

# The relationship between leaders and their employees management essay



**ASSIGN  
BUSTER**

The previous chapter demonstrated this Study foundation. The chapter in hand aims to study the relationship between leaders and their employees and discuss its effect on employees' performance through critically reviewing some academic researches in the relational leadership area. This chapter will put the current research aim and objectives into context. This will be reached through first illustrating the leadership definition. Later on, the leader-employee relationship will be studied through reviewing its nature, antecedents, stages and characteristics. Finally, the impact of the leader-employee relationship on employees' performance will be distinguished.

## **Leadership Definition**

One of the main factors that affect organisation's competitive advantage and its market share is employee's performance, because combination of each individual performance within the company directly influences the whole organisational performance (Graen and Uhl-Bien, 1995). Thus it's imperative to always develop the employees' job performance in order to improve the organisational productivity, profit, competitive advantage and its value within the market. From this point of view, the necessity of leadership occur (Smircich and Morgan, 1982 and Hogan and Kaiser 2005).

According to Huges et al. (2009) leadership is not a position it's a process that end with the organisational needs and objectives through an interaction between the leader and the follower within a certain situation. While, Kort (2008) argued that there is no problem to talk about leadership as a position or a title since the whole organisations organised in hierarchal ways that divide all the members according to their experiences and capabilities.

However, most scholars agreed with Huges et al. (2009) that leadership is not a position, the bellow literature will clarify this finding.

Leadership is a process that produces the company's goals through subordinates by elucidating the company's needs to the whole team (Thomas and Schmidt, 1976). Likewise, Smircich and Morgan (1982) and Kotter (2001) proposed that leadership is about performing the routine responsibilities and surviving with the recent rapid changes in the market place through steering and controlling the employees. Moreover, Dansereau et al. (1995) argued that leadership is a process of manipulating the followers to facilitate accomplishing particular tasks in order to achieve the organisation's objectives. In addition, Yukl (2006) supported Dansereau et al. (1995) and added that leadership is about clarifying the tasks that should be done and concurring about the methods of performing them; also it's about providing employees with their needs to achieve the organisation's goal. Furthermore, Goffee and Jones (2007) emphasised that leadership is an influence process where the leader direct his/her self and his/her employees using ethical ways to work together in order to attain their shared goals. Thus, according to the above description leadership is an influence process that leads individuals to achieve the whole organisation's objective.

Besides, scholars suggested some techniques to prosper the influence process. For instance, Yukl (2006) suggested that this process will only succeed if the leader has knowledgeable and likable power which will motivate the subordinates to work sufficiently. Additionally, Dansereau et al. (1995) concluded that without valuing employees' work and empowering them the leadership process will never accomplish. Also Goffee and Jones <https://assignbuster.com/the-relationship-between-leaders-and-their-employees-management-essay/>

(2007) and Kort (2008) emphasised that so as to influence the followers correctly the leader needs to be honest, ethical and expert in his/her field. Therefore, leaders need to sustain their correlation with their employees to influence them easily.

On the other hand, other scholars focused on the leader-employee relationship side in defining leadership as they believe that there should be a good relationship between the leader and his/her followers to succeed together and enhance the whole company's performance (Hughes et al., 2009). Dasborough and Ashkanasy (2002) found that leadership is a social and emotional process where the leader has emotions to deliver to his/her followers so as to produce an interaction between them. While, Locke (2003) argued that leadership is a relationship between the leader and the follower thus it's important to concentrate on both of them when studying leadership. Add to that, McCallum and O'Connell (2009) suggested that leadership is about producing a sustainable relationship between the leader and his/her subordinates that encourage each other to work in an effective and innovational way.

According to the above definitions, whether leadership is an influence or relationship process supervisors must have an excellent relationship with their subordinates with the intention of boosting their performance and the organisation competitive advantage (Graen and Uhl-Bien, 1995 and Leskiw and Singh, 2007). From this point of view, the chapter in hand will carry on its shoulder the study of the leader-follower relationship and its effect on the follower's performance through critically reviewing different literatures.

