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# When and How Authoritarian Leadership and Leader Renqing Orientation Influence Tacit Knowledge Sharing Intentions

## Abstract

In this study of tacit knowledge-sharing intentions in China, we examine the roles of authoritarian leadership and fairness with respect to the way managers make decisions and treat their subordinates. In particular, we examine the role of leader renqing orientation, i.e., the way leaders distribute favors and emotional concern to their subordinates, as a moderating factor. We draw on the research literature in the domains of knowledge management and cross-cultural Psychology to identify constructs that we then test with a survey of 309 Chinese employees. Our findings are counter-intuitive and are discussed in detail before we conclude with implications for research and practice.

**Keywords:** *Authoritarian leadership; renqing orientation; fairness; tacit knowledge sharing intentions.*

## 1. Introduction

With the exacerbation of global competition, enterprises are facing much more complex tasks, which cannot be processed by one individual but require employees to share, integrate distributed knowledge, and coordinate with each other (Hau, Kim, Lee & Kim, 2013). As a result, employees are encouraged by their managers to share knowledge in the workplace (Srivastava, Bartol & Locke, 2006; Wang & Noe, 2010). According to the resource-based view, tacit knowledge sharing (KS) is the main source of organizational sustainable competitive advantage (Ambrosini & Bowman, 2001). However, tacit knowledge is harder to transfer than explicit knowledge (Hau et al., 2013; Lin, 2007).

As a result, it is important to explore how organizational leadership affects employees' tacit KS intention. In the Chinese context, managers tend to be more authoritarian, adhering to the tenets of Confucianism (Cheng, Chou, Wu, Huang & Farh, 2004). Unlike Western managers, who may emphasize power sharing and equity, authoritarian leaders in China emphasize authority, obedience, and unquestioning compliance, demanding high levels of performance (Cheng et al., 2004). Despite the prevalence of authoritarian leadership (AL) in the Chinese context, it is largely ignored in the Chinese knowledge management literature, which instead draws on Western leadership styles in its theorizing (Huang, Davison, Liu & Gu., 2008; Srivastava et al., 2006; Wang & Noe, 2010). As a result, it is unknown whether AL is an effective driver of tacit KS in the context of creating competitive advantage. The leadership literature clearly shows the double-edged nature of AL, with much of the prior research reporting its destructive effects on subordinates' responses and only a few studies identifying more positive effects (for a review, see Schaubroeck, Shen & Chong, 2017). To interpret these inconsistent effects, many researchers have attempted to identify psychological processes that can mediate the effects of AL, as well as situational factors that moderate these processes (for a review, see Schaubroeck et al., 2017). Considering its double-edged nature, we adopt a moderated mediation approach to explore the following research question: when and how does AL encourage employees to engage in tacit KS within the enterprise?

From a social exchange perspective (Blau, 1964), leader behaviors (e.g., resource allocation) may induce subordinates to behave reciprocally (Pillai, Schriesheim & Williams, 1999;

Walumbwa, Wu & Orwa, 2008). Our study focuses on the intentions of employees to engage in tacit KS toward their colleagues (both leaders and peers). We identify this tacit KS as a form of reciprocal behavior that is displayed toward leaders, because it is intended to improve the collective outcomes on which the leader depends (Masterson, Lewis, Goldman & Taylor, 2000; Settoon, Bennett & Liden, 1996). Unlike economic exchange, social exchange is based on obligation rather than contract (Blau, 1964). If subordinates trust that their leaders fairly discharge their leader obligations (e.g., desirable resource allocation) in social exchange, they will feel the obligation to reciprocate (Konovsky & Pugh, 1994). Fair decision-making procedures related to subordinates' performance evaluation (i.e., procedural fairness-PF), as well as fair leader treatments (i.e., interpersonal fairness-IF) in management processes, will promote subordinates to trust that their leaders carry out their obligations (i.e., allocating them satisfactory resources) (Aryee, Budhwar & Chen, 2002; Colquitt, Scott, Rodell, Long, Zapata, Conlon & Wesson, 2013; van Dijke, De Cremer, Mayer & Quaquebeke, 2012). These are thus two possible mediators through which leaders may affect subordinates' tacit KS intentions. From a social exchange perspective, only a few researchers (e.g., Wu, Huang, Li & Liu., 2012) have examined IF perception as a mediator in the relationship between AL and subordinates' reciprocity. PF perception, as a pivotal psychological mechanism fostering social exchange, has been overlooked as a mediator in this relationship. To provide a fuller understanding of the social exchange basis of subordinates' tacit KS, this study examines whether both dimensions (PF and IF) mediate the linkage between AL and tacit KS intention. In contrast to prior research that found that authoritarianism deteriorates IF perceptions (Wu et al., 2012), this study provides the counter-intuitive insights that AL promotes both fairness perceptions and tacit KS intentions in certain situations.

Many Chinese leaders employ the *renqing* rule, an essential principle of social exchange common in the Chinese context, to regulate social exchange with their subordinates (Chen, Friedman, Yu & Sun, 2011; Hwang 1987; Leung, Chen, Zhou & Lim, 2014). Although the *renqing* rule is a prevalent social exchange norm in the Chinese context (Hwang, 1987; Leung et al., 2014), it has been overlooked as a moderator in the relationship between AL and subordinates' reciprocity. Face-favor theory (Hwang, 1987) posits that, in the Chinese context, people employ different social exchange principles in different relationships. Unlike the principle of equity employed in ordinary relationships, the *renqing* rule is employed in the social exchange among intimate friends who share strong connections, known as *guanxi* in Chinese (Hwang, 1987). The development and maintenance of *guanxi* require a certain affective component, and therefore, the underlying principle of *renqing* requires that two parties exchange *renqing* (i.e., exchange resources) (Hwang, 1987). This *renqing* may consist not only of substantive assistance (e.g., resources), but also emotional concern (e.g., care and warmth). Thus, leader *renqing* orientation (LRO) means that leaders have the tendency to employ the *renqing* rule when engaging in social exchange with their intimate subordinates by providing them with *renqing* (e.g., better resources and more emotional concern) if their intimate subordinates demand it and by forming the expectation that these intimate subordinates should repay them with *renqing* (e.g., better performance, more obedience, and concern) in social exchange (Hwang, 1987; Leung et al., 2014). Given the important role that the *renqing* rule plays in Chinese social exchange, we identify LRO as a moderator in our theoretical model. We expect that LRO will regulate the effect of AL on employees' tacit KS intention through fairness perceptions.

In sum, this study adopts a social exchange perspective to investigate when and how AL and LRO, two unique features of Chinese indigenous culture, affect employee tacit KS intention

through two types of fairness perception. The remainder of this paper is organized as follows: Section 2 provides a comprehensive literature review; Section 3 presents the theoretical model and hypotheses; Section 4 describes the research method; and Section 5 reports the data analysis and its findings. Finally, Section 6 discusses the theoretical and practical implications.

## **2. Literature Review**

To address the aforementioned research question, we adopt the tenets of PF theories (Colquitt et al., 2013; Leventhal, 1980) to conceptualize the interweaving of AL (the exchange partner), LRO (the social exchange rule), fairness perception (the psychological process of social exchange), and employees' tacit KS intention (the intention to engage in reciprocal behavior). We next review the literature related to PF theories, AL, and LRO.

