DURATION AND DEPTH: THE EFFECTS OF LEADER-FOLLOWER

RELATIONSHIP QUALITY ON OBSERVER RATINGS

OF LEADERSHIP PERFORMANCE

by

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Presented to the Faculty of the Graduate School of

The University of Texas at Arlington in Partial Fulfillment

of the Requirements

for the Degree of

MASTER OF SCIENCE IN PSYCHOLOGY

THE UNIVERSITY OF TEXAS AT ARLINGTON

May 2006

ACKNOWLEDGEMENTS

The following individuals were greatly responsible for the completion of this work, either through their direct efforts on its contents or through their encouragement of mine: Ashley Tipton, M.S., Taylor Drummond, Kathy Roberto, Ashleigh Schwab, Alison Cooper, Kristin Orsak, Carlina Cinciripini, and all of the remaining members of the Industrial Organizational Psychology Lab, Spring 2005.

I owe a special debt of thanks and gratitude to my advisor, mentor, and friend, Dr. Mark C. Frame. Without his faith in me, diligence in his duties, persistence toward our mutual goals and guidance in the field of psychology, this work would never have been completed nor would I have graduated. Okay, on to dissertation!

To my family, I simply wish to apologize for the long hours and deep frustration which has accompanied my work on this master's degree and thesis. Thank you, Bill, Carol, Rob and Kate, from the bottom of my heart for your patience and support. I promise it is over, at least for now.

And finally, to my research partner and dear friend, Celesta Taylor, no words can adequately express my deep sense of gratefulness for your loyal companionship, your intelligent arguments, your talented writing and your confidence in me. I leaned on each, in turn, through this difficult, difficult semester; I am the better for it. *Muchas gracias, siempre.*

<div align="right">April 22, 2005</div>

ABSTRACT

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Previous research has shown that the duration and depth of the leader-follower relationship influences how followers rate their leaders. However, no studies were found that asked whether this relationship influenced how leader-supervisors rated leaders. This study investigated how the closeness (duration and depth) of the leader-follower relationship affected supervisor ratings. Based on previous research, this study expected to find a negative relationship between leader-follower closeness and supervisor ratings of overall performance, advancement potential and risk of career difficulty. Although the duration of the leader-follower relationship marginally supported this hypothesis, duration and depth together (closeness) did not.

TABLE OF CONTENTS

LIST OF TABLES

CHAPTER 1

INTRODUCTION

1.1 Why Look at Leadership Again?

Leadership is crucial to organizational success, especially during times of change and crisis (Maccoby, 2004). Experts estimate, however, that there will soon be a shortage of leaders. Demographic studies indicate that most leaders are between 35 and 54 years-old. Baby-boomers, however, are passing the age of 55 at an estimated 10,000 people every day. Thus, due to generation X's substantially smaller population (those born post baby-boom 1965 to 1981), the US is facing an estimated 15 percent decline in the prime age cohort for leaders. Demand, on the other hand, is predicted to increase by 25 percent over the next 10 years (Vicere, 2004).

Turnover in senior management has also reached an all-time high, affecting an estimated 40 percent of the top executives in the largest 2,500 companies. This has led to initiatives for attracting and retaining leaders at all levels of the organization becoming a top priority. Indeed, the Human Resource Institute, a not-for-profit, trend-spotting research organization supported by more than 100 major corporations, conducts an in-depth, international survey every two years to identify the most critical issues in people management. Attracting, developing and retaining leadership talent has consistently topped the list (Vicere, 2004).

But what are the criteria of good leadership? How do we distinguish good

leaders from bad? What skills does he or she possess? If the primary concern of leadership is the influence process directed at followers to motivate effective effort (Watson, Chemers, & Preiser, 2001), then the attribution of successful leadership must, by definition, stem from the collective successful outcomes of individual followers (Bandura, 1997). That is, the success or failure of leaders is dependent on the success or failure of their followers. Thus, the antecedents to, characteristics of, and interactions between leaders and followers has become a critical concern for leadership theorists and researchers (Watson, et al., 2001).

<p style="text-align:center"><u>1.2 Importance of the Leader-Follower Relationship</u></p>

Essential to the success of any organization is the effectiveness of the leader-follower relationship (Ruvolo, Petersen, & LeBeouff, 2004). More than twenty years of research supports this conclusion. Sweetland's (1978) leadership literature review found that ratings of leadership effectiveness by subordinates and increases in group productivity were dependent on the interaction relationship between supervisors and their subordinates. McEvoy and Beatty (1989) found that subordinate ratings of leadership effectiveness were as predictive of leader success as assessment center evaluations up to seven years later. Chemers (2000) asserted that good leader-follower relationships encourage increased feelings of leader-efficacy and group-efficacy, and subsequently the collective effectiveness of the group. Poor relationships, on the other hand, have had the opposite effect by introducing role ambiguity (Frone, 1990), alienation (Harris & Hogan, 1992), and stress-strain (Bocchino, Hartman, & Foley, 2003). Stress, in particular, has demonstrated significant deleterious effects on

organizational outcomes such as performance (McGrath, 1976), absenteeism, tardiness and turnover (Lyons, 1971; Porter & Steers, 1973).

