CHAPTER 3

HOW CONSIDERATION AND INITIATING STRUCTURE AFFECT MULTIPLE IDENTIFICATIONS AND WORK OUTCOMES: A SOCIAL IDENTITY PERSPECTIVE

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Employee identification is an important asset for contemporary organizations and therefore needs to be managed actively. Interestingly, the social identity approach to leadership suggests that leadership behavior might shape employee identification. Combining this approach with recent insights into the multi-foci nature of identification, this study examines the impact of consideration and initiating structure – respectively a relation-oriented and a task-oriented leadership style – on employee identification with the leader and the organization. We hypothesize that consideration predominantly influences identification with the leader, whereas initiating structure increases employees’ organizational identification. Furthermore, these identifications were expected to partially mediate leadership’s effects on key work outcomes (i.e., individual and unit performance and job satisfaction). The proposed relationships were tested with path modeling technique in a multi-source data set of 475 employees from 75 work units. Results are in line with our hypotheses. The implications of these findings for organizational research and managerial practice are addressed.

KEYWORDS:

Consideration
Initiating Structure
Leader Identification
Organizational Identification
Organizational Outcomes
Employee identification in the workplace fosters a number of desirable outcomes, such as motivation, extra-role performance, well-being, job satisfaction, and retention (e.g., Riketta, 2005; Wegge et al., 2006) and thereby constitutes a crucial competitive advantage for organizations (Fiol, 2001). Relatively recent changes in contemporary work settings, such as more flexible work patterns or virtual collaborations, have furthered organizational scholars’ interest in the concept of identification because strengthening identification requires active management (Albert et al., 2000; Van Dick, 2004). Answering the questions of how identifications can be shaped through every-day work experiences and, consequently, what managers can do to actively foster identification, is therefore crucial for both theory and practice. In this article, we suggest leadership as a powerful instrument to shape identification and, in this respect, focus on consideration and initiating structure to enlarge our understanding of what drives employee identification.

Interestingly, leadership has been theoretically explored from a social identity perspective, suggesting that the fundamental process underlying leadership is its capability to influence followers’ identifications (e.g., Haslam et al., 2011; Hogg, 2001; Reicher et al., 2005). Some researchers have even argued that “leadership […] might derive its effectiveness from its influence on follower self-concept” (Van Knippenberg et al., 2004, p. 839).

Even though this social identity approach to leadership can be regarded as a meta-theory in that it theorizes about effects of leadership on identification in general, most research exploring this approach has focused primarily on charismatic-transformational leadership (Van Knippenberg et al., 2004; see also Horstmeier, Boer, Homan, & Voelpel, 2014 for a meta-analysis). Indeed, the ability to transform followers’ identification in order to motivate employees to work beyond self-interest has been advocated as a unique feature of transformational leadership, which distinguishes it from other leadership styles (e.g.,
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Bass, 1999; Howell & Shamir, 2005; Shamir et al., 1993). Yet, the social identity approach to leadership implies that other leadership styles might also affect followers’ identifications and thereby unfold their effects on outcomes. Hence, an investigation of the leadership-identification-association beyond transformational leadership is necessary to support a more general social identity approach to leadership (Van Knippenberg et al., 2004).

In order to provide a more complete picture of how leadership affects identification, we concentrate on consideration and initiating structure, two dimensions the Ohio State Leadership Studies suggested (Stogdill, 1953). These leadership behaviors reflect two fundamental modes of leadership behavior, directed either toward the task or the person (Fleishman, 1973) and have proven to be both robust and valid in predicting numerous leadership outcomes (Judge et al., 2004). Interestingly, because consideration and initiating structure reflect either a more relationship or task-focused leadership style (De Ru et al., 2011; Yukl, et al., 2002), they are likely to shape followers’ identifications differently.

In this respect, it has been convincingly argued that different foci of identification, such as identification with the organization or the leader⁹, need to be distinguished (Liu et al., 2010; Van Dick, 2001) because they are separable constructs that differentially relate to outcomes. As such, we extend the "correspondence of focus" idea, which has been used to explain identification-outcome relationships (Van Dick et al., 2004), to the relationship between leadership and different foci of identification. We propose that consideration is more closely linked to the interpersonal relationship between leader and follower (Yukl et al., 2002), and is hence primarily related to leader identification. Initiating structure, in contrast, reflects the organizational necessities to efficiently organize work in order to attain organizational goals, and might thus feed directly into organizational identification.

The goals of this study are threefold: First, we aim to provide empirical support for the more general social identity approach to leadership by moving beyond transformational leadership. Second, we will test the correspondence of focus idea in an organizational context. Third, we will examine how different leadership behaviors affect identification with the organization and the leader.

We use the terms “organizational/leader identification” and “identification with the organization/the leader” interchangeably throughout this manuscript.

⁹
leadership and focusing on the link between consideration and initiating structure and identifications of followers. Second, we extend research concerning the correspondence of focus principle to antecedents of identification by demonstrating that consideration and initiating structure can differentially promote identifications, such that each leadership style primarily affects the identification focus to which it corresponds in level. Finally, we seek to replicate and extend previous research on identifications’ relationships to outcomes by showing their differential effects on followers’ job satisfaction, individual performance, and business unit performance. To accommodate the complex interplay of constructs, we apply path analysis techniques and test the proposed relationships within an integrated model.

**Identification with Different Foci at Work**

Employees can identify with a variety of foci in their work environment, such as the organization, the team, or the leader, which are often nested (e.g., Ashforth & Johnson, 2001; Van Dick et al., 2004). Therefore, it is important to understand what an employee identifies with, as employees act in accordance with their identities in that they align their behavior in order to benefit the goals and values of the respective identification target (Haslam et al., 2011; Van Dick, 2001). Empirically, identifications with different foci have been found to be related, but separable constructs (Van Dick, Van Knippenberg, Kerschreiter, Hertel, & Wieseke, 2008), which differentially relate to outcomes (e.g., Johnson et al., 2006; Olkonnen & Lipponen, 2006). More specifically, identifications seem to exhibit the strongest effects on outcomes when identification and outcome correspond in level (Van Dick et al., 2004). In the context of voice behavior, for example, leader identification exhibited the strongest relationship to speaking up to the leader, whereas organizational identification was more strongly linked to speaking out to peers within the organization (Liu et al., 2010).