## **Leader-Employee Relationship**

Nowadays, one of the most popular and important approaches to successful leadership is the social exchange model which focuses on the relationship between the leader and his/her followers (Boyd and Taylor, 1998, Zaccaro and Klimoski, 2001, Zoccaro and Hotn, 2003, and Glaso and Einarsen, 2006). Scandura and Lankau (1996) argued that according to today's rapid change which require flat organisational structure and more motivate and encourage employees; supervisors must sustain their relation with their followers to enhance the company's productivity. Furthermore, good correlation between the leader and his/her subordinates increases the leader's ability to motivate his/her followers to the right direction (Yukl, 2006). Add to that, if the quality of the relationship is high the leader and his/her followers exchange will develop which will lead them to improve their performance (Brower et al., 2000). Hence it's vital to understand the nature of this relationship, its antecedents, its development stages and its characteristics. This will be carried out through the coming sub-sections.

### **Leader-employee relationship nature**

The Leader-Member Exchange (LMX) theory has clarified that the nature of the relationship between the supervisor and his/her employees within the group are not equal (Sparrowe and Liden, 1997 and Bahal and Ansari, 2007). Similarly, Bass (1990) and Scandura (1999) argued that informal roles occur between the leader and his/her follower since their first meeting and these roles differ from one employee to another which produces different relationship quality between the leader and each member of the team. Furthermore, Danserea et al. (1995) concluded that leaders and their

employees create an informal agreement depending on the leaders' support of self-worth from the employees' perspective (which vary from one employee to another) and the satisfying performance from the superior point of view (which also differ from one subordinate to another), as a result of that leader's relationship with each follower within the group will definitely vary. Moreover, as the leader constructs better relationships with some of his/her employees than others two groups of employees will result (in-group and out-group), the in-group members have better interaction with their leader whereas the out-group members have low quality relation with their leader (Kang and Stewart, 2007 cited Dansereau et al., 1975). This shows that according to the nature of the human being behaviour, leaders have no ability to deal with their followers in equilibrium way.

However, according to Tyler & Lind (1992) and Van et al. (2002) the out-group followers always feel uncomfortable toward the different relations between the leader and each individual subordinate, also they always afraid from the future. Moreover, Hooper and Martin (2008) concluded that the relationship differentiation affects the low quality relation employee's contentment and comfort negatively. Likewise, Henderson et al. (2009) found that subordinates with lower quality LMX see their superior as a prejudice human and their attempt to leave the company is always high, while other followers with good LMX relationship observe their leader as an equitable person. However, Sparrowe and Liden (1997) agreed with the above point of view that subordinates with low relationship with their leaders perceive their leaders as bias, but at the same time without differentiation the promotions selection will be very difficult because the leader will see and

deal with all his/her members similarly. On the other hand, Scandura (1999) found that when the followers find this difference in treatment they will start wondering, as a result of that the leader should explain this un-equilibrium relationships according to the organisational justice. Correspondingly, Bhal (2006) argued that it's impossible for the leader to deal with all the subordinates equally as they have different skills, experiences and abilities to work, thus he suggested that leaders must be justice not equilibrium and deal with his/her followers according to fair processes. Accordingly, so as to not affect the out-group employees negatively it's fundamental to show just in dealing with both the in-group and out-group.

## **Leader-employee relationship antecedents**

In order to identify the reasons of developing high quality relationships between some superior-subordinate dyads while others can not, and to develop a sustainable relationship between leaders and all their employees, it's vital to illustrate the antecedents of encouraging both the leader and the follower to create a mutual interaction between them. This section will study these antecedents by reviewing different articles in the relational leadership area.

When employees and their leaders attempt to build a high quality social exchange and interaction their relation will absolutely develop to more than contractual exchange (Sparrowe and Liden, 1997). Otherwise, if both or one of the dyed members (the leader or the follower) did not put some efforts to improve their interaction their relationship becomes more economical and formal (Sparrowe and Liden, 1997). In the same way Maslyn and Uhl-Bien (2001) concluded that efforts made by both members of the leadership dyad <https://assignbuster.com/the-relationship-between-leaders-and-their-employees-management-essay/>

to develop their relationship related positively to the quality of the relation; however when one of the parties put more effort than the other the relationship quality will start to tumble. Uhl-Bien and Maslyn (2003) agreed with the above opinions by telling that negative treatment from one of the dyad members toward the other causes negative response from the other partner which absolutely damages their relationship. Thus both leaders and their followers must show effort of developing good relationship toward each other in order to develop their contraction.

