Leader-member exchange and superior-subordinate communication: 
Cross-country comparison of LMX-7 scale.

Hassan Abu Bakar  
*UQ Business School, The University of Queensland, Australia*  
H.Abubakar@business.uq.edu.au

Patricia A. Rowe  
*UQ Business School, The University of Queensland, Australia*  
p.rowe@business.uq.edu.au
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**Abstract**

There is a gap in the leader-member-exchange literature regarding whether the differential treatment in a superior-subordinate relationship has an impact on superior-subordinate communication. Like Lee’s (1997) US study, this study relies on LMX-7 scale items and the superior-subordinate communication practices scale to test the hypothesis: LMX quality has a direct, positive impact on superior-subordinate communications in a Malaysian country context. Findings suggest that, like the US study, LMX quality has a direct impact on subordinates’ perceptions of a superior’s communication practices in a Malaysian country context. However, in contrast to the US study, we found that the relationship between LMX quality and negative relationship communication is not significant. The discussion focuses on the importance of these findings for Malaysian managers.

*Keywords:* leader-member exchange, superior-subordinate communication, LMX-7, cross-country comparison

**INTRODUCTION**

Leader-member exchange (LMX) theory stresses that superiors are limited in their time and resources and share their personal and positional resources differently with their subordinates for job performances (Graen & Scandura, 1987; Graen & Uhl-Bien, 1995; Graen & Wakabayashi, 1994; Graen, Wakabayashi, Graen, & Graen, 1990; Scandura, Graen, & Novak, 1986). As a result, leaders tend to develop and maintain LMX relationships with their subordinates that vary in quality ranging from high (in-group), medium (mid-group) and low (out-group) (Dansereau, Graen, & Haga, 1975; Scandura & Graen, 1984; Scandura et al., 1986). The majority of LMX and communication research has been conducted in US organisation settings.

The importance of cross-country testing US theories is attested to by Geert Hofstede (1980). Drawing on Hofstede’s work, perceived power distance between supervisor and subordinate is a construct underlying possible cross-country cultural differences in the relations between leader-member relationships and communication behaviour. In high power distance cultures, such as Malaysia, subordinates are more respectful and obedient to their superiors. On the other hand, in low power distance cultures, such as Australia and the US, supervisors and subordinates work together in a more participative and egalitarian manner. Additionally, it is also noted that culture and communication
practices have an interactive influence with each other (Mayfield & Mayfield, 2002). This study examines the impact of the LMX-7 construct on superior-subordinate communication practices in a large Malaysian organisation.

Page and Wiseman (1993) argue that very little research has attempted to empirically test the applicability of management theories such as LMX theory, developed in the US, to other nations. They suggest that research could test the impact of supervisory style and organisational influence in other countries. For example, the impact of LMX quality and communication behaviour in Malaysian organisations is under-researched. It is not clear whether the differential treatment in a superior-subordinate relationship has an impact on superior-subordinate communication in the Malaysian country context. To address this void, our study tests the variations in LMX quality in work group (vertical associations) communication, in the Malaysian country context.

Hui et al. (1999) argue that Chinese people have a strong personal orientation in their daily interactions. This situation is similar to that experienced by Malaysian people where interpersonal relationships are particularly important determinants of interpersonal interactions (Abu Bakar, Mohamad, & Herman, 2004). Further Kennedy (2002) asserts that Malaysian people place specific emphasis on collective well-being and display a strong humane orientation within a society that respects hierarchical differences and give priority to maintaining harmony. According to Kennedy (2002) effective leaders in Malaysian organisations are expected to show compassion while using more of an autocratic than participative style (Kennedy, 2002). With such a strong interpersonal orientation of daily interactions, it is rational to suggest that LMX relationships in the Malaysian country context could have a strong effect on communication behaviours in Malaysian organisations.

Over the last thirty years, research on superior-subordinate communication has consistently employed the unidimensional scale of LMX known as LMX-7 (for extensive reviews of LMX research please see Grean & Uhl-Bien, 1995; and Schriesheim, Castro and Cogliser, 1999)). The LMX-7 scale provides sound psychometric properties. This unidimensional approach has proven fruitful in predicting work-related outcomes, especially in explaining various communication behaviours in organisations. As such, the LMX-7 measure is recommended in studies like the one reported herein,
where the research problem involves assessing an overall (unidimensional) exchange quality from a member’s perspective rather than from a leader’s perspective (Gerstner & Day, 1997).

