

A Fit Model of Organizational Leadership

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Leadership theory has been historically separated along paradigmatic lines. Each paradigm has evolved toward a situational model, as researchers uncovered moderating influences on proposed leadership processes. The author examines this trend, and then proposes a meso-model of organizational leadership based on fit theory. Fit theory is an interactional view of organizational relationships based on similarity and exchange between entities. The proposed fit theory of leadership offers a lens through which leadership can be viewed which implicitly captures the situational and hierarchical nature of leadership processes, while allowing for the integration of extant leadership theory.

Keywords: leadership, fit theory, exchange theory, meso-model

INTRODUCTION

The diverse disciplines through which leadership theory has evolved have created a theoretical mosaic. Leadership scholars continue to haggle with a general definition, spurred by conceptual ambiguity regarding the nature of the concept. As a result, the field continues to lack a general, prescriptive, and integrated theory of leadership. Impediments to development of a general theory of leadership include conceptual ambiguity regarding a definition (Yukl, 2010; Bass, 2008), challenges to common assumptions about the nature of leadership (Hunter, Bedell-Avers, & Mumford, 2007), and questions concerning the level at which leadership processes occur (Yammarino, Dionne, Chun, & Dansereau, 2005). After summarizing these ambiguities, Yukl (2010: 8) stated, “It is neither feasible nor desirable at this point in the development of the discipline to attempt to resolve the controversies over the appropriate definition of leadership.”

Here, I take a contrarian view. The goal of organizational research is to increase the practicality of theory when applied to organizational contexts. For leadership to be a purposive concept in the organizational literature it must be defined in a way that provides pragmatic utility (Bacharach, 1989). Without a generalized theory, the field will likely increasingly lack coherence and fail to provide managers with prescriptive solutions. Accordingly, the purpose of this manuscript is to propose a general theory for the advancement of organizational leadership research based on the concept of fit. Fit theory provides an implicitly situational view of organizational relationships (Schneider, 2001), while leadership research generally fails to account for contextual effects (Hunter, et al., 2007). Fit theory is ideal as a basis for a generalized leadership model because of its ubiquitous and situational nature (Edwards, 2008).

FIT THEORY AS AN INTEGRATIVE LEADERSHIP FRAMEWORK

Scholars have called for meso-models of organizational leadership (Hunt & Phillips, 1992; Hunt, 1991), including an issue of *The Leadership Quarterly* (2009) dedicated to the topic. Meso-models integrate multiple levels of analysis (e.g. individual, group, and organizational) with contextual factors, explicating the link between leadership, the environment, and outcomes (Gardner & Cogliser, 2009). The inherently interactional nature of fit offers a lens through which the contextual, relational, and hierarchical facets of organizational leadership can be integrated.

Though no general theory exists, PE fit is considered a central concept in organizational behavior (Edwards, 2008) and industrial/organizational psychology (Saks & Ashforth, 1997). Schneider (2001: 142) suggested, "If person-environment fit is not the explicit key to our understanding of behavior, it is the implicit key." While many theories of leadership are tacitly theories of fit, little theoretical groundwork exists for applying the concept of fit to explain the situational nature of management in organizations. The proposed fit-based meso-model of leadership integrates leadership theories to predict key individual- and group-level outcomes.

A Brief Review of Person-Environment Fit Theory

The conceptual basis of fit theory is that when entities within a work environment are aligned, or fit together, positive outcomes result (Ostroff and Schulte, 2007). Fit theory shares two key assumptions with other broad domains of organizational theory, including leadership. First, organizational theories assume that employees are embedded in progressively higher echelons of interdependent groups. Second, there is an assumption that these groups, and the individuals comprising the groups, are involved in exchange relationships for valuable resources.

Fit takes two forms. Supplementary fit occurs as similarity or congruence, while complementary fit occurs as mutually beneficial, ongoing exchange (Muchinsky & Monahan, 1987). Two sociological theories have investigated these forms of fit without explicit recognition of fit theory. First, a large body of research has supported the proposition that individuals and collectives are attracted to others with similar values, goals, and other characteristics, and subsequently form relationships with them (Klein, Lim, Saltz, & Mayer, 2004; Byrne, 1971). Commonly referred to as the similarity-attraction hypothesis, this body of research provides sweeping support for the notion of supplementary fit across and between levels of analysis. Second, research on social-exchange theory has supported the proposition that individuals and groups seek out others with control over, or access to, needed resources, and engage in behaviors to solicit the use of those resources (Cropanzano & Mitchell, 2013). This research supports the general concept of complementary fit, or the social exchange of resources. Fit occurs in various dyadic forms, described relative to managerial fit below.

