

**DYSFUNCTIONAL OF LEADER-
MEMBER EXCHANGE (LMX)
THEORY**

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**MASTER SCIENCE OF MANAGEMENT
UNIVERSITI UTARA MALAYSIA**

MAY 2009

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**Thesis Submitted to the College of Business
In Fulfillment of the Requirement for the
Degree of Master Science of Management
Universiti Utara Malaysia,**

By

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(89311)

2009

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ABSTRACT

Leader-member exchange (LMX) theory was initially called the vertical dyad linkage theory. Graen and Cashman introduced it in 1975. It emphasizes on the dyadic relationships between leaders and individual subordinates, instead of the traits or behaviors of leaders or situational characteristics. According to LMX theory, leaders do not treat all subordinates in the same manner, but establish close relationships with some (the in-group) while remaining aloof from others (the out-group).

Therefore, this study is intended to examine the perception of out-group members in relation to favoritism, impression management tactics, perception of inequity and member-member exchange (MMX). The respondents of the study are 95 middle managers in the SUK, Shah Alam, Selangor Darul Ehsan. The study found that members do not have perception of injustice when they see in-group members as relying on the use of impression management tactics to gain inclusion into the in-group. There is no positive relationship between favoritism and perception of inequity. Similarly, favoritism does not lead to lower MMX. The result also found that perception of injustice does not mediate the relationship between LMX of in-group members and MMX.

On the other hand, the study found that level of MMX is affected by LMX. Level of MMX is also affected by perception of justice. Since research on dysfunctional LMX is hardly been attempted in Malaysia, it is interesting to further explore this subject in different context and in a larger scale. Future research may expand the LMX theory developed.

ABSTRAK

Teori “Leader-member exchange (LMX)” terdahulunya dikenali sebagai teori “vertical dyad linkage”. Teori ini diperkenalkan oleh Graen dan Cashman pada tahun 1975. Teori ini telah dikaji semula pada tahun-tahun berikutnya. Teori LMX menekankan hubungan diantara ketua dan pegawai bawahannya, tanpa mengambil kira sifat atau perilaku seseorang ketua atau sesuatu situasi.

Berdasarkan kepada teori LMX, ketua tidak melayan semua pegawai bawahannya secara saksama, tetapi mereka membina hubungan yang rapat dengan “in-group” dan pada masa yang sama menjauhkan diri daripada “out-group”. Sehubungan itu, kajian ini menumpukan terhadap kesan daripada hubungan ketua dan pegawai bawahannya yang kurang berkualiti terhadap “out-group” yang melibatkan “pilih-kasih”, “impression management tactics”, persepsi tentang ketidakadilan dan hubungan diantara para pegawai bawahan (MMX).

Responden kajian ini adalah terdiri daripada 95 orang pegawai peringkat pertengahan daripada pelbagai jabatan di SUK, Shah Alam, Selangor Darul Ehsan. Kajian mendapati bahawa para pegawai tidak merasakan wujudnya persepsi ketidakadilan bilamana “in-group” bergantung kepada penggunaan “impression management tactics” untuk menganggotai kumpulan tersebut. Kajian juga mendapati persepsi ketidakadilan tidak mempengaruhi hubungan antara “leader-member exchange”. Hasil kajian juga membuktikan bahawa persepsi tentang ketidakadilan menjadi perantara antara hubungan diantara ketua dan pegawai bawahannya dan MMX.

Walau bagaimanapun, hasil kajian mendapati tahap hubungan MMX di pengaruhi oleh LMX. Tahap hubungan MMX juga di pengaruhi oleh persepsi keadilan. Kajian juga mendapati unsur "pilih kasih" wujud dalam konteks ini tetapi ianya tidak menyebabkan wujudnya persepsi ketidak adilan atau menjejaskan MMX. Memandangkan kajian tentang kepincangan LMX jarang dilakukan di Malaysia, maka adalah amat menarik sekiranya isu ini dapat dikaji dengan lebih lanjut dalam konteks lain dan dalam skala yang lebih besar. Kajian lanjut kelak pasti akan memberikan dapatan yang lebih menarik dan ianya secara tidak langsung dapat meluaskan teori LMX.

ACKNOWLEDGEMENTS

The toughest among all the hurdles in the past 2 years is the completion of this project paper, which concluded my life as a MSC Management student in UUM, City Campus Kuala Lumpur. I am greatly indebted to a person whom I have the opportunity to work with, Pn. Norita Deraman, my supervisor, for providing valuable guidance and direction to this study. Most importantly is her inspiration for work excellence, her profound knowledge, strong discipline and dedication.

I also wish to acknowledge my sincere gratitude to Pn. Siti Munirah Ibni Hajar, Setiausaha Bahagian, Bahagian Sumber Manusia, SUK Shah Alam, Selangor Darul Ehsan, who give me the permission and opportunity to do this study in SUK.

Not forgettable all lectures and colleagues who have appeared in my life, rendering advice and inputs unselfishly during my study in UUM.

My deepest appreciation also goes to my supportive and beloved family members – mak, ayah, adik, hubby (Badrul Hisyam) and my two kids (Aiman and Maira) for their devotion, constant demonstration of love and; always there by my side, through thick and thin.

Last but not least, to the many who have contributed in making this study possible, please accept my sincere thanks...

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LIST OF ABBREVIATIONS

CMX	Coworker member-exchange
DLMX	Dysfunctional of Leader-member exchange
IMP	Impression management
LMX	Leader-member exchange
MMX	Member-member exchange
MDM	Multidimensional measure
OCB	Organizational citizenship behavior

CHAPTER 1:

INTRODUCTION

1.1 Problem Statement

This study intends to examine the dysfunctional affect of leader-member exchange (LMX). Specifically, the study will further research on the negative reaction to LMX because past researches ignore the impact of out-group members when in-groups enjoy the LMX.

Parallel to this argument, several researchers have employed longitudinal research designs such as Liden, Wayne & Stilwell (1993), on the development of LMX relationships over time. The studies support the premise that in-group members receive more benefits compared to out-group members, yet the question whether or not this results in depreciation of team-level outcomes remains.

Othman et al (2007), in his research mention that most past research ignored the possibility that LMX development can have dysfunctional consequences. LMX theory assumes that the development of LMX and the creation of an in-group within a work group are unproblematic. They further argued that very limited attention is given on literature to the impact of LMX on those not included in the relationship.

Therefore, there is relatively true that past research ignore the dysfunctional effect of LMX especially on out-group members who experience low quality LMX because the researchers continue to study on the outcomes of LMX to in-group. What makes study on dysfunctional LMX important? In an organization, not everybody enjoys high quality of LMX with his or her leaders. In certain organization, we may find that those having low quality of LMX will find them unfairly treated by the employers. Definitely they do not enjoy as much benefit compared to in-group such as the exchange of greater physical resources information and enjoyable tasks (Liden & Maslyn, 1998).

In relation to this, the study will attempt to study the dysfunctional effect of LMX to the out-group members with regard to favoritism, perception inequity, the perception of justice, the use of impression management tactics, and member-member exchange (MMX).

1.2 Research Objectives

Objectives of the study are as follows:

- 1) To examine the dysfunctional effects of leader-member exchange (LMX) on member-member exchange (MMX)
- 2) Analyze on how impression management tactics affect leader-member exchange (LMX)
- 3) Identify the level of member-member exchange (MMX) affected by the perception of justice
- 4) To determine whether favoritism more likely to lead to perception of injustice of member-member exchange (MMX)
- 5) Analyze how does the perception of inequity in leader-member exchange (LMX) affect the relationship in member-member exchange (MMX)

1.3 Research questions

This study attempt to answer these questions:

- 1) How the dysfunctional of leader-member exchange (LMX) affect the member-member exchange (MMX)?
- 2) How impression management tactics affect leader-member exchange (LMX)?
- 3) What is the level of member-member exchange (MMX) affected by the perception of justice?
- 4) Is favoritism more likely to lead to perception of injustice of member-member exchange (MMX)?
- 5) How does the perception of inequity in leader-member exchange (LMX) affect the relationship in member-member exchange (MMX)?

1.4 Research Framework

Review of literature suggests that LMX has been studied mainly in term of the positive outcomes and individual performance. Therefore, this study attempts to bridge the gap in terms of dysfunctional outcomes of LMX especially to those with low quality of LMX. This follows evidence suggesting that possibly LMX may impact employees negatively.

Low quality of LMX has similarly been viewed as an undesirable attribute in an employment relationship and has been observed to explain employees' quit decisions (Griffeth and Hom, 2001). In contrast to employees who experience high quality LMX, they may benefit from more supervisory attention (i.e. receive more training, guidance), especially during early employment periods, thereby improving their skill sets and enhancing their marketability. Several researchers have also employed longitudinal research designs (Liden, Wayne & Stilwell, 1993), which have explained the development of LMX relationships over time. Parallel to other studies, these studies support the premise that in-group members receive more benefits compared to out-group members, yet the question whether or not this results in depreciation of team-level outcomes remains.

Even so, the researchers keep questioning the impact of LMX i.e. whether it can actually improve performance, considering that it may support the need for development among privileged groups in the workplace (Northouse, 2004). Yu and Liang (2004) even doubted the previously well-accepted positive relationship between high quality LMX and organizational performance found in previous studies. Although empirical research

has supported the validity of the LMX theory of leadership, explanation of LMX processes are still speculative, brief and primarily descriptive (Dinesh & Liden, 1986; House and Baetz, 1979; Northouse, 2004)

The dependent variable will be the dysfunctional of LMX which is the degree of inequity between the LMX and the MMX. Whereas the independent variables which is going to be tested in this research is the perception of injustice, use of impression management tactics, favoritism and effect of dysfunctional LMX on MMX in team.

1.5 Significant of the study

Leadership is one of the primary areas of study, research, and practice in organizational behavior. Leaders often develop relationships with each member of the group that they lead, and Leader-Member Exchange Theory explains how those relationships with various members can develop in unique ways.

The leader-member exchange theory of leadership focuses on the two-way relationship between supervisors and subordinates. Also known as LMX, or Vertical Dyad Linkage Theory, leader-member exchange focuses on increasing organizational success by creating positive relations between the leader and subordinate.

Leader-member exchange (LMX) theory is defined that leaders develop separate relationship with each of their subordinates through a series of work related exchanges. These relationships range from those which are based on exchanges directly specified by the employment contract (low LMX relationship) to those which include the exchange of both material and non material goods that extend beyond what is required by the employment contract (high LMX relationship).

Dysfunctional of leader-member exchange (DLMX) is defined by Othman et. al. (2008) as a condition where the high quality of exchange between a leader and certain member/s is perceived by others in the workgroup as an inequity

In particular, leaders usually have special relationships with an inner circle of assistants and advisors, who often get high levels of responsibility and access to resources. This is often called the “in-group,” and their position can come with a price. These employees work harder, are more committed to task objectives, and share more administrative duties. They are also expected to be totally committed and loyal to their leader. Conversely, subordinates in the “out-group” are given low levels of choice or influence and put constraints on the leader.

1.6 Background of the study

Leadership is probably the most frequently studied topic in the organizational sciences. Literatures suggest that hundreds of leadership studies have been published and thousands of pages on leadership have been written in academic books and journals, business-oriented publications, and general-interest publications. Examples of Leadership theories developed are such as Trait Theories in 1930's, Behavioral Theories in 1950's, Contingency Theories in 1960's and 1970's, Charismatic Leadership in 1970's and 1980's and Leader-member Exchange (LMX) in 1970's.

Issues in leadership have received considerable attention among the researchers. There are many theories of leadership been developed and one of them, which receive extensive consideration, is leader-member exchange (LMX) theory, which was developed, by Graen and Cashman in 1975.

Literatures also suggest that many researchers are interested to study the theory by looking into the functional aspects of it. Despite the researchers' keen interest in studying the theory, only a few studies conducted in relation to LMX in Malaysia.

Furthermore, research on LMX conducted in the Malaysian Government context is still scarce. Thus, the study will attempt to examine the leader-member exchange theory LMX among middle managers in Setiausaha Kerajaan Negeri (SUK) Selangor, Shah Alam. The research will focus on dysfunctional LMX with regard to favoritism, perception of injustice, impression management tactics and member-member exchange (MMX).

CHAPTER 2:

LITERATURE REVIEW

2.1 What is LMX?

The reviews of the literature suggest that leader-member exchange (LMX) theory has evolved into a dyadic approach to understanding leader-follower relationships (Howell and Hall-Merenda, 1999). According to vertical dyad linkage approach (Dansereau et al., 1975), leaders and followers develop dyadic relationships, resulting in two groups of followers: an in-group and out-group. The in-group consists of a number of trusted followers who are derived from expanded and negotiated role responsibilities with the leader, whereas, the out-group includes the remaining followers with whom the relationship of the leader remains more formal.

Othman et al (2008) cited Graen and Uhl Bien (1995) by mentioning that LMX theory has undergone considerable development. In the early stages of LMX theory development, the focus was on the nature of the vertical dyadic linkage in the exchange relationship between leaders and members. Studies on LMX in these early stages also sought and found evidences on the antecedents and outcomes of LMX.

Othman et al (2008) further elaborate that later work on LMX saw a shift as researchers began to argue about the need for managers to develop quality LMX with all members instead of developing a favored in-group among their members. It was argued that the

overall work group performance will improve by increasing the number of members enjoying high quality LMX. Subsequent work on LMX treats it as a system of interdependent dyadic relationships. (Othman et al, 2008 cited Graen and Uhl Bien, 1995)

Some researchers looked at LMX as styles of dealing with subordinates. The LMX theory suggests that a leader uses varying styles to deal with individual subordinates and thus, they develop different styles of relationship or exchange with different subordinates (Bhal and Ansari, 2000; Dansereau, Graen and Haga, 1975; Graen and Cashman, 1975; Graen et al., 1982; Graen and Scandura; 1987; Liden and Graen, 1980). Other study found that the relationship is based on social exchange, whereby each must offer something the other party deems valuable and each party must see the exchange as reasonably equitable or fair (Graen and Scandura, 1987).

Leaders in high quality LMX relationships rely heavily on followers to act on their stead (Dunegan et al., 1992) and encourage them to undertake more responsible activities (Graen and Uhl-Bien, 1995). Followers in such relationships interact frequently with their leaders and have their leaders' support, confidence, encouragement, and consideration. Followers take on added duties or expend extra effort to achieve work group goals beyond contractual or transactional expectations (Sparrowe and Liden, 1997; Wayne et al., 1997)

The extended research on LMX by Bhal and Ansari (2000) found that measuring the quality of interaction in a LMX could be translated into two dimensions: contribution and affect, loyalty was not found to have a distinct configuration, and Galford and Drapeau (2003) relate LMX with trust. They argue that organizations need employees to trust their

leaders and to comply with desired behaviors (Galford and Drapeau, 2003). That trust is extended when leaders are deemed trustworthy.

On the other hand, current research by Kang and Stewart, (2007) propose that HRD can be a solution to improving LMX as an ongoing value-added process for better performance of individuals, groups and the organization, while LMX can be a useful approach to promoting two goals of HRD – personal and organizational development. The more quality of relationships within LMX is seen as a HRD process and developed through HRD in organizational contexts, rather than seeing it as an individualized leadership theory, the more the LMX theory of leadership becomes a useful implement of both individual and OD performance.

As the study on LMX becoming more diversified, research by Bhal & Ansari, (2007) suggests that subordinates in a work group would not perceive rewards as fair or unfair independent of the process through which they are determined. Thus, even in a differentiated work-group if the leader follows fair processes, the subordinates are not likely to perceive injustice in the distribution of rewards. Work-group differentiation into in-group/ out-groups is likely to occur in all situations, as all subordinates are either not capable of or willing to collaborate with the leader of unstructured tasks.

Othman et al (2008) further elaborate that the line of work sees social exchange as something that goes beyond the dyadic leader-member relationship but as also consisting of exchange across organizational levels and even across organizations.

Further discussion on LMX mentioned that it is an ongoing value-added process aimed at better performance of individuals and organizations through the diagnosis of leader-follower interactions (Graen et al., 1996). For instance, LMX theory of leadership focuses on the degree of emotional support and exchange of valued resources between the leader and members. Thus, LMX leadership theory's main focus is to diagnose this relationship so a higher quality can be developed in this relationship, enabling improved performance. That is why we can see many researches on LMX give more emphasize on the differences in the quality of relationships especially the impact of high LMX to in-group because it has positive impact to the organization. Studies on LMX have covered a great deal of leader-member interactions, description of leader-member relationship, and effects of LMX on outcomes such as turnover and satisfaction.

2.2 Outcome of LMX

Previous studies have shown that LMX has significant associations with many important outcomes. For instance, LMX is positively related to organizational commitment, satisfaction with supervision, supervisory ratings of job performance, satisfaction with work, and frequency of promotions (Liden and Maslyn, 1998). On the other hand, LMX is negatively related to turnover and intention to quit (Liden and Maslyn, 1998). It was further discovered that leader-subordinates behaviors affect the quality of LMX. For example, LMX was found to have a positive relation to job attitudes and performance evaluations (Dienesch and Liden, 1986; Liden, Sparrowe, and Wayne, 1997).

As we can see, the LMX theory is the basic premise that leaders develop a different type of exchange relationship with each individual subordinate. Thus, theoretically, each distinctive interaction can fall into either good (high quality LMX) or poor (low quality LMX) quality of exchanges. As the result from exchange relationship, the leaders establish high quality LMX relationship with a small number of trusted subordinates (the in-group). Study by Dansereau, Graen and Haga (1975) found that the in-group relationship is distinguished by mutual trust, respect, liking and reciprocal influence, and also the supervisor-subordinate relationship goes beyond the employment contracts.

Within organizations, Maslyn and Uhl-Bien (2001) found that leaders who created the close dyadic partnership involved in leader-member exchange (LMX) invested energy that increased the likelihood of improved long-term relationships and increased long-term trust (McAllister, 1995). The leader's ability to create personal relationships that establish commitment and connection, effectively utilize resources and demonstrate personal congruence with the factors viewed as consistent with effective leadership, merit, trust and cooperation are the basis of the leader's ability to achieve organizational objectives through change (Lussier and Achua, 2004).

Parallel to previous study, Lagace, Castleberry and Ridnour (1993) found that in-group members (with higher quality of LMX relationships) were higher on motivational factors and evaluations of their bosses and experienced less-related stress (role overload, role insufficiency, role ambiguity and conflict). The literature has indicated, in some studies, that in-group members (i.e. those with higher quality LMX) receive more attention and support from the leader than out-group members (those with lower quality LMX). Thus,

it is not surprising if out-group members (those with lower quality LMX) are more likely to file grievances (Cleyman, Jex and Love, 1993).

The outcome of LMX also relates to a higher level of trust in in-group. It increases the likelihood of cooperation, sharing of information, and emotional support in the LMX relationship. These relational obligation behaviors in turn, result in promoting superior levels of individual and organizational performance through enhanced levels of empowerment (Kang and Stewart, 2007).

LMX is believed to form through a role-making process (Dienesch and Graen,1987). Dienesch and Liden (1986) suggest that, early in the process, individual characteristics influence the initial attraction between the leader and the member. The relationship then develops as the leader tests the subordinate through a series of delegated tasks. Graen and Scandura (1987) suggest that the relationship is shaped through role taking, role making, and finally role routinization. This process is essentially a trust building one.

Later in 1998, Liden and Maslyn assert that the dimensions contribute to the level of LMX in an additive fashion, and that none of the dimensions are necessary conditions for LMX. Such a conceptualization suggests that the dimensions may also be viewed as antecedents that contribute to LMX. Liden and Maslyn (1998) also report that a fifth dimension, trust, was deleted because it was too highly correlated with the loyalty dimension. Interestingly, these constructs correspond very closely to the antecedents of interpersonal trust proposed by Mayer et al. (1995).

According to the Mayer et al. (1995) model, the leaders assess the ability, benevolence, and integrity of the trustee. Ability is defined as the “group of skills, competencies, and characteristics that enable a party to have influence within some specific domain” (Mayer et al., 1995). In organizations, ability might be measured through performance or credentials. Benevolence, on the other hand, is the degree to which the trustee, aside from an egoistic motive, wants to benefit the leaders. The perception that a trustee is benevolent comes from friendliness, citizenship behaviors, social interaction, finding commonalities, and liking. Integrity is the degree to which the leaders' actions reflect values acceptable to the trustee—for example, consistency and predictability.

Leaders' expectations alter their perceptions of subordinates. Leaders holding high expectations of subordinates may be more likely to attribute their good behavior to their internal qualities and poor behaviors to forces external to them, whereas attributions would be the reverse when the leaders have low expectations of the subordinates (Heneman, Greenberger, and Anonyuo, 1989). High leader expectations for a subordinate may translate into the provision of challenging tasks, little feedback, and few training opportunities (Feldman, 1986; Leana, 1986).

As Liden and colleagues (1993) suggested, the self-fulfilling prophecy may also influence the quality of LMX. Specifically, leaders may provide more “time, attention, feedback, and encouragement” to subordinates of whom they have higher expectations (Feldman, 1986).

2.3 Criticisms of LMX

Reviews of the literature found out that past research focus more on functional effect of LMX especially to those enjoying high quality of LMX, termed as in-group. The reason is, low quality of LMX has similarly been viewed as an undesirable attribute in an employment relationship and has been observed to explain employees' quit decisions (Griffeth and Hom, 2001). Parallel to other studies, the study by Liden et al. (1993) support the premise that in-group members receive more benefits compared to out-group members, yet the question whether or not this results in depreciation of team-level outcomes remains.

Even so, the researchers keep questioning the impact of LMX either it can actually improve performance, considering that it may support the need for development among privileged groups in the workplace (Northouse, 2004). Yu and Liang (2004) even doubted the previously well-accepted positive relationship between high quality LMX and organizational performance found in previous studies. Although empirical research has supported the validity of the LMX theory of leadership, explanation of LMX processes are still speculative, brief and primarily descriptive (Dienesch and Liden, 1986; House and Baetz, 1979; Northouse, 2004)

Othman et al. (2008) argued that high quality LMX enjoyed by the in-group can affect the overall group cohesiveness and performance. It is argued that the inaccurate assessment of a member by a leader and then flawed categorization of members into the in-group will create a sense of inequity and is likely to lead to dysfunctional LMX. In

such a situation, other members of the group are likely to react negatively, limit their commitment to the work group and reduce extra effort. As a result, the effectiveness of the leader's influence behavior on them will be reduced.

The prevailing practice in LMX research has been to measure LMX solely from the subordinate's perspective is the belief that LMX is considered to be a shared understanding, and therefore, assessing supervisor LMX would provide little additional information. As such, assessing LMX from only one perspective may provide an incomplete or inaccurate depiction of LMX relationships. Consequently, several researchers have argued that LMX should always be assessed from the perspective of both the subordinate and supervisor (Gerstner and Day, 1997; Scandura and Schreishheim, 1994; Schreishheim, Neider and Scandura, 1998).