### **2.1. Procedural Fairness and Interactional Fairness**

PF theories are derived from the organizational behavior field and are adopted to explain social exchange relationships in both the workplace and various information systems (IS) settings (for a review, see Chen, Vogel & Wang, 2016). PF theories divide fairness into two dimensions: PF and IF (Colquitt et al., 2013). PF perception refers to the perceived fairness of a leader's decision-making procedures of performance evaluation (i.e., performance assessment and resource allocation) (Colquitt et al., 2013; Eisenhardt, 1985; Leventhal, 1980). PF is conceptually distinct from IF, which refers to the perceived fairness of desirable leader treatment (e.g., respect, propriety, dignity, or proper comments) on subordinates during management processes (Colquitt et al., 2013; Leventhal, 1980).

PF theories explain the antecedents and consequences of different fairness dimensions (for a review, see van Dijke et al., 2012). For instance, the fairness judgment model (Colquitt et al., 2013; Erdogan, 2002; Leventhal, 1980) indicates that PF perception is affected by fair decision procedures characterized by voice (i.e., the procedures allow employees to voice their opinions in the procedures), ethicality (the procedures are compatible with fundamental moral values), transparency (i.e., the procedures and standards are transparent to employees), and consistency (i.e., the procedures are applied consistently across people at different times). Meanwhile, IF perception is affected by fair leader treatment, which is characterized by respect, propriety, and dignity. The relational model of PF (Lind & Tyler, 1988) posits that PF perception and IF perception cause subordinates to trust decision-making related to performance assessment, resource allocation, decision-makers, and then their social exchange relationships with leaders or enterprises. The trust elicits their obligation of reciprocity (Blau, 1964; Konovsky & Pugh, 1994). Subordinates' reciprocity includes desirable job attitudes (e.g., commitment), in-role performance, and ex-role (discretionary) behaviors (e.g., helping co-workers) (Colquitt et al., 2013; Masterson et al., 2000; van Dijke et al., 2012).

As leaders dominate decision-making procedures of performance assessment, resource allocation, and leader-subordinate interaction, leadership style is a well-documented predictor of fairness (Bacha & Walker, 2013; Blader & Tyler, 2003; van Dijke et al., 2012). Many leadership studies (e.g., Pillai et al., 1999; Walumbwa et al., 2008) adopted PF theories and found that desirable leadership styles improve subordinates' fairness perception and their reciprocal behaviors in terms of helping co-workers (also called altruism). Helping co-workers is deemed to be a type of reciprocity toward leaders (Masterson et al., 2000; Settoon et al., 1996), as leaders often encourage subordinates to help and coordinate with each other in situations characterized by

task complexity. Helping co-workers benefits collective outcomes and therefore also their leader (Settoon et al., 1996). For instance, Pillai et al. (1999) found that transformational leadership improved PF perception, which in turn improved subordinates' helping behaviors. They argued that transformational leadership involved empowerment (e.g., allowing employees to voice their opinions in decision-making), and therefore increased employees' PF perception. The PF perception caused employees to trust their social exchange relationship with the leaders and generated a willingness to repay the leaders, for instance in behaviors like helping co-workers. Consistent with this finding, Walumbwa et al. (2008) found that PF perception partially mediated the relationship between contingent reward leader behavior and helping co-workers.

The aforementioned studies mainly focused on Western leadership styles and paid minimal attention to indigenous leadership styles in non-Western contexts. Cheng et al.'s (2004) empirical findings show that AL has unique effects on subordinates' responses compared to the transformational leadership common in the Western context. In particular, few empirical studies have adopted PF theories to explore how AL affects PF perception and the consequent improvements to subordinates' reciprocity. This study proposes that subordinates' tacit KS toward their leader and other co-workers is a form of reciprocity to the leaders. Engaging in tacit KS with a co-worker makes it possible to increase the co-worker's performance and indirectly improves collective outcomes (Settoon et al., 1996). An employee's tacit KS with a co-worker may also increase the overlap of knowledge between the two parties, facilitate their coordination, and directly improve their collective outcomes on interdependent tasks (Tortoriello, Reagans & McEvily, 2012). These outcomes should be desirable for leaders; therefore, in knowledge management, leaders aim to encourage employees to engage in KS with each other and grasp the shared knowledge for organizational use (Srivastava et al., 2006; Wang & Noe, 2010). Engaging in KS with co-workers is similar to helping (Yu & Chu, 2007). We borrowed the logic of leadership-helping to infer that AL may affect subordinates' fairness perception and tacit KS intentions.

## **2.2. Authoritarian Leadership**

The triad model of paternalistic leadership (PL) (Cheng et al., 2004) identifies three dimensions of PL: AL, benevolent leadership (BL), and moral leadership (ML). AL is characterized by domination, building a leader's lofty image as well as high performance orientation (Chen, Eberly, Chiang, Farh & Cheng, 2014). BL involves leader behaviors that display long-term, individualized, and holistic concern for subordinates' personal life or familial well-being beyond work relationships (Chan, Huang, Snape & Lam, 2013; Wu et al., 2012). ML can be broadly depicted as a leader's behavior that demonstrates superior personal virtues, self-discipline, and unselfishness (Cheng et al., 2004; Chou, Cheng & Jen, 2005; Wu et al., 2012).

Cheng and colleagues (2004) extracted three dimensions from Western transformational leadership, viz. high performance orientation, individualized consideration, and modeling, and compared them with the three dimensions of PL, viz. AL, BL, and ML. Although they are similar in some respects, notable differences remain. For example, AL also emphasizes high levels of performance; however, it promotes subordinates' performance via control, belittling subordinates and pressing (Cheng et al., 2004). Authoritarian leaders often impose their subordinates with high standard of performance, advising them to follow their requirements and put more effort into their work (Cheng et al., 2004). In contrast, transformational leadership promotes subordinates' performance by power sharing, expressing positive beliefs in employees' abilities, encouragement and proactive developmental behaviors (Kark, Shamir & Chen, 2003). Likewise, the

individualized care of BL is similar to individualized consideration. However, the former is applied in non-work domains, such as subordinates' personal life and family issues, due to the five Chinese cardinal ethics (see below), and the latter is only applied in work domains, given a Western focus on individualistic culture (Chan et al., 2013; Cheng et al., 2004). Finally, ML of PL differs from modeling of transformational leadership in that the former emphasizes that a leader should not take personal revenge in the name of the public interest, whereas the latter stresses that a leader should set an example of integrity (Cheng et al., 2004).

PL is deeply rooted in the five cardinal relationships that are central to Confucian thought, viz.: the benevolent king with the loyal minister, the kind father with the filial child, the kind senior with the deferent junior, the gentle elder brother with the obedient younger brother, and the righteous husband with the submissive wife (Chen et al., 2014; Cheng et al., 2004; Chou et al., 2005). Thus, a father has authority over his children and the children should obey their father. Meanwhile, the father is responsible to protect, care for, and set an example for his children. The five cardinal relationships supersede all other social relations in Confucian cultures and are sometimes referred to as the Confucian ethics of "hierarchy," whereby "higher ups govern, lower ranks obey" (Chen et al., 2014). Consequently, in a leader-subordinate relationship, a leader is encouraged to maintain absolute authority and require obedience, that is, authoritarianism. Like the role of a father, the leader also has the responsibility to care for subordinates, to protect them, and to be a role model of selflessness, that is, benevolence and morality (Cheng et al., 2004; Chou et al., 2005).

