

# From Leadership to Staff-Ship: A Dual Balanced Framework in Corporation Management

Chen Hong'an and Jiang Ji

**Abstract**—Concerning the call for employee power in practice and the lack of employee-related theories in researches, we put forward the concept of staff-ship, modeling the form of leadership. The structure and content of “staff-ship” can be illustrated by the empowerment theory. Then we construct a dually balanced framework in leadership and staff-ship and adopt it in some cases. This framework can help us better understand the relationship between leadership and staff-ship and to help explain the problems which cannot be illustrated by the existing management theories.

**Index Terms**—Empowerment, staff-ship, leadership, employee, framework.

## I. INTRODUCTION

In September 2015, Volkswagen CEO, Martin Winterkorn, announced that he had submitted his resignation to the Board of Directors. His leaving took place after Audi's emission cheating scandal and he could still get \$32 million of pension. At the same time, he definitely shirked his responsibility in the event.

There is another event. As is shown in the financial statement of the first quarter in 2016, Lenovo Group's annual net loss has reached \$1.28. CEO Yang Yuanqing announced that he would abandon the bonus. Earlier, Lenovo has been accused of its difficulties in transformation and its loss in finance with its executives still paid with high commissions.

The society is questioning the executives mainly because of their contributions not corresponding with their salaries. Besides, there are large gaps between employees and leaders in power and rewards, which brings that leaders with high authority exercise privileges while employees with low authority are restricted. The balance between leaders and staffs is broken in the enterprises. And the same situation exists in the theoretical research. Most researches in management are done from the perspective of the leaders' and few researches are concerning the staff. Topics about employees are not systematic. What's more, the leadership theories are disciplined and integral including various dimensions such as behavior, role while no definition of staff's abilities and authorities is given by the researchers, modeling the form of leadership.

Based on the current situation, we put forward the concept of staff-ship, modeling the form of leadership, and analyze its structure and content from the perspective of Empowerment theory. After that, we construct a dual balanced framework in leadership and staff-ship that can be used to

analyze the development of enterprises. This framework can help us better understand the relationship between leadership and staff-ship and to help explain the problems which cannot be illustrated by the existing management theories.

## II. RESEARCH BACKGROUND

### A. The Objective Demand of Practice

As a part of enterprises, employees are growing more and more important with the development of times and societies. There're two reasons for the phenomenon.

The first reason is the changing of the external environment. Internet brings about digital and globalization trends. However, the external environment changes more and more rapidly, and it has been increasingly difficult to predict the markets. Lacking the ability to make right decisions and changes timely, even great business may meet closure crisis. However, with isolated markets transiting to multilateral or global markets through Internet, the organization work shifts from simple routine work to complex knowledgeable work. It is unreasonable to rely solely on the leader to plan, organize, direct, control, which may bring high risks. Then the additional parts of the enterprise, employees are needed to support the operation.

The second reason is the changing in staff qualities. Nowadays, employees are with a high degree of education and young age structure. They are pursuing freedom, democracy and the balance between work and life. Using new media tools in the age of the Internet, they can easily communicate and interact with each other, through which they own the citizen consciousness and get management wisdom and creativity talents. That is to say, staff is fully capable of undertaking the task of management and innovation for sake of the development of enterprises. Meanwhile, since more concern on differentiation, self-realization and so on, staff should not be merely managed and controlled. Power is required to release employees' abilities.

Modeling the form of leadership, we can abstract employees' abilities and power as “staff-ship”. Given the above, the perspective of enterprise management should gradually migrate to the balance between leaders and staff.

### B. The Developing Demand of Theories

Although the practice shows that employees' abilities and power are of great importance, related theory development has certain limitations.

During the theoretical study of management, leadership is an "eternal" theme while employees-related theories are in planes. Employees are bound by past assumptions and research paradigm and employees are always in the image of being managed or supervised. As Notgrass (2014) referred,

the leader and employees are two indispensable elements in enterprise management. However they are not equally researched in theoretical study. Most of the studies choose the leader as the main shaft. And employee-oriented research is not only small in number but also dispersed unevenly [1].

On the other hand, Leadership theoretical frontiers attach more and more importance to the strength of the staff. For example, distributed leadership theory proposes that the influence of leadership is distributed in the structure of the organization and manifested in the form of joint force. Leadership is the process to absorb the wisdom of the general staff, whose key is responsibilities shouldering and power sharing. Therefore it is reasonable to arouse public's awareness about staff in the management field.