A similar reasoning may apply to *antecedents*, which may also exert differential effects on identifications with different foci. Some preliminary findings seem to support
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this assumption. For instance, different subfacets of organizational justice (Olkkonen & Lipponen, 2006) or communication climate at different organizational levels (Bartels et al., 2007) have shown unique relationship patterns with different identifications. Extending these lines of research, we propose that different leadership styles might prove especially useful in shaping particular foci of identification. For this purpose, our study focuses on organizational and leader identification. Although organizational identification has been the most prevalent focus in previous research (Van Dick, 2001), relational identification with the leader might play a particularly important role in leadership processes (Lord et al., 1999), and should thus be included in the analysis of leadership processes (Van Knippenberg et al., 2004).

Leadership and Identification

Although many effective leadership styles have been identified, the common underlying process of these behaviors might be their effects on followers’ self-concepts. Evolutionary psychologists have stressed that both leadership and identification are fundamental human processes that enable people to collaborate outside the immediate kin group to achieve joint advantages in survival (Brewer, 2004; Van Vugt, Hogan, & Kaiser, 2008). Similarly, drawing on Social Identity Theory (Tajfel & Turner, 1986) and Self Categorization Theory (Turner et al., 1987), leadership has been suggested to unfold its effects by shaping followers’ identifications (e.g., Hogg, 2001; Lord et al., 1999; Van Knippenberg et al., 2004). In this respect, leadership behaviors appeal to followers’ self-concepts and help to construe or strengthen certain identifications (Lord & Brown, 2004; Lord et al., 1999). Accordingly, defining followers’ identifications is a leader’s key ability (Reicher et al., 2005), as followers behave to promote the values and goals of their acquired identifications and are motivated to exert effort to meet the respective objectives (Ellemers & Rink, 2005; Haslam et al., 2011; Lord & Brown, 2004).

Notwithstanding the paramount theoretical work connecting leadership effects to
followers’ identifications, there is only relatively sparse and fragmented literature on the particular effects of specific leadership styles. As outlined above, most of the current empirical evidence supporting leadership’s influence on identification stems from transformational leadership (Van Knippenberg et al., 2004). Yet, it remains unclear whether the proposed social identity approach to leadership actually holds for other important leadership styles. Although some scattered studies have reported positive correlations between the respective leadership style and identification (e.g., respectful leadership [Van Quaquebeke & Eckloff, 2010], or leader-member-exchange [Sluss et al., 2008]), most have treated identification as a side note. As such, systematic attention to the focus of identification or the specific mechanism by which leadership influences identification is often missing. Moreover, because different identifications may have unique consequences, it is crucial to understand to which identification focus specific leadership styles appeal the most. In order to shed light on these intriguing questions, we concentrate on consideration and initiating structure, arguing that they differentially influence leader and organizational identification.

Consideration’s Influence on Leader and Organizational Identifications

Leaders who show concern for their followers, express appreciation and support, and treat followers as equals are regarded as considerate (e.g., Fleishman & Peters, 1962; Judge et al., 2004). Considerate leaders let followers know that they respect and value them and thereby answer the fundamental human need to be positively affiliated with others (e.g., Huo & Binning, 2008; Meyer et al., 2006; Pratt, 1998). As such, consideration is categorized as a relationship-focused leadership style, which aims to establish a good connection and an affective bond between leader and follower (Yukl et al., 2002, De Rue et al., 2011). Hence, consideration is strongly related to the leader as a person. As followers tend to reciprocate the positive treatment received from their leader, consideration ultimately contributes to a high quality leader-follower relationship, which is a crucial basis
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for leader identification (Sluss & Ashforth, 2007; see also Hogg et al., 2005). In sum, consideration focuses followers’ attention to the personal relationship with the leader and, thus, can be expected to promote leader identification.

Hypothesis 1a: Consideration is positively related to followers’ identification with the leader.

As supervisors are nested within the organization (Ashforth & Johnson, 2001) and appointed by the organization, the positive relationship between consideration and leader identification might spillover to indirectly affect organizational identification. In this respect, lower level identities can be understood as means-end-chains for higher order identities (Ashforth & Johnsons, 2001), so that identifications with lower level targets tend to generalize to higher level ones (Bartels et al., 2007; Sluss & Ashforth, 2008).

Leaders represent the organization to the follower and serve as important sensegivers in the construction of organizational realities, allowing followers to infer information about the organization based on their relationship to their leader (Epitropaki, 2013; Gioia & Chittipeddi, 1991; Levinson, 1965). The relational model of authority, for instance, proposes that employees link fair treatment by a group authority (i.e., the leader) to the group itself (i.e., the organization) and consequently exhibit higher commitment to the group (H. J. Smith, Tyler, & Huo, 2003). Similarly, Sluss et al. (2012) outlined how leader identification subsequently shapes organizational identification through processes of social influence and sense-making. Further illuminating the directionality of the interplay between leader and organization, it has been found that followers’ perceptions of support from the leader informed perceptions of organizational support, whereas the reverse relationship was not supported (Eisenberger et al., 2002). Finally, providing some evidence for the

Adopting an alternative top-down perspective, organizational identification might also trickle down to shape leader identification under different circumstances (e.g., when identification with a new leader is initially inferred from organizational identification). However, because our study focuses on leadership as the starting point to foster identification, we propose a bottom-up generalization as the dominant principle, as the leader is the more proximal target of identification in such a setting (see also Ashforth & Johnson, 2001; Hobman et al., 2011).
generalization hypothesis in leadership contexts, transformational leadership was initially associated with leader identification, which subsequently led to organizational identification (Carmeli et al., 2011; Hobman et al., 2011; Horstmeier et al., 2014). Thus, we propose:

**Hypothesis 1b:** Consideration is positively related to followers’ organizational identification via identification with the leader.

### Initiating Structure’s Influence on Organizational Identifications

Initiating structure reflects the degree to which leaders define and organize work roles and direct followers’ behavior towards goal attainment through planning, communicating, scheduling, coordinating, clarifying task responsibilities, and establishing work routines (e.g., Fleishman & Peters, 1962; Judge et al., 2004). Hence, initiating structure is a task-focused leadership style, aiming primarily at the efficient use of resources and a high reliability of operations and outcomes (Yukl et al., 2002, De Rue et al., 2011). As leadership positions are usually assigned by the organization to fulfill exactly these purposes, initiating structure might be associated more directly with the organization than with the idiosyncratic characteristics of the leader as a person.