Person-person Fit

Person-person (PP) fit occurs when individuals within a work environment possess similar characteristics, values, and/or goals (i.e. supplementary fit) and become engaged in ongoing exchange relationships to meet each other's respective needs (i.e. complementary fit). Two principal theories explain dyadic relationships between managers and other actors in the organizational environment. Social-network theory (SNT) has demonstrated that managers can access tangible and intangible resources through formal and informal networks of exchange relationships with other resource controllers (Oh, Labianca, & Chung, 2006). Leader-member exchange theory (LMX) proposes that managers and subordinates are involved in ongoing exchange relationships in which consistently met transactional obligations lead to higher levels of trust, commitment, and resource sharing between the partners (Graen & Uhl-Bien, 1995, 1991). Research in both areas has demonstrated the importance of both supplementary and complementary fit to the formation and continuance of dyadic partnerships.

Person-environment Fit

Person-environment (PE) fit has primarily been examined as fit between an individual and their organization or workgroup (Kristoff-Brown, Zimmerman, & Johnson, 2005). Person-organization (PO) fit is the compatibility between individuals and organizations that occurs when they share fundamental characteristics and/or meet each other's needs (Chatman, 1989). Supplementary PO fit occurs when the culture, values, goals, or norms of the organization match with characteristics of the individual (Kristoff, 1996). Leadership literature suggests that managers bring requisite skills from prior leadership experiences, but must learn through socialization how to best apply these skills to their new environment (Mumford, Marks, Connelly, Zaccaro, & Reiter-Palmon, 2000). During socialization, managers learn and are encouraged to internalize the vision, values, strategy, goals, and culture of the organization (Schneider, Smith, Taylor, & Fleener, 1998). The extent to which the manager internalizes and displays organizational attributes is synonymous with their level of supplementary PO fit.

Complementary PO fit occurs when the resources, knowledge, skills, and abilities supplied by an individual match those demanded by the organization, and the resources and opportunities demanded by the individual are supplied by the organization (Kristoff, 1996). Managers rely on the organization to provide needed information, authority, and discretion to exercise power over subordinates and external entities (Pfeffer, 1992). The manager also has power to the extent that his/her personal characteristics and expert knowledge are valuable within the organization (Hinkin & Schriesheim, 1989). Complementary PO fit is synonymous with a manager's ability to leverage power to control the resource exchange relationships necessary to meet objectives.

Person-group (PG) fit is the compatibility between individuals and their work groups (Kristoff, 1996). Fit with the group of employees for which a manager is accountable is uniquely important. Supplementary PG fit occurs when the manager and the group have congruent values and goals, and the manager adheres to group norms. To be effective, managers must adhere to dominant group norms (Hollander, 1958), while monitoring for, and reacting to, ineffective norms (Hollander & Julian, 1970). Adhering to dominant group norms increases the manager's ability to enact change in the group when it is needed (Abrams, de Moura, Marques, & Hutchison, 2008; Fielding & Hogg, 1997).

Complementary PG fit occurs when the characteristics of an individual enable the group to meet its collective goals, and the characteristics of the group meet the psychological and purposive needs of the individual (Kristoff-Brown, et al., 2005). Managers possess authority, decision-making discretion, and control over resources needed by the group to function effectively, as well as unique knowledge, skills, and abilities that facilitate the group's efficacy. In turn, managers rely on group behavior (i.e. performance), knowledge, and skill for tangible and intangible individual outcomes. Complementary fit has commonly been assumed in leadership research (Hunter, et al., 2007), though a small body of research has examined misfit as "substitutes" for leadership (Kerr & Jermier, 1978).

Systems Fit

Systems fit, or the fit between teams, workgroups, functional units, or organizations, is an important and understudied aspect of organizational research (Ostroff & Schulte, 2007). Of particular importance to management research is group-environment (GE) fit, or the alignment between the group for which the manager is directly accountable and other intra- and extra-organizational exchange partners. Supplementary GE fit is the degree to which a manager's workgroup and another environmental entity (e.g. customers, another department, or the organization) have similar cultures, values, goals, and expectations. Complementary GE fit occurs when a manager's workgroup has a positive reciprocal resource exchange with another entity within its work environment.

Fit, in supplementary and complementary forms, can be used to describe the context in which a manager is embedded. Managers at all levels have discretion to make decisions which impact the alignment of their workgroup with key stakeholder groups. Achieving, maintaining, and protecting GE fit is a major function of organizational managers (Mumford, 2003; Semler, 1997). Fit theory can be used to describe the socio-political context in which the manager is embedded and help to elucidate the situational nature of leadership behaviors more effectively than extant static leadership theories.

Leadership and Organizational Alignment

Organizations form because they are able to produce goods and services more reliably and with greater accountability than ad-hoc collectives of individuals (Hannah & Freeman, 1984). Accountability exists as a result of the need to ensure reciprocity in exchange relationships, i.e. to maintain alignment with stakeholders (Worden, 2003; Miles, Snow, & Pfeffer, 1974). Maintaining alignment requires that the actions of the organization match the expectations of partners, and that the actions of those partners continue to meet the needs of the organization. It is important to note here that alignment, as oft referred to in the organizational sciences, is synonymous with a high level of fit.

