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JUSSI LEPONIEMI

Ethnic Minority Member Perspective on Leader-Member Exchange

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Reviewers Professor Anna-Maija Lämsä
University of Jyväskylä
School of Business Economics
Jyväskylä
Finland

Professor Raimo Nurmi
Turku School of Economics
Turku
Finland

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Julkaisun nimike Esimies–alaisvuorovaikutussuhde etniseen vähemmistöön kuuluvan alaisen näkökulmasta		
Tiivistelmä Tämän väitöskirjatutkimuksen tavoitteena on tuottaa kattava käsitys työkontekstissa kehittyvästä vuorovaikutussuhteesta, joka muodostuu etniseen enemmistöön kuuluvan esmiehen ja etniseen vähemmistöön kuuluvan alaisen välille. Tarkastelunäkökulma rajataan alaisen kokemukseen vuorovaikutussuhteesta. Väitöskirja koostuu neljästä artikkelista. Ensimmäinen artikkeli on teoreettinen tarkastelu ja tutkimusagenda perustuen aiemmille keskeisille tutkimuksille. Toinen artikkeli keskittyy alaisen kokemaan vuorovaikutussuhteen laatuun. Kolmas artikkeli tutkii vuorovaikutussuhteen kehittymistä alaisen kokemana eri kehitysvaiheissa ja neljäs artikkeli puolestaan selvittää etnisen vähemmistöidentiteetin roolia vuorovaikutussuhteessa. Empiirisissä artikkeleissa hyödynnetään diskurssi-analyysia. Tulosten mukaan etniseen vähemmistöryhmään kuuluvat alaiset käyttävät luottamuksen, kulttuurisen hyväksynnän, alais-rooliaktiivisuuden sekä kykyihin uskomisen diskursseja kuvatessaan kokemuksiaan ja näkemyksiään kokemastaan vuorovaikutussuhteen laadusta. Vuorovaikutussuhde näyttää kehittyvän alkuvaiheissaan samansuuntaisesti samaan etniseen ryhmään kuuluvien kanssa. Sen sijaan alkuvaiheen jälkeen alaiset kokemus muuttuu jossain määrin kielteisemmäksi erityisesti tasapuolisuuden ja oikeudenmukaisuuden suhteen. Pidemmällä kehitysvälillä kokemukset ja näkemykset vaihtelevat jossain määrin ja muodostavat jatkumodiskursseja aiempiin vaiheisiin. Etnisen vähemmistöidentiteetin rooliin liittyen alaisten käyttämiksi diskursseiksi nousevat koettu toiseus, vuorovaikutussuhteeseen pääsy, sekä viittaukset vähemmistöryhmäjäsenyyteen. Näiden diskurssien laadun perusteella voidaan todeta, että tutkimuksessa mukana olleet alaiset kokevat vuorovaikutussuhdetta ympäröivän sosiaalisen kontekstin tärkeänä ja vahvasti vuorovaikutussuhdetta värittäväenä tekijänä. Väitöskirjatutkimuksen tulosten perusteella voidaan todeta, että etniseen vähemmistöryhmään kuuluvat alaiset kokevat vuorovaikutussuhteen etniseen enemmistöön kuuluvan esmiehen kanssa keskeisenä työskentelykokemukselleen. Vuorovaikutussuhteen sisäinen etninen eritaustaisuus värittää ja ohjaa voimakkaasti vuorovaikutussuhdetta.		
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Abstract <p>This dissertation aims to provide an extensive picture of work relationships established between ethnic majority member leaders and ethnic minority member followers. This study limits its perspective on the follower's aspect and it consists of four articles. The first article is a conceptual essay on the earlier research conducted at relevant fields of literature. The second article focuses on the perceived nature of the relationship between leaders and followers, whereas the third article studies the development of such relationships through perceptions of subordinates at various phases. The fourth article, in turn, studies the minority ethnic identity's role in such relationships. The empirical articles employ the discourse analysis.</p> <p>The results indicate that ethnic minority subordinates employ trust, cultural acceptance, role activity, and belief in abilities discourses as they are presenting their experiences and perceptions of the nature of dyadic relationships. Regarding the development of relationship, it seems that the early phases in relationship building follow the earlier literature without significant differences. However, after a relatively short period, the subordinates reported rather negative perceptions on the development of their relationships in terms of effort and fairness. After a longer period of working together, the experiences and perceptions varied to some extent and formed continuation discourses for the earlier discourses. With regard to ethnic identity's role in relationships between supervisors and subordinates, the discourses identified were otherness, working relationship admittance, and minority group allusions. The nature of these discourses reveal that ethnic minority group members perceive dyad's surrounding social context as important and strongly their own relationship flavouring. According to the results, it seems that ethnic minority group member subordinates perceive the work relationship with the ethnic majority member supervisor as central for their working life experience and as being strongly steered by the in-dyad ethnic diversity that appeared differently at different aspects.</p>		
Keywords leader-member exchange, ethnic diversity, ethnic identity, leadership, discourse analysis		

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Jussi Leponiemi

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- [1] Leponiemi, J. (2007). Majority Leaders and Minority Members. Towards a Research Agenda. *International Journal of Diversity in Organizations, Communities and Nations* Vol. 7, No. 1, pp. 38-49. An earlier version has been published in the IHRM2005 Conference proceedings. 79
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1 INTRODUCTION

This work is a doctoral dissertation focusing on the work relationships between ethnic minority followers and ethnic majority leaders. The working relationship and interaction process between a supervisor and a subordinate is considered to be one of the central approaches of leadership research. The study adopts the theory of leader-member exchange (LMX) (see e.g. Dansereau et al. 1975; Graen & Uhl-Bien 1995; Schriesheim et al. 1999), which is a particular approach that focuses on the relationship formed by the supervisor with each of his or her subordinates, for its guiding framework.

In a current labour market composition such dyadic relationships include less frequently similar participants. For example, ethnic dissimilarity and diversity is typically increasing in the workplace in most countries (see e.g. Kandola & Fullerton 2005; Prasad et al. 2006) and thus, more ethnic minority subordinates are entering into relationships formed with a leader from the local ethnic majority background. Therefore, this work adopts a subordinate perspective and aims at shedding light on various perspectives central to the nature, success and development of such work relationships.

1.1 Background

The working relationship and interaction process between a supervisor and a subordinate is considered to be one of the central approaches of leadership research. The theory of leader-member exchange (LMX) (see e.g. Dansereau et al. 1975; Graen & Uhl-Bien 1995; Schriesheim et al. 1999; Yukl 2005) is a particular approach focusing on the relationship formed by the supervisor with each of his/her subordinates.

One way of comprehending LMX research is provided by Graen and Uhl-Bien (1995) in their suggestion of a theory development level approach aimed at understanding the changing foci of the research over time. The authors structure the relatively long research history of LMX theory by dividing it into four individual levels, each of which is built on the preceding level. The structure proposed is constructive as it is based on an in-depth literature review and considers both the level of analysis and the contribution of each stage to the wider context of leadership research. In chronological order the developmental stages are labelled as: (1) *the discovery of differentiated dyads*; (2) *the investigation of characteristics of LMX dyads and their organisational implications*; (3) *the description of dyadic partnership building*; and (4) *the aggregation of differentiated dyadic relation-*

ships to group and network levels (Graen & Uhl-Bien 1995, 225). This classification is also utilised as a focus steering guideline in this research. The upper level argument this work suggests is that the focuses in the extant LMX research are well justified but lack the inclusion of workforce diversity, especially ethnic dissimilarity considerations.

Work relationships between leaders and followers are nowadays more frequently formed between participants with various diversity factors, one of which is different ethnic backgrounds. This is because of the ongoing process, by which societies are constantly gaining new members from different ethnic backgrounds (Kirton & Greene 2005; Konrad 2003; DeNisi & Griffin 2001; Johnson & Packer 1987). In certain societies, such as those of England and France, the level of ethnic diversity is high and typical workplaces have comprised participants from a multitude of ethnic backgrounds for decades, whereas other societies, such as in Finland, have only recently experienced the first steps of increased levels of society's multiethnicity on a larger scale (Forsander et al. 2001; Trux 2000).

Although the vast majority of such relationships are still formed within a setting where the leader comes from the ethnic majority and the follower from an ethnic minority group, there are also work relationships in which the setting is reversed. Similar to other social practices, work relationships may be affected by the perception of dissimilarity within the dyad (Hogg et al. 2005).

While various positive organisational and individual implications have been associated with ethnic diversity within the workplace (Kirton & Greene 2005; Wilson & Iles 1999; Kandola & Fullerton 1998; Kossek & Lobel 1996; Bartz et al. 1990), and such relationships are becoming more common, there seem also to be certain challenges that possibly hinder the development of the relationship and reduce its perceived quality. In addition to obvious obstacles, such as language and culture, differing ethnic identities between the parties may be attributed to challenges, for instance in mutual liking and willingness to initiate a work relationship development process (Hogg et al. 2005). Whereas the similarity attraction (see Byrne 1971) has a role in previous, it also may embrace a lack of mutual trust and unwillingness to develop the relationship further (Colella & Varma 2001). Furthermore, possible indirect negative consequences related to ethnic-based dissimilarity include challenges in communication, especially culturally related norms and customs, and different conceptions with regard to work (Prasad et al. 1997; Wise & Tschirhart 2000; Linneham et al. 2006). Some may also regard the increased requirement for flexibility as an obstacle to relationship development.

The research corpus on ethnic diversity in work communities has adopted widely the discourse, which attaches various potential benefits, such as increased innova-

tion, creativity, level of working climate, problem-solving and customer-care quality to the motivational foundation to support ethnic minorities and increase their proportion (Agocs & Burr 1996; Konrad 2003; Jayne & Dipboye 2006). This research path has noticeably operated at organisation level, whereas the interpersonal level seems to be narrower. One relevant observation here suggests that the impact of surface-level diversity factors, which refer to visible dissimilarities, will diminish over time, and deep-level diversity factors will be more important (Ditomaso et al. 2007). In reference to leader-member exchange, this transformation in influencing variables may suggest that critical obstacles to ethnically diverse work relationship development exist in early developmental stages and later on variables not directly related to ethnic diversity but its possible indirect implications and other possible deep-level variables are emphasised.

While organisations are gaining more and more ethnic diversity into their personnel corpus, and thus supervisors and subordinates from different ethnic backgrounds more often cooperate, it is natural to observe the practical implications related to these discussions. Indeed, it seems that further investigations may support organisations and individuals, both leaders and followers, in their efforts for better performance and high-quality working experiences.

1.2 Key definitions

The following sections discuss the concepts of leader-member exchange and ethnic diversity and are defined to support the reader in following the central paths of the literature in this study. More detailed definitions are offered later in Chapters 2 and 3 as the issues are discussed in greater depth.

Leader-member exchange

Leader-member exchange theory concentrates on the issue of interpersonal work-based relationships established between leaders and followers (Dansereau et al. 1975; Graen & Uhl-Bien 1995). The theory is located within a group of leadership theories that adopt a relationship aspect on leading individuals (see Yukl 2005). It aims to describe the nature, antecedents and outcomes, developmental process and inter-group relations of dyadic exchanges in different settings (Graen & Uhl-Bien 1995; Wayne et al. 1997; Liden & Maslyn 1998; Varma & Stroh 2001; Schyns et al. 2007). One of the theory's main declarations is that leadership, understood strictly as influencing and motivating people, is enabled through these dyadic relationships that are mainly controlled by the leader and are always

unique (Liden & Maslyn 1998; Schriesheim et al. 1999). This view is significantly different from the preceding understanding.

Ethnic diversity

Ethnicity refers to individual's ethnic and cultural referent group that may be based on common origin and shared ancestors, shared culture and habits, common religion, same race or similar physical characteristics and shared language (Siivonen 1998). It should be noted that in the modern world contexts develop rapidly, and thus these criteria may change and quickly become inappropriate (Saarelalo 1983). One approach is to define ethnic diversity as an emistic perception of otherness. Jenkins (1996) sees ethnicity and ethnic diversity as a collection of situations, in which a group of people has acted and lived together. It is also very typical in the existing research that workforce diversity, in general, is defined by comparing differences to the typical majority group member archetype (Hiller & Day 2003). Whenever the definition of ethnic diversity is discussed, the subject's approach, background and context should be considered (Hannerz 2003). Ethnic diversity research has been conducted from the viewpoints of organisation (see e.g. Richard et al. 2004; Kellough & Naff 2004; Wiethoff 2004), group (see e.g. Sargent & Sue-Chan 2001) and individual (see e.g. Chrobot-Mason 2004; Widell 2004). This study mainly utilises research with an individual focus.

1.3 Research gaps

In light of the above comments, there is considerable research potential at various levels of Graen and Uhl-Bien's (1995) developmental classification of the theory. While the second level, *the investigation of characteristics of LMX dyads and their organisational implications*, has been more completely investigated, the first level, *the discovery of differentiated dyads*, the third level, *the description of dyadic partnership building* and the fourth level, *the aggregation of differentiated dyadic relationships to group and network levels*, offer considerable, interesting and relevant research possibilities and responsibilities that are justified in-depth in the first conceptual and research agenda building article of this dissertation.

There are numerous studies that investigate the nature of the LMX relationship as perceived by both parties (for a list, see e.g. Graen & Uhl-Bien 1995; Scandura 1999). However, it seems that the ethnic minority member perspective has been largely overlooked in the existing research. Indeed, it seems such research has focused more on relationship processes (Tsui et al. 1995) and the individual's

processing of the perceived dissimilarities with the other party (Walker & Hanson 1992). Therefore, the second article aims to fill the research gap with regard to the ethnic minority subordinate's perception of the dyadic exchange established with the local ethnic majority supervisor.

The LMX research path focusing on the developmental aspects of the relationship is broad and includes various empirical studies providing focused knowledge on the process nature of the relationship (see e.g. Scandura & Graen 1984; Graen & Uhl-Bien 1995; Sparrowe & Liden 1997; Schriesheim et al. 1999). Some studies report the development of the relationship between dissimilar participants (see e.g. Scandura & Lankau 1996). However, there are no empirical studies concerning the impact of stereotypes, prejudices and social categorisation or social identity-related aspects, and thus, the research on dissimilarity is very scarce and limited at this level. Therefore, the third article aims to fill this research gap by focusing on the developmental process of the relationship with an ethnic minority member perspective.

Finally, the LMX research field focusing on widening the scope of investigation from isolated dyads to larger collectives and their dynamics has provided the theory with interesting viewpoints by approaching relationships as a system of interdependent exchanges (see e.g. Graen & Uhl-Bien 1995; Settoon et al. 1996; Schriesheim et al. 1999; Somech 2003). As this level is chronologically the latest development stage in the theory, the workforce diversity aspect has been approached differently in most studies (see e.g. Bell 1990; Ibarra 1994; Scandura & Lankau 1996; Krishnan & Park 2005; Kirton & Greene 2005) as it has developed to be more topical in all research focusing on work communities. However, this level is still far from providing a complete understanding of complex inter-dyadic relationships. There is still no clear picture about how individual relationships are interconnected and what the role of perceived dissimilarity is in relation to individual's views of themselves. Therefore, the fourth article aims to narrow this gap by researching how ethnic identity interacts with relationship perceptions.

1.4 Objective of the dissertation and research questions

The general objective of this study is to make a contribution to current aspects of leader-member exchange and ethnic minority member follower perspective on the relationship with ethnic majority member leader by studying ethnically diverse leader-member exchanges from the followers' point of view. In the light of the research gaps discussed above, this was accomplished through a careful literature

review as well as multiple empirical investigations. Having identified gaps in the research, the research questions are outlined next:

- (i) *How do the ethnic minority subordinates perceive the dyadic exchange relationship with their ethnic majority supervisors?*
- (ii) *How do the ethnic minority members perceive the development of a relationship with ethnically dissimilar parties?*
- (iii) *What is the role of ethnic minority members' ethnic identity in a relationship with an ethnic majority supervisor?*

The objective of the study is approached in three empirical articles, which are summarised in Table 1.

Table 1. Summary of the three empirical articles.

	Article 2	Article 3	Article 4
Focus of the study	Studies the ethnic minority member perception on the relationship established with ethnic majority member supervisor	Studies the ethnic minority member perception on the development of relationship established with ethnic majority member supervisor	Studies the appearance and relation of ethnic minority members' ethnic identity and the perception on the relationship with ethnic majority member supervisor
Source of data and method	Ethnic minority member interviews (n=20), discourse analysis	Ethnic minority member interviews (n= 20/20/18), three rounds during 10 months (initiation/3/10 months), discourse analysis	Ethnic minority member interviews (n=20), discourse analysis
Data analysis objectives	To identify the discourses and their dynamics utilised in the discussion of relationship and to reflect them against relevant literature	To identify the discourses adopted in the speech of relationship at different development phases and to reflect them against relevant literature	To identify the discourses and their interrelations utilised in the speech of relationship from the view of ethnicity

The first article is the conceptual investigation forming a research agenda and specifying the justifications and objectives of empirical investigations. Leponiemi is the sole author of all the articles included in the dissertation.

1.5 Structure of the dissertation

After the introduction the research dealing with relevant work-related relationships and ethnic minority members' work life is reviewed. Based on these reviews the study's theoretical framework is established. Next, the research methodology is introduced and justified. Finally, after the article summaries, conclusions and discussions about the work are presented. After the dissertation, the articles follow in a separate section.

2 EXISTING RESEARCH ON INTERPERSONAL RELATIONSHIPS AND ETHNIC DIVERSITY

This section presents the literature review for the study. First, the theory of leader-member exchange is introduced and dealt with according to the applied structure suggested by Graen and Uhl-Bien (1995). Consequently, ethnic diversity and its implications in work life, especially in work relationships, are presented. Here, the ethnic identity perspective is also introduced. Finally, the above discussions are collected together and central aspects selected to discuss the applicability of existing knowledge and establish key premises for the study's relationship analyses.

2.1 Theory of leader-member exchange

Few leadership theories have sustained researchers' interest and continued to flourish as long as has LMX theory. LMX theory deals with the work relationship that is formed between the leader and the follower. The following sections discuss the theory's background, nature of the theory, relationship development process and the social context's and collective's relation to dyad. In this section the applied theory developmental model by Graen and Uhl-Bien (1995) is utilised. After presenting the roots of the theory, the developmental stages *the discovery of differentiated dyads* and *the investigation of characteristics of LMX dyads and their organisational implications* are introduced together. Next, *the description of dyadic partnership building* stage is discussed and lastly the focus is on *the aggregation of differentiated dyadic relationships to group and network levels* (Graen & Uhl-Bien 1995: 225).

2.1.1 *Background to the theory*

LMX theory, initially called vertical-dyad linkage, rests on two core theories, social exchange theory (Blau 1964) and role theory (Katz & Kahn 1978). By briefly examining these theories the approach that LMX theory adopts can be better understood. The social exchange theory is based on the context of Gouldner's (1969) 'norm of reciprocity' wherein he discusses reciprocity as a 'mutually contingent exchange of benefits between two or more units' (p. 164). The LMX model of leadership is heavily dependent on the theoretical framework of social exchange theory postulated by Blau (1964).

A social exchange process takes place between leaders and followers. As Graen and Uhl-Bien (1995: 225) note, 'The centroid concept of the theory is that effective leadership processes occur when leaders and followers are able to develop mature relationships and thus gain access to the many benefits these relationships bring'. This statement highlights the idea that the essence of LMX as a construct is that it is a relationship-based approach to leadership that is focused on the social exchange process between a leader and a follower. LMX theory can be seen as a subset of social exchange theory; it describes how leaders develop different exchange relationships over time with various subordinates of the same group (Dansereau et al. 1975; Graen & Cashman 1975). Thus, LMX refers typically to the exchanges between a subordinate and his or her leader.

Social exchange theory (Emerson 1962) recognises how dyadic relations develop within a social context. Social exchange theory describes how power and influence among leaders and members are conditioned by the availability of alternative exchange partners from whom these leaders and members can obtain valued resources. Blau (1964) also distinguished the differences between social and economic exchange, noting that social exchange tends to produce feelings of personal obligation, gratitude and trust, whereas economic exchange typically does not. This distinction between social and economic exchange is fundamental to the way in which out-group or low-quality exchanges and in-group or high-quality exchanges have been distinguished in LMX research (Liden & Graen 1980; Liden, Wayne & Stilwell 1993).

From the role theory perspective, the LMX model provides an alternative approach to understanding the supervisor-subordinate relationship. The LMX model is based on the concept that role development will naturally result in differentiated role definitions and in varied leader-member exchanges. During initial interactions, supervisors and their subordinates engage in a role-making process, whereby the supervisor delegates the resources and responsibilities necessary to complete a task or duty. Subordinates who perform well in their assignment, task or duty will be perceived as more reliable by supervisors and, in turn, will be asked to perform more demanding roles (Dienesch & Liden 1986). Leaders usually establish a special exchange relationship with a small number of trusted subordinates who function as assistants or advisors. The exchange relationship established with remaining subordinates is substantially different (Yukl 2005).

The theoretical basis of LMX theory is the concept of a developed and negotiated role. Dansereau, Graen and Haga (1975), and Graen and Cashman (1975) initially conceptualised and tested the negotiating latitude construct in an investigation designed to study the assimilation of administrators into an organisation. Negoti-

ating latitude was defined as the extent to which a leader allows a member to identify his or her role development. This negotiating latitude was hypothesised as being central to the evolution of the quality of the leader-member exchange (Dansereau, Graen & Haga 1975).

Furthermore, each individual in a society occupies a status position in a family unit, community, and various institutions and organisations, in which each individual is expected to play a particular role (Katz & Kahn 1978). Dienesch and Liden (1986), as well as Graen and Scandura (1987), theorise that roles develop because there is mutual acceptance by both parties of the roles being assumed and mutual expectation that such roles will benefit both the leader and the member. This development also takes place in the role definition process of the leader-member exchange relationship.

2.1.2 The nature of the dyad

It has become a widely accepted concept that a supervisor develops a unique and dyadic exchange relationship with every subordinate that in turn develops quickly and remains relatively stable over time (Graen & Uhl-Bien 1995; Scandura 1999). Graen and Uhl-Bien (1995) provide a brief taxonomy of leadership theories that differ based on their primary focus. Specifically, leadership can be examined from three major perspectives: (1) from the leader's perspective, (2) from the follower's perspective, or (3) from the perspective of the relationship between the leader and follower. The third perspective, the relationship-based approach, best describes the investigation context of LMX theory. The focus is not only on the leader or the follower, it is the relationship between leaders and followers that is of primary concern. Thus, central issues are related to the amount of trust, respect and mutual obligation between the leader and follower, and how strong relationships are fostered and preserved. An important aspect of this relationship-based approach to leadership assumed by LMX is that there is a social exchange process occurring between leaders and followers.

