

1-1-2015

The Impact Of Supervisor-Subordinate Work-Value Congruency On The Development Of Leader-Member Exchange

Greg Thrasher
Wayne State University,

Follow this and additional works at: https://digitalcommons.wayne.edu/oa_theses



Part of the [Psychology Commons](#)

Recommended Citation

Thrasher, Greg, "The Impact Of Supervisor-Subordinate Work-Value Congruency On The Development Of Leader-Member Exchange" (2015). *Wayne State University Theses*. 510.
https://digitalcommons.wayne.edu/oa_theses/510

This Open Access Thesis is brought to you for free and open access by DigitalCommons@WayneState. It has been accepted for inclusion in Wayne State University Theses by an authorized administrator of DigitalCommons@WayneState.

**THE IMPACT OF SUPERVISOR-SUBORDINATE WORK-VALUE CONGRUENCY
ON THE DEVELOPMENT OF LEADER-MEMBER EXCHANGE**

by

GREG THRASHER

THESIS

Submitted to the Graduate School

of Wayne State University,

Detroit, Michigan

in partial fulfillment of the requirements

for the degree of

MASTER OF ARTS

2015

MAJOR: PSYCHOLOGY
(Industrial/Organizational)

Approved By:

Advisor

Date

TABLE OF CONTENTS

List of Tables	iii
List of Figures	iv
CHAPTER 1 – INTRODUCTION	1
<i>Note Regarding Changes</i>	2
CHAPTER 2 – THEORETICAL BACKGROUND.....	3
<i>Leader-Member Exchange</i>	3
<i>Development of Leader-Member Exchange</i>	6
<i>Value Congruency</i>	8
<i>Control Variables</i>	12
<i>Supplemental Topics</i>	13
CHAPTER 3 – CURRENT STUDY AND HYPOTHESES	17
<i>Hypotheses: Main Effects of Value Congruency on LMX</i>	17
<i>Hypotheses: The Moderating Role of Value Congruency on LMX Development.</i>	18
CHAPTER 4 – METHOD	20
<i>Participants</i>	20
<i>Procedures</i>	21
<i>Measures</i>	22
<i>Data Analysis</i>	23
CHAPTER 5 – RESULTS	25
<i>Hypotheses</i>	25
<i>Supplemental Analyses</i>	25

CHAPTER 6 – DISCUSSION.....	27
<i>Theoretical Implications</i>	27
<i>Practical Implications</i>	31
<i>Limitations and Future Directions</i>	32
<i>Conclusion</i>	32
Figures	35
Tables	40
Appendix A – Measure of leader-member exchange	44
Appendix B – Organizational Culture Profile	45
Appendix C– Work Values Inventory	48
Appendix D– Supervisor demographic questionnaire	50
Appendix E– Student demographic questionnaire.....	52
References	54
Abstract.....	60

LIST OF TABLES

Table 1: Matched and Unmatched Sample Descriptive Statistics	39
Table 2: Descriptive Statistics and Correlations for Matched Pairs Sample - Leaders	40
Table 3: Descriptive Statistics and Correlations for Matched Pairs Sample - Followers.....	41
Table 4: Descriptive Statistics and Correlations for Unmatched Sample - Leaders.....	42
Table 5: Descriptive Statistics and Correlations for Unmatched Sample - Followers	43

LIST OF FIGURES

Figure 1: The Moderating Effect of Leader-Follower Status on the Value Congruency-LMX Relationship 36

Figure 2: The Moderating Effect of Leader-Follower Status on the Growth Value Congruency-LMX Relationship 37

Figure 3: The Moderating Effect of Leader-Follower Status on the Dyad Contact-LMX Relationship 38

CHAPTER 1

INTRODUCTION

There has been much research showing that employees' individual relationships with their supervisors can be a strong predictor of job performance (Avolio, Walumbwa, & Weber, 2009; Markham, 2010). The development of these supervisor-subordinate relationships has been referred to as leader-member exchange (LMX) and involves the formation of a job concept that revolves around not only aspects of the job task, but also the relational components of the position (Graen & Novak, & Sommerkamp, 1982). This definition mainly evaluates the relationship from the subordinate's perspective; however, more recent research has also examined the leader's perspective, as well as the dyadic interplay of these relationships (Gooty et al., 2012). As LMX involves the perceptions of the supervisor and subordinate's relationship, the majority of research has been done on pre-existing dyads and there is a need for more research on the development of the construct from the perspective of both dyad members (Markham et al., 2010).

Although there is much research on the establishment of the positive organizational outcomes of LMX, for the past 15 years there has been a call for a deeper understanding of its development over time (Bauer & Green, 1997; Gerstner & Day, 1996). The current study is designed to evaluate both the predictors of positive LMX relationships, as well as the mechanisms that affect the growth of leader-member exchange across employment duration, specifically looking at leader-follower value congruence as a moderator of this relationship. In order to understand the importance of quality LMX relationships within an organization and why leader-follower value congruence should play an important role in this relationship, a review of the relevant literature on these topics will now be presented.

Note about the flow of the literature review

Before beginning the literature review I would like to discuss some changes to the original proposal. Due to very low response rate at the initial time point it was not possible to collect longitudinal data. In response to this a separate data collection was conducted that administered more user friendly and time sensitive measures. After reevaluating the questions surrounding the nature of LMX and value congruence cross-sectionally, as opposed to over time, supplemental analyses were conducted. The following literature review will cover topics related to hypotheses that were initially proposed and tested (main effects of value congruence on LMX), hypotheses that were initially proposed and not tested (LMX development), followed by a review of theory supporting the supplemental analyses there were that run regarding other relevant issues surrounding the nature of LMX from both the leader and follower's perspective (effect of contact frequency on LMX, LMX agreement, and the incremental validity of value congruence over time spent).

CHAPTER 2

THEORETICAL BACKGROUND

Leader-Member Exchange

The construct of leader-member exchange (LMX) grew out of the study of dyadic leader-follower workplace roles and how workers use these roles to meet the social and task based demands of their job (Dansereau, Graen, & Haga, 1975; Graen, 1976). Early research on dyadic leader-follower relationships began by focusing on the differential relationships held by leaders with their various followers (Graen, Dansereau, & Minami, 1972). The study of these dyadic relationships eventually grew into a conceptualization where the focus was based less on differential relationships and more on the exchange process that takes place between leaders and their followers (Dansereau, Graen, & Haga, 1975). From this conceptualization it became important to understand not only how these roles are defined, but also how they develop over time (Dienesch & Liden, 1986). Over the last 25 years it has become apparent that the development of these workplace relationships can be very complex and involve a number of antecedents and outcomes. Furthermore, Gerstner and Day (1997) discuss LMX as being predictive of outcomes at the individual, group, and organizational level.

Early work on LMX found it to be related to such aspects as job design and the matching of individuals' needs to the job characteristics (Graen et al., 1982). When the needs of an individual are aligned with the characteristics of their job, Graen et al. (1982) found LMX to result in positive outcomes such as increased job satisfaction and productivity. For example, in their study they found that when individuals with high growth strength needs were exposed to opportunities for skill enrichment through training, the LMX-productivity relationship was much stronger than for individuals with lower need for growth.

Although these findings display the importance of individual and leader characteristics, more modern research has focused on the underlying mechanisms of LMX and the reciprocal nature of the relationship. A newer way of evaluating LMX involves not only looking at both dyad members' characteristics, but at how this relationship evolves at the individual, team, and organizational levels (Gooty et al., 2011; Henderson, Wayne, Shore, Bommer, & Tetrick, 2009).

Regarding the relationship between the quality of LMX relationships and various organizational outcomes, there is a large body of research tying the construct to a variety of desired outcomes (Gerstner & Day, 1997). For example, early research on the outcomes of LMX found interventions aimed at training LMX increased the objective job performance of government administrative workers more effectively than groups trained in job design as well as placebo groups (Graen et al., 1982).

Quality LMX relationships have also been tied to more subjective organization outcomes. Liden, Wayne, and Stilwell (1993) found a positive relationship between supervisors' ratings of employee job performance and LMX after two weeks of employment, in a study of newly hired employees, which aimed to evaluate the beginning and developmental phases of LMX.

Pertaining to more specific types of performance, high-quality LMX relationships have been tied to creative performance behaviors, such as research and design outcomes in academic as well as commercial fields (Olsson, Hemlin, Pousette, 2012). LMX has also been shown to indirectly affect group performance in Chinese telecommunication employees through increases in instances of informal leadership behaviors (Zhang, Waldman, & Wang, 2012).

Although the importance of LMX in relation to a variety of outcomes has been established cross-sectionally, longitudinally, there have been a handful of studies that evaluate the effects of LMX over an employee's tenure within an organization (Bauer, Erdogan, Liden, &

Wayne, 2006; Bauer & Green, 1996; Liden et al., 1993; Nahrgang, Morgeson, & Ilies, 2009). These studies reveal not only the nature of the construct over time, but the effect of many important factors on the development of exchange relationships. In an evaluation of new employees over three time points, 0-5 days, 6 weeks, and 6 months, Liden et al. (1993) found that supervisor ratings of performance as well as past LMX predicted a significant amount of variance in future perceptions of LMX. Interestingly though, the greatest predictors of future LMX in this study were affective variables such as perceived similarity, liking, and expectations. This is explained through the suggestion that early in a relationship, dispositional characteristics are the most available judgment making tools, leading to early developing LMX being based on more subjective criteria.

Looking at the effects of these subjective criteria alongside other objective factors, Bauer and Green (1996) found that in a sample of university graduates who have recently accepted new jobs, LMX growth was positively affected by factors such as personality similarity, positive affectivity, and performance. The impact of these variables over time is attributed to quality leader-member relationships being the result of a trust building exercise between both parties.

This body of research, both cross sectional and longitudinal, clearly shows how strong LMX relationships can affect organizations positively from the bottom up. However, what this literature is lacking is a deeper examination of shared dyadic characteristics that will aid in the quickest development of these relationships, and how such shared characteristics will interact from both the leader and follower perspective (Gooty et al., 2012; Liden et al., 1993; Markham, 2010; Nahrgang et al., 2009).