Managers cannot freely choose any strategy for maintaining alignment, as decision alternatives are bound by constraints, namely discretion and authority. Managerial discretion is the degree of latitude in decision making possessed by the manager (Hambrick, 2007). Authority is a manager's legitimate capability to exercise power (Bass, 2008). Organizational culture, resource constraints, and regulations limit what a manager can do. Discretion and authority can be delegated to subordinate managers, starting with the chief executive and moving downward through the organization (Stodgill & Shartle, 1948). While the chief executive maintains overall accountability for the organization, discretion and authority for most tasks have been delegated to lower-level managers (Hambrick & Mason, 1984).

Maintaining fit between the organization and external exchange partners requires internal alignment of structures and processes. An organization can only be efficient and effective if internal alignment is achieved between individuals, workgroups, functional areas, and organizational systems. Maintaining internal alignment is a primary function of management (Semler, 1997). Internal alignment affects the performance of individuals, workgroups and the organization (Schneider, et al., 2003), as well as alignment with external entities (Ostroff & Schulte, 2007). Research has demonstrated that alignment between organizations and individuals (Eisenberger, Armeli, Rexwinkle, Lynch, & Rhoades, 2001), organizations and functional groups (Chan, Sabherwal, & Thatcher, 2006), and functional groups within an organization (Wier, Kochhar, LeBeau, & Edgeley, 2000) leads to improved organizational outcomes. Maintaining alignment between lateral and hierarchical exchange partners within the organization is essential to effective management (Snow, Miles, & Coleman, 1992).

When workgroups become misaligned with internal or external exchange partners, managers must make changes to ensure the continuing competitiveness of the organization (Semler, 1997; Mumford, 2003). Managers can attempt realignment through modification of the behaviors and/or expectations of the stakeholder, their workgroup, or both. Maintaining alignment of workgroup and stakeholder values, norms, and goals, along with meeting the evolving exchange expectations of each, should be the driving force behind managerial change decisions. As internal and external environments and stakeholder expectations change, leadership is required to regain alignment with stakeholders.

HOW LEADERSHIP FUNCTIONS IN ORGANIZATIONS: A FIT MODEL

The following is introductory work in the development of a meso-model of organizational leadership. While ambitious, the intent is to create a framework for the integration of extant leadership theory which adequately captures its situational and hierarchical nature. The general proposition of the model is that leadership is a response to misalignment between a workgroup and the environment in which it is embedded. For clarity, the model presented here has been divided into three portions. Figure 1 is a model of the process by which managers lead groups from misalignment to realignment through change-based decision making and influence. Figures 2 and 3 demonstrate how managerial credibility, with external resource controllers and the subordinate workgroup, enables realignment.

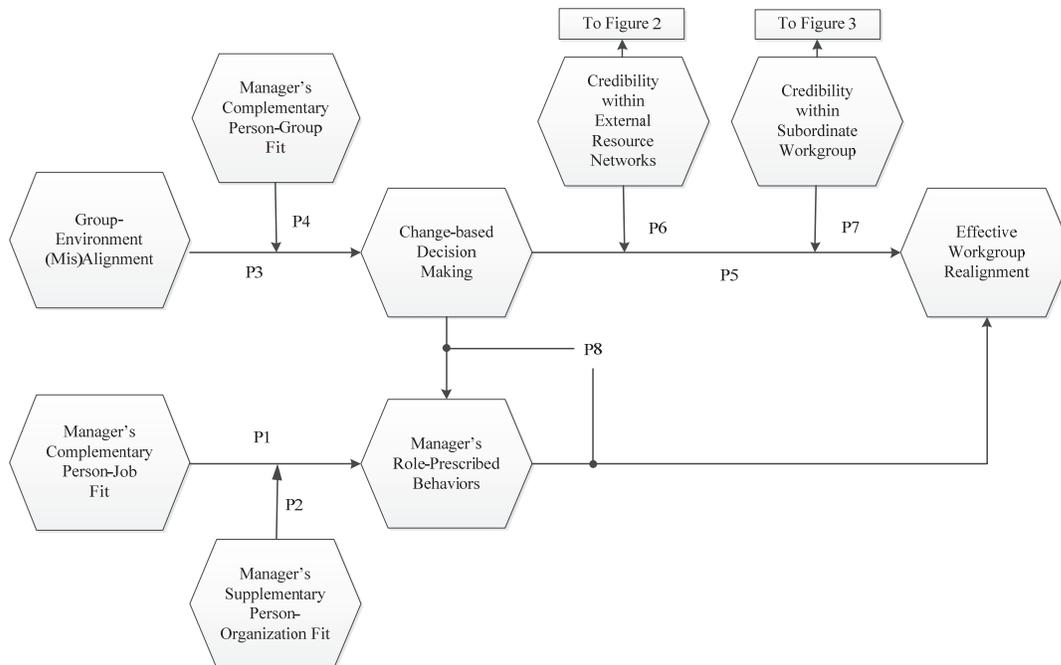
Group Misalignment and Change-based Decision Making