In the leadership literature, BL and ML are well documented as improving subordinates' positive responses and work outcomes, such as respect, gratitude, and performance (Chen et al., 2014; Cheng et al., 2004; Wu et al., 2012). AL is deemed to be a two-edged sword. Much of the research noted the destructive effects of AL on subordinates' outcomes and viewed AL as an inappropriate leadership style in contemporary organizations (Chan et al., 2013; Wu et al., 2012; Zhang, Huai & Xie, 2015). Only a small number of studies reported the positive effects of AL on employees' performance and attitudes (Cheng et al., 2004; Cheng, Chou, Huang, Farh & Peng, 2003; Gu, Hempel & Yu, 2016). Although these studies did not focus on KS, given their research findings, it is predictable that the relationships of BL and ML with subordinates' tacit KS intention may be positive, whereas AL may be a "two-edged sword" to tacit KS intention. In this study, we explore how to both improve the bright side of AL and avoid its dark side in tacit KM.

To explore the inconsistent relationships between AL and outcomes, one stream of research introduces a "moderation approach" to demonstrate that the negative effects of AL on outcomes were attenuated by a series of moderators, including BL, subordinates' dependence, authority orientation, and managerial competence (Chan et al., 2013; Cheng et al., 2004; Chou, et al., 2005). Although this research demonstrated when AL was positively or negatively related to subordinates' outcomes, it did not explore the mediating processes between AL and these outcomes, and therefore, it is still unknown "how" (Whetten, 1989) AL improves or deteriorates these outcomes. Another stream of research has adopted a "mediation approach" to explore the mediating processes (e.g., distrust, organization esteem, fear, and resentment) between AL and subordinates' outcomes; however, most of them focus on the negative mediating processes through which AL is negatively related to subordinates' outcomes (Chan et al., 2013; Wu et al., 2012; Zhang et al., 2015). It is still unclear "when" and "how" (Whetten, 1989) AL is positively related to subordinates' outcomes and through which mediating processes.

In order to make better sense of the links between AL and employee outcomes, we adopt a "moderated mediation" approach to explain both when and how AL is positively or negatively

related to subordinates' outcomes through a variety of psychological processes. Although several researchers (Wu et al., 2012) have adopted a social exchange perspective to explore AL-outcome relationships, PF perception, as a pivotal psychological mechanism fostering social exchange, has been overlooked as a mediator in these relationships. Furthermore, LRO, as a prevalent component of social exchange in the Chinese context, has been overlooked as a moderator in these relationships. This study is thus grounded on the social exchange framework and empirically tests whether PF perception and IF perception mediate the effect of AL on tacit KS intentions and whether LRO regulates the mediation processes.

Leadership may function both at the work-unit level and at the individual level. The former refers to the overall pattern of leadership behaviors that is shared among unit members, whereas the latter refers to subordinates' perception of leadership behaviors (Liao & Chuang, 2007). In the leadership literature, some researchers have investigated the effect of work-unit level leadership on organizational or team outcomes (Liden, Wayne, Liao & Meuser, 2014). Other researchers have only explored the effects of individual-level leadership on subordinate psychological and behavioral responses, such as trust, satisfaction, and helping (Purvanova & Bono, 2009; Qu, Janssen, & Shi, 2015; Walumbwa et al., 2008; Zhu & Akhtar, 2014). In this study, we identify AL as an individual-level phenomenon as we investigated the effect of leadership on subordinate psychological responses rather than work-unit outcomes.

### **2.3. Leader Renqing Orientation**

Face-favor theory (Hwang, 1987) posits that, in the Chinese context, people employ different rules of social exchange in different types of relationships. The renqing rule is a fundamental principle of social exchange in the Chinese context and differs from other well-understood social exchange rules, such as the equity rule. First, the equity rule is employed in instrumental ties, which contain minimal affective components. Both parties connected by the ties have ordinary relationships. A leader's reward should be equivalent to a subordinate's input. However, the renqing rule is employed in mixed ties that contain certain affective and instrumental components. Both parties in mixed ties are acquaintances who have good guanxi (Hwang, 1987; Leung et al., 2014). Second, the renqing rule coincides with the norm of reciprocity, though the ways in which reciprocity is manifested are quite different from those latent in the equity rule. Whenever the subordinate demands help from the leader, the latter will offer renqing to the former. Renqing includes not only substantive materials (e.g., money) or favors as gifts, but also emotional concern (i.e., understanding and sympathizing with the emotional responses of others in different situations) (Hwang, 1987; Leung, et al., 2014). By engaging in this exchange of renqing, exchange partners can maintain the affective component in their good guanxi, and the affective component serves the instrumental function of striving for needed resources (Hwang, 1987; Leung, et al., 2014). Third, to maintain the affective component of the good guanxi, the subordinate should reciprocate renqing once the situation permits; however, the reciprocation does not necessarily need to be equal to what he/she has received and the reciprocation is not a matter for negotiation. Both parties will not end the guanxi if they fail to agree on the equity rule in an exchange (Hwang, 1987).

In this study, LRO is defined as leaders' tendency to employ the renqing rule when engaging in social exchange with acquaintances (e.g., intimate subordinates in the workplace) by providing them with renqing (e.g., better resources and more emotional concern) when their acquaintances demand it and by having an expectation that their acquaintances (e.g., intimate subordinates) should repay them with renqing (e.g., better performance, more obedience and concern) once the situation permits (Cheung, Leung, Zhang, Sun, Gan, Song & Xie, 2001; Hwang, 1987). In fact, a



leader only offers renqing to the subordinate who has face (i.e., a positive and successful public image) (Hwang, 1987) because this implies the subordinate's ability and willingness to repay the renqing in the future. Therefore, a subordinate needs to engage in "face work" (i.e., shaping a favorable self-image by desirable activities) so that the leader will be willing to develop good guanxi and a mixed tie with him/her (Hwang, 1987). Then, the subordinate will have opportunity to gain renqing by virtue of the mixed ties. It is for this reason that we believe face, renqing, and guanxi are closely interlinked and the renqing rule influences resource allocation in Chinese organizations (Cheung et al., 2001; Hwang, 1987).

In Chinese organizations, LRO is prevalent in resource allocation (Chen et al., 2011, Hwang, 1987). Many leaders give more rewards and promotion opportunities to their intimate subordinates (Chen et al., 2011). However, while the renqing-based resource allocation process is regarded as fair by some employees who identify with the tenets of the guanxi culture (Cheng et al., 2004), others may deem it to be an unfair practice if they prefer a performance-based resource allocation process (Chen et al., 2011). While the main effects of LRO on subordinate attitudes and behaviors are ambiguous, researchers have found that BL significantly mitigates the negative effects of AL on employee responses such as employee self-esteem and organizational citizenship behavior (Chan et al., 2013).