The current study is designed to add to the understanding of LMX development through an evaluation of how the relationship progresses from initiation of employment onwards and how

shared values affect this progression. Based on past research suggesting that similarities between various leader-follower traits such as personality, gender, and affectivity affect the development of LMX (Bauer & Green, 1996; Gerstner & Day, 1997; Nahrgang et al, 2009), it would follow that similarities amongst leader-follower work-values should play a comparable role. As there has been much research on how shared values affect the fit of the individual with their organization, team, and amongst individual relationships, value congruence should also play an important role in the level of LMX reported by both leaders and followers. This is outlined in more detail in the section below.

Development of Leader-Member Exchange

Gerstner and Day (1997) discuss how leader-member relationships are expected to grow and strengthen over time as the dyad members share new and different experiences. Bauer and Green's (1996) early longitudinal research on the development of LMX shows that, through the development of trust, certain dyad similarities such as gender and affectivity interact with the development of LMX. Bauer and Green describe three-stages of LMX development:

- Role-taking - An establishment of roles through expectations and standards.
- Role-making - An evolution of previously made roles through exchanges based on performance.
- Role-routinization - The final stage where exchanges become more predictable.

The role-taking stage is of great importance, as events taking place early in development will combine to shape later LMX relationships (Bauer and Green, 1996). More recently, there has been an increase in the study of LMX relationships during this role taking stage, from the initial interaction through the early stages of the relationship (Markham, 2010; Nahrgang et al., 2009). These studies of early LMX development are of importance as they are not only reflective of the quality of relationship which will be present later, but offer insight into a period of development which is based less on performance and more on subjective factors (Bauer & Green, 1996;

Nahrgang et al., 2009). Nahrgang et al. (2009) expanded on past longitudinal research by investigating how personality traits affect the development of LMX from both member perspectives. Their findings suggest that these relationships form and stabilize quickly from initiation through an 8-week period, with traits such as extraversion increasing this relationship.

In a recent meta-analysis on the topic, Gooty et al. (2012) state that, “A leader and follower who share similar mindsets, work values and/or experience momentous relationship-building events together might development such convergence quicker than leader–follower dyads that do not” (p. 1083). Giberson et al. (2009) mirror this thought by suggesting that it is not only the values of lower level leadership, but also the personality and values of top echelon leaders that affect how followers will perceive their place within an organization. This suggests that since LMX is the perception of a shared relationship, characteristics of both the individuals and the environment, which are shared or common between the dyad, will play a role in its development.

Social identity theory offers further explanation regarding how shared mindsets, goals, and the environment foster the development of LMX. Social identity theory points to how when leaders and other organizational members identify as members of the same in-group, their attitudes and behaviors tend to align reinforcing similarities (Tajfel and Turner, 1979; van Knippenberg & Hogg, 2003). Van Knippenberg and Hogg (2003) discuss how leader-effectiveness may depend on how prototypical the leader is of the group or its members. If the development of LMX is reliant on demonstrations of trust building (Bauer & Green, 1996) as well as similarities between members (Liden et al., 1993; Nahrgang et al. 2009), forging a common identity between leader and follower most likely is an underlying factor. Furthermore, social identity theory suggests that instances of trust are much more likely between individuals

who share certain characteristics such as race, age, and gender (Burns 2006; Wilson and Eckel 2006). Building from the Gooty et al.'s (2012) definition of LMX, which includes shared values, experiences and goals, the development of LMX may strengthen not just because of shared characteristics, but also the development of a shared identity.

As discussed above, past research has focused on the development of LMX over time (Gooty et al., 2012) as well as the role dyad characteristics such as gender and affectivity play in this process (Bauer & Green, 1996). Beyond this, more recent research has focused not only on the moderating effect of personality traits, but also made calls for a deeper understanding of the impact individual characteristics have on LMX (Nahrgang et al., 2009). Based on these trends, I propose that congruence of leader-follower work values should play an important role in the development of LMX over time. This will be discussed in further detail within the current study section.

Value Congruence

Schleicher, Hansen, and Fox (2010) describe values as stable beliefs we hold about certain behaviors and outcomes. Just as these beliefs pertain to our everyday life, we also hold work-values pertaining to our desired outcomes at work and the behaviors we engage in to achieve them. Situations in which groups of employees hold congruent values have been shown to lead to positive outcomes at all levels of the organization. Brown and Treviño (2006) looked at value congruence at the team level and found it to moderate the relationship between charismatic leadership and deviant workplace behaviors. At the organizational level, Gutierrez, Candela, and Carver (2012) found person-organization value congruence to predict levels of organizational commitment in nurses. At the individual level, Markham et al. (2010) found that when supervisor and subordinate agreement on leader-member exchange relationships was present, work-value

congruence between the dyad members predicted job performance amongst media service provider employees.

The relationship between value congruence and work outcomes is clearly an important factor for organizations to consider, but how this sharing of values affects the development of workplace relationships needs to be further evaluated. Schleicher et al., (2010), sum up their chapter on work-values and attitudes by pointing out the opportunity for values research to further help explain the development of exchange relationships in and out of the workplace. As value congruence has been shown to play a role in outcomes pertaining to both the subordinate and the supervisor (Brown & Treviño, 2006; Hayibor, Agle, Sears, Sonnenfeld, & Ward, 2011), it seems reasonable that the development of relationships based on constructs such as LMX will develop differently over time depending on the shared values amongst the dyad. The current study will evaluate subordinate-supervisor value congruence as a moderator of the development of LMX over time.

Allport (1961) gave one of the first conceptualizations of values in an occupational context, as beliefs that cause individuals to act on their preferences. More recently, Schleicher et al. (2010) formally defined work-values as prioritized, transituational, and guiding beliefs that persons hold about desired end states or behaviors. As these beliefs are held within the context of work, they essentially revolve around work related goals and the behaviors one views as appropriate to achieve such goals. Avolio et al. (2009) discuss how workplace relationships tend to move from individual interests to common interests based on various factors such as trust, respect, and obligation to each other. Early on in the relationship development process, these similarities are more likely to be judged on non-behavioral criteria, as behavioral criteria have not yet been established (Dienesch & Liden, 1986). This development of commonality early on,

therefore, depends more heavily on attitudinal factors, such as the congruence of the individuals' goals and values.

Schneider's (1987) concept of attraction-selection-attrition approaches this issue of commonality from a slightly different perspective. Schneider suggests that individuals who share common goals and values are more likely to be attracted to similar organizations. This congruence of values has, for the most part, been evaluated at the level of employee and organizational values. The same positive outcomes of value congruence, such as improved job satisfaction, productivity, and decreased turnover, have been seen at the team and individual level as well (Gooty et al., 2012; Hayibor et al., 2011; Markham et al., 2010; Schleicher, Hansen, & Fox, 2011). This suggests that congruence across values, as well as other characteristics, is an important issue across all levels of an employee's fit within an organization.

The role of fit throughout organizational levels is exemplified through the person-organization, person-team, and person-supervisor fit literature (Kristoff-Brown, Zimmerman, & Johnson, 2005). In a large-scale meta-analysis of various fit levels and outcomes, Kristoff-Brown et al. (2005) found that fit across job, organization, team, and supervisor was related to a wide variety of positive outcomes. Specifically looking at person-supervisor fit, the authors found strong positive effects of fit for both supervisor satisfaction as well as LMX. Taking fit a step further, it has been shown that employees who share values with their organization as a whole adjust and socialize more quickly, leading to greater success within an organization (Chatman, 1991). These more adjusted and socialized employees are also found to be more satisfied and have higher intentions to stay within the organization (Chatman, 1991).

Looking deeper at the role person-supervisor fit plays in both individual and organizational outcomes, Van Vianen, Shen, and Chuang (2011) found that when individuals

have higher levels of perceived fit with their supervisors based on levels of values, personality, life style, and work style, they form higher levels of organizational commitment. It was also found that not only is person-supervisor fit an independent construct from person-organizational fit, but also that the relationship between person-supervisor fit and organizational commitment was partially mediated by LMX (Van Vianen et al., 2011). This suggests that employees who perceive their supervisors as similar develop stronger levels of LMX which in turn causes them to feel higher levels of commitment towards their leaders.

These findings suggest that shared values are not only an important element of culture and fit, but as pointed out by studies of similarity and LMX, are also important for the development of leader-follower relationships. Meglino and Ravlin (1998) discuss how shared values allow for smoother interactions between members, which in turn leads to better employee adjustment within the organization. This integration can be explained by how organizationally embedded values are a reflection of CEO and upper management values (Giberson et al., 2009), suggesting that pervasive values established by strong leaders will increase fit, not only between leaders and followers, but also between followers and their organization. Van Vianen et al. (2011) support this thinking by showing that not only did LMX mediate the similarity-supervisor commitment relationship, but also supervisory commitment mediated the relationship between person-supervisor fit and organizational commitment. This suggests that although fit is important at multiple levels of the organization (Kristoff-Brown et al., 2005), it may be similarities and fit with one's immediate supervisor that are used to judge higher and less salient levels of fit.

Although value congruence between employees and their supervisors clearly has implications surrounding fit and various outcomes across all organizational levels, research has shown the importance of various other congruencies as well, such as personality, gender,

affectivity (Bauer & Green, 1996; Gerstner & Day, 1997; Nahrgang et al. 2009). Based on these findings, value congruence between a subordinate and supervisor should play a significant role in the prediction and development of LMX. This will be discussed in further detail within the current study section.

Control Variables

The current study is designed to evaluate the affect of congruent attitudes between supervisor and subordinate on the development of LMX; however, there is a large body of research that investigates the role various individual factors take in the quality of exchange relationship a person will develop (Bauer & Green, 1996; Brouer & Harris, 2007; Liden et al., 1993; Nahrgang et al., 2009). These studies suggest that individuals who enter situations with positive attitude-based characteristics will be more likely to have quality exchange relationships at later points in time. These positive attitude-based characteristics may lead individuals to view all leader-follower interactions more positively, regardless of the level of congruence. By controlling for these variables, LMX levels will be more consistent across individuals at the point of initial employment. Based on the goals of this study and the above-mentioned literature, a brief description of the individual characteristics controlled for will follow.