2.4 Hypotheses of LMX

Based on the theoretical framework provided, five general hypotheses are developed for empirical verification in this research:

H₁ : Level of dysfunctional leader-member exchange (LMX) affect the member-member exchange (MMX)

Study by Sherony and Green (2002) termed member-member exchange (MMX) as coworker member exchange (CMX). They further argued that MMX relationship as an aggregate provide providing an overall assessment of the character of the team relationship patterns.

Katzenbach and Smith (1993) have noted that high performance teams are characterized by member's deep commitment to one another, implying that working relationships among members will influence outcomes as well. Keup et al. (2004) therefore concluded that the quality level of member-member exchange (MMX), as well as leader-member exchange (LMX), will be positively related to individual outcomes and perceptions of the group and its work.

H₂ : The relationship between impression management tactics towards the LMX

Researches suggest that LMX also has close link with impression management tactics in the organization. Drory and Zaidman (2007) stated that impression management is the process by which people attempt to influence the image others have of them (Rosenfeld et al, 2002). Impression management is used when a person wishes to create and maintain a specific identity.

This goal is achieved by intentionally exhibiting certain behaviors, both verbal and nonverbal, that will lead others to view the actor as desired (Bozeman and Kacmar, 1997). Research also shows that individuals are more likely to engage in impression management when the benefits they receive from pleasing others are greater. For example, people tend to be more motivated to engage in impression management when interacting with high-status, powerful people, given the chances of valued outcomes and resources from such people (Pandey, 1986; Roberts 2005).

H₃ : Level of member-member exchange (MMX) relationships is affected by perception of justice

Tyler (1988) argued that from procedural and interactional justice perspective, in-groups and out-groups might peacefully coexist, if the leader maintains fairness in procedures and interactions with all work group members or member-member exchange (MMX).

Since member-member exchange relationship consists of member from in-group and out-groups, perception towards justice is also varying. In-group members are more likely to understand procedural justice issues due to higher quality LMX and communication with supervisors. Out-group members may be more likely to focus on distributive justice and perform at the level that is appropriate to the rewards they receive based upon the formal employment agreement (Graen and Scandura, 1987).

H₄ : Favoritism is more likely to lead to perception of inequity of member-member exchange (MMX)

There are several obvious reasons why cronyism adversely affects member-member exchange relationship in the organization. As for out-group members, their motivation to perform tapers off due to the inequitable and subjective reward system (Redding, 1990). They have little incentive to exert extra effort at work. In brief, we believe that cronyism is likely to produce detrimental effects on the output levels of both in-group and out-group members. Third, the subordination of competency to loyalty and relations may result in the wreck at the bottom, rather than the cream, rising to the top (Bedeian and Armenakis, 1998).

Condition where favoritism is more likely lead to perception of inequity can arise in these conditions. According to Khatri and Tsang (2003), favoritism as a construct has not been systematically analyzed and developed by organizational researchers. Both of them believe that the construct of favoritism is important because its practice is extensive and

its consequences serious. They also believed that vertical favoritism is based on superior-subordinate relationship within the organization. Here, favoritism involves exchange of patronage downward with personal loyalty upward. They further elaborate on favoritism by mentioning that merit thus takes a back seat in favoritism. Although the superior may unconsciously regard the relationship as more important than job performance for promotion or pay rise considerations, such an unacknowledged form of favoritism still violates the principle of fair performance appraisal in the eyes of disinterested third party.

The strong interpersonal connections associated with favoritism result in the formation of “cliques” or in-groups, which tend to be exclusive (Trice and Beyer, 1993). In the case of leader-member model, Graen and Cashman (1975) suggest that in-group members are given high levels of trust, interaction, support and rewards while out-group members receive low levels of each. In-group members enjoy considerable benefits while out-group members are denied valuable opportunities (Vecchio, 1997).

Old and loyal employees continue to be employed, although they no longer perform their duties effectively (Farh and Cheng, 2000). Talent, which would otherwise rise to the top, is blocked and stifled by lack of opportunity. This leads to talented people leaving the organization. The constant leeching away of talent inevitably weakens the strength of the organization (Redding and Hsiao, 1993).

H₅ : Perception of injustice affects the relationship between leader-member exchange (LMX) of in-group members and member-member exchange (MMX)

Larson (1984) argues that positive affect toward subordinates makes managers less likely to give them negative performance feedback. Similarly, DeCotiis and Petit (1978) maintain that supervisor-subordinate relationships are a potentially powerful contaminant of performance appraisal ratings. Vecchio and Gobdel's (1984) study found that sub group status accurately predicted supervisor ratings but not objective performance measures. In other words, in-group members might receive artificially inflated performance ratings.

This implies that the perceived competence of in-group members may be an effect rather than a cause of their attainment of the in-group status (Cardy and Dobbins, 1986; Vecchio and Gobdel, 1984). Thus, incompetence among in-group members tends to be hidden and covered up in the organization. Second, since in-group members are rewarded on the basis of loyalty rather than competence, they do not see the need to excel and may at best achieve average performance. Moreover, they tend to channel their energy and attention to ingratiating themselves with the superior and to other related political behaviors.

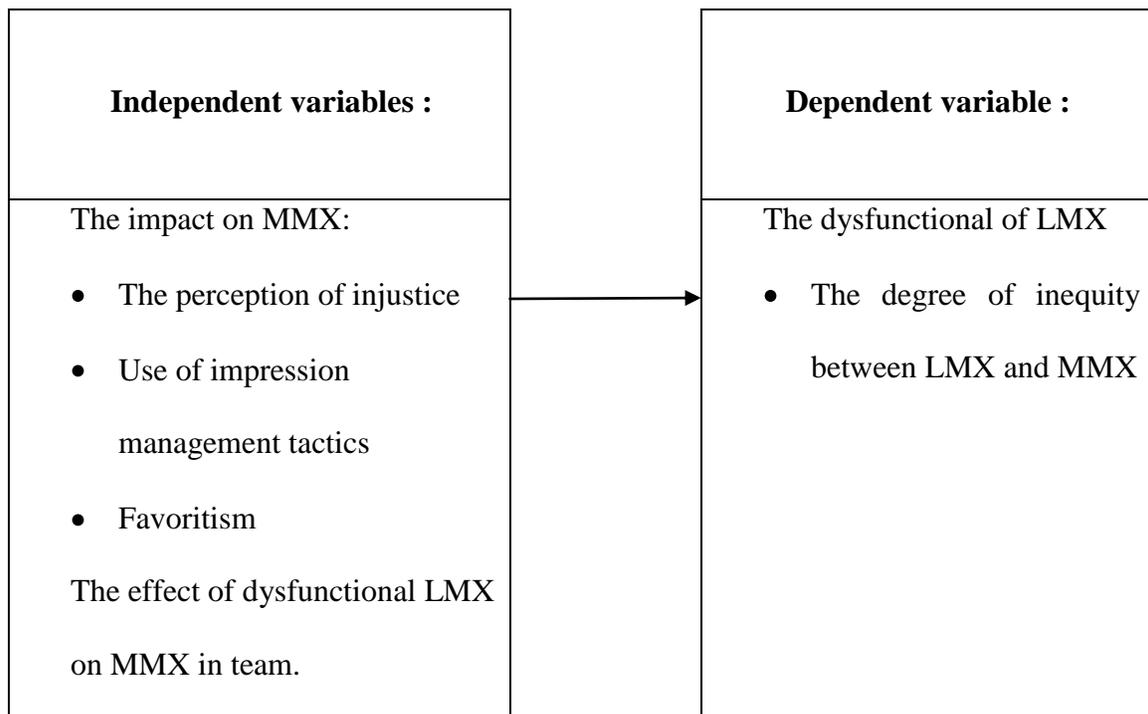
CHAPTER 3:

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methods used to test this study's hypotheses. At the beginning of the chapter, it will explain on how the measurement was developed to test the hypotheses, as well as to identify the relationship between the dependant and independent variables. The chapter then details the sampling procedures used, the way research is administered as well as methods involved in collecting and analyzing data

3.2 Theoretical framework.



3.3 Research Method

3.3.1 Instrument

The questionnaires administered to middle managers in various government departments/ agencies in Setiausaha Kerajaan (SUK) Negeri Selangor in Shah Alam which consist of seven (7) parts. The measurements developed include LMX-7, impression management tactics, favoritism, justice, member-member exchange (MMX) and respondent's background.

3.3.1.1 LMX-7

The subordinate's perception of the leader-member exchange relationship and to determine the out-group and in-group members was measured using the LMX-7 developed by Wayne et al. (1997). LMX-7 is a unidimensional scale that includes seven items. The scale utilized a response scale ranging from 1 = *strongly disagree* to 7 = *strongly agree*.

Table 3.3.1.1

1	I usually know where I stand with my leader.
2	My leader has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.
3	My working relationship with my leader is effective.
4	I can count on my leader to "bail me out", even at his/her own expense, when I really need it.

5	My leader understands my problems and needs.
6	My leader recognizes my potential.
7	Regardless of how much power my leader has built into his or her position; my leader would be personally inclined to use his/her power to help me solve problems in my work.

3.3.1.2 Impression management tactics

Impression management tactics in workplace was measured using self developed items.

There are altogether 6 items used to measure impression management tactics. The scale utilized a response scale ranging from 1 = *totally disagree* to 5 = *totally agree*.

Table 3.3.1.2

Those who are close to my work unit's leader usually ...

1	...say things that will please him/ her even if they know it is not very true.
2	...good at creating a good image of themselves even though in reality they do not perform well in their work.
3	...make an extra effort to be helpful to the leader even though it has nothing to do with their job.
4	...try to create a favourable impression of themselves when the time for performance appraisal approaches.
5	...show that they work hard when he/ she is around but do less when he/ she is not around.
6	...those who have a track record as being high performers.

3.3.1.3 Favoritism

Favoritism at workplace was measured based on the paper presented by Khatri and Tsang (2003). The measurement consists of 10 items. The scale utilized a response scale ranging from 1 = *totally disagree* to 5 = *totally agree*. In this paper, cronyism was measured in relation to *promotion decisions, performance appraisal, providing extra resources, awarding reward, given interesting job assignment*.

Table 3.3.1.3

Your work unit's leader value unit members who...

1	... support him/ her in decisions even when his/ her idea is not the best idea considered.
2	...demonstrate personal loyalty to him/ her.
3	...refrain from expressing differing views from him/ her.
4	...develop a close personal relationship with him/ her.
5	...are seen to be politically aligned with him/ her.
6	...express gratitude to him/ her.
7	...consistently deliver good job performance.
8	...are willing to express their ideas even when it differs with your leader's view.
9	...make him/ her look good in front of others.
10	...pay more attention to leader's favorite activities even if it is not the best use of your time.

3.3.1.4 Justice

Justice in workplace was measured using the measurement developed by Moorman (1991). Seventeen items were used in measuring justice at workplace which includes procedural and interactional justice to accommodate the study's context. The items' measurement is 1 = *totally disagree* to 5 = *totally agree*.

Table 3.3.1.4

1	My leader is concerned about my right as an employee.
2	My leader treats me with respect and dignity in making job decisions.
3	My leader treats me with kindness in making job decisions.
4	My leader is truthful in making job decisions.
5	My leader discusses with me the implications of a decision.
6	My leader offers adequate justification for his decision.
7	My leader offers explanation that makes sense.
8	My leader is able to hold back any biasness.
9	My leader is sensitive to my personal needs in making job decisions.
10	My leader provides clarification and provides additional information on decisions when requested by subordinates.
11	My leader ensures ethical conduct.
12	There are clear standard to ensure consistency in decisions.
13	Procedures in this organization are applied in a consistent manner.
14	I am given feedback during implementation of decisions.
15	Unit members are allowed to challenge or appeal decisions made.
16	My leader collects correct information before making a decision.
17	Procedures used are fair to everyone.