Much of the research on LMX divides the subordinate's role and the quality of the LMX into two basic categories based on the leaders' and members' perceptions of the negotiating latitude, the in-group and the out-group (for early studies, applied later, Dansereau, Graen & Haga 1975; Graen, Novak & Sommerkamp 1982; Liden & Graen 1980; Scandura & Graen 1984). In-group or high-quality LMX is associated with high trust, interaction, support and formal/informal rewards. In-group members are given more information by the supervisor and report greater job latitude. These in-group members make contributions that go beyond their formal job duties and take on responsibility for the completion of tasks

that are most critical to the success of the unit (Liden & Graen 1980; Yukl 2005; see also Ansari et al. 2007).

Conversely, out-group or low-quality LMX is characterised by low trust, interaction, support and rewards. Out-group relationships involve those exchanges limited to the employment contract. In other words, out-group members perform the more routine, mundane tasks of the unit and experience a more formal exchange with the supervisor (Liden & Graen 1980). Earlier, Graen and Cashman (1975) and, later, for example Liden and Graen (1980) provide evidence that in-group and out-group memberships tend to develop fairly quickly and remain stable.

Unlike theories of leadership that propose that leader behaviour can be acquired by training and that leaders will treat all subordinates in the same manner, the LMX model of leadership asserts that it is questionable for leaders to treat all subordinates similarly (Korsgaard, Schweiger & Sapienza 1995). The primary value of understanding LMX lies in the prediction of certain outcomes. LMX is generally found to be associated with positive performance-related and attitudinal variables, especially for members. These variables include higher performance ratings (Liden & Graen 1980; Liden, Wayne & Stilwell 1993), higher overall satisfaction (Graen, Novak & Sommerkamp 1982; Rosse & Kraut 1983; Scandura & Graen 1984), greater satisfaction with supervisor (Duchon, Green & Taber 1986), stronger organisational commitment (Duchon, Green & Taber 1986; Nystrom 1990) and more positive role perceptions (Snyder & Bruning 1985).

On the other hand, LMX is negatively related to turnover (Graen, Liden & Hoel 1982) and intention to quit (Vecchio & Gobdel 1984). For instance, Liden and Graen (1980) found that out-group members who reported spending less time on decision-making were less likely to volunteer for special assignments and for extra work, and were rated by the leader as being lower on overall performance than in-group members. Rosse and Kraut (1983) observed that members' negotiating latitude was positively related to their job satisfaction and negatively related to their job problems (see also Whitlow 2001). Scandura and Graen (1984) also found that training interventions designed to improve supervisors' understanding and helpfulness in dyadic relations significantly improved the job satisfaction of members who initially had low-quality exchanges with their leaders.

Nystrom (1990) examined the quality of vertical exchanges between managers and their bosses, and found that managers who experienced low-quality exchanges with their bosses tended to feel little organisational commitment, whereas managers enjoying high-quality exchanges expressed strong organisational commitment. Differential treatment of subordinates by supervisors and the perception of fairness also have important consequences both for individuals

themselves and for individuals as members of a work group (Sheppard & Lewicki 1987; Yukl 2005). The perceptions of procedural fairness of subordinates are considered to be one of several possible outcomes of a negotiated process of role-making which involve leaders and subordinates during the early phases of their working relationship (Dansereau et al. 1975; Wayne & Ferris 1990). Recent research efforts have noted the potential importance of differentiated levels of exchange with respect to subordinates' attitude formation, and have called for research to determine whether such differential treatment might affect perceptions of fairness and various organisational outcomes (Cobb & Frey 1991; Forret & Turban 1994).

2.1.3 Relationship development process

The developmental aspect of LMX resulted from the pursuit of shedding light beyond the causal model descriptions of LMX (Sparrowe & Liden 1997). The level of analysis that followed the preceding second stage's focus on the dyad was directed towards process exposure (Graen & Uhl-Bien 1995). The central contribution to the theory at this level is the model of leadership-making (see Schriesheim et al. 1999), drawing originally from two longitudinal field studies focusing on its development (Scandura & Graen 1984). According to the model, the life cycle of the dyad can be divided into three phases if successful and positive development occurs (Graen & Uhl-Bien 1995; Schriesheim et al. 1999).

The first phase is referred to as the stranger phase, during which the participants initiate the exchange development (Graen & Uhl-Bien 1991). At this stage the interaction adopts a more formal nature and motivation is based on the economic exchange, in which the deeper relationship aspects such as trust, loyalty and affection have only a limited role (Liden et al. 1993; see also Sparrowe & Liden 1997). This stage is followed by the acquaintance stage, which is coloured by deeper social exchanges and an increased level of information sharing where personal and work resource apportionment begin to appear (Uhl-Bien et al. 2000). If the relationship proceeds to the next, mature level, the exchanges are intense and include qualities such as loyalty and support (Graen & Uhl-Bien 1995). The emotional element manifests itself in the relationships that were earlier based on behavioural exchanges (Graen & Uhl-Bien 1995; see also Uhl-Bien et al. 2000). For various reasons the incremental influence may not develop into the mature level and the developmental period may vary significantly. Some studies have suggested that the initial interactions are crucial, and that the stagnation of the quality of the relationship to the level nominated at the early stages of the exchange emphasises the meaning of positive relationship initiation and development (see e.g.

Scandura 1999; Pelled & Xin 2000). Current research activities drawing on the developmental aspects of LMX seem to emphasise the antecedents, although interest seems to be shifting more towards other stages of relationship research.

The LMX approach is based on the concept that relationship development will take place as role definitions occur in LMXs (Graen 2003). According to results of research studies, during the initial interactions, leaders and followers initiate a role-making process (Graen & Uhl-Bien 1995; Scandura 1999; Brower et al. 2000). In this process, the leader confers different responsibilities and tasks upon the follower and establishes a level of relationship quality based on the perceived performance (Dienesch & Liden 1986). Leaders typically create a special high-quality exchange relationship with a small number of trusted followers, who are also referred to as belonging to an in-group (Graen & Uhl-Bien 1995). Generally dimensions such as trust, affection, loyalty, obligation and respect are defined as forming a concept of LMX quality (see e.g. Dienesch & Liden 1986; Liden & Maslyn 1998). The relationship created with other followers is significantly different. Earlier research incorporating different diversity variables has generally suggested that perceived difference leads to lower quality exchanges (Dienesch & Liden 1986; Tsui & O'Reilly 1989; Pelled & Xin 2000, see also Byrne 1970), although ethnicity has not been widely considered in these studies. Therefore, this paper aims to contribute to this topic and hence the developmental approach and ethnic diversity are discussed further in the following sections.

Graen (1976) was one of the first to suggest how supervisor–subordinate relationships develop when he stated that the exchange qualities are the result of a negotiation process, involving aspects of both role and social exchange theory. The negotiation process refers to the initial interactions, both work and non-work, that impact upon how the supervisor feels about the subordinate. In these early studies (Graen & Cashman 1975; Graen 1976; Graen & Scheimann 1978), the factors affecting this negotiation process were not, however, fully revealed. Some of the various thoughts on this topic suggested that there are leader and member characteristics (i.e. personality, ability, motivation) which will interact with this negotiation process eventually to decide the quality of the relationship.

In response to this gap in the knowledge, Dienesch and Liden (1986) proposed a process-oriented model of the LMX relationship development. The authors stated that the first component is the initial interaction. In this interaction, each person brings unique traits, characteristics, attitudes, and so on to the meeting. Here, leaders may make attributions that will probably influence later steps in forming the quality of the relationship. The second step is the delegation by the leader to the member of an initial set of tasks or a trial assignment (Graen 1976; Dienesch &

Liden 1986). These assignments test the member and lead to the next step. The third step in Dienesch and Liden's (1986) model involves the member's behaviour in response to the leader's delegation in step two. Thus, member behaviour serves as both the member's key input into the LMX, as well as the focus of the leader's attributions concerning the member's ability and motivation and the resulting leader behaviours. The fourth step involves the leader's attempts to interpret and explain the member's behaviour. Finally, through the interactive process of member inputs and leader attributions and interpretations, the nature of the LMX is determined.

Another popular approach explaining how the LMX development may unfold is the leadership-making model (Graen et al. 1982; Scandura & Graen 1984), which attempts to explain the relationship development phenomenon as a life cycle with three chronological relationship-building phases. These phases are *stranger*, *acquaintance* and *maturity*. The 'stranger' phase takes place when individuals first come together without previous knowledge of each other. The interactions are typically formal, and cooperation is based on the contract and the effort to build a good-quality relationship. Although these first interactions are typically formal and surface-level, they steer the later development of the relationship. Dockery and Steiner (1990) concluded that initial interactions accounted for 46% of subordinates' and 79% of supervisors' assessed LMX variance.

In this initial 'stranger' phase, supervisors typically limit the information they give to the subordinate to work-related issues. The subordinate focuses on the job and there are limited levels of trust and personal information sharing. Later, both parties can make an offer to develop the working relationship 'through career-oriented social exchange' (Graen & Uhl-Bien 1995: 230). If this offer is accepted, the relationship may develop towards the 'acquaintance' phase. Interestingly, it appears that in general during the first period, subordinates place more importance on the emotional and interactional aspects of the relationship, while supervisors typically seem to emphasise work-related issues, such as productivity (Dockery & Steiner 1990). Further into the relationship's first period, Burns and Otte (1999) suggest that the social exchange between the parties begins to transform their in-dyad roles. This process continues until the development stagnates and the relationship quality is negotiated. Theoretical and empirical evidence has shown that high-quality (in-group) and low-quality (out-group) relationships develop particularly quickly in the beginning and remain fairly stable after they have been formed (Graen 1976; Graen & Cashman 1975; Liden & Graen 1980). Finally, by extending the unit of analysis also to include a surrounding social context, Sparrowe and Liden (1997) proposed that during the initial relationship development phase, if the parties share a common contact, the process will be af-

fected positively or negatively, depending on the similarity of the contact's nature.

In the 'acquaintance' phase, the relationship develops to be more dependent on social exchanges. Exchanges are less contract-based and there is an increased level of trust and personal information sharing. However, testing is still present in the exchanges, and fairness in giving and receiving is observed. Early on, Dansereau et al. (1975) and Graen and Cashman (1975) created the concept of the negotiating latitude of a relationship. They defined the latitude to be the extent to which a supervisor allows a subordinate to identify his/her own role development. They did not specify the period, but it would seem justified to assume that the identification would happen during the 'acquaintance' phase. Some authors also suggested that this latitude would be essential for the quality of development within the relationship, an observation that is in line with the leadership-making model (Graen et al. 1982; Scandura & Graen 1984). According to Bauer and Green (1996), the role-making phase should happen during the 'acquaintance' phase, or after the initial stage. Graen (2003) elaborated on this by concluding that after role definitions have taken place, role development and further establishment of the relationship will follow. It has also been reported that role developments should support the development of the relationship and result in positive outcomes. In his study, Sherman (2002) concluded that leader role inversion results in positive in-dyad impacts, such as accountability and work-related attitudes. Furthermore, many authors have suggested that LMX is a multidimensional development process. For example, Dienesch and Liden (1986) proposed that the positive development of a relationship is dependent on the perceived contribution to the exchange, loyalty and affection that is based more on interpersonal attraction than work or professional values. They also stated that the interaction between the parties and the attributions that they make about each other's behaviours are important when determining the direction of the development.

If the relationship develops positively to the next level, the concepts of maturity and partnership are added into the description. 'Maturity' is described as being the highest level of relationship development. Parties feel that they can trust each other and they perceive mutual loyalty as well as support. Bauer and Green (1996) have observed that here the participants are more able to predict the behaviour of the other through role routines. Here, also, the emotional aspect as well as the behavioural is present. Within the developmental process, respect and obligation grow and further establish the relationship. Participants may also change their work-related interests to be more mutual, instead of personal. Sparrowe and Liden (1997) also proposed that if the relationship reaches the high-quality level, it is likely that the leader (or supervisor) will sponsor the member (or subordinate)

into organisational social networks beyond the close work group. Leadership-making theory has suggested that personal interests can be fulfilled through satisfying the partnership interests (Graen & Uhl-Bien 1995). Whereas during earlier phases the power difference between the parties is distinctive, here in the social exchanges it diminishes and changes to a personal influence (Lawler 1992). Furthermore, Graen and Cashman (1975) found that subordinates with high-quality relationships used more personal and informal communication and also had more freedom to communicate with supervisors outside the formally prescribed channels with regard to issues not directly related to their work.

There is no standard time for the progression of each relationship and some remain permanently in the 'stranger' or 'acquaintance' phase (Graen & Uhl-Bien 1995). In general, the studies considering the time range of development are rare and some have focused more on the consistency of the relationship. Naturally, the pace of development is also determined by the level of cooperation and the number of possible social exchanges. Liden et al. (1993) investigated LMX development from two weeks to six months with regard to the leader-member relationship. The results of their study demonstrated general consistency, although stability decreased the longer the time intervals between data collections. Dansereau et al. (1975) found that the in-group and out-group statuses of the members were fairly consistent over a period of nine months. In a Japanese career progress study, Wakabayashi et al. (1988) found a median LMX stability of .60 after three years of study and six different data collections. The cumulative findings of these studies suggest that LMX relationships develop early and are fairly stable over time, though they can change over the course of the relationship (Liden et al. 1993; Wakabayashi et al. 1988). Finally, when examining the developmental process, it should be remembered that contextual factors may greatly affect the process. Generally, the research conducted suggests that when using traditional measures to assess the quality the contextual factors should be incorporated (Cogliser & Schriesheim 2000). There seem to be few LMX studies considering ethnic diversity, and none that also include the developmental approach. Thus, some relevant insights are introduced next to the theme.

2.1.4 Social context's and collectives' relation to dyad

The fourth stage expands the scope from the dyad to larger collectives as the nature of leadership in multidimensional organisations is recognised as being performed by different leaders and interacting team members (Graen & Uhl-Bien 1995). Therefore, this stage is described as approaching relationships as a system of interdependent exchanges. By adopting a level of analysis to be collective ag-

gregations of dyads, the question of how individual exchanges unite in order to create larger network assemblies is emphasised. The main contribution of this stage lies in the comprehension that the leadership structure is shaped by the enactment of exchange roles that are nominated by the participants (Schriesheim et al. 1999; Ilies et al. 2007).

Role performing requires a network of exchanges founded on reciprocal dependencies. Task structure and individual characteristics define the variance in relationship development within and across organisations. Since this stage is still seeking its disciplinary roots and as several branches are being actively researched, one of the key concerns is to understand the impact of exchange patterns on employees' performance and interaction with interest groups such as customers (Settoon et al. 1996). When the current and future possibilities for development of this stage are considered, it seems that there are multiple gaps, each of which has gained some research attention.

The research has aimed to shed light on the question of how high- and low-quality LMXs are aggregated in a work unit (Graen & Uhl-Bien 1995; Schriesheim et al. 1999). Another target of interest is how different exchanges interact with outcomes of work processes (Somech 2003). Also, examination of the differentiated relationships affecting task performance and attitudes (see e.g. Tsui et al. 1995) as well as investigations to discover the optimal proportion of different LMXs (Varma & Stroh 2001) are attracting research interest.

Based on two empirical studies, Hogg et al. (2005, 1002–1003) concluded that the salience of the group membership is associated with the perceived leader–member relationship effectiveness, and the effectiveness is in agreement with the social identity processes. Schyns (2006) suggests that LMX consensus within a team is influential in an organisation's performance, thus it is necessary to strive towards a similar relationship with all followers. Furthermore, in a theoretical article, van Breukelen et al. (2006) point out that current LMX theory has long been criticised for a lack of attention to group dynamics and this critique is still valid.

Relevant to this stage, one phenomenon typically seen in the process of interactions between individuals from different identity groups is the concept of otherness. It has been described as an identity produced for the other or self and is often linked with the feeling of non-togetherness, unfamiliarity and secondariness (Banks 1988). Kristeva (1992) suggests that otherness is based on prejudice but advances the perception as being certain and experience-based knowledge. Otherness typically occurs in people's interpretation processes when a person entering into a social context is perceived to be different (Jenkins 1996); however, it can also be a person's self-interpretation model, where a person in his/her own sur-

roundings is perceived to be different and stands out from the crowd (Liebkind 1988). Typically the perception of otherness is explained as leading to a situation where the interpreter's preconceptions affect the actual interaction (Jenkins 1996). Here, also the constructivism of otherness, referring to the phenomenon where the interpreter sees the actions of the interpreted as a part of general discourse related to the identity group in which the interpreter evaluates the interpreted to belong, is suggested to happen (Talib 1999). Hall (1992) has suggested that otherness and out-group membership are outcomes of a process in which one's own identity group, the in-group, is consolidated. The attractiveness of the out-group is typically diminished in order to maintain the in-group and, thus, for the out-group members the otherness produced becomes more unpleasant and negative (Hall 1992). Members of the out-group, for example minorities, may also know instinctively that something negative is linked to them.

Fairness and procedural justice also seem to have a role when mapping the discussion in this stage. For example, Hogg et al. (2005) nominate procedural justice to be one affecting variable partly determining the relationship quality, and Tyler (2003) emphasises that in an organisational context followers make judgements about the fairness of the leader's actions. If a member of a minority group perceives that she/he or his/her identity group is treated unfairly, motivational challenges are likely to appear. Furthermore, McCoy and Major (2003) suggest that for highly group identifying individuals, prejudice against the in-group is a threat against the self. Thus, the self-protective strategy of attributing negative feedback to discrimination may be primarily effective for individuals who do not consider the group a central aspect of self.

Applying this discussion to the theory of LMX, the previous understanding about the theory assumes that the exchanges take place within the dyad regardless of groups or various combinations of dyads forming networks (Graen & Uhl-Bien 1995). This approach perceives the relationship as being isolated from other dyads and the group surrounding the individual. The central consequence of this is that the theory assumes that individuals evaluate their relationships in an absolute sense (Hogg et al. 2005: 992). The recent viewpoint is rather different in its principal assumptions concerning the role of social context in exchanges and the emphasis, according to which it is natural for individuals to make social comparisons. Indeed, the context of each leader-member exchange relationship is typically populated with a network of other relationships between the leader and subordinates (Hogg et al. 2003). From the LMX point of view, these comparisons are made according to the perceptions of other employees' LMX relationships in a working community (Martin et al. 2005; Hogg et al. 2005). Furthermore, observations of equity, procedural justice and the possible effect of intergroup compari-

sons are all likely to have a central role in perceiving the quality of LMX (Hogg et al. 2005). Therefore, it has been argued that members determine their LMX quality not only in an absolute sense, but rather also according to the dimensions introduced above (Martin et al. 2005; Hogg et al. 2005).

2.1.5 *Critique towards the leader-member exchange theory*

Dienesch and Liden (1986) were active in observing and considering the shortcomings fairly early during the theory development. Their main contribution was to add multidimensionality into the construct of LMX. This development has led to discussions about the quality of measures. Indeed, the problematic nature of the measures related to exchanges and their perceived quality has generated some increased interest (Schriesheim et al. 1999; Colella & Varma 2001).

McClane (1991) has aimed criticism against the theory that role separation and satisfaction are in line in LMX theory. Higher role differentiation implies greater average satisfaction with the leader, group and co-workers than individuals with lower role differentiation. This means that in-groups should receive more praise and more attention than out-groups. The theory thus supports the general norm of not forming separate groups or barriers that would discriminate against certain persons.

An important critical viewpoint on the discussion comes from the leadership-related social identity theory (Hogg 2001), which suggests that members' identification with the group and the group's self-conceptual salience determines the effectiveness of the leader-member relationship (see e.g. Hogg et al. 2003; Martin et al. 2005). Furthermore, in a theoretical article, van Breukelen et al. (2006) point out that current LMX theory has long been criticised for its lack of attention to group dynamics – a critique that remains still valid. For example, Schyns (2006) suggests that LMX consensus within a team affects organisational performance and thus, similar relationships should be strived for with every follower.

The key assumption is that individuals evaluate their relationships in an absolute sense (Hogg et al. 2005: 992). The more recent viewpoint is different in its underlying assumptions concerning the role of social context in exchanges and the emphasis, according to which it is natural for individuals to make social comparisons. Indeed, the context of each leader-member exchange relationship is populated with a network of other relationships between leaders and subordinates (Hogg et al. 2003).

These comparisons are made according to the perceptions of other employees' LMX relationships within a working community (Hogg et al. 2005; Martin et al. 2005). Observations of equity, procedural justice and the possible effect of intergroup comparisons are all likely to play a role in perceptions of LMX quality (Hogg et al. 2005). Therefore, it has been argued that members determine their LMX quality not only in an absolute sense, but also according to the above dimensions in social context and other relationships (Hogg et al. 2005; Martin et al. 2005).

Furthermore, Varma and Stroh (2001) state that the research carried out in the sphere of LMX has failed to recognise the relationships, especially the initial role of interactions and perceptions in various organisational processes that take place, for example in international contexts. According to Northouse (1997), a criticism of LMX theory is that the basic ideas of the theory have not been extensively developed. For example, it fails to describe completely the process of how high-quality leader-member exchanges are established and developed. Certain early studies implied that they were formed because a leader found certain subordinates better suited with regard to personality, interpersonal skills or job competencies, but these studies do not describe the relative importance of these factors or how this process functioned (Yukl 2005).

2.2 Workforce ethnic diversity and interpersonal relationships in the workplace

The demography of workforces is increasingly adopting a diverse and dynamic composition as existing minorities are projected to overtake present majorities in the near future (Charles 2003; Hiller & Day 2003; Eckel & Grossman 2005). According to the literature, culture and other tangible variables such as ethnicity and race have been incorporated to only a limited degree in the research on supervisor-subordinate work relationships. A shared observation arising from this research is that the quality of the LMX seems to be lower in terms of measured values if the leader and the member differ demographically in age (Duchon et al. 1986; Tsui & O'Reilly 1989), gender (Duchon et al. 1986; Pelled & Xin 2000), race (Tsui & O'Reilly 1989), educational background (Tsui & O'Reilly 1989) or task-oriented communication (Zenger & Lawrence 1989).

On the other hand, variables that promote the quality of the LMX in terms of similarity are attitudes (Phillips & Bedeian 1994), race (Pelled & Xin 2000), member performance (Bauer & Green 1996) and perceived personality similarity (Bauer & Green 1996). However, some studies suggest that the negative relation-

ship is not clear or is absent. The variables employed in these studies are participants' expectations of the relationship (Liden et al., 1993), age (Epitropaki & Martin 1999), race (Basu & Green 1995) and gender (Bauer & Green 1996; Epitropaki & Martin 1999). Perceptions of LMX quality may also vary within the dyad, as demonstrated by the results of Varma and Stroh's (2001) study, in which male supervisors perceived the quality of the LMX to be clearly higher than female subordinates. To complete the list, Colella and Varma (2001) found that the interaction of subordinate disability and ingratiation affected the nature of LMX, and Janssen and Van Yperen (2004) reported that employees with stronger mastery orientations develop higher quality LMX relationships with their supervisors. Indeed, it is apparent from the above list that the knowledge we have about the nature of LMX relationships in the context of in-dyad diversity is both conflicting and incomplete.