Why is the leader-follower relationship so powerful? One cause may be a socially-derived, cultural phenomenon that prescribes the role of both leader and follower and scripts the interaction between them (Lord, Binning, Rush & Thomas, 1978; Lord, Foti & De Vader, 1984; Meindl, Ehrlich & Dukerich, 1985). Researchers have found that people often hold implicit theories of leadership (Eden & Leviatan, 1974; Calder, 1977; Lord & Maher, 1991) based on attitudes, schemas and other automatic cognitive and emotional processes (Greenwald & Banaji, 1995) that mistakenly attribute powerful organizational effects to leaders (Lord & Maher, 1993; Meindl, 1995).

Eden and Leviatan (1974) asked participants to complete a survey on leadership behavior at a fictitious plant. After a brief description of the plant and operations but no information on supervisory behavior, participants still rated the non-existent supervisory behavior and, more importantly, their ratings yielded factors similar to previous studies on real companies with real employees and real supervisors. The authors argued that the participants were simply utilizing stereotypic or implicit theories of leadership that specified which leader behaviors went with which leadership outcomes regardless of reality.

In an effort to measure this phenomenon, Meindl and Ehrlich (1988) developed the Romance of Leadership Scale (RLS) to investigate stable individual differences in relation to the misattribution of leadership effectiveness. In 1990, Meindl compared

RLS scores to the Bass (1985) Multifactor Leadership Questionnaire and found that business students with highly romantic beliefs about leadership were more prone to attribute transformational and charismatic qualities to their leaders than those with less romantic beliefs.

The importance of implicit beliefs for understanding organizational leadership stems from the effect of those beliefs on leadership perceptions. To demonstrate this, Lord and his associates (1984) conducted several related studies. In the first, the researchers had undergraduate participants generate a pool of items that best characterized leaders (e.g., intelligent, educated, honest, committed). The participants were then asked to rank the items based on their perceptions of specific leaders. Participants ranked the items differently for different leaders but the items generally fell into two broad categories. The highest ranked or prototypic traits were interpreted as positive leader traits (e.g., supportive and honest). Those consistently low on the list, antiprototypic, were interpreted as negative leader traits (e.g., authoritative and dishonest).

In a second, related study conducted by Lord et al., (1984), these ranked trait-items, prototypic and antiprototypic, were used to generate several written vignettes for a hypothetical manager. Lord and his associates found that participant's perceptions and expectations of leadership behavior as well as the attribution of causality and responsibility were affected by the manipulation, or priming, of certain leader traits. They argued that leadership perceptions form hierarchical structures of cognitive categories or schemas. Each schema is then represented by a prototype, or example, of

4

optimal traits and behaviors. These leadership prototypes are formed through a series of prior experiences and interactions with various leaders. Individuals are then categorized as leaders on the basis of the perceived match between the leader's observed behaviors and the prototypic behaviors held by the perceiver (Eptropaki & Martin, 2004). What consequences then do past interactions have on future interactions within these dyadic relationships?

1.3 The Dyadic Social Exchange of the Leader-Follower Relationship

The potential role of these implicit beliefs of leadership was articulated by Lord and Maher (1993) as the basis or foundation for interpreting the behavior of a dyadic partner and subsequently generating an appropriate behavioral response. Applied to leadership in organizations, leaders interpret the behavior of their followers and generate response behaviors. In turn, followers reciprocate in the same interpretive/generative process. The degree to which the perceived behaviors "fit" the prototype or implicit beliefs held by the dyadic partner either reinforce the implicit theory held by each or violate it. These initial leader-follower interactions, in which implicit theories play a role, are soon followed by a series of reciprocal exchanges in which the leader and follower "test" one another's capacity for and commitment to further exchanges. Grean's (1975) vertical dyadic linkage (VDL) model, later known as the leader-member exchange (LMX) model, draws upon social exchange theory (Homans, 1958) which specifies that relationships between individuals develop through a series of mutual tests of reciprocated effort. Successful tests lead to the mutual

assignment of trust, respect, and obligation while unsuccessful tests lead to distrust, disrespect and dissolution of the relationship.