Benevolence and LRO are two distinct but related concepts. Their similar nature is granting favors to subordinates (i.e., 'individualized care' and 'understanding') (Cheng et al., 2004; Hwang, 1987). However, benevolent leaders grant favors to all subordinates in the non-work domain because of the ethical principles of the five cardinal relationships. Like fathers in big families, they have responsibilities to care for and protect all subordinates (Cheng et al., 2004). In contrast, leaders with high LRO only grant favors in the work domain to intimate subordinates who reciprocate the leaders with unquestioning obedience and performance in social exchange (Hwang, 1987). Based on their similar nature of granting favors, whether toward all subordinates or only intimate subordinates, and whether in the non-work domain or in the work domain, the mechanisms of LRO and benevolence when playing moderating roles in the relationship between AL and subordinates' responses appear to resemble each other. In this study, we follow prior work on BL to examine how LRO moderates the effects of AL on subordinate fairness perception and tacit KS intention.

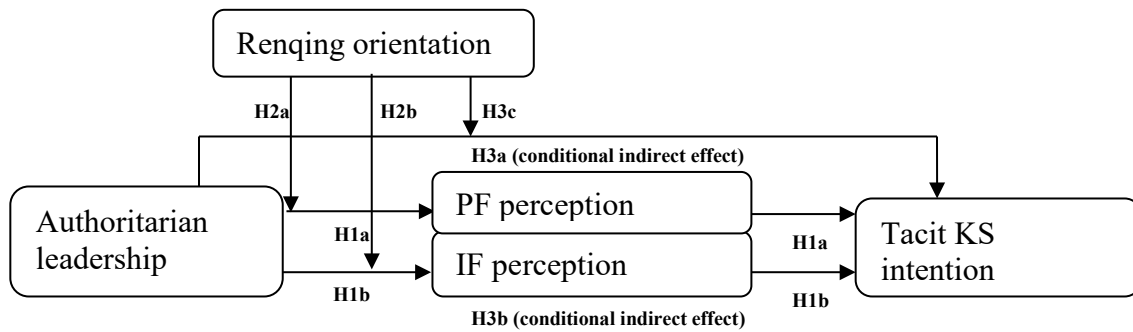
### **3. Theoretical Model and Hypotheses**

This study proposes that fairness perception will mediate the relationship between AL and tacit KS intention (see Figure 1). PF theories provide a compelling explanation. As noted in the literature review, PF theories identify various procedural rules (i.e., voice, transparency, and consistency) and interpersonal treatment (e.g., respect) as antecedents of PF perception as well as IF perception, respectively (Colquitt et al., 2013; Erdogan, 2002; Leventhal, 1980). Furthermore, PF theories explain how PF perception and IF perception improve employees' sense of obligation and stimulate their intrinsic motivation to repay their leaders in social exchange (Colquitt et al., 2013; Lind & Tyler, 1988; van Dijke et al., 2012).

Authoritarian leaders make decisions of performance assessment and reward (e.g., resource allocation) alone in an autocratic manner (Chan, 2013; Chan et al., 2013; Cheng et al., 2004). During the decision-making process, their subordinates have no right to voice their opinions or know relevant details (Chan, 2013). Decision-making procedures and standards are a black box to subordinates, who are unable to determine whether those decision-making procedures of performance assessment and resource allocation are applied consistently or fairly across all

employees. Finally, the leaders require absolute obedience from their subordinates (Chen et al., 2014). Such a situation decreases the transparency and consistency of the decision-making procedures (Leventhal, 1980), which may lead to perceived procedural unfairness (Chan, 2013; Colquitt et al., 2013; Leventhal, 1980). A vast amount of empirical evidence shows that AL is negatively related to voice and transparency (Chan, 2013; Zhang et al., 2015), but voice and transparency are found to be positively related to PF perception (Chen et al., 2016; Colquitt et al., 2013). Further, unfair procedures of performance assessment and resource allocation lead to uncertain results, and therefore, subordinates are less likely both to trust the integrity of management and to stabilize an exchange relationship with their leaders (Colquitt et al., 2013; Konovsky & Pugh, 1994). This ultimately reduces their reciprocal intentions to engage in such activities as tacit KS (Fang & Chiu, 2010). This argument is consistent with the prior empirical finding that PF perception is positively related to trust, helping, and organizational commitment (Fang & Chiu, 2010; Masterson et al., 2000; Walumbwa et al., 2008), which are then positively related to tacit KS (Lin, 2007; Fang & Chiu, 2010). Hence, we hypothesize that:

*Hypothesis 1a: PF perception mediates the negative relationship between AL and tacit KS intention.*



**Figure 1. Research model**

The strict control and dominance of authoritarian leaders are likely to be interpreted by their subordinates as an indication that the leaders think that they (the subordinates) are incompetent (Chan et al., 2013; Wu et al., 2012; Zhang et al., 2015). To build their lofty image and emphasize their absolute authority, authoritarian leaders disrespect subordinate abilities and belittle subordinate contributions (Chan et al. 2013; Zhang et al., 2015). Subordinates who are treated rudely and insulted may consider such behavior unfair (Colquitt et al., 2013). In line with these arguments, Wu et al. (2012) found that AL has a negative correlation with IF.

Furthermore, unfairness of leader treatment may cause employees to query whether their leaders have their best interests at heart and will treat them well with good intentions (Lind & Tyler, 1988). The ensuing lack of trust may cause employees to feel little motivation to share tacit knowledge (Fang & Chiu, 2010; van Dijke et al., 2012). On the contrary, from a relationship-building perspective, when employees are fairly treated by their leaders, they are more likely to trust their leaders and to reciprocate by engaging in tacit KS, which reinforces the social exchange relationship (Fang & Chiu, 2010; van Dijke et al., 2012). In line with these arguments, Wu et al. (2012) found that IF perception was positively related to trust-in-leader, which increased KS (Chai, Das & Rao, 2011). In the context of virtual communities of practice, Fang and Chiu (2010) found

that IF significantly improves trust and helping, which in turn increase the continuance intention to engage in KS. Therefore, we hypothesize that:

*Hypothesis 1b: IF perception mediates the negative relationship between AL and tacit KS intention.*

We identify LRO as a moderator that mitigates the negative effects of AL on subordinates' PF perceptions. Performance is the required duty of subordinates, and an authoritative leader is always performance-oriented (Chan et al., 2013; Chen et al., 2014; Cheng et al., 2004). Only those subordinates with high obedience or performance are likely to become the intimate subordinates of the authoritarian leader.

Even if these employees become intimate subordinates of an authoritarian leader, the leader with low LRO will not obey the renqing rule to repay these subordinates with better resources (e.g., promotion or training) and more emotional concern (e.g., listening and allowing voice) (Hwang 1987). Obedience and performance fail to bring these subordinates rewards (e.g., better resources). The standards and procedures of performance assessment and resource allocation (i.e., rewards) are ambiguous. The unilateral actions of the authoritarian leader, characterized by dominance and withholding information, mean that the decision processes associated with performance assessment and resource allocation are non-transparent and subordinates have no voice (Chan, 2013; Chan et al. 2013; Cheng et al., 2004). Such a situation decreases subordinates' PF perception.