Complementary person-job fit is the match between individual characteristics and the demands of a job, as well as the needs of a person and what is provided by a job (Edwards, 1991). Effectiveness in managerial role-prescribed behavior is dependent on a manager possessing the requisite knowledge, skills, and abilities, as well as the motivation to engage in appropriate behavior. Jobs provide motivation

to the extent that they meet the manager’s physiological and psychological needs, including safe conditions, equitable rewards, reasonable stress, and meaningful, challenging, and fulfilling work (Scroggins, 2008; Ehrhart, 2006). The fit between a manager and the attributes of his/her job influences his/her ability to effectively engage in role behaviors, as well as his/her motivation to do so.

Proposition 1: *Complementary person-job fit predicts effective role-prescribed behaviors for managers.*

FIGURE 1
A FIT MODEL OF LEADERSHIP



Managers do not operate in a vacuum. The distribution of accountability, authority, resources, and information are formalized in organizational systems and structures. Organizational systems and structures can enhance or reduce the ability of the manager to direct their behavior toward role-specific challenges by constraining the available plausible courses of action (Ireland & Hitt, 1999). Managers must learn to apply their knowledge and skills within the organizational context in which they are embedded (Mumford, et al., 2000). A manager’s supplementary person-organization fit, or the degree to which he/she embraces and enacts the organization’s goals, values, culture, and norms, determines how well he/she is able to leverage his/her abilities within the organization (Schneider, et al., 1998).

Proposition 2: *Supplementary person-organization fit enhances the relationship between a manager’s complementary person-job fit and effective role-prescribed behaviors.*

As noted earlier, managers are responsible for maintaining alignment between their workgroup and intra- and extra-organizational exchange partners. Dynamic environments, resulting from technological innovation and the changing expectations of exchange partners, can lead to misalignment. To remain a viable exchange partner, the organization, or the component for which the manager is accountable, must adapt to the changing needs of key internal and external stakeholders.

Proposition 3: *Group-environment misalignment creates the need for change-based decision making.*

Complementary fit between a manager and their workgroup refers to the extent to which the manager possesses attributes that the workgroup needs and lacks, as well as the extent to which the group meets the manager's needs. Workgroups represent a collection of human capital, structures, and processes that in some cases may render leadership unnecessary, as the collective is able to solve its own misalignment problems without the guidance of a leader (Kerr & Jermier, 1978). When the group faces misalignment, the manager is capable of generating a change-based decision, beyond the capability of the group, to the extent that he/she possesses knowledge, skills, or resources that enable him/her to recognize misalignment and formulate solutions more effectively than the workgroup.

A manager must not only possess the ability to make a change-based decision, but also the motivation to do so. Managers are typically dependent on group outcomes for pay, promotions, bonuses, and other important outcomes. In cases where performance outcomes are ambiguous or managerial and group outcomes are not linked, the manager may be unwilling to engage their own resources toward group realignment. Further, change-based behaviors involve outcome uncertainty, and therefore risk. Managers may be risk averse or short-sighted if their values or goals are not congruent with those of the group for which they are accountable (Eisenhardt, 1989). The degree of complementary fit between the manager and the workgroup is indicative of the manager's incremental capability and motivation to act relative to group misalignment.

Proposition 4: *Complementary person-group fit enhances the relationship between group-environment misalignment and managerial change-directed decision making.*

A change-directed decision is of little utility if the decision is not adequately enacted. While tautological, it must be proposed that change-based decision making leads to workgroup realignment to enable follow-on discussion of the moderating influences of that process.

Proposition 5: *Change-based decision making predicts effective realignment of a group.*

The effective execution of a change-based decision is dependent on three requisite processes. First, the manager must secure necessary support and resources from external actors to facilitate the decision. In many instances managers recognize the need for realignment, but lack the formal discretion and authority to secure the resources needed to enact change. As a result, a manager must either influence formal resource controllers to support the change decision, or informal social networks to bypass formal systems and structures to secure needed resources (Hall, Blass, Ferris, & Massengale, 2004). When misalignment occurs, the manager may be able to leverage resources from their social network to effectively realign their group. Research has demonstrated that a manager's position within internal and external exchange networks is positively related to the objective performance of the manager's workgroup (Mehra, Dixon, Brass, & Robertson, 2006).

Proposition 6: *Credibility with external resource networks enhances the relationship between change-based decision making and effective realignment of the workgroup.*

Second, the manager must secure the support and cooperation of subordinate employees. Change generally increases the effort and risk for workgroup members. Extra effort results from the requirement to learn new skills, to try out new behaviors, or to learn new processes. Change creates risk because the outcomes of new behaviors and processes are less known than for existing ones. Subordinate trust is essential for effective leadership to mitigate risk and increase willingness to engage in extra effort (Burke, Sims, Lazzara, & Salas, 2007). High-quality exchange relationships between managers and subordinates are characterized as partnerships involving high degrees of trust (Graen & Uhl-Bien, 1995). A trustworthy manager is better able to influence their workgroup to embrace and enact change, because he/she has demonstrated his/her willingness to reciprocate exchanges when given increased resources and support

from subordinates (Graen & Uhl-Bien, 1995). A manager's perceived credibility increases workgroup members' willingness to assume risk and engage in extra effort (Sweet, Witt, & Shoss, 2015).

Proposition 7: *Credibility within the subordinate workgroup enhances the relationship between change-based decision making and effective realignment of the workgroup.*

Third, enacted changes typically have trickle-down effects. Scholars have distinguished between the process of making decisions and carrying out those decisions (Hambrick & Finkelstein, 1987). Implementation of change-based decisions requires modifications to the structure, systems, and processes intended to maintain alignment under previous conditions. It is imperative for the success of a change-based decision that the manager effectively reconfigures the related systems and structures required to facilitate the enactment of the decision. Therefore, the efficacy of a manager's change initiative is dependent not only on the quality of the change-based decision, but also on the effective realignment of other affected role-prescribed behaviors.

Proposition 8: *A manager's role-prescribed behaviors mediate the relationship between change-based decision making and effective realignment of the workgroup.*

Credibility in External Resource Networks

After more than twenty years of interviewing and surveying organizational members about effective management practices, Kouzes and Posner (2007: 37) determined that "credibility is the foundation of leadership." Managerial credibility has been described as a form of social capital, whereby behavioral integrity results in perceptions of trustworthiness and reliability with exchange partners, which the manager can use on the organization's behalf (Worden, 2003). The socio-political landscape of organizations makes the facilitated exchange of resources within formal and informal networks a reality of work life. Little theoretical integration of social network and exchange approaches exists within the management literature. In the current model, managers are able to enter into exchange relationships with others based on supplementary and complementary fit with exchange partners. Credibility as an exchange partner results from equitable and mutual reciprocity behaviors over time. A manager's credibility within a network determines the influence and access of the manager within a resource network. Figure 2 presents a model of managerial credibility with external (to the workgroup) exchange partners. The model moves from dyadic relationship formation to an explanation of resource access (i.e. credibility) within a social network.

It seems highly likely that socio-political relationship-seeking behaviors by a manager increase access to exchange partners. Behaviors such as networking, impression management, and influence tactics signal to others in the work environment that the manager has resource needs, resources available, and is interested in exchange behavior. For example, interpersonal citizenship behaviors directed at network members are related to an individual's number of network ties and centrality in the network (Bowler & Brass, 2006). Ingratiation behaviors directed at CEOs substitute for legitimate credentials in the granting of board positions (Westphal & Stern, 2006). In other words, network seeking behaviors were used to signal to another that the individual desired entry into an exchange relationship.

Proposition 9: *Network seeking behaviors by a manager increase entry into exchange relationships with external (to the workgroup) resource controllers.*

Engaging in network-seeking behaviors is a necessary, but not sufficient, condition for entering into social-exchange relationships. Two moderating forces influence the relationship between network-seeking behaviors and entry into exchange relationships. First, a manager must appear to be a valuable exchange partner. One source of this perception might be the degree to which a manager possesses power relative to others in the organization, or the manager's level of complementary PO fit. Power is the ability to administer positive, or remove negative, tangible or intangible resources from another (Hinkin &

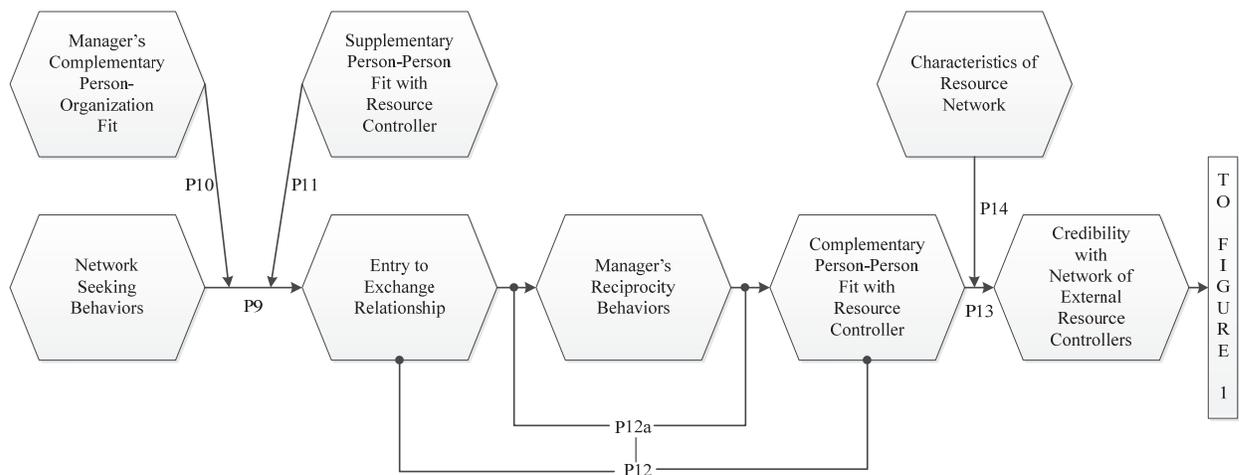
Schriesheim, 1989). Managers rely on the organization to provide needed authority, discretion, and information to exercise power over subordinates and external actors (Pfeffer, 1992). To be effective, managers rely on the power granted to them by the organization, as well as personal power that they enact on the organization's behalf, to influence upward, downward, and laterally. Potential exchange partners likely prefer individuals with higher levels of power in organizations, because those individuals will appear more capable of reciprocating exchanges. As a result, complementary manager-organization fit influences perceptions of the manager as a worthy exchange partner, increasing the effectiveness of attempts to enter into external exchange relationships.

Proposition 10: *Complementary person-organization fit enhances the relationship between managerial network-seeking behaviors and entry into exchange relationships.*

Second, the supplementary fit between a manager and potential exchange partners will determine the manager's access to exchange relationships. A long standing and well researched hypothesis in both sociology and organizational science is that individuals are attracted to similar others (Bryne, 1971). Within organizations, individuals with similar personalities, demographic traits, values, attitudes, and goals develop positive affective opinions of one another (Umphress, Smith-Crowe, Brief, Dietz, & Watkins, 2007; Pfeffer & Fong, 2005). In turn, positive affect towards another is a strong determinant of cooperative effort choices (Casciaro & Lobo, 2008). Supplementary fit influences others' affective dispositions toward a manager, and as a result increase the effectiveness of the manager's attempts to enter into exchange relationships.

Proposition 11: *Supplementary person-person fit with external resource controllers enhances the relationship between managerial network-seeking behaviors and entry into exchange relationships.*

FIGURE 2
MANAGERIAL CREDIBILITY IN RESOURCE NETWORKS



Recent research suggests that social networks exist within and between organizations, as both cognitive structures and behavioral manifestations (Balkundi & Kilduff, 2006). As stated in Proposition 6, individuals perceive others as valuable exchange partners based on their fit within these cognitively construed networks, and enter into exchange relationships accordingly. Entry into an exchange relationship represents a psychological contract between the two entities, but simply gaining access to exchange partners is not enough to sustain an ongoing relationship. Continuance of cooperative behavior within organizations depends on fulfillment of the psychological contract via reciprocity behaviors. Unreciprocated exchange behaviors are unlikely to continue (Koster & Sanders, 2006), and result in

negative perceptions of the exchange partner (Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008). Individuals with control over valuable resources have a broad selection of potential social partners in their work environment, and a limited set of resources to exchange. Individuals enter into social relationships with the expectation of reciprocity (i.e. they will receive as much as they give), and are likely to exit relationships they perceive as imbalanced (Berninghaus, Guth, & Vogt, 2008). Therefore, it is essential for the partners to reciprocate exchanges to develop complementary fit.

Proposition 12: *Entry into exchange relationships with resource controllers positively predicts complementary person-person fit between a manager and an external resource controller, and (Proposition 12a) this relationship is full mediated by the reciprocity behaviors of each exchange partner.*

The development of an equitable ongoing exchange relationship with an external resource controller may lead to increased access to other network partners (Liu & Ipe, 2010). An exchange partner might rely on another member's resources to reciprocate obligations to the manager, or on the manager's resources to reciprocate to another (Balkundi & Kilduff, 2006). In both cases, the manager's reputation and centrality in the network will increase, as will his/her access to network resources.

Proposition 13: *Complementary person-person fit between a manager and a resource controller predicts the credibility of the manager within a network of external resource controllers.*

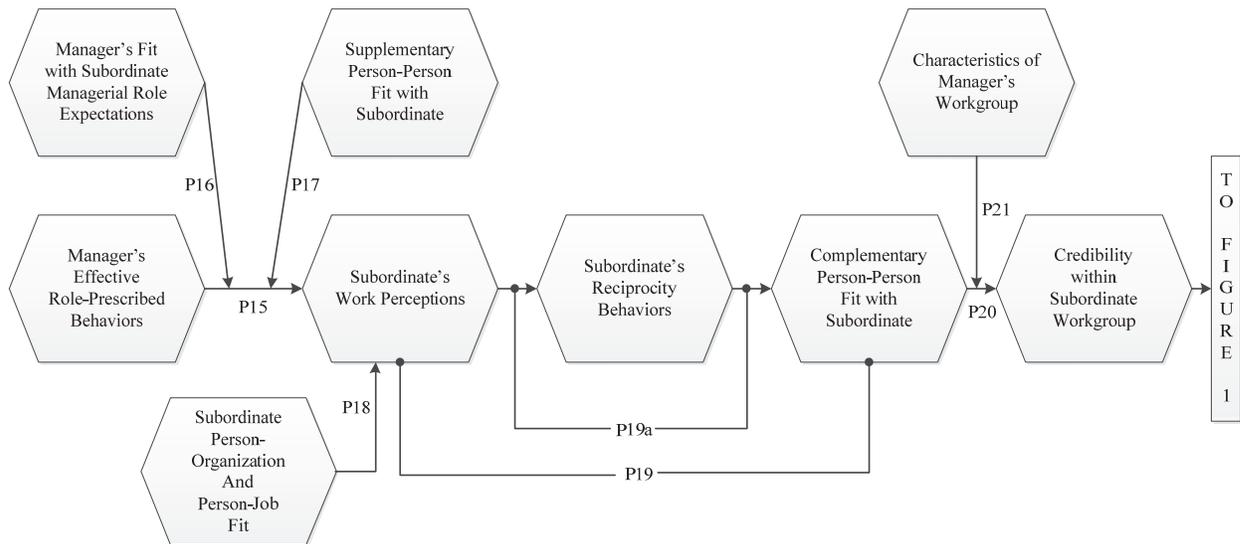
The velocity with which this occurs, the number of network ties available, and the variety of resources available depend on the characteristics of the network (Balkundi & Kilduff, 2006). *Density* refers to the interconnectedness of network members (Wasserman & Faust, 1994). The degree to which network members exchange resources with multiple network partners likely increases the ease of propagating network ties for a new exchange partner. Social networks also vary in the degree of *cohesion*, or emotional and affective commitment by members (Lawler, 2001). The degree to which network members are able to cognitively identify, draw boundaries for, and feel attached to a social network likely affects members' willingness to accept new entrants, to exchange resources within the network, and to enter into cognitively complex exchanges with multiple network members. Finally, the characteristics of network resources, including *variety*, *transferability*, and *duplicity*, influence network members' willingness to exchange resources, as well as their selection of exchange partners within the network (Schaefer, 2009).

Proposition 14: *Characteristics of a resource network may serve to enhance or constrain the relationship between complementary person-person fit with individual network members and managerial credibility within a network of external resource controllers.*

Credibility Within the Manager's Workgroup

An enormous body of theory and research has been generated in the organizational leadership domain to support two basic propositions. First, managers are able to influence subordinate behavior through the mediating mechanism of subordinate work perceptions (Bass, 1985). Second, managerial behaviors influence subordinate behaviors because of reciprocity obligations (Graen & Uhl-Bien, 1995, 1991). Little theoretical development has been directed at integrating these two approaches, and little is known about the development of behavioral exchange relationships between managers and subordinates (Schriesheim, Castro, & Cogliser, 1999; Gerstner & Day, 1997). Figure 3 presents a model of managerial credibility with subordinates, which elucidates the role of behavior, perceptions, and context in the formation of exchange relationships between the manager and individual followers, as well as the group.

FIGURE 3
MANAGERIAL CREDIBILITY WITHIN THE SUBORDINATE WORKGROUP



The execution of daily role behaviors by a manager likely influences followers' perceptions of their work environment, as the manager is the primary representative of their work experience (Wayne, Shore, & Liden, 1997). Meta-analytic findings show that how a leader distributes rewards and punishments influences subordinate perceptions of their work environment (Podsakoff, Bommer, Podsakoff, & MacKenzie, 2006). Another meta-analytic review demonstrates that consideration and initiation of structure by managers influence subordinate work perceptions (Judge, Piccolo, & Ilies, 2004). It seems fairly clear that the behavior of a manager can have a strong influence on a subordinate's work perceptions.

Proposition 15: *Role-prescribed behaviors of a manager influence work perceptions of subordinates.*

Martinko and Gardner (1987) proposed that the perceptions formed by subordinates may be affected by attributional biases. Two forms of fit capture the attributional biases that moderate the relationship between managerial behavior and subordinate work perceptions. First, fit between the role expectations of a subordinate and a manager's traits and behaviors influences subordinate perceptions of the manager's effectiveness, and subsequently the subordinate's work perceptions. Work by Lord and colleagues (Ritter & Lord, 2007; Lord, Brown, Harvey, & Hall, 2001) has examined the formation of leadership prototypes by subordinates. Individuals form a leadership schema within their work environment, and subconsciously use this schema to classify the traits and behaviors of a manager to determine whether he/she meets their expectations. The degree to which the manager fits the subordinate's prototype influences the subordinate's work perceptions, as well as their willingness to enter into an exchange relationship with the manager (Epitropaki & Martin, 2005).