Attempts to incorporate the element of individual difference into a theory focused on the exchanges between a leader and a follower have a long history. This is because the dissimilarity of individuals has been recognised as an influential element in various organisational contexts and, therefore, in focused LMX research, which resulted in the study of relationship quality gaining momentum during the 1990s. The research on workforce diversity has developed to be a substantial area of its own, adopting multiple levels of analysis, of which the individual viewpoint seems to be of particular significance when mapping relevant knowledge about the nature, outcomes, developmental process and assembly of exchanges onto the interactions between dissimilar supervisors and subordinates. Following the structure outlined above, the existing research on LMX and workforce diversity is now discussed.

2.2.1 *The nature of LMX between dissimilar members*

At the stage of *discovery of differentiated dyads* proposed by Graen and Uhl-Bien (1995), it would appear that the research incorporating differences between individuals is scarce. The studies approaching the dyadic relationship from the dissimilarity of the members' point of view have, instead, directed their research towards other matters related to the dynamics of a relationship, assuming that the nature of the relationship is invariable, even though many diversity creating variables such as ethnicity, race, gender and personality, have not been explicitly considered in the construction of the first stage of the theory. Therefore, the research on workforce diversity with a particular emphasis on individual perceived reality could provide some interesting insights into the relationship's core dimensions in

different contexts and, furthermore, could provide opportunities to question some of the common assumptions.

Existing workforce diversity research that focuses on the nature of relationships among dissimilar participants has concluded that knowledge sharing and the open communication of expectations may improve interpersonal relationships (Tsui et al. 1995), and that active dialogue between the participants enables the processing of stereotypes which supports the perceived quality of the relationship (Walker & Hanson 1992). As the quality aspect has links to the second stage, taking a stance on factors influential to positive development, the studies emphasise the meaning of preconceptions. Given the institutionalised nature of existing core dimensions reflecting the essence of LMX relationships, there is some inconsistency in studies that emphasise the perception of trust as a key foundation of the relationship between dissimilar individuals (see e.g. Lewicki et al. 1998). Furthermore, research focusing on individual diversity factors has provided some interesting results. For example, the relationship between participants with differing ethnic identities experiences the phenomenon of interacting ethnic identities, during which the participants regulate and apply their contribution towards the relationship (Zenger & Lawrence 1989; Wayne et al. 1997). Another theme gaining strength is the impact of the individual's social identity, which has been demonstrated to have a certain impact on behaviour and cognitions of other individuals, perceived as both similar and dissimilar (Colella & Varma 2001). In general, in the first developmental stage of LMX research it appears that the research is lacking both integration and focus, and thus there are extensive possibilities for further research.

2.2.2 *The characteristics of LMX between diverse members and organizational implications*

The investigation into the characteristics of LMX dyads and their organisational implication stage evidently appear more developed as suggested by the amount of research that has been conducted incorporating individual diversity. The existing research has suggested that demographic characteristics, as factors of diversity, can play an important role in the quality of LMX (see e.g. Dienesch & Liden 1986). Also, according to the similarity-attraction approach (see Byrne 1971), which claims that similarity can lead to positive reactions and thus to positive relationships, demographic similarity and perceived similarity may influence LMX development (Tsui & O'Reilly 1989; Wayne et al. 1997; George & Chattopadhyay 2002). Next, a thematic series of studies is presented. The list intentionally excludes a multitude of studies incorporating gender as a diversity factor

(see e.g. Somech 2003; Adebayo & Udegbe 2004), based on the fact that compared to other factors they are numerous, as well as falling outside the remit of this paper.

The research on visible diversity variables incorporated into LMX studies has suggested that workforce diversity measured by factors such as age and gender has a negative impact on the quality of LMX relationships (Duchon et al. 1986). In support of this, Pelled and Xin (2000) found that similarity of gender and race tend to result in positive LMX quality (see also Bhai et al. 2007). However, Epitropaki and Martin (1999) discovered that age and gender differences are not related to the quality of LMX, and high organisational tenure is related to low-quality LMX. Furthermore, including race as a variable, Basu and Green (1995) conducted a similarity study of the supervisor and the subordinate and the quality of LMX which resulted in no relation between race similarity and the quality of LMX. Later, Varma and Stroh (2001) found that male supervisors have typically more positive perceptions about the LMX than female subordinates in the dyad and that gender similarity produces perceived LMX similarity.

Much of the research has incorporated both surface- and deep-level (i.e. visible and invisible) diversity variables. Tsui and O'Reilly (1989) used surface-level factors such as age, gender and race, but also added education and liking as dependent variables. The results supported earlier research by Duchon et al. (1986) reporting that differences lead to low-quality relationships. The relationship between age and task-oriented communications in relation to the quality of LMX was studied, with the results showing that the differences typically lead to lower quality of LMX and also to lower levels of task-oriented communication (Zenger & Lawrence 1989). Interestingly, Liden et al. (1993) suggested that dissimilarities in expectations, perceived similarity, liking, demographic similarity and work performance have no significant effects on the quality of LMX. Bauer and Green (1996) focused on gender and personality similarity, member performance, leader delegation and the quality of LMX and found that the quality of LMX and positive affectivity similarity, performance and delegation are related, leaving gender with no significant relation.

The third research group has deep-level diversity factors as a common element. When the relationship between the quality of LMX and the attitudinal similarity of the individuals participating in a dyad was investigated by Phillips and Bedeian (1994), the findings showed that similarity is positively related to the quality of LMX. Deluga (1998) also used a deep-level diversity factor as a central theme in a study where the relation between conscientiousness similarity and the quality of LMX were investigated. The results showed that supervisor-subordinate consci-

entiousness similarity predicts subordinate in-role behaviour. The results of another study focusing on cognitive similarity and the quality of LMX found no clear relation, but showed that a degree of difference may still influence the nature of the relationship (Allinson et al. 2001). Finally, Janssen and Van Yperen (2004) discovered that employees with stronger mastery orientations develop higher quality LMX relationships with their supervisors.

In reviewing the investigations into characteristics of LMX dyads and their organisational implications when incorporating individual dissimilarity, it becomes apparent that the research lacks the cultural and ethnic dimensions of diversity. In addition, the partial incoherency of the results should be considered in future studies. Finally, from workforce diversity research, it is apparent that organisational outcomes' investigation was initiated by increasing levels of recognised diversity and higher awareness of individuals' uniqueness. However, the value of this stream in understanding organisational outcomes, which draws on the relationships between supervisors and subordinates as well as for validating the nature of LMX, is limited because of different focuses and scopes of research. From the cultural and ethnic diversity points of view, it may be of interest that there are multiple studies claiming interaction and interpersonal communication to be one of the biggest obstacles for effective work performance experienced by supervisors when working with minority subordinates (see e.g. Deluga 1998; Combs 2002).

2.2.3 *The developmental aspect of LMX between diverse members*

The dyadic partnership building stage, which adds the element of dissimilar perceived participants, appears to be a novel and developing field of research. Scandura and Lankau (1996) discuss perhaps most extensively the developmental process of LMX between diverse members, adopting gender and race relations as diversity creating variables. In the stranger phase, expectations of mutual respect seem to be a focal element that allows the relationship to develop further (Scandura & Lankau 1996). Challenges arise when respect is not similarly interpreted by the different participants. Racial diversity, for example, paves the way for the possibility and tension of expectations and prejudices based on differences. When the other party perceives the relationship to be coloured by stereotypical attitudes and the participant is placed in a category based on identity, the relationship is said to have stagnated at the stranger phase (Scandura & Lankau 1996). Tsui et al. (1989) describe relational demography as a factor affecting the development of LMX relationships. According to them, the demographic characteristics comparison is conducted and, in part, is negatively related to LMX development.

At the acquaintance phase of development, provided that mutual respect exists, mutual affection concerning attitudes and behaviours appears and, if successful, may lead to a reciprocal experience of trust (Scandura & Lankau 1996). It is reported that in diverse LMXs the perception of trust is fragile and may be unravelled leading to the fragmentation of the relationship, because of only one violation (Scandura & Lankau 1996). This is due to the reinforcement of negative stereotypes, prejudices and discriminating practices that are typically attached to a violation (Davidson 1995; Scandura & Lankau 1996). During the mature phase, a sense of mutual obligation and a deeper personal commitment develops (Scandura & Lankau 1996). As there is a positively perceived history of LMX, the participants begin to see the behaviour of the other party to be a norm in the relationship and which is respected. At this level research is scant, focusing instead on the solidity and well-established nature of the relationship, neglecting any negative stereotypes and thus preventing the most diversity-related challenges. Nor has the research on workforce diversity concentrated separately on the development of interpersonal relationships in the working context.

2.2.4 Assembly of the exchanges between diverse participants

The aggregation of differentiated dyadic relationships to the group and network levels stage is, as concluded earlier, a novel and developing stage of LMX research. The aspect of workforce diversity, however, is included in the focus and research settings as it appears to be a topical theme in studies of organisations from multiple perspectives. Interestingly, the diversity variable is reported to have a role in the development of networks that are essential for leadership behaviour (Bell 1990; Scandura & Lankau 1996). It has been said that enlargement of the dyadic processes typically follows the mature level of individual exchange (Scandura & Lankau 1996; Schriesheim 1999) and thus represents a central element in achieving a comprehensive view of the LMX phenomenon.

In light of this, the result of Bell's (1990) study on ethnic minority women is interesting, as it was found that women experience biculturalism in their professional work relationships and their non-work casual networks. Furthermore, the working context was found to represent a culture in which minority membership was accentuated whereas the casual context gathers together the representatives of that minority. These findings were also later supported by Ibarra (1994). A similar observation of identity groups' power in aggregation of LMXs in organisational contexts has also been conducted by DiTomaso et al. (1993) and later applied by Erdogan and Liden (2006). Prior to that, Duchon et al. (1986) concluded that gen-

der similarity among women necessitates more active communication and network formulation.

Scandura and Lankau (1996) proposed a model in which the impact of diversity on LMX is mapped. In the model the contextual influences, relevant when examining the assembly of relationships, were suggested to have a central influence on the outcomes of LMX in every level observable in the organisation. The influences were organisational climate and culture, group and organisational composition, economic environment, and organisational support for diversity (Scandura & Lankau 1996: 252). More specifically, Cox (1994) and Epitropaki and Martin (1999) have indicated that organisations investing actively in diversity issues are typically more effective in evading the challenges of diversity. On the other hand, when the composition of personnel is at a high level in terms of acknowledged diversity, it should be more natural to treat individuals based on work-related competence matters (see e.g. Cox 1994; George & Chattopadhyay 2002).

Scandura and Lankau (1996) suggest that as the economic environment is difficult, all the relationships within the organisation may suffer and so attention to diversity issues may be reduced. Lastly, the organisational approach to diversity most definitely affects relationships as individual leaders may find it natural to act based on organisational values and attitudes and thus hinder the impact of personal aspects (see e.g. Krishnan & Park 2005; Kirton & Greene 2005). As this broad mapping indicates, it is important to adopt a wider contextual scope and reach beyond the factors related to individual exchange when examining aggregations.

With regard to the team formulation stage and the issues that dissimilarity between the members brings to the exchange, further and more detailed research has been called for (see e.g. Scandura & Lankau 1996). Similarly, it has been concluded that treating people according to racial stereotypes leads towards poor leadership behaviour at the organisational level (see e.g. Scandura & Lankau 1996; Lewicki et al. 1998) and thus, it is essential to direct more focused research resources at this level. To conclude this section, it should be noted that this stage includes potentially the greatest opportunities for further research as approaches are broadened and certain novel aspects are examined. For instance, the impact of social and cultural identity on the organisation of dyads is yet to be examined. Shweder (1990) emphasises culture and culture-based social identity as the basis of all individuals' mental processes, having an effect on social relationships as well. The social identity perspective and its research focused on interpersonal relationships typically links the discussion with individual characteristics such as

ethnic identity and racial background (see e.g. Rosenthal & Feldman 1992; Palmer 2003; Seibert et al. 2003).

2.3 Ethnic identity perspective to interactions and relationships

When addressing an individual's background, the terms culture and ethnicity overlap and are used extensively for similar meanings. Many authors include both terms when describing or referring to a person's affiliation with a particular ethnic group, or to their sharing qualities, characteristics or customs (see e.g. Fiske et al. 1998; Ting-Toomey et al. 2000). Many researchers have stressed that the tangible term, race, should not be used because it is not a sociocultural term (see e.g. Foster & Martinez 1995; Phinney 1996), although it may be of relevance in discussions on ethnicity. When identity aspects are considered, ethnicity rather than culture seems to be emphasised. In addition, there are several studies that have adopted the term ethnic identity as a reference to various personal dimensions, of which cultural background is one (see e.g. Shapiro 2000).

Ethnic identity is personal and has many facets comprising nationality, race, culture, religion, language, geography, ancestry, family and sub-culture, or any combination of these (Fiske et al. 1998; Jehn 1999). Following the core elements of the widely used Multigroup Ethnic Identity Measure (Rotheram & Phinney 1989), ethnic identity is suggested to be the extent to which an individual identifies with a particular ethnic group and in which one claims heritage. Applying logic from the theory of self-categorisation (see Onorato & Turner 2001), ethnic identity also alludes to an individual's perception of belonging to an ethnic group and in part to one's feelings, thinking and behaviour that are due to ethnic group membership (Phinney 1996; Hedström & Swedberg 1998).

Ethnic identity is said to evolve with changes in social context and to involve attitudes and values (Yeh & Huang 1996). Robins (1999) has suggested that a person can receive a realistic observation of own identity in unexpected and insecure situations. Furthermore, Bauman (1996) concluded that a person processes one's identity particularly in situations where it is difficult to identify the familiar reference in order to regain a feeling of secure social context. Similarly, a few other studies suggest that ethnic identity's influence on interpersonal relations is important in situations where it is difficult to identify a group of reference (James et al. 1994) or where one's ethnic and cultural identity is forced to adapt or change (Kirmayer et al. 2000), which may happen, for example, when immigrant workers enter into an ethnically homogeneous community. Another perspective on ethnic

identity is offered by Byrne (1971) through the similarity attraction theory, although it was not principally applied to identity. Its application occurred later and results have shown, for instance, that race, among other variables, has an impact on a person's choice of the preferred type allowed into the in-group (Touhey 1974; Goldberg 2005).

Interactions between individuals from different ethnic groups are always unique, based on individuals' experiences, capabilities, attitudes and roles in the social context. Interaction is referred to here as a situation where parties listen to and communicate with each other, and want to be understood and to understand each other. When individuals with differing ethnic backgrounds meet, it has been suggested that their ethnic identities interact, during which the participants regulate and apply their contribution to the relationship (Zenger & Lawrence 1989; Wayne et al. 1997). Perceptions of prejudice are reported to be possible in these situations, particularly when the ethnic minority member has a high ethnic identification. Fiske (2001) reported that in interactions, low-identified minority members often try to overlook the perceived prejudice, whereas high-identified minority members have a strong reaction to it.

One phenomenon typically present in the interactions between individuals from different identity groups is the concept of otherness. It has been described as an identity produced for the other or self, and it is often linked with the feeling of non-togetherness, unfamiliarity and secondariness (Banks 1988). Kristeva (1993) suggests that otherness is based on perceived prejudice but also includes knowledge from certain experiences. Otherness often takes place in people's interpretation processes, when a person entering into a social context is perceived to be different (Jenkins 1996), but it can also be a person's self-interpretation model, where a person in his or her own surroundings is perceived to be different and stands out from the crowd (Liebkind 1992).

The perception of otherness is explained to lead to a situation where the interpreter's preconceptions affect the real interaction (Jenkins 1996). Here, the constructivism of otherness is also suggested to occur. The interpreter sees the actions of the interpreted as a part of general discourse related to the identity group, in which the interpreter evaluates the interpreted to belong (Davies 2004). It seems that otherness can be used to understand ethnic identity in many ways. For instance, Hall (1992) has suggested that otherness and out-group membership are outcomes of a process in which one's own identity group, the in-group, is consolidated. The attractiveness of the out-group is diminished to maintain the in-group, and thus, for the out-group members otherness becomes more unpleasant

and negative (Hall 1992). The members of the out-group, for example minority members, may also know instinctively that something negative is linked to them.

Fairness and procedural justice also have a role in a discussion of ethnic identity, interactions and relationships. For example, Hogg et al. (2005) cite procedural justice to be one variable partly determining relationship quality, and Tyler and Blader (2003) emphasise that in organisational contexts followers make judgments about the fairness of the leader's actions. If a member of a minority group perceives that he/she or his/her identity group is treated unfairly, motivational challenges are likely to arise. Furthermore, McCoy and Major (2003) suggest that for highly group identified individuals, prejudice against the in-group is a threat against the self. Thus, the self-protective strategy of attributing negative feedback to discrimination may be effective for individuals who do not consider the group a central aspect of self.

Finally, when discussing ethnic identity and identity groups, it is important to bear in mind that various ethnic minorities may form a minority group of their own in a workplace even if the ethnic origins vary inside that group (Hogg et al. 2005). This may happen if the number of ethnic minority members is very small compared with majority members. In this kind of group it is the minority group identification that integrates individuals (Seibert et al. 2003; Hogg et al. 2005; Martin et al. 2005). The group may, for example, consist of an organisation's immigrant workers.

There are at least two different possible viewpoints available when considering ethnic identity's impact on the relationship between supervisor and subordinate. The traditional viewpoint is, to some extent, adopted by the LMX research, according to which exchanges take place within the dyad regardless of groups or various combinations of dyads forming networks (Graen & Uhl-Bien 1995). This approach views the relationship as isolated from other dyads and the group surrounding the individual. The key assumption is that individuals evaluate their relationships in an absolute sense (Hogg et al. 2005: 992). The more recent viewpoint is different in its underlying assumptions concerning the role of social context in exchanges and the emphasis, according to which it is natural for individuals to make social comparisons.

Indeed, the context of each leader-member exchange relationship is populated with a network of other relationships between leaders and subordinates (Hogg et al. 2003). These comparisons are made according to the perceptions of other employees' LMX relationships within a working community (Hogg et al. 2005; Martin et al. 2005). Observations of equity, procedural justice and the possible effect of intergroup comparisons are all likely to play a role in perceptions of LMX qua-

lity (Hogg et al. 2005). Therefore, it has been argued that members determine their LMX quality not only in an absolute sense, but also according to the above dimensions in social context and other relationships (Hogg et al. 2005; Martin et al. 2005).

Ethnic identity, in the sense of an individual's perception and identification with an ethnic group, is allowed to play a role in the latter approach, which takes social context, equity and procedural justice into account. From the individual perspective, it has been suggested that belonging to a certain ethnic or cultural minority is a focal definer of the work perception in general (Cox 1993). Furthermore, immigrant workers' ethnic- and culture-related backgrounds and characteristics are also suggested as having an impact on the relationship with their supervisors. The existing studies that have been conducted according to the isolated dyad approach generally show a negative relation between such dissimilarity and exchange quality (see e.g. Dienesch & Liden 1986; Tsui & O'Reilly 1989; Pelled & Xin 2000). The results of these studies emphasise the meaning of perceived dissimilarity in ethnicity and other related diversity variables. By adopting the social context approach, many interesting questions arise, such as what is the role of social comparison between members from different ethnic identity groups in the determination of LMX quality, and does ethnic minority membership provide some premises for the LMX relationship evaluation.

As referred to earlier, Graen and Uhl-Bien's (1995) taxonomy on LMX theory's developmental stages gives a feasible framework against which to reflect the potential effects of ethnic identity on LMX. When investigating the results of the *discovery of differentiated dyads* stage (see Graen & Uhl-Bien 1995: 226) that focused on revising the leadership frame in relationships, it should be noted that already early LMX studies linked the high- and low-quality relationships as conceptual in- and out-groups that the supervisor uses to apply certain approaches to certain subordinates. Not only does this fit with the taxonomy discussed above on otherness, but it also follows closely the concept of social identity as the level of analysis is limited to the dyad with the working unit as well as procedural justice aspects of identity. Another relevant LMX research aspect that is interesting for the social identity perspective is the LMX stage *description of dyadic partnership building* (Graen & Uhl-Bien 1995: 229), during which the developmental process aspect of relationships was discussed, and also the considerations of similarity attraction in supervisor-subordinate relationships (Byrne 1971; Basu & Green 1995).

According to the leadership-making model describing the development of LMX, the relationship development process consists of three phases, if successful. In the

beginning stranger phase, two people come together and start working with each other on a formal basis (Uhl-Bien & Graen 1992). Consequently, in the acquaintance phase, the relationship's quality rises from low to medium and social exchanges increase. Finally, if the relationship develops further, it enters the mature phase, where the relationship includes trust and loyalty (Uhl-Bien & Graen 1992; Graen & Uhl-Bien 1995). Considering the differing ethnic backgrounds of individuals and their interacting ethnic identities (Zenger & Lawrence 1989; Wayne et al. 1997), it seems that the transition from stranger to acquaintance level is challenging owing to possible prejudices as well as to the similarity attraction process.

Empirical studies that have demonstrated a relationship between perceived similarity and LMX relationship quality appear to be of importance from the ethnic identity perspective (for relevant variables, see e.g. Tsui & O'Reilly 1989; Pelled & Xin 2000, see also Basu and Green 1995). This refers strongly to the similarity attraction approach (Byrne 1971), and also racial aspects of similarity perception (Goldberg 2005). On the other hand, earlier results on ethnic identity's influence on relationships in which an identity group's identification is difficult (James et al. 1994) approaches the issue from the opposite direction. Perceived dissimilarity of self is seen here as an obstacle to an individual's actions. Furthermore, the aspects of procedural justice and fairness focus on activities and consequences occurring after a perception by a member of an identity group as having been treated unfairly (Tyler & Blader 2003; Hogg et al. 2005). Considering both the obvious and indirect links between LMX theory and the ethnic identity of an individual discussed above, it is clear that further investigation along these lines is justified. However, there are no studies that deal with these issues together.

2.4 Other aspects into relationships between dissimilar members

Existing workforce diversity research that focuses on the nature of relationships among dissimilar participants has concluded that knowledge sharing and the open communication of expectations may improve interpersonal relationships (Tsui et al. 1995), and that active dialogue between the participants enables the processing of stereotypes which supports the perceived quality of the relationship (Walker & Hanson 1992). As the quality aspect has links to the second stage, taking a stance on factors influential to positive development, the studies emphasise the meaning of preconceptions. Given the institutionalised nature of existing core dimensions reflecting the essence of LMX relationships, there is some inconsistency in studies that emphasise the perception of trust as a key foundation of the relationship

between dissimilar individuals (see e.g. Lewicki et al. 1998). Furthermore, the research focusing on separate diversity factors has provided some interesting results. For example, the relationship between participants with differing ethnic identities experiences the phenomenon of interacting ethnic identities, during which the participants regulate and apply their contribution towards the relationship (Zenger & Lawrence 1989; Wayne et al. 1997). Another theme gathering strength is the impact of an individual's social identity, which is shown to have a certain impact on behaviour and cognitions of other individuals, perceived as both similar and dissimilar (Colella & Varma 2001).