Positive affectivity: Positive affectivity is described as a dispositional trait, which predisposes an individual to react positively to environmental stimuli (Cropanzano, James, & Konovsky, 1993). Positive affectivity has been shown to moderate the relationship between LMX and outcomes such as workplace tension, with individuals high in negative affectivity seeing fewer benefits from the feedback and support components of LMX (Brouer & Harris, 2007). Furthermore, in a longitudinal examination of LMX development, Bauer and Green (1996) found that positive affectivity increased perceived levels of LMX early on in the relationship. These

findings suggest that regardless of leader-follower values, dispositional characteristics are likely to influence perceptions of the LMX relationship, especially early on. .

Agreeableness and extroversion: Both of these personality characteristics have been chosen as control variables, as they have both been shown to influence the development of quality social interactions. Additionally, both are rooted in interpersonal relationships, causing individuals to vary in their initial reaction to relationships (Costa & McCrae, 1992). Similar to positive affectivity, agreeableness and extraversion have been shown to affect an individual's initial response to a new relationship, as well as the development of that relationship over time (Bauer et al., 2006; Nahrgang et al., 2009). As these personality traits are likely to affect initial relationship development beyond value congruence they will also be controlled for.

Current Issues in LMX Research/Supplemental Topics

Frequency of dyad contact. Longitudinal research on the development of quality leader-follower relationships has found a consistent relationship between dyad relationship tenure and LMX (Bauer et al., 2006; Nahrgang et al., 2009). However, there is evidence that it is not simply how long the members have known each other that is important, but also nature of day-to-day interactions (Sin, Nahrgang, & Morgeson, 2009). Sin et al. (2009) describe relationships as developing through a number of "testing" episodes that gradually foster trust and familiarity. In a meta-analysis specifically looking at LMX agreement between leaders and followers, the authors found that not just relationship tenure, but also intensity of contact predicted levels of LMX. Within the same meta-analysis the authors found that frequency of contact had no effect on overall levels of LMX or LMX agreement, suggesting it is the nature of contact not just frequency that is important.

Although the meta-analytic findings mentioned above point to intensity and tenure as drivers of LMX, Gajendran and Joshi (2012) found that in a sample of globally dispersed teams frequency of contact moderated the relationship between LMX and team member influence on decisions when teams were highly dispersed. Specifically, when teams are geographically dispersed, frequency of contact increases the positive effects of LMX on team outcomes. This suggests that the role dyad contact (tenure, intensity, and frequency) plays in LMX is dependent on not only the dyad relationship, but also the situation and leader-follower environment.

Incremental validity of value congruence over dyad contact. Although there is strong empirical support for the positive role dyad contact plays in levels of LMX, Liden et al. (1993) suggest that early on in the development of relationships it is subjective factors (e.g. values, personality) that have an effect on relationships in the absence of performance information. Sin et al., (2009) mirror this thinking by stating that it is the likely nature of contact episodes, not just the contact itself that matters. Their findings that tenure, along with intensity of contact, is related to LMX, and not frequency of contact suggest that within episodes of contact there are other factors that affect relationship quality.

Social identity theory (Tajfel and Turner, 1979; van Knippenberg & Hogg, 2003) suggests that similar individuals will generally feel more positive towards each other through a fostering of a collective identity. The role a collective identity plays in LMX is exemplified in a study by Loi, Chan, and Lam (2014) who found that across multiple Chinese companies, LMX predicted overall job satisfaction, with this relationship being mediated by organizational identification. This suggests that although LMX leads to many positive outcomes, while being predicted by various facets of contact, it is through fostering a collective identity that individuals are truly able to benefit from quality relationships. Taken together these findings suggest that although time

spent together plays a role in levels of LMX, it is a sharing of values that compliments dyadic contact.

LMX Agreement. Although current research on LMX has acknowledged the importance of measuring leader and follower perspectives (Gooty et al., 2012), leader-follower agreement on LMX perceptions (Sin et al., 2009) has been identified as an important issue in current LMX research. Although the body of literature on LMX agreement is not expansive, research seems to agree that when leaders and followers match on the perceptions of LMX quality, the positive effects of LMX are much greater (Markham et al., 2010). Just as with LMX levels, LMX agreement is not necessarily static, with agreement varying at different stages of relationship development (Narhgang et al., 2009). Specifically looking at relationships in early stages of development (1-4 months), studies have shown that early LMX agreement is generally lesser, with agreement increasing as dyad contact increases (Narhgang et al., 2009; Sin et al., 2009). The role contact plays in levels of LMX agreement has been described as working through a processes of trust building events, with higher levels of contact leading to more opportunity for trust building. This suggests that especially early on in relationships, frequency of dyad contact likely plays an important role in not only LMX levels, but also agreement.

Separate value dimensions. As discussed about, values are defined as our beliefs about various outcomes and behaviors within and outside of work (Schleicher, et al., 2010). However, within the definitions of values and motives researchers often break down the omnibus view of values into lower order dimensions (Leuty & Hansen, 2011; Manhardt, 1972; Rudolph, Baltes, & Zabel, 2013). For example, Manhardt (1972) describes value dimensions revolving around security, growth, and status. These dimensions mirror meta-analytic findings surrounding motive dimensions that show people tend to identify motives of security, growth, and social interaction.

This suggests that in reference to LMX, it may not simply be that individuals have congruent values, but on which values they are congruent that is important.

Status as a moderator. The role of job level, or leader-follower status, in LMX research is an important topic as exchanges and trust building episodes are often viewed differently depending on the individuals' role in the relationship (Gooty et al., 2011). Findings on LMX agreement/differentiation suggest that early on in relationships leaders and followers are likely further apart on their perceptions of LMX, with convergence occurring over time (Narhgang et al., 2009). More specifically, early relationships are generally characterized by lower levels of leader rated LMX and higher levels of follower sensitivity to leader traits (Narhgang et al., 2009; Sin et al., 2009). Further more, in a longitudinal test of early stage LMX development, Narhgang et al. (2009) found that leader-follower personality congruence positively predicted LMX trajectories, but only for followers. These findings suggest that although both leaders and followers play a dynamic role in the process of dyad relationships, they may be affected by different factors (e.g. value congruence, dyad contact).

CHAPTER 3

CURRENT STUDY AND HYPOTHESES

The current research is designed to investigate the role of supervisor-subordinate value congruence in the prediction and development of LMX. Based on the current trend of evaluating leader and follower levels of LMX, this study will specifically look at how value congruence affects LMX from both perspectives.

Proposed and Tested Hypotheses

Past research has shown various congruencies such as gender, personality, and affectivity (Bauer and Green, 1996; Gerstner & Day, 1997; Nahrgang et al. 2009) to have positive relationships with LMX. The person environment fit literature has also shown value-congruence to have an affect on fit levels among employee's relationships with their organizations, teams, and supervisors. Along with research showing value congruence as an antecedent of LMX strength (Markham et al., 2010) and studies finding that supervisors see employees similar to themselves as having higher potential (Bauer & Green, 1996), the following is hypothesized:

Hypothesis 1_a: There is a positive relationship between leader level LMX and leader-follower value congruence.

Hypothesis 1_b: There is a positive relationship between follower level LMX and leader-follower value congruence.

Proposed and Not Tested Hypotheses

Although many of the antecedents of LMX strength have been established, what past research lacks is an evaluation of how the LMX relationship develops over time and what affects this development (Markham, 2010). DeRue and Morgeson (2007) found that the development of person-team fit plateaus early after team formation, based on the stability of values. The literature

points to factors such as shared goals, values, obligations, and instances of exceptional leadership behaviors as aiding in the development of LMX (Gooty et al. 2012; Graen, 1976). Longitudinal research looking at the factors which affect the development of LMX over time, points to factors such as perceived similarity, liking, affectivity, personality, and other subjective as well as objective variables which play a role in the formation of quality relationships (Bauer and Green, 1996; Liden, Wayne, & Stilwell, 1993; Nahrgang, Morgeson, & Ilies, 2009). Based on this past literature, the second prediction regarding LMX development is made:

Hypothesis 2_a: There is a significant interaction between value congruence and leader level LMX over time, such that the rate of growth of LMX is greatest for leaders in dyads with high-value congruence, weaker for leaders in medium value congruence dyads, and weakest for those in low value congruence dyads.

Hypothesis 2_b: There is a significant interaction between value congruence and follower level LMX over time, such that the rate of growth of LMX is greatest for followers in dyads with high-value congruence, weaker for followers in medium value congruence dyads, and weakest for those in low value congruence dyads.

One common finding among the research evaluating the development of LMX is that these relationships develop quickly and then stabilize (Bauer & Green, 1996; Liden et al., 1993; Nahrgang et al. 2009). Liden et al. (1993) suggest that the initial stage is of importance, as early LMX will predict later relationship quality. The formation of early relationships seems to be more heavily based on dispositional factors such as similarities and personality, as performance criteria are not yet available. Based on this rationale, it would follow that leader-follower value congruence should be of greater importance during the early stages of the relationship, and less

important in later stages when more performance based criteria are available. This will be evaluated through the following research question:

Research question: Is the relationship between value congruence and LMX stronger in the early stages of the relationship (0 - 4 weeks) than in the later stages (4 - 8 weeks/8weeks – termination)?

CHAPTER 4

METHOD

In order to evaluate the development of LMX over a controlled time frame, while maintaining the environment of a real organization, the development of LMX was measured in a sample of social work students taking part in a work placement as part of their course requirements. To understand fully the developmental processes of LMX and the role of value-congruence in this development, students who are working in a program specific job placement were planned to be sampled at the initiation of their employment, after the 4 week point, 8 week point, and at the end of the placement period. These time periods were chosen based off longitudinal findings by Nahrgang et al. (2009), suggesting that the greatest LMX increase is seen within the first 4 weeks of employment and these levels generally plateau by 8 weeks. This study also planned to include data collection at termination of employment to allow for a fourth data point, as certain placements may vary in length.