Moreover, leadership effectiveness is often evaluated based on “the extent to which performance of […] the organization is enhanced and the attainment of the goals is facilitated” (Yukl, 2013, p. 25), which potentially makes task-focused the core of leadership (Hemphill & Coons, 1957). Given that this link between initiating structure and the overarching organization is likely to be self-evident to followers, employees might be inclined to view the leader as an agent of the organization when structuring the work and directly attribute this task-focused behavior to the organization (Rhoades, Eisenberger, & Armeli, 2001). Hinting at the fact that initiating structure might indeed be associated more with the organization than with the leader as a person, Judge and colleagues’ (2004) meta-analysis revealed that, compared to consideration, initiating structure was less strongly
associated with satisfaction with the leader. Similarly, structuring behavior underlines the existence and consistent application of standardized and transparent work procedures, contributing to employees experiencing their work environment as transparent and fair, a feature which is usually attributed to the organization (Aryee, Budhwar, & Chen, 2002; Walumbwa, Wu, & Orwa, 2008). Thus, we propose that initiating structure fosters organizational identification. In line with our previous "bottom-up" reasoning, we do not link initiating structure to leader identification.

Hypothesis 2: Initiating structure is positively related to followers’ organizational identification.

Multiple Identifications and Organizational Outcomes

In line with previous work and following the correspondence of focus principle, we link the different identification foci to different outcomes. In this respect, the predominant link to an outcome should derive from the identification focus that corresponds best to the outcome in terms of level (Van Dick et al., 2004). For this purpose, we investigate performance and job satisfaction, which are two of the most important outcomes (Guest, 1997).

Job satisfaction. Job satisfaction has been defined as “the sum of the evaluations of the discriminable elements of which the job is composed” (Locke, 1969, p. 330). Hence, an employee’s job satisfaction is an overall affective assessment based on a wide variety of aspects related to the job, such as the task, work relationships, or organizational processes. In this regard, overall job satisfaction has been shown to be a complex construct at a rather abstract and inclusive level (Scarpello & Campbell, 1983), which consequently corresponds best with the more abstract level of organization identification. Thus, we expect job satisfaction to be preliminarily related to organizational identification.

Leader identification, in contrast, is expected to play only an indirect role in explaining job satisfaction via organizational identification. As leader identification is
merely one single aspect among many other factors contributing to job satisfaction, it does not correspond well in level, and therefore we do not predict a direct relationship between leader identification and job satisfaction.

_Hypothesis 3a: Organizational identification is positively related to job satisfaction._

**Individual and Unit Performance.** Performance entails meaningful work behaviors that are directed toward effectiveness and productivity. Assessing performance usually involves an evaluation against expected or ideal performance standards (e.g., Cooper & Rothmann, 2008) and can be measured at different levels, resulting in individual, unit, or organizational performance (McKenna, 2012; Podsakoff, Ahaerne, & MacKenzie, 1997). Following prior research, we differentiate individual from business unit performance (Seibert, Silver, & Randolph, 2004).

With respect to individual performance, supervisor ratings are the most common form of performance assessment as they can be applied in situations in which objective, comparable measures are not available and exhibit the highest reliability in comparison to others’ ratings (Conway & Huffcutt, 1997; Landy & Farr, 1980; Viswesvaran, Ones, & Schmidt, 1996). As such, supervisors usually indicate the degree to which they consider an employee to demonstrate desirable behaviors, such as executing tasks or following rules and instructions (McKenna, 2012). Thereby, individual performance reflects an evaluation of the employee’s behavior vis-à-vis the assignments and expectations set by their respective leader. In this regard, leader identification serves to align the employee’s behavior with the requirements put forward by the leader and to make the employee act in accordance with the values and goals associated with the specific leader-follower relationship (Haslam & Platow, 2001; Sluss et al., 2012). In addition, an employee’s leader identification raises the salience of the particular leader-follower relationship (Haslam et al., 2011). As such, leader identification renders recognition from the leader especially important and failure to meet the leaders’ expectations may instigate feelings of guilt (Grant
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& Wrzesniewski, 2010), such that employees are motivated to perform well in order to please their leader. A few studies have found a positive relationship between leader identification and individual performance (Hobman et al., 2011; X. Wang & Howell, 2012). Thus, we propose that leader identification corresponds in level with individual performance.

Hypothesis 3b: Identification with the leader is positively related to individual performance.

Business unit performance, on the contrary, involves a broader organizational perspective in that the unit’s success is evaluated in reference to the organization’s higher-order ends and is thus best assessed by a higher-order manager (Seibert et al., 2004). This implies that a unit’s performance is high when unit members care about what the organization values and are motivated to jointly contribute to the organization’s success through their unit’s output. Therefore, unit performance corresponds strongly with organizational identification in level. Because unit performance is inherently a unit level construct, we propose that unit members’ average organizational identification, which represents the unit’s overall organizational identification (see also Howell & Avolio, 1993; Van der Vegt & Bunderson, 2005 for similar approaches), predicts unit performance.

Hypothesis 3c: Followers’ average organizational identification is positively related to business unit performance.

Identification as a Mediator of the Leadership-Outcome Relationship

Combining the hypotheses outlined above, we propose a comprehensive model of consideration and initiation structure’s relationships to identifications and outcomes. Following the reasoning that identification might be the underlying mechanism through which leadership behaviors unfold their effects on outcomes (Van Knippenberg et al., 2004), we propose that consideration and initiating structure will affect organizational outcomes via leader and organizational identification respectively. Moreover, we argue that
leader identification might eventually inform organizational identification through the generalization of leader identification to the organization as a higher level entity, and as such indirectly influence outcomes that correspond in level with organizational identification.

_Hypothesis 4a:_ Identification with the leader mediates the relationship between consideration and individual performance.

_Hypothesis 4b:_ Leader and organizational identification sequentially mediate the relationship between consideration and job satisfaction.

_Hypothesis 4c:_ Followers’ average leader and organizational identification sequentially mediate the relationship between the unit’s average consideration and unit performance.

_Hypothesis 5a:_ Initiating structure is positively related to job satisfaction via organizational identification.

_Hypothesis 5b:_ Followers’ average initiating structure is positively related to unit performance via followers’ average organizational identification.

**METHOD**

**Sample and Procedure**

We surveyed blue-collar workers and their respective leaders, who work for a large German facility management company, consisting of three divisions (technical, building maintenance, and cleaning), within a larger employee survey. The first and third author collected data on site through paper-pencil questionnaires. Leaders and followers were invited to separate meetings during working hours and could participate on a voluntary basis. Overall, 73% of the invited front-line employees attended the data collection meetings and of those 90% participated in the survey, resulting in an overall sample of 608 employees and 94 leaders from 94 business units. In addition, managers, who were a
hierarchical level above the leader, rated the unit’s performance with time lag of six month to provide some evidence with respect to the directionality of the relationship (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).

We defined criteria in order to ensure data quality of individual employees and business units. In this respect, participants who were not seriously interested in participating in the survey probably stopped at a very early point. Thus, we excluded all participants who completed only 30% or less of the survey ($n = 59$). Additionally, to ensure the representativeness of the sample for the business units, we excluded units a) if fewer than three followers completed the questionnaire and b) if they yielded a response rate of below 50% of the employees invited to the survey meeting.

Applying these criteria, we obtained a sample of 475 employees and their respective leaders from 75 business units. The employees had an average age of 44.24 years ($SD = 12.03$) and the sample consisted predominantly of male participants (88%). Most employees had completed 10 years of school, receiving a Secondary Education Diploma (86%). Only 3% had not completed their Secondary Education, while 9% held a diploma qualifying them to enter a university. Employees had, on average, worked for their respective business units for 9.46 years ($SD = 7.88$) and had worked with their respective leaders for 5.71 years ($SD = 4.91$). Leaders had a mean age of 46.44 years ($SD = 9.74$) and 91% were male. Most leaders held a Secondary Education Diploma (78%) or a university entrance diploma (15%). On average, they had 8.29 years ($SD = 6.10$) of leadership experience in their current position. The business units ranged in size from 5 to 35 employees ($M = 9.75; SD = 6.93$).

As path analyses in Mplus, which we used for our data analysis, require full data sets without any missing values, we excluded all participants who had a missing value on one of the core variables ($n = 97$), resulting in an overall sample size of 378 participants from 74 business units. To check for systematic distortion of our sample, we investigated whether
excluded participants differed systematically from those included with respect to the demographic or context variables (i.e., age, gender, education, unit tenure, leader tenure, and division) with a series of $t$-tests and Pearson’s Chi-square tests. We found that excluded participants were slightly more likely to work in the technical division than expected by chance ($\chi^2[2] = 8.62, \ p = .01$), but no other differences were detected.\(^{11}\) Hence, even though we found minor differences between included and excluded participants with respect to division, the sample in general can be regarded as representative of the organization.

In order to examine the effects of leadership and identification on business unit performance, we investigated a second path model at the unit level. For this model, one business unit had to be excluded from the analyses as no performance rating could be obtained, resulting in a sample size of 74 units for this model.

**Measures**

If not indicated otherwise, we measured all items on a 5-point scale ranging from 1 “strongly disagree” to 5 “strongly agree.” Whereas employees rated their own identifications, job satisfaction, and their leader’s consideration and initiating structure, leaders provided individual performance ratings for their subordinates. Finally, six months after employees and leaders completed their questionnaires, higher level managers provided business unit performance ratings.

**Ohio leadership dimensions: consideration and initiating structure.** We assessed consideration and initiating structure based on the Leader Behavior Description Questionnaire (Stogdill, 1962). The scale measuring consideration consisted of six items such as “My leader treats all group members as his/her equals” and exhibited a good internal consistency (Cronbach’s $\alpha = .87$). Initiating structure was assessed with seven items.

\(^{11}\) Additionally, we investigated potential biases in our sample based on predictor variable ratings (i.e., leadership behaviors and identifications). The results of the corresponding $t$-tests revealed that excluded participants did not differ from included participants on any of these variables.
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(Cronbach's $\alpha = .86$). A sample item is “My leader decides what shall be done and how it shall be done.” In light of the high correlation between the two leadership styles and following previous suggestions (e.g., L. G. E. Smith, Amiot, Callan, Terry, & Smith, 2012), we ensured that consideration and initiating structure are separable constructs by performing confirmatory factor analyses in MPlus. As expected, the two-factor model fit the data better than the one-factor model ($\Delta \chi^2/\Delta df = 196.96, p < .001$).

Identification. Identification was measured with the five items developed by Mael and Ashforth (1995). We used parallel versions of the scale but used either “leader” or “organization” as referent to represent the respective focus of identification (for a similar approach see Carmeli et al., 2011). Sample items are “My organization’s [My leader’s] successes are my successes” and “I am very interested in what others think about my organization [my leader].” Both identification scales exhibited good Cronbach's alpha reliabilities (organizational identification: $\alpha = .90$; identification with the leader: $\alpha = .85$). Again, we performed confirmatory factor analyses to underline that identification with the leader and the organization are two distinct constructs and found that the two-factor model was superior to the one-factor model ($\Delta \chi^2/\Delta df = 586.22, p < .001$).

Individual performance. Leaders provided individual performance ratings for each of their employees by answering two items adapted from Van der Vegt and Bunderson (2005). Accordingly, the items such as “Compared to other employees performing a similar task, how would you rate this employee regarding overall achievement” were rated with the anchors 1 “far below average” to 5 “far above average.” The high intercorrelations between the two items ($r = .77, p < .001$) allowed us to combine both items into an overall performance score.

Business unit performance. We assessed business unit performance six month after the leadership and identification ratings in order to provide some evidence in favor of the temporal sequence of leadership’s and identifications’ effects on unit performance.
(Podsakoff et al., 2003). To this end, managers at a higher hierarchical level were asked to rate the business unit’s performance in comparison to other units performing similar tasks using the same two items taken from Van der Vegt and Bunderson (2005). Again, the high item intercorrelation ($r = .68, p < .001$) justified the combination of the two items into an overall performance measure.

Job satisfaction. Job satisfaction was measured using three items developed by Hackman and Oldham (1975), such as “All in all, I am satisfied with my job.” Unfortunately, one reversed coded item had to be removed from further analyses due to an extremely low item-to-scale correlation ($r = .11$). The remaining two items, however, were highly intercorrelated ($r = .62$) and were therefore combined to form a single measure of job satisfaction.

Control variables. Employees and supervisors provided further information on demographics, such as age, gender, and educational background. Furthermore, employees indicated how long they had been working for the unit and the leader, whereas leaders reported their position tenure. The company provided additional information on the business unit size, the division to which the unit belonged, and the number of employees available for each survey meeting.

Data Analysis Strategy

We analyzed our data using a path analysis approach in MPlus. Path analyses enable researchers to model relationships between several correlated predictor and outcome variables in a comprehensive model based on a theoretically derived causal conception (Geiser, 2010). Thereby, path analyses offer, for instance, the advantage of establishing the relative importance of predictors for outcomes, modeling a chain of sequential effects, or exploring mediation by examining indirect effects (J. R. Edwards & Lambert, 2007; Geiser, 2010). In a first path model, we examined the basic model relating leadership behaviors to
identifications and individual level outcomes as outlined above. Besides indicators of the overall model fit based on Schermelleh-Engel and Mosbrugger’s (2003) recommended cut-offs, we assessed both the significance of the individual paths pertaining to our specific hypotheses as well as the indirect effects of leadership on outcomes. As all our hypotheses are directional, we report one-tailed significance levels. Additionally, we calculated 95% confidence intervals for indirect effects using a Monte Carlo simulation based tool developed by Selig and Preacher (2008) to provide additional evidence in support of the proposed mediations. Finally, we tested alternative models to further enhance confidence in the adequacy of the presented model.

The first model required a multilevel approach, since several employees were nested within one leader. As the primary focus of our research is the relationship between leadership style and identification, which we conceptualize to operate at the individual level, we performed path analyses using complex data analysis in MPlus (Muthén & Satorra, 2005). This technique is equivalent to multilevel modeling with grand-mean centered variables, which is appropriate when one is interested in individual level effects while controlling for the nestedness of the data (Enders & Tofighi, 2007).

Following previous research on business unit performance as a unit level outcome, we aggregated leadership and identification ratings to the unit level (see also Boehm, Dwertmann, Bruch, & Shamir, 2014; Hirak, Peng, Carmeli, & Schaubroek, 2012; Schaubroek, Lam, & Cha, 2007). For this purpose, we calculated mean unit scores to represent the unit’s average leadership perceptions and identifications. To justify aggregation of the employees’ individual scores to the unit level, we assessed several criteria of interrater reliability, that is ICC(1) and ICC(2), and interrater agreement (median $r_{wg(j)}$; James, Demaree, & Wolf [1984]), for each construct (Bliese, 2000; Biemann, Cole, & Voelpel, 2012). With respect to consideration and initiating structure, both one-way ANOVAs exhibited significant results ($F_{[74,396]} > 2.42, p < .001$), demonstrating that units
varied systematically in perceived leadership style. ICC(1), ICC(2) and \( r_{wg(j)} \) values were .28, .69, and .86 for consideration and .20, .58, and .90 for initiating structure. Moreover, business units varied in terms of their organizational (one-way ANOVA: \( F[74,376] = 1.49, p = .01; \) ICC(1) = .09, ICC(2) = .36, and \( r_{wg(j)} = .71 \)) and leader identification (one-way ANOVAs: \( F[74,395] = 2.07, p < .01; \) ICC(1) = .16, ICC(2) = .54, and \( r_{wg(j)} = .59 \)). Taken together, these agreement indices were in line with previous research (e.g., Blickle et al., 2013; Hakonen & Lipponen, 2008; Homan & Greer, 2013; Lichtenstein, Netemeyer, & Maxham III, 2010) and provide sufficient justification for data aggregation.

**RESULTS**

Before conducting the main analyses, we calculated zero-order correlations for the key variables of our model (see Table 3.1). Although the zero-order correlations neither
Figure 3.1. Results of the individual level path model showing the effects of consideration and initiating structure on individual performance and job satisfaction via leader and organizational identification.

Note. $N = 378$, Clusters = 74. ** $p < .01$ (one-tailed). Model fit indices: $\chi^2(7) = 9.37$, RMSEA = .03, SRMR = .02, CFI = .99, TLI = .99.

take the nested data structure nor the complex interplay between predictor variables and outcomes into account, these initial results are encouraging as all correlations pertaining to the hypothesized relationships are positive and significant.

Individual Level Model

Overall model fit. We set up a path model based on the specific hypotheses outlined above and added direct paths from leadership styles to outcomes, if suggested by the modification indices following the recommendations for model fitting processes (Byrne, 2012). In this respect, we included a direct path from consideration to job satisfaction into the model and calculated the model fit using complex data analysis in MPlus. Figure 3.1 depicts an overview of the model and the path coefficients for each path. This proposed model exhibited an excellent overall model fit ($\chi^2[7] = 9.37$, $\chi^2/df = 1.34$, RMSEA = .03, SRMR = .02, CFI = .99, TLI = .99).

Leadership and identification. As can be seen from the model’s results, the path coefficient from consideration to identification with the leader pertaining to Hypothesis 1a
was significant ($\gamma_{H1a} = .50; p < .001$). Regarding consideration’s indirect effect on organizational identification via leader identification (Hypothesis 1b), both significant positive paths from consideration to leader identification (see $H_{1a}$) and from leader identification to organizational identification ($\gamma_{H1b} = .43; p < .001$) are prerequisites. We consequently calculated the corresponding indirect effect ($\gamma_{ind} = .22, p < .001$). Additionally, the 95% confidence interval excluded zero (95% CI [.17, .33]). Both analyses support Hypothesis 1b. Finally, in line with Hypothesis 2, the path coefficient connecting initiating structure to organizational identification was also significant ($\gamma_2 = .18; p < .001$).

Identification and outcomes. As outlined above, we predicted that identification with the leader and the organization are differentially related to outcomes depending on the correspondence of focus between identification and outcome (Van Dick et al., 2004). In line with Hypothesis 3a, the path coefficient from leader identification to individual performance was positive and significant ($\gamma_{H3a} = .22; p < .001$). Similarly, we found a positive path coefficient pertaining to the path from organizational identification to job satisfaction ($\gamma_{H3b} = .37; p < .001$), supporting Hypothesis 3b.

Indirect effects of leadership on outcomes. Table 3.2 presents a summary of all mediation analyses, including information about indirect effects (J. R. Edwards & Lambert, 2007) as well as 95% confidence intervals (Selig & Preacher, 2008).

The mediation of consideration on individual performance via leader identification (Hypothesis 4a) was supported by both the indirect effect ($\gamma_{ind} = .11, p < .001$) and the corresponding 95% confidence interval [.05, .14]. We also found a specific indirect effect of consideration on job satisfaction via leader and organizational identification ($\gamma_{ind} = .08, p < .001$). As the Monte Carlo simulation tool is only able to handle one mediating variable at a time, we split the mediation into two parts and report a confidence interval for each segment. In support of Hypothesis 4b, both confidence intervals excluded zero (95% CIs [.17, .33]) and [.09, .18], respectively). Finally, the results provide evidence for the
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mediation from initiating structure to job satisfaction via organizational identification
($\gamma_{\text{ind}} = .07, p < .001; 95\% \text{ CI} [.02, .13]; \text{Hypothesis 5a}).

As Figure 3.1 indicates, we also included a direct path from consideration to job
satisfaction to adequately represent the data structure. Thus, the effect of consideration on
job satisfaction via leader identification was a partial mediation (see Hypothesis 4b). In
contrast, both mediations from consideration to individual performance via leader
identification (Hypothesis 4a) and from initiating structure to job satisfaction via
organizational identification (Hypothesis 5a) were full mediations as adding the direct paths
did not improve the model fit (direct path from consideration to leader performance:
loglikelihood difference test $\chi^2[1] = 3.54, p = .06$; direct path from initiating structure to job
satisfaction: loglikelihood difference test $\chi^2[1] = 2.26, p = .13$). Finally, we explored
whether initiating structure might have a direct relation with individual performance.
Again, we found that adding this path did not improve the model fit (loglikelihood
difference test $\chi^2[1] = 0.06, p = .80$).

Control Variables. Before turning to conceptually different models, we assessed the
effects of control variables on our model. Following Becker’s (2005) suggestion to exclude
impotent control variables in order to preserve power, we calculated multiple regression
analyses for all endogenous variables of the model (i.e., identifications and outcomes),
regressing them on control variables (i.e., age, gender, educational background, unit and
leader tenure, and division; Kraimer, Seibert, Wayne, Liden & Bravo, 2011). Based on the
results, we included division (dummy-coded, reference category: technical) and age as
controls by adding the respective paths from these controls to identifications and outcomes.
The model fit for the model including the control variables was still excellent ($\chi^2[10] =
12.05, \chi^2/df = 1.20, \text{RMSEA} = .02, \text{SRMR} = .02, \text{CFI} = .99, \text{TLI} = .98$) and the pattern of
results did not change.

Alternative models. As a first alternative model, we investigated whether initiating
structure might affect identifications in a similar way as consideration affected it. Therefore, we tested a model in which initiating structure first led to leader identification, which in turn predicted organizational identification. This model fit the data acceptably ($\chi^2 [7] = 18.28$, $\chi^2/df = 2.61$, RMSEA = .07, SRMR = .05, CFI = .96, TLI = .93) but exhibited worse fit indices than the proposed model. Moreover, this alternative failed to meet the standards for a good model fit suggested by Schermelleh-Engel and Mosbrugger (2003), as the path from initiating structure to leader identification failed to reach significance.

For the second alternative model, we examined the possibility of dual effects of leadership on identification (Kark & Shamir, 2007) and tested a model in which both leadership styles simultaneously predicted leader and organizational identification. As indicated by the model fit indices, this model did not fit the data well ($\chi^2 [8] = 70.29$, $\chi^2/df = 8.79$, RMSEA = .14, SRMR = .08, CFI = .80, TLI = .66).

Furthermore, we investigated the possibility of an additional top-down effect from organizational identification to leader identification. Adding the respective path, however, did not improve model fit (loglikelihood difference test $\chi^2 [1] = 0.33$, $p = .56$). Thus, we found no support for the top-down relationship.

Finally, we explored the relationships between identifications and outcomes more closely by specifying a model in which both identifications predicted individual performance and job satisfaction. Again, the model fit was acceptable but the fit indices were worse in comparison to the proposed model ($\chi^2 [7] = 23.47$, $\chi^2/df = 3.35$, RMSEA = .08, SRMR = .04, CFI = .95, TLI = .99).

**Business Unit Level Model**

**Overall model fit.** We calculated a separate path model at the unit level to accommodate for unit performance as an outcome, which is depicted in Figure 3.2. This model exhibited an excellent overall fit ($\chi^2 [5] = 1.00$, $\chi^2/df = 0.20$, RMSEA = .00,
SRMR = .02, CFI = 1.00, TLI = 1.16). In correspondence with the individual level model, all specified paths from average leadership behaviors to average identifications as well as between average leader and organizational identification were positive and significant ($\gamma$s = .33 - .52, $p$s < .001).

**Effects on unit performance.** We initially assessed the relationship between the unit’s average organizational identification and unit performance and found a positive path coefficient ($\gamma_{3c} = .22, p = .03$), supporting Hypothesis 3c. Furthermore, we investigated the mediation of leadership styles on unit performance via identifications (see Table 3.2).

Whereas the indirect effect from initiating structure to unit performance was significant ($\gamma_{ind} = .10, p = .05$), the indirect effect of consideration was only marginally significant ($\gamma_{ind} = .04, p = .06$). Along the same lines, the 95% confidence intervals included zero on their lower end (see Table 3.2), whereas the 90% confidence intervals were all above zero (90% CIs [.01-.07, .18-.21]). Thus, Hypothesis 5b received partial support, whereas evidence for Hypothesis 4c was only marginally significant.
Control variables. Again, we followed Becker’s (2005) approach outlined above and regressed the identifications and unit performance on control variables (i.e. unit’s average age, leader tenure, unit tenure, and educational level as well as percentage of males in unit, unit size, and division) and retained only those that were significant for the final model (Kraimer et al., 2011). Therefore, we controlled only for division (dummy-coded, reference category: technical) by adding respective paths and found an impaired model fit ($\chi^2 [9] = 9.24, \chi^2/df = 1.03, \text{RMSEA} = .02, \text{SRMR} = .07, \text{CFI} = 1.00, \text{TLI} = 0.99$). Yet, the pattern of