Furthermore, Dansereau et al. (1995) found that good relationship between followers and their leaders occur when a balance equation develops between followers' satisfying performance and leaders' feedback, rewards and supports. Similarly, Mueller & Lee (2002) concluded that followers having high communication and personal feedback with their leaders are enjoying a high quality relationship. Besides, Brower et al. (2000) suggested that leaders' and followers' performance is precursors for good or bad relationship; if both the leader and the member produce a high quality performance they will like each other which will form a good contraction between them. Nahrgang et al. (2009) supported the previous opinions that high performance from both the leader and his/her employee creates attraction between them and thus sustainable social exchange over time. From the above opinions it's obvious that leaders' and employees' performance quality is vital for the relationship enhancement.

Supporting employees in terms of stresses and sadness, recognising their abilities, encouraging them to improve their performance and delegating work to them all are positive leader's behaviours that develop a high quality

<https://assignbuster.com/the-relationship-between-leaders-and-their-employees-management-essay/>



relationship between leaders and their employees (Yukl et al., 2009). What's more, Brower et al. (2000) proposed that delegating some risky work to the employee makes him/her feels trustworthy and empowered which sustain the trust between them and therefore augment their relationship. Add to that, Liden and Tewksbury (1995) and Kang and Stewart (2007) argued that motivation and trust is vital to improve the leader-follower relationship. Also Scandura (1999), Ansari et al. (2007), and Martinko et al. (2007) suggested that procedural and distribution justice are important for a good leader-follower relationship. When the follower find his/her leader distribute the rewards according to fair policies a trust and just relationship will develop between the leader and the member (Bhal, 2006). As a result of the above views, fairness, support, motivation, and trust are vital elements to sustain the supervisor-subordinate correlation.

Another important factor is similarity between the leader and his/her employee spicily at the beginning of their interaction to encourage them to sustain their relationship (Sparrowe and Liden, 1997). Furthermore, Scandura and Lankau (1996) argued that differences between the supervisor and the subordinate then creating a sustainable relationship between them will not be easy and they suggested a framework to increase difficulties of building these kinds of relations. Moreover, Brower et al. (2000) concluded that similarity between leaders and their employees increase trust between them which positively enhance their correlation. Add to that, Martinko and Gardner's (1987), Martinko et al. (2007), and Cogliser et al. (2009) found that dissimilarity among leaders and their members' attribution styles affects their relationship. Also they argued that when leaders' social attribution style

is pessimistic toward their employees' performance (e. g. referring the members' low performance to the employees' low ability and his/her good performance to external factors such as good luck) and the followers' self attribution style to his/her performance is optimistic the leader-employee relation would be nastiest. Additionally, Boyd and Taylor, 1998 concluded that demographic, personal, attitudinal, and social similarity between employees and their supervisors help to improve their relationship.

### **Leader-employee relationship stages**

Relationship between leaders and their followers does not occur through a night but it takes a long time period in order to be mature (Bluedorn and Jaussi, 2009). Add to that, it goes through different stages each stage with diverse factors and features (Boyd and Taylor, 1998). This section will illustrate these stages through reviewing some academic papers within this field.

Graen and Scandura (1987) suggested a three phase model for the development of leader-member relationship: role taking, role making, and role routinisation. Similarly, Boyd and Taylor (1998) in their research about the friendship development between leaders and their employees proposed a model similar to Graen and Scandura (1987) model but they added one more stage at the beginning and used different names for their stages: LMX potential, stranger, acquaintance, and maturity. It's not necessary that the correlation between the leader and the follower progress in a linear way, it may go forward and return to the back according to the circumstances the relationship faces (Boyd and Taylor, 1998). Conversely, Nahrgang et al.

(2009) agreed with Gerstner & Day (1997) that the relation between leaders  
<https://assignbuster.com/the-relationship-between-leaders-and-their-employees-management-essay/>

and their members will always develop in a positive way because as they know each other more and go through different experiences together their relationship will always increase over time wither they have a low or high relationship quality.

First of all, LMX potential starts at first time the leader and the employee met during the interview or at the first day the employee join the company, here they decide wither they should move to a higher relationship stage or not depending on the level of interpersonal attraction between them (Boyd and Taylor, 1998). This attraction will enhance if there are demographic, personal, attitudinal, and social similarity between the leader and his/her follower (Graen and Uhl-Bien, 1995, Sparrowe and Liden, 1997, and Boyd and Taylor, 1998). Also Boyd and Taylor (1998) added that flat and less complicated relation will occur within the first day the employee join the organisation.