Other research paths taking up a position on the phenomenon are cross-cultural communication (see e.g. Kim 1988; Limaye & Victor 1991; Samovar & Porter 1995), intercultural communication (see e.g. Brislin & Yoshida 1994; Scollon & Scollon 1995) and ethnic aspects on culture anthropology (see e.g. Turner 1993). These, however, deal more with ethnic background-related factors as opposed to the dynamics of the relationship itself.

2.5 Summary of previous research and standpoints for the empirical work

The above reviews have highlighted multiple important aspects about the LMX relationship from the viewpoints of generally accepted principles and, in particular, between dissimilar participants. The studies conducted have contributed to our overall understanding and, based on the collective results, it can be deduced that perceived dissimilarity may lead to challenges regarding the quality of LMX relationships. Furthermore, perceptions of LMX are different when the participants experience the partner to be a member of a certain minority group. However, it has become clear that there are still some central elements as well as more focused aspects of the phenomenon that have been relatively neglected in the existing research.

As a general approach, it should be considered that even though LMX theory is divided here into separate aspects, the phenomenon is, indeed, a comprehensive experience and perception for the participants. Therefore, when a limited research focus is adopted and a single aspect is employed, the results are more relevant and valid if they are integrated into a larger concept of dyadic relationship experience. The objective of the following proposal is to follow this principle while the separate focal stages are used as frames to structure and channel future research efforts. Another important aspect is to consider whether a research agenda focusing on the leader-member exchange between participants with perceptions of being

different to each other should be considered as a novel avenue of research located hierarchically beneath mainstream research on LMX, or whether it should be considered as the very essence of LMX which accentuates the current reality in workplace settings.

First, the basic concept of LMX should be revalidated. This refers to the dominant idea of the relationship being formed based on the leader's behaviour towards the follower and thus excludes the interesting avenues of the companionship and the follower activity approach. Furthermore, the level of analysis could be reconsidered although it is partly achieved in any case when the research setting is brought into the individuals' dyadic settings between dynamic organisational relationships in new hierarchical forms. Another interesting question is the definition of quality. It still has not been adequately established whether quality measures of the interpersonal relationship adequately take into account the possibility of variations within individuals' values, objectives, cultural coded attitudes and social identity affected expressions.

Second, it should be acknowledged that studies incorporating the differences between individuals are still very small in number. Factors such as assumptions, attitudes and prejudices may be linked to the phenomenon and thus their impact can be discovered by adopting novel, interdisciplinary approaches to research. Certainly, some practical implications may be derived as the impact of knowledge sharing, open communication of expectations as well as active dialogue and processing of stereotypes on the quality of relationship are considered. Supported by the largely inconsistent results, the perceived dimensions of LMX could offer an interesting avenue of research. The impact of perceived trust and ethnic identity interaction is one area that could be explored in this regard. Finally, the issue of an individual's social identity as having an impact on cognitions and behaviour may present some fruitful research settings when incorporated with LMX.

Third, when adopting the process aspect of LMX, there are multiple interesting issues to be considered in modern workplace contexts. First of all, it should be kept in mind that the development exposure of LMX was founded on just two longitudinal field studies. Other studies have been conducted since then but the foundations of this field of research remain not particularly expansive. The three-phase development model is strongly institutionalised in the field. However, participants' dissimilarity has not been fully observed in this model. For example, at the stage of acquaintance, there is no knowledge regarding the impact of stereotypes, prejudices and social categorisation on the colouring of deeper social exchanges. Interestingly, at the mature level, qualities such as loyalty that are central to the diversity literature on interpersonal relations appear, but there is no in-

depth discussion of the reality in which most of the minorities might be excluded at this level.

Fourth, the dissimilarity of participants' interpretations of central elements such as trust and mutual respect seems to lead towards the stagnation of LMX development. However, we have no deeper knowledge of the dynamics relating to this phenomenon. The multitude of ways in which individuals differ throws open an almost unlimited field of research where the factor in question should provoke some elements for discussion (e.g. racial diversity and prejudices). In addition, further study could be aimed at the demographic characteristics comparison as a negative factor on LMX development. An interesting aspect for future research might also arise from deeper examinations into trust or other such central elements of LMX at the maturity level, as there is some evidence of its fragility in the case of participants' dissimilarity. Furthermore, it should be noted that research is very scarce at the maturity level and LMX development beyond the mature level is essentially absent, thus offering possibilities to study the end phases of development and the factors affecting the relationship.

Fifth, perhaps the most fruitful field of research lies in the fourth stage of LMX development. Comparatively speaking, this field is still finding its feet, which is positive insofar as restraints such as consensus and relevancy appear not to hinder the branches of research that have emerged. First of all, when approaching relationships as a system of interdependent exchanges, the field is still largely seeking an answer to the question of how individual exchanges unite in order to create larger network assemblies. More specifically, it is of interest to understand further the impact of exchange patterns on employees' performance and interaction with other groups. In general, there are many gaps in our understanding about the relationships and hierarchy of high- and low-quality LMXs and their aggregation in a work unit. Furthermore, our knowledge about how different exchanges interact with outcomes of work processes, and knowing how relationships affect task performance and attitudes is also lacking. The impact of culture and social identity appears to be of some relevance when planning future studies. There are some studies especially focusing on the perceived biculturalism and the effect of social identity and categorisation, but further validation and inclusion of different samples could provide us with some new insights. In essence, the meaning of the research at this stage is accentuated by the preliminary results of, for instance, racial stereotypes and the quality of leadership in organisations.

3 RESEARCH METHODOLOGY

The work's research questions are approached through individual studies introduced in the articles. Every set of data adopts a qualitative research method, especially discourse analysis. This section deals with the research strategy, philosophical underpinnings, the method and analysis as well as the study's validity and reliability.

3.1 Research strategy

The present study makes primary use of the discourse analytical tradition suggested by Potter (2004), focusing on the discourses that create both objects and subjects (see Fairclough 1992; Wetherell & Potter 1992; Prior 1997). This is based on the interpretation of relationships and social exchanges between individuals as connected opinions, feelings and experience-based cognisance (Graen 2003) that become visible as objects and described characteristics when individuals produce thematically oriented discourses (Wetherell & Potter 1992).

The study aims to investigate participants' opinions, views and inner feelings about the relationship established with the ethnic majority in the work community. Therefore, in the light of the above, the qualitative research strategy, especially methodologies striving towards deep individual cognisances are preferable. As Graen (2003) has rather recently introduced such a description of relationships and social exchanges, the discourse analytical approach appears to be justified and thus is utilised in this study. Regardless of the weighty quantitative tradition of LMX research, there is also a reasoned basis for other standpoints in the literature. For example, Fairhurst and Hamlett (2003) and Fairhurst (2007) see narrative methodology as a way of gaining a richer and more in-depth view of the relationship's nature than a momentual status provided by quantitative scales.

To achieve its aims, this work approaches the identification of discourses using the meso-approach of Alvesson and Karreman (2000). This approach defines speech to be highly collapsed with cognitive processes. Furthermore, the analytical dimension of discourse determination directs the analysis towards the search of statements and identification of certain discourses that are used to refer to relatively established repertoires incorporated in a certain meaning in a certain field (Alvesson & Karreman 2000).

The interview data of the present study were gathered from immigrant members of different organisations operating in Finland. Immigrant members were a target group based on fulfillment of the condition of ethnic minority representation.

Each interviewee was in a subordinate position and had a majority culture member supervisor. Both longitudinal and non-longitudinal data collection strategies were used in this study.

3.2 Socio-constructivist and constructivist approaches

Constructivism is a perspective in philosophy that views all of our knowledge as constructed, under the assumption that it does not necessarily reflect any external transcendent realities; it is contingent on convention, human perception and social experience. Constructivism criticises essentialism, whether it is in the form of medieval realism, classical rationalism or empiricism (Berger & Luckmann 1994; Glaserfeld 1996). Constructionism and constructivism are often used interchangeably. It is believed by constructivists that representations of physical and biological reality, including race, sexuality and gender are socially constructed (Aranda & Rebollo-Gil 2004). The expression ‘constructivist epistemology’ was first used by Jean Piaget in 1967, with its plural form in the famous article from the *Encyclopédie de la Pléiade Logique et Connaissance scientifique* (Logic and Scientific knowledge), an important text for epistemology. In this text he refers directly to mathematician Brouwer and radical constructivism.

The common thread between all forms of constructivism is that they do not focus on an ontological reality, but on the constructed reality. Indeed, a basic presupposition of constructivism is that reality in itself (ontological reality) is utterly incoherent as a concept, since there is no way to verify how one has finally reached a definitive notion of reality. One must already have established reality in mind, that is, one must already know what reality consists of, in order to confirm when one has faced reality, therefore, that all claims to realism can be still reduced to intuition (Rorty 1982).

Famously, this rather relativist theory of constructivism is seen by some to contradict itself as a true affirmation: because this view also is ‘constructed’, that is, made and not found, built by persons rather than discovered in nature or objective reality. Consistent constructivists, however, will reply to this critique with a rejoinder of their own. According to Rorty (1982) and Gergen (1985), it is the basic claim of constructivism which allows one to reject altogether claims to universalism, realism or objective truth. Consistent constructivists will not make any of these rather concrete claims for their views, for they believe that their position is merely a view, a more or less coherent way of understanding things that has thus far worked for them as a model of the world.

Constructivism typically points out that the modern scientific inquiry is itself subject to the contingencies of history, culture, language and the tenuousness of the human intellect (see e.g. Berger & Luckman 1994). Constructivism typically proposes new definitions for knowledge and truth that form a new paradigm, based on inter-subjectivity instead of the classical objectivity and viability instead of truth. Thus, the constructivist point of view is, indeed, pragmatic.

In psychology work has normally proceeded under the title social constructionism with concern being expressed that social constructivism could be confused with the artistic movement known as constructivism (Gergen 1985). In contrast, in the sociology of scientific knowledge constructivism is a well-established perspective, but constructivism is increasingly favoured over social constructionism (Latour & Woolgar 1979, 1986). One reason for this is that social construction is associated here with rather limited perspectives which relate knowledge to scientists' social background and group allegiances. However, sociological constructionists often see such accounts as reductive (Mulkay 1979; Woolgar 1988; Knorr-Cetina 1995). More radically, they have started to question the coherence of the very distinction between the social and non-social (Latour 1987).

3.3 Discourse analysis

Similar to most other methods for the analysis of discursive data, discourse analysis is not a coherent paradigm of well-defined procedures, but a proliferated theoretical approach, which covers a broad range of methodological devices. One starting point is the following quotation from M. Stubbs' textbook (Stubbs 1983: 19), in which discourse analysis is defined as concerned with language use beyond the boundaries of a sentence/utterance, with the interrelationships between language and society and concerned with the interactive or dialogic properties of everyday communication. It follows that discourse analysis is also concerned with language use in social contexts, and in particular with interaction or dialogue between speakers (Potter 2004).

The term discourse was first used by Zellig Harris (1953) who, interestingly enough, specifically ruled out the kind of study which discourse analysis fundamentally aims to do. Instead, Harris argues that linguistic research focuses on the elements within an utterance; discourse can be considered, quite simply a sequence of utterance. He argues the study of the interrelations between utterances within a discourse; the scope of a discourse analysis required much more information than the theoretical apparatus at that time could handle.

Discourse analysis focuses on talk and texts as social practices, and on the resources that are drawn on to enable those practices. For example, discourse analytic studies of racism have been concerned with the way descriptions are steered in particular contexts to legitimate the blaming of a minority group (Potter & Wetherell 1988), and with the resources ('interpretative repertoires') that are available in a particular cultural setting for legitimating racist practices (Nairn & McCreanor 1991; Wetherell & Potter 1992). Discourse analysts have focused on issues of stake and accountability, looking at the way people manage pervasive issues of blame and responsibility (Antaki 1994; Edwards & Potter 1993; Gill 1993) and have studied the way descriptions are put together to perform actions and manage accountability (Potter, forthcoming). For example, Edwards (1994) studied 'script formulations' in a set of telephone conversations, showing the way events could be described to present them as regular and routine, to treat them as a characteristic consequence of personal dispositions or to make them appear as an unusual result of outside pressures. Such descriptions manage questions of fault and provide legitimation for courses of action.

It can be said that in general discourse analysts have rejected the traditional cognitive explanations of psychology. Rather than try and explain actions as a consequence of mental processes or entities, their interest has been in how mentalist notions are constructed and used in interaction (Gill 1993; Wetherell et al. 1987). New studies are being carried out, pushing back the limits of discourse work, and the problematics of discourse analysis are providing a new take on a range of psychological issues. The idea of an interpretative repertoire is intended to accommodate the twin considerations that there are resources available with an off-the-shelf character that can be used in a range of different settings to carry out particular tasks, and that these resources have a more bespoke flexibility which allows them to be selectively drawn on and reworked according to the setting. It is the attempt to accommodate this flexible, local use that distinguishes interpretative repertoires from the more Foucaultian notion of discourses (Parker 1992; Potter et al. 1990). Participants will often draw on a number of different repertoires, flitting between them as they construct the sense of a particular phenomenon, or as they perform different actions. Billig (1992) refers to this as the kaleidoscope of common sense.

The classic research employing this notion is Gilbert and Mulkey's (1984) study of scientists' discourse, which records the way scientists use one interpretative repertoire in their formal writing for justifying facts, and another in their informal talk when accounting for why competing scientists were in error. More recently, the notion has been developed in a number of studies with a more social psychological focus (e.g. Marshall & Raabe 1993; Potter & Reicher 1987; Wetherell et

al. 1987; Wetherell & Potter 1992). The overall analytic goal in these studies is the identification of repertoires and the explication of the practices of which they are part. For methodological discussions relating to repertoire analysis, see in particular Coyle (1995), Potter and Wetherell (1987) and Wetherell and Potter (1992) and Wooffitt (1992).

Although the notion of discourses or interpretative repertoires has proved analytically fruitful, it has some limitations. For example, it is much more difficult to make clear and consistent judgements about the boundaries of particular discourses outside constrained institutional settings such as science discourse. Another problem is that the generality of the discourse notion may obscure local interactional business done by particular discourse forms (see Potter forthcoming; Wooffitt 1992). Interviews have been used extensively in discourse analytic work; however, they are construed in a novel manner. Traditionally, the goal of an interview was to produce a piece of colourless, neutral interaction. However, in practice, interviews are as complex and vivid as any other type of interaction, and responses to answers which may seem neutral and non-committal in the abstract may have an important impact on the trajectory of the interaction.

In discourse research interviews have been used extensively because they allow a relatively standard range of themes to be addressed with different participants. They also allow a high degree of control over sampling. Interviews are conceptualised as an arena for identifying and exploring participants' interpretative practices rather than as an instrument for accessing a veridical account of something that happened elsewhere, or a set of attitudes and beliefs (Mischler 1986; Potter & Mulkay 1985). An interview can be a particularly effective way of getting at the range of interpretative repertoires that a participant has available, as well as some of the uses to which those repertoires are put. Billig (1992) and Wetherell and Potter (1992) have produced extended discourse-based studies which work principally from interview material and illustrate some of the analytic possibilities they provide. Widdicombe and Wooffitt (1995) draw extensively on discourse analysis to show how interviews can be dealt with as an interaction rather than a research instrument, exploring the way that different social categories are worked up, used and avoided in the course of interview talk.

Despite the virtues of this use of interviews, there are problems in relating the practices that happen in interviews to what takes place elsewhere and avoiding the interaction being swamped by the interviewer's own categories and constructions. Even the most open-ended of interviews is guided by a schedule which specifies topics and themes as important. Moreover, even when an interview is understood as an interaction in its own right, the dominant question and answer format is not

ideal for retrieving the sorts of turn-by-turn display of action and understanding that conversation analysts have utilised so effectively. Partly for these reasons, discourse analysts have been increasingly turning to the study of records of natural interaction.

This study mainly adopts the concept of discourse over the concept of repertoire, but as was introduced above, refers to similar ideals. It also uses interviews as a mean of gathering data based on the justifications introduced above.

3.4 Data collection and analysis

Regarding the non-longitudinal sections of the study, the interviewees' inner perceptions were approached by aiming to identify discourses referred to when discussing the work-related relationship with the interviewee and his or her supervisor. The identification process was carried out according to the guidelines set by Wetherell and Potter (1992) and also Fairclough (1997). According to them, the objective of discourse analysis is to shed light on issues, perceptions, experiences, attitudes or other things that perhaps may be otherwise left in shadows. It bases itself strongly on the principles of social constructionism that claims that the use of language and speech creates social reality in certain social practices (Potter & Wetherell 1994).

Individual discourses are seen as meaning systems and according to Potter and Wetherell (1994) their identification and interpretation is essential to the research. According to them, discourses' nature is many sided and it is important to remember that they do not appear as clear units in texts. The identification process does not mean necessarily the identification of separate themes or subjects of discussions and the identification is not supposed to base itself on the researcher's own constructions. Typical for discourse analysis is that the use of words and other symbolic actions in the texts are of importance for the analysis. After understanding the division of individual discourses in the text it is relevant to investigate their inner dynamics and possible interdiscursive linkages that deem individual discourses' nature further.

Regarding the developmental process aspect of the study, an earlier strategy was implemented in the longitudinal setting following Ruspini's (2002) instructions. This is justified by various benefits the setting enables as suggested by Ruspini (2002: 24–25). First, this approach enables the analysis of duration of the relationship development. Second, the longitudinal setting makes it possible to highlight crucial changes and differences between the data gathering periods. Third, it

supports the possible identification of certain connections between events and transitions that are greatly separated in time. Fourth, it supports the aim of describing the subjects' intra-individual and, importantly to relationship research, inter-individual changes over time and monitoring the extent and patterns of these changes. Lastly, the longitudinal approach enables the description and explaining of developments in terms of certain other descriptive characteristics. In addition to these, Leisering and Walker (1998) emphasised that the longitudinal setting may also contribute to identifying the causes of certain social phenomena.

In the longitudinal section, especially participants' interview texts were utilised and thus the longitudinal technique on semi-structured and unstructured interviews suggested by Ruspini (2002: 50) followed. This technique allows the definitions of certain social situations in terms of perceptions and representations. Ruspini (2000: 50) emphasises that certain objectives condition the interviewee giving meaning to their experiences, which is analogical in this study's analysis objectives, while Ruspini (2000) mentions narrative interviews, that require the interviewer to steer the discussion as little as possible and let the interviewee initiate discussion of the given topic relatively freely (see e.g. Edwards & Potter 1992). In this study a special condition for the longitudinal relationship development follow-up setting was the newness of the relationships followed. Therefore only organisations' newly hired members, who had just been initiated or were in a process of initiation in their relationships with the supervisor, were studied. During the later interview rounds the same interviewees were questioned. In the longitudinal section the second data gathering round was organised after the interviewees had worked with their supervisors for approximately three months. The last round included in this study was organised after the participants had maintained their relationship with their supervisors for some ten months.

The present study's data were gathered via interviews from immigrant members of different organisations operating in Finland, mainly in the Helsinki area. Immigrant members were a target group based on fulfillment of the condition of ethnic minority representation. Each interviewee was in a subordinate position and had a majority culture member supervisor. Total of 60 individuals, originally from Estonia, Russia, Poland, Czech Republic, Germany, Austria, Somalia, Ethiopia and Turkey were interviewed in-depth concerning the relationship with their supervisor. In the longitudinal section, 20 interviewees were interviewed three times over time. The educational level of the interviewees was relatively high, but typically not recognised in a new context. Gender distribution was almost equal amongst the interviewees. Most of the interviewees were 30-45 years old but there were also some participants outside of this range. The interviewees were asked to describe and to reflect on the nature of their relationship. The data

were processed by transcribing to include repetitions, irregularities as well as ordinary speech between the interviewer and the interviewee. The discourses were derived through carefully analysing the whole corpus of transcribed text for each participant as a single body of data. The typical length of these interviews was 50–70 minutes. The interviews were generally successful in terms of the extent to which the interviewees described their relationships. While the interviewer typically suggested a topic for discussion, the proceeding discussion was fairly free and unguided, and handled the issue of relationship with multiple aspects. Interviews were conducted mainly in Finnish, based on the wish of interviewees. Interviewees' language was either very good or good and the descriptions they provided were versatile and rich in terms of the vocabulary adopted. Their discussion ability was also very smooth and fluent. A couple of interviews were conducted in English, based on interviewees' wish. These interviewees had a very good skill level in the English language and the descriptions were many sided, versatile and fluent. Based on practical reasons as well as earlier experiences, the researcher conducted both the Finnish and English-spoken interviews himself.

In the analysis part the textual data analysis software Nvivo was used. The software provided help especially when deriving individual discourses from the extensive sections of text and when investigating possible linkages between individual discourses. The software made it possible to note systematically separated parts eventually forming discourses in various text sections. While the software supported the reading and analysing process technically, it was still limited to provide support only at the surface level and so the remainder of the analysis was conducted by the researcher.

Regarding the context, it should be noted that Finland is still experiencing the process of workforce diversification especially in terms of multitude of ethnicities and cultures. At the moment the quota of foreigners in Finland is still less than 3 percent of the population, even though the immigrants are clearly centered on capital area (Vesterinen 2002). It is also important to note that half of the immigrants in Finland are working in a job not suitable for their education and training (Vartia et al. 2007). Further, Jaakkola (2005) has studied the Finn's attitudes and opinions on foreigners living in Finland. It seems that the attitudes and opinions have developed to be more positive and especially experts are welcomed to work in Finland. Negative attitudes are typically related to perceptions of being threatened socioeconomically.

3.5 Validity and reliability

The study has adopted a qualitative research approach in all of its empirical sections. It aims to be reflective in nature by following the principles introduced by Alvesson and Sköldböck (2005). According to them, it is first important that the research setting and procedures during the gathering and processing of the data are systematic and follow certain logic. Second, emphasised by the specific method in this study, the researcher's interpretation processes are revealed and clarified for the reader. Third, the possible social and political conditions of the research are aimed to be viewed objectively and their possible influences in research articles are discussed. Fourth, it is the aim that the interview texts' possible linkages with the author, interviewee or any other relevant instance are discussed openly. This study's theoretical framework, especially from the LMX aspect, is adopted from Graen and Uhl-Bien's (1995) classification which is based on the relatively comprehensive literature review and its macro-analysis on the developmental phases of the theory. While this offers certain logic in setting, the methodological approach is also consistent throughout the study. In articles where the specific studies of this work are presented, the interpretation process is made visible whenever possible as well as descriptive quotes being presented for the reader to evaluate. The setting allowed the interviewee to refer also to social and political conditions and these were considered in the analysis phase whenever they seemed to be important in the context of interviewees' experiences and the end content of the central perceptions.