**LMX AND SUPERIOR-SUBORDINATE COMMUNICATION**

Superior-subordinate communication behaviours are usually referred to as a process and interaction that have been practiced by a superior towards his/her subordinates with an objective to achieve task objectives and to maintain their relationship (Miles, Patrick, & King, 1996). Miles et al. (1996) employ four separate dimensions of superior-subordinate communication behaviours. These dimensions are positive relationship communication, upward openness communication, negative relationship communication and job-relevant communication.

Positive relationship communication focuses on the superior seeking suggestions from subordinates, being interested in them as people, relating to them in an informal manner, and allowing them to contribute input on important decisions. Upward openness communication is characterized by the opportunity to question a superior’s instruction and to disagree with a superior. Negative relationship communication deals with superior’s ridiculing subordinates and criticizing them in the presence of others. Job-relevant communication includes a superior’s feedback on performances; information includes a superior’s feedback on performance, information about rules and policies, job instructions, work assignments and schedules, and goals (Huseman, Hatfield, Boulton, & Gatewood, 1980). These four dimensions generally represent superior-subordinate communication in the organisation (Miles et al. 1996). They have been shown to predict both subordinate job satisfaction and subordinate performance (Alexander, Helms, & Wilkins, 1989).

Several studies suggest that the quality of LMX affects subordinates’ and superiors’ communication areas such as discourse patterns, upward influence, communication expectations, cooperative communication, perceived organisational justice, and decision-making practices (Fairhurst, 1993; Fairhurst & Chandler, 1989; Lee, 1997, 2001; Lee & Jablin, 1995; Yukl & Fu, 1999). Further, different treatments by a superior among his or her subordinates, affects co-worker’s communication (Sias & Jablin, 1995). Co-workers are aware of the differential treatment and, in fact, talk about it.
Furthermore, individuals in low versus high quality relationships with their superior have more conversations about differential treatments with their peers (Sias, 1996).

In addition, another study also reported that co-workers’ conversations about differential treatment from their superiors serve to create and reinforce social perceptions about differential treatment in the work group (Sias, 1996). Therefore, superior interaction patterns in high-quality LMX relationships are characterized as “open” communication exchanges (leadership) in which subordinates are afforded greater amounts of trust, confidence, and attentions, inside information, negotiating latitude, and influence without resources to authority. In contrast, low-quality LMX relationships are characterized as “closed” communication systems (supervision) in which a superior uses formal authority to force member to comply with a prescribed role (Graen et al., 1987; Jablin, 1987). As a result, subordinates in low-quality LMX relationship are restricted in their opportunities to influence decisions, and, hence complain of their superior’s resistance, unresponsiveness, and stagnant in their attempts to affect change.

These results suggest that the quality of LMX leads to differing interaction patterns and attitudes between a superior and his/her subordinates. LMX quality seems to dictate the type and quality of interactional pattern, biased heavily in favour of subordinates involved in high quality versus low quality LMX relationships. Thus, members in high quality LMX relationships are likely to have more sophisticated communication behaviours than their peers in low quality LMX relationships. Subordinates in high quality LMX expect and enjoy greater openness and frequency in communication, voice and feedback opportunities, participation and involvement in decision making, cooperative and receptive information sharing, and person-oriented message exchanges, which in turn has a direct impact on superior-subordinates communication behaviours (Lee, 1997; Yukl et al., 1999).

The quality of LMX is also likely to have an impact on subordinates’ perception of satisfaction among group members. Findings from several studies suggest that subordinates’ perception of exchange quality with their superiors affects peer communication (Kramer, 1995; Lee, 1997; Sias, 1996; Sias et al., 1995). Sias and Jablin (1995) for example report that different treatments by a superior towards specific subordinates had an impact on co-workers’ communication. Lee (1997) also reported that the
quality of a superior’s LMX relationship with their subordinates was positively related to subordinates’ perceptions of cooperative communication in the work group. In sum, it appears highly likely that superior-subordinate exchange quality has an impact on communication behaviours between group members. Based on this review, it is likely that a relationship exists between LMX quality and communication practices. Therefore the following hypotheses are tested:

**Hypothesis 1:** LMX quality has a direct, positive impact on superior-subordinate communications in a Malaysian country context.

**Hypothesis 2:** LMX quality has a direct, positive impact on positive relationship communication in superior-subordinate communications in a Malaysian country context.

**Hypothesis 3:** LMX quality has a direct, positive impact on upward openness communication in superior-subordinate communications in a Malaysian country context.

**Hypothesis 4:** LMX quality has a direct, positive impact on job-relevant communication in superior-subordinate communications in a Malaysian country context.

**Hypothesis 5:** LMX quality has a direct, negative impact on negative relationship communication in superior-subordinate communications in a Malaysian country context.

**METHOD**

Participants in this study are employees of a large, urban Malaysian National News Agency (MNNA). MNNA is under the jurisdiction of the Ministry of Information. Only 30% of the total operation cost of MNNA is borne by the Malaysian government. The remaining 70% is raised through sales and other non-government funded income. MNNA is allowed to sell its services to various organisations in Malaysia. The majority of MNNA clients are from the local and international media in Malaysia. MNNA is involved in media activities such as providing in-depth reporting that is sold to other media and business organisations such as banking and information provider agencies. In Malaysia, the government is a shareholder in many for profit enterprises. In contrast in the US, the government is not a shareholder in private enterprise firms (Razali, 1996).

The sample is made up of 205 journalists (65.7%) mainly located in editorial and audio visual department and 107 (34.3%) executives who are drawn from various departments. The activities involved in these roles include covering and reporting of events for journalists and performing various
marketing and administration jobs for executives. A total of 200 respondents (64.4% rate of return) returned the survey packet. 108 (54%) respondents were journalists and 92 (46%) were executives. This sample distribution reflects the industry norm for a semi-government corporation (SGC) in Malaysia. Approximately 52.5% (n = 105) were male and 47.5% (n = 95) were female. Approximately 7% (n = 14) of respondents worked for the organisation for less than one year, 13% (n = 26) have worked for one to three years, 23.5% (n = 47) have worked between four to six years, 28% (n = 56) have worked between seven to ten years and 28.5% (n = 57) have worked for more than ten years.

**Measurement**

The measurement of LMX quality in this study relies on LMX-7 scale items. This scale is widely used in communication literature (Fairhurst et al., 1989). Each item in the scale is measured with a five-point Likert type scale. Pre-test results for this measurement show that Cronbach’s alphas are .87. Subjects were asked to indicate the extent to which they agreed with each item on a scale from 1 = strongly disagree to 5 = strongly agree. Therefore, scores of LMX quality in this seven items scale ranged from 7 to 35. Overall, the higher the score, the higher the quality of LMX. The mean score of LMX in the present study was 23.6 (Median = 24.00, SD = 5.04).

The instrument used to quantify superior-subordinate communication behaviour in this study was sourced from Miles, Patrick & King (1996). The 24 items in this instrument were originally developed by Husemen, Hatfield, Boulton and Gatewood (1980). These items represent eight types of messages developed by Husemen et al. (1980). The eight message types are—feedback, rationale, information, direction, negative expression, positive expression, participation and upward openness. Each sub-scale consists of three questions and each question employs a five-point Likert type scale. Cronbach’s alphas the overall superior-subordinate communication practices are .82.

**Data Analysis Techniques**

Data were tested for coding/data entry errors and tests for normality were conducted for each of the survey items as well as the constructs that are created by computing individual items. Tests for normality include kurtosis measures, skewness measures, and visual inspection of histograms. The
majority of items appear to be within normality with kurtosis measures below one, skewness measures around zero, and normal-shaped histograms. In addition, we conducted a factor analysis on superior-subordinate communication behaviour that resulted in a factoring pattern consistent with the factor analysis reported in the earlier Miles et al.’s (1996) study. This consistent result for MNNA’s factor analysis compared to the original US study, provides support for the external validity in this across country context for the superior-subordinate communication behaviour constructs. We did not conduct factor analysis for the LMX construct because it has already undergone reasonable cross-country psychometric testing that consistently demonstrates reliability and validity (Liden & Maslyn, 1998).

RESULTS

Data for hypothesis 1 is analyzed by using simple OLS regression to test the relationship between LMX and superior-subordinate communication practices. Overall pattern results of a simple regression analysis found a significant and strong positive relationship between LMX quality and superior-subordinate communication practices ($r = .734$, $p < .005$). Table 1 displays this finding of the relationship between LMX quality and superior-subordinate communication practices. Specifically, it indicates that the relationship is significant as predicted.

The overall pattern of results in Table 2 shows the relationship between LMX and superior-subordinate communication dimensions. The hypothesis (H$_2$) focuses on the relationship between LMX quality and positive relationship communication. Results of a simple regression analysis revealed a significant and strong positive relationship between LMX quality and positive relationship communication ($r = .718$, $p < .005$). The second hypothesis (H$_3$) focuses on the relationship between LMX quality and upward openness communication. Results of a simple regression analysis revealed a significant and positive relationship between LMX quality and upward openness communication ($r = .183$, $p < .005$). The third hypothesis (H$_4$) focuses on the relationship between LMX quality and job relevant communication and revealed a significant and strong positive relationship between LMX quality and job relevant communication ($r = .690$, $p < .005$). However, the relationship between LMX
quality and negative relationship communication indicated in this study that there is no significant
relationship between these two constructs ($r = -.115, p > .005$), therefore (H$_3$) is rejected.

<< Table 2 About Here >>

DISCUSSION

The results support the basic foundation of the leader-member exchange theory notion that the quality
of a LMX relationship that a subordinate has with his/her superior has an impact on superior
communication behaviour. Our findings suggest that LMX quality as perceived by subordinates, can
have a direct impact on subordinates’ perceptions of a superior’s communication practices in a
Malaysian country context. The hypotheses are accepted as predicted and univariate analyses indicate
that LMX quality has a direct, positive impact on subordinates’ perceptions of their superiors’
communication practices in a Malaysian country context.

For the relationship between LMX quality and negative relationship communication, the results in the
Malaysian country context differ to the results for respondents in the US country context. US studies
found that, in the US country context, there is a significant relationship between LMX quality and
negative relationship communication (Graen et al., 1995; Yrle, Hartman, & Galle, 2002, 2003). This
item is more about verbal expression. In a US country context, individuals are comfortable verbalising
that they disagree with the leader (Wood, 2002). In contrast, in a Malaysian country context it is
culturally difficult to find negative expression when leaders and subordinates interact. This is because
Malaysians are far less comfortable than their US counterparts in disagreeing with the leader.

The findings in this study have important implications for leadership roles in a Malaysian country
context, especially regarding the leader’s behaviour towards subordinates. Leaders are constrained in
their resources and develop discriminatory LMX relationships with subordinates. In turn, LMX quality
in a Malaysian country context has a direct impact on perceptions of their supervisors’ behaviour
towards subordinates (Graen et al., 1995; Lee, 1997, 2001). In this regard, leaders in both US and
Malaysian country contexts may build unfairness into work relationship with their subordinates. As
mentioned by Lee (2001), the quality of LMX is likely to be structured by different communication rules and resources over time.

CONCLUSIONS

Results from this study further extend previous findings by empirically testing the external validity of existing LMX constructs and communication behaviours scales in a different country context where the culture, unlike the US, is characterised as having higher power distance. The result suggests that LMX quality and communication behaviours are similar in these two differing country contexts. However, the US has more emphasis on the individual while in Malaysia there is greater emphasis on collective culture—this result suggests that the quality of the relationship between superior and subordinate will have an impact on communication regardless of the country context and cultural background. The cross country finding further emphasises the importance of communication behaviour to an effective work environment.

In terms of the LMX association and communication behaviour, this study’s findings supports the results of earlier studies (Lee, 1997, 2001; Lee et al., 1995; Yrle et al., 2002, 2003). These earlier studies indicate that the quality of a relationship between superior and subordinate has an impact on a subordinate’s perceptions of their leader’s communication behaviour. In any organisation, regardless of the country context of institutionalism, a superior may still be psychologically and physically more proximal to employees than impersonal system. In turn, employees’ attitudes towards a supervisor will have stronger impact on interpersonal communication than employee attitude towards overall communication system in organisation. In an increasingly Globalised economic and social environment, more systematic research in different country contexts is needed to test the generality or limits of existing theories and models that were largely developed in countries like the US with Anglo-Saxon Western culture and tradition.
BIBLIOGRAPHY


### TABLE 1

Finding for Hypothesis 1: Relationship Between LMX Quality and Superior-subordinate Communication Practices

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<tr>
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<th>Superior-Subordinate Communication</th>
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<td>LMX</td>
<td>.734*</td>
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Notes: N = 200; p < .05

### TABLE 2

Findings for Hypotheses 2-5: Relationship Between LMX Quality and Positive Relationship Communication, Upward Openness Communication, Job Relevant Communication and Negative Relationship Communication

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