By contrast, authoritarian leaders who have high LRO are expected to follow the renqing rule and grant more resources as well as emotional concern to intimate subordinates who exhibit high levels of obedience and performance (Hwang 1987; Leung et al., 2014). Leader authoritarianism and LRO are two signals indicating that the leader tends to consistently apply obedience-based and performance-based standards across all subordinates with respect to resource allocation and concern. As the Confucian ethic of hierarchy emphasizes, obedience is a virtue of good subordinates (Cheng et al., 2004); therefore, Chinese employees who identify with the ethic will deem obedience-based and performance-based resource allocation and emotional concern as fair (Chen et al., 2014). Thus, an authoritarian leader with high LRO is expected to enact such decision procedures, characterized by transparency, consistency, and ethicality, to assess performance and subsequently allocate resources, which increases subordinates' PF perceptions (Colquitt et al., 2013; Leventhal, 1980). Hence, we propose the following hypothesis:

*Hypothesis 2a: LRO moderates the relationship between AL and PF perception, such that the negative relationship is weaker when LRO is high rather than when it is low.*

LRO is also expected to mitigate the negative effects of AL on the subordinate IF perception. An authoritarian leader with low LRO does not care for his/her subordinates' emotional responses, does not know what they resent, and never caters to what they desire (Hwang 1987; Leung et al., 2014). His/her authoritarian behaviors (e.g., dominance and strict control) are likely to trigger negative emotions (e.g., anxiety and anger) and be interpreted as belittling and disrespecting subordinates (Chan et al., 2013; Wu et al., 2012; Zhang et al., 2015), all of which act to reduce subordinates' IF perception.

By contrast, an authoritarian leader with high LRO offers emotional concern to his/her intimate subordinates, who display high levels of obedience and performance, so as to maintain the affective component in their guanxi (Hwang, 1987, Leung et al., 2014). Such a high LRO leader

tries to consciously adjust these dominant and belittling behaviors in order to avoid disrespecting the subordinates. In this context, these subordinates are likely to believe that their authoritarian leader treats them in a more positive fashion (Chan et al., 2013). The authoritarian behaviors (e.g., dominance and control) are likely to be interpreted as mentoring attempts or performance-oriented approaches (Chan et al., 2013), which do not diminish subordinates' IF perceptions. However, those subordinates who exhibit low levels of obedience and performance may fail to develop good guanxi with their leader; as a result, the leader will not employ the renqing rule in interpersonal interaction with them (Hwang, 1987; Leung et al., 2014). Indeed, leader authoritarian behaviors and disrespectful treatments might be interpreted as a punishment due to poor performance and low levels of obedience. Such a situation might be deemed as fair by subordinates (Cheng et al., 2004). Viewed in this light, LRO is expected to counteract the negative effects of leader authoritarianism on subordinate IF perception. Hence, we propose the following hypothesis:

*Hypothesis 2b: LRO moderates the relationship between AL and IF perception, such that the negative relationship is weaker when LRO is high rather than when it is low.*

Furthermore, we propose that AL is negatively related to PF perception and IF perception, which in turn decreases tacit KS intention when leaders have low LRO. By contrast, if leaders have high LRO, then AL may be positively associated with PF perception, which in turn may uphold tacit KS intention. We also contend that LRO may buffer the negative effects of AL on the tacit KS intention of subordinates because it makes such leadership less threatening to the psychological experience of subordinates in their social exchange with their leaders (in our case, PF perception and IF perception). In summary, we believe that the mediation of PF perception and IF perception on the relationship between AL and tacit KS intention may vary according to whether LRO is high or low. We also believe that LRO may impact the relationship between AL and tacit KS intention in the same way it influences the relationship between AL and PF perception. Therefore, we hypothesize the following:

*Hypothesis 3a: The indirect and negative relationship between AL and tacit KS intention through PF perception is weaker when LRO is high than when it is low.*

*Hypothesis 3b: The indirect and negative relationship between AL and tacit KS intention through IF perception is weaker when LRO is high than when it is low.*

*Hypothesis 3c: LRO moderates the relationship between AL and tacit KS intention, such that the negative relationship is weaker when LRO is high rather than when it is low.*

## **4. Methodology**

### **4.1. Data Collection Procedure**

Because the purpose of the study is to test how two unique features in the Chinese cultural context, i.e., AL and LRO, affect employee tacit KS intention, we conducted a survey with Chinese employees from two local enterprises in Beijing. Beijing is the capital city of Mainland China, where Chinese traditional culture is deeply rooted. Chinese culture penetrates its local enterprises where AL and LRO widely exist. The Chinese employees from these local enterprises are familiar with the context and phenomenon under our investigation. Thus, we randomly selected two local enterprises in the industries of manufacturing and estate management to conduct the survey. The

first author and a research assistant briefly introduced the purposes and procedures of the study to two senior managers of the human resource departments of the two enterprises. Then, the two managers helped us identify participants who were voluntarily invited to participate in the survey. Questionnaires were administered to 400 participants from the two enterprises. All participants received questionnaires and survey introduction cover letters prepared by the researchers. A total of 309 usable responses were gathered, which represented a response rate of 77%. Among 309 participants, 68.30% were male; 86.1% had college or above education; 80.6% were aged 21 to 40 years old; 68.3% were staff and 31.7% were managers (see Table 1). Table 1 presents the demographic information of the respondents.

**Table1. Demographics summary**

Demographics summary (n=309)		
	Number	Percentage
<u>Gender</u>		
Male	211	68.30%
Female	98	31.70%
<u>Educational level</u>		
Secondary School	43	13.90%
College	63	20.40%
Bachelor's	159	51.50%
Master's or above	44	14.20%
<u>Age</u>		
≤20	2	0.60%
21-40	249	80.60%
41-60	54	17.50%
>60	4	1.30%
<u>Job level</u>		
Staff	211	68.30%
Junior manager	68	22.00%
Middle manager	26	8.40%
Senior manager	4	1.30%
<u>Enterprise</u>		
Enterprise 1	170	55%
Enterprise 2	139	45%

#### 4.2. Measures

The items for all studied variables were adopted from the English literature. The survey was executed in China, and thus, the questionnaire was translated into Chinese and back translated into English to ensure equivalence of meaning. The measures for the studied variables included 19

questions. All the items were measured by a five-point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree.

Specifically, six items for the AL construct were adopted from the scale of AL from Chou et al. (2005). Two items used to measure PF perception were from Masterson et al. (2000). Four items were adopted from Bies and Moag (1986) study to measure IF perception. LRO was measured by two items taken from the renqing orientation scale of Cheung et al. (2001), with modified wordings to adapt the items to the current topic. Tacit KS intention was measured using three items adopted from Bock and his colleagues' (2005) study. Civic virtue (CV), a control variable, was measured using a two-item version from Masterson et al.'s (2000) research to reflect the employee responsibly involving him/herself in and being concerned about his/her organization. A pilot test of 62 subjects was conducted to test the wording of the instruments. Cronbach's alphas of all studied scales ranged from 0.75 to 0.91, which indicates that the studied scales had acceptable reliabilities (the cutoff was 0.70) (Comrey, 1973; Nunnally, 1978). Appendix A lists the final items used in the questionnaire.

## 5. Data Analysis and Findings

LISREL (version 8.70) (Jöreskog & Sörbom, 1993) and SPSS (version 17.0) were used to test the measurement model.

