Making the In-group: The Application of Political Skill to LMX by New Employees in Reputation Development

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ABSTRACT

When entering a new organization an employee is evaluated by his or her supervisor in order to gauge how the relationship between the employee and manager will develop. In this, the manager will decide to place the individual into an in-group (i.e., one that the manager has higher interaction with, and therefore grants more rewards) or the out-group. Subordinates, when belonging to the “in-group,” report enhanced levels of satisfaction and effectiveness, as well as mutual influence, more open and honest communication, greater access to resources, and more extra-role behavior. Decisions by managers are often made rather quickly when deciding upon a new employee regarding in-group/out-group, and once the decisions are made, they don’t normally change. In this paper, the use of political skill is purposed to launch a new employee into the in-group. In defining political skill, Ferris and colleagues’ (Ferris, Anthony, Kolodinsky, Gilmore, & Harvey, 2002) four dimensions of political skill: self and social astuteness, interpersonal influence/control, network-building, and genuineness/sincerity were used as an assessment.

INTRODUCTION

The relationship that subordinates have with their direct supervisors is one of great importance to not only the supervisor, but also to the employee. The supervisors are often responsible for much of the quality of the day to day interactions of the worker as well as the potential for future success in the career of the worker. Managers are often key in determining salary increases and bonuses as well as providing career advice. Furthermore, they also can provide emotional support, task and training opportunities, and valued information (Wayne, Shore, & Liden, 1997).

Leaders in a high LMX (leader/member exchange) relationship with their subordinates often reward those subordinates above others. Supervisors may introduce those workers to key individuals in other parts of the organization. Furthermore, those in a high LMX relationship with their supervisor often receive rewards beyond those granted to other employees (Sparrowe & Liden, 1997). Therefore, it is in a subordinate’s best interest to be regarded favorably by their supervisor. In order to achieve this, a level of social exchange between the supervisor and employee needs to be established. For this relationship to occur, a supervisor needs to develop a positive image of who the employee is in the context of the workplace. This positive image (i.e., reputation) of the employee is one that the employee may develop (Zinko, Ferris, Blass, & Laird, 2007). This paper presents a model which shows how employees may facilitate positive perceptions of them by the use of political skill.

SOCIAL EXCHANGE DEVELOPMENT

Social exchange involves unspecific obligations. When one person does another a favor, there is an expectation of some sort of future return. The greater the perceived value of the commodities exchanged (whether tangible, or intangible), the higher quality of the relationship (Wayne et. al., 1997). Though exactly what the return will be, and in what form it is to take is unclear, nevertheless a reward is often bestowed (Gouldner, 1960).

In recent years, there have been two types of social exchange studied in the work place; perceived organizational support and leader-membership exchange (Wayne et. al., 1997). Perceived organizational support is the relationship between employees and their organizations (Eisenberger, Huntington, Hutchinson, & Sowa, 1986). The concept was formed to explain the development of employee commitment to an organization in terms of global beliefs for the organization (Wayne et. al., 1997). Leader-member exchange is the other form of social exchange that is frequent in
organizations. It is an exchange between the employee and the leader (Graen & Scandura, 1987). The social exchanged focused upon in this paper (i.e., LMX) is the development of a relationship between an individual and a leader (i.e., as opposed to an individual and the organization).

The LMX relationship is grounded in role theory (Dienesch & Liden, 1986). The basis of LMX theory is the concept of a “developed” or “negotiated” role (Dienesch & Liden, 1986). An aspect of the role making process is that roles are ambiguous and nonspecific (Dienesch & Liden, 1986). These roles must be defined by the organization’s participants (Graen, Orris, & Johnson, 1973). In this, individuals are able to use social skills (i.e., political skill) to help create the image that a supervisor has of them (Zinko et al., 2007).

One of the crucial mechanisms that is assumed to modify the role during the process of assimilation of a new member into an organization is the interpersonal exchange relationships between the new member and his immediate supervisor (Graen, 1976). The interpersonal exchange relationship will play a large part in deciding the type of role a new subordinate will play within a particular unit (Dienesch & Liden, 1986). LMX can be seen as one operationalization (i.e., out of many) of the role-making approach explained above (Dienesch & Liden, 1986).

Due to time pressures, leaders develop a close relationship with only a few key subordinates. With the rest of the work group, the managers rely mainly on formal rules, procedures, and policies to govern his subordinates (Graen, 1976). Employee may be able to insert themselves into this close relationship group (i.e., the “in-group”) in order to gain the favor of the supervisor (Zinko et al., 2007). These group memberships tend to develop fairly quickly and remain stable after they have formed. Due to automatic categorization processes (Graen & Cashman, 1975), new employees have a finite amount of time to become part of the “in-group”.

**Automatic Categorization Processes**

Automatic processes are generally the “default value” in social perceptions, with more systematic processing only occurring when spare capacity exists and perceivers are highly motivated to be accurate (Smith, 1994). This reasoning implies that many aspects of dyadic relations will be based on the automatic use of implicit theories as a basis for forming a belief about ones LMX counterpart (Engle & Lord, 1997). Once the subordinates have been “categorized,” supervisors can rely on that image of their worker to make decisions. That is to say, dyad members are likely to rely on their general impressions rather than on the memory of specific behaviors in making judgments about and reacting to subordinates (Engle & Lord, 1997).

Although intentional categorization (i.e., impressions) can be changed; revision requires free cognitive resources (Gilbert & Osbourne, 1989), which the manager may have directed at other aspects of the work place. Additionally, attributional biases, such as attributional category-inconsistent behavior or outcomes to situational factors, makes recategorization less likely (Hanges, Braverman, & Rentsch, 1991). From this research, it can be concluded that once a perceiver has labeled a subordinate, it is difficult to change that initial impression; additionally, that difficult impression is most often based on initial impression (Engle & Lord, 1997).

**In-Group/Out Groups**

The in-group is often defined by a “high quality” exchange. Members of this “high quality” exchange group, both managers and subordinates, report enhanced levels of satisfaction and effectiveness, as well as mutual influence, more open and honest communication, greater access to resources, and more extra-role behavior (Gerstner & Day, 1997). In the out-group (i.e., low-quality relationships), members often report being at a disadvantage in terms of job benefits and career progress (Vecchio, 1997). That is to say, there is less access to the supervisor, information is more restricted, there are fewer resources, lower organizational commitment, and they experience higher turnover (Gerstner & Day, 1997).

**DEVELOPING THE LMX RELATIONSHIP**

Leader-member exchange develops as a series of steps that begin with the initial interaction between the members of the dyad. This initial interaction is followed by a series of exchanges in which individuals “test” one another to
determine whether the participants can build the relational components necessary for the high-quality exchange to develop (Uhl-Bien, Graen, & Scandura, 2000). There is some debate over exactly what should be looked at to measure this high quality exchange. There have been everything from 2-item scales (Dansereau, Graen, & Haga, 1975), on up to 14-item scales (Wakabayashi, Graen, & Uhl-Bien, 1990). The most popular, and heavily debated (DelVecchio, 1998), is the 7-item LMX scale (Graen & Uhl-Bien, 1995). While there is much debate over which scale is to be used, many scientist agree that LMX is a construct of multiple dimensions, and those dimensions are highly correlated (Graen & Uhl-Bien, 1995).

There have been several theories as to what these scales measure. For the purpose of this paper, Dienesch and Liden’s (1986) proposition of LMX being comprised of affect, loyalty, and contribution will be used. These traits are similar to other dimensions proposed by scientists, such as Graen and Uhl-Bien’s (1995) respect, trust and obligation.

**DIMENSIONS OF THE LMX RELATIONSHIP**

**Affect**

Dienesch and Liden (1986) define affect as “the mutual affection members of the dyad have for each other based primarily on interpersonal attraction rather than work or professional values” (p. 620). Some LMXs may be dominated by this effect. An example would be that a leader and member frequently interact simply because they enjoy each other’s company (Liden & Maslyn, 1998). Friendship may actually develop through these high-exchange work interactions (Bridge & Baxter, 1992). Mutual affection members have for each other can also be described as “liking.”

Liking has been shown to be a strong determinant of LMX quality in both laboratory and field settings (Wayne & Ferris, 1990). Additionally, research has shown that a supervisor liking a subordinate early on, is even more influential than perceptions of performance in determining the leader’s view of an LMX relationship (Liden & Graen, 1993).