<table>
<thead>
<tr>
<th>Mediation</th>
<th>Indirect effect</th>
<th>p</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. consid $\rightarrow$ leader id $\rightarrow$ individual perform</td>
<td>.11</td>
<td>&lt; .001</td>
<td>[.05, .14]</td>
</tr>
<tr>
<td>2. consid $\rightarrow$ leader id $\rightarrow$ org id $\rightarrow$ satisfaction$^1$</td>
<td>.08</td>
<td>&lt; .001</td>
<td>[.17, .33]</td>
</tr>
<tr>
<td></td>
<td>consider $\rightarrow$ leader id $\rightarrow$ org id</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>leader id $\rightarrow$ org id $\rightarrow$ satisfaction</td>
<td></td>
<td>[.09, .18]</td>
</tr>
<tr>
<td>3. consid $\rightarrow$ leader id $\rightarrow$ org id $\rightarrow$ unit perform$^1$</td>
<td>.04</td>
<td>.06</td>
<td>[.06, .29]</td>
</tr>
<tr>
<td></td>
<td>consider $\rightarrow$ leader id $\rightarrow$ org id$^2$</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>leader id $\rightarrow$ org id $\rightarrow$ unit perform$^2$</td>
<td></td>
<td>[-.00, .20]</td>
</tr>
<tr>
<td>4. structure $\rightarrow$ org id $\rightarrow$ satisfaction</td>
<td>.07</td>
<td>&lt; .001</td>
<td>[.02, .13]</td>
</tr>
<tr>
<td>5. structure $\rightarrow$ org id $\rightarrow$ unit perform$^2$</td>
<td>.10</td>
<td>&lt; .05</td>
<td>[.00, .24]</td>
</tr>
</tbody>
</table>

*Note. N = 471 from 75 units. Consid = consideration, structure = initiating structure, org = organizational, id = identification, perform = performance. All indirect effects tests are one-tailed.

$^1$ The Monte Carlo simulation tool is only capable of handling a simple mediation at a time. Hence, the overall mediation was split into two parts and 95% confidence intervals are reported for each part.

$^2$ We used the unit’s average score for leadership behaviors and identifications to aggregate them to the unit level.
results remained stable, even though the path from organizational identification to unit performance turned out to be only marginally significant in this model.

**Alternative model.** As we were mainly interested in relationships predicting unit performance in this model, we limited our testing of alternative models to include additional direct effects from leadership styles or leader identification to unit performance, respectively. The results show that neither a direct path from consideration (Δχ^2/Δdf = 0.33, p = .57) nor from initiating structure (Δχ^2/Δdf = 0.07, p = .79) to unit performance improved the model fit. Likewise, the enlarged model including a direct link from leader identification to unit performance did not exhibit a superior model fit (Δχ^2/Δdf = 0.21, p = .65).

**DISCUSSION**

Building on the social identity approach to leadership, we investigated the differential effects of consideration and initiating structure on leader and organizational identification and their mediating function for important organizational outcomes (i.e., job satisfaction, and individual and unit performance). More specifically, we extend the correspondence of focus principle (Van Dick et al., 2004) to antecedents of identification and found that consideration, which is a relation-focused leadership style (Yukl et al., 2002), primarily influences leader identification. In contrast, initiating structure, a task-focused leadership style (Yukl et al., 2002), feeds directly into organizational identification. Furthermore, leader identification predicts individual performance, whereas organizational identification is a precursor of job satisfaction and unit performance. Given that nested identifications are often not independent (Ashforth & Johnson, 2001), our data also support the assumption that personal experiences with the leader, which initially foster leader identification, might generalize and thereby inform identification with a higher-order identity, such as the organization. Finally, our results show support for the (partial) mediation of consideration and initiating structure on individual performance and job satisfaction through leader and
organizational identification. Interestingly, we found mixed evidence for the mediation analyses regarding consideration’s and initiating structure’s relationships to unit performance: Whereas we found an indirect effect of the unit’s average initiating structure on unit performance via the unit’s average organizational identification, the corresponding 95% Monte Carlo confidence interval and the mediation analysis pertaining to the consideration-unit performance relationship were only marginally significant.

**Theoretical Implications**

Our research contributes to the leadership and identification literatures in multiple ways. First, based on the social identity approach to leadership (e.g., Haslam et al., 2011; Lord et al., 1999; Van Knippenberg et al., 2004), we provide a systematic theoretical and empirical examination of the relationships between leadership behaviors and identifications, which has been missing in prior research (e.g., Sluss et al., 2008; Van Quaquebeke & Eckloff, 2010). In fact, previous studies have tended to sideline identification, although our research suggests that identification might constitute an essential mechanism to explain leadership effectiveness. As such, our research points to identification as a key variable in leadership research and implies that the capability to shape followers’ self-concepts is not a unique feature of transformational leadership (e.g., Bass, 1999; Shamir et al., 1993; Howell & Shamir, 2005), but instead might be a property similarly akin to a variety of leadership styles. Our research – in combination with scattered prior evidence – thereby also provides valuable initial evidence for the proposition that a broad range of leadership styles might unfold their effects through shaping followers’ identifications.

Second, and importantly, applying the social identity reasoning to specific leadership styles and combining it with the multi-foci approach to identification, our study highlights that different leadership styles predominantly shape identifications with different foci. Interestingly, our finding that both consideration and initiating structure are important in
shaping different foci of identification perfectly complement conclusions from a recent meta-analysis (De Rue et al., 2011) on the leadership-outcome relationships: Their finding that initiating structure is the most important leadership behavior for group and unit performance can be understood in the light of its immediate influence on organizational identification, which in turn enhances unit performance. Consideration, in contrast, was found to be most strongly related to leader satisfaction, which can be viewed as a leader specific outcome (De Rue et al., 2011) directly tied to a strong identification with the leader.

Third, in suggesting differential effects, this study extends the correspondence of focus principle from identification-outcome-relationships to the study of identifications’ antecedents and provides an explanation for differential effects beyond the specifics of the leadership style under study. According to the correspondence of focus principle, any particular leadership style is most likely to exhibit the primary relationship to the identification focus to which it corresponds in level (Van Dick et al., 2004). This implies that not all leadership styles are equally suited to shape any focus of identification, but that a leadership style that matches the particular focus of identification is expected to have the strongest effects. Similarly, this study adds to the accumulating evidence that demonstrates differential effects of identifications on outcomes. To our knowledge, ours is the first identification study to explicitly distinguish between individual and unit performance and one of the few that systematically addresses both leader and organizational identifications’ relationships to outcomes (for exceptions see Lian et al., 2011 or Liu et al., 2010).

Finally, with respect to the identification literature, the presented research attunes to the assertion that employee identification is not a uniform construct and thereby stresses the necessity to separate identifications according to their foci. Consequently, researchers should carefully consider the appropriate focus of interest and oftentimes a single focus might not be sufficient to represent all the relevant identification processes. At the same
time, we acknowledge that nested identifications, such as leader and organizational identification, do not refer to clear-cut separate identities, but that they are frequently interrelated (Ashforth & Johnson, 2001), as is reflected by the generalizing effect from leader to organizational identification. This is especially likely when two identifications share members and therefore overlap. Researchers investigating just one focus of identification could thus run the risk of finding relationships between the focus of identification under study and antecedents or outcomes, which are actually due to another missed focus of identification (i.e., an important, yet neglected third variable). With reference to our presented model, one could find a spurious organizational identification-individual performance association, which could wrongfully highlight organizational identification as a lever for individual performance. Therefore, researchers are encouraged to include several identification foci in their research and provide a comprehensive theoretical argument and rigorous hypotheses regarding the differential relationships of identifications.

**Managerial Implications**

Our research, alongside other recent studies (e.g., Blickle et al., 2013; Lambert, Tepper, Carr, Holt, & Barelka, 2012; Piccolo, Bono, Heinitz, Rowold, Duehr, & Judge, 2012), emphasizes that consideration and initiating structure still have significant practical benefits for contemporary organizations. As such, the two leadership behaviors serve not only to obtain key organizational outcomes, but are also apt to shape followers’ identifications. This implies that consideration and initiating structure are powerful proximal leverages – as opposed to more distal and thereby less influenceable antecedents such as organizational prestige (Bartels et al., 2007) or role characteristics (Wan-Huggins et al., 1998) – to enhance followers’ identifications with the leader and the organization. Our study was greatly inspired by and further supports the social identity approach to leadership, which implies that a broad range of leadership behaviors might be a fruitful
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managerial way to advance follower’ identifications. These identifications, in turn, can stipulate performance and satisfaction, and even further outcomes beyond the ones addressed in our research. In this regard, they might serve as an important organizational asset that benefits a wide variety of relevant outcomes simultaneously. Notably, our approach to study multiple identifications further clarifies that it is crucial for managers to choose the most adequate focus of identification based on the correspondence of focus principle when (a) implementing managerial strategies to foster identification with a specific focus and (b) identification is promoted as a means to advance specific outcomes.

Strengths, Limitations, and Further Research

First, we employed a path modeling technique in our analyses to capture the complex interplay between the variables under study and carefully deducted the direction of the modeled paths form well-grounded theory and prior empirical research. Yet, our correlational data prevents us from drawing causal inferences from our analysis. It is noteworthy, however, that our data were derived from three different sources (employees, leaders, and higher level managers) and that hence a same source bias cannot explain our results. Furthermore, we applied a time-lagged design, collecting unit level performance ratings with a delay of about six month, in order to shed some light on the directionality of the effects based on their sequential order in time. Nevertheless, further longitudinal investigations and experiments are necessary to confirm the causal nature of the proposed relationships.

Moreover, to ensure high data quality both at the individual and the unit level, we applied strict criteria for the inclusion of participants and units, resulting in a final sample of 475 employees from 75 business units. While this is an impressive number of field data units and perfectly in line with prior higher level studies (Seibert et al., 2004; Van der Vegt & Bunderson, 2005; X. Wang & Howell, 2012), our sample might still not have been sufficient to completely prevent power restrictions. In this regard, the possibility to detect
indirect effects on unit level performance might have been limited. While the specified paths of the model were in line with our assumptions, the indirect effect of consideration on unit performance was only marginally significant. However, given that we proposed a sequential, indirect effect of consideration on unit performance via leader and organizational identification, this effect was a priori expected to be small and consequently especially prone to be missed, when statistical power is restricted. Future research should thus strive for larger numbers of units whenever possible in order to assure sufficient power to test unit level hypotheses.

Furthermore, all of our data were collected within a single organization, which kept the organizational context of our research constant and thus reduced systematic error variance due to variances in context (Sarris, 1992). Likewise, our study focused on blue-collar front-line workers, a target group often neglected in organizational research. Yet, at the same time, this specific sample might limit the generalizability of our findings. Even though the processes and principles on which our research is based have been described before and can be expected to hold also for other populations, future research should replicate our findings for different organizations, occupational groups, or cultural contexts.

Finally, a fruitful avenue for future exploration is research based on the social identity approach to leadership. Given the promising initial support for the social identity approach, the range of leadership style studies needs to be expanded to include yet a broader variety. Importantly, future research should incorporate multiple foci of identification and investigate for each leadership style, which focus of identification it primarily affects. In this regard, it remains for future research to explore whether leadership styles pertaining to the same meta-category in taxonomies of leadership behaviors (Yukl et al., 2002, De Rue et al., 2011) follow similar patterns. All relation-oriented leadership styles, for instance, could primarily foster leader identification, whereas all task-oriented leadership styles could enhance organizational identification. Additionally, it could be interesting to examine how
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identification compares to other known mediators of leadership-identification relationships and which boundary conditions exist for leadership’s effects on identifications.

Conclusion

In our study, we use path analyses to model how consideration and initiating structure foster leader and organizational identification, respectively, and how these, in turn, affect different outcomes. As such, our study provides a more comprehensive examination of the social identity approach to leadership by illustrating the role of consideration and initiating structure in differentially shaping employee identifications at work. Moreover, we illustrate the importance of extending the correspondence of focus principle from identification-outcome-relationships to antecedent-identification-relationships by demonstrating that the two different leadership behaviors differentially feed into leader or organizational identification. As such, this work sets the stage for a more elaborate and inclusive examination of the role of the leader in developing different identifications at work.