3.3.1.5 Member-member exchange (MMX)

The subordinate's perception of member-member exchange (MMX) was measured using the instrument used by Seers and Graen (1984). This scale utilized a response scale ranging from 1 = *totally disagree* to 5 = *totally agree*.

Table 3.3.1.5

1	Meetings are good for expressing my ideas.
2	Meetings are unproductive and waste of time.
3	Meetings are practical ways to keep informed.
4	Meetings resolve tensions and conflicts.
5	I feel pressure to conform (be in the group).
6	Team members are hard to communicate with.
7	Team has strong sense of togetherness.
8	Team appreciates my efforts.
9	Team lacks team spirit.
10	Members are not very cooperative.
11	Team morale is very high.
12	I would rather not be on this team.
13	"Team concept" is how things get done in my unit.
14	Other members let me know what they expect from me.
15	Other members understand my problems.

3.4 Sampling

The questionnaires were distributed to 110 respondents, which were the middle managers in various government departments/ agencies. The respondents for the study were convenient sampling. The government officers involved ranging from grade 41 to grade 52. They were asked to evaluate the relationship with the work unit leaders in their division (grade 54 and above). The work unit chosen consists of more than 10 subordinates to look at the variation among the in-group and out-group members.

3.5 Research Administration

Pilot test for the questionnaires were developed before they were actually distributed. Based on the feedback received, they were further improved; including the instruments used. Later, the questionnaires were personally distributed to 110 respondents from various government departments/ agencies in Setiausaha Kerajaan (SUK) Negeri Selangor in Shah Alam.

The respondents were given one-week time to complete the questionnaires. Upon completion of the questionnaires, they were personally collected. The response was quite good. Out of 110 questionnaires distributed, 95 were returned.

3.6 Validity and Reliability

In this study, validity of the content was developed through extensive reading of related literature.

Whereas for reliability, it was performed using Cronbach Alpha for each of the instrument developed. Cronbach's alpha is a useful statistic for investigating the internal consistency of a questionnaire. Reliability in doing research is important to ensure the measurement of a test remains consistent over repeated tests of the same subject under identical conditions.

As for this research, the alpha score for the measurement developed are as follows : LMX-7 (Cronbach Alpha = .8785), impression management tactics (Cronbach Alpha = 0.6878), favoritism (Cronbach Alpha = .7153), justice (Cronbach Alpha = .9419); and member-member exchange (MMX) (Cronbach Alpha = .9071).

3.7 Data Analysis

Statistical Package for Social Science (SPSS) was used to analyze data collected. Four (4) types of statistical analysis were used in this study to test the result from the instruments developed.

Inferential statistics used in this study include:

- 3.7.1 Correlations were used to find out the relationship between the variables.
- 3.7.2 T-test was used to see identify respondents with low and high LMX. Low LMX was those belonged to out-group members whereas high LMX were those belonged to in-group members. T-test is also used to test variables separately.
- (d) The quantitative items of each domains of questionnaire and demography background were analyzed by using descriptive statistics including frequency, percentage, mean score, and standard deviation.

CHAPTER 4:

FINDINGS

This chapter presents the findings of the respondents' profile and data analysis of the survey, including hypotheses testing.

4.1 Profile of Respondents

Table 4.1.1 shows that 11 respondent (15.7%) were 25 years old and below, 40 (42.1%) respondents were 26 to 30 years, 35 respondents (36.8%) were between 31 to 35 years old, 3 (3.2%) respondents were between 36 years old to 40 years old, 5 respondent (5.3%) were 41 years old and above. It was also found that 61 (64.2%) were male, whereas 34 (35.8%) were females.

56 respondents (58.9%) were in the civil service within 5 years or less, 25 respondents (26.3%) belonged 6 to 10 years, 5 respondents (5.3%) were between 11 to 15 years, 6 respondents (6.3%) were 16 years and more and 3 respondents (3.2%) gave no information.

The findings also identified that 49 respondents (51.6%) reported that there were 10 or less employees works in their unit, 9 respondents (9.5%) reported 11 to 20 employees, 14 respondents (14.7%) reported 21 to 30 employees, 6 respondents (6.3%) reported 31 to 40 employees, 4 respondents (4.2%) reported 41 to 50 employees, 2 respondents

(2.1%) reported more than 50 employees work in their unit and 11 respondent (11.6%) gave no information of it.

Looking at the length of service with the present group leader found that 79 respondents (83.2%) have worked with present's group leader 5 years or less, 7 respondents (7.4%) between 6 to 10 years, 2 respondents (2.1%) between 11 to 15 years, 1 respondents (1.1%) between 16 to 20 years, and 6 respondents (6.3%) did not give any information.

The last part of the respondents profile is length of service with present unit/ division. The findings show that 48 respondents (41.7%) reported that the length of service with present unit/ division within 3 years or less, 38 respondents (33%) reported 4 to 6 years, 8 respondents (7%) reported more than 7 years and 4 respondents (4.2%) gave no information.

Table 4.1.1
Respondent Profile

RESPONDENT PROFILE		
Age	N	%
25 and below	11	11.6
26 to 30 years	40	42.1
31 to 35 years	35	36.8
36 to 40 years	3	3.2
41 and above	5	5.3
No information	1	1.1
TOTAL	95	100.0
Gender	N	%
Male	61	64.2
Female	34	35.8
TOTAL	95	100.0
Length of service with the public sector	N	%
5 years and below	56	58.9

6 to 10 years	25	26.3
11 and 15 years	5	5.3
16 years and above	6	6.3
No Information	3	3.2
TOTAL	95	100.0
Number of employees in your work unit/ division	N	%
10 and below	49	51.6
11 to 20	9	9.5
21 to 30	14	14.7
31 to 40	6	6.3
41 to 50	4	4.2
more than 50	2	2.1
No information	11	11.6
TOTAL	95	100.0
Length of service with present group leader	N	%
5 years and below	79	83.2
6 to 10 years	7	7.4
11 to 15 years	2	2.1
16 to 20 years	1	1.1
No information	6	6.3
TOTAL	95	100.0
Length of service with present unit/ division	N	%
3 years and below	48	41.7
4 to 6 years	38	33
More than 7 years	8	7
No information	4	4.2

4.1.1 Group statistics

Table 4.1.2
Group Statistics

	Ingrp	N	Mean	Std. Deviation	Std. Error Mean
Lmx	1.00 (out-group)	16	4.0804	.47800	.11950
	2.00 (in-group)	45	6.1302	.40040	.05969

In order to cluster between the out-group and in-group members, t-test is used in this study. Sixteen respondents belonged to out-group, 45 respondents belonged to in-group and 34 respondents were neutral. The result is shown in table 4.1.1. Therefore, based on statistics above, we can conclude that majority of the middle managers in the government sectors belonged into in-group and they enjoyed high quality of LMX.

Table 4.13

Mean and Std. Deviation for each variable

		Mean	Std. Deviation
LMX	Out-group	4.0804	.47800
	In-group	6.1302	.40040
MMX	Out-group	3.3348	.46325
	In-group	3.7592	.44850
Impressi	Out-group	3.1875	.42546
	In-group	3.0985	.65129
Favouris	Out-group	3.2241	.37212
	In-group	3.3259	.42159
Justice	Out-group	3.1765	.66621
	In-group	4.0261	.47699

Based on Table 4.12. above, the study found out that the respondents enjoy high relationship with the leaders. The mean score for the in-group members is 6.1302, compared to the out-group members (mean score 4.0804). On the other hand, mean score for MMX, impression management tactics, favoritism and justice found in the study almost the same between in-group and out-group members, which may explain the findings above. As for mean score for justice between in-group and out-group members, the difference is only 0.8496.

4.2 Hypotheses Testing

Assumption that is underlying multiple regressions had been tested (See appendix 4). The bars of the histogram follow a similar pattern to bell curve. The normal plot (scatter plot) of correlation standardized residual for dependent variables also indicates a normal distribution (good scattered). The correlation analysis upon independent across dependent variables could give an accurate value . The test of assumption in detail can be seen in Appendix 4.

4.2.1 Hypothesis 1

H₁: Level of dysfunctional leader-member exchange (LMX) affects the member-member exchange (MMX)

Correlations analysis was conducted to test the first hypothesis, to see the relationship of the dysfunctional leader-member exchange (LMXD) total 16 persons towards the member-member exchange (MMX.)

Table 4.2.1.1
Correlation; The relationship of Dysfunctional LMX towards the MMX

		LMXD	MMX
LMXD	Pearson Correlation	1	.231
	Sig. (2-tailed)		.389
	N	16	16
MMX	Pearson Correlation	.231	1
	Sig. (2-tailed)	.389	
	N	16	95

The result in table 4.2.1.1 shows that there is a weak correlation between dysfunctional leader-member exchange and the member-member exchange. The value for Pearson Correlation between LMXD and MMX = 0.231. Therefore, the hypothesis is rejected.

4.2.2 Hypothesis 2

H₂: The Relationship of impression management tactics (IMT) towards leader-member exchange (LMX)

To test H₂, the researcher used Correlations (enter data entry procedure) for the impression management tactics and the LMX. Table 4.2.2.1 showed the result of the analysis.

Table 4.2.2.1
Correlations; Relationship between IMT towards LMX

		IMT	LMX
IMT	Pearson Correlation	1	.050
	Sig. (2-tailed)		.629
	N	95	95
LMX	Pearson Correlation	.050	1
	Sig. (2-tailed)	.629	
	N	95	95

The result shows that there is no significant of impression management tactics upon leader-member exchange (LMX). The value for Pearson Correlation was 0.05. Therefore, the hypothesis is rejected.

4.2.3 Hypothesis 3

H₃: Level of member-member exchange (MMX) is affected by perception of justice.

Table 4.2.3.1

Correlations; Relationship between MMX to justice

		Justice	MMX
Justice	Pearson Correlation	1	.022
	Sig. (2-tailed)		.832
	N	95	95
MMX	Pearson Correlation	.022	1
	Sig. (2-tailed)	.832	
	N	95	95

Table 4.2.3.1 showed the findings of correlations analysis with justice and member-member exchange (MMX). The result implies that there is no significant relationship between justice and MMX as the values for Pearson Correlation for justice and MMX = 0.022. There is no significant relationship between MMX and justice. Therefore, the hypothesis is rejected.

4.2.4 Hypothesis 4

H₄: Favoritism is more likely to lead to perception of inequity of member-member exchange (MMX).

Table 4.2.4.1

Correlations; relationship between favoritism and justice

		Favourism	Justice
favoritism	Pearson Correlation	1	.131
	Sig. (2-tailed)		.206
	N	95	95
Justice	Pearson Correlation	.131	1
	Sig. (2-tailed)	.206	
	N	95	95

In table 4.2.4.1, the result for Correlations of favoritism and justice shows that there is no relationship between the two variables. Based on T-test in Table 4.2.4.4, there is an element of favoritism. However, there is no significant relationship between favoritism and perception of inequity. Therefore, the hypothesis is rejected.

Based on the T-test performed in Table 4.2.4.4 below, we can notice that element of favoritism does exist in this study. However, it does not have positive correlation with other variables such as perception of injustice or lower member-member exchange (MMX)

Table 4.2.4.4 – T-test

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Differen ce	95% Confidence Interval of the Difference		
									Lower	Upper	
Lmx	Equal variances assumed	.016	.899	-16.708	59	.000	-2.04980	.12268	2.29529	-	-
	Equal variances not assumed			-15.345	22.931	.000	-2.04980	.13358	2.32617	-	-
Mmx	Equal variances assumed	.010	.921	-3.224	59	.002	-.42441	.13165	-.68784	-	-.16098
	Equal variances not assumed			-3.174	25.691	.004	-.42441	.13373	-.69945	-	-.14937
Impres sion	Equal variances assumed	2.711	.105	.507	58	.614	.08902	.17548	-.26224	-	.44027
	Equal variances not assumed			.615	41.056	.542	.08902	.14476	-.20331	-	.38134
avouris	Equal variances assumed	.000	.991	-.853	59	.397	-.10174	.11922	-.34029	-	.13682
	Equal variances not assumed			-.906	29.706	.372	-.10174	.11227	-.33112	-	.12764
Justice	Equal variances assumed	3.328	.073	-5.492	59	.000	-.84967	.15471	1.15925	-	-.54010
	Equal variances not assumed			-4.692	20.732	.000	-.84967	.18109	1.22658	-	-.47277

4.2.5 Hypothesis 5

H₅: Perception of injustice affects the relationship between leader-member exchange (LMX) and member-member exchange (MMX)

Table 4.2.5.1

Correlations; relationship of LMX to MMX

		MMX	LMX
MMX	Pearson Correlation	1	.896**
	Sig. (2-tailed)		.000
	N	95	95
LMX	Pearson Correlation	.896**	1
	Sig. (2-tailed)	.000	
	N	95	95

** . Correlation is significant at the 0.01 level (2-tailed).

Thus, to test the hypothesis 5, The Correlations was used to test the LMX and MMX. The table above shows that there is a relationship effects between LMX and MMX. The values for Pearson Correlation between both variables is 0.896**, showing there is positive significant (see Table 4.12). Therefore, the hypothesis is supported.

CHAPTER 5:

CONCLUSION AND RECOMMENDATION

5.1 Summary of findings

Based on the study, 45 respondents belong to in-group, 16 respondents belong to out-group, whereas 34 were neutral. Therefore, majority of the middle managers in the SUK, Shah Alam enjoy high quality of LMX.

The study found that there is no positive correlation between the perception of injustice among the members when in-group members relying on impression management tactics to gain inclusion into the in-group.

The finding is also inconsistent with the argument by Othman et al (2008) which proposed that high quality LMX enjoyed by the in-group can affect the overall group cohesiveness and performance. It is argued that the inaccurate assessment of a member by a leader and the flawed categorization of members into the in-group will create a sense of inequity and is likely to lead to dysfunctional LMX. They further argued that other members of the group are likely to react negatively, limit their commitment to the work group and reduce extra effort. As a result, the effectiveness of the leader's influence behavior on them will be reduced.

The result also found that there is elements of favoritism exist in leader-member exchange (LMX) in workplace. However, favoritism in the SUK, Shah Alam does not lead to perception of inequity.

The finding is contradictory to the argument by Khatri and Tsang (2003) where they have proposed several conditions leading to perception of injustice. According to Khatri and Tsang (2003), vertical favoritism is based on superior-subordinate relationship within the organization. Here, favoritism involves exchange of patronage downward with personal loyalty upward.

The study also found that there is no positive correlation between favoritism and lower member-member exchange. The study thus contrary to the work done by (Trice and Beyer, 1993) who argued that strong interpersonal connections associated with favoritism result in the formation of “cliques” or in-groups, and both suggest that in-group members are given high levels of trust, interaction, support and rewards while out-group members are given the opposite.

As for this context, the finding also contradicted the research conducted by Redding (1990) which listed several obvious reasons why cronyism adversely affects member-member exchange (MMX) in the organization. His argument that out-group members’ motivation to perform tapers off due to the inequitable and subjective reward system is not consistent with this study.

The research also found that the perception of injustice does not mediate the relationship between leader-member exchange (LMX) of in-group members and member-member exchange (MMX). There is no direct relationship between the perception of injustice, leader-member exchange (LMX) and member-member exchange (MMX).

Despite negative correlation found above, there are also positive outcomes from the study. Result of study found that level member-member exchange (MMX) relationships are affected by leader-member exchange (LMX). Katzenbach and Smith (1993) have noted that high performance teams are characterized by member's deep commitment to one another, implying that working relationships among members will influence outcomes as well. Keup et al (2004) therefore concluded that the quality level of member-member exchange (MMX), as well as leader-member exchange (LMX), will be positively related to individual outcomes and perceptions of the group and its work.

The study also noted that there positive correlation between level of Impression Management Tactics (IMT) and perception of justice and negative correlation between Dysfunctional leader-member exchange (DLMX) and favoritism. The Result had been shows in the Appendix 4.

5.2 Contribution of the research

Based on the work done by Khatri and Naresh (2003), we have developed an instrument to test favoritism with relation to performance appraisal, providing extra resources, awarding reward and given interesting job assignment.

The research also has expanded the research on dysfunctional of leader-member exchange theory (DLMX) which has hardly been attempted as compared to research on functional of leader-member exchange theory (LMX). To make it more interesting, the context which the study takes place is in the organization which is very hierarchical. Therefore the findings from the study are also interesting.

5.3 Limitations

The number of respondents for the research is modest, which is 95. Therefore, the result might not necessarily represent the whole population of the SUK, Selangor officers with regard to dysfunctional leader-member exchange theory (DLMX). Hence, this study may limit the generalizability of the finding. Furthermore, the respondents were limited to middle managers in Setiausaha Kerajaan Negeri (SUK) Selangor, Shah Alam not all level of staff.

5.4 Implications

The study reflects that middle managers have developed external locus of control when they see that nothing they can do to change current practice of favoritism at workplace. Individual believes that his/her behavior is guided by fate, luck, or other external circumstances. Locus of control describes the degree to which individuals perceive that outcomes result from their own behaviors, or from forces that are external to themselves. This produces a continuum with external control at one end and internal control at the other.

Based on the findings of the study, there is an element of favoritism at workplace; however it does not lead to perception of injustice. The study suggests that members have no problem dealing with each other despite of favoritism at workplace. The result can also be resulted from lack of sensitivity to the procedural or interactional justice or they do not realize that they are being treated unjustly. To make the matter even worse, with the practice of favoritism at workplace, and very little concern is put on the aspect of procedural or interactional justice; outsiders may perceive it as the reflection of unhealthy culture.

The reaction in this study is contradictory to the equity sensitivity construct. According to Huseman et. Al. (1987), the equity sensitivity construct proposed relates directly to equity theory that which suggest if the outcome/ input ratios of the individual and comparison other are perceived to be unequal, the inequity exists.

Even though study on LMX has been conducted with regards to the government sector, there are many questions remain unanswered. There is also likelihood where some of the officers in the government who tend to tolerate injustice and favoritism because of the Stockholm syndrome where they have the tendency to tolerate powerful “abuser”. In this context, powerful “abuser” refers to the injustice leaders.

According to Turner (1985), Stockholm syndrome is a double-edged process working on both the “hostage” and the “captor”. The syndrome can bring them together emotionally. In this study, we can relate it to the leader and the subordinates. He further argued that the degree of interaction face-to-face appears to increase the likelihood of the identification process, all other factors being equal.

The result of the study may also be attributed by the mechanistic pattern of the organization in which the study was conducted. According to Courtright et. al. (1989), two predominant patterns stand out in mechanistic systems, both stemming from a hierarchical structuring of control, authority, and communications. Communication tends to be one-way, or top-down, since managerial instructions dictate what subordinates do. Managers place greater emphasize on setting direction and defining the limits to action than on feedback and negotiation (Weick, 1987).

As for theoretical implication, we strongly believe that this paper has further extended the researches done in leader-member exchange (LMX) with emphasize on dysfunctional aspect of LMX especially in relation to favoritism, impression management tactics,

perception of inequity and relationship among member-member exchange (MMX) even though some of the findings do not support the hypotheses.

5.5 Recommendations/ Suggestions for Further Research

During the course of this research, a number of issues warranting further investigation were identified. These include the opportunity to explore the data further to identify across-group trends, such as lower rank staff and government officers and staffs in rural areas, which have scarce resources; and limited access to facilities.

A similar study should be repeated using a bigger representative sample size in order where the chance to get normally distributed data are bigger. In that way, we may determine significant variables, which affect leader-member exchange (LMX) relationship.

It is also interesting if further research can compare the differences between organizations and industries, differences among genders, and differences between grades with regards to dysfunctional LMX.

At the same time, the leadership effectiveness such as organizational performance and productivity may also be included in the research. By imparting various factors in the study we may explore various perceptions on leader-member exchange (LMX). By taking these recommendations into account for future research, we may later come out with interesting findings that can extend the theories developed.

In short, research in dysfunctional LMX is an interesting topic to explore. Furthermore, the researchers are hardly attempted the topic, especially in the SUK, Shah Alam and also in Malaysian Government context. Therefore, it is a good ground to further investigate this subject and we may find interesting relationship among the relevant variables from future research on DLMX.

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APPENDIX 1

Questionnaire



UNIVERSITI UTARA MALAYSIA

COLLEGE OF BUSINESS

Questionnaires on:

Study on leader-member relationship

As partial fulfilment for my Master Of Science Management program in University Utara Malaysia, I am conducting a study to examine the relationship between the leaders and their followers among middle managers in the public sector of Malaysia.

Therefore I would like to request your participation to be the respondent for the study. As a study participant, I would like to seek your views on your **relationship with your work unit's leader - Divisional Secretary/ Divisional Director** in your organisation. There is no right or wrong answer. The questionnaire form is attached. Your response will be treated strictly confidential and only aggregated outcome will be reported. At no time will your identity or your response be revealed to others.

It may take 25 minutes to answer all the questions attached. When you have answered all the questions, I will personally come and collect the data at your place.

Thank you for your assistance and kind cooperation. If you have questions regarding this questionnaire, do not hesitate to call me at **017-4806959** or email me at azzla77@yahoo.com

Azlawati Fahmi
MSC Management Student
16 March 2009

Part I:

This section would like you to describe your view of your relationship with your work unit's leader. Please indicate the extent you agree with the statements below by circling the appropriate response. Use the following scale:

1	2	3	4	5	6	7
Strongly disagree	Disagree	Slightly disagree	Not sure	Slightly agree	Agree	Strongly agree

1	I usually know where I stand with my leader.	1 2 3 4 5 6 7
2	My leader has enough confidence in me that he/she would defend and justify my decisions if I were not present to do so.	1 2 3 4 5 6 7
3	My working relationship with my leader is effective.	1 2 3 4 5 6 7
4	I can count on my leader to "bail me out", even at his/her own expense, when I really need it.	1 2 3 4 5 6 7
5	My leader understands my problems and needs.	1 2 3 4 5 6 7
6	My leader recognizes my potential.	1 2 3 4 5 6 7
7	Regardless of how much power my leader has built into his or her position; my leader would be personally inclined to use his/her power to help me solve problems in my work.	1 2 3 4 5 6 7

Part II:

PLEASE INDICATE THE EXTENT YOU AGREE WITH THE STATEMENTS BELOW BY CIRCLING THE APPROPRIATE RESPONSE. USE THE FOLLOWING SCALE:

Totally disagree	Disagree	Neutral	Agree	Totally agree
1	2	3	4	5

This section would like you to describe your view of your work unit's leader relationship with your work unit's member. *Those who are close to my work unit's leader usually ...*

1	...say things that will please him/ her even if they know it is not very true.	1	2	3	4	5
2	...good at creating a good image of themselves even though in reality they do not perform well in their work.	1	2	3	4	5
3	...make an extra effort to be helpful to the leader even though it has nothing to do with their job.	1	2	3	4	5
4	...try to create a favourable impression of themselves when the time for performance appraisal approaches.	1	2	3	4	5
5	...show that they work hard when he/ she is around but do less when he/ she is not around.	1	2	3	4	5
6	...those who have a track record as being high performers.	1	2	3	4	5
7	...those who have been honest in their work.	1	2	3	4	5

Part III:

This section would like you to describe to what extent does your work unit's leader value the following behavior in making PROMOTION DECISIONS. *In making promotion decisions, your leader value unit members who...*

1	... support him/ her in decisions even when his/ her idea is not the best idea considered.	1	2	3	4	5
2	...demonstrate personal loyalty to him/ her.	1	2	3	4	5
3	...refrain from expressing differing views from him/ her.	1	2	3	4	5
4	...develop a close personal relationship with him/ her.	1	2	3	4	5
5	...are seen to be politically aligned with him/ her.	1	2	3	4	5
6	...express gratitude to him/ her.	1	2	3	4	5
7	...consistently deliver good job performance.	1	2	3	4	5
8	...are willing to express their ideas even when it differs with your leader's view.	1	2	3	4	5
9	...make him/ her look good in front of others.	1	2	3	4	5
10	...pay more attention to leader's favourite activities even if it is not the best use of your time.	1	2	3	4	5

Part IV:

PLEASE INDICATE THE EXTENT YOU AGREE WITH THE STATEMENTS BELOW BY CIRCLING THE APPROPRIATE RESPONSE. USE THE FOLLOWING SCALE:

Totally disagree	Disagree	Neutral	Agree	Totally agree
1	2	3	4	5

This section would like you to describe to what extend does your work unit's leader value the following behavior in PERFORMANCE APPRAISAL. *In performance appraisal, your leader value unit members who...*

1	...support him/ her in decisions even when his/ her idea is not the best idea considered.	1	2	3	4	5
2	...demonstrate personal loyalty to him/ her.	1	2	3	4	5
3	...refrain from expressing differing views from him/ her.	1	2	3	4	5
4	...develop a close personal relationship with him/ her.	1	2	3	4	5
5	...are seen to be politically aligned with him/ her.	1	2	3	4	5
6	...express gratitude to him/ her.	1	2	3	4	5
7	...consistently deliver good job performance.	1	2	3	4	5
8	...are willing to express their ideas even when it differs with your leader's view.	1	2	3	4	5
9	...make him/ her look good in front of others.	1	2	3	4	5
10	...pay more attention to leader's favourite activities even if it is not the best use of your time.	1	2	3	4	5

Part V:

This section would like you to describe to what extend does your work unit's leader value the following behavior in PROVIDING EXTRA RESOURCES. *In providing extra resources, your leader value unit members who...*

1	...support him/ her in decisions even when his/ her idea is not the best idea considered.	1	2	3	4	5
2	...demonstrate personal loyalty to him/ her.	1	2	3	4	5
3	...refrain from expressing differing views from him/ her.	1	2	3	4	5
4	...develop a close personal relationship with him/ her.	1	2	3	4	5
5	...are seen to be politically aligned with him/ her.	1	2	3	4	5
6	...express gratitude to him/ her.	1	2	3	4	5
7	...consistently deliver good job performance.	1	2	3	4	5
8	...are willing to express their ideas even when it differs with your leader's view.	1	2	3	4	5
9	...make him/ her look good in front of others.	1	2	3	4	5
10	...pay more attention to leader's favourite activities even if it is not the best use of your time.	1	2	3	4	5

Part VI:

PLEASE INDICATE THE EXTENT YOU AGREE WITH THE STATEMENTS BELOW BY CIRCLING THE APPROPRIATE RESPONSE. USE THE FOLLOWING SCALE:

Totally disagree	Disagree	Neutral	Agree	Totally agree
1	2	3	4	5

This section would like you to describe to what extend does your work unit's leader value the following behavior in AWARDING REWARD. *In awarding reward, your leader value unit members who...*

1	...support him/her in decisions even when his/ her idea is not the best idea considered.	1	2	3	4	5
2	...demonstrate personal loyalty to him/ her.	1	2	3	4	5
3	...refrain from expressing differing views from him/ her.	1	2	3	4	5
4	...develop a close personal relationship with him/ her.	1	2	3	4	5
5	...are seen to be politically aligned with him/ her.	1	2	3	4	5
6	...express gratitude to him/ her.	1	2	3	4	5
7	...consistently deliver good job performance.	1	2	3	4	5
8	...are willing to express their ideas even when it differs with your leader's view.	1	2	3	4	5
9	...make him/ her look good in front of others.	1	2	3	4	5
10	...pay more attention to leader's favourite activities even if it is not the best use of your time.	1	2	3	4	5

Part VII:

This section would like you to describe to what extend does your work unit's leader value the following behavior in GIVEN INTERESTING JOB ASSIGNMENT. *In given interesting job assignment, your leader value unit members who...*

1	...support him/her in decisions even when his/ her idea is not the best idea considered.	1	2	3	4	5
2	...demonstrate personal loyalty to him/ her.	1	2	3	4	5
3	...refrain from expressing differing views from him/ her.	1	2	3	4	5
4	...develop a close personal relationship with him/ her.	1	2	3	4	5
5	...are seen to be politically aligned with him/ her.	1	2	3	4	5
6	...express gratitude to him/ her.	1	2	3	4	5
7	...consistently deliver good job performance.	1	2	3	4	5
8	...are willing to express their ideas even when it differs with your leader's view.	1	2	3	4	5
9	...make him/ her look good in front of others.	1	2	3	4	5
10	...pay more attention to leader's favourite activities even if it is not the best use of your time.	1	2	3	4	5

Part VIII:

This section would like you to describe your relationship with your work unit's leader. Please indicate the extent you agree with the statements below by circling the appropriate response. Use the following scale:

	Totally disagree	Disagree	Neutral	Agree	Totally agree
	1	2	3	4	5
1	My leader is concerned about my right as an employee.				1 2 3 4 5
2	My leader treats me with respect and dignity in making job decisions.				1 2 3 4 5
3	My leader treats me with kindness in making job decisions.				1 2 3 4 5
4	My leader is truthful in making job decisions.				1 2 3 4 5
5	My leader discusses with me the implications of a decision.				1 2 3 4 5
6	My leader offers adequate justification for his decision.				1 2 3 4 5
7	My leader offers explanation that makes sense.				1 2 3 4 5
8	My leader is able to hold back any biasness.				1 2 3 4 5
9	My leader is sensitive to my personal needs in making job decisions.				1 2 3 4 5
10	My leader provides clarification and provides additional information on decisions when requested by subordinates.				1 2 3 4 5
11	My leader ensures ethical conduct.				1 2 3 4 5
12	There are clear standard to ensure consistency in decisions.				1 2 3 4 5
13	Procedures in this organization are applied in a consistent manner.				1 2 3 4 5
14	I am given feedback during implementation of decisions.				1 2 3 4 5
15	Unit members are allowed to challenge or appeal decisions made.				1 2 3 4 5
16	My leader collects correct information before making a decision.				1 2 3 4 5
17	Procedures used are fair to everyone.				1 2 3 4 5

Part IX:

Please indicate the extent the following statements describe your relationship with your peers at work unit/ division as a team. Use the following scale to indicate the extent you agree with these statements.

Totally disagree	Disagree	Neutral	Agree	Totally agree
1	2	3	4	5

1	Meetings are good for expressing my ideas.	1	2	3	4	5
2	Meetings are unproductive and waste of time.	1	2	3	4	5
3	Meetings are practical ways to keep informed.	1	2	3	4	5
4	Meetings resolve tensions and conflicts.	1	2	3	4	5
5	I feel pressure to conform (be in the group).	1	2	3	4	5
6	Team members are hard to communicate with.	1	2	3	4	5
7	Team has strong sense of togetherness.	1	2	3	4	5
8	Team appreciates my efforts.	1	2	3	4	5
9	Team lacks team spirit.	1	2	3	4	5
10	Members are not very cooperative.	1	2	3	4	5
11	Team morale is very high.	1	2	3	4	5
12	I would rather not be on this team.	1	2	3	4	5
13	“Team concept” is how things get done in my unit.	1	2	3	4	5
14	Other members let me know what they expect from me.	1	2	3	4	5
15	Other members understand my problems.	1	2	3	4	5

Respondent’s background

Please tick (√) appropriate box

Gender:

Male Female

Age: _____

Designation: _____

Length of service with the public sector: _____

Number of employees in your work unit/ division: _____

Length of service with present work unit’s leader: _____

Length of service with present unit/ division: _____

APPENDIX 2

Reliability Test

APPENDIX 2

Reliability: Part 1

***** Method 1 (space saver) will be used for this analysis *****_

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	Std Dev	Cases
1.	LMX1	5.8105	.8542	95.0
2.	LMX2	5.3895	1.1513	95.0
3.	LMX3	5.7263	.9940	95.0
4.	LMX4	4.9368	1.3031	95.0
5.	LMX5	5.2947	1.0404	95.0
6.	LMX6	5.4842	1.1748	95.0
7.	LMX7	5.0105	1.3566	95.0

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	37.6526	36.6121	6.0508	7

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Alpha if Item Deleted
LMX1	31.8421	31.3046	.4789	.8813
LMX2	32.2632	26.2172	.7693	.8467
LMX3	31.9263	27.7924	.7472	.8522
LMX4	32.7158	26.0992	.6620	.8622
LMX5	32.3579	27.1897	.7687	.8486
LMX6	32.1684	26.8437	.6891	.8574
LMX7	32.6421	26.6578	.5792	.8757

Reliability Coefficients

N of Cases = 95.0

N of Items = 7

Alpha = .8785

Reliability: Part II

***** Method 1 (space saver) will be used for this analysis *****

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RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	Std Dev	Cases
1.	IMP1	3.0532	.9201	94.0
2.	IMP2	3.0745	.8828	94.0
3.	IMP3	3.5426	.7851	94.0
4.	IMP4	3.1915	.9307	94.0
5.	IMP5	2.7021	1.0142	94.0
6.	IMP6	3.4468	.8874	94.0
7.	IMP7	3.8298	.7710	94.0

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	22.8404	11.5549	3.3993	7

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Alpha if Item Deleted
IMP1	19.7872	8.1048	.4970	.5082
IMP2	19.7660	8.7403	.3899	.5493
IMP3	19.2979	9.4802	.3016	.5794
IMP4	19.6489	7.7356	.5704	.4782
IMP5	20.1383	8.0774	.4248	.5329
IMP6	19.3936	9.6176	.2089	.6096
IMP7	19.0106	11.5375	-.1102	.6878

Reliability Coefficients

N of Cases = 94.0

N of Items = 7

Alpha = .6878

Reliability: Part III

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	Std Dev	Cases
1.	CROFV1	3.1596	.9076	94.0
2.	CROFV2	3.1489	.8670	94.0
3.	CROFV3	3.0319	.8482	94.0
4.	CROFV4	3.1383	.7843	94.0
5.	CROFV5	2.9681	.8224	94.0
6.	CROFV6	3.2447	.7854	94.0
7.	CROFV7	3.9681	.7822	94.0
8.	CROFV8	3.6489	.8763	94.0
9.	CROFV9	3.4043	.8075	94.0
10.	CROFV10	3.1170	.8658	94.0

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	32.8298	19.6051	4.4278	10

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Alpha if Item Deleted
CROFV1	29.6702	15.2557	.4973	.6707
CROFV2	29.6809	15.3164	.5212	.6672
CROFV3	29.7979	15.3673	.5291	.6663
CROFV4	29.6915	16.0866	.4615	.6795
CROFV5	29.8617	15.1742	.5860	.6573
CROFV6	29.5851	15.7938	.5117	.6714
CROFV7	28.8617	17.9699	.1543	.7260
CROFV8	29.1809	18.6229	.0283	.7494
CROFV9	29.4255	16.4621	.3802	.6922
CROFV10	29.7128	17.7768	.1478	.7304

Reliability Coefficients

N of Cases = 94.0

N of Items = 10

Alpha = .7153

Reliability: Part IV

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	Std Dev	Cases
1.	JUST1	3.8404	.7802	94.0
2.	JUST2	3.8723	.7511	94.0
3.	JUST3	3.7660	.8351	94.0
4.	JUST4	3.7660	.7955	94.0
5.	JUST5	3.7234	.8218	94.0
6.	JUST6	3.7234	.8602	94.0
7.	JUST7	3.7979	.8869	94.0
8.	JUST8	3.5000	.8519	94.0
9.	JUST9	3.4362	.8368	94.0
10.	JUST10	3.6596	.8987	94.0
11.	JUST11	3.7979	.7840	94.0
12.	JUST12	3.4894	.9245	94.0
13.	JUST13	3.5638	.7837	94.0
14.	JUST14	3.6064	.8194	94.0
15.	JUST15	3.5106	.8644	94.0
16.	JUST16	3.7553	.7137	94.0
17.	JUST17	3.6383	.8902	94.0

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	62.4468	103.4111	10.1691	17

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Alpha if Item Deleted
JUST1	58.6064	92.8434	.6624	.9388
JUST2	58.5745	92.9783	.6813	.9384
JUST3	58.6809	93.8755	.5462	.9412
JUST4	58.6809	91.6175	.7329	.9373
JUST5	58.7234	91.1700	.7370	.9372
JUST6	58.7234	90.8044	.7239	.9374
JUST7	58.6489	89.9077	.7561	.9367
JUST8	58.9468	90.8681	.7276	.9373
JUST9	59.0106	91.4300	.7050	.9378
JUST10	58.7872	90.0403	.7366	.9371
JUST11	58.6489	91.6926	.7396	.9372
JUST12	58.9574	89.3100	.7581	.9366
JUST13	58.8830	92.5561	.6791	.9384
JUST14	58.8404	95.2753	.4667	.9427
JUST15	58.9362	90.6625	.7291	.9373
JUST16	58.6915	93.6780	.6676	.9388
JUST17	58.8085	94.1995	.4872	.9427

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R E L I A B I L I T Y A N A L Y S I S - S C A L E (A L P H A)

Reliability Coefficients

N of Cases = 94.0

N of Items = 17

Alpha = .9419

Reliability: Part V

***** Method 1 (space saver) will be used for this analysis *****

RELIABILITY ANALYSIS - SCALE (ALPHA)

		Mean	Std Dev	Cases
1.	MMX1	3.9570	.8586	93.0
2.	MMX2	3.8925	.9144	93.0
3.	MMX3	3.5376	1.0689	93.0
4.	MMX4	3.9462	.7426	93.0
5.	MMX5	3.5054	.9397	93.0
6.	MMX6	3.3548	.9961	93.0
7.	MMX7	4.0108	.7445	93.0
8.	MMX8	3.5161	.8674	93.0
9.	MMX9	3.4409	.9831	93.0
10.	MMX10	3.6559	.8274	93.0
11.	MMX11	3.5484	.8536	93.0
12.	MMX12	3.5591	.9494	93.0
13.	MMX13	3.2581	.9430	93.0
14.	MMX14	3.4409	1.0264	93.0
15.	MMX15	3.5054	.8550	93.0

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	100.6667	158.3986	12.5856	15

RELIABILITY ANALYSIS - SCALE (ALPHA)

Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Alpha if Item Deleted
MMX1	96.7097	147.7735	.4737	.9042
MMX2	96.7742	142.4811	.6909	.8999
MMX3	97.1290	143.3745	.5423	.9030
MMX4	96.7204	149.5514	.4568	.9045
MMX5	97.1613	145.3541	.5367	.9030
MMX6	97.3118	147.6082	.4048	.9058
MMX7	96.6559	147.6412	.5640	.9028
MMX8	97.1505	144.6727	.6217	.9014
MMX9	97.2258	143.3941	.5962	.9018
MMX10	97.0108	145.2716	.6238	.9015
MMX11	97.1183	143.9532	.6697	.9006
MMX12	97.1075	145.1187	.5412	.9029
MMX13	97.4086	151.5051	.2586	.9085
MMX14	97.2258	141.3506	.6553	.9004
MMX15	97.1613	144.0498	.6636	.9007

Reliability Coefficients

N of Cases = 93.0 N of Items = 15

Alpha = .9071

APPENDIX 3

Finding Output

APPENDIX 3

RESPONDENT PROFILE		
Age	N	%
25 and below	11	11.6
26 to 30 years	40	42.1
31 to 35 years	35	36.8
36 to 40 years	3	3.2
41 and above	5	5.3
No information	1	1.1
TOTAL	95	100.0
Gender	N	%
Male	61	64.2
Female	34	35.8
TOTAL	95	100.0
Length of service with the public sector	N	%
5 years and below	56	58.9
6 to 10 years	25	26.3
11 and 15 years	5	5.3
16 years and above	6	6.3
No Information	3	3.2
TOTAL	95	100.0
Number of employees in your work unit/ division	N	%
10 and below	49	51.6
11 to 20	9	9.5
21 to 30	14	14.7
31 to 40	6	6.3
41 to 50	4	4.2
more than 50	2	2.1
No information	11	11.6
TOTAL	95	100.0
Length of service with present group leader	N	%
5 years and below	79	83.2
6 to 10 years	7	7.4
11 to 15 years	2	2.1
16 to 20 years	1	1.1
No information	6	6.3
TOTAL	95	100.0
Length of service with present unit/ division	N	%
3 years and below	48	41.7
4 to 6 years	38	33
More than 7 years	8	7
No information	4	4.2

APPENDIX 4

Correlation table for all hypothesis

		Correlations					
		favourism	Justice	MMX	IMT	LMXD	LMX
favourism	Pearson Correlation	1	.131	-.007	.132	-.509*	-.063
	Sig. (2-tailed)		.206	.945	.204	.044	.546
	N	95	95	95	95	16	95
Justice	Pearson Correlation	.131	1	.022	.922**	.220	.006
	Sig. (2-tailed)	.206		.832	.000	.413	.956
	N	95	95	95	95	16	95
MMX	Pearson Correlation	-.007	.022	1	.025	.231	.896**
	Sig. (2-tailed)	.945	.832		.808	.389	.000
	N	95	95	95	95	16	95
IMT	Pearson Correlation	.132	.922**	.025	1	.085	.050
	Sig. (2-tailed)	.204	.000	.808		.753	.629
	N	95	95	95	95	16	95
LMXD	Pearson Correlation	-.509*	.220	.231	.085	1	.211
	Sig. (2-tailed)	.044	.413	.389	.753		.432
	N	16	16	16	16	16	16
LMX	Pearson Correlation	-.063	.006	.896**	.050	.211	1
	Sig. (2-tailed)	.546	.956	.000	.629	.432	
	N	95	95	95	95	16	95

*. Correlation is significant at the 0.05 level (2-tailed).

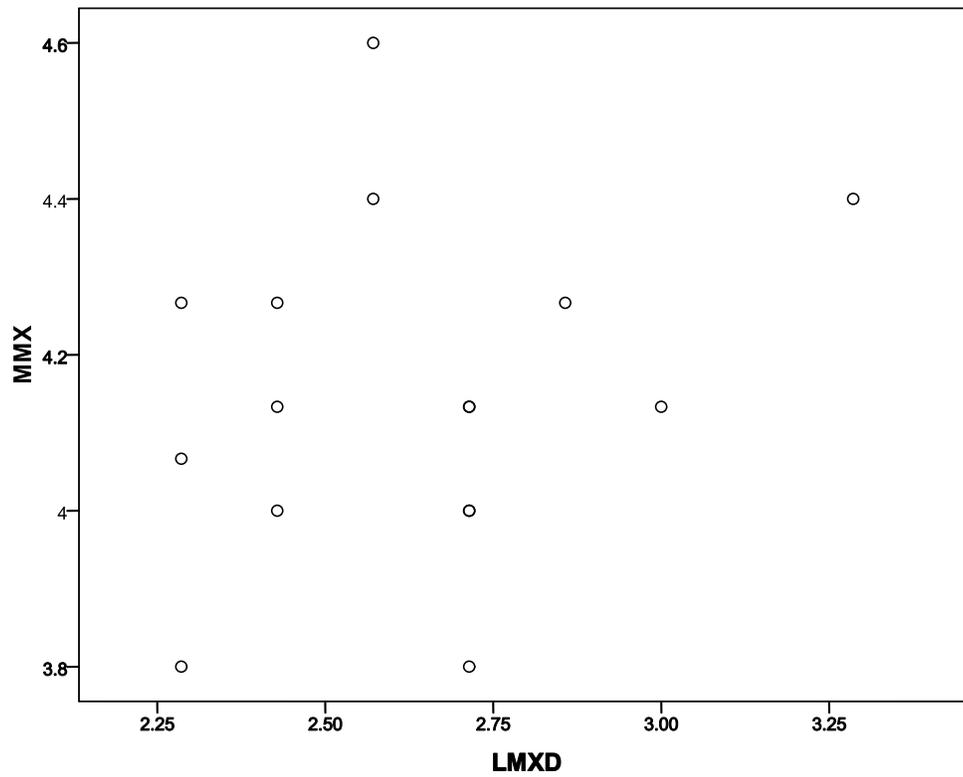
** . Correlation is significant at the 0.01 level (2-tailed).

Correlations Hypothesis 1

Correlations

		LMXD	MMX
LMXD	Pearson Correlation	1	.231
	Sig. (2-tailed)		.389
	N	16	16
MMX	Pearson Correlation	.231	1
	Sig. (2-tailed)	.389	
	N	16	95

GRAPH SCATTER PLOT LMXD AND MMX

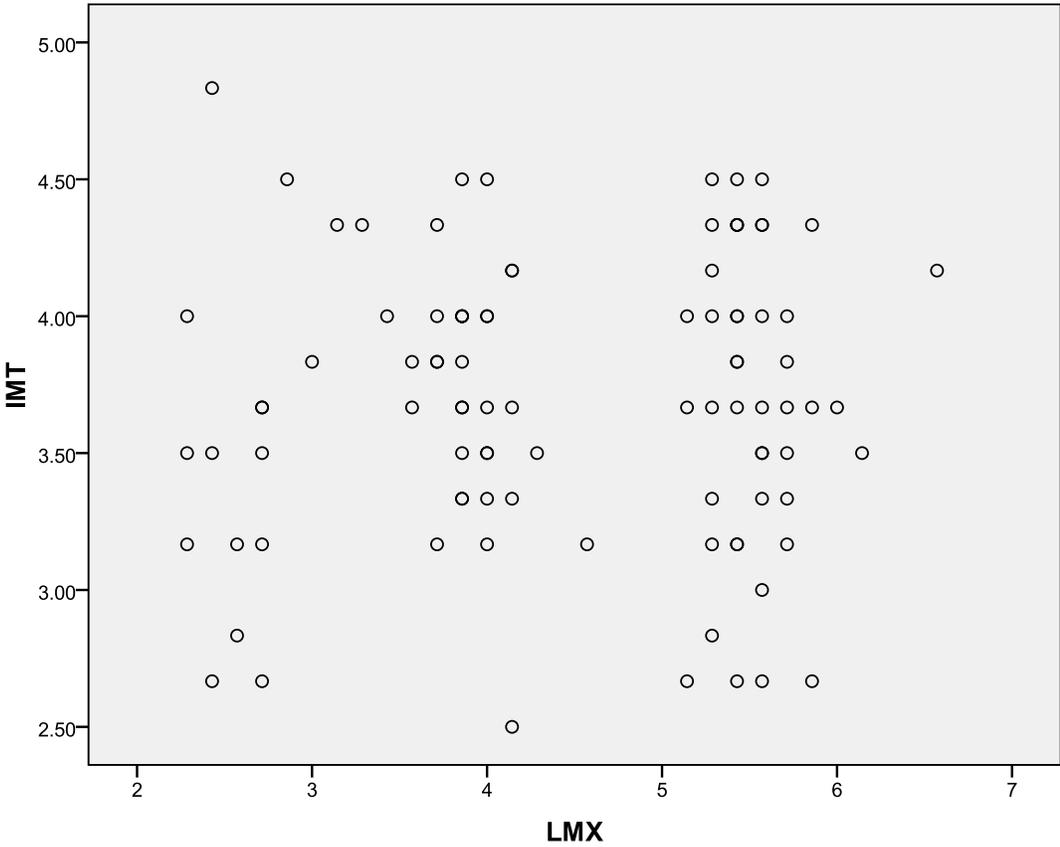


Correlations Hypothesis 2

Correlations

		IMT	LMX
IMT	Pearson Correlation	1	.050
	Sig. (2-tailed)		.629
	N	95	95
LMX	Pearson Correlation	.050	1
	Sig. (2-tailed)	.629	
	N	95	95

GRAPH SCATTER PLOT LMXD WITH IMT



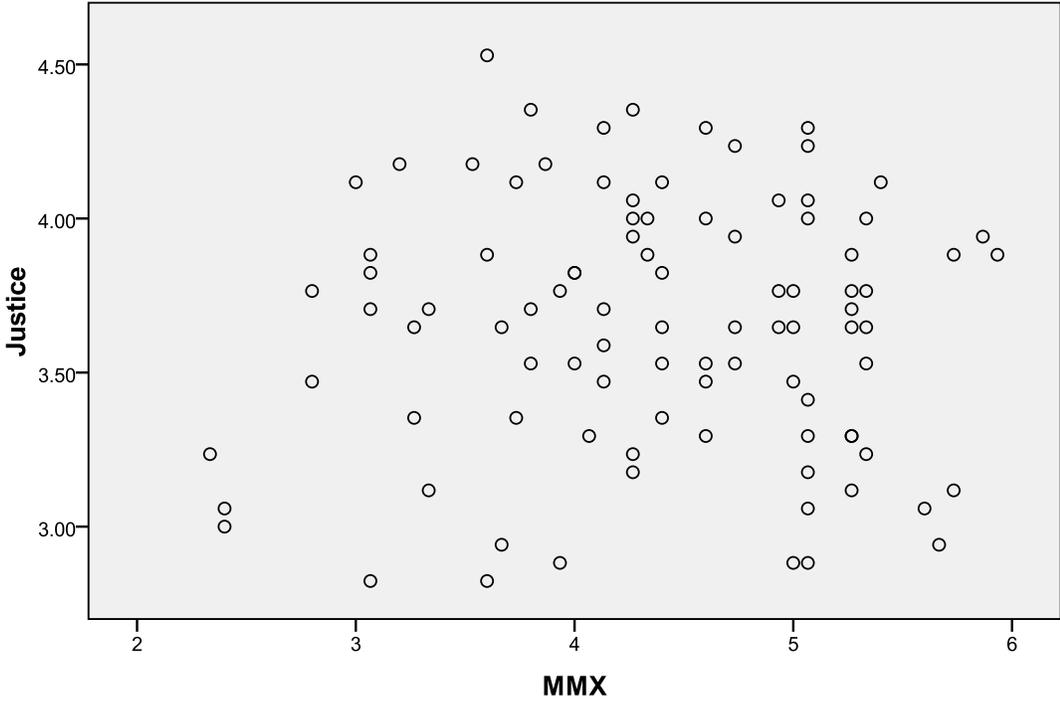
Correlations Hypothesis 3

Correlations

		Justice	MMX
Justice	Pearson Correlation	1	.022
	Sig. (2-tailed)		.832
	N	95	95
MMX	Pearson Correlation	.022	1
	Sig. (2-tailed)	.832	
	N	95	95

GRAPH SCATTER PLOT JUSTICE WITH MMX

GRAPH SCATTER PLOT

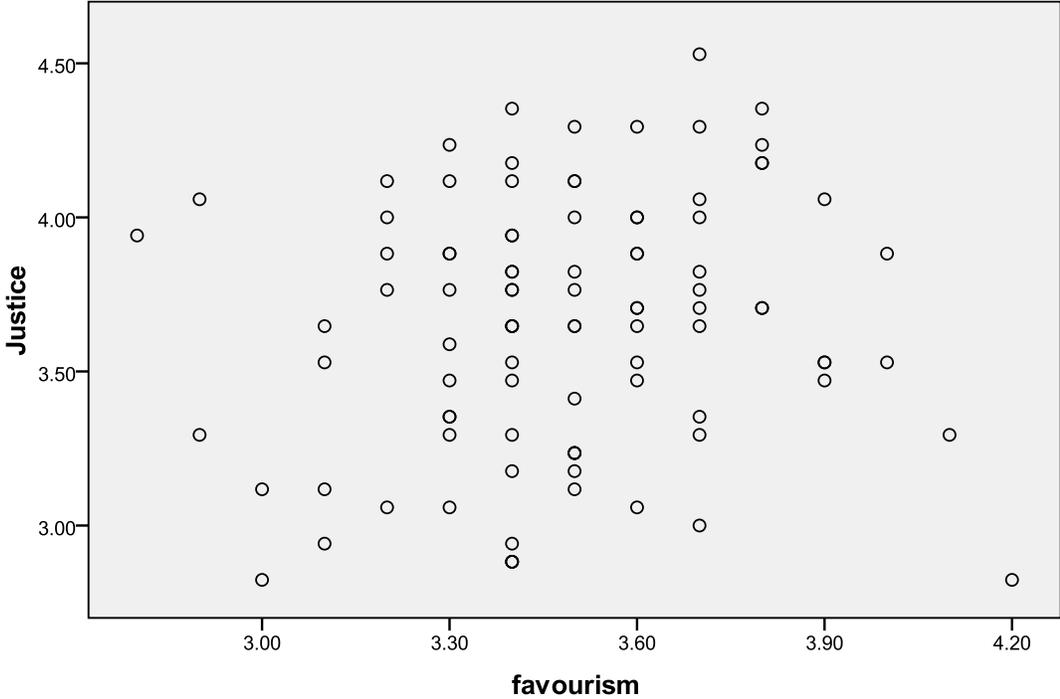


Correlations Hypothesis 4

Correlations

		favourism	Justice
favourism	Pearson Correlation	1	.131
	Sig. (2-tailed)		.206
	N	95	95
Justice	Pearson Correlation	.131	1
	Sig. (2-tailed)	.206	
	N	95	95

GRAPH SCATTER PLOT OF FAVOURISM AND JUSTICE



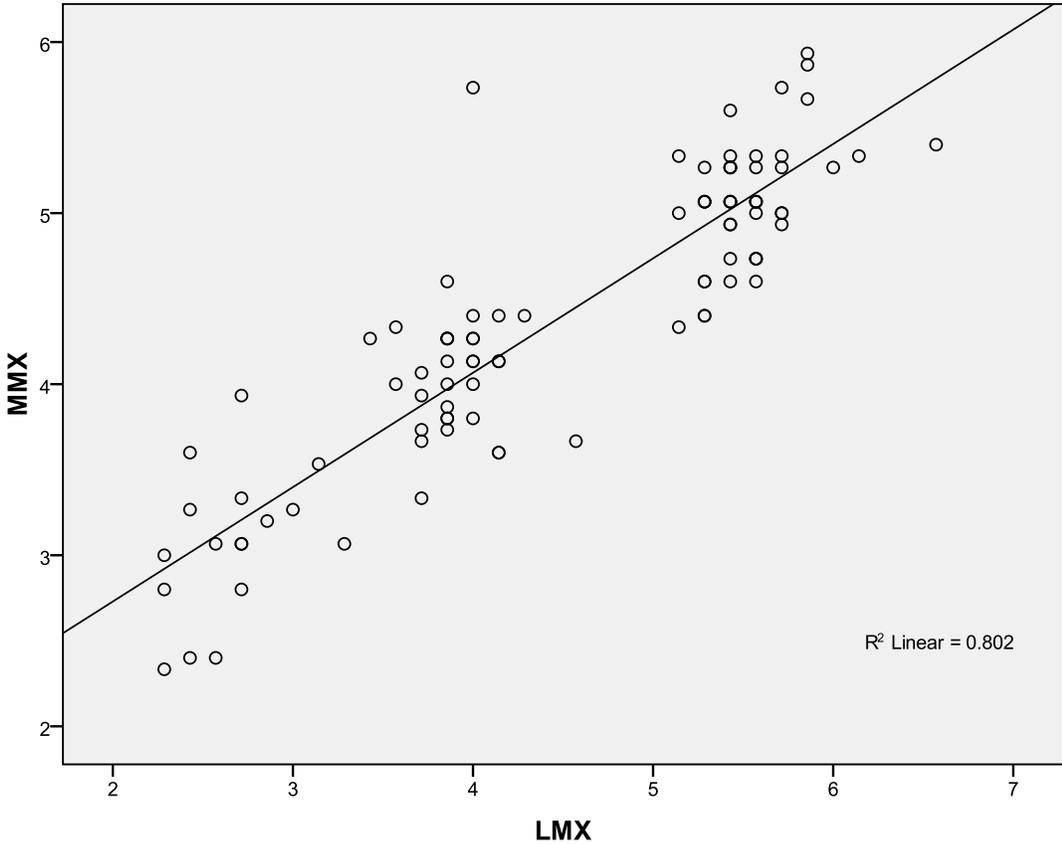
Regression Hypothesis 5

Correlations

		MMX	LMX
MMX	Pearson Correlation	1	.896**
	Sig. (2-tailed)		.000
	N	95	95
LMX	Pearson Correlation	.896**	1
	Sig. (2-tailed)	.000	
	N	95	95

** . Correlation is significant at the 0.01 level (2-tailed).

GRAPH SCATTER PLOT LMX AND MMX



GROUP STATISTICS

	ingrp	N	Mean	Std. Deviation	Std. Error Mean
lmx	1.00	16	4.0804	.47800	.11950
	2.00	45	6.1302	.40040	.05969
mmx	1.00	16	3.3348	.46325	.11581
	2.00	45	3.7592	.44850	.06686
impressi	1.00	16	3.1875	.42546	.10637
	2.00	44	3.0985	.65129	.09819
favouris	1.00	16	3.2241	.37212	.09303
	2.00	45	3.3259	.42159	.06285
justice	1.00	16	3.1765	.66621	.16655
	2.00	45	4.0261	.47699	.07111

INDEPENDENT SAMPLES TEST

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Lmx	Equal variances assumed	.016	.899	16.708	59	.000	-2.04980	.12268	2.29529	-1.80432
	Equal variances not assumed			15.345	22.931	.000	-2.04980	.13358	2.32617	-1.77343
Mmx	Equal variances assumed	.010	.921	-3.224	59	.002	-.42441	.13165	.68784	-.16098
	Equal variances not assumed			-3.174	25.691	.004	-.42441	.13373	.69945	-.14937
Impressi	Equal variances assumed	2.711	.105	.507	58	.614	.08902	.17548	.26224	.44027
	Equal variances not assumed			.615	41.056	.542	.08902	.14476	.20331	.38134
Favouris	Equal variances assumed	.000	.991	-.853	59	.397	-.10174	.11922	.34029	.13682
	Equal variances not assumed			-.906	29.706	.372	-.10174	.11227	.33112	.12764
Justice	Equal variances assumed	3.328	.073	-5.492	59	.000	-.84967	.15471	1.15925	-.54010
	Equal variances not assumed			-4.692	20.732	.000	-.84967	.18109	1.22658	-.47277