Although the majority of research into LMX has focused on leader and follower characteristics, the interaction of these characteristics, and contextual variables present in the environment (Rousseau, 1998), more recent studies have investigated the antecedents to and the series of social influence steps between leaders and followers from initiation to satisfaction and their effects on organizational and individual outcomes (Kacmar, Witt, Zivnuska, & Gully, 2003). This latest research on LMX theory has produced a growing understanding of the complexities of the leader-follower relationship in diverse areas such as differential effort (Maslyn & Uhl-Bein, 2001), treatment disparity (Dvir & Shamir, 2003), gap in age (Shore, Cleveland, & Goldberg, 2003) and communication frequency (Kacmar, et al., 2003).

These investigations extend a large body of work on LMX that has revealed the value of high-quality leader-follower relationships to organizations (Liden, Sparrowe, & Wayne, 1997). Leaders and followers engaged in high-quality relationships often report increased levels of satisfaction with, motivation from and commitment to the relationship, the group, and the organization (Gerstner & Day, 1997). Though informative, these studies have only utilized subjective evaluations within the relationship (e.g., satisfaction, effectiveness, commitment) or objective measures of performance (e.g., access to resources, display of extra-role behaviors, changes in sales dollars and/or turnover rates) as indicators of high or low quality relationships and their effect on leaders, followers, and the organization. Recently, however, a few researchers

6

have explicitly explored the impact of the follower's perceptions of the closeness of leader-follower relationship and the resulting impact these perceptions have on leadership effectiveness.

<u>1.4 Depth of the Leader-Follower Relationship</u>

In 2003, Dvir and Shamir conducted a study of transformational leadership on Israeli Army recruits. Transformational leadership involves a process whereby the leader "transforms" the motivations of followers by making them more aware of the importance of task outcomes, inducing them to transcend their own self-interest for the sake of the organization, and activating their higher order needs (Bass & Avolio, 1994). Dvir and Shamir's study was also unique in the transformational literature in that it included two distinct levels of leader-follower relationships, direct (informal, frequent, and close relationship with leader) and indirect (formal, infrequent, and distant relationship with leader). Indirect followers' initial developmental level positively predicted transformational leadership ratings, while direct followers had a negative relationship with transformational leadership ratings. The authors concluded that distant, formal relations between leaders and followers were more dependent on the followers' perceptions of leadership than actual leader behavior. Close, informal relations between leaders and followers, however, were more dependent on the dyadic, leader-follower interaction. Thus, the relationship became key, not the implicit beliefs of leadership.

Concurrently, Kacmar, et al. (2003) investigated the frequency of communication within leader-follower relationships and overall ratings of follower job-

7

performance. The authors found that close leader-follower relationships with frequent communication resulted in higher performance ratings for the follower than if the follower had a distant relationship with the leader but just as much communication. Distant followers with the infrequent communication fared slightly better than their frequently communicating counterparts. The authors speculated that frequent communication with one's supervisor in close relationships is generally positive while distant relationships are likely more negative. Thus the supervisor is more apt to remember negative incidents with frequently communicating, distant followers and rate them more poorly.

Both studies increase the extant knowledge of the leader-follower relationship along three important but related dimensions: a) close vs. distant, b) informal vs. formal, and c) frequent vs. infrequent. Each is a measure of relationship depth or how well the leader and follower know one another – but what of the relationship's duration? Does the tenure of the leader-follower relationship have any bearing on perceptions of performance? And, does the duration of the relationship interact with the depth of the relationship?

1.5 Duration of the Leader-Follower Relationship

In 2001, Maslyn and Uhl-Bien sought to answer these and other questions relating to the developing social exchange process within the leader-follower relationship. Specifically, the researchers wanted to know if the perception of effort on the part of either the leader or follower affected the depth of the relationship and, if so, did the tenure of the relationship predict future intentions of effort. Results indicated

that perceived effort on the part of the dyad member (either leader or follower) predicted relationship depth while depth and duration of the relationship predicted intentions of future effort. That is, leaders and followers that perceived equal, long-standing, give-and-take relationships reported greater satisfaction with and intention to remain in the relationship.

While these findings are important, if not crucial, to the understanding of the social exchange between leaders and followers, they do not answer questions as to a why leaders should engage in frequent and informal contact with their followers if such behavior does not directly benefit the leader. As previously discussed, high-quality leader-follower relationships between leaders and followers have been found to improve follower-outcomes such as job satisfaction, access to resources, preferred assignments, and performance ratings (Gerstner & Day, 1997; Liden, et. al., 1997). But, do leaders in high-quality dyads experience the same benefits, especially with regard to improved performance ratings and the possibility of promotion?