Overall, these two factors call for the studies on staff-ship that we mentioned above, and then building a balanced framework. Therefore, we will discuss the two topics.

### III. TO EXPLAIN STAFF-SHIP BY EMPOWERMENT THEORY

#### A. Theoretical Background

In reality, the organization should not only take advantage of the leadership, but also exploit and make use of the staff-ship. So the two sides should be equal in power. Considering this, we mainly use the empowerment theory, which is the basis of the leader-staff analytical framework, to expound the definition and structure of the staff-ship.

The viewpoint of Empowerment was initially raised by Barbara Solomon in 1976 and has become one of the major social work theories since 1990s. This theory is used to help individuals, especially disadvantaged groups, to promote their power and it is a holistic concept that fully covers the empowering process and the empowered result.

#### B. The Connotation of Staff-Ship

Staff-ship is an abstract comprehensive of authority and ability, which conforms to the connotation of power in empowerment theory. Lukes divided the power into two parts, one is the ability to achieve wishes (ability) and the other is the ability to make people give in (authority).

Empowerment refers to the process that enhance the personal, interpersonal, and political power, and that make individuals to control their life, thus affecting the organization structure. According to the definition, the authority that empowerment theory focuses on is dispersed in the network, not concentrated in one specific individual or organization. It indicates that only when the authority is decentralized, the individual is able to control himself and further affect the external environment; this is similar to our idea that the work of staff-ship depends on the decentralization of power. The ability is easy to understand, but the decentralized authority is the key element of the connotation of staff-ship. The decentralization could bring the equivalent between leader and staff rather than the binary opposition. This is consistent with the latest research about the distributed leadership who puts more emphasis on relationship and teamwork; it considers that the leadership should not be a function that few individuals perform, but a kind of collective behavior under a common cooperative culture [2].

In conclusion, staff-ship can be understood as a kind of power that includes both ability and authority; the role of

ability relies on the distribution of authority in organization. It means that staff could take fully advantage of their ability when the authority in organization is transferred from the leader to them to some extent, and this also meets the appeal of current practice and theory development.

#### C. The Dimension of Staff-Ship

According to the idea of power in empowerment theory, we need to define the dimension of staff-ship, which is neglected by the past employee-related research.

Rogers *et al.* (1997) has put forward some options to help evaluate whether a staff received the enhancement of power, including the decision-making power, access to information and resources, right to choose, sense of belonging, sense of personal contribution and so on. What these items have in common is people's control of their individual ability while they don't need to consider the authority to affect the surrounding environment. According to these items, we could preliminary estimate that the staff-ship is multi-level and multi-dimensional, and the difference of level and dimension will further affect the behavior of employee.

By integrating current literature about empowerment theory such as Spreitzer (1995), Boehm (2004) and so on, they have divided the power into four dimensions; (1)Meaning: the relation between the value and purpose of work and the individual ideal and standard. (2)Competence: the ability of individual to perform a task. (3)Option: the feeling that the individual could choose the own way to accomplish the task. (4)Impact: the extent that individual can affect the result of work and surrounding environment. So we can see that the power can't be given by others and it's generated by people themselves spontaneously. These four dimensions are in accordance with our staff-ship in the organization. The staff-ship is not only a decentralized power structurally, but it has a complete connotation, including both the authority generated by the organizational structure and leadership and the personal ability, such as the self-selection and self-development and so on. These four dimensions represent the core value of the staff-ship: power. We could explain a lot of phenomenon in organizations.

Like the leadership theory, these dimensions of power will influence the employee's behavior positively or negatively. When employees cannot reach a certain level of power, it could produce the negative influence to the organization. For example, when an employee lack competence and has difficulty in accomplishing the work, he is more likely to procrastinate. Overall, the four dimensions of power affect the employee behavior alternately.

According to the Management Roles Theory, a leader can play different roles and it will be ineffective if we put too much emphasis on one role. Accordingly, we could also list some staff roles, such as Conformist, Finisher, Expert and so on. Staff shouldn't be boxed in one role, either. It will be ineffective if we put too much emphasis on one dimension and ignore the left.