**Loyalty**

Loyalty is defined as the extent to which both leader and member publicly support each other’s actions (Dienesch & Liden, 1986). That is to say, how much can a leader trust an employee to support them in the company? Additionally, loyalty determines the types of tasks that are entrusted to members (Liden & Maslyn, 1998). Both these definitions are largely based on trust. So much so that Graen and Uhl-Bien’s (1995) use trust to label this specific dimension of LMX.

Trust is the perceived credibility and benevolence of a target of trust (Kumar, Scheer, & Benedict, 1995; Doney & Cannon, 1997). This construct is made up of two components: objective credibility and benevolence. Objective credibility is the extent to which one partner can be relied upon (Doney & Cannon, 1997) and benevolence is defined as “the extent to which a trustee is believed to want to do good to the trustor” (Mayor, Davis, Schoorman, 1995). Trust does not need to be mutual (Mayor et. al., 1995), therefore it is possible for a leader to trust a subordinate, and at the same time for a subordinate not to trust the leader. Subordinate trust of a leader, while possibly affecting the desire to be in an in-group, does not appear to affect the leader’s desire to accept the subordinate into the in-group in any manner, as long as the lack of trust is not known to the leader. Additionally, this trust held by the leader is not an object reality, but a perception (Mayor et. al., 1995).

**Contribution**

Contribution is defined as the “perception of the amount, direction, and quality of work-oriented activity each member puts forth towards the mutual goals (explicit or implicit) of the dyad” (Dienesch & Liden, 1986). Subordinates whose performances impress the leader and who “accept the leader’s invitation” will develop a higher quality exchange level than that of subordinates that have not performed to the same standard according to leader’s perceptions (Liden & Maslyn, 1998). Once this level is established, the leader will engage the high-qualities subordinates in tasks and duties that extend beyond what is required from the low-quality or formal, contacts (Graen, 1976). Giving the in-group such opportunities gives them a chance to again, excel beyond their out-group employees who are not even given the prospect of performing such tasks.
The model presented in Figure 1 uses political skill to moderate the supervisor’s perceptions of affect, loyalty, and contribution. Additional moderators are the supervisor’s currently held beliefs (e.g. assuming that others are like him, until shown differently; i.e., prejudices) (Byrne & Wong, 1962; Singh & Tan, 1992), and time constraints (e.g. LMX relationships are normally decided quickly, some hypothesize this is due to the busy schedule a manager maintains) (Liden & Graen, 1980). Once the supervisor has made his decision, the new hire is placed in either the in-group or the out-group.

Figure 1

POLITICAL SKILL

Many scientists believe that interpersonal effectiveness is a primary determinant of an individual’s success in the workplace (Ferris, Anthony, Kolodinsky, Gilmore, & Harvey, 2002). While interpersonal styles have been looked at under many different names (savvy street smarts, etc.), the one construct that has shown itself to be the social competence component developed to explicitly address social influence skills in the work setting has been political skill (Perrewe, Ferris, Frink, & Anthony, 2000; Ferris et. al., 2002). While political skill is believed to be partly dispositional, it is also viewed as a competency that can be shaped or developed (Ferris et. al., 2002).

Political Skill In Organizations

Organizations are inherently political arenas (Mintzberg, 1985). Additionally, evidence shows that organizations are changing so as to place a premium on social interaction. From this we can surmise that performance, effectiveness, and career success are determined only in part by cognitive mental ability and hard work). But by just as much, or even more, by social astuteness, positioning, and savvy (Ferris et. al., 2002). Many scholars in this area have argued that the way to get ahead in organizations is to build social and political competence (Mintzberg, 1983; DeLuca, 1992)

Political skill is defined as: “the ability to effectively understand others at work, and to use such knowledge to influence others to act in ways that enhance one’s personal and/organizational objectives” (Ahearn, 2004).

In an analysis on the related literature done by Ferris (2002) and his colleagues, they showed that political skill constructs intersect the domains of social, practical, and emotional intelligence. Political skill also relates to self-monitoring, personality characteristics, interpersonal skills, intuition and style. It essentially incorporates small pieces of each as it applies to behavior in the workplace.
Dimensions of Political Skill

Studies done by Ferris and his colleagues (2001, 2002) propose political skill to be made up of four related, yet distinct constructs. These are self and social astuteness, interpersonal influence/control, network-building, and genuineness/sincerity.

Self and Social Astuteness
This dimension is closely related to self-monitoring, interpersonal perception, social intelligence, interpersonal perception, social intelligence, practical intelligence, self-preservation, emotional stability, and emotional intelligence. Individuals high in social self and social astuteness move easily though society, properly comprehending their surroundings. They are often seen as clever or ingenious. They adapt their behaviors as situations warrant it, and are able to change as the situation demands of them (Ferris et. al., 2002).

Interpersonal Influence/Control
This construct is related to impression management, power and power tactics, and leadership. Politically skilled people are able to exert a strong influence on the people around them. They are adapt at conflict management, using the appropriate tactics for a given situation. While they are not always seen as “political,” they are known to be able to maneuver through the political arena fairly effortlessly (Ferris et. al., 2002).

Network Building/Social Capital
This construct relates to relational embeddedness, social capital theory, and human capital. Individuals with strong political skills have strong networking ability. This would include behaviors of interacting with outsiders, and the use of social skills to get ahead. The charismatic personalities of politically skilled people often create quick friendships, building social networks. Politically savvy individuals tend to network with people that they view to hold assets as valuable and necessary for successful organizational functioning. This construct often brings with it a favorable social identity among those in their networks; resulting in significant benefits such as, gaining support of ideas, enhanced access to information, and increased cooperation and trust.

Genuineness/Sincerity
Interpersonal trust, emotional intelligence, impression management, self-monitoring, self-presentation are key to political skill. It allows the individual to be able to influence others in a way that is not easily detected by others. The fundamental error people tend to make in attempting to influence others is that they come one too strong. Politically skilled people are able to self-monitor their performances to keep others from questioning their motives. The people around the individual do not feel like they are being manipulated.

APPLYING POLITICLA SKILL TO LMX

When attitudinal information is not available, people have a tendency to assume that others are like themselves. That is to say, knowing nothing about another person, people usually assume that the other will agree with their own opinions at least 70% of the time (Byrne & Wong, 1962; Singh & Tan, 1992). Additionally, the quality of leader-follower exchanges tend to develop quickly and remain stable overtime (Liden & Graen, 1980). This implies that in a short amount of time, managers will assume that new subordinates will be similar to themselves in personal attitudes and beliefs until told otherwise. And even after being told, it will be difficult to change the supervisors perception of the subordinate after they are already established as being in the in-group (Brewer, 1979). It is not so much that attitude similarity leads to liking, as that dissimilarity leads to disliking (Chen & Kenrick, 2002). Additionally, it has been suggested that people tend to assume that in-group members hold attitudes and beliefs more similar to their own than out-group members (Brewer, 1979). Therefore, it stands to reason that if a new employee is introduced to the in-group by the supervisor, not only will the in-group assume that the new subordinate is like minded, but the supervisor’s assumptions of like mindedness will soon be held by the group.
Political skill affects this relationship in several different ways: first, the dimension of self and social astuteness will allow the highly politically skilled subordinate to be aware of the situation. This will permit subordinates to hold their opinions to themselves, allowing the group to assume that the new individual’s views are similar to those of the supervisor. In this, a highly politically skilled individual may adapt his or her behavior to match that which is required. Additionally, interpersonal influence and network building will allow employees to use the existing members of the in-group to reinforce their places as they relay to the supervisor their belonging in the in-group. The genuineness and sincerity projected by a person of high political skill will keep the group members, and supervisor from feeling manipulated. This “attitudinal similarity” has been shown to be the strongest association with the quality of leadership-follower exchanges (Phillips & Bedeian, 1994).

P1: Employees with high political skill are more likely to generate feelings of positive affect from their supervisors than employees with low political skill.