### 5.1. Measurement Model

Table 2 reports the means, SDs, and the pair-wise Pearson correlation coefficients of all studied variables. In order to demonstrate the absence of multicollinearity, we show that the correlations among all variables are all well below the 0.85 threshold (Kline, 1998), and the variance inflation factor (VIF) values for all independent variables are all below the 5 threshold (Belsley, Kuh & Welsch, 2004). Thus, we concluded that there is no multicollinearity problem in the dataset.

**Table 2. The correlations of all studied variables**

	Mean	SD	1	2	3	4	5	6	VIF
AL	2.91	0.72							1.34
PF	3.16	0.87	0.07						1.26
IF	3.86	0.63	-0.20	0.38**					1.34
LRO	3.32	0.66	0.44**	-0.09	-0.09				1.27
CV	3.88	0.74	-0.01	0.28**	0.32**	-0.08			1.16
Tacit KS intention	3.83	0.62	0.06	0.44**	0.39**	0.04	0.26**		

Note. \*\*  $p < 0.01$ ; two-tail test.

The Cronbach's alphas of all studied scales range from 0.70 to 0.92 (see Table 3). CFA (Confirmatory Factor Analysis) was conducted to assess the validity of all measures (see Table 3). All loadings were significant ( $p < 0.01$ ) (see Table 3). Loadings of 0.50 to 0.55 were considered fair; 0.63 to 0.70 very good; and above 0.71 excellent (Comrey, 1973; Kim, Sharman, Rao & Upadhyaya, 2007). The results indicate that the reliability and convergent validity of the measures are satisfactory.

**Table 3. Results of the validity and reliability analysis**

Items	Loadings	$\alpha$
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AL 1	0.51	
AL 2	0.69	
AL 3	0.83	
AL 4	0.81	
AL 5	0.81	
AL 6	0.60	0.86
PF perception 1	0.81	
PF perception 2	0.93	0.86
IF perception 1	0.85	
IF perception 2	0.91	
IF perception 3	0.92	
IF perception 4	0.68	0.91
LRO 1	0.56	
LRO 2	0.96	0.70
CV1	0.87	
CV2	0.98	0.92
Tacit KS intention 1	0.82	
Tacit KS intention 2	0.80	
Tacit KS intention 3	0.80	0.85

Second, CFA was conducted to assess the overall goodness of fit of the measurement model. We used six model-fit indices: the ratio of  $\chi^2$  to degrees of freedom (df), non-normed fit index (NNFI), goodness of fit index (GFI), comparative fit index (CFI), incremental fit index (IFI), and root mean square error of approximation (RMSEA). The results demonstrated that the measurement model containing six factors (i.e., AL, PF, IF, LRO, tacit KS intention, and CV) yielded a good fit ( $\chi^2/df=1.88$ ; CFI=0.97; GFI=0.92; NNFI=0.97; IFI=0.97; RMSEA=0.05) and fits the data very well.

In addition, we adopted the chi-square difference test (Bentler & Bonett, 1980) to compare the six-factor model with five alternative models of decreasing complexity. The results in Table 4 show that the fit of the six-factor model is significantly better than each of the five alternative models. This procedure demonstrates that our measures have good discriminant validity and exhibit a good fit with the data collected. Furthermore, the results minimize the possibility of common method bias, as a simple model does not fit the data as well as a more complex model (Podsakoff, Mackenzie, Lee & Podsakoff, 2003).

**Table 4. Results of measurement model comparison**

	Factor	df	$\chi^2$	CFI	GFI	NNFI	IFI	RMSEA	$\Delta\chi^2$
Model 1	six-factor	137	258.3	0.97	0.92	0.97	0.97	0.05	
Model 2	five-factor	142	346.9	0.96	0.89	0.95	0.96	0.07	88.6**
Model 3	four-factor	146	1590.6	0.77	0.65	0.73	0.77	0.18	1332.3**
Model 4	three-factor	149	2117.5	0.70	0.58	0.65	0.70	0.21	1859.2**
Model 5	two-factor	151	2373.1	0.65	0.55	0.61	0.65	0.22	2114.8**
Model 6	one-factor	152	2807.9	0.59	0.51	0.54	0.59	0.24	2549.6**

Note. CFI = comparative fit index, GFI = goodness of fit index, NNFI = non-normed fit index, IFI = incremental fit index, and RMSEA = root mean square error of approximation  
See Appendix B

## 5.2. Hypotheses testing

In addition to gender, education, enterprise, age, and job level, CV was included as a control variable, because previous research suggested that the civic virtue of an employee can increase his/her tacit KS intention (Al-Zu'bi, 2011). We used Hayes' (2013) bootstrapping approach (n boots =1000; 95% bias corrected confidence interval was used to test the mediation (H1a and H1b) (i.e., indirect effect) and conditional indirect effects (H3a and H3b). Bootstrapping was found to be the most powerful method to detect mediation and conditional indirect effects (Hayes, 2013) and it has been used by many organizational behavior studies and the studies of IT-based social media (for a review, see Tandoc, Ferrucci & Duffy, 2015). A confidence interval must not contain a zero to assume a significant mediation or conditional indirect effect (Hayes, 2013).

The bootstrapping analysis found that AL had no effect on PF perception ( $\beta = 0.080$ , ns.) [95% Bias corrected confidence interval (BC 95% CI); -0.057, 0.216]. PF perception significantly improved tacit KS intention ( $\beta = 0.233$ ,  $p < 0.05$ ) [BC 95% CI; 0.155, 0.312]. AL significantly decreased IF perception ( $\beta = -0.177$ ,  $p < 0.05$ ) [BC 95% CI; -0.273, -0.081], which in turn significantly improved tacit KS intention ( $\beta = 0.261$ ,  $p < 0.05$ ) [BC 95% CI; 0.152, 0.370]. Thus, AL exerted a significant and indirect effect on tacit KS intention through IF perception ( $\beta = -0.046$ ,  $p < 0.05$ ) [(BC 95% CI); -0.098, -0.019] rather than PF perception ( $\beta = 0.019$ , ns.) [BC 95% CI; -0.016, 0.060]. Hypothesis 1b was supported, but Hypothesis 1a was not supported.

Moderated multiple regression was used to test Hypotheses 2a, 2b, and 3c. As predicted (see Table 5), LRO significantly moderated the effects of AL on PF perception, IF perception, and tacit KS intention. Thus, Hypotheses 2a, 2b, and 3c were supported.

**Table 5. Testing the moderating effects**

	PF perception		IF perception		Tacit KS intention	
	$\beta$	$R^2$	$\beta$	$R^2$	$\beta$	$R^2$
<u>step 1</u>						
Gender	-0.19**		-0.01		-0.15*	
Education	0.04		-0.05		0.10	
Enterprise	0.26**		0.03		-0.03	
Age	-0.07		-0.07		0.01	
Job level	-0.11*		-0.11*		-0.08	
CV	0.27**		0.33**		0.31**	
AL	0.09		-0.22**		0.04	
LRO	-0.09		0.04		0.03	
<u>Step 2</u>						
AL* LRO	0.25**	0.23**	0.15**	0.19**	0.18**	0.14**

Note. \*  $p < 0.05$ ; \*\*  $p < 0.01$ ;  $n = 309$ .

