CHAPTER 13

Developing A Positive Labour Relations Climate

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# PL 1. Defining and improving the LMX relationship

The LMX relationship is more than liking and trusting subordinates or liking or trusting your supervisor. The LMX relationship is a dyadic relationship when there is a common positive relationship between supervisors and subordinates where each feels supported. [[1]](#endnote-1) When there is a positive LMX relationship, the supervisor is more willing to attend and respond to employee needs and provide needed resources. Employees tend to reciprocate. They perform at a higher level, trust their supervisors and have positive attitudes toward them. The investment of time and energy for both parties is established before the performance review and will continue afterward.[[2]](#endnote-2)

A healthy leader-member exchange is illustrated in a willingness to respond helpfully and constructively in working together. The relationship is based on three factors: *respect, trust,* and *obligation* in a working relationship. *Respect* is illustrated in the mutual respect that one person has for the capabilities of other people and is not an indication of personal friendship or liking. *Trust* is defined by ability, benevolence, and integrity.[[3]](#endnote-3) In a performance review, if an "employee believes a supervisor has the skills to properly appraise, has the interests of the employee at heart, and believes the supervisor upholds standards and values, the employee is likely to trust that supervisor."[[4]](#endnote-4) Obligation is the "expectation that interacting obligation will grow over time as career-oriented social exchanges blossom into a partnership."[[5]](#endnote-5) Table 13.1 summarizes the items describing the LMX relationship.

**Table 13.1 - Good Leader Member Exchanges (LMX)**

Good relationships are key in improving the chances that a performance review has positive outcomes of a performance review process. Good relationships are also described as a positive Leader-Member Exchange (LMX) based on trust, respect and an understanding that each person has mutual obligations and responsibilities in improving performance. [[6]](#endnote-6)

The following questions are recommended for measuring a Leader-Member Exchange (LMX). Why not see if this instrument would summarize some of your experiences with people (leaders) you have worked for? Think of a leader you worked well with (or did not work well with) and use the instrument below to assess this leader relationship.[[7]](#endnote-7)

1. Do you know where you stand with your leader ... do you usually know how satisfied your leader is with what you do? (Does your member usually know...?)

Rarely Occasionally Sometimes Fairly Often Very Often

2. How well does your leader understand your job problems and needs? (How well does the member understand the leader's.....?)

Not at all A Little A Fair Amount Quite A Bit A Great Deal

3. How well does your leader recognize your potential (How well does the member recognize....?

Not at all A Little Moderately Mostly Fully

4. Regardless of how much formal authority he/she built in his/her position, what are the chances that your leader would use his/her power to help you solve problems in your work? (What are the chances that the member would...?)

None Small Moderate High Very High

5. Again, regardless of the amount of formal authority your leader has, what are the chances the he would "bail you out," at his/her expense? (What are the changes you would bail...?)

None Small Moderate High Very High

6. I have enough confidence in my leader that I would defend and justify his/her decision if he/she were not present to do so? (Your member would...)

Strongly Disagree Neutral Agree Strongly

Disagree Agree

7. Would you characterize your working relationship with your leader as excellent? (Your member...)

Strongly Disagree Neutral Agree Strongly

Disagree Agree

**Task**

 If the situation allows for it, both the supervisor and team members would complete the above instrument and if there were positive and strong relationships, this would be an indication of the quality of the relationship. The LMX instrument has good predictive validity in that a high LMX is likely to correlate with commitment and satisfaction.

 Another way to use the instrument is to assess your leader or supervisor. Then, ask how you might improve your relationship by focusing on each of the focus specific measures. In some cases, it might be useful to work as a group to identify ways to improve the relationship in the areas identified by the LMX instrument.

Ongoing communication and feedback is critical in developing a more positive LMX. Negative, destructive communication produces negative feelings, reduces the desire to engage in future relationships, and has long term negative effects in achieving self-set goals and improving self-confidence.[[8]](#endnote-8) Positive feedback is part of a positive leader-member relationship that encourages respect, trust, and obligation.

References

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6. Graen, G.B., & Uhl-Bien, M. (1995) Relationship-based approach to leadership: Development of Member Exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective. *Leadership Quarterly*, 6: 219-247. [↑](#endnote-ref-6)
7. The Leader's survey form consists of the same items asked about member of the team. If the agreement between leader and member reports is positive and strong, this can be used as an index of quality of the relationship. [↑](#endnote-ref-7)
8. Baron, R.A. (1988). Negative effects of destructive criticism: Impact on conflict, self-efficacy, and task performance. *Journal of Applied Psychology*, 65: 355-356. [↑](#endnote-ref-8)