After that the role taking or the stranger stage will begin (Graen and Scandura, 1987, Graen and Uhl-Bien, 1995, and Boyd and Taylor, 1998). In this process the leader test his/her employee's respond by giving some tasks and according to the employees' reaction the leader will decide to move to a higher stage of relationship development or not if the interaction is synchronise with the leader's action their correlation will augment and vice versa (Graen and Scandura, 1987, Kang and Stewart, 2007, and Nahrgang et al., 2009). From the above opinion Graen and Scandura (1987), Kang and Stewart (2007), and Nahrgang et al. (2009) suggested that only the leader will be able to improve the LMX relationship. On the other hand, Graen and Uhl-Bien (1995) and Boyd and Taylor (1998) argued that both followers and <https://assignbuster.com/the-relationship-between-leaders-and-their-employees-management-essay/>

leaders affect the relationship improvement and they suggested that at this phase both the supervisor and the subordinate will test each others' action and reaction and the costs and rewards if they are in equivalence the relation will build up. Additionally, in this phase both the leader and his/her member are strangers thus they interact according to the employment contract without any social exchange between them (Graen and Uhl-Bien, 1995). Scandura and Lankau (1996) added that the relationship in this stage should characterise with respect between the leaders and their employees also Uhl-Bien and Maslyn (2003) argued that reciprocity must be immediate and equivalence in this phase in order to go to the role making level.

Afterward, the leader-member relationship will improve to the role making or acquaintance phase (Graen and Scandura, 1987, Graen and Uhl-Bien, 1995, and Boyd and Taylor, 1998). Graen and Uhl-Bien (1995) found that at this stage there will be more than economical exchange between followers and their supervisors they will begin to reciprocate social information and resources. Moreover, Boyd and Taylor (1998) suggested that this level distinguish with a friendly relationship between employees and their supervisor and the leader shows positive attribution toward his/her follower performance. Graen and Scandura (1987) found that the nature of the relationship at this stage defined through leaders and members informal negotiation which create their relationship role. Bluedorn and Jaussi (2009) agreed with Graen and Scandura (1987) by suggesting that through time employees and their leaders negotiate about their behaviour in order to achieve a common way of interaction which enhances their relationship quality over time. Nahrgang et al. (2009) found that leader's and member's

performance are positively related to the development of their relationship at this stage and Boyd and Taylor (1998) added that leader's attribution toward the employee's performance starts to be more optimistic.

Through time the superior-subordinate relationship will step up to the role routinisation or maturity stage (Graen and Scandura, 1987, Graen and Uhl-Bien, 1995, and Boyd and Taylor, 1998). The leader-member relationship here is mature and stable as they have mutual sympathetic and prospects (Graen and Scandura, 1987). Correspondingly, Graen and Uhl-Bien (1995) suggested that at this phase the leader and the member are in a very close relation, each one of them knows the other perfectly thus they respect, trust, and support each other, also they have a sustainable loyalty and obligation as well as the social exchange between them is broad. Furthermore, Boyd and Taylor (1998) argued the relationship in this stage is a friendship therefore there is a high communication between the leader and his/her member, they have mutual understanding, mutual interest and they esteem, trust, mentor, and support each other. Add to that, Graen and Uhl-Bien (1995), Sparrowe and Liden, 1997, Boyd and Taylor, 1998, and Uhl-Bien and Maslyn (2003) agreed that reciprocity between employees and their supervisor at this stage is un-equivalent and takes long time duration.

### **Leader-employee relationship characteristics**

Given the differentiation in the leader-member exchange, many researches focused on the different characteristics of both low and high quality relationships. This section will study those characteristics.

Kang and Stewart (2007) cited Dansereau et al. (1975) found that leaders more trust the in-group employees and give them more responsibilities while employees from the out-group have formal relationship with their leaders. Correspondingly, Graen and Uhl-Bien (1995) argued that high quality leader-follower relationship characterised by strong shared trust, esteem and commitment whereas low quality leader-employee relation characterised by low reciprocity, trust, esteem, and commitment. Furthermore, Maslyn and Uhl-Bien (2001) concluded that high quality relationship between the employee and his/her leader enhances respect and loyalty between both of them, also they will get encouraged to increase their efforts so as to develop their relation and vice versa with the low quality relationship dyad. Also Boyd and Taylor (1998) and Huang et al. (2008) distinguished that leaders tend to more praise the in-group employees for their positive performance than the out-group employees, while they tend to more blame the out-group employees than the in-group employees for their negative performance. Add to that, According to Graen and Uhl-Bien (1995), Boyd and Taylor (1998), Kang and Stewart (2007), Atwater and Carmeli (2009) and Yukl et al. (2009) argued that good leader-employee relationship motivate supervisors to be more supportive to their employees which make the employees feel powerful. Consequently, employees and their leaders with high quality interaction reciprocate positive attitudes toward each other and the follower becomes more responsible at work.