Participants

Participants for this study included undergraduate and graduate social work students who were taking part in a one-year work placement within a social work organization. Along with their supervisors, the placement employees compose both an unmatched sample as well as a smaller sample of matched leader-member dyads. Based on a power analysis, using the suggested conservative effect size estimation of $d = .2$ (Cohen, 1988; Murphy, 2008), a sample of 85 leader-follower dyads was suggested to be obtained, with each dyad consisting of one supervisor and one student. The final total sample included 155 students and 113 supervisors. Out of the full sample, 34 paired leader-follower matches were available. Although the sample of dyads

obtained was below the suggested sample size, as discussed in the Results section, meaningful effect sizes were still obtained, suggesting a sufficient level of power.

All hypotheses involving value congruence were evaluated using only the matched dyad sample. The demographic characteristics of the matched and unmatched samples of students and supervisors are shown in Table 1.

Although the original goals of this study surrounded the development of LMX over time, during the first wave of data collection situational constraints regarding the sample of social work students and their supervisors became apparent. These constraints allowed for only a condensed version of the measures to be administered at one time point, as opposed to 4 time points originally planned. Although this changes the longitudinal nature of the hypotheses, I was still able to examine the nature of the LMX-value congruence relationship cross-sectionally. I was also able to test other theoretically relevant relationships such as the relationship between dyad time spent together and LMX, the moderating role of leader-follower status, incremental validity of value congruence in predicting LMX beyond mere dyad exposure, as well as the nature of leader-follower LMX agreement. The procedure outlined below reflects the changes made to accommodate the constraints of the sample.

Procedures

After initial information sessions given to students during their class orientations, students as well as supervisors were contacted via email to take part in a survey aimed at examining the role of work values in the development of work relationships. Students and supervisors were emailed separately and matched later using unique codes given to dyad pairs. This method allowed for dyad matching, as well as the inclusion of unmatched individuals in the non-value congruence analyses. Within the survey, participants were asked to complete a work value

inventory consisting of 21 work values, a measure of LMX, and demographics items. As done in Markham et al.'s (2011) study on leader-member exchange and value congruence, each matched dyad member's value scores were correlated with the other dyad member's to achieve a congruence score. This congruence correlation was used in all analyses examining value congruence.

Measures

Leader-Member Exchange. LMX was evaluated using Liden and Maslyn's (1998) LMX measure (see Appendix A). The measure consists of 12 items measured on a 1-7 Likert scale ranging from strongly disagrees to strongly agree. The measure evaluates personal relationships with supervisors with statements such as "I like my supervisor very much as a person" and "I admire my supervisor's professional skill." Within the unmatched sample, this measure displayed an internal consistency of .94 for followers and .90 for leaders. Within the matched sample, the LMX scale showed an internal consistency of .92 for followers and .93 for leaders.

Work values. An initial survey distribution using O'Reilly, Chatman, and Caldwell's (1991) Organization Culture Profile (see Appendix B) yielded a very low response rate and negative participant feedback. Due to these factors the measure was abandoned and replaced by Manhardt's (1972) *Work Values Inventory*; a much shorter and more user friendly measure (see Appendix C). In an evaluation of the validity of values measures, Leuty and Hansen (2011) found this measure to be valid across multiple dimensions of work values such as working environment, being challenged, opportunities for income, and support. The measure was also found to be comparable to other popular values measures, suggesting it is an acceptable measure for the purposes of this study. The measure asks each participant to rate 21 work related values on how important they are to their *ideal job* using a scale of 1-5, ranging from unimportant to very

important (see Appendix B). This measure has also been shown to have a three-factor structure measuring values of security, growth, and status. Sample items include, “*provides comfortable working conditions*”, “*encourages continued development of knowledge and skills*”, and “*is respected by other people.*” This measure displayed an internal consistency of .86 for followers and .78 for leaders within the unmatched sample. Within the matched sample, the value items showed an internal consistency of .75 for followers and .80 for leaders.

Additional variables. Along with the variables of interest, both leaders and followers were asked questions regarding their age, race, gender, and hours spent per week within the dyad. Followers were asked questions about their year in the program and if they have engaged in a placement before. Leaders were asked questions about their discipline of social work and tenure within their organization (see Appendices D and E).

Control variables. The study was originally designed to measure control variables that may affect individuals’ perceptions of LMX, such as positive affectivity, agreeableness, and extroversion. However, due to the time sensitivity of the survey along with the negative participant feedback received from an initial survey distribution these were not included in an effort to obtain as large of a sample as possible. The implication of this omission is that it is not possible to determine if dispositional and personality characteristics played a role in the initial perceptions of leader/follower LMX. The benefit of the omission is that I believe a higher rate of response was achieved than would have been otherwise.

Data Analysis

In order to analyze the hypotheses concerning value congruence, a value congruence score between matched leaders and followers was first created. As done in Markham et al. (2010), leader and follower scores on the work value index (across the 21 values measured) were

correlated to achieve a continuous dyad score representing the strength of values agreement. As discussed in Ashkanasy and O'Connor (1997), this method of correlating independent values ratings offers a more objective assessment of value congruence than simply asking dyads to rate their similarity with members.

The value congruence index was then used in all subsequent regression analyses applying the matched sample to examine all questions involving value congruence. All main effects were tested using multiple regression, while moderations were examined using a step-wise regression accounting for interaction terms between variables.

CHAPTER 5

RESULTS

Descriptive statistics and correlations for both the matched and unmatched sample can be seen in Table 2 and Table 3.

Hypothesis 1_a states there is a positive relationship between levels of leader level LMX and overall levels of dyad value congruence. Regression analysis found that hypothesis 1_a was not supported, with overall value congruence having no effect on leader level LMX ($\beta = -.37$, $SE = .62$, $p = .55$). However, value congruence was found to have a significant positive effect on follower level LMX ($\beta = 1.84$, $SE = .62$, $p < .01$), offering support for hypothesis 1_b, which states that there is a main effect of value congruence on follower levels of LMX. Based on the above findings, a supplemental moderation analysis was conducted to examine the moderating role of status on the value congruence-LMX relationship. A stepwise regression found that, although there was no overall main effect of value congruence on LMX ($\beta = .72$, $SE = .44$, $p = .11$), there was a significant interaction term ($\beta = -2.21$, $SE = .88$, $p = .01$).

To further examine the effect of value congruence on LMX, the both main effects on LMX and the interaction with leader-follower status was examined for each value dimension (security, status, and growth). Looking at congruence across security values, there was no main effect on LMX ($\beta = .88$, $SE = .70$, $p = .22$) or moderating effect of status ($\beta = -.39$, $SE = .44$, $p = .39$). Similarly, there was also a non significant main effect when looking at congruence across values related to status ($\beta = .90$, $SE = .96$, $p = .35$) for LMX, as well as a non significant moderation of status ($\beta = -.64$, $SE = .61$, $p = .30$). Although both these value dimensions displayed non-significant results, congruence surrounding growth related values displayed a significant main effect on LMX ($\beta = 2.50$, $SE = .94$, $p = .01$). This effect was also significantly moderated by

status ($\beta = -1.64$, $SE = .59$ $p < .01$).

This suggests that, while overall value congruence may be unimportant for leaders' perceptions of their relationship with their followers, it has a large effect on how followers perceive their relationship with leaders (see Figure 1). Looking deeper at these effects it appears as if it is really congruence on growth related values that is what is important for followers' perceptions of their exchange relationships (see Figure 2).

Supplemental Analyses

To examine the role of dyad contact, a regression was run on both the matched and unmatched sample to test the effect of weekly hours spent together on levels of LMX. For the matched sample the effect of time spent on LMX was non-significant ($\beta = .03$, $SE = .02$, $p = .11$), with no moderating effect of status ($\beta = -.02$, $SE = .04$, $p = .53$). Looking at the larger unmatched sample, hours per week spent together between dyad members was found to have a significant relationship with LMX ($\beta = .12$, $SE = .03$, $p < .01$). Further analysis found that this relationship was moderated by leader-follower status ($\beta = -.05$, $SE = .02$, $p = .02$); such that, time spent together was significantly related to followers' perceptions of LMX ($\beta = .07$, $SE = .01$, $p < .01$) while it was unrelated to leaders' perceptions ($\beta = .02$, $SE = .02$, $p = .16$) (see Figure 3).

To test the role of value congruence above and beyond time spent together in perceptions of LMX, a hierarchical regression was run, finding that value congruence displays incremental prediction beyond time spent together for followers' perceptions of LMX ($\Delta R^2 = .23$, $p < .01$), but not for leaders ($\Delta R^2 = .07$, $p = .22$).

To further examine the dynamic nature of LMX agreement, the role of time spent together in the matching of LMX perceptions was also examined. Within the matched sample, difference scores were obtained between dyads' LMX scores. These agreement scores were found to be

significantly related to dyad time spent together ($\beta = -.13$, $SE = .03$, $p < .01$), suggesting that leaders and followers who spend more time together tend to have a better understanding of their relationship, whether positive or negative.

CHAPTER 6

DISCUSSION

LMX research has moved from early studies examining the matching of employee needs with job characteristics (Graen et al., 1982) to a more recent conceptualization of the construct as involving not only both parties' perceptions, but also the reciprocal nature of the relationship (Gooty et al., 2011; Henderson et al., 2009). Although past research on LMX has established the effect of dyad similarities such as race, gender, and personality on the development of effective relationships (Bauer & Green, 1996; Gerstner & Day, 1997), the current study adds to the understanding of how more subjective characteristics affect perceptions of leader-follower relationships early on in employment. I also conducted multiple supplemental analyses that add to the body of research on how work characteristics and leader-follower status play a role in relationship perceptions and agreement.

To achieve the goals of this study, I examined the role leader-follower value congruence plays in both leader and follower perceptions of LMX within a sample of newly formed (3 months) leader-follower dyads. Although I was unable to evaluate how these perceptions develop over time due to sampling restrictions, supplemental analyses allowed for an examination of other important questions surrounding the role of dyad exposure and leader-follower status in the prediction of LMX, as well as the incremental validity of value congruence beyond mere exposure and the nature of leader-follower agreement on LMX perceptions.

My results suggest that early on overall followers tend to be more sensitive to dyad characteristics than leaders do. Specifically, both value congruence and dyad contact were related to LMX; however, only for followers. The moderation of status also held for findings of the incremental validity of value congruence, and the effects of specific value dimensions.

Theoretical Implications

Results suggest that time spent together between dyad members plays an important role in how followers perceive their relationship with their leaders; however, the effect of exposure appears to be less important for leaders. As LMX is rooted in perceptions of trust (Bauer & Green, 1996), the finding that time spent together plays an important role in quality relationships aligns with research on trust building, which consistently points to familiarity and relationship duration as powerful antecedents of trust within individuals and teams (Tseng & Yeh, 2013; Vanneste, Puranam, & Kretschmer, 2014).

The role that dyad exposure plays in LMX perceptions has been long established in the literature; with longitudinal studies consistently finding that positive perceptions of leader-follower relationships will generally increase over one's tenure (Bauer & Green, 1996; Nahrgang et al., 2009; Park, Sturman, Vanderpool, & Chan, 2015). Although these studies have established positive trends in LMX development over long periods of time, Sin et al. (2009) suggest that it is not only the tenure of the dyad, but also the intensity and frequency of interactions that may be important. The findings presented by the current study seem to generally support the notion that more frequent interactions do indeed positively affect perceptions of LMX; however, the significant moderation of leader-follower status contradicts findings that over time both leader and follower perceptions of LMX should increase (Nahrgang et al., 2009).

One explanation for this contradictory finding may be that early in dyad relationships, leaders and followers tend to show less agreement around the quality of the relationship, with leaders being less sensitive to such factors as follower agreeableness, for example (Nahrgang et al., 2009; Sin et al., 2009). Specifically, Sin et al. (2009) suggest that perceptions of LMX are built on repeated social interactions, or "testing episodes." This logic would align with my

finding that time spent together not only predicts follower LMX perceptions, but also LMX agreement within the dyad. Sin et al.'s findings go on to show that early in dyad relationships, leaders tend to rate followers much lower on LMX, regardless of the follower's perceptions, with agreement increasing as contact frequency increases. The current findings help to shed light on this dynamic relationship between leader-follower perceptions and frequency of dyad contact by corroborating the evidence that frequency of contact predicts LMX agreement, while also displaying results that align with theory surrounding discrepancies in leader-follower LMX early on in relationships.

Although relationship tenure and dyad contact frequency clearly play a role in LMX perceptions, early research on LMX development discusses how the lack of objective information in newly formed dyads leads to dispositional characteristics and similarities playing an important role (Bauer & Green, 1996; Liden et al., 1993). The findings presented in the current study extend the research on the importance of subjective criteria (i.e. value congruence) early on in relationship development by suggesting mechanisms through which factors such as liking and perceived similarity may work.

Early on in relationship development, there is often a lack of objective performance data, causing individuals to rely more on subjective and attitudinal characteristics (Bauer & Green, 1996; Liden et al., 1993). In line with this thinking, the concept of similarity was extended to include less concrete factors such as individual values, goals, and attitudes (Ashkanasy & O'Connor, 1997). Although these less subjective forms of similarity are often found to predict relationship quality, Ashkanasy and O'Connor discuss how many of the findings surrounding the importance of similarity are rooted in self-reported perceptions of other member similarity. The results of the current study align with this past research, suggesting that value congruence is a

strong predictor of LMX, while also offering a more objective metric of congruence. By measuring dyad members' values individually and then later correlating them to achieve congruence scores, similarity is not measured as a perception, but rather as a reflection of how individual leader-follower values align.

Furthermore, this research extends the current state of the literature on exchange relationships by not only showing value congruence to be important, but by identifying specific value groups that matter. The current results show that it is congruence on values related to competence and growth that are driving LMX relationships, while security and status values were unimportant. Even more interesting was that although growth value congruence lead to increased LMX for followers, it had a strong (although non-significant) negative effect for leaders. Taking a look at the motives literature may help explain the opposite effects seen for leaders and followers. Rudolph et al. (2013) describe growth motives as encompassing need for growth, development, and promotion. From a values perspective it seems followers would value leaders who share these similar growth related mindsets, as it is leaders who often can foster such growth and development opportunities leading to higher levels of follower LMX. On the other hand however, leaders who value growth likely also look to their leaders for opportunity and development. Through time and resource commitment the needs of a growth-motivated student would likely hinder the career focused activities of a growth motivated leader leading to lower levels of leader LMX.

Although the findings of the current study align with the large body of research on the importance of subjective similarity early on in relationship development, this result was only seen for followers' perceptions of LMX. As with the importance of time spent together, this finding may be explained by the nature of relationships early on in dyad formation. As mentioned

previously, early on in the relationship leaders and followers tend to have less agreement on LMX, with leaders generally rating followers less positively (Narhgang et al., 2009). Early relationships are also categorized by followers being more sensitive to certain leader traits (Narhgang et al., 2009; Sin et al., 2009), for example research has found that similarity on personality traits had an effect only on follower LMX at the initiation of employment. The positive effect of value congruence on followers', but not leaders', LMX seems to align with past research that suggests dyad similarities seem to be more important to followers early in relationship development.

Although the findings from past research, as well as this study, point to a host of factors both subjective and objective that influence LMX, my results also shed light on the relative importance of these various dyad characteristics. The finding that value congruence displays incremental validity beyond dyad frequency of contact, suggests that although contact is important for fostering exchange relationships (Narhgang et al., 2009; Sin et al., 2009), characteristics of dyad members are what drives the outcomes of this contact. This dynamic effect of time spent and similarity on LMX aligns with research by Park et al. (2015) that suggests various antecedents differ across dyad stages, and that tenure moderates the relationship between LMX and factors such justice and performance. Although the findings in the current study reflect dyad contact frequency and not tenure, Sin et al. (2009) discuss tenure and contact as both influencing LMX relationships. This suggests that the findings surrounding the incremental validity of value congruence beyond time spent may have theoretical implications regarding the role both job and individual characteristics play in LMX perceptions.

Practical Implications

The implications of these findings can affect organizations at all levels from dyad and team

management, to the development of strong and effective individual relationships, and a general understanding of relational dynamics in the workplace.

From a dyad management perspective these findings support those by Park et al. (2015) suggesting that in dyads with high rates of geographic dispersion frequency of contact is an important factor in LMX relationships. These findings have implications for leaders in a variety of settings, as the nature of contact likely will depend on numerous environmental factors. Sin et al. (2009) discuss how it is not necessarily the level of contact but the nature that matters for relationship development, while Park et al. (2015) suggest that is the nature of the team's environment. The current sample of social work students consisted of newly formed dyads, which met sporadically throughout the week at various sites. The findings that both value congruence and time spent together within this group was important for LMX suggests that it is indeed both the quantity and quality of interactions that supervisors should be concerned with. Ensuring quality contact frequently seems to be of special importance when teams are geographically dispersed or have irregular contact.

From a team-level perspective, this research suggests that value congruence among supervisors and subordinates may have a more holistic impact. The understanding of how leader-member exchange and value congruence can affect the dynamics of a team or individual relationships also offers opportunity to prevent counter-productive work behaviors. Brown and Treviño (2006) found that value congruence amongst team members mediated the effect that charismatic leaders had on counterproductive work behaviors. If value congruence plays a role in this mediating capacity and as leader-member exchange has been tied to job performance, this research suggests there may be a two-fold implication for the organization as far as the impact of value congruence on leader-member exchange is concerned.

Limitations and Future Directions

The clearest limitation within this study pertains to the issues encountered with the sample. In order to achieve a sample of dyads within a high fidelity working environment, social work students and their supervisors were initially sampled within the first week of employment. Although this method was intended to measure the variables of interest at relationship initiation, the increased workload and stress levels that accompany a newly formed student-supervisor relationship lead to a very small response rate accompanied by negative participant feedback. To resolve this issue a more user-friendly survey was created and administered with stronger organizational support. Although a power analysis suggested a sample of 85 leader-follower dyads, the resulting sample of 34 dyads yielded effects for some of the various analyses, suggesting sufficient power.

Related to the sampling restrictions was my inability to test the longitudinal hypotheses. This was a major limitation of the study, as one of the main goals was to better understand the development of LMX from the initiation of employment onward. Although the longitudinal component was abandoned, many analyses not originally part of the proposal resulted in theoretically relevant findings.

The second major limitation of the data collected in this study is the loss of specific work-value information. Although the correlation of the individual's aggregated value scores allows for an individualized view of value alignment, all information on which values are most congruent is lost. There may be certain value groups, for which agreement may be much more important to the development of leader-member exchange. There may also be value groups where congruence between dyad members matters very little. To solve this problem future researchers may want to evaluate the interaction between specific value congruencies and leader-member exchange over

time.

Finally, this study was lacking in its multi-level analysis of leader-member exchange. To avoid complications surrounding nested data, only independent dyads were examined. As Gooty et al. (2012) discussed, leader-member exchange has a much more dynamic impact than simply the follower's perspective. This relationship affects not only the behavior of both the subordinate and supervisor, but also all other group members. By examining multiple followers paired with a common leader, team as well as reciprocal effects of LMX could be better examined. As supervisors are seen as agents of the organization (Eisenberger et al., 1986), the quality of their relationships can have implications company-wide. To evaluate these complex effects of leader-member exchange, future research needs to look at factors such as leader-member exchange discrepancies and how they affect the group, as well as factors such as aggregated group leader-member exchange.

Conclusion

Graen and Scandura (1987) described a period of leader-member exchange crystallization, during which roles and expectations of both parties are established. Markham et al. (2010) describe this period as a time when leader-follower value congruence is of most importance for the development of LMX. Considering the importance of early relationship stages, the current study describes how environmental factors such as time spent together, as well as individual characteristics such as values affect the dynamic processes of LMX perceptions and agreement. Overall this research adds to the body of literature attempting to understand how the complex nature of human relationships affects employee's work behaviors. Clearly individuals' work values are just one factor among many that affect supervisor-subordinate relationships; however, there is clearly a complex interplay of factors at work that warrant a further discussion.

FIGURES

Figure 1

The Moderating Effect of Leader-Follower Status on the Value Congruency-LMX Relationship.

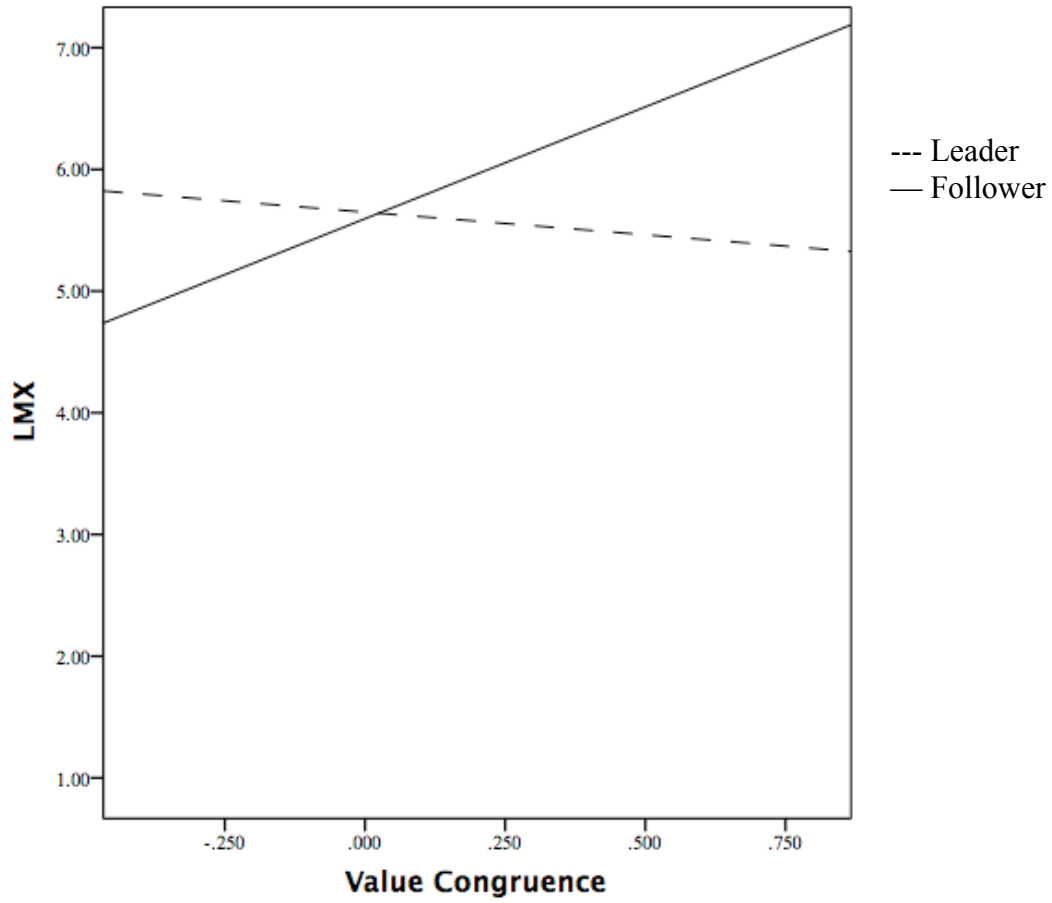


Figure 2

The Moderating Effect of Leader-Follower Status on the Growth Value Congruency-LMX Relationship.

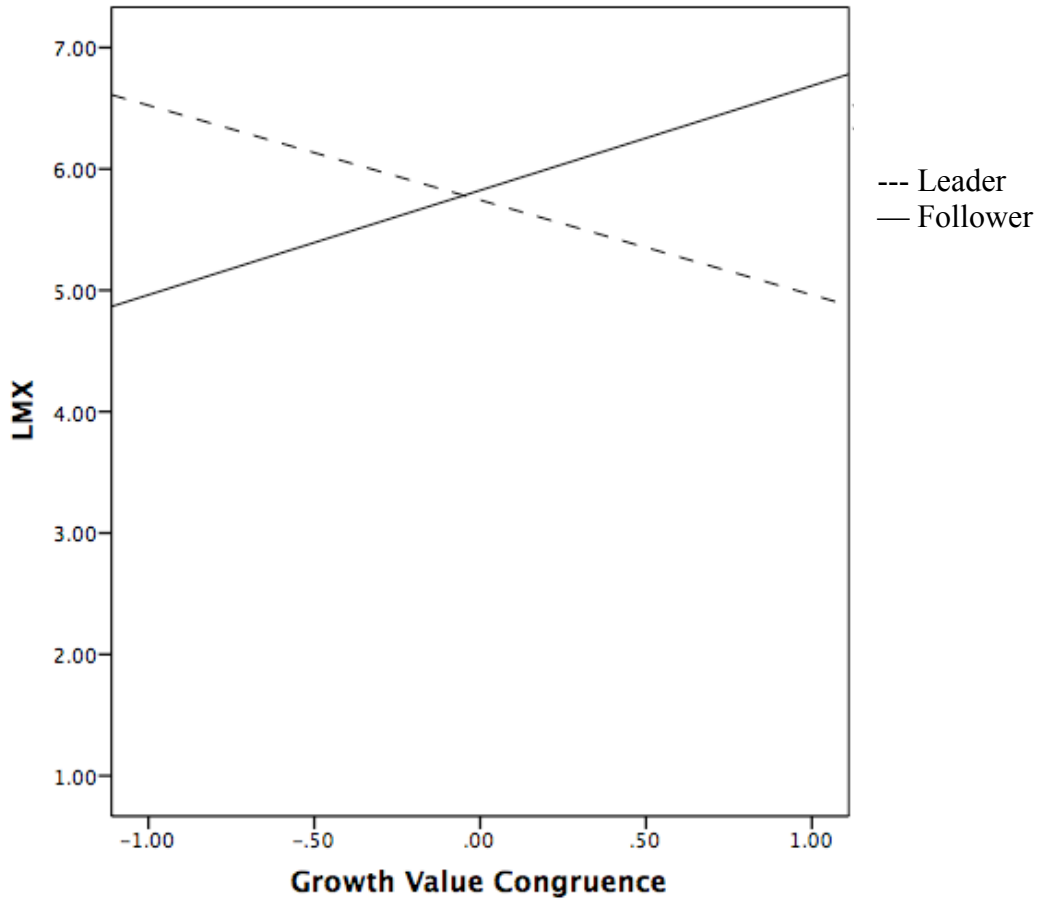
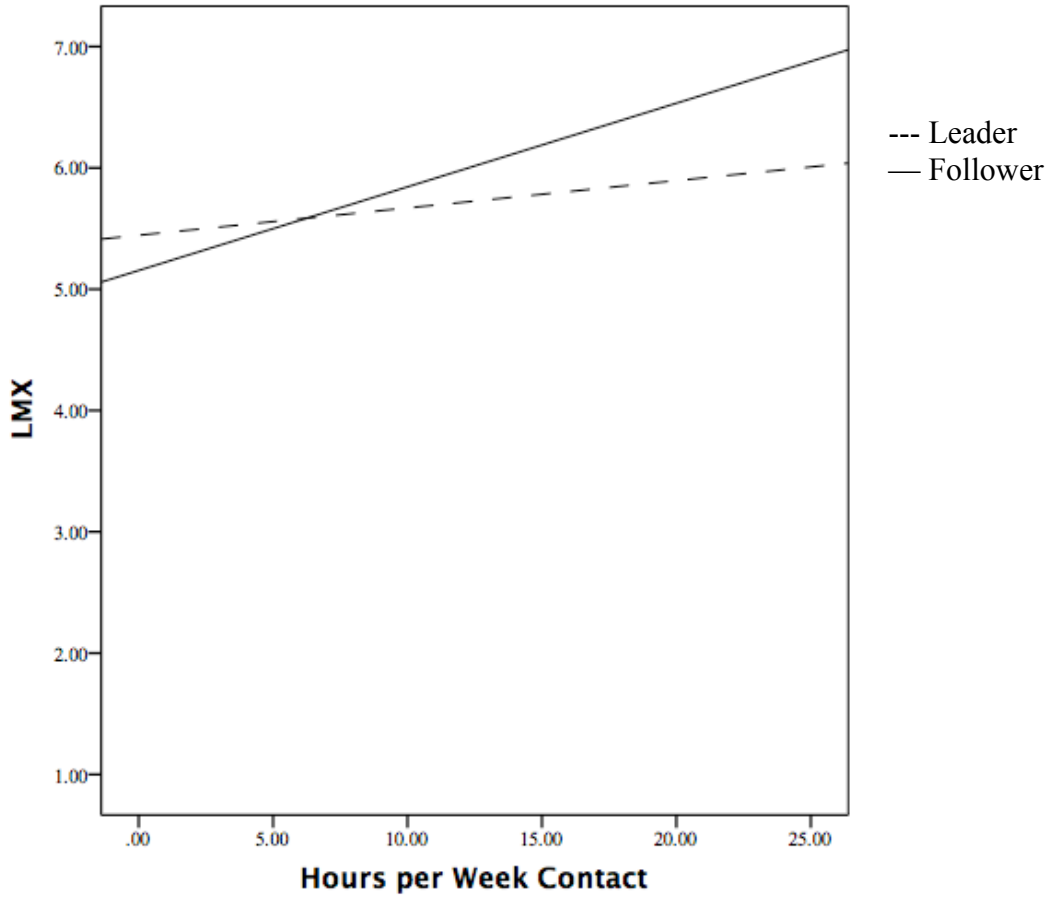


Figure 3

The Moderating Effect of Leader-Follower Status on the Dyad Contact-LMX Relationship.



TABLES

Table 1

Descriptive Statistics for Matched Pairs and Unmatched Sample.

	Unmatched Sample (N = 268)		Matched Sample (N = 68)	
	Leaders (N = 113)	Followers (N = 155)	Leaders (N = 34)	Followers (N = 34)
Mean Age (SD)	44.67 (11.93)	29.37 (9.06)	48.76 (12.50)	28.38 (8.21)
% Men	11	8	15	8
% Women	89	92	85	91
% White	74	65	76	79
% Black	17	23	15	6
% Other	8	12	8	15

Table 2

Descriptive Statistics and Correlations for the Matched Pairs Sample - Leaders.