Many studies have looked at the effects of leader-follower relationship quality on the followers' reports of leader performance, but no studies were found that explicitly looked at the connection between relationship quality and leader's supervisor's ratings of the leader's performance. To date, no study has investigated the duration and depth of the leader-follower relationship, as perceived by the followers, to determine its effect on observer perceptions of overall leader performance. This research will extend previous research on leader-follower interactions and relationships by comparing relationship quality and duration to overall performance ratings of the

9

leader by the leader's supervisor. Specifically, this research will examine the leader's supervisor's reports on three key performance measures: a) current overall performance, b) advancement potential and c) future career difficulty. These dependent variables will be analyzed to determine how they might be influenced by the followers' report of "how well" and "how long" they have known their leader. If the effect is significant, results should indicate which follower relationships are more beneficial to the leader's advancement in the eyes of his or her superiors: long, close relationships or brief, distant relationships.

CHAPTER 2

RESEARCH QUESTIONS AND HYPOTHESES

Based on the leadership literature discussed, three research questions were developed utilizing two independent variables rated by the leader's followers: "how long [duration] have you known this manager?" and "how well [depth] do you know this person?" According to Maslyn and Uhl-Bein (2001), the duration and depth of the leader-follower relationship was predictive of intentions to continue in the relationship. Thus, measures of duration and depth by followers are a good representation of leader-follower closeness. Higher ratings on both scales should indicate an incrementally closer relationship between leaders and followers than lower ratings. Three criterion variables, rated by the leader's supervisor, were used to test the affect of leader-follower closeness on the leader's a) overall performance, b) advancement potential, and c) risk of career difficulty.

Additionally, three hypotheses were also tested. These hypotheses were developed based on the distant vs. close leader-follower relationship studies (Kacmar, et al. 2003; Maslyn & Uhl-Bien, 2001) as well as the study conducted by Holt and Mount (1991) on the effectiveness of women vs. men executives. In all three studies, task-focused managers were rated to perform incrementally better than their relationship-focused counterparts. Kacmar, et al. 2003, found that the closer followers reported being to their leaders, the lower they rated their leader's performance. Holt and Mount (1991) found that men executives were rated higher in financial acumen while women

were rated higher in coaching and development and that financial acumen was a positive predictor of success while coaching and development was negative.

Thus, three research questions were formed to simply investigate the relationship between the independent variables how-long and how-well and the three criterion variables overall performance, advancement potential, and risk of career difficulty. Are followers' answers to "how well" and "how long" they have known their leader associated with the supervisor's ratings of the leader's overall performance (research question 1), advancement potential (research question 2), and risk of career difficulty (research question 3)? The subsequent hypotheses assert that as followers report more knowledge (how well) and longer association (how long) with the leader, the poorer the leader's supervisor's ratings of overall performance (H1), advancement potential (H2), and risk of career difficulty (H3) will be.

These hypotheses predict that followers who report less time with the leader will report a more distant relationship with their leader (i.e. rating "not very well" when asked "how well do you know this person?") and thus, in keeping with Dvir and Shamir's (2003) study, will boost observers' perceptions of their leader's ability to lead. In other words, because followers who report less time with their leader and do not know their leader well are scrambling to impress and still following formal protocol, their leader's supervisor perceives the leader as doing his/her job very well. Supervisor ratings on overall performance and advancement potential should be higher, thus boosting the positive association, while supervisor ratings on career difficulty should be lower, thus reducing the positive association.

CHAPTER 3

METHODS

3.1 Measures

To test these hypotheses, this study used hierarchical multiple regression to analyze data obtained from organizations utilizing the Executive Success Profile (ESP), a popular multi-rater feedback instrument, or 360-degree feedback, designed and copyrighted by Personnel Decisions International (PDI). 360 degree feedback instruments, like the ESP, were designed to rate different dimensions of performance of a single "target" manager or executive. The "target" rates him/herself, the target's boss rates him or her as does the target's peers and direct reports. The data used in this study was obtained from ESP instruments administered to upper-level managers and executives (target-leaders), their direct-reports (followers), their peers (coworkers) and their bosses (supervisors). Target-leaders rated themselves on 22 performance dimensions and were, in turn, rated by their followers, coworkers and supervisors. Typically, these ratings would be averaged by rating source and compared to the target-leader's self-ratings. This process is intended to help the target-leader identify developmental opportunities (Hezlett, Ronnkvist, Holt, & Sloan, 1997).

A demographics page at the end of the survey asked respondents to provide personal information as follows: a) your level of education, b) your gender, c) your ethnicity, and d) your age. On the same page, the respondents were then asked five questions relating to the leader. Those were: e) how long have you worked with this

manager; f) how would you rate this manager's overall performance in his/her current position; g) in your view, what is this manager's ultimate advancement potential; h) in your view, what is this person's risk of experiencing career difficulty due to factors under his/her personal control; and i) how well do you know this person. These questions are the foci of the present study and were examined to test the three research questions and subsequent hypotheses.