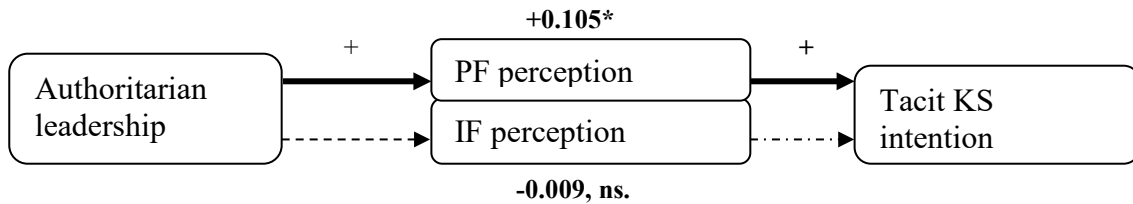
Finally, the bootstrapping analysis (see Table 6 and Figure 2) found that the indirect effect of AL on tacit KS intention through PF perception was significant and positive only when LRO was



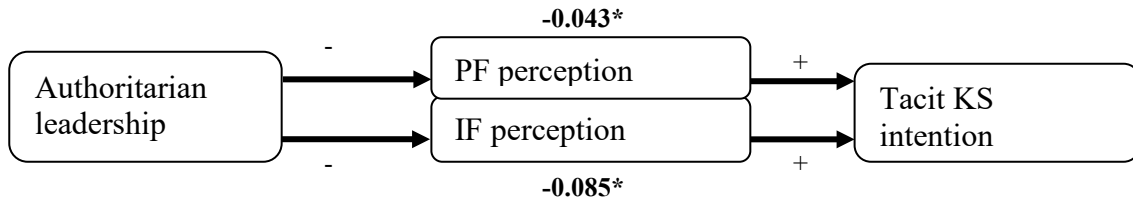
high (+1 SD). When LRO was low (-1 SD), the indirect effect of AL on tacit KS intention through PF perception was significant and negative. Hypothesis 3a was supported. As expected, the indirect effect of AL on tacit KS intention through IF perception was significant and negative only when LRO was low (-1 SD) rather than when it was high (+1 SD). Hypothesis 3b was also supported. In total, the conditional indirect effect model explains about 31% of the variance of employee tacit KS intention.

**Table 6. Testing the conditional indirect effects**

	LRO		Tacit KS intention		
	(moderator)		BC 95% CI		
		$\beta$	SE	Lower	Upper
PF perception (mediator)	-1SD=2.66	-0.043	0.022	-0.097	-0.008
	+1SD=3.98	0.105	0.035	0.047	0.190
IF perception (mediator)	-1SD=2.66	-0.085	0.030	-0.159	-0.036
	+1SD=3.98	-0.009	0.018	-0.056	0.021



**Figure 2a Under the context of high LRO**



**Figure 2b Under the context of low LRO**

Note. A broken line represents a nonsignificant relationship and a solid line represents a significant relationship.

## 6. Discussion and Conclusion

In this study we adapted the PF theory and an indigenous research perspective to examine how two unique features of the Chinese culture, i.e., AL and LRO, affect employee tacit KS intention. Our findings show that the mediation effects of PF perception and IF perception on the relationship between authoritarian and tacit KS intention vary according to whether LRO is high or low. This study is pioneering with respect to its combination of the Western PF theory with Chinese indigenous cultural factors to explain employees' tacit KS intention in the Chinese context. Except for H1a, all the hypothesized relationships are supported.

Inconsistent with H1a, the results show AL has no significant relationship with PF perception. This finding is also consistent with some prior studies which found AL has no significant relationship with compliance, performance, and citizenship behavior (Cheng et al., 2004; Wu et al., 2012). Our results support H2a, which provides one possible explanation for this unexpected

finding. The main effect of authoritarianism on PF perception is ambiguous because it varies across the level of LRO.

Our results show that IF significantly mediates the negative relationship between AL and tacit KS intention. This confirms that fairness is a critical mediating mechanism in social exchange relationships between leaders and employees (Colquitt et al., 2013). The results also demonstrate that PF and IF perceptions are two important predictors of tacit KS intention, which confirms researchers' previous arguments (Osterloh & Frey, 2000; van Dijke et al., 2012) that fairness perception is important for eliciting employees' obligation-based intrinsic motivation to repay the leader, and such an intrinsic motivation is effective in stimulating tacit KS intention.

Moreover, this study found that LRO mitigates the negative effects of AL on PF, IF, and tacit KS intention. These findings are in line with the empirical results of Chan et al. (2013), i.e., that BL (granting favors to subordinates) offsets the negative effects of AL on employee self-esteem and citizenship behavior. The results of the current study further demonstrate that AL significantly promotes employee tacit KS intention through improving PF perception when LRO is high, which supports Gu et al.'s (2016) argument that authoritarianism is not uniformly bad and may sometimes be beneficial. Our findings show that AL in combination with LRO should result in desirable responses of subordinates.

### **6.1. Theoretical Implications**

Our findings have at least four important theoretical implications. First, while considerable prior research has emphasized the pivotal role of leadership in knowledge management (KM), most KM research focuses on Western leadership styles (Huang et al., 2008; Li, Shang, Liu & Xi, 2014; Srivastava et al., 2006; Xue, Bradley & Liang, 2011) and overlooks non-Western perspectives. However, non-Western and Western leadership styles are very different from each other, with unique effects on employees' responses (Cheng et al., 2004). The failure to incorporate non-Western leadership styles into the theoretical models of KM undermines the integrity of KM research. In this study, we contribute to KM research by introducing AL, a style of leadership that is common in Chinese firms, as an antecedent of tacit KS and explain the underlying mechanisms through which AL affects employees' tacit KS intentions.

Second, prior research has studied the relationships between AL and subordinates' responses from the angle of leader-member interactions, demonstrating that the characteristics of AL reflected in interpersonal interaction (e.g., belittling subordinates) reduce subordinates' IF perception and their outcomes (Wu et al., 2012). However, the characteristics of AL are also reflected in their management procedures (e.g., performance evaluation and resource allocation procedures) and subordinates perceived PF is closely linked with their responses (Colquitt et al., 2013). Despite the important role of PF, prior empirical research has rarely tested its mediating role in the relationship between AL and subordinates' responses. The current study fills this gap. From a social exchange perspective, this study adopts PF theories to identify both dimensions of fairness (PF and IF) as two mediators in the linkage between AL and tacit KS intention, thus providing a fuller understanding of the social exchange relationship between AL and subordinates' tacit KS practices.

Third, the KM literature shows that subordinates' fairness perception promotes their KS activities (Fang & Chiu, 2010; Lin, 2007), and therefore reaching a theoretical understanding about how to cultivate subordinates' fairness perceptions is important. Most prior studies agree that the attributes of Western leadership styles concerning power sharing and the encouragement of independent action cultivate subordinates' fairness perceptions (e.g., Pillai et al., 1999; Xue et al.,

2011; Van Dijke et al., 2012). Our findings provide the counter-intuitive insights that leader authoritarianism and control, the opposites of empowerment and encouragement of independent action, also lead to improvements in employees' PF perception, which in turn improves tacit KS intention. We reveal that AL alone does not improve PF perception and only when authoritarian leaders employ the principle of renqing in their social exchange with subordinates can they improve subordinates' PF perception and elicit their obligation to reciprocate with tacit KS behavior. Thus, this study introduces a very important boundary condition, LRO, which attenuates the negative relationships between AL and subordinates' responses (e.g., fairness perception and tacit KS intention), and which not only contributes to AL literature by interpreting the inconsistent effects of AL (Schaubroeck et al., 2017), but also advances our understanding of a contingency perspective toward the leadership-fairness and leadership-tacit KS linkages. Furthermore, renqing orientation, reflecting a tendency to obey a predominant social exchange rule in the Chinese context (Chueng et al., 2001; Hwang, 1987), has been overlooked in previous studies in China that drew on Western social exchange theories (e.g., fairness theories). This study contributes to these social exchange theories by incorporating renqing orientation, an indigenous factor in the Chinese context, as a boundary condition of a social exchange relationship, which enlightens future researchers who may examine whether the renqing orientation of exchange partners moderates other social exchange relationships.