	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9
¹ Age	48.66	12.68	1								
² Gender	NA	NA	-.17	1							
³ LMX	5.53	.94	.22	-.09	(.92)						
⁴ VCT	.23	.25	-.34*	.44*	-.10	NA					
⁵ VCG	.23	.38	-.44*	.14	-.31	.72*	NA				
⁶ VCS	.14	.52	-.24	.20	.06	.49*	.24	NA			
⁷ VCST	.00	.38	.02	.24	-.15	.49*	.34*	-.21	NA		
⁸ LMX Agreement	.99	.70	-.13	.06	-.70*	.25	.26	-.10	-.21	NA	
⁹ Contact Frequency	4.53	5.63	-.16	.11	.06	.18	-.02	-.14	.19	.17	1

N = 34, **p* < .05

Table 3

Descriptive Statistics and Correlations for the Matched Pairs Sample - Followers.

	<i>M</i>	<i>SD</i>	1	2	3	4	5	6	7	8	9
¹ Age	28.55	8.28	1								
² Gender	NA	NA	-.09	1							
³ LMX	6.01	.93	-.24	-.14	(.93)						
⁴ VCT	.23	.25	-.30	-.33	.50*	NA					
⁵ VCG	.23	.38	-.03	-.37*	.35	.73*	NA				
⁶ VCS	.14	.52	-.28	-.20	.28	.49*	.24	NA			
⁷ VCST	.00	.38	-.32	-.02	.11	.49*	.34*	-.21	NA		
⁸ LMX Agreement	.99	.70	-.03	-.20	-.14	.25	.30	-.08	.07	NA	
⁹ Contact Frequency	7.68	7.52	.02	-.04	.23	.34	.29	.29	.06	-.13	1

N = 34, **p* < .05

Table 4

Descriptive Statistics and Correlations for the Unmatched Sample - Leaders.

	<i>M</i>	<i>SD</i>	1	2	3	4
¹ Age	44.67	11.92	1			
² Gender	NA	NA	-.06	1		
³ LMX	5.58	1.20	.15	-.02	(.90-.94)	
⁴ Contact Frequency	6.25	6.09	-.09	.13	.16*	-.06

N = 104, **p* < .05

Table 5

Descriptive Statistics and Correlations for the Unmatched Sample - Followers.

	<i>M</i>	<i>SD</i>	1	2	3	4
¹ Age	29.37	9.06	1			
² Gender	NA	NA	-.05	1		
³ LMX	5.58	.84	-.03	-.05	(.90-.94)	
⁴ Contact Frequency	7.05	6.94	-.05	.02	.40*	1

N = 150, **p* < .05

APPENDIX A**LEADER-MEMBER EXCHANGE MEASURE (Liden and Maslyn, 1998)**

Directions: Using the 1 to 7 scale below as a guide, indicate the extent to which you agree or disagree with the following statements by choosing the corresponding number.

1	2	3	4	5	6	7
Strongly Disagree	Disagree	Slightly Disagree	Neither Agree Nor Disagree	Slightly Agree	Agree	Strongly Agree

I like my supervisor very much as a person.

I respect my supervisor's knowledge of and competence on the job.

My supervisor would defend me to others in the organization if I made an honest mistake.

I am impressed with my supervisor's knowledge of his/her job.

My supervisor is the kind of person one would like to have as a friend.

My supervisor is a lot of fun to work with.

I do not mind working my hardest for my supervisor.

I admire my supervisor's professional skills.

My supervisor would come to my defense if I were "attacked" by others.

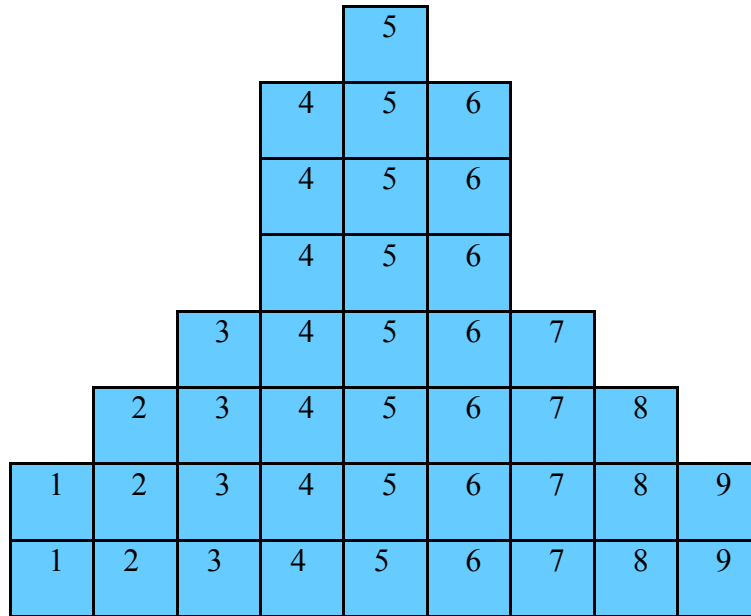
I am willing to apply extra efforts, beyond those normally required to meet my supervisor's work goals.

My supervisor defends my work actions to a superior, even without complete knowledge of the issue in question.

I do work for my supervisor that goes beyond what is specified in my job description.

APPENDIX B**ORGANIZATIONAL CULTURE PROFILE (O'Reilly, Chatman, & Caldwell, 1991)**

Below, you will find 40 characteristics that could be used to describe yourself. Please consider each characteristic according to the question: How characteristic is this attribute of me. Place each characteristic in an appropriate box, which range from most characteristic to least characteristic. Each box only receives one attribute. For example, only 2 items may be "most characteristic" of you while 8 items must be "neither characteristic or uncharacteristic.". It may be easiest to read through the entire list of characteristics looking for extremes first. While this sort may appear difficult, it goes quickly as you see items get cancelled out.



Most characteristic → Neither uncharacteristic nor characteristic → Least characteristic

The characteristics are:

1. Adaptability	11. Being analytical	21. Decisiveness	31. Offers praise for good performance
2. Stability	12. Paying attention to detail	22. Being competitive	32. Being supportive
3. Being reflective	13. Confronting conflict directly	23. Being highly organized	33. Being calm
4. Being innovative	14. Being team oriented	24. Achievement oriented	34. Developing friends at work
5. Being quick to take advantage of opportunities	15. Sharing information freely	25. Having a clear guided philosophy	35. Being socially responsible

6. Taking individual responsibility	16. Being people oriented	26. Being rules oriented	36. Enthusiasm for the job
7. Risk taking	17. Fairness	27. Having high performance expectations	37. Working long hours
8. Opportunities for professional growth	18. Not being constrained by rules	28. Being aggressive	38. Having a good reputation
9. Autonomy	19. Tolerance	29. High pay for good performance	39. An emphasis on quality
10. Being rule oriented	20. Informality	30. Job security	40. Being distinctive

APPENDIX C**WORK-VALUES INVENTORY (Manhardt, 1972)**

Directions: Using the 1 to 5 scale below as a guide, Please rate how important it is for you to have each of these characteristics present in your ideal job.

1	2	3	4	5
Unimportant	Somewhat Unimportant	Neutral	Somewhat Important	Very Important

Permits a regular routine in time and place of work

Provides job security

Has clear-cut rules and procedures to follow

Provides ample leisure time off the job

Provides comfortable working conditions

Requires meeting and speaking with many other people

Is intellectually stimulating

Requires originality and creativity

Make a social contribution by the work you do

Satisfies your cultural and aesthetic interests

Encourages continued development of knowledge and skills

Permits you to develop your own methods of doing the work

Provides a feeling of accomplishment

Provides change and variety in duties and activities

Permits advancement to high administrative responsibility

Provides the opportunity to earn a high income

Requires supervising others Is respected by other people

Requires working on problems of central importance to the organization

Permits working independently

Gives you the responsibility for taking risks

APPENDIX D

SUPERVISOR DEMOGRAPHIC QUESTIONNAIRE

Thank you for completing this survey. The researchers would like to collect some information about your demographic background.

What is your biological sex?

_____ Male

_____ Female

What is your racial/ethnic heritage?

_____ White/Anglo or European American

_____ Black/African American

_____ Asian, Asian American, Pacific Islander

_____ Hispanic/Latino(a)

_____ Native American

_____ Bi-racial or multi-racial

_____ Other

What is your age in years?

What is your job title?

How many years have you been in this position?

Have you supervised students in the past?

If answered yes to previous question, how many times?

On average, how many hours a week do you spend with your current student?

APPENDIX E**STUDENT DEMOGRAPHIC QUESTIONNAIRE**

Thank you for completing this survey. The researchers would like to collect some information about your demographic background.

What is your biological sex?

_____ Male

_____ Female

What is your racial/ethnic heritage?

_____ White/Anglo or European American

_____ Black/African American

_____ Asian, Asian American, Pacific Islander

_____ Hispanic/Latino(a)

_____ Native American

_____ Bi-racial or multi-racial

_____ Other

What is your age in years?

What is your program of study?

What year are you in your program?

Have you done a work placement before?

If answered yes to previous question, how many times?

On average, how many hours a week do you spend with your supervisor?

REFERENCES

- Allport, G. W. (1961). *Pattern and growth in personality*. New York: Holt, Rinehart, and Winston.
- Ashkanasy, N. M., & O'Connor, C. (1997). Value congruence in leader-member exchange. *The Journal of Social Psychology, 137*(5), 647-662.
- Avolio, B. J., Walumbwa, F. O., & Weber, T. J. (2009). Leadership: Current Theories, Research, and Future Directions. *Annual Review of Psychology, 60*, 421-449.
- Bauer, T. N., Erdogan, B., Liden, R. C., & Wayne, S. J. (2006). A longitudinal study of the moderating role of extraversion: leader-member exchange, performance, and turnover during new executive development. *Journal of Applied Psychology, 91*, 298-310.
- Bauer, T., N. & Green, S., G. (1996). Development of leader-member exchange: A longitudinal test. *Academy of Management, 39*, 1538-1567.
- Brouer & Harris (2007). Dispositional and situational moderators of the relationship between leader-member exchange and work tension. *Journal of Applied Social Psychology, 37*, 1418-1441.
- Brown, M. E. & Treviño, L. K. (2006). Socialized charismatic leadership, values congruence, and deviance in work groups. *Journal of Applied Psychology, 91*, 954-962.
- Burns, J. (2006). Racial stereotypes, stigma and trust in post-apartheid South Africa. *Economic Modeling, 23*(5), 805-821.
- Caldwell, D. M. & O'Reilly, C. A. (1990). Measuring person-job fit using a profile comparison process. *Journal of Applied Psychology, 64*8-657.
- Cohen, J. (1988). Significance test or effect size? *Psychological Bulletin, 103*, 1-5-110.