Uhl-Bien and Maslyn (2003) found that when the relationship between the employee and his/her leader is good both require less equivalence, immediacy and self-interest and more mutual interest reciprocity.

Conversely, reciprocity of low quality relationship between members and their leaders is more equivalence, immediate and self-interest and lower mutual-interest (Uhl-Bien and Maslyn, 2003). Sparrowe and Liden (1997) supported Uhl-Bien and Maslyn (2003) by proposing that if the relationship between group of individuals is strong generalised reciprocity (low equivalency, low immediacy, low self-interest and high mutual-interest reciprocity) will occur, but if the relationship is formal, individuals reciprocity will be balanced (high equivalency, high immediacy, high self-interest and low mutual-interest reciprocity).

Accordingly, the above reviews supported Graen and Uhl-Bian (1995) and Sparrowe and Liden (1997) opinions that low quality relationship between leaders and their followers distinguished by a transactional or an economical exchange which means that both the leader and the follower interaction is limited by their employment agreement. While superiors and subordinates with high quality relationship are exceeding their employment concords to reach social exchange (Graen and Uhl-Bian, 1995, and Sparrowe and Liden, 1997).

## **Leader-Employee Relationship Impact on Employee's Performance**

Wilson (1989) suggested that in order to improve the employee's performance it's not only important to focus on his/her field abilities but on his/her relationship quality within the team as these relations have great impact on his/her own outcome. Jones et al. (1996) added that it's vital to enhance relationships between all organisational levels so as to enhance every ones performance. Moreover, Coleman (1996) and Baptiste (2008)

<https://assignbuster.com/the-relationship-between-leaders-and-their-employees-management-essay/>

found that to improve employees' performance leaders should empower their employees through creating a trust and transparent relationship. This section will investigate how the leader-follower relationship impact on employee's performance.

Scandura and Lankau (1996) suggested that subordinate's performance has a positive relationship with the correlation between supervisors and subordinates dyads. Similarly, Restubog (2005) found that leader-member interaction impact positively on the employees' in-role performance.

Moreover, Nahrgang et al. (2009) argued that at the last stages of the leader-member relationship development employee's performance will become key factor to stabilise this relationship, accordingly employees with high quality relationships may increase their performance quality to preserve their relation with their leaders. Likewise, Brower et al. (2000) suggested that performance is a factor and an outcome of the leader-subordinate relation. Dansereau et al. (1995) agreed with the above views as they argued that to sustain the subordinate-superior relationship it's vital for the leader to get satisfying performance from his/her employee and then the employee will receive respect from his/her leader thus the relation will develop gradually, therefore at the mature stage of the relationship employees' performance will be very lofty. In the same way, Sparrowe and Liden (1997) and Kang and Stewart (2007) supported the previous opinions that employees in good relationship with their leaders volunteer to do extra work, unlike the low quality relationship employees who perform according to their employment contract only. However, Uhl-Bien and Maslyn (2003) concluded that there is no different between the performance of high and



low quality relationships employees and they suggested that this finding reflect the low quality relationship employees attempt to protect them selves and to reach their own needs. Beside, when the leader-member relation becomes a sustainable friendship employees' performance will start to decrease as their will be a high social exchange between them which will reduce the leaders influence on the employees performance (Boyd and Taylor, 1998).

### **Linking high quality Leader-employee relationship characteristics with employees' performance**

From section (2. 3. 4) " Leader-Employee Relationship Characteristics" its obvious that through a high quality leader-member relationship the supervisor will more support his/her subordinate, trust and respect will occur between them, also the leader will gain his/her follower loyalty and the reciprocity between both of them will be generous as a good social relationship will emerge (Graen and Uhl-Bien, 1995, Sparrowe and Liden, 1997, Boyd and Taylor, 1998, Maslyn and Uhl-Bien, 2001, Uhl-Bien and Maslyn, 2003, Kang and Stewart, 2007 cited Dansereau et al., 1975, and Huang et al., 2008). The current section will investigate the leader-employee relationship impact on the employee's performance via linking the characteristics of the good leader-employee interrelation to the employee's performance.