The definition of the connotation and dimension of staff-ship laid the foundation for us to build a leader-staff binary equilibrium analytical framework, promoted people to treat the leader and staff fairly and attach more importance to the employee's role.

TABLE I: THE EFFECT OF THE DIMENSIONS OF POWER

Behaviors	Dimensions of Power	Roles
(-) procrastination, silence, conformity behavior, group behavior, retaliation, CWB, turnover .....	Meaning	Conformist, Finisher, Expert, Coordinator, Innovator, All-rounder.....
	Competence	
(+) following behavior, competent behavior, empowerment, knowledge sharing, initiative behavior, voice behavior, innovation, OCB.....	Option	
	Impact	

IV. TO CONSTRUCT A DUAL BALANCED FRAMEWORK

A. A Dual Balanced Framework in Leaders and Staffs

In the past, the analysis of corporation is usually from the perspective of leaders. Now we introduce the concept of staff-ship and build a two-dimensional coordinate axes as a framework. The structure of the framework is the same as that of mathematical coordinates, in which the left and the upper side mean strong in power. Similarly, the quadrants are sorted anticlockwise and the top-right area is the first quadrant. There are three principles [3].

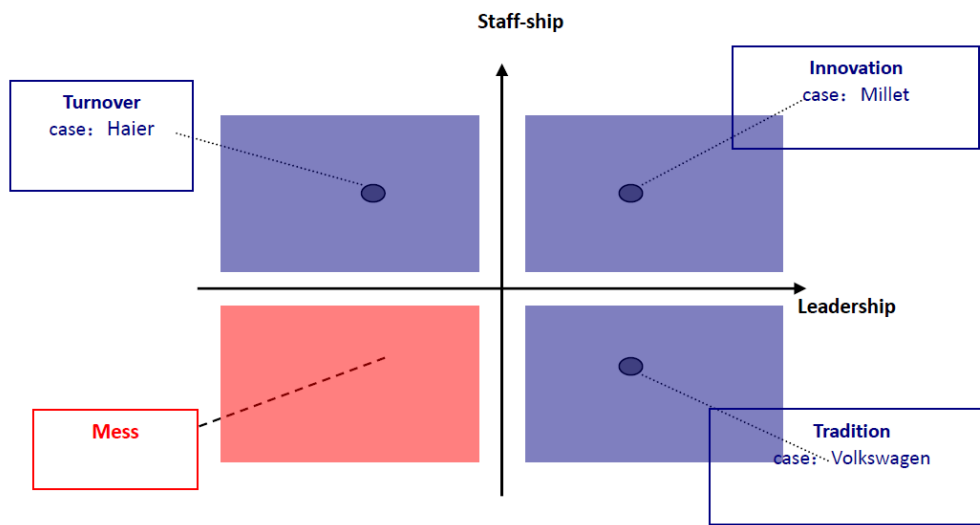


Fig. 1. The framework concerning staff-ship and leadership.

First of all, the core idea of the framework is to analyze corporation management from the perspective of both leadership and staff-ship and help us put forward policy recommendations, which doesn't mean we will ignore the effect of leadership.

Secondly, the structure of the framework is: the horizontal coordinates represents leadership and the vertical coordinates represents staff-ship. The organization located in the coordinates can be divided into four different types. Each type is a combination of leadership and staff-ship of different status (strong/weak). Furthermore, the specific type doesn't represent the optimal solution but a relatively better managing method that can be adopted in some kind of external environment and organizational life cycle stages.

Finally, the framework is dynamic. The framework is to guide people rebuild the corporation as the balance body of leadership and staff-ship. When the organizations need changes, they can go along the path in the coordinate axes.

B. Case Study Concerning the Framework

Considering readers' familiarity with the cases and the framework's logicity, we will analyze the cases by the order of quadrant 4,1,2 and 3.

The fourth quadrant: strong leadership – weak staff-ship This is one of the most familiar patterns in practice

to readers. The German Volkswagen mentioned in the beginning is a typical example. German Volkswagen adopts the forms of brand management, functional departments, which are traditional organizational structures took by many large and mature companies as their organizational structure. There exists the clear levels from senior managers to staffs and the professional divisions of labor are also clear-cut.

From the perspective of leadership, leaders grasp the supreme authority and carry out the overall command. From the perspective of staff-ship, employees only need to focus on their specific works. In this way, the staff will obtain high degree of competence and executive power. However, staff always focuses on themselves, the degree of option and impact Dimension is low, which turns out corporations lacking innovation abilities and supervision, though their collaborative, executive abilities are excellent [4].

The first quadrant: strong leadership – strong staff-ship Millet is a typical example of enterprise with strong leadership and strong staff-ship. Millet's organizational structure is extremely flat with only three layers: seven core founders - department leaders – staff, which help reduces the wasting time on meetings and reports and make staff face the customers directly. Besides, Millet gets some measures to enhance its staff-ship: staffs are endowed with autonomous power; employees can visually see their own value and

achieve effects In addition, Millet don't set the KPI, implement full ownership, promote transparent benefit-sharing mechanisms and motivate employees to innovate rather than work for a promotion.

From the perspective of staff-ship, employees' power is enhanced and they enjoy greater choices, influence, thus making micro-innovation realized. From the perspective of leadership, the leaders still hold overall control but also accept devolution. This kind of form is usually adopted by small or medium-sized and new enterprises. And they exist in new industries of value in developing, such as the internet industry, in which enterprises require both the implementation of the consistent strategy and continuous improvement and innovations. So the employees may be under great pressure [5].

The second quadrant: weak leadership – strong staff-ship Haier subverts the traditional hierarchical form of enterprise and transforms into "platforms". Haier has created two platforms: investment-driven platform and paid-by-user platform. The investment-driven platform means that it has no longer a variety of departments and division. the links between the company and teams are just like Shareholders and entrepreneurs. The paid-by-user platform refers that the employees are no longer paid directly by the enterprises but by creating value for the users to obtain compensation. the team access to the more user resources and get high praise, the higher wages.

From the perspective of staff-ship, employees completely master the power. They directly face the users and are responsible for the market, which make them the upper layers; from the perspective of leadership, leaders are more inclined to the service centers and to support work.

The third quadrant: weak leadership – strong staff-ship We haven't listed the specific case here because we believe that the form has difficulties in supporting the operation of an enterprise. In detail, weak staff-ship cannot back the exploratory ability while weak leadership cannot maintain the stability.

### C. Short Summary of the Four Cases

From the above analyze, we have some conclusions from macro to micro dimensions.

First, from the industry's perspective, enterprises in newborn industries need to exploit the market to a larger degree than those in traditional industries,so they depend more on the power of front-line staff. For example, enterprises in internet industry focus more on employees' flexible thinking while enterprises in auto manufacturing industry focus more on whether employees can do the work professionally.

Secondly, from the theory of enterprise growth cycle's perspective, enterprises will generally experience four stages: investment, growth, maturity and recession. Usually, enterprises of the first two stages tend to be more aggressive and creative so they rely more on the staff-ship.

Thirdly, from the organizational structure's perspective, the traditional structures, such as linear matrix, are generally adopted by the enterprises to emphasize the influence of leadership. Some innovative organizational structures, such as super flat and flatformization, are used to emphasize staff-ship, which are mostly adopted by small and

medium-sized enterprises because they are flexible enough to carry out business transformation.

Enterprises should consider these characteristics when putting forward management strategy.

## V. CONCLUSION

In this paper, we put forward the concept of staff-ship and analyze its structure and content from the perspective of Empowerment theory. After that, we construct a new dual balanced framework in leadership and staff-ship.

The concepts of Leadership and staff-ship in management science are just like the basic concepts of demands and supply in economics. So the theoretical value of this paper is laying the foundation for reconstructing management science, which fits the new era, to a certain degree.

Meanwhile, the framework contributes to the practice. It can help explain the problems that cannot be illustrated by the existing management theories and guide future directions for enterprises.

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**Chen Hong'an** was born in Shanghai, in 1963. Chen graduated in Xi'an Jiaotong University, China with a doctor degree in management. Chen has been a professor in East China University of Science and Technology since 2005.

He has published two books, micro-management, Tsinghua University press, 2014; micro-power, Tsinghua University Press, 2016. His major research covers human resource management.



**Jiang Ji** was born in Shanghai, Feb 1992. Jiang is a postgraduate in East China University of Science and Technology, China, majoring in corporation management.

She has published one book, micro-power, Tsinghua University Press, 2016. Her major research covers human resource management.