Followers' answers to "how long have you worked with this manager?" and "how well do you know this person?" were regressed onto each of the supervisor's ratings of "overall performance," "advancement potential," and "risk of career difficulty." The nature of the questions and hypotheses required that all the followers for one target-leader be aggregated to a single score for both "how long" and "how well." This was done to approximate the mental averaging used by the target-leader's supervisor to rate the target-leader's overall performance, advancement potential and risk of career difficulty. Prior to aggregating these values, each follower's score was centered using the mean according to procedures outlined by Aiken and West (1991) for the purposes of eliminating as much variance associated with intercorrelation as possible.

3.2 Participants

Over 100,000 participants rated 10,000 target-leaders across hundreds of organizations from 1996 to 2001 on PDI's ESP instrument. All target-leaders with less than three followers were immediately eliminated from the study in order to reduce dyadic or near dyadic relationships. Because of the size of the database, all target-

leaders whose followers omitted data on the two key predictor variables were also eliminated as the most expedient way to deal with missing data. Next, all target-leaders with more than one supervisor were eliminated since the vast majority had but one supervisor. Additionally, all target-leaders whose supervisors omitted data on the three key criterion variables were also deleted to eliminate missing data. These steps reduced the number of leaders from 10,000 to 6,611. For the remaining target-leaders, the number of followers ranged from 3 to 16 and the number of supervisors was one.

Of the target-leaders selected for this study, 93 percent were male and 7 percent were female. Caucasians made up 87.8 percent of the sample while Asians represented 1.7 percent, African Americans at 1.3 percent, and Hispanics at 1.1 percent. Ages ranged from 30 to 61; the median age was 50. For time in current position, 56 percent of these target-leaders reported two years or less, but the majority (85 percent) reported working for their current employer for 3 to 10 years. Most of these target-leaders (92 percent) have been managers for six years or more. Twenty-four percent reported obtaining a bachelor's degree. Forty-one percent reported obtaining a master's degree and twelve percent reported a doctorate.

Most of the respondents (target-leaders, followers & supervisors) worked in industries related to consumer products, insurance, and financial markets. A significant percentage, three percent, chose the "other" unspecified answer. The remaining respondents worked largely for organizations in the service, technology, and utility industries. Some 900 of the more than 6,000 respondents reported working for organizations with 100 to 1000 employees while roughly 400 reported that they worked

15

for organizations with more than 1,000 employees. The remaining respondents were divided between organizations with between 5 and 20 employees (300), and organizations with 21 to 100 employees (500). More than 2000 respondents did not answer the question.

<center>3.3 Analyses</center>

Separate hierarchical linear regressions were run for each of the criterion variables (i.e. overall performance, advancement potential, and risk of career difficulty) rated by the target-leader's supervisor. The predictor variables (i.e. how long and how well) rated by the target-leader's followers were entered into the equation according to findings presented by Maslyn and Uhl-Bein (2001) indicating that duration (how long) was the better predictor of intentions to remain in the relationship and that depth (how well) added incremental prediction. Further, this study tested the interaction of the two variables by calculating an interaction term and entering it into the model as a third predictor. Recall that this study was not seeking to determine which of the variables better predicts each criterion as it was focused on ascertaining the direction and strength of the association between the predictors and each criterion.

However, three hypotheses were offered based on studies that focused on what followers perceive as good leadership and what supervisors perceive as good leadership. Recall the hypotheses predict that short-term followers will report a more distant relationship with their target-leader (i.e. rating "not very well" when asked "how well do you know this person?") and, as predicted by the Dvir and Shamir (2003) study, will boost observers' perceptions of the target-leader's ability to lead. Since short-term

<center>16</center>

followers are not as familiar with their target-leader, they are more likely to be focused on impressing the leader and following formal protocol. This, in turn, may cause their target-leader's supervisor to perceive their target-leader as doing his/her job very well. Thus, supervisor ratings of overall performance and advancement potential should be higher indicating a negative association with the predictors. Risk of career difficulty was recoded in order to remain consistent with the previous variables such that ratings of one (1) on all three now indicate the most negative rating, while a score of five (5) or more indicate the most positive rating for each criterion. Therefore, supervisor ratings on risk of career difficulty should follow the same pattern as the variables above: ratings of less risk of career difficulty will have a negative association with ratings of how well and how long.

Three linear regressions were performed for each criterion variables. The total number of subjects was 6,611 leaders. Preliminary analysis evaluated the following assumptions: skewness, normality, linearity, and homoscedasticity of residuals for the two predictor variables (followers' reports of "how well" (depth) and "how long" (duration) they have worked for and known their target-leader) and three criterion variables (supervisor's reports of the target-leader's "overall performance," "advancement potential," and "risk of career difficulty"). No significant violations were found and outliers were nominal.

In all of the regression models, "how long" was entered first as the predictor of greater theoretical appropriateness. "How long" was hypothesized to be much more indicative of leader-follower closeness due to the target-leader's presumed ability to

remove unwanted followers as well as the follower's ability to leave (Maslyn & Uhl-Bein, 2001). Hence, "how long" indicates a mutual responsibility for performance. "How well" was entered as the second variable due to its imprecise language for assessing leader-follower closeness. It can be easily argued that one might know someone well and dislike them intensely. "How well," then, was hypothesized to be a poorer proxy for "closeness" than "how long." Both variables were chosen so as to attenuate concerns of capturing "closeness" or "depth" as well as "duration" of the leader-follower relationship.

As a reminder, all variables in this study were transformed such that a score of 1 indicated the worst option for any of the answers and a score of 4, 5, or 6 (depending on whether the scale had 4, 5, or 6 choices) indicated the best option. For example, on the criterion variable "advancement potential" the worst option (1) would be the choice of "not suited for executive role" and the best option (5) would be the choice of "top management (company CEO; president)." By transforming all the variables to the same scale, expected correlations and regressions, as per hypotheses, should be negative.

CHAPTER 4

RESULTS

4.1 Correlations

Table 1.1 depicts the Pearson's correlations for all of the variables in the study (N=6611). "How long" and "how well" variables were moderately correlated (r = .55, p = .01). The "how well x how long" interaction term was unsurprisingly correlated with each of the predictors. However, the interaction term shared more variance with "how long" (r = .66, p = .01) than "how well" (r = .29, p = .01). Unexpectedly, "how long" by itself showed little to no correlation with any of the criterion variables except for a slight negative correlation with "advancement potential" (r = -.02, p < .05). "How well," on the other hand, showed a small, positive and significant correlation with each criterion variable: overall performance (r = .08, p < .01), advancement potential (r = .07, p < .01), and risk of career difficulty (r = .03, p < .05).

4.2 Regression Results for Overall Performance

The results of the hierarchical regression for "overall performance" can be found in Table 1.2. The analyses indicated that follower ratings of "how long" had no statistically significant association with supervisor ratings of the leader's overall performance. However, follower ratings of "how well," when added to the model, were statistically significant if only moderately associated (R = .088; R^2 change = .008; F Change (1, 6608) = 51.42; p < .01). The addition of the interaction term (how well x how long) did not increase the predictive association. The positive beta coefficient for

"how well" (β = .181) indicated a positive association between "how well" and "overall performance." The negative beta coefficient for "how long" (β = -.041) indicated a negative association between "how long" and "overall performance."

<center>4.3 Regression Results for Advancement Potential</center>

The results of the hierarchical regression for "advancement potential" can be found in Table 1.3. The analyses indicated that follower ratings of "how long" had no statistically significant association with supervisor ratings of the leader's advancement potential. However, follower ratings of "how well," when added to the model, were statistically significant if only moderately associated (R = .102; R^2 change = .010; F Change (1, 6608) = 65.37; p < .01). The addition of the interaction term (how well x how long) increased the predictive association but the addition was very small (R^2 change = .003; F Change (1, 6607) = 19.47; p < .01). The positive beta coefficient for "how well" (β = .257) and the interaction term (how well x how long) (β = .105) indicated a positive association between "how well," the interaction term and "advancement potential." The negative beta coefficient for "how long" (β = -.143) indicated a negative association.

<center>4.4 Regression Results for Risk of Career Difficulty</center>

The results of the hierarchical regression for "risk of career difficulty" can be found in Table 1.4. The analyses indicated that follower ratings of "how long" had no statistically significant association with supervisor ratings of the leader's risk of career difficulty. However, follower ratings of "how well," when added to the model, were statistically significant if only slightly associated (R = .030; R^2 change = .001;

<center>20</center>

F Change (1, 6608) = 6.02; p < .05). The addition of the interaction term (how well x how long) increased the predictive association (R^2 change = .003; F Change (1, 6607) = 16.87; p < .01). The positive beta coefficient for "how well" (β = .083) and the interaction term (how well x how long) (β = .092) indicated a positive association between "how well," the interaction term and "risk of career difficulty." The negative beta coefficient for "how long" (β = -.065) indicated a negative association between "how long" and "risk of career difficulty." Recall that this variable was recoded such that higher scores on "risk of career difficulty" indicate less risk, not greater risk.

CHAPTER 5

DISCUSSION

5.1 General Discussion

This study focused on the relationship between leaders and followers as reported by the followers and the association between that relationship and supervisor ratings of the leader's performance. Supervisor ratings of the target-leaders "overall performance," "advancement potential," and "risk of career difficulty" were used as criterion variables. Each criterion was analyzed with respect to followers' responses to "how long" they had worked with their target-leaders and "how well" they knew their target-leaders. In the following paragraphs, results for each criterion will be discussed in turn.

Overall, results of this study contradict the interpretation of previous research which drove the present study's hypotheses regarding the perception of leadership by the leader's supervisor. Recent studies on LMX (e.g. Dvir and Shamir, 2003) indicated the possibility that two-levels of followers contribute to the perception of leadership. The first level of follower, having only brief formal contact with leaders, is driven primarily by implicit theories, or stereotypes, of leadership and evaluates and reacts to leader interactions accordingly (Lord & Maher, 1993). The second level of follower, often referred to as staff, has much more prolonged and intimate contact with leaders and use past efforts of reciprocation to predict future reciprocations, or leader-follower interactions, and base their evaluations of leader performance on these perceptions

(Homans, 1958). Given that Dvir and Shamir (2003) found that first-level followers rated leaders higher in transformational leadership than their second-level counterparts, this research hypothesized that such leaders' supervisors might react more favorably to leader-follower relationships that were more structured and less intimate as opposed to leader-follower relationships characterized by lengthy, personal interactions.

The results of this study, however, found little support for the notion that observers rate leaders with brief, distant relationships with their followers higher or more positively than leaders with long, close relationships with their followers. Although Dvir and Shamir (2003) found significant effects for implicit leadership theories when distant, formal relationship followers rated their leaders, this study found no such implicit leadership theory effects when supervisors rated leaders. Indeed, results support an opposite effect. As leaders in this study develop longer and closer relationships with their followers, they earned more positive ratings from their supervisors.

Workgroups rarely experience complete turnover but rather have only one or two experienced followers leave to be replaced by new and inexperienced followers. However, it is just as easy to conceive that an established and effective work team could have its leader replaced by a new and inexperienced leader. Instantly, these highly-effective followers, at least according to their answers on the survey, become "new" followers of a new leader. These situations are those faced by supervisors when asked to evaluate the performance of those leaders.

As more of the target-leader's followers reported knowing their target-leader very well, the target-leader's supervisor rated the target-leader's "overall performance" and "advancement potential" higher, and "risk of career difficulty" lower. These results support the supposition that high-quality LMX relationships, as defined by Gerstner and Day (1997), contribute positively, if only moderately, to supervisor ratings of the leader's performance. These results also support the three research questions posed by this study, namely that follower reports of relationship depth and duration with their leader would be associated with the leader's supervisor's ratings of leadership performance. However, there is no support for the subsequent hypotheses posed by this study.

What general conclusions, then, can be drawn from the present study in relation to the leadership literature to date? Do the findings of this study indicate a good outcome or a bad outcome for leader-follower relationships and the career-minded leader? What are the future directions of studies focused on others' perceptions of leader-follower relationships? In the next section, limitations will be explained, future research will be explored, and the implications of this study's results will be discussed.

5.2 Limitations

Although analyzing PDI's Executive Success Profile instrument allows access to several thousands of participants, it does limit control over variables of interest. Use of the "how well" and "how long" questions as proxies for leader-follower relationship quality in addition to duration is not ideal. Numerous confounds may have skewed the results. Without tight experimental controls, and dependence on archival data, one

might speculate endlessly about possible scenarios that may or may not have affected results.

For example, some of the short-term groups may have actually been composed of followers who have been with the company for many years but have only recently begun to work with a new leader and thus becoming categorized as "new" or short-term followers. Such group compositions may have affected supervisor ratings of those leaders by contrasting them with more capable and knowledgeable followers. Again, without tight experimental control, rewriting the survey, or first-hand knowledge of the data collection procedures, anything is possible.

However, this study did not expect to find overwhelming evidence for or against its hypotheses and research questions. It was intended as a preliminary expedition into an as yet untapped area of leader-follower research, specifically the area of other-perceptions and evaluations of that relationship. Results were expected to be moderate at best and used to suggest future research.