Proposition 16: *Fit with subordinate managerial role expectations enhances the relationship between the role-prescribed behaviors of the manager and the work perceptions of a subordinate.*

Second, supplementary fit between a manager and subordinate influences the formation of work perceptions resulting from managerial behavior (Sparrowe & Liden, 1997). Similar individuals are more likely to form affective relationships, and research supports this proposition between managers and subordinates (Kacmar, Harris, Carlson, & Zivnuska, 2009). Affective relationships between supervisors and subordinates may lead to differential subordinate work perceptions because affective partners tend to

view each other favorably. As a result, a subordinate may view a manager's behaviors as more appropriate or effective because he/she has a generally positive view of him/her as a person. A manager may also actually behave differently across subordinates, favoring those for whom he/she has a positive affective disposition.

Proposition 17: *Supplementary fit between a manager and a subordinate enhances the relationship between the role-prescribed behaviors of the manager and the work perceptions of a subordinate.*

While organizational managers significantly affect employee work perceptions, at least two other forms of fit also directly affect employee work perceptions. Supplementary and complementary PO fit have each been shown to significantly affect subordinate work perceptions in meta-analytic reviews (Kristoff-Brown, et al., 2005; Rhoades & Eisenberger, 2002). Available empirical evidence suggests that this effect is distinct from the subordinate's relationship with their immediate supervisor (Wayne, et al., 1997; Settoon, Bennett, & Liden, 1996). PJ fit is also predictive of employee work perceptions (Greguras & Diefendorff, 2009; Scroggins, 2008; Kristoff-Brown, et al., 2005). The degree to which an employee feels their needs are being met by their job and organization, as well as individual congruence with organizational values, goals, and culture, affect employee work perceptions in a process distinct from social exchanges with his/her direct manager.

Proposition 18: *Person-organization and person-job fit predict subordinate work perceptions.*

Leader-member exchange (LMX) theory proposes that the exchange relationship between a supervisor and subordinate is based on mutual reciprocity of behavior (Graen & Uhl-Bien, 1995, 1991). The norm of reciprocity suggests that employees who view their organizational exchange relationships favorably (i.e. develop positive work perceptions) are likely to engage in reciprocal behaviors. The outcome of ongoing equitable exchanges is the formation of a trusting relationship. Employees with positive perceptions of their manager and work environment engage in increased task and extra-role behaviors to reciprocate their positive work perceptions. In turn, increased performance by a subordinate increases his/her trust relationship with the manager, leading to a more positive resource exchange between the two (Graen & Uhl-Bien, 1995). For example, employee job satisfaction predicts extra-role behaviors, which in turn increases the quality of the exchange relationship between the manager and the subordinate (Lapierre and Hackett, 2007).

Proposition 19: *Subordinate work perceptions predict complementary fit between a manager and a subordinate, and (Proposition 19a) the relationship is mediated by subordinate reciprocity behaviors.*

The outcome of high-quality leader-member relations (i.e. complementary fit) is stored social capital, such that the manager has proven him/herself a trustworthy and credible exchange partner (Goodwin, Bowler, & Whittington, 2009). The manager can draw on stored social capital in times of challenge, stress, and risk, such as the implementation of a change initiative, to request extra-role behaviors and increased effort (i.e. additional human resources) from subordinates (Brass, 2001).

Proposition 20: *Complementary fit between a manager and a subordinate predicts managerial credibility within the subordinate workgroup.*

Recent research on LMX variability suggests that group characteristics determine the level of differentiation between supervisor-subordinate relationships within a workgroup. Characteristics of the workgroup influence the interconnectedness of social exchanges between the manager and workgroup members. Similar exchange relationships result from cohesive, homogenous, and interdependent workgroups (Henderson, Liden, Glibkowski, & Chaudhry, 2009; Henderson, Wayne, Shore, Bommer, & Tetrick, 2008). Workgroups with high levels of task or skill diversity represent a wide variety of resources

that the manager can access, and are made up of employees with unique exchange needs. Individual exchanges in cohesive, homogenous, and interdependent groups likely effect the perceptions of all group members, rather than the perceptions of a specific employee. Conversely, in non-cohesive, heterogeneous, and independent workgroups, the manager is more likely to form differentiated exchange relationships with each employee. In highly interconnected workgroups, a manager's actions have a multiplicative effect on credibility (social capital) within the group, while in less interconnected workgroups the effect is likely additive.

Proposition 21: *Characteristics of a subordinate workgroup serve to enhance or constrain the relationship between complementary fit with individual subordinates and a manager's credibility within the subordinate workgroup.*

CONCLUSION

The model proposed here is likely the most ambitious attempt thus far to integrate extant leadership theory by using a situational, multi-level approach. I fully expect that improvements can, and will, be made. However, the model offers several advantages relative to current leadership theories. Rather than overreliance on strict theories and stale measures, which generally have not been appropriately applied in research (Gardner & Coglisier, 2009; Hambrick, 2007; Hunter, et al., 2007; Yammarino, et al., 2005), the model presented here requires researchers to explicitly develop their own arguments explaining how individuals, dyads, groups, and organizations "fit" together to generate outcomes. This approach should help uncover generalities, as well as boundary conditions, in managerial processes more efficiently than the approach taken in the field thus far.

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