Pertinently related to earlier, the validity of this research is mainly based on elements suggested by Potter (2004). The first principle followed here is the orientation of the participants to the theme, which was supported by carefully introducing the research topic and background to the interviewees. Another response to potential threats on validity in this paper is the deviancy of the cases. In addition to these, the cohesion of the results compared with earlier studies allows evaluation by the reader (see Edwards & Potter 1993). The reliability is also actively supported by delivering multiple extracts from the interview texts for each repertoire in the articles.

Wooffitt (1992) has also discussed reliability and validity in discourse analysis and, according to him, four important aspects are deviant case analysis, participants' understanding, coherence and reader evaluation and these are also followed and considered in this work. With regard to deviant case analysis, a discourse analytic study will often work with a collection of instances of some putative phenomenon with the aim of demonstrating some pattern or regularity. For instance, an analyst might claim that news interviewees generally avoid treating

interviewers as being responsible for views expressed in questions (Heritage & Greatbatch 1996). One of the most useful analytic phenomena are cases which seem to go against the pattern or are deviant in some way (Heritage 1988; Potter forthcoming). In this study these issues could be observed and were considered in forming the discourses.

Further, Wooffit (1992) discusses the participants' understanding and says that in general one important element in discursive work is its use of participants' own understandings. Among participants' understanding Wooffit continues to coherence. One of the specific features of conversation analysis and, increasingly of discourse work, is its cumulative nature. A set of studies can be combined together and build on the insights of earlier work. Thus, work on fact construction builds on the insights about accountability from earlier studies, and its success provides further confirmation of the validity of those studies (Edwards & Potter 1993). Lastly, Wooffit (1992) discussed the readers' evaluation. Perhaps the most important and distinctive feature in the validation of discourse work is the presentation of rich and extended materials in a way that allows readers of discourse studies to evaluate their adequacy. This has two facets. On the one hand, it allows an audience to assess the particular interpretation that is made as it is presented in parallel with the original materials. On the other hand, readers are themselves skilled interactants with a wide range of cultural competencies as viewers of news interviews, members of close relationships, recipients of compliments, and so on. Thus the judgements they make are not merely abstract ones of the relation between materials and interpretations, but of the adequacy of more general claims. In this study the interviewees were properly familiarised with the topic and it was made sure that they understood the concepts. The delivery of their own inner perceptions was emphasised prior to interviews.

4 SUMMARY OF THE ARTICLES

4.1 Majority leaders and minority members: towards a research agenda

Modern working environments are being forced to confront the increasing heterogeneity of workforce members insofar as they comprise greater diversity in terms of culture, ethnicity, age and gender among other factors, generating both visible and invisible differences between individuals as well as generating identity groups. The working relationship and interaction process between a supervisor and a subordinate is considered to be one of the central approaches of leadership research. The theory of leader-member exchange (LMX) (see e.g. Dansereau et al. 1975; Graen & Uhl-Bien 1995) is a particular approach focusing on the relationship formed by the supervisor with each of his/her subordinates. Acknowledging the novel theoretical and practical aspects of the workforce in organisations, researchers of LMX have incorporated the element of individual uniqueness between the leader and the member perceiving the exchange. In light of this, the objective of this paper is to review the existing research and construct an agenda for future empirical studies. The foundations of the agenda are based on reviews that combine the research fields of workforce diversity and LMX.

One means of reviewing LMX research is provided by Graen and Uhl-Bien (1995) in their suggestion of a theory development level approach aimed at understanding the changing foci of the research. The developmental stages, in chronological order, have been labelled as: (1) the discovery of differentiated dyads; (2) the investigation of characteristics of LMX dyads and their organisational implications; (3) the description of dyadic partnership building; and (4) the aggregation of differentiated dyadic relationships to group and network levels (Graen & Uhl-Bien 1995: 225). At the stage of discovery of differentiated dyads, as proposed by Graen and Uhl-Bien (1995), it appears that the research incorporating differences between individuals is scarce. In general, at the first developmental stage of LMX research it appears that research is lacking both in integration and focus, and thus there are extensive opportunities for further research.

The investigation of characteristics of LMX dyads and their organisational implications stage appear evidently more developed as the amount of research incorporating individual diversity conducted demonstrates. Much of the research has incorporated both surface- and deep-level (i.e. visible and invisible) diversity variables. In reviewing the investigations into characteristics of LMX dyads and their organisational implications when incorporating individual dissimilarity, despite

the wide range of studies, it becomes apparent that the research lacks the cultural and ethnic dimensions of diversity. The dyadic partnership building stage which adds the element of dissimilar perceived participants appears to be a novel and developing field of research. Challenges arise when respect is not interpreted similarly by the different participants. Racial diversity, for example, throws up the possibility and the tension for expectations and prejudices based on differences. The aggregation of differentiated dyadic relationships to the group and network levels stage is, as concluded earlier, a novel and developing stage of LMX research. The aspect of workforce diversity, however, is included in the focus and research settings as it appears to be a topical theme in studies of organisations from multiple perspectives. Interestingly, the diversity variable is reported to have a role in the development of all networks essential for leadership behaviour (Bell 1990; Scandura & Lankau 1996).

Based on these reviews, implications for future research are suggested for each developmental level. The research combining workforce diversity and the LMX approach demonstrates significant possibilities for further empirical research on each developmental level of LMX. The central issues to be considered when designing such empirical studies are the incorporation of new diversity variables as well as interdisciplinary approaches, expanding the levels of analysis and questioning the present knowledge of LMX. The present paper connects two separate research disciplines that are argued to be relevant in the research of diverse supervisor–subordinate relationships. The paper paves the way to multiple openings for further study by drawing on existing research into workforce diversity and LMX. Future empirically based research holds potential benefits for both organisations and individuals.

4.2 Leader-member exchange and ethnic diversity: discourses of the minority members

The demography of workforces is increasingly adopting a diverse and dynamic composition as existing minorities are projected to grow in the near future (Charles 2003; Hiller & Day 2003; Eckel & Grossman 2005). Accordingly, the work-related supervisor–subordinate relationships established in organisations are being reshaped in line with the ongoing process of integration in multicultural societies. First, the theory of LMX has incorporated several diversity variables when studying their impact on exchanges (see e.g. Tsui & O'Reilly 1989; Liden et al. 1993; Basu & Green 1995). Second, the research on workforce diversity has covered topics such as leaders' traits and skills (e.g. Scandura & Lankau 1996) and changing roles (e.g. Widell 2004) as the perceived level of workforce diversity in-

creases. Despite the multitude of studies, it seems that the nature and perceived dimensions of ethnically diverse LMXs remain, in many respects, under-researched. Therefore, the purpose of this paper was to provide an in-depth understanding of the ethnic minority employees' perceptions of the dyadic exchange relationship.

According to the literature, ethnicity and other tangible variables such as culture and race have been incorporated to only a limited degree in the research on supervisor–subordinate work relationships. The discourse analytical approach in LMX research is rather limited and there have been calls for wider adaptation of such methods. It would appear that traditional approaches to LMX research on supervisor–subordinate relations are disregarding the actual nature of dyadic relationships, in particular concerning the perceptions of the individual about the exchange (Fairhurst & Hamlett 2003). The interview data of the present study were gathered from immigrant members of different organisations operating in Finland. A total of 20 individuals originally from Estonia, Russia, Poland, Czech Republic, Germany, Austria, Somalia, Ethiopia, and Turkey were interviewed in-depth concerning the relationship with their supervisor.

Four identifiable discourses that have a role in describing and approaching the nature of the multicultural relationship were found. They were trust, cultural acceptance, belief in abilities and role activity discourses. The perceived in-dyad trust is trust in person, performance, confidentiality and in the continuity of the relationship. In the concept construction, trust appears as a denominator of the relationship, as an individual variable during the processes of the relationship, and as an outcome of the mutual LMX building process, with differing alternative outcomes. Cultural acceptance here refers to the perceived attitudes and reactions to ethnic diversity the participant endures within the LMX. Role activity refers to the perceived responsibility of the subordinate to be active and to promote and advance the dyadic relationship. The belief in abilities discourse is founded on the concept of the relationship where the supervisor indicates confidence in the abilities of the subordinate, who has identified him or herself to be a minority member.

The findings imply that the perceptions of ethnic minority members may be emphasised and constructed differently compared with majority culture representatives. It appears that by means of in-depth analysis, the core and the perceived nature of the dyadic relationship between differing parties can be better illuminated and its relevant characteristics more comprehensively studied. One obvious practical implication is revision of leader development programmes to include and consider these results in supervisor behaviour.

4.3 Discourses within supervisor–subordinate relationship development: a longitudinal ethnic minority follow-up

An increasingly important aspect of diversity is ethnicity, or race and culture, which also refers to individuals' different ethnic backgrounds and the implications that result. From the perspective of a representative of an ethnic minority, the relationship with a supervisor who is a member of the ethnic majority is particularly important and meaningful and has a great bearing on the perceived working reality (Morrison 2002). The success of this cooperation greatly affects the working experience (Cox 1993; Kossek & Lobel 1996; Thompson & Gooler 1996). The most visible relationship changes will typically happen during the early phases, but it also seems that during the later phases of the relationship the quality of the exchange is not by any means absolutely static or inviolable, but rather constantly developing (Dienesch & Liden 1986; Liden et al. 1993), and thus the whole life cycle of the relationship is interesting and a well-justified focus of research.

The earlier research on leader-member exchange (LMX) theory, focusing on the development aspect, appears to be generally comprehensive and broad. Although some attention has been paid to the ethnic diversity aspect in the LMX literature (Tsui & O'Reilly 1989; Basu & Green 1995; Pelled & Xin 2000), more empirical research is needed about the development of the relationship. Furthermore, the research settings and weighty quantitative research approach utilised in the existing research should be critically considered (Cogner 1998; Waldman et al. 1998; Sherman 2002). Therefore, the objective of this study is to investigate the developmental process by focusing on the discourses of ethnic minority subordinates generated at early and later stages of the development.

A popular approach explaining how LMX development may unfold is the leadership-making model (Graen et al. 1982; Scandura & Graen 1984). The model attempts to explain the relationship development phenomenon as a life cycle with three chronological relationship-building phases: stranger, acquaintance and maturity. It seems that the knowledge of the in-dyad impact of ethnic diversity from the LMX developmental point of view is rather limited, but some observations can still be made. First, it appears that at early stages of LMX development, the personal characteristics of members are important, but as time goes by and the relationship develops, the exchange of resources and perceived performance, as well as competencies, should be more influential than the visible characteristics (Dienesch & Liden 1986; Bauer & Green 1996). Second, the perceived trust within the relationship seems to be particularly emphasised (see e.g. Kossek & Lobel

1996; Martin 1999; Martin et al. 2005). The literature on ethnic and cultural adaptation in the workplace has suggested that an individual may experience a series of interpretations or perceptions that may act as cultural shocks in this situation (Marinetti & Dunn 2002; Süß & Kleiner 2007; Townsend & Wan 2007).

The paper assumes personal experience and perception of the relationship to be a central aspect of interest, and thus Potter's (2004) discourse analysis tradition is utilisable because it enables research that reaches beyond textual details to understand a person's affective opinions and views. The changing nature and developing views within the dyad throughout its development make it especially challenging to capture the parties' core perceptions and therefore a longitudinal design was established. Three interview rounds were conducted, during which the interviewees (20 ethnic minority subordinates) were asked to describe and reflect on the nature of their exchange relationships with supervisors. The first interview round was conducted when the interviewees had just started with the organisations and had cooperated with their supervisors for approximately one week. The second data collection was held when the participants had experienced the relationships for approximately three months and were able to elaborate on the relationship. The third collection took place after the participants had worked in the organisations for about ten months and had gained a better view of the reality of the exchange.

A total of seven discourses were identified during the three interview rounds. In the accounts of 17 participants, a discourse emphasising the performance expectations the leader signals towards them was found. Most of these participants assumed that being a minority group representative would probably affect the interactions and overall relationship quality. A discourse focusing on the promise of a prospective positive relationship is also identifiable in 15 participants' accounts. It would appear that the leader has provided many signals to the members, which they have interpreted to be statements about the forthcoming relationship. After working for three months, nine interviewees in their accounts adopted a discourse focusing on the minority group membership references. Also, after analysing the second round interviews, 15 interviewees' described a continuing discourse from that of the first round as still present. 'Constant test-period' discourse emphasises the high performance the leader still expects from the member.

During the third interview round, there seems to be some difference between the in-dyad roles given by the leader and roles aimed at or taken by the member. Fifteen members state that they would like to have a high-quality relationship at this point, having cooperated for ten months with the supervisor. In the last interview round, the otherness, ethnic identity and minority group emphasis discourse was

continued and gained more consistency, as 13 participants referred to it. Dyadic otherness nevertheless differs from the second interview round's discourse by being more focused on interpersonal behaviour within the dyad. The third discourse of the last interview round is called 'Tailored relationships'. Here, 11 participants make references that hint at the observation of leaders adjusting their behaviour in order to adapt better to the members.

The findings highlight the disproportion between the developmental stages, the importance of transparent conditions for relationship development, and the role of social context, when the ethnic backgrounds differ. Utilising the terminology of the leadership-making model, it seems that during the 'stranger' phase, the relationship perceptions of the ethnic minority representatives' follow the earlier researchers' suggestions on the contract-based relationship. After working with a leader for three months, previous discourses have developed and united to form the 'Constant test-period' discourse. This discourse has a clear link to the 'acquaintance' phase of the relationship development. The discourse 'Roles given, roles taken' implies that, based on the interviewees' aims, and social comparisons conducted among other subordinates' relationships, a new approach is sought in an effort to achieve a high-quality relationship. On the other hand, some are beginning to show signs of passivity and frustration, and joining their discourse to the adjacent 'Dyadic otherness' discourse. A separate discourse of 'Tailored relationships' further emphasises the need for adjustment of the leader's behaviour in order to balance the relationship.

4.4 Ethnic identity and leader-member exchange

The question of which is the most effective approach to supervisor-subordinate relationships is significant because there are multiple positive individual and organisational outcomes that are obtainable if the quality of the exchange is good (e.g. Liden et al. 1993; Basu & Green 1995; Schriesheim et al. 1999) and the member is included in an in-group (Scandura & Lankau 1996; Chrobot-Mason 2004). Furthermore, it has been suggested in a multitude of studies that low-quality relationships are fatal to the success of both the organisation and individuals (e.g. Pelled & Xin 2000; Colella & Varma 2001). Until recently, the meaning of the relationship participants' social identity processes has been largely bypassed. Based on two empirical studies, Hogg et al. (2005: 1002–1003) concluded that the salience of group membership is associated with perceived leader-member relationship effectiveness, and that the effectiveness is in agreement with social identity processes.

An individual's ethnic and cultural background is claimed to be one of the identity layers that defines and powerfully nominates a person's identity (Williams & O'Reilly 1998). It refers to the individual's need for, and aptitude in, relating to groups in work contexts (Thatcher & Jehn 1998). By using the research on LMX as a guiding framework for analysis, this study focuses empirically on the broad question of how ethnic minority workers' perceptions of the working relationship with their supervisor and their ethnic identity are related. This is explored by utilising discourse analysis.

Ethnic identity is said to evolve with changes in social context and to involve attitudes and values (Yeh & Huang 1996). Bauman (1996) concluded that a person processes their identity particularly in situations where it is difficult to identify the familiar reference to regain a feeling of secure social context. Interactions between individuals from different ethnic groups are always unique, based on individuals' experiences, capabilities, attitudes and roles in the social context. When individuals with differing ethnic backgrounds meet, it has been suggested that their ethnic identities interact, during which the participants regulate and set out their contribution towards the relationship (Zenger & Lawrence 1989; Wayne et al. 1997). The context of each leader-member exchange relationship is populated with a network of other relationships between leaders and subordinates (Hogg et al. 2003). These comparisons are made according to the perceptions of other employees' LMX relationships in a working community (Seibert et al. 2003; Hogg et al. 2005; Martin et al. 2005).

Observations of equity, procedural justice and the possible effect of intergroup comparisons are all likely to have a role in perceptions of LMX quality (Hogg et al. 2005). Therefore, it has been argued that members determine their LMX quality not only in an absolute sense, but also according to the above dimensions in a social context and other relationships (Seibert et al. 2003; Hogg et al. 2005; Martin et al. 2005). Empirical studies that have shown a relationship between perceived similarity and LMX relationship quality appear to be of importance from the ethnic identity perspective (for relevant variables, see e.g. Tsui & O'Reilly 1989; Pelled & Xin 2000, see also Basu & Green 1995). This refers powerfully to the similarity attraction approach (Byrne 1971), and also racial aspects of similarity perception (Goldberg 2005).

A total of 20 individuals originally from Estonia, Russia, Poland, Czech Republic, Venezuela, Somalia, Ethiopia and Turkey were interviewed in-depth concerning the LMX relationship with their supervisor. Three discourses that have a role in the representation of ethnic identity in relationships between the leader and the subordinate were identified based on the ethnic minority subordinates' interviews.

They are otherness, working relationship admittance and minority group allusions. In most of the participants' dialogues the discourse emphasising the perceived otherness is identifiable. It is also present either directly or indirectly in two other discourses at the level of their repertoires, and thus it is the predominant discourse. In their dialogue about the relationship with an ethnic majority supervisor, the interviewees often adopted a dualist approach on the relationship and the working community.

A discourse focusing on the process of an ethnic minority member being allowed to establish a higher-quality working relationship with a supervisor was also identifiable in many interviews. This measure is a minority member's perception of changed and developed relationship quality and nature with a supervisor after personal investments in learning, showing trustworthiness and being hard-working. Some of the study's participants described both their experiences of the working community and their relationship with the supervisor being coloured with different references, hints and signals, which they interpreted to be allusions to a collective group of minority members.

According to the results, ethnic identity and social comparisons are pertinent to the relationship's nature, quality and development. By explicitly evaluating the separate ethnic identity groups and perceived difference, interesting results can be obtained. It seems that by means of in-depth analysis, the core and the perceived nature of the dyadic relationship between differing parties can be better illuminated and its relevant characteristics more comprehensively studied.

5 CONCLUSIONS AND DISCUSSIONS

In this section, the overall conclusions and individual contributions of the study are presented. Alongside the key empirical findings the theoretical contributions, practical implications, limitations and suggestions for future research are introduced.

Modern working environments are being forced to confront the increasing heterogeneity of workforce members insofar as they comprise greater diversity in terms of culture, ethnicity, age and gender among other factors, generating both visible and invisible differences between individuals as well as generating identity groups. The working relationship and interaction process between a supervisor and a subordinate is considered to be one of the central approaches of leadership research. The theory of leader-member exchange (LMX) (see e.g. Dansereau et al. 1975; Graen & Uhl-Bien 1995) is a particular approach focusing on the relationship formed by the supervisor with each of his/her subordinates. Mainstream research in this area has focused on individual factors of diversity as external antecedents resulting in fluctuating individual and organisational outcomes. While these studies have succeeded in emphasising the meaning of diversity in LMX, this study argues that there also exists scope for a deeper and more comprehensive approach to better understanding the differing LMX perceptions of minorities.

This work makes great use of Graen and Uhl-Bien's (1995) classification in their suggestion of a theory development level approach aimed at understanding the changing foci of the research. The authors structure the relatively long research history of LMX theory by dividing it into four individual levels, each of which is built on the preceding level. The structure proposed is constructive as it is based on an in-depth literature review and considers both the level of analysis as well as the contribution of each stage to the wider context of leadership research. The developmental stages in chronological order have been labelled as: (1) the discovery of differentiated dyads; (2) the investigation of characteristics of LMX dyads and their organisational implications; (3) the description of dyadic partnership building; and (4) the aggregation of differentiated dyadic relationships to group and network levels (Graen & Uhl-Bien 1995: 225). The empirical work of this dissertation focuses on stages 1, 3 and 4.

In terms of the perceived nature of the dyad, it seems that four key discourses are used when ethnic minority representatives approach and further construct the perceived LMX relationship. First, the trust discourse was found and identified to be predominant as it interacted with other discourses. In the discourse, the relation-

ship was seen as a concept strongly nominated by perceived trust. In the earlier literature, Liden and Maslyn (1998) characterised this by including loyalty as a dimension in their multidimensional measure for LMX. Moreover, Graen et al. (1982) touched on the essence of trust with various elements in their LMX-7 measure. This study suggests that trust should have a predominant role in LMX when there is in-dyad ethnic difference. The discourse was constructed first by the supporting dynamics. The conditional nature of the trust is emphasised here, as the relationship is seen as a multilevel construct, in which the perceived trust refers to adaptation, openness, flexibility and a cooperative nature, which are all seen as important in the relationship. Moreover, the trust discourse may be constructed by the preventing dynamics, in which the self-identification of the subordinate into the minority group may affect the interpretations of members in terms of how the trust is signalled and the nature of trust within the dyad. Important here is the merging of the perceptions of trust and the perceptions of other reactions, that are coloured by the perceived supervisor's reaction to the difference of the subordinate. The subordinates from a different ethnic background seem to construct the trust discourse with the preventing dynamics by perceiving the supervisor as expressing trust in them differently compared with subordinates with less perceived diversity.

Second, the cultural acceptance discourse is used as a standpoint to approach the LMX. It seems to draw on perceptions and feelings linked to perceived attitudes and reactions to ethnic diversity. Differing background is seen as a denominator of the relationship, affecting it at every level. This should not be a surprise according to Helms (1984), who suggested that a particular ethnic approach is taken when the relationship has been initiated and actively progressed. This ethnic approach is then further used to deal with the racial and ethnic issues that may arise during the relationship. Moreover, Chrobot-Mason (2004) has suggested that the degree to which the leader party has processed their own ethnic identity has some impact on the perceptions constructed by the subordinates as the references to ethnicity and cultural background arise. The finding of the isolating dynamics is in agreement with most of the in-dyad diversity research supporting the concept of difference (see e.g. Duchon et al. 1986; Zenger & Lawrence 1989; Pelled & Xin 2000) and in particular ethnic difference (see e.g. Pelled & Xin 2000), necessitating the lowering of relationship quality perceptions. However, it seems that the understanding of the isolating dynamics of the cultural acceptance discourse may include some findings that have not been identified in previous studies. The interviewees in this study placed great emphasis on approaching the dyadic relationship through their ethnic minority membership. Compared with earlier research, it seems that LMX may be seen as a categorisation tool by the supervisor, whereby the subordinate is placed into an isolated out-group. Another starting

point for the construction of the cultural acceptance discourse is connecting dynamics. By presenting the dynamics as influencing, but not limiting, the participants adopt an open approach to the LMX and emphasise the differing backgrounds as a possible point of reference from which the formation of the relationship can be established through activity, adaptation and inclusion.