Finally, a theoretical study of KM should not ignore indigenous constructs in the research context, as no theory can claim universality if it ignores significant indigenous constructs of a large national group such as the Chinese (Davison & Martinsons, 2016; Leung et al., 2014). Indigenous constructs offer an inside view of what really matters to local actors and thus play a significant role in revealing KM behavior in specific cultural context (Ou, Davison & Wong, 2016). For instance, when exploring how leadership affects employees' KS behavior from a social exchange perspective in Chinese context, it is not appropriate only to test how Western leadership and Western social exchange rules affect Chinese employees' KS behavior. Instead, we should enhance the research model with indigenous factors to achieve a stronger cultural sensitivity and thus fit with local norms (Ou et al., 2016). In the current study, which focuses on KM in the Chinese context, we incorporated AL and LRO, which we suggest are significant indigenous constructs in China, into the social exchange framework to elicit a rich picture of how Chinese indigenous leaders (social exchange partners) follow Chinese social exchange rules (LRO) to influence Chinese employees' tacit KS intentions (reciprocity). This study thus provides a foundation for incorporating rich indigenous factors into future research on KM.

## **6.2. Practical Implications**

As a result of globalization, some scholars have suggested abandoning Chinese indigenous management styles because they may exert negative effects on organizational performance (Chan et al., 2013). However, in today's increasingly integrated global economy, China's huge potential market has attracted substantial Western interest. Localization (i.e., employing Chinese managers and employees) is one method that these Western enterprises may employ to seek success in China (Sheldon & Li, 2013). Hence, it is pivotal for global managers to understand the double-edged nature of Chinese management styles (e.g., authoritarianism and renqing orientation), which may help them to achieve desirable outcomes (e.g., tacit KS). We intend to enlighten global managers in these respects.

First, our study demonstrates that AL is a two-edged sword and can be effective in specific contexts. Global enterprises that intend to invest in China should overcome the dark side of AL

and develop its bright side in order to improve organizational outcomes (Gu et al., 2016). Our findings show that AL is positively associated with employee tacit KS intention through employee PF perception when LRO is high. This suggests that managers can adopt an AL style if they also have high LRO to promote employee PF perception and tacit KS intentions. However, we also suggest that to avoid decreasing employee tacit KS intentions, managers should reduce their authoritarianism if they have low LRO. Managers with low LRO should explore countervailing management practices to ameliorate their autocratic behaviors and thus avoid the perception of unfairness among their subordinates.

Second, our research suggests that when LRO is combined with high performance-oriented authoritarianism, the interaction between these two variables can be beneficial to improve employee PF perception and tacit KS intention. Although some experts suggest that LRO can lead to corruption and unfairness (Chen et al., 2011), this study demonstrates that authoritarian leaders can cultivate their LRO to promote subordinates' perceived fairness and tacit KS. The extant literature suggests that managers can cultivate LRO by following the *renqing* rule (i.e., placing oneself in others' shoes and developing empathy) (Hwang et al., 1987).

Third, our study confirms that PF perception and IF perception are two important predictors of tacit KS intention. Thus, a work climate that increases fairness perceptions should be promoted to counteract the negative effects of authoritarianism on tacit KS intention. The extant literature suggests that PF perception and IF perception can be increased via benevolence, morality, transparency, neutrality, voice, organizational support, two-way communication, and leader-member exchange (Colquitt et al., 2013; Erdogan, 2002; Leventhal, 1980). These management practices can be introduced to increase fairness perception and tacit KS.

### **6.3. Limitations and Future Research**

First, the data presented in this study were cross-sectional, and all the statistically supported relationships should be interpreted carefully. We cannot draw any inferences about the causal effects of AL on perceived fairness and tacit KS intention. Although this study mainly focuses on moderated mediation effects rather than causal effects, future researchers should design longitudinal studies to replicate our research findings. Second, the data are all self-reported. Although the CFA of competing models show that common method bias is unlikely to be a threat to our results, future research should include data from different sources to address this issue. Third, this study only incorporates AL and LRO as indigenous factors when exploring KM in the Chinese context. Future research should identify new indigenous factors as appropriate to the contexts studied to provide more insight into KM in specific situations (Davison & Martinsons, 2016). Fourth, we focus on PF perception and IF perception because of their significance in the KM context. Nevertheless, future research can examine whether other dimensions of fairness perception will mediate the effects of the three dimensions of paternalistic leadership on tacit KS as well as whether LRO will moderate these mediating processes. Finally, we used two-item scales to measure LRO, PF, and CV. Although the validity of these two-item scales was supported by the results of this study and prior research (Masterson et al., 2000), future studies could use multiple-item ( $\geq 3$  items) scales to reexamine our findings.

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## **Appendix A**

### *A.1. AL*

1. My leader asks me to obey his/her instructions completely.
2. My leader always behaves in a commanding fashion in front of employees.
3. My leader determined all decisions in the organization whether they are important or not.
4. In my leader's mind, the standard subordinate is an employee who obeys his commands completely.
5. We have to follow his/her rules to get things done. If not, he/she punishes us severely.
6. My leader emphasizes that our group must have the best performance of all the units in the organization.

### *A.2. PF perception*

1. The performance evaluation procedure at my organization is a fair one.
2. I am satisfied with the way performance evaluations are done at my organization.

### *A.3. IF perception*

1. My leader treated me in a polite manner.
2. My leader has treated me with dignity.
3. My leader has treated me with respect.
4. My leader has refrained from improper remarks or comments.

### *A.4. Tacit KS intention*

1. I intend to share my experience or know-how from work with my colleagues more frequently in the future.
2. I will always provide my know-where or know-whom at the request of my colleagues.
3. I will try to share my expertise from my education or training with my colleagues in a more effective way.



#### *A.5. LRO*

1. My leader finds it very hard to say “no” when acquaintances make requests.
2. My leader thinks that when dealing with institutions, things can work out more smoothly through the connections of friends working inside.

#### *A.6. CV*

1. I defend my organization when other employees criticize it.
2. I defend my organization when outsiders criticize it.

### **Appendix B**

In Table 4,

Model 1: baseline model

Model 2: combining AL and RO into one factor;

Model 3: combining AL, RO, and IF into one factor

Model 4: combining AL, RO, IF, and PF into one factor;

Model 5: combining AL, RO, IF, PF, and CV into one factor;

Model 6: combining AL, RO, IF, PF, CV, and tacit KS intention into one factor.