchange process between leaders and subordinates. However, there is still a blind spot on how the subordinate trust, which plays an important role in the exchange process between strangers and partners, is generated. Starting from social exchange, it is particularly effective for us to understand the trust building process of subordinates, especially the role of transformational leadership in this process, because this perspective provides us with a simple way to understand related issues.

The establishment of trust requires both sides to pay, which is essentially the "voluntary behavior" mentioned in the social exchange. The efforts of both sides mean that the establishment of trust is two-sided. If only one-sided efforts are made, and the other side does not make a gesture of return, then the establishment process of trust will also end, which also means the termination of social exchange and even bilateral exchanges. Therefore, the process of trust building needs the joint efforts of both sides, and social exchange plays a key role in the process of trust building.

Specifically, between leaders and subordinates, it is leaders' voluntary behaviors (such as caring, authorizing, motivating, etc.) that stimulate subordinates' trust in themselves, thus forming a relatively stable trust relationship. Then subordinates will make different voluntary behaviors (such as work performance, organizational commitment, etc.) according to different feedback intensity of trust. Kark et al. Confirmed the above point of view, they found that in the process of influencing subordinates, transformational leadership mainly affected their personal and collective effectiveness by providing help, care and resources to rely on. Through providing "voluntary behaviors", such as providing a relaxed working environment and more work autonomy for subordinates, transformational leaders first conducted social exchange in their relationship. Based on the reciprocal relationship, subordinates also gave back positive work attitude and performance to leaders. Bai Yuntao et al. elaborated the social exchange mechanism process of how the transformational leadership can improve the trust of subordinates by authorizing this specific behavior. That is to say, the important manifestation of transformational leadership is to authorize subordinates, and transformational leadership behavior can enlarge the role of leadership authorization, that is, to enhance the strength of subordinates' trust in leaders, reduce the possibility of subordinates' distrust of leaders, so that subordinates can After perceiving the "voluntary behavior" provided by leaders, they will show a positive psychological and behavioral response, which is consistent with the organizational vision provided by transformational leaders, so as to not only improve their own performance, but also improve the performance of the team and the organization. When leaders realize the feedback behavior of subordinates, they will further increase the degree of authorization to subordinates, thus entering the desired virtuous circle state in the organization.

V. CONCLUSION

The important value of social exchange theory is that it can effectively explain the mechanism relationship among leadership behavior, subordinate trust and organizational performance. We come to the following conclusion: subordinate trust is not only the outcome variable of leadership behavior, but also the antecedent variable of organizational performance, that is to say, subordinate trust can become the bridge intermediary variable between leadership behavior and organizational performance to a certain extent. This conclusion not only provides a theoretical basis for further empirical analysis of the relationship between leadership behavior and government performance, but also provides a new starting point for dialysis related issues.

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