- Costa, P. T., Jr., & McCrae, R. R. (1992). *Revised NEO Personality Inventory (NEO-PI-R) and NEO Five Factor Inventory (NEO-FFI) professional manual*. Odessa, FL; Psychological Assessment Resources.
- Chatman, J. A. (1991). Matching people and organizations: selection and socialization in public accounting firms. *Administrative Science Quarterly*, *36*, 459-484.
- Cropanzano, R., James, K., & Konovsky, M. A. (1993). Dispositional affectivity as a predictor of work attitudes and job performance. *Journal of Organizational Behavior*, *14*, 595-606.
- Dansereau, F., Graen, G., & Haga, W. J. (1975). A vertical dyad linkage approach to leadership within formal organizations: A longitudinal investigation of the role making process. *Organizational behavior and human performance*, *13*(1), 46-78.
- DeRue, D. S. & Morgeson, F. P. (2007). Stability and change in person–team and person–role fit over time: the effects of growth satisfaction, performance, and general self-efficacy. *Journal of Applied Psychology*, *92*, 1242-1253.
- Dienesch, R. M. & Liden, R. C. (1986). Leader-member exchange model of leadership: a critique and further development. *Academy of Management Review*, *11*, 618-634.
- Gajendran, R. S., & Joshi, A. (2012). Innovation in globally distributed teams: The role of LMX, communication frequency, and member influence on team decisions. *Journal of Applied Psychology*, *97*(6), 1252-1261.
- Gerstner, C. R. & Day, D. V. (1997). Meta-analytic review of leader-member exchange theory: correlates and construct issues. *Journal of Applied Psychology*, *82*, 827-844.

- Giberson, T. R., Resick, C. J., Dickson, M. W., Mitchelson, J. K., Randall, K. R., & Clark, M. A. (2009). Leadership and organizational culture: Linking CEO characteristics to cultural values. *Journal of Business and Psychology, 24*(2), 123-137.
- Gooty, J., Serban, A., Thomas, J. S., Gavin, M. B., & Yammarino, F. J. (2012). Use and misuse of levels of analysis in leadership research: An illustrative review of leader–member exchange. *The Leadership Quarterly, 23*, 1080-1103.
- Graen, G. (1976). Role-making processes within complex organizations. In M. D. Dunnette (Ed.), *Handbook of Industrial and Organizational Psychology*, 1201-1245. Chicago: Rand McNally.
- Graen, G., Dansereau, F., & Minami, T. (1972). Dysfunctional leadership styles. *Organizational behavior and human performance, 7*(2), 216-236.
- Graen, G., Novak, M. A., & Sommerkamp, P. (1982). The effects of leader-member exchange and job design on productivity and satisfaction: testing a dual attachment model. *Behavior and Human Performance, 30*, 109-131.
- Graen, G. B., & Scandura, T. A. (1987). Toward a psychology of dyadic organizing. *Research in Organizational Behavior, 9*, 175–208.
- Gutierrez, A. P., Candela, L. L., & Carver, L. (2012). The structural relationships between organizational commitment, global job satisfaction, developmental experiences, work values, organizational support, and person-organization fit among nursing faculty. *Journal of Advanced Nursing, 68*, 1601-1614.
- Hayibor, S., Agle, B. R., Sears, G. J., Sonnenfeld, J. A., & Ward, A. (2011). Value congruence and charismatic leadership in CEO-top manager relationships: an empirical investigation. *Journal of Business Ethics, 102*, 237-254.

- Henderson, D. J., Wayne, S. J., Shore, L. M., Bommer, W. H., & Tetrick, L. E. (2009). Leader-member exchange, differentiation, and psychological contract fulfillment: a multi-level examination. *Journal of Applied Psychology, 93*, 1208-1219.
- Kristof-Brown, A. L., Zimmerman, R. D., & Johnson, E. C. (2005). Consequences of individuals' fit at work: A meta-analysis of person-job, person-organization, person-group, and person-supervisor fit. *Personnel Psychology, 58*, 281-342.
- Leuty, M. E., & Hansen, J. I. C. (2011). Evidence of construct validity for work values. *Journal of Vocational Behavior, 79*(2), 379-390.
- Liden, R. C., & Maslyn, J. M. (1998). Multidimensionality of leader-member exchange: an empirical assessment through scale development. *Journal of Management, 24*, 43-72.
- Liden, R. C., Wayne, S. J., & Stilwell, D. (1993). A Longitudinal Study on the Early Development of Leader-Member Exchange. *Journal of Applied Psychology, 78*, 662-674.
- Loi, R., Chan, K. W., & Lam, L. W. (2014). Leader-member exchange, organizational identification, and job satisfaction: A social identity perspective. *Journal of Occupational and Organizational psychology, 87*(1), 42-61.
- Markham, S. E., Yammarino, F. J., Murray, W. D., & Palanski, M. E. (2010). Leader-member exchange, shared values, and performance: Agreement and levels of analysis do matter. *The Leadership Quarterly, 21*, 469-480.
- Meglino, B. M. & Ravlin, E. C. (1998). Individual values in organizations: Concepts, controversies, and research. *Journal of Management, 24*, 351-389.
- Manhardt, P. J. (1972). Job orientation of male and female college graduates in business. *Personnel Psychology, 25*(2), 361-368.

- Murphy, K. (1998). Using power analysis to evaluate and improve research. In Rogelberg, S. G. (Ed.), *Handbook of research methods in industrial and organizational psychology* (119-137). Malder, MA: Blackwell Publishing.
- Nahrgang, J. D., Morgeson, F. P., & Ilies, R. (2009). The development of leader-member exchanges: exploring how personality and performance influence leader and member relationships over time. *Organizational Behavior and Human Decision Processes*, *108*, 256-266.
- Olsson, L., Hemlin, S., & Pousette, A. (2012). A multi-level analysis of leader-member exchange and creative performance in research groups. *The Leadership Quarterly*, *23*, 604-619.
- O'Reilly, C. A., & Chatman, J. A. (1996). Culture as social control: Corporations, cults and commitment. In B. Staw & L. Cummings (Eds.), *Research in organizational behavior* (Vol. 18, pp. 157– 200). Stamford, CT: JAI Press.
- O'Reilly, C. A., Chatman, J. A., & Caldwell, D. F. (1991). People and organizational culture: A profile comparison approach to person-organizational fit. *Academy of Management Journal*, *34*, 487-516.
- Park, S., Sturman, M. C., Vanderpool, C., & Chan, E. (2015). Only time will tell: The changing relationships between LMX, job performance, and justice. *Journal of Applied Psychology*, *100*, 660-680.
- Schleicher, Hansen, & Fox. (2010). Job attitudes and work values. *APA Handbook of Industrial and Organizational Psychology*.
- Schneider, B. (1987). The people make the place. *Personnel Psychology*, *40*, 437-453.

- Sin, H. P., Nahrgang, J. D., & Morgeson, F. P. (2009). Understanding why they don't see eye to eye: An examination of leader-member exchange (LMX) agreement. *Journal of Applied Psychology, 94*(4), 1048-1057.
- Tajfel, H., & Turner, J. C. (1979). An integrative theory of intergroup conflict. In: W. G. Austin & S. Worchel (Eds), *The Social Psychology of Intergroup Relations* (pp. 33-47). Monterey, CA: Brooks/Cole.
- Tseng, H. W., & Yeh, H. T. (2013). Team members' perceptions of online teamwork learning experiences and building teamwork trust: A qualitative study. *Computers & Education, 63*, 1-9.
- Vanneste, B. S., Puranam, P. & Kretschmer, T. (2014). Trust over time in exchange relationships: Meta-analysis and theory. *Strategic Management Journal, 35*(12), 1891-1902.
- Van Knippenberg, D. & Hogg, M. A. (2003) A social identity model of leadership effectiveness in organizations. *Research in Organizational Behavior, 25*, 243-295.
- Van Vianen, A., Shen, C. T., & Chuang, A. A. (2011). Person-organization and person-supervisor fits: Employee commitments in a Chinese context. *Journal of Organizational Behavior, 32*, 906-926.
- Wilson, R. K., & Eckel, C. C. (2006). Judging a book by its cover. *Political Research Quarterly, 59*(2), 189-202.
- Zhang, Z., Waldman, D. A., & Wang, Z. (2012). A multi-level investigation of leader-member exchange, informal leader emergence, and individual and team performance. *Personnel Psychology, 65*, 49-78.

ABSTRACT**THE IMPACT OF SUPERVISOR-SUBORDINATE WORK-VALUE CONGRUENCY ON
THE DEVELOPMENT OF LEADER-MEMBER EXCHANGE**

BY

GREGORY R. THRASHER**August 2015****Advisor:** Marcus Dickson, PhD**Major:** Psychology (Industrial/Organizational)**Degree:** Master of Arts

This study evaluates the antecedents and dynamic interplay between leader and follower levels of leader-member exchange (LMX). Value congruence and dyad contact are specifically looked at as predictors of both levels of and agreement of LMX. Social work students taking part in a work placement along with their supervisors composed 34 matched dyad pairs and 268 unmatched individuals. Results suggest that both value congruency and dyad contact predict LMX, with dyad contact predicting LMX differentiation. Value congruence displayed incremental validity in predicting LMC beyond dyad contact. Interestingly, these relationships were moderated by leader-follower status, suggesting that followers are much more sensitive to the effects of individual and environmental dyad characteristics.

AUTOBIOGRAPHICAL STATEMENT

Greg Thrasher received his bachelor's degree in Psychology from the University of Windsor in 2012. He currently is a doctoral student in Industrial-Organizational Psychology at Wayne State University, working with Dr. Marcus W. Dickson. Greg's research interests lie in the areas of workplace mistreatment, leadership, and the aging workforce. Specifically, Greg is interested in the role quality workplace relationships play in fostering well being amongst older leaders. More broadly, Greg's research on the role of leadership among the aging workforce aims to apply empirical findings to real organizational problems in an effort to increase the well-being of all workers.