5.3 Future Research

Certainly more must be done to explore the nature of the leader's dual role as leader to a work-group and follower of a supervisor or organization. Are the same behaviors rewarded both from above and below? Do those above the leader perceive leadership as an empowering, sharing, and two-way experience between leaders and followers or as a controlling, directing, and one-way experience? Implicit leadership studies suggest that people rely on their implicit theories when contact is limited and formal, attributing greater leadership capabilities to those leaders with whom they have

less personal contact. The more personal and the more frequent the contact, however, the more poorly these same leaders are rated. If supervisors are affected by this same psychological phenomenon both in their perceptions of leader behavior toward followers and in their own dyadic relationship with the leader as follower, then the next step is to separate these phenomena by using more detailed LMX questionnaires for both the supervisor-leader and the leader-follower relationship. One suggestion is a study of the affects of these two, perhaps conflicting, relationships as they covary with followers' reports of LMX on the prediction of supervisory ratings of leadership performance. It is essential to understand the nature of which leader behaviors are rewarded and when, if one is to understand why leaders behave the way they do.

5.4 Conclusions

The results of this study indicate, if only moderately, that close, long-term relationships between leaders and followers are more beneficial to the leader than distant, short-term relationships. Supervisors may indeed perceive intimate and supportive interactions between leaders and followers as part of leadership performance. Certainly, LMX studies have shown consistent support for this notion from the followers' perspective (Gerstner & Day, 1997; Chemers, 2000) but no studies to date have considered what contribution, if any, the opinions of followers make to the perceived performance, chance of promotion, or risk of career difficulty for their leaders.

Much theorizing around the concept of followership has haunted the periphery of leadership studies since the publication of Kelley's (1988) Harvard Business Review

article. The central concept around followership, according to Kelley, is that it is just as important to be a good follower as it is to be a good leader and that it takes near-leadership qualities to be a good follower (Kelley 1988/1992). But of what concern are these platitudes to leaders who are held accountable for the bottom line results of their teams' efforts?

According to Watson, et al., (2001), the collective efficacy of the group accounts for everything. As the leader becomes more confident in his/her followers' abilities to perform well, his/her followers become more confident in their leader's ability to lead. Successful reciprocations of effort lead to closer, more trusting relationships that extend over longer periods time (Maslyn & Uhl-Bien, 2001; Homans, 1958). Adding to these findings, this study indicates that such relationships do not dilute the supervisor's perceptions of the leader's ability to lead, but rather reinforce it. In essence, this study lends at least some support to the notion that supervisors are rewarding leaders for the same behaviors that followers do.

APPENDIX A

TABLES

Table 1.1

Intercorrelations Between Predictor and Criterion Variables

	How Long	How Well	HWxHL	Overall Perf	Adv. Potential	Career Diff.
	Participants (n = 6611)					
How Long	–	.55	.66	.01	-.02	.00
How Well		–	.29	.08	.07	.03
How Well x How Long			–	.01	.02	.04
Overall Performance				–	.35	.47
Advancement Potential					–	.19
Risk of Career Difficulty						–

Table 1.2

Regression Results for Criterion variable: Overall Performance

	Beta	R^2	R^2 Change	F Change	df	Sig. F Change
How Long (HL)	.009	.000	.000	.715	1, 6609	.398
HL, How Well (HW) **	-.041, .181	.008	.008	51.424	1, 6608	.000
HL, HW, HL*HW	-.050, .184, .020	.008	.000	.958	1, 6607	.328

Table 1.3

Regression Results for Criterion variable: Advancement Potential

	Beta	R^2	R^2 Change	F Change	df	Sig. F Change
How Long (HL)	-.024	.001	.001	3.793	1, 6609	.052
HL, How Well (HW) **	-.090, .241	.010	.010	65.368	1, 6608	.000
HL, HW, HL*HW **	-.143, .257, .105	.013	.003	19.471	1, 6607	.000

Table 1.4

Regression Results for Criterion variable: Risk of Career Difficulty

	Beta	R^2	R^2 Change	F Change	df	Sig. F Change
How Long (HL)	.010	.000	.000	.000	1, 6609	.984
HL, How Well (HW) **	-.047, .105	.001	.001	6.020	1, 6608	.014
HL, HW, HL*HW **	-.059, .107, .016	.003	.003	16.873	1, 6607	.000

** *Statistically significant*

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31

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BIOGRAPHICAL INFORMATION

William David Rigdon graduated from the University of Texas at Austin in 1985 with a Bachelor of Science degree in communications. After a short stint as a filmmaker, he went on to a successful career in marketing and advertising attaining a junior-level executive position at a high-tech firm in California. However, Mr. Rigdon's growing concern over the disingenuous advertising and sales tactics of the firms he worked for and the subsequent layoffs after the dot-com crash of 2001 sent him in search of a new career challenge. As of this publication, he attends the University of Texas at Arlington's Industrial Organizational (I/O) Psychology program and works part-time for a start-up consulting firm, Leadership Worth Following (LWF). This thesis was attempted and completed to initially explore Mr. Rigdon's deep interest in leader-follower relationships as well as to partially fulfill the requirements for a Master's degree in I/O Psychology.