Third, the role activity discourse was revealed, through which the LMX can be constructed. According to Graen and Uhl-Bien (1995), Scandura (1999) and Brower et al. (2000), the leader initiates the process of role-making, during which certain evaluative processes are conducted and according to which the LMX receives its characteristics. At the level of discourse, the result of this study supports earlier research. It should be expected that the subordinates perceive the relationship to be steered according to the activity they perform. In the developing dynamics mode, the participants adopt a viewpoint about their own performance acting as an antecedent to the perceived level of LMX quality. It should be noted that the data produced some references to adoption of a subordinate in-dyad role, in which the subordinate may experience the expectation to behave in a certain way. Similarly, in the limiting dynamics mode, the subordinates more explicitly construct the discourse with a clear and predefined role of the subordinate. In the latter case, the adopted predefined role is seen as a limiting and, indeed, basic characteristic of the LMX. This may refer to the direction that the study's participants perceive role-based expectations as limiting the efforts in the relationship.

Fourth, according to the results of the study, the LMX may be approached from the standpoint of the belief in abilities discourse. In light of earlier literature, this refers to the outcome of the process suggested by Dienesch and Liden (1986). Furthermore, Liden and Graen (1980), Graen et al. (1982) and Scandura and Graen (1984) have linked this process as being relevant when defining the evaluation process outcome, particularly in terms of in- and out-groups. However, it seems that the belief in abilities discourse, as it includes two differing dynamics, may contain more elements than were previously presented. In the similarity-emphasising dynamics, the discourse is constructed with the relations aspect. The LMX is seen as a concept created by the supervisor according to perceived performance, which then further determines the quality of the relationship. The supervisor's belief in the subordinate's abilities is seen to support the relationship. It should be observed here that the non-professional variable of inclusion is perceived by the subordinates as a significant flaw to be avoided. On the other hand, the discourse may also be constructed by the diversity-emphasising dynamics. Here, it seems that role adaptations and self-identification into the minority group do, indeed, affect the relationship. When constructing the concept of LMX by

acknowledging belonging in a minority group, the difference in the relationship is made to stand out and it colours the relationship at every level.

Regarding the development aspect of such relationships and utilising the terminology of the leadership-making model, it seems that during the 'stranger' phase, the relationship perceptions of the ethnic minority representatives' follow earlier researchers' suggestions on the contract-based relationship. Both discourses identified here refer to the job and performance-based establishment and development of the relationship. Particularly in line with Dockery and Steiner's (1990) suggestion about the supervisors' work-related orientation is the 'Performance counts' discourse. The 'Promises of a good-quality relationship' discourse is perhaps seen as a source of motivation by subordinates with reference to the possibility of entering the 'in-group'.

Interestingly, it seems that after working together with a leader for three months, previous discourses have developed and united to form the 'Constant test-period' discourse. This discourse has a clear link to the 'acquaintance' phase of the relationship development. It seems that here the subordinates increasingly perceive the expectations for high performance. On the other hand, by interpreting the leader's behaviour, they see only small possibilities for developing the relationship within the given role. By following this developing line of discourse further, after working for about 10 months, this discourse is again reshaped. The discourse 'Roles given, roles taken' implies that based on the interviewees' aims and social comparisons conducted among other subordinates' relationships, a new approach is sought in an effort to achieve a high-quality relationship. It is important here that the leader is seen as not fulfilling the role development expectations within the relationship. Therefore, other influencing factors are sought and considered for the change. On the one hand, some appear to trust in the fact that demonstrating high performance will consecutively develop the relationship. On the other hand, some are beginning to show signs of passivity and frustration, and joining their discourse to that of the adjacent 'Dyadic otherness' discourse. A separate discourse of 'Tailored relationships' further emphasises the need for adjustment of the leader's behaviour in order to level the relationship.

With regard to the fourth stage, the working relationship between the supervisor and the subordinate from a different ethnic identity group is affected by perceptions related to ethnic identity and the perceived social context outside of the dyad. Three discourses were identified from 20 immigrants' accounts of their supervisor-subordinate relationships, emphasising the meaning of ethnic identity either directly or indirectly. The discourses identified were otherness, working relationship admittance and minority group allusions.

Otherness is a predominant discourse based on its presence in two other discourses and its collective appearance in most of the participants' interviews. The principal assumption the discourse includes is the dualist approach to ethnic majority and minority identity groups existing in the workplace. Following the earlier definition by Banks (1988), the self is identified as being included in the minority group. The supervisor party is seen not only as a member with a distinctive organisational status, but also as a representative of a majority ethnic identity group. This was described according to the perceptions and also the prejudicial assumptions of the identity group in general (Jenkins 1996). This explanation also fits with Liebkind's (1992) suggestion that otherness is a self-interpretation model. Furthermore, the ethnic identity group seems to have an impact on the dyad, supporting the suggestions of Seibert et al. (2003), Martin et al. (2005) and Hogg et al. (2005). This observation also supports the conclusion of Banks (1988) insofar as that in interactions between individuals from different identity groups, identity is produced for the other. Also important for the otherness discourse is that when describing one's role and reality in the dyadic relationship, the immigrant member typically refers to his/her own identity group (Jenkins 1996), and that the relationship description often begins from and continues to a description of working community experiences in general. Interesting in this respect is the conclusion of Byrne (1971), and later Touhey (1974) and Goldberg (2005), on the similarity attraction's role in an individual's identity and practical aspects on the concept of in-group. Equally interesting with regard to Kristeva's (1993) suggestion on prejudice-based knowledge on otherness, are the interviewees' references to 'us' when they describe their individual relationships with a supervisor drawing on the content of other minority members' experiences. This is a reflection of Hogg et al.'s (2005) discussion on minority identity group formation. Social comparison and an individual's ethnic identity are particularly central in this discourse.

Working relationship admittance is a description of a process that has obvious relevance for ethnic identity. According to this discourse, ethnic minority members face a different reality with an ethnic majority supervisor when developing the relationship and aiming to improve its quality. On the one hand, it is quite easy to find explanations for this in the conclusions provided by Touhey (1974) and Goldberg (2005). On the other hand, the similarity attraction (Byrne 1971) origin studies on choices of the preferred type allowed into the in-group have not specifically focused on ethnic identity. Therefore, this conclusion still includes some extended work possibilities. The ethnic identity interaction explanations (see Zenger & Lawrence 1989; Wayne et al. 1997) may also include some revealing agreements, especially when considered with the model of leadership-making and its features when the relationship is developed from stranger to acquaintance

level (Uhl-Bien & Graen 1992). There, the stranger stage appears to include obstacles and take a longer period of time compared with members' observations on ethnic majority subordinates' relationships. The general absence of mature stage relationships and the overall lower quality of the relationships is generalised in some cases as the reality that typically confronts the minority members.

Expectations and demands within the dyad are perceived to be greater for the minority members when the observations of the majority member subordinates are compared. The justice and fairness perceptions are central here, not only according to Hogg et al.'s (2005) suggestion on procedural justice and its LMX realisations, but also according to Tyler and Blader's (2003) conclusion on the perceived fairness of leaders' actions. The majority members are referred to as enjoying a privileged position in comparison to minority members, and relationship development is slower. The conclusion by James et al. (1994) may offer some help in understanding the development described. Obstacles to individual actions are possible when the perceived dissimilarity of a self is based on the difficulty of the reference group's identification. In contrast to this subordinate-based explanation, Hall's (1992) suggestion on unpleasant otherness may also provide us with a feasible approach for future studies.

The minority group allusions discourse bases itself on the references, hints and signals contained in the interviewees' text corpus, in which these references are interpreted within the dyad on the supervisor's behaviour. Extensive instruction-giving and, to some extent, control and a formal way of speaking are perceived to be typical treatment for ethnic minority members, whereas such behaviours are absent for the ethnic majority subordinates. On the one hand, this may refer to similarity attraction (Byrne 1971), and especially racial aspects of it (Golberg 2005). On the other hand, Zenger and Lawrence's (1989), as well as Wayne et al.'s (1997), discussion on the interacting ethnic identities, and also borrowing from Davies's (2004) suggestion of general identity group-related discourse's influence may help in understanding the processes described. The references to in-dyad suggest following the behaviours of ethnic majority members may be linked with James et al.'s (1994) conclusion on the reference group's identification's challenges and Kirmayer et al.'s (2000) observation of cultural identity's adaptation or change demands. Finally, Hall's (1992) suggestion about in-group maintenance and diminishing out-group attractiveness should be considered here.

The practical implications of the findings should be considered, especially with regard to the area of supervisor training and development. Regarding the nature and ethnic identity aspects, the results may also provide some guidance for those planning orientation programmes for new employees. Policy-makers, employee

relations specialists and union professionals should benefit from more comprehensive knowledge regarding ethnic minority workers' perceptions in working communities.

In terms of the results on the development aspect, it appears that supervisors should be made aware of the importance of the initial interactions and should be encouraged to structure interactions with new group members accordingly. Great promises given at the start for the development of the relationship may motivate the ethnic minority member for a short time, but later can prove problematic. Overall, it seems to be important that the conditions for a high-quality relationship are openly clarified. Second, leaders should acknowledge that although the 'stranger' phase is bypassed fairly quickly, the move from the 'acquaintance' phase is more difficult and seems to take more time than the length of this study. In the last periods analysed here, there is a hint that the development towards a mature phase took place mainly because the leader adjusted the in-dyad behaviour thus affecting the roles within the ethnically-diverse exchange. Third, the ethnic minority member perceives otherness which appears to be important in the relationship development and effort provided. Fairly soon after starting work, the participants had some observations to make on the different behaviours of leaders towards members. While this is not necessarily a negative phenomenon, it should be considered when cooperating with members from different ethnic backgrounds in a shared social context. Finally, behaviour tailoring and leader adjustment seems to be necessary in developing the relationships. This follows the overall LMX presumptions, and is further emphasised with ethnically dissimilar members.

With regard to the results of this study, it should be acknowledged that some critique can be levelled at the methodology, depending on the approaches adopted. An important aspect is the context in which the data were gathered. It should be borne in mind that the organisations involved here are still in general ethnically homogeneous. On the other hand, this may have supported the identification of discourses by creating a setting in which it may appear easier to study differing ethnic origin and its implications. Furthermore, this study did not group ethnic minority members into narrower groups. Regarding in particular the development aspect of the study, it should be acknowledged that the length of this follow-up by no means covers the life cycle of the relationship. On the contrary, it can be interpreted that, after ten months, relationships are still mainly at the 'acquaintance' phase.

In terms of future research paths, the above limitations may open up new channels of future research, which may also be discovered by more explicitly categorising

the perceptions about the level of diversity as a variable in LMX construction. Furthermore, it seems that by means of in-depth analysis, the core and the perceived nature of the dyadic relationship between differing parties can be better illuminated and its relevant characteristics more comprehensively studied. One relevant aspect is that of ethnic grouping which would require a larger participant population. By explicitly evaluating the separate ethnic identity groups and perceived differences, interesting results would be obtainable. By following identified discourses further and investigating the corresponding theoretical bases, new knowledge on LMX relationships can be derived. Furthermore, the role of otherness discourse should be accentuated here as a central allusion of ethnic identity's role in LMX relationships. As a general implication for such research, the field of LMX would benefit from studies focusing on the impact of social context and identity groups.

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Majority Leaders and Minority Members: Toward a research agenda

Jussi Leponiemi
Department of Management
University of Vaasa
Finland

Abstract

The purpose of this paper is to examine the research conducted under the domains of the Leader-member exchange (LMX) approach and workforce diversity. The intention is to review both the fields of study in order to create a basis for further research that applies LMX to the context of diversity, and to examine the potential implications this has. The paper first explores the research on workforce diversity, defines key concepts, reviews the studies conducted in this field, and highlights the key findings that the different viewpoints have produced. Similarly, the fundamental underpinnings, the development, and key findings of research adopting the LMX approach are reviewed. Extant research combining these two fields is then introduced and, based on these reviews, implications for future research are suggested. The research combining workforce diversity and the LMX approach demonstrates significant possibilities for further empirical research on each developmental level of LMX. The central issues to be considered when designing such empirical studies are the incorporation of new diversity variables as well as interdisciplinary approaches, widening the levels of analysis, and questioning the present knowledge of LMX. The present paper connects two separate research disciplines that are argued to be relevant in the research of diverse supervisor-subordinate relationships. The paper opens up multiple avenues for further study by drawing on extant research into workforce diversity and LMX. Future empirically-based research holds potential benefits for both organisations and individuals.

Keywords – Workforce diversity, Leadership, Leader-member exchange quality, Leader-follower dyad, Culture and ethnicity.

Introduction

Modern working environments are being forced to confront the increasing heterogeneity of workforce members insofar as they comprise greater diversity in terms of culture, ethnicity, age and gender amongst other factors, generating both visible and invisible differences among individuals as well as generating identity groups. On the other hand, the research on workforce diversity, as well as societal rhetoric on topics related to diversity in business and society, have contributed to the awareness of this new reality, in which individual differences are actively being taken into consideration. Since organisations are comprised of dissimilar employees working together, the dynamics of working relationships between supervisors and subordinates with diverse characteristics, traits and backgrounds have generated a great deal of attention.

The working relationship and interaction process between a supervisor and a subordinate is considered to be one of the central approaches of leadership research. The theory of leader-member exchange (LMX) (see e.g. Dansereau et al., 1975; Graen & Uhl-Bien, 1995) is a particular approach focusing on the relationship formed by the supervisor with each of his/her subordinates. Acknowledging the novel theoretical and practical aspects of the workforce in organisations, researchers of LMX have incorporated the element of individual uniqueness between the leader and the member perceiving the exchange. In response to an increasing call for systematic examinations of the relationship from the viewpoint of individuals who are different from the other participant in the relationship, mainstream research in this area has focused on individual factors of diversity as external antecedents resulting in fluctuating individual and organisational outcomes. While these studies have succeeded in emphasising the meaning of diversity in LMX, it is argued here that there also exists scope for a deeper and more comprehensive approach to better understanding the differing LMX perceptions of minorities.

In light of above, the objective of this paper is to review the extant research and construct an agenda for future empirical studies. The foundations of the agenda are based on reviews that combine the research fields of workforce diversity and LMX. To avoid the potential pitfall of being too abstract or employing rhetoric, the differing cultural and ethnical backgrounds of the LMX participants is emphasised and used as an example relevant to most organisations. Next, a review of focal LMX and workforce diversity literature is carried out. This is followed by a proposed research agenda which acts as a basis from which the examination of a new awareness-based context can be combined with approaches emanating from early LMX theory development.

Relationships between leaders and followers

One means of reviewing LMX research is contributed by Graen and Uhl-Bien (1995) in their suggestion of a theory development level approach aimed at understanding the changing focii of the research. The authors structure the relatively long research history of LMX theory by dividing it into four individual levels, each of which is built on the preceding level. The structure proposed is constructive as it is based on an in-depth literature review and considers both the level of analysis as well as the contribution of each stage to the wider context of leadership research. The developmental stages in chronological order have been labelled as: 1) the discovery of differentiated dyads; 2) the investigation of characteristics of LMX dyads and their organisational implications; 3) the description of dyadic partnership building; and 4) the aggregation of differentiated dyadic relationships to group and network levels (Graen & Uhl-Bien 1995, p. 225). Next, each developmental stage is shortly introduced and some observations about the research adopting the focus in question are made.

The first stage concentrates on the nature of the vertical linkages that the leader forms with every one of the followers (Graen & Uhl-Bien, 1995). Studies adopting this focus, contrary to preceding average leadership style (see e.g. Graen et al., 1982a), examine the dyadic nature of leadership and the differentiated relationships which explain a leader's behaviour towards a follower. The level of analysis at this stage was thus dyads within work units. Therein also lies the main contribution of the first developmental stage of LMX theory. Based on this stage, it has become a widely accepted conception that a supervisor develops a unique and dyadic exchange relationship with every subordinate that in turn develops quickly and remains relatively stable over time (Graen & Uhl-Bien, 1995; Scandura, 1999). More recently, this stage has gained renewed interest adopting greater scope and deeper investigations into the nature of the relationships. New avenues of research at this stage have made the validity of established relationship quality definitions the issue of interest (Bauer & Green, 1996; Hogg et al., 2005). In addition, the problematic nature of the measures related to exchanges and their perceived quality is also generating some increased interest (Schriesheim et al., 1999; Colella & Varma, 2001).

The second stage of development continues to focus on the characteristics of LMX relationships as well as on the link between relationships and a number of organisational variables and outcomes such as productivity and employee turnover (Graen & Uhl-Bien, 1995). The areas of interest are suggested to have developed naturally as the paradigmatic view of the nature of leader's behaviour changed and researchers aimed to make sense of the concept by binding it together with the determinants relevant to organisations. The level of analysis was

specified into the dyad at the second stage (Graen & Uhl-Bien, 1995) as research was able to validate further the existence of differentiated dyads (Graen & Scandura, 1987; Liden et al., 1993) and their qualities linked to several organisational outcomes. The research conducted in this stage has suggested that there are multiple positive consequences of high-quality LMX relationships that benefit both the members of the dyad and the organisation (Graen & Uhl-Bien, 1995). These include satisfaction with the leader (Vecchio & Gobdel, 1984; Gerstner & Day, 1997), satisfaction with work (Vecchio & Gobdel, 1984), overall satisfaction (Gerstner & Day, 1997), frequency of promotions (Wakabayashi et al., 1988), organisational commitment (Scandura & Graen, 1984; Gerstner & Day, 1997), and organisational citizenship behaviors (Deluga, 1994; Settoon et al., 1996). Moreover, supervisory performance ratings (Vecchio & Gobdel, 1984; Liden et al., 1993; Gerstner & Day, 1997), and objective performance (Graen et al., 1982b; Gerstner & Day, 1997) tend to be higher in high-quality LMX relationships, and there is also evidence of a negative relationship with turnover (Graen et al., 1982b; Vecchio & Gobdel, 1984), and intention to quit (Vecchio & Gobdel, 1984) to name but a few. Current research falling into this category seems to suggest that the multitude of organisational outcomes continues to offer fruitful lines of enquiry (see e.g. Schaubroeck & Lam, 2002). A new interesting avenue is to include individual outcomes (see e.g. Sherman, 2002) as well as to focus further on perceived relational demography and the impact of cognitive asymmetry (Allinson et al., 2001; Janssen & Van Yperen, 2004). In general, it should be noted that at the second stage there are great quantities of studies and the present body of LMX research was mainly established during the first waves of the stage in focus.

The focal point of the third stage is described as investigations into how the leader develops the dyadic relationship and how it can be intentionally affected (Graen & Uhl-Bien, 1995). The developmental aspect of LMX resulted from the pursuit of shedding light beyond the causal model descriptions of LMX (Sparrowe & Liden, 1997). The level of analysis that followed the preceding second stage's focus on the dyad was directed towards process exposure (Graen & Uhl-Bien, 1995). The central contribution for the theory at this level is the model of leadership making (see Schriesheim et al., 1999) drawing originally from two longitudinal field studies focusing on its development (Scandura & Graen, 1984). According to the model, the lifecycle of the dyad can be divided into three phases if successful and positive development occurs (Graen & Uhl-Bien, 1995; Schriesheim et al., 1999). The first phase is referred to as the stranger phase, during which the participants initiate the exchange development (Graen & Uhl-Bien, 1991). At this stage the interaction adopts a more formal nature and motivation is

based on the economic exchange, in which the deeper relationship aspects such as trust, loyalty and affection have only a limited role (Liden et al., 1993; see also Sparrowe & Liden, 1997). This stage is followed by the acquaintance stage, which is coloured by deeper social exchanges and an increased level of information sharing where personal and work resource apportionment begin to appear (Uhl-Bien et al., 2000). If the relationship proceeds into the next, mature level, the exchanges are intense and include qualities such as loyalty and support (Graen & Uhl-Bien, 1995). The emotional element manifests itself in the relationships that earlier was based on behavioural exchanges (Graen & Uhl-Bien, 1995; see also Uhl-Bien et al., 2000). The incremental influence may not develop into the mature level for various reasons and the developmental period may vary significantly. Some studies have suggested that the initial interactions are crucial, and the stagnation of the relationship quality to the level nominated at the early stages of the exchange emphasises the meaning of positive relationship initiation and development (see e.g. Scandura, 1999; Pelled & Xin, 2000). Current research activities drawing from the developmental aspects of LMX seem to emphasise the antecedents, though interest seems to be shifting more towards other stages of relationship research.

The fourth stage has widened the scope from the dyad to larger collectives as the nature of leadership in multidimensional organisations is recognised as being performed by different leaders and interacting team members (Graen & Uhl-Bien, 1995). Therefore, this stage is described as approaching relationships as a system of interdependent exchanges. By adopting a level of analysis to be collective aggregations of dyads, the question of how individual exchanges unite in order to create larger network assemblies is emphasised. The main contribution of this stage lies in the comprehension that the leadership structure is shaped by the enactment of exchange roles that are nominated by the participants (Schriesheim et al., 1999). Role performing requires a network of exchanges founded on reciprocal dependencies. Task structure and individual characteristics define the variance among relationships development within and across organisation. Since this stage is still seeking its disciplinary roots and since several branches are being actively researched, one of the key concerns is to understand the impact of exchange patterns on employees' performance and interaction with interest groups such as customers (Settoon et al., 1996). When the current and future possibilities for development of this stage are considered, it seems that there are multiple gaps, each of which has gained some research attention. The research has aimed to shed some light on the question of how high- and low-quality LMXs are aggregated in a work unit (Graen & Uhl-Bien, 1995; Schriesheim et al., 1999). Another target of interest is to examine how different exchanges interact with outcomes of work

processes (Somech, 2003). Furthermore, it seems that the examination of the differentiated relationships' affecting task performance and attitudes (see e.g. Tsui et al., 1995) as well as investigations to find out the optimal proportion of different LMXs (Varma & Stroh, 2001) are attracting research interest.

The framework provided by Graen and Uhl-Bien (1995) which has been discussed briefly above seems to offer a well structured basis from which to investigate the research conducted in the field of LMX. In addition, the classification also clearly identifies the central issues of research interest, successfully dividing the complex and extensive phenomenon into a comprehensible structure that highlights the conceptual developments. For these reasons, it is adopted next in this paper to act as a lens through which the workforce diversity literature can be viewed.

Existing research incorporating workforce diversity

The attempts to incorporate the element of individual difference into a theory focused on the exchanges between a leader and a follower have a long history. This is due to the dissimilarity of individuals as having been recognised as an influential element in various organisation contexts and therefore in focused LMX research, which has resulted in the study of relationship quality gaining momentum during the 1990s. The research on workforce diversity has developed to be a substance area of its own adopting multiple levels of analysis, of which the individual viewpoint seems to be of particular significance when mapping relevant knowledge about the nature, outcomes, developmental process and assembly of exchanges onto the interactions between dissimilar supervisors and subordinates. Following the structure outlined above, the extant research on LMX and workforce diversity is now discussed.

The nature of LMX between dissimilar members

At the stage of discovery of differentiated dyads proposed by Graen and Uhl-Bien (1995), it would seem that the research incorporating differences between individuals is scarce. The studies approaching the dyadic relationship from the dissimilarity of the members' point of view have instead directed their research towards other matters related to the dynamics of a relationship, assuming that the nature of the relationship to be invariable, even though many diversity creating variables such as ethnicity, race, gender and personality, were not explicitly considered in the construction of the first stage of the theory. Therefore, the research on workforce diversity with a particular emphasis on individual perceived reality could provide some interesting insights into the relationship's core dimensions in

different contexts and, furthermore, could provide opportunities to question some of the common assumptions.

Existing workforce diversity research that focuses on the nature of relationships amongst dissimilar participants has concluded that knowledge sharing and the open communication of expectations may improve interpersonal relationships (Tsui et al., 1995), and that active dialogue between the participants enables the processing of stereotypes which supports the perceived quality of the relationship (Walker & Hanson, 1992). As the quality aspect has links to the second stage, taking a stance on factors influential to positive development, the studies emphasise the meaning of preconceptions. Given the institutionalised nature of existing core dimensions reflecting the essence of LMX relationships, there is some inconsistency in studies that emphasise the perception of trust as a key foundation of the relationship between dissimilar individuals (see e.g. Lewicki et al., 1998). Furthermore, the research focusing on separate diversity factors has provided some interesting results. For example, the relationship between participants with differing ethnic identities experiences the phenomenon of interacting ethnic identities, during which the participants regulate and set their contribution towards the relationship (Zenger & Lawrence, 1989; Wayne et al., 1997). Another theme gaining strength is the impact of individual's social identity, which is shown to have a certain impact on behaviour and cognitions of other individuals, perceived as both similar and dissimilar (Colella & Varma, 2001). In general, at the first developmental stage of LMX research it seems that research is lacking both integration and focus, and wide possibilities are observable for further research.

The characteristics of LMX between diverse members and organisational implications

The investigation of characteristics of LMX dyads and their organisational implications stage appear as evidently more developed as the criteria is the amount of research incorporating individual diversity conducted. The extant research has suggested that demographic characteristics, as factors of diversity, can play an important role in the quality of LMX (see e.g. Dienesch & Liden, 1986). Also, according to the similarity-attraction approach (see Byrne, 1971), which claims that similarity can lead to positive reactions and thus to positive relationships, demographic similarity and perceived similarity may influence LMX development (Tsui & O'Reilly, 1989; Wayne et al., 1997; George & Chattopadhyay, 2002). Next, a thematic series of studies is presented. The list intentionally excludes a multitude of studies incorporating gender as a diversity factor (see e.g. Somech, 2003; Adebayo & Udegbe, 2004), based on them being numerous compared to other factors and which fall outside of the remit of this paper.

The research on visible diversity variables incorporated into LMX studies has suggested that workforce diversity measured with factors such as age and gender has a negative impact on the quality of LMX relationships (Duchon et al., 1986). In support of this, Pelled and Xin (2000) found that gender and race similarity tend to result in positive LMX quality. However, Epitropaki and Martin (1999) discovered that age and gender differences are not related to the quality of LMX, and high organisational tenure is related to a low-quality LMX. Furthermore, including race as a variable, Basu and Green (1995) conducted a study of similarity of the supervisor and the subordinate and the quality of LMX resulting in no relation between race-similarity and the quality of LMX. Later, Varma and Stroh (2001) found that male supervisors have typically more positive perceptions about the LMX than female subordinates in the dyad and that gender similarity produces perceived LMX similarity.

Much of the research has incorporated both surface- and deep-level (i.e. visible and invisible) diversity variables. Tsui and O'Reilly (1989) used surface-level factors such as age, gender and race, but also added education and liking to be the dependent variables. The results supported earlier research by Duchon et al. (1986) stating that differences lead to low-quality relationships. As the relationship between age and task-oriented communications in relation to the quality of LMX was studied, the results stated that the differences typically lead to lower quality of LMX and also to lower levels of task-oriented communication (Zenger & Lawrence, 1989). Interestingly, Liden et al. (1993) suggest that dissimilarities in expectations, perceived similarity, liking, demographic similarity, and work performance have no significant effects on the quality of LMX. Bauer and Green (1996) focused on gender and personality similarity, member performance, leader delegation and the quality of LMX and found that the quality of LMX and positive affectivity similarity, performance and delegation are related, leaving gender without a significant relation.

The third group of research has deep-level diversity factors as a common element. When the relationship between the quality of LMX and the attitudinal similarity of the individuals participating in a dyad was investigated by Phillips and Bedeian (1994), the findings showed that similarity is positively related to the quality of LMX. Deluga (1998) also took a deep-level diversity factor as a central issue in the study where the relation between conscientiousness similarity and the quality of LMX were investigated. The results showed that supervisor-subordinate conscientiousness similarity predicts subordinate in-role behaviour. The results of another study focusing on the cognitive similarity and the quality of LMX found no clear relation, but showed that a degree of difference may still influence the nature of the relationship (Allinson et al., 2001). Finally, Janssen

and Van Yperen (2004) discovered that employees with stronger mastery orientations develop higher quality LMX relationships with their supervisors.

In reviewing the investigations into characteristics of LMX dyads and their organisational implications when incorporating individual dissimilarity, it becomes apparent that the research lacks the cultural and ethnical dimensions of diversity. In addition, the partial incoherency of the results should be considered in future studies. Finally, from workforce diversity research, it is apparent that organisational outcomes investigation was initiated by increasing levels of recognised diversity and higher awareness of individuals' uniqueness. However, the value of this stream in understanding the organisational outcomes, which draws from the relationships between supervisors and subordinates as well as for validating the nature of LMX, is limited because of different focuses and scopes of research. From the cultural and ethnic diversity points of view, it may be of interest that there are multiple studies claiming interaction and interpersonal communication to be one of the biggest obstacles for effective work performance experienced by supervisors when working with minority subordinates (see e.g. Deluga, 1998; Combs, 2002).

The developmental aspect of LMX between diverse members

The dyadic partnership building stage which adds the element of dissimilar perceived participants appears to be a novel and developing field of research. Scandura and Lankau (1996) discuss perhaps most extensively about the development process of LMX between diverse members, adopting gender and race relations to be diversity creating variables. At the stranger phase, expectations of mutual respect seem to be a focal element allowing the relationship to develop further (Scandura & Lankau, 1996). Challenges arise when the respect is not interpreted similarly by the different participants. Racial diversity, for example, opens up the possibility and the tension for expectations and prejudices based on differences. When the other party perceives the relationship to be coloured by the stereotypical attitudes and the participant is placed into the category based on identity, the relationship is said to be stagnated at the stranger phase (Scandura & Lankau, 1996). Tsui et al. (1989) describe relational demography to be a factor affecting the development of LMX relationships. According to them, the demographic characteristics comparison is conducted and, in part, is negatively related to LMX development.

At the acquaintance phase of development, provided that mutual respect exists, mutual affection on attitudes and behaviours appears and if successful, may lead to a reciprocal experience of trust (Scandura & Lankau, 1996). It is stated that in diverse LMXs the perception of trust is fragile and may be unravelled lead-

ing to the fragmentation of the relationship, because of only one violation (Scandura & Lankau, 1996). This is due the reinforcement of negative stereotypes, prejudices and discriminating practices that are typically attached to a violation (Scandura & Lankau, 1996). During the mature phase, a sense of mutual obligation and a deeper personal commitment develops (Scandura & Lankau, 1996). As there is a positively perceived history of LMX, the participants begin to see the behaviour of the other party to be a norm in the relationship that is respected. At this level research is scant, focusing instead on the solidity and well-established nature of the relationship, neglecting any negative stereotypes and thus preventing the most diversity-related challenges. The research on workforce diversity has also not concentrated separately on the development of interpersonal relationships in the working context.

Assembly of the exchanges between diverse participants

The aggregation of differentiated dyadic relationships to the group and network levels stage is, as concluded earlier, a novel and developing stage of LMX research. The aspect of workforce diversity, however, is included in the focus and research settings as it appears to be a topical theme in studies of organisations from multiple perspectives. Interestingly, the diversity variable is stated to have a role in the development of any networks that are essential for leadership behaviour (Bell, 1990; Scandura & Lankau, 1996). It has been stated that enlargement of the dyadic processes typically follow the mature level of individual exchange (Scandura & Lankau, 1996; Schriesheim et al., 1999) and thus represents a central element when achieving a comprehensive view of the LMX phenomenon. In light of this, the result of Bell's (1990) study on ethnic minority women is interesting, as it was found that women experience biculturalism among their professional work relationships and their non-work casual networks. Furthermore, the working context was found to represent a culture in which minority membership was accentuated whereas the casual context gathers the representatives of that minority together. These findings were also later supported by Ibarra (1994). The similar observation of identity groups' power in aggregation of LMXs in organisational contexts has also been conducted by DiTomaso et al. (1993). Prior to that, Duchon et al. (1986) concluded that gender similarity among women necessitates more active communication and network formulation.

Scandura and Lankau (1996) proposed a model in which the impact of diversity on LMX is mapped. In the model the contextual influences, as they are relevant when examining the assembly of relationships, were suggested to have a central influence on the outcomes of LMX in every level observable in the organisation. The influences were organisational climate and culture, group and

organisational composition, economic environment, and organisational support for diversity (Scandura & Lankau, 1996, p. 252). To be more specific, Cox (1994) and Epitropaki and Martin (1999) have indicated that organisations investing actively in diversity issues are typically more effective in evading the challenges of diversity. On the other hand, when the composition of personnel is at a high level in terms of acknowledged diversity, it should be more natural to treat individuals based on work-related competence matters (see e.g. Cox, 1994; George & Chattopadhyay, 2002). Scandura and Lankau (1996) suggest that as the economic environment is difficult, all the relationships may suffer in the organisation and the attention that is given to diversity issues may be reduced. Lastly, the organisational approach of diversity most definitely affects relationships as individual leaders may find it natural to act based on the organisational values and attitudes, and thus hinder the impact of personal aspects (see e.g. Krishnan & Park, 2005; Kirton & Greene, 2005). As this broad mapping indicates, it is important to adopt a wider contextual scope and reach outside the factors related to individual exchange when the aggregations are examined.

With regard to the team-formulation stage and the issues that dissimilarity between the members brings into the exchange, further and more detailed research has been called for (see e.g. Scandura & Lankau, 1996). Similarly, it has been concluded that treating people according to racial stereotypes leads towards poor leadership behaviour at the organisational level (see e.g. Scandura & Lankau, 1996; Lewicki et al., 1998) and thus, it is essential to direct more focused research resources towards this level. To conclude this section, it should be observed that this stage includes potentially the greatest opportunities for further research as approaches are widened and certain novel aspects are examined. As an example, the impact of social and cultural identity on the organisation of dyads is yet to be examined. Shweder (1990) emphasises the culture and culture-based social identity to be the basis of all individuals' mental processes, having an effect on social relationships as well. The social identity perspective and its research focused on interpersonal relationships typically links the discussion with individual characteristics such as ethnic identity and racial background (Palmer, 2003).

Toward an agenda

The above reviews have highlighted multiple interesting and important aspects about the LMX relationship from the viewpoints of generally accepted principles and, in particular, between diverse participants. The studies conducted have contributed to our overall understanding and, based on the collective results, it can be deduced that perceived dissimilarity may lead to challenges regarding the quality of LMX relationships. Furthermore, perceptions of LMX are different when the

participants experience the partner to be a member of a certain minority group. However, it has become clear that there are still some central elements as well as more focused aspects of the phenomenon that have been relatively neglected in extant research. Next, drawing from the gaps highlighted above, a research agenda is offered that aims to shed some light on key issues that merit future research attention. In addition, some research settings and related methodological considerations are proposed.

As a general approach, it should be considered that even though LMX theory is divided here into separate aspects, the phenomenon is, indeed, a comprehensive experience and perception for the participants. Therefore, when a narrow research focus is adopted and a single aspect is employed, the results are of more relevancy and validity if they are integrated into a larger concept of dyadic relationship experience. The objective of the following proposal is to follow this principle whilst the separate focal stages are used as frames to structure and channel future research efforts. Another central aspect is to consider whether a research agenda focusing on the leader-member exchange between participants with perceptions of being different to each other should be considered as a novel avenue of research located hierarchically beneath mainstream research on LMX, or whether it should be considered as the protruding essence of LMX which accentuates the current reality in workplace settings.

The changing nature of LMX

Any researcher aiming to study the nature of LMX in current workplace contexts where more and more relationships are being formed by participants who acknowledge their dissimilarity, could benefit from considering some key points. Firstly, the basic concept of LMX could be revalidated. This refers to the dominant conceptualisation of the relationship as being formed based on the leader's behaviour towards the follower and thus excluding the interesting avenues of the companionship approach and the follower activity approach. Furthermore, the level of analysis could be reconsidered and is partly achieved in any case when the research setting is brought into the individuals' dyadic settings between dynamic organisational relationships in new hierarchical forms. Another interesting question is the definition of quality. For instance, has it been sufficiently established whether quality measures of the interpersonal relationship adequately take into account the possibility of variations within individuals' values, objectives, cultural coded attitudes and social identity affected expressions?

Secondly, it should be acknowledged that studies incorporating the difference between individuals are still very small in number. Factors such as assumptions, attitudes and prejudices may be linked into the phenomenon and thus their impact

can be discovered by adopting novel, interdisciplinary approaches to research. Certainly some practical implications may be derived as the impact of knowledge sharing, open communication of expectations as well as active dialogue and processing of stereotypes on the quality of relationship are considered. Supported by the largely inconsistent results, the perceived dimensions of LMX could offer an interesting avenue of research. The impact of perceived trust and ethnic identity interaction is one area that could be explored in this regard. Lastly, the issue of an individual's social identity as having an impact on cognitions and behaviour may present some fruitful research settings when incorporated with LMX.

Dissimilarity and its implications for LMX

The characteristics and outcomes of LMX certainly still present some potential for future research, despite that the approach appears to be the most studied when incorporating individual diversity. Firstly, assuming the first stage core principles are valid, that applies to the two remaining stages as well, it seems that organisational outcomes have already been quite comprehensively mapped out. Some individual work-life denominators have also been revealed. However, there are still some organisational and individual determinants offering a fruitful field of further research. Especially in the field of individual outcomes there are still significant gaps, for example, in the linkages between perceived relational demography and the impact of cognitive asymmetry.

Secondly, the studies on deep-level diversity factors and the outcomes of LMX seem to be smallest in number and there are largely incoherent results at all of the diversity levels. Therefore, it could be fruitful to include some research into this level and thus to further validate our extant knowledge. When examining the individual diversity factors, it should be noted that cultural and ethnic dimensions of diversity are still to be studied and their individual as well as organisational outcomes still to be examined. Furthermore, drawing on the workforce diversity literature and using the cultural and ethnic diversity as an example, there are results claiming that interaction and interpersonal communication is one of the biggest obstacles for effective work performance experienced by supervisors when working with minority subordinates. This, for example, has not been considered in earlier research. Therefore, a wider scope and the incorporation of diversity research at the level of individual and groups may offer some interesting and mutually supporting paths for further research.

How does LMX develop?

When adopting the process aspect of LMX, there are multiple interesting issues to be considered in modern workplace contexts. First of all, it should be kept in

mind that the development exposure of LMX was founded only on two longitudinal field studies. Some studies have been conducted since then but the foundations of this field of research remain not particularly broad. The three-phase development model is strongly institutionalised in the field. However, participants' dissimilarity has not been fully observed in this model. For example, at the stage of acquaintance, there is no knowledge regarding the impact of stereotypes, prejudices and social categorisation on the colouring of deeper social exchanges. Interestingly, at the mature level, qualities such as loyalty that are central to diversity literature on interpersonal relations appear, but there is no deeper discussion of the reality where most of the minorities might be excluded at this level.

Secondly, the dissimilarity of participants' interpretations of central elements such as trust and mutual respect seems to lead towards the stagnation of LMX development. However, we have no deeper knowledge of the dynamics relating to this phenomenon. The multitude of ways in which individuals differ opens an almost unlimited field of research where the factor in question should provoke some elements into discussion (e.g. racial diversity and prejudices). In addition, the demographic characteristics comparison as a negative factor on LMX development could be further studied. An interesting aspect for future research could also arise from deeper examinations into trust or other such central elements of LMX on the level of maturity, as there is some evidence of its fragility in the case of participants' dissimilarity. Furthermore, it should be noted that research is very scarce at the level of maturity. LMX development beyond the mature level is essentially absent and thus offers some possibilities to study the end phases of development and the factors affecting the relationship.

LMX networks in organisations

Perhaps the most fruitful field of research lies at the fourth stage of LMX development. Comparatively speaking, this field is still finding its feet, which is positive insofar as restraints such as consensus and relevancy appear not to hinder the branches of research that have emerged. Firstly, when approaching relationships as a system of interdependent exchanges, the field is still largely seeking an answer to the question of how individual exchanges unite in order to create larger network assemblies. More specifically, it is of interest to further understand the impact of exchange patterns on employees' performance and interaction with other groups. In general, there are many gaps in our understanding about the relationships and hierarchy of high- and low-quality LMXs and their aggregation in a work unit. Furthermore, our knowledge about how different exchanges interact with outcomes of work processes, and knowing how relationships affect task performance and attitudes is also lacking.

Secondly, there are some studies especially focusing on the perceived biculturalism and the effect of social identity and categorisation, but further validation and inclusion of different samples could provide us with some new insights. The impact of context in the aggregation of dyads comprising dissimilar individuals is still also to be researched. For example, there is plentiful research on the organisational approach to workforce diversity, but it has not been applied to research on LMX. The impact of culture and social identity seem also to be of interest when planning future studies. In essence, the meaning of the research at this stage is accentuated by the preliminary results of, for example, racial stereotypes and the quality of leadership in organisations.

Conclusion

The typical composition of the workforce is already beginning to reflect increasing diversity and the multicultural nature of modern organisations. It is typical if not normal that supervisors form working relationships with dissimilar subordinates to cooperate and perform their tasks. These relationships appear as an important single variable affecting experiences at work. Therefore, the relationships between different leaders and followers should be of interest to researchers in the field of leadership in general and LMX in particular.

The aim of this paper was to review the extant research on LMX and workforce diversity and to structure it in an understandable way. Furthermore, based on this review some suggestions for future research have been offered. Based on the above review there are indeed significant gaps on each separate level of present research on LMX. Firstly, there is apparent justification for more research into the nature of the perceived relationship when the parties perceive dissimilarity in the exchange. Secondly, there is still a gap in our understanding about the organisational and individual outcomes of such a relationship between a supervisor and subordinate. Thirdly, many interesting aspects of diverse, work-based relationships between leaders and followers emerge from a better understanding of the developmental processes behind the relationship. Fourthly, it is argued that diverse dyads should also be explored by adopting a broader scope and by including hierarchy and localisation within an organisation. Potentially representing a limitation of this paper, it should be noted that this is not an exhaustive review. There may be, and probably are, many relevant issues that merit inclusion into the viewpoints offered in this paper when considering future research.

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Leader-Member Exchange and Ethnic Diversity: Discourses of the Minority Members

Mr. Jussi Leponiemi
Researcher
University of Vaasa
Department of Management
P.O.Box 700
65101 VAASA
Finland
Tel. +358-44-5435079
Email. jussi.leponiemi@uwasa.fi

Abstract Ethnic majority representatives inevitably have to form dyadic relationships with immigrants and other individuals with differing backgrounds as organizations are facing a shift in workforce demographics. Earlier research on leader-member exchanges (LMX) has provided some evidence of the positive relationship between in-dyad diversity and lower quality exchanges. Therefore, the purpose of this paper is to add to our understanding about ethnic minority representative employees' perceptions of the dyadic exchange.

The study comprises 20 immigrant employee interviews, which were analysed in order to identify the discursive repertoires that were used when constructing the LMX. The results reveal that the ethnic minority representatives use trust, role activity, belief in abilities, and cultural acceptance repertoires when constructing the LMX. The findings imply that the perceptions of ethnic minority members may be emphasized and constructed differently compared to majority culture representatives. Implications and related future research avenues are then discussed based on the results.

Keywords Ethnic minority member; immigrant; leader-member exchange; discourse analysis; multiculturalism; Finland.

Introduction

The demography of workforces is increasingly adopting a diverse and dynamic composition as existing minorities are projected to grow in the near future (Charles, 2003; Hiller and Day, 2003; Eckel and Grossman, 2005). Accordingly, the work-related supervisor-subordinate relationships established in organizations are reshaping in line with the ongoing process of integration in multicultural societies. The social work exchange between supervisors and subordinates has particularly been identified as a key concern in the widely recognised leadership theory called the Leader-Member Exchange (LMX) (see e.g. Dansereau *et al.*, 1975; Graen and Scandura, 1987). Another basis from which to complete the discussion about LMXs in the context of individual diversity is offered by the research on workforce diversity. These research fields have contributed multiple standpoints to illuminate the changing landscape.

Firstly, the theory of LMX has incorporated several diversity variables when studying their impact on exchanges (see e.g. Tsui and O'Reilly, 1989; Liden *et al.*, 1993; Basu and Green, 1995; Deluga, 1998; Epitropaki and Martin, 1999; Pelled and Xin, 2000; Colella and Varma, 2001; Janssen and Yperen, 2004). Common to the above studies is the emphasis on studying the impact of certain antecedents to the quality of LMX and the aims of mapping individual and organizational outcomes. The contributions from this stream of research with self-evaluative designs have increased our knowledge about how members who are perceived differently face unequal realities within their exchanges.

Secondly, the research on workforce diversity has covered topics such as leader's traits and skills (e.g. Scandura and Lankau, 1996) and changing role (e.g. Widell, 2004) as the perceived level of workforce diversity increases. In addition, relational demographic dissimilarity and employee performance (e.g. Tsui *et al.*, 2002), majority subordinates' perceptions of the increased level of minorities (e.g. Strauss *et al.*, 2003), as well as minority workers' observations of leaders' support (e.g. Chrobot-Mason, 2004) have been subjects of interest in this field. It is suggested that both manager and employee approach the relationship with a particular ethnic perspective and manner when resolving cultural and racial issues (Helms, 1984). According to Chrobot-Mason (2004), managers who have processed the role of ethnicity more, are viewed more positively by the ethnic minority employees in terms of managerial diversity behaviour and support.

Despite the multitude of studies, it seems that the nature and perceived dimensions of ethnically diverse LMXs remain in many respects under-researched. Indeed, the extant literature appears to be comprehensive at the surface-level of the dyadic exchange by focusing mainly on the mitigating surrounding elements, whereas the parties themselves, their perceptions, and their inner

thoughts and cognitions about the LMX have been partially neglected. Reasons for this might be found in the dominant research tradition of LMX which incorporates quantitative designs. In response, an increasing number of researchers and scholars are suggesting the exploration of diversified, especially qualitative, research settings (see e.g. Cogner, 1998; Waldman *et al.*, 1998; Sherman, 2002). More specifically, a deeper analysis of narrative discourses has been suggested (Fairhurst and Hamlett, 2003). Furthermore, it has been said that by focusing on discourses as statements creating objects and subjects, the essence of certain objects can be clarified (see e.g. Fairclough, 1992; Wetherell and Potter, 1992; Prior, 1997).

In light of the above, the purpose of this paper is to provide an in-depth understanding of the ethnic minority employees' perceptions of the dyadic exchange relationship. This is achieved by analysing the ethnic minority representatives' discourses in order to identify different repertoires and to understand the construction of each repertoire, and thus the meaning structure behind the ethnically diverse LMX.

Next, from a review of earlier studies, our current knowledge concerning ethnically diverse LMXs is summarised. This is followed by a discussion of the study's methodology and results. Lastly, the results are compared with the extant literature, some practical implications are drawn and future possible research avenues are considered.

The Essence of LMX

Based on studies with a focus on the nature of vertical linkages, our present understanding of LMX suggests that a leader is in a position to create a unique relationship with each member (see e.g. Graen and Uhl-Bien, 1995; Schriesheim *et al.*, 1999). The subordinate perceives the outcome of the evaluation process as being placed into either the in-group or the out-group (Liden and Graen, 1980; Graen *et al.*, 1982; Scandura and Graen, 1984). According to the theory, members of the in-group receive multiple positive individual outcomes (Liden and Graen, 1980; Iverson and Buttigieg, 1997; Varma and Stroh, 2001). Furthermore, it has been suggested in several empirical investigations that high-quality LMX relationships result in various positive organizational outcomes (see e.g. Graen *et al.*, 1982; Scandura and Graen, 1984; Duarte *et al.*, 1993; Gerstner and Day, 1997).

Along with the development of the concept, the core dimensions of LMX have been clearly identified and well established. Liden and Maslyn (1998) developed a measure for LMX that is based on the multidimensionality of the perceived relationship. The typology of this measure consists of contribution, loyalty, affect and professional respect (Liden and Maslyn, 1998; Schriesheim *et al.*,

1999). Another LMX measure is based on a seven-item scale and was developed originally by Graen *et al.* (1982). The elements of this measure include member position awareness and interpretative awareness of the leader's perceptions, perceived leader support, member potential recognition, perceived leader's willingness to stake the member's work, perceived leader's motivation to assist and protect the member, the member's willingness to defend leader's decisions independently, and perceived nature of the working relationship with the leader. It should be noted here that these dimensions and their measures have been strongly institutionalised in the field of LMX research and can be found in the majority of LMX studies. Although these measures have had a significant role in advancing the theory of LMX, it is also arguable that the measures have partly contributed to an imbalance in extant research by steering the research designs.

The impact of in-dyad diversity

According to the literature, ethnicity and other tangible variables such as culture and race have been incorporated only to a limited degree in the research on supervisor-subordinate work relationships. A shared observation arising from this research is that the quality of the LMX seems to be lower in terms of measured values if the leader and the member differ demographically in age (Duchon *et al.*, 1986; Tsui and O'Reilly, 1989), gender (Duchon *et al.*, 1986; Pelled and Xin, 2000), race (Tsui and O'Reilly, 1989), educational background (Tsui and O'Reilly, 1989), or task-oriented communication (Zenger and Lawrence, 1989).

Furthermore, variables that promote the quality of the LMX in terms of similarity are attitudes (Phillips and Bedeian, 1994), race (Pelled and Xin, 2000), member performance (Bauer and Green, 1996), and perceived personality similarity (Bauer and Green, 1996). However, some studies suggest that the negative relationship is not clear or is absent. The variables employed in these studies are participants' expectations of the relationship (Liden *et al.*, 1993), age (Epitropaki and Martin, 1999), race (Basu and Green, 1995), and gender (Bauer and Green, 1996; Epitropaki and Martin, 1999). Perceptions of LMX quality may also differ within the dyad, as was the result of the study by Varma and Stroh (2001) in which male supervisors perceived the quality of the LMX to be clearly higher than female subordinates. Colella and Varma (2001) found that the interaction of subordinate disability and ingratiation affected the nature of LMX, and Janssen and Van Yperen (2004) found that employees with stronger mastery orientations develop higher quality LMX relationships with their supervisors. Indeed, it becomes apparent from the above list that the knowledge we have about the nature of LMX relationships in the context of in-dyad diversity is both conflicting and incomplete.

Discourse analysis in earlier LMX studies

The discourse analytical approach in LMX research is rather limited. Fairhurst and Chandler (1989) were the first to study the LMX concept in terms of the relationship between perceived LMX quality and a leader's employed personal and positional resources. The study concluded that the leaders used decision-making and latitude as a basis for tactics in dialogues. Later, Fairhurst (1993) incorporated a diversity variable into the LMX using a discourse analytical approach. According to the results, a total of 12 patterns were identified that related to matters such as giving the subordinate signs of the LMX quality, power games, tactics of manoeuvring the direction of the dialogue, and role negotiation. An important feature of both studies was the call for further discourse analytical research on LMX to increase our knowledge about the foundations of LMX.

From the review of the earlier literature, it would therefore appear that traditional approaches to LMX research on supervisor-subordinate relations are passing over the actual nature of dyadic relationships, in particular concerning the perceptions of the individual about the exchange (Fairhurst and Hamlett, 2003). More specifically, this also seems to be true for ethnic minority members' perceptions. This is suggested to be the corollary of not incorporating the individual experience of the LMX and sense-making, and thus the contradiction, dynamism and flux that occur in LMX relationships are left undervalued (Fairhurst and Hamlett, 2003). This paper therefore seeks to make a contribution by adopting the constructivist discourse analysis approach to LMX, to reveal the perceptions of ethnic minority members about LMX relationships.

Research design

The present study makes primary use of the discourse analytical tradition suggested by Potter (2004), focusing on the discourses that create both objects and subjects (see Fairclough, 1992; Wetherell and Potter, 1992; Prior, 1997). This is based on the interpretation of relationships and social exchanges between individuals as attached opinions, feelings, and experience-based cognisance (Graen, 2003) that become visible as objects and described characteristics when individuals produce thematically oriented discourses (Wetherell and Potter, 1992).

To achieve its aims, this paper approaches the identification of repertoires using the meso-approach of Alvesson and Kärreman (2000). This approach defines speech to be highly collapsed with cognitive processes. Furthermore, the analytical dimension of discourse determination directs the analysis towards the search of statements and identification of certain discourses that are used to refer to relatively established repertoires incorporated in a certain meaning in a certain field (Alvesson and Kärreman, 2000).

The interview data of the present study were gathered from immigrant members of different organizations operating in Finland. Immigrant members were a target group based on fulfilment the condition of ethnic minority representation. Each interviewee was in a subordinate position and had a majority culture member supervisor. A total of 20 individuals originally from Estonia, Russia, Poland, Czech Republic, Germany, Austria, Somalia, Ethiopia, and Turkey were interviewed in depth concerning the relationship with their supervisor. The educational level of the interviewees was relatively high, but typically not recognised in a new context. The interviewees were asked to describe and to reflect on the nature of their relationship. The data were processed by transcribing to include repetitions, irregularities as well as ordinary speech between the interviewer and the interviewee. The repertoires were derived through carefully analysing the whole corpus of transcribed text for each participant as a single body of data.

The validity of this research is based on the elements suggested by Potter (2004). The first principle that is followed here is the orientation of the participants to the theme, which was supported by carefully introducing the research topic and background to the interviewees. Another response to potential threats on validity in this paper is the deviancy of the cases. In addition to these, the coherence of the results compared to earlier studies allows a reader to evaluate it (see Edwards and Potter, 1993). The reliability is also actively supported by delivering multiple extracts from the interview texts for each repertoire. In the following section, the results of the study are introduced with representative, English-translated extracts from the text corpus. This is followed by a discussion of the findings with some tentative conclusions.

Findings

Four identifiable repertoires that have a role in describing and approaching the nature of the multicultural relationship were found. They were *trust*, *cultural acceptance*, *belief in abilities*, and *role activity repertoires*. In Figure 1 an interpretative model depicting the construction of the LMX is given.

Ethnic minority subordinates' perceived LMX

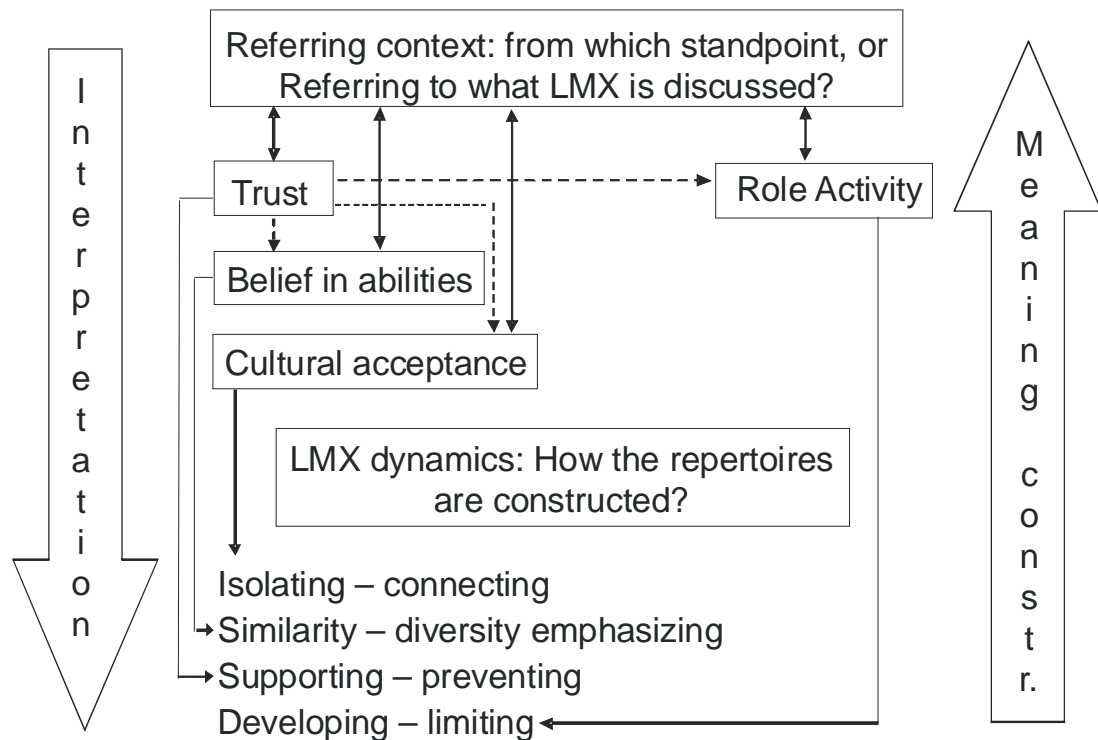


Figure 1. Interpretative model of LMX.

As can be seen in Figure 1, the LMX relationship of the ethnic minority representatives is organized as an interpretative entity. Interpretative repertoires have their own internal dynamics, from which the meaning of the LMX relationship is constructed. The repertoires have been formed based on the standpoint or the reference points used by the subordinates when they discuss the dyadic relationship. The dynamics controlling the repertoires are formed based on what kinds of variances, and entities forming the variances, the relationship is constructed. The interpretative circle of the LMX ascends from the repertoires to the dynamics, and the meaning of the relationship is formed around the reasoning that is built from the dynamics to the repertoires, upon which the entire meaning of the ethnic minority representatives' LMX relationship is constructed. Next, the construction of the LMX is considered from the perspective of the repertoires and their relations. In the quotation abbreviations, "Int" represents the interviewer and "Pn" the participant.

Trust repertoire

One of the most significant characterising dimensions in the participants' discourses on LMX is trust. The perceived trust from the supervisor seems to regu-

late the concept of LMX by itself, but also through its integration with other repertoires. The perceived in-dyad trust is trust in person, performance, confidentiality, and in the continuity of the relationship. In the concept construction, trust appears as a denominator of the relationship, as an individual variable during the processes of the relationship, and as an outcome of the mutual LMX building process, with very differing alternative outcomes. Trust is organized by dynamics which can be seen in ethnically diverse LMX relationships as both supporting and preventing.

The participants using the trust repertoire may construct it by approaching the repertoire with *supporting dynamics*. The relationship is seen as a multilevel construct, in which the perceived trust from the other party plays a key role in performing within the relationship. Trust as a condition refers to adaptation, openness, flexibility, and cooperative nature, which all are seen as important in the relationship. The following quotations illustrate the nature of these dynamics.

Int: So how would you describe the level of relationship quality between you and your direct supervisor?

Pn19: Yes, I have worked here now over two years and I have had a single supervisor for the whole time. I would say she has been my strongest support here. Every time I face any problems, I go straight to her. It is so easy to speak to her. I can tell her everything and we have had a strong trust in each other from the beginning.

Int: Could you comment on your work relationship with your supervisor?

Pn2: In this place I noticed right away the open atmosphere. Yes, sure, I was really nervous about the boss and the colleagues, but then, little by little, I got to know my boss. In the beginning it felt quite hard to trust him. The situation really improved when I came closer to my supervisor. At the same time I felt that my professional self-respect was improving. Then I started to speak up for myself and that's the way it goes nowadays as well. I no longer hold issues inside but rather I try to discuss smaller and bigger problems with my colleagues and my boss. And now I don't run into major problems anymore. I guess our relationship here is quite professional, in a way. It is not too deep and that's the way I like it.

In the above quotations some important characteristics of the trust repertoire constructed with supporting dynamics are introduced. Trust is seen as supporting, maintaining, and enabling the LMX relationship. The supporting dynamics operate with the logics of conditioning and enabling. If the participant mainly constructs the relationship as a concept of mutual trust, which on the one hand is absent when lacking the trust variable, and on the other hand completes and enables the furthering of the professional relationship, then the participant has adopted the supportive approach to such construction of the relationship.

Furthermore, the repertoire of trust may be constructed with *preventing dynamics*. In contrast to supporting dynamics, however, here the subordinate constructs the repertoire by understanding the perceived in-dyad trust as a preventing variable. The self-identification of the subordinate into the minority group affects the interpretations of the member in terms of how the trust is signalled and what is the nature of the trust within the dyad. By merging the perceptions of trust and the perceptions of other reactions gaining shades from the perceived supervisor's reaction to the difference of the subordinate, the trust is given certain characteristics, which further are interpreted to be realisations of the supervisor's trust in the subordinate. A quotation is presented to clarify the core of the preventing dynamics.

Int: Do you feel that your boss trusts in you?

Pn9: I know he does, otherwise I wouldn't be here. But if you mean does it have any effect that I am from another country, then the answer is also yes. Trust is such a difficult thing. I trust him, I know him quite well and he treats me well here. Pretty much like the others. I don't know why that is actually, but still I am sure that my background has some effect on our relationship. Maybe it is so that our relationship is more about the professional things and with others he is including some other things into the relationship as well. I mean like gossip and jokes and that sort of thing.

According to the text corpus used in this study, the subordinates constructing the trust repertoire with preventing dynamics perceive that the supervisor expresses trust in them differently compared to the subordinates with less perceived diversity. Indeed, it may be that the participants merge the perceptions of trust and other reactions from the supervisor. By acting differently the supervisor signals, or by acknowledging the minority membership to be a variable for the supervisor to approach the subordinate differently, the subordinate constructs trust to be labelled with preventing characteristics.

Cultural acceptance repertoire

In the participants' discourses, cultural acceptance is constantly referred to. Cultural acceptance here refers to the perceived attitudes and reactions to ethnic diversity the participant endures within the LMX. The dynamics of the LMX are thus seen to be reflected in the differences in cultural and ethnic backgrounds between the members of the dyad. In the analysis, the cultural acceptance repertoire was found to be organized according to dynamics, which can be seen in the ethnically diverse LMX relationships as isolating or connecting.

The interviewees built strong, minority culture membership-related qualifications into their discourses of the dyadic supervisor-subordinate -relationship.

With regard to the *isolating dynamics* of cultural acceptance, membership of the ethnic minority is perceived as isolating and labelling. Through isolating dynamics of the cultural acceptance repertoire, the member gives the relationship a cultural, difference-based, denominative meaning. The following quotations act as examples, in which the participant constructs the cultural acceptance repertoire that forms the participant's standpoint when referring to LMX.

Int: Could you generally describe your professional relationship with your supervisor?

Pn7: It is ok. We work together and everything goes pretty much as I expect. I think that it is the same with her as well. Sure, one can tell that it is different when one is working with someone from another country. I believe that is what she is facing as well. It is not the same for me and, not to blame her, but I think that I miss something, or in a way I am not given everything that is given to locals. There is this invisible fence that makes it a bit harder for her.

Int: So you feel that you get different treatment from your supervisor compared to the treatment that native Finns receive?

Pn4: Oh yes, absolutely.

Int: In what way does that happen then?

Pn4: I can't really say, you know, it just might be that I am having a bad day occasionally as well. And then I feel that everyone, including the boss, is talking about me and that they are claiming that I am worse at my job and, you know, as an immigrant. And also what business do I have in here. But then again sometimes I feel that it is the same for me as for the others, that the boss thinks that I am the same as the others.

Interviewees are shown to approach the dyadic relationship with a strong ethnic minority membership emphasis. Along with the isolative perceptions, evidence of *connecting dynamics* could also be found. The participant from another culture identifies him- or herself in the dyadic relationship with the leader by emphasizing the difference of backgrounds between the members. Connecting dynamics of the cultural acceptance repertoire are used when the participant constructs LMX, which are affected by ethnic minority membership, not limited by it. Indeed, perceived difference is understood as a medium for perceptions to connect the subordinate with the work, the working community, and the supervisor in LMX. The following quotation implies the perceived reality of the participants operating with connecting dynamics in the cultural acceptance repertoire.

Int: Do you see your differing cultural background as a factor affecting the relationship?

Pn10: I think so, yes. Of course it has an effect. It may be difficult to say for example how certain issues should be presented to members of some other culture,

and so on. It hasn't caused me any troubles though. Actually, I think that my supervisor is in a way using my differing background as a tool, I mean it is something to talk about, and when we do talk about it, then I feel that our relationship is progressing and we understand each other better. Every day I feel the knowledge of my differing culture, but then again, I always feel that it is in a way a positive and supportive thing. My supervisor is taking it, or handling it really well. He is using it as a tool, in a way, to progress the work relationship, I guess.

In the text corpus of the participants, cultural acceptance has indeed a central role in perceptions of LMX. By adopting the connecting dynamics the participants construct the relationship as being nominated by cultural acceptance in terms of inclusiveness. According to the participants, it seems that the supervisor may in fact adopt an active, connecting and inclusive approach, through which the differing ethnic background of the subordinate is managed.

Role activity repertoire

Role activity refers to a perceived responsibility of the subordinate to be active and to promote and advance the dyadic relationship. In the discourses including this repertoire, the participants approach the relationship as nominated by the activities they perform. The repertoire of role activity is organized according to dynamics, which can be seen in the ethnically diverse LMX relationships as developing or limiting.

The interviewees adopted significant role activity-related discourses during the interviews. In *developing dynamics* of the role activity repertoire the subordinate individual's effort and activity are seen as antecedents to the relationship. Furthermore, assumed responsibility to maintain the relationship in the construct of the relationship is seen to be central for the presupposed role of subordinate as a member in the relationship. Next, two quotations are given which provide evidence of the repertoire.

Int: Could you comment on your work relationship with your supervisor?

Pn2: In this place I noticed right away the open atmosphere. Yes, sure, I was really nervous about the boss and the colleagues, but then, little by little, I got to know my boss. In the beginning it felt quite hard to trust him. The situation really improved when I came closer to my supervisor. At the same time I felt that my professional self-respect was improving. Then I started to speak up for myself and that's the way it goes nowadays as well. I no longer hold issues inside but rather I try to discuss smaller and bigger problems with my colleagues and my boss. And now I don't run into major problems anymore. I guess our relationship here is quite professional, in a way. It is not too deep and that's the way I like it.

Int: Could you describe the development of your relationship with your supervisor?

Pn1: Well, it has been dependent on my activity. If I was just quiet and didn't say anything and let no one come into contact with me. So that is the first thing, what kind of marketing do you use or what is the picture you are giving. I think that is the biggest issue among the immigrants. For sure, I would not have (developed) anything with my supervisor if I hadn't used this successful marketing. I feel that I must be very active and in that way create the whole picture of me for the supervisor. Only then can the trust grow.

When using the role activity repertoire, the minority member has assumed the subordinate in-dyad role and performs according to perceived responsibility to support, maintain and promote the relationship. The meaning behind the activity is approached by understanding the existence of the relationship to be dependent on maintaining and developing performance.

Within the role activity repertoire also lies the *limiting dynamics*. By adopting them, the minority member views the relationship as having clear predefined roles. The subordinate role includes activity that is expected according to identified social operating habits at work. However, the member perceives LMX as sustaining the low profile and activity of the subordinate. The subordinate role is linked to LMX and perceived as limiting, which is further understood to be the nature of the LMX. A quotation taken from the text corpus introduces the discourses of the participants.

Int: You mentioned that you sometimes feel as having not been given the same chances as the locals. Is this also apparent in your relationship with your supervisor?

Pn6: I am not sure about that. Maybe it is only a general thing that I am feeling. I still perceive that he expects me to be the active partner in our relationship. And I am, too. It is all about selling oneself. I think that he expects me to compensate for my differing cultural background by working harder in our relationship. Then, when I do, I am hopefully at the same level than the rest of the subordinates.

The members adopting this path of LMX construction perceive that they have a clear role in the relationship, which they are expected to perform in order to support the existence and the development of the relationship. In some of the discourses it seems that they perceive the leader as expecting them to unilaterally attend to and take responsibility for the dyadic relationship. In the limiting dynamics, the self-identification into the minority group is seen as an influencing variable linked to the perceived expectations of the leader, who is seen to expect higher activity from those subordinates who differ by background, in order to

give them similar status in the perceived LMX quality than is given to those who are perceived as homogeneous by their background.

Belief in abilities repertoire

According to the text corpus, in the construction of the LMX with in-dyad ethnic diversity, a subordinate's perception of the supervisor's belief in his/her abilities was shown to be a central repertoire. The discourses containing the belief in abilities repertoire are founded on the concept of the relationship where the supervisor indicates confidence in the abilities of the subordinate, who has identified him- or herself to be a minority member. The construction of this repertoire is drawn from the perceptions that emphasise similarity or diversity.

When adopting *similarity-emphasising dynamics*, the subordinate constructs LMX as a concept of a relationship in which the supervisor creates a relationship according to perceived performