VIII SINGEP
Simpósio Internacional de Gestão de Projetos, Inovação e Sustentabilidade
International Symposium on Project Management, Innovation and Sustainability
ISSN: 2317-8302
8TH INTERNATIONAL CONFERENCE
CYRUS Institute of Knowledge
MAKE A DIFFERENCE

WHO WANTS TO TALK FOREVER? THE COMMUNICATION IN FAMILY FIRMS TEAMS

WHO WANTS TO TALK FOREVER? THE COMMUNICATION IN FAMILY FIRMS TEAMS

EDUARDO DANTAS SOARES
UNIVERSIDADE CRUZEIRO DO SUL

HEIDY RODRIGUEZ RAMOS
UNINOVE – UNIVERSIDADE NOVE DE JULHO

Nota de esclarecimento:
Comunicamos que devido à pandemia do Coronavírus (COVID 19), o VIII SINGEP e a 8ª Conferência Internacional do CIK (CYRUS Institute of Knowledge) foram realizados de forma remota, nos dias **01, 02 e 03 de outubro de 2020.**

WHO WANTS TO TALK FOREVER? THE COMMUNICATION IN FAMILY FIRMS TEAMS

Objetivo do estudo
O estudo demonstrado no artigo procurou testar como acontece a comunicação organizacional dentro de empresas familiares. Para atingir esse objetivo, pesquisamos doze empresas familiares e monitoramos a comunicação dos funcionários com o seu líder e de seu líder com os funcionários. Nossa hipótese era de que os níveis de comunicação, bem como a qualidade dessa comunicação, variavam de acordo com a percepção que os funcionários tinham de seu líder e vice-versa.

Relevância/originalidade
Os estudos sobre comunicação e liderança se focavam em como o líder poderia dar suporte ao colaborador e se a proximidade do colaborador com o líder era capaz de influenciar esse suporte. Porém, segundo nossa pesquisa, pouco havia se estudado sobre a qualidade da comunicação de acordo com a liderança.

Metodologia/abordagem
A metodologia escolhida para atingir foi quantitativa, por meio do método de Equações Estruturais (PLS). Dessa forma, todos os funcionários responderam um questionário que continha a Escala Leader Member Exchange, os níveis e qualidade de contato e a Escala de Envolvimento com o trabalho.

Principais resultados
Os resultados indicam que o envolvimento com o trabalho é uma característica que antecede a comunicação da equipe com o seu líder, embora essa comunicação dependa diretamente da qualidade da relação e da confiança do funcionário com esse líder.

Contribuições teóricas/metodológicas
O artigo procura contribuir com a teoria Leader Member Exchange por meio das teorias comunicacionais e seu volume de contatos de acordo com a qualidade da relação entre funcionário e líder.

Contribuições sociais/para a gestão
As empresas podem usar esse estudo para estimular os seus líderes a manterem um determinado nível de comunicação com seu funcionário de acordo com os seus interesses organizacionais, estimulando ou retraindo essa comunicação de maneira indireta.

Palavras-chave: Empresas Familiares, LMX, Comunicação Organizacional

VIII SINGEP
Simpósio Internacional de Gestão de Projetos, Inovação e Sustentabilidade
International Symposium on Project Management, Innovation and Sustainability
ISSN: 2317-8302
8TH INTERNATIONAL CONFERENCE
CYRUS Institute of Knowledge
MAKE A DIFFERENCE

WHO WANTS TO TALK FOREVER? THE COMMUNICATION IN FAMILY FIRMS TEAMS

Study purpose

The study shown in the article sought to test how organizational communication takes place within family businesses. To achieve this goal, we surveyed twelve family businesses and monitor employee communication with their leader and their leader with employees. Our hypothesis was that the levels of communication, as well as the quality of that communication, varied according to the employees' perception of their leader and vice versa.

Relevance / originality

Studies on communication and leadership focused on how the leader could support the employee and whether the employee's proximity to the leader was able to influence that support. However, according to our research, little had been studied about the quality of communication according to the leadership.

Methodology / approach

The methodology chosen to achieve this was quantitative, using the Structural Equations method (PLS). Thus, all employees answered a questionnaire that contained the Leader Member Exchange Scale, the levels and quality of contact and the Involvement Scale with work.

Main results

The results indicate that engagement with work is a characteristic that precedes the team's communication with its leader, although this communication depends directly on the quality of the relationship and the employee's trust with that leader.

Theoretical / methodological contributions

The article seeks to contribute to the Leader Member Exchange theory through communicational theories and its volume of contacts according to the quality of the relationship between employee and leader.

Social / management contributions

Companies can use this study to encourage their leaders to maintain a certain level of communication with their employees in line with their organizational interests, indirectly stimulating or retracting that communication.

Keywords: Family Firm, LMX, Organizational Communication

1. INTRODUCTION

In a family-owned business, leaders can influence the cultural patterns of their staff, however, such leaders need to understand the consequences of their influence so that they can take action to ensure that business and family grow and thrive (Dyer, 1988). From the moment the individual becomes a leader, he can to influence their followers, positivelly or negativelly, through the perceived quality of the exchange relationship between the team members and their leader (Graen & Uhl-Bien, 1995), resulting an adjustment of the self-identity of the team (Lord & Brown, 2003).

There are many reasons to explain this influence, but some authors defend that the communication can be a decisive behavior to someone who wants to be a leader (Hackman & Johnson, 2013). The good communication seems to be one of the most important capabilities of the leader, because an individual with a great communicative capacity tends to become the leader and, possibly, has a major influence on their group (Pavitt, 1999).

The communication is not the only one construct that can be decisive for a leader to have some influence on their followers. Sparrowe and Liden (2005) correlated the level of the relationship exchange between the members of the teams and their leaders with the communicational networks of these teams. Although these authors identified that the formal contacts of an organization could be related with the sponsors of the leader, nothing was explored about of the consequences of this perception on the communication between leaders and members. Sparrowe and Liden (2005) limite themselves to research how employees forme their social networks in relation to the leader, without exploring how such communication could be motivated.

This work investigates the influence of the perceived level of LMX by the team members from the contacts made between the organizational team and between the team and its leader. This may partially explain the family business culture, and finally, contribute to the success of the company or identify its obstacles.

In order to achieve the general objective of our research, we counted the number of contacts addressed to the leader in a week in addition to the contacts of each member with their team. In this way, we try to explain how much the behavior of the leader could be able to influence with whom the follower prefers to communicate within an organization. More specifically, we include involvement with work as an antecedent variable of the exchange ratio between the member and the leader to explain the behavior of the follower of the leader in relation to his work. This could be an indicator of the communicational behavior of their followers.

2. THEORETICAL REVIEW

The leadership theories have evolved in many ways. We observe that one of these evolutions happened in the field of organizational communication. The way in which the individual establishes his/her communication to influence a second actor can be directly reflected in the possibilities of promotions, advantages and even the maintenance of a position in an organization (Burt & Merluzzi, 2014). Since the 1970s, researchers have been trying to understand how the relationship between the leader and the leader in the organizational environment (Bauer & Erdogan, 2015). The communication of the leader of a team is based on diverse interests that develop and change according to their evolution in the organization network (Burt & Merluzzi, 2014).

According to the importance of this theme for our research, two aspects were studied in particular: the communication and the relationship between the leader and his team.

The first conclusions about this theoretical crossroads showed that the relations between people differed essentially in formal and informal. Formal relations would be direct and essentially linked to the issues of the company. Informal relationships showed a greater degree of communication between individuals (Dansereau, Graen, & Haga, 1975, p.48).

This relationship between the actors in the network is called contacts and can be organized as to the form of the contact, its quantities and reason for contact (Wasserman & Faust, 1994, p.88). The analysis of contacts in a social networks, specifically about formal contacts and informal contacts, may be responsible for demonstrating the information flows and the social and symbolic constructions of team members (Boissevain, 1979).

The main purpose of the LMX theory is to explain how the exchange relations between the leader and his team occurred in organizations (Jackson & Johnson, 2012). Although this is a central question of the LMX theory, we did not find in the literature a explication about how the communication between the members of a team relates to the theory of the lmx. This is motivating the formation of our first research hypothesis:

H1. The number of interactions between the members of the team mediates the perception of LMX and the contacts of the team with the leader.

The LMX scale has the prerogative to separate the group with the highest organizational relationship of the group that does not perceive this quality in relations with its leader (Graen & Uhl-Bien, 1995). To explain this differentiation of treatment, the LMX theory proposed that a part of the team receives special attention of you leader, and ends up supporting the leadership towards the progression of their career (Guohong, 2010), while, the other part of the team receives only enough bureaucratic attention to fulfill its obligations (Bauer & Erdogan, 2015). Considering that the LMX theory predicts two types of relationship with the leader, we decided to test a hypothesis that relates these two different behaviors of the same team to a communicational intensity to try to explain the social network of team members:

H2. The LMX positively influences the number of interactions between the team members with their leader.

We understand that there may be several reasons for forming a communication network with more or less contacts in a work team. Controlling all these motives seems to be an impossible task, however, we use literature to try to explain team communication more clearly.

In the early 1980s, Moch (1980) investigated the reason for the formation of social networks in an organization and its relation to involvement in work. According to him, the employees who had a wide communication network would not have a great involvement with the organizations. Eisenberg, Monge & Miller (1983) argued that the impact of involvement in the communication networks on employee attitudes and behaviors do not occur with all employees. Eisenberg et al. (1983) explain that this would happen only with collaborators who possess certain psychological characteristics, because they would be related to personality factors of these collaborators or their leader (Abbas & Khali, 2016).

In this moment, our question has a reference of Abbas & Kalli´s research. We believe that communication in a company could have a correlation with the personal level of involvement with work because the externalization of the characteristics that accompany the employee, even before he joins the organization, usually occurs through his/her communication. This fact can happen in a variety of ways, either through the formation of a communication network among workers, or through a perceived commitment in the relationship between employees or, even, employee trust in the company (Farhangian, 2016).

We understand that engagement with the work of team members could be measured because the outcome of involvement with the work, along with the formations of the team's social networks, could help to explain the formation of the team's communication, taking into account the division of the attention paid to its members evaluated by the LMX theory.

H3. Organizational involvement positively influences the leader's assessment through LMX.

Farhangian (2016) explains that the communication in a company is related to the involvement in the work of several forms, either by the formation of a network of communication between the workers, or by the perceived commitment in the relation between the employees or, even, by the confidence perceived by the one who composes the organization (Farhangian, 2016).

Authors Khalid & Rehman (2011) add that the quality of communication is one of the items that can influence a collaborator to demonstrate greater involvement in his or her organization, as well as to predict trust among his/her co-workers and supervisors (Thomas et al. 2009). Based on these premises we formulated the fourth hypothesis of this work:

H4. The lower the LMX index, the greater the contact between those led.

2.1 Theoretical Model

Based on the hypotheses created, we developed and tested a theoretical model. This theoretical model intends to offer an explanation on how communication in a family business can be stimulated or withdrawn.

This research was not intended to explain if the level of contacts generated in a team is good or bad for the company, we just tested what can be a stimulator or a limiter for team communication.

The theoretical model was formed by the scales of Involvement with the Work (antecedent variable - AV), Leader Member Exchange (independent variable - IV), by normative and by the normative variables that compose the communication of the team with the leader (dependent variable - DV) and the contacts between the members of the team (mediator variable - MV):

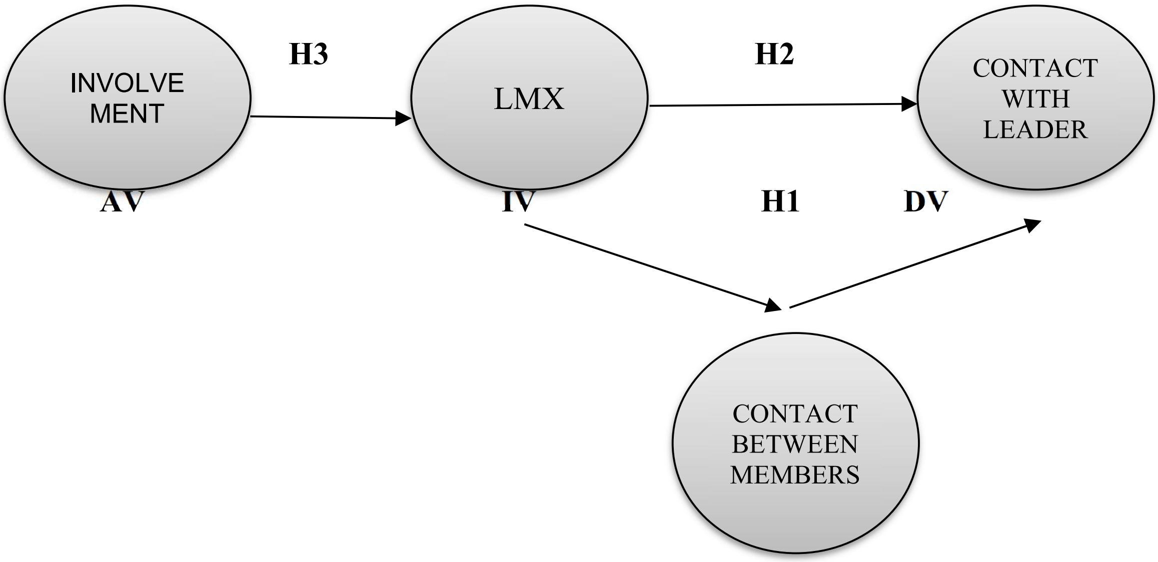

Figure 1: Theoretical Model of Communication. The Authors.

3. METODOLOGY

To analyze the proposed theoretical model, the authors of the LMX Scale (Graen & Uhl-Bien, 1995), the EET Scale (Lodahl & Kejner, 1965) and the mathematicians who approach social networks (Wasserman & Faust, 1994; Mizruchi, 2006) recommend the use of quantitative methods. So, we investigated 12 family businesses, considered micro or small companies in the service sector in the state of São Paulo.

3.1 The Research Instrument

The research instrument was created to be answered online, because it was personalized for each company studied. This was necessary since it was essential to specify the popular name of each employee and leader of the observed team in order to facilitate to the respondents.

The online instrument was composed of three rounds of questions. In the first round, which could be answered by the computer or cell phone, the respondent should fill out his personal and demographic data. In the second round, answers were compulsorily asked about the issues arising from the LMX scale and the WI scale. Finally, in the third round of questions, the respondents filled out data regarding their social networks within their team.

3.2 Methodological Procedure

Agresti (2011, p.17) explains that before any methodological procedural initiative we must submit the data to be analyzed to a test of adherence to the normality of the data. Due to the size of the sample, the test indicated for this step is Kolmogorov-Smirnov and its result predicts a ρ value = 0.05 to accept the hypothesis that the variable is adherent to Pearson's normality. When we applied the Kolmogorov-Smirnov test, we verified that all null hypotheses were refuted. This fact characterized the sample as non-parametric.

Agresti (2002) proposes that non-parametric data be analyzed by the Tau-de-Kendall Correlation. The Tau-de-Kendall correlation is a statistical method that has the function of testing and measuring similarities between non-parametric variables due to its power to neutralize the effects caused by the phenomena observed by the sample (Newson, 2015). As a result, this method exposes the exact measure of the degree of correlation between the variables (Agresti, 2002, p.9).

After the correlational demonstration, Hair, Sarstedt, Pieper and Ringle (2012) indicate that the only way to demonstrate the degree of explanation of a theoretical model with non-parametric data is by using the structural equation modeling method with fit estimation models of least squares (Partial Least Square PLS).

4. RESULTS

The general analysis of the data began with a correlation between variables studied. We generate Table 2 to show more clearly how much an item is really correlated with the other item, excluding the effect of moderation or antecedence caused by these same variables in a theoretical model analysis, as orientated by Agresti (2011).

VARIABLES			INV	LMX	Contact w Leader	Contact between members
	INV	Coefficient Correlations	1,000	,610**	,112	-,072
		Sig. (2 extrem.)	.	,000	,060	,199
		N	154	154	154	154
	LMX	Coefficient Correlations	,610**	1,000	,132*	-,072
		Sig. (2 extrem.)	,000	.	,025	,199
		N	154	154	154	154
	Contact w Leader	Coefficient Correlations	,112	,132*	1,000	,200**
		Sig. (2 extrem.)	,060	,025	.	,001
		N	154	154	154	154
	Contact between members	Coefficient Correlations	-,072	-,072	,200**	1,000
		Sig. (2 extrem.)	,199	,199	,001	.
		N	154	154	154	154

Table 2 - Correlations. The authors.

The Table 2 presented the data on the exchange ratio between the leader and their team, the involvement of the workers with the organization and the interactions generated between the team members and between the leader and the team members.

Initially we will highlight the involvement with the work and the exchange relationship between team members and their leader as the highest correlation of all items analyzed. The table shows a correlation of 61%, considered high by Puka (2011).

The theoretical model considered the variables of Table 2 to be analyzed in PLS. The proposal of this model is that the involvement is a characteristic predecessor of the exchange relation between leader and members. This predecessor correlation could enhance the employee's communication with their leader. The amount of interactions among team members has mediated this correlation. The virtual and face-to-face interactions make up the model as normative variables related to the contacts with the leader. The Table 3 shows the test results of the hypotheses of the conceptual model.

Analyse	Hypothesis	T	P Value	Result
Contact between members -> Contact w Leader	H1	8,012	0,000	Accepted
LMX -> Contact w Leader	H2	3.184	0.002	Accepted
INV -> LMX	H3	29.289	0.000	Accepted
LMX -> Contact between members	H4	1,931	0,05	Accepted

Table 3 - Results of Structural Equation. The Authors.

The result of the test, performed in the PLS program and shown in Table 3, indicated that all hypotheses of the theoretical model were accepted. The conceptual model tested proposes that the communication between team members has a mediating effect between the dependent variable and the independent variable. In this case, it was necessary to submit these data to the Sobel test to prove the existence of this mediation, as indicated by Hair (2017). This author explains that to prove the mediation, it is necessary to obtain a value p less than 0,05. After submitting the data to the Sobel test, we verified the effect of mediation of the contacts between the team in the conceptual model.

The next step of the data analysis was to verify the explanation obtained by the theoretical model. To demonstrate this result with fidelity, we chose to expose the model calculated by the PLS program, with its original results:

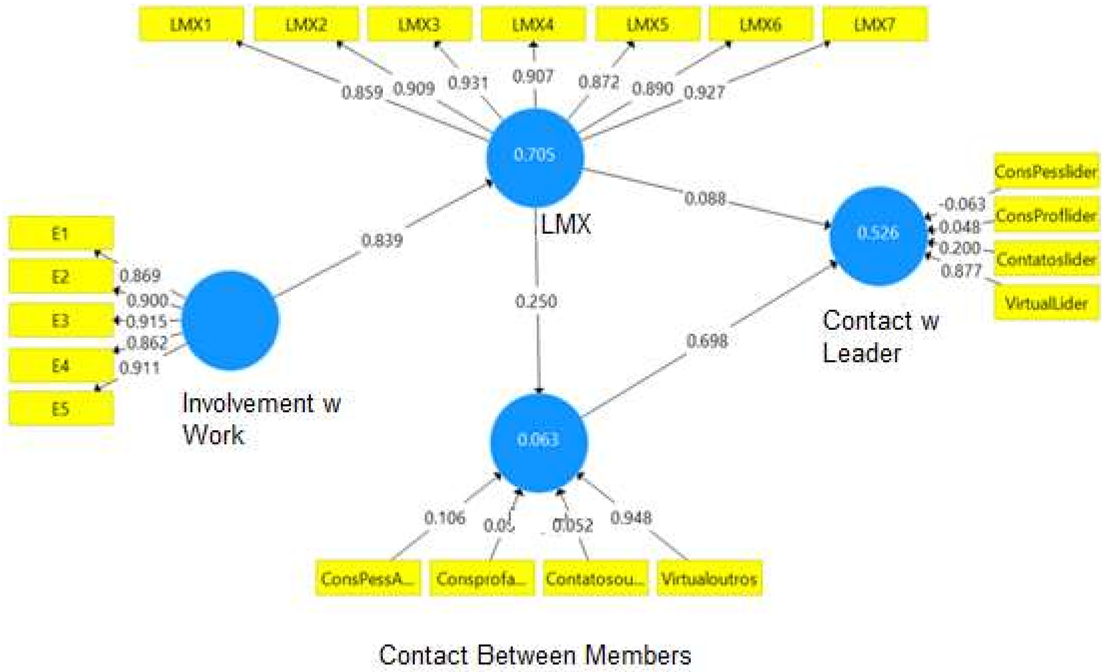

Figure 1. Conceptual Model by PLS. The Authors.

The Figure 1 shows that the theoretical model has a capacity to explain the studied phenomenon of 52.6% in total. This total of 52.6% means the power of mediation of the contacts between the team members in the relationship between LMX and the contacts with the team leader.

5. DISCUSSIONS

The involvement with the work was shown to be highly correlated (61% correlation) with the exchange ratio between the leader and his followers, according to Puka (2011). Normally, the results of the involvement with work were higher (sometimes discreet, other times with large differences) than the results of the exchange ratio with the leader. These data point to a predisposition for the employee to be psychologically more identified with his/her work than with the exchange relationship with his/her leader. This fact may have occurred because the employees had a preference for identifying themselves with their work due to characteristics of their personality, as explained Brown (1996).

This behavior was also observed among all the leaders of the companies that composed the survey sample. Such behavior on the part of the leader comes in line with Abbas & Khali's (2016) claim that even the strategic decisions of the leader of an organization relate to the level of involvement with the work of this leader has with his company. In this way, leaders tend to care more about with work than about their relationship with their team.

The contacts that the team generates between them are strongly responsible for the contacts that this team makes with its leader. Farhangian (2016) proposed that the internal communication of the team can be based on the feeling of trust between the members. Although engagement with work would increase the level of employee assessment of exchange relationships with their leader, increasing engagement with the leader will depend on the team's contacts.

As Mizruchi (2006) proposed, this structure of social relation may have influenced the communicational content of these relations, varying between formal and informal communications.

Many opportunities that are available on a team are directed to people who are in closest contact with their leaders (Burt & Merluzzi, 2014). This may be due to a strong correlation between the power of the organization's high management and the perceived quality of the relationship between these people (Martins et al., 2016).

Finally, the firms exposed as a sample varied among the average of contacts between the team and the total contacts declared by the team with its leader, as predicted by the authors Burt & Merluzzi (2014). This is not necessarily a problem. According to Hall (1989, p. 175) this can happen due to the type of culture that predominates in the environment in which the team operates. Companies with the highest number of contacts can be companies that operate in a high culture context. Likewise, companies in which statements of contact were low in relation to other companies~~,~~ can act in an environment of low culture context.

Although the theory proposed by Hall (1976) is generalist and divided by nations, Thomas, Aycan, Kittler, Rygl, & Mackinnon (2011) explained that high culture and low culture can vary, even in microenvironments, because the cultures can coexist in the same organizational team.

6. CONCLUSIONS

The analysis of communication from a family firm seems to be a good way to understand the behavior of the leader and the behavior of his/her team due to the intense communication that people of the same family can possess. This communication tends to contain formal and informal issues, which address the parental relationship itself and routine matters pertaining to the family of those involved.

Regardless of the family relationship, engagement with work has greater importance to the member of an organizational team than the exchange relationship that the member observes with his or her leader.

The components of the work teams may have several reasons that lead them to identify with the proposal offered by the company that hires them and somehow do not put the relationship with their leader over the relationship he has with the activity carried out in his job.

We conclude that employees who work in family teams tend to be involved first with their own career. This contributor takes into consideration the satisfaction that the job is capable of giving them before considering what the relationship with his/her leader will look like. In this case, the leader has a secondary, but not less important role, in the perception of satisfaction with the work of the collaborator of his/her team.

The role of the leader becomes be that the provider of the satisfaction of the team. The leader has the power to stimulate communication among members. When the communication between team members grows, the leader can cause an increase in the perception of the exchange ratio between him/her and his/her employee to get more communication with that employee. This communication can be explained by the trust that the collaborator developed with the leader.

In this way, the leader has a strategic function about the format in which the communication network of his/her team is built. As a reward, the leader can purposefully get a greater involvement with the work by that collaborator.

REFERENCES

Abbas, A. A. H., & Khali, H. H. (2016). Effect of the Empowerment Leadership's on Job Involvement Reinforcement through a Mediator Role for Strategic Thinking Skills. International Journal of Academic Research in Business and Social Sciences, 6(6), 189–220.

Agresti, A., & Kateri, M. (2011). Categorical data analysis. In International encyclopedia of statistical science (p. 206–208). Springer.

Bauer, T. N., & Erdogan, B. (2015). The Oxford Handbook of Leader-Member Exchange. Oxford University Press.

Brown, S. P. (1996). A meta-analysis and review of organizational research on job involvement. Psychological Bulletin, 120(2), 235–255.

Burt S. R. & Merluzzi J. (2014). Embedded Brokerage: Hubs Versus Locals. In Contemporary Perspectives on Organizational Social Networks (Vol. 40, p. 161–177). Emerald Group Publishing Limited.

Dansereau, F., Graen, G., & Haga, W. J. (1975). A vertical dyad linkage approach to leadership within formal organizations. Organizational Behavior and Human Performance, 13(1), 46–78. https://doi.org/10.1016/0030-5073(75)90005-7

Dyer, W. G. (1988). Culture and Continuity in Family Firms. *Family Business Review*, *1*(1), 37–50. https://doi.org/10.1111/j.1741-6248.1988.00037.x

Dhammika, K. (2016). Visionary Leadership and Organizational Commitment: The Mediating Effect of Leader Member Exchange (LMX). Wayamba Journal of Management, 4(1).

Eisenberg, E. M., Monge, P. R., & Miller, K. I. (1983). Involvement in Communication Networks as a Predictor of Organizational Commitment. Human Communication Research, 10(2), 179–201. https://doi.org/10.1111/j.1468-2958.1983.tb00010.x

Farhangian, H. (2016). Effect of Organizational Commitment and Trust on Job Involvement (Case Study: All Branches of Parsian Bank in Semnan Province). Human Resource Management, 3(6), 22–28.

Graen, G.B. (1976). Role making processes within complex organizations. In mD Dunnette. Handbook of industrial and organizational psychology, 1201–1244.

Graen, George B., & Uhl-Bien, M. (1995). Relationship-based approach to leadership:Development of leader-member exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective. The leadership quarterly, 6(2), 219–247.

Grint, K. (2005). Leadership: Limits and Possibilities. Palgrave Macmillan.

Hair, J. F., Sarstedt, M., Pieper, T. M., & Ringle, C. M. (2012). The Use of Partial Least Squares Structural Equation Modeling in Strategic Management Research: A Review of Past Practices and Recommendations for Future Applications. Long Range Planning, 45(5), 320–340.

Hackman, M. Z., & Johnson, C. E. (2013). *Leadership: A communication perspective*. Waveland Press.

Jackson, E. M., & Johnson, R. E. (2012). When opposites do (and do not) attract: Interplay of leader and follower self-identities and its consequences for leader–member exchange. The Leadership Quarterly, 23(3), 488–501. https://doi.org/10.1016/j.leaqua.2011.12.003

Liden, R. C., & Graen, G. (1980). Generalizability of the vertical dyad linkage model of leadership. Academy of Management journal, 23(3), 451–465.

Lodahl, T. M., & Kejner, M. (1965). The Definition and Meassurement of Job Inventory. Journal of Applied Psychology, 43, 24–33.

Lord, R. G., & Brown, D. J. (2003). *Leadership processes and follower self-identity*. Psychology Press.

Moch, M. K. (1980). Job involvement, internal motivation, and employees' integration into networks of work relationships. Organizational Behavior and Human Performance, 25(1), 15–31.

Pavitt, C. (1999). Theorizing about the group communication-leadership relationship. *The handbook of group communication theory and research*, 313–334.

Rehman, R. R. (2011). Effect of organizational change on employee job involvement: Mediating role of communication, emotions and psychological contract. Information Management and Business Review, 3(3), 178–184.

Ringle, C. M., Silva, D. da, & Bido, D. de S. (2014). Modelagem de Equações Estruturais com Utilização do Smartpls. Revista Brasileira de Marketing e-ISSN:2177-5184, 13(2), 56–73.

Rogers, E. M., & Svenning, L. (1969). Modernization among peasants: the impact of communication., xviii + 429 pp.

Thomas, G. F., Zolin, R., & Hartman, J. L. (2009). The Central Role of Communication in Developing Trust and Its Effect On Employee Involvement. The Journal of Business Communication (1973), 46(3), 287–310. https://doi.org/10.1177/0021943609333522

Wasserman, S., & Galaskiewicz, J. (1994). Advances in Social Network Analysis: Research in the Social and Behavioral Sciences. SAGE.