Due to the short time in which the LMX relationship is developed (Liden & Graen, 1980), it is logical that supervisory will look for antecedents to loyalty to determine this dimension. This could be why Graen and Uhl-Bien’s (1995) found trust (i.e., as opposed to loyalty) for this specific dimension of LMX. Additionally, trust builds personal commitment to the organization (Kanter, 1972), and this, in turn, produces longer term loyalty (Gellner, 1988).

Trust is the perceived credibility and benevolence of a target of trust (Kumar et. al., 1995; Doney & Cannon, 1997). As stated earlier, this construct is made up of two components: objective credibility and benevolence. Objective credibility is the extent to which one partner can be relied upon (Doney & Cannon, 1997). This construct would be difficult to measure due to the time in which the determination is made regarding the type of LMX relationship (Liden & Graen, 1980). Because it has been shown that a manager is likely to believe that a new employee is like minded (i.e., until made known otherwise) it is logical to assume that the supervisor would rely on the other aspect of trust: benevolence.

Benevolence is defined as “the extent to which a trustee is believed to want to do good to the trustor (Mayor et. al., 1995). The dimension of political skill genuineness/sincerity would encourage a supervisor to trust an employee by definition (genuineness/sincerity being shown as being closely related to interpersonal trust) (Ferris et. al., 2002). Additionally, social astuteness would also logically reassure a manager that the new employee carries the intellect and social intelligence to be trusted in the political arena of today’s workplace.

P2: Employees with high political skill are more likely to generate feelings of high loyalty from their supervisors than employees with low political skill.

In judging a new subordinate’s potential, contribution is defined as the “perception of the amount, direction, and quality of work-oriented activity each member puts forth towards the mutual goals (explicit or implicit) of the dyad” (Dienesch & Liden, 1986). Subordinates whose performances impress the leader and who, “accept the leader’s invitation” will develop a higher quality exchange level than that of subordinates that have not performed to the same standard according to leaders perceptions (Liden & Maslyn, 1998). Once this level is established, the leader will engage the high-quality subordinates in tasks and duties that extend beyond what is required from the low-quality or formal, contacts (Graen, 1976). Giving the in-group such opportunities, gives them a chance to again, excel beyond their out-group employees who are not even given the prospect of performing such tasks.

P3: Employees with high political skill are more likely to generate feelings of perceived high contribution from their supervisors than employees with low political skill.

DISCUSSION

It is not necessary to fulfill all three dimensions of LMX to be accepted into the in-group (Graen & Uhl-Bien, 1995): of the three (affect, loyalty, and contribution), affect is believed to be the most relevant in deciding whether or not to allow a member into the in-group (Liden, Wayne, & Stilwell, 1993). This is important because while political skill cannot directly “contribute” a tangible product, it is very applicable in the process of making one’s supervisor “like” him or her. The application of political skill to the LMX relationship is an important in that it allows new employees to directly affect how they are to be perceived by their employers. Furthermore, the use of political skill in
aiding an individual’s ascension into the “in-group” empowers the new employee in a manner that can be universally applied.

**Future Research**

The propositions stated contribute to the existing research in several ways. First, it provides a situation where the political skill inventory may be applied and further tested in a new way. Second, the propositions provided expand current theory regarding the relationships between managers and employees. Finally, it suggests that new subordinates may be empowered in developing other’s perceptions of them. These perceptions may assist in entry into the in-groups in the organization.

In defining political skill, and colleagues’ (2001) four dimensions of political skill: self and social astuteness, interpersonal influence/control, network-building, and genuineness/sincerity were used. This was done because Ferris and his colleagues have also developed a political skill inventory based on their body of work (Ferris, Berkson, Kaplan, Gilmore, Buckley, Hochwarter, & Will, 1999). This inventory may prove to be useful in future testing of the presented model.

The majority of the body of political skill literature has looked at political skill as it applies to leaders in industry. The proposed model applies political skill to workers. This is important because it will allow for testing of the political skill constructs in a new way (subordinate, as opposed to leader), but it also opens up another possible construct: how highly politically skilled employees relate to highly politically skilled supervisors. Would highly politically skilled supervisors be less likely to accept a highly politically skilled employee into the in-group because the supervisor, being highly skilled himself, can see possible manipulation going on? Or, would the supervisor welcome another highly politically skilled member of his team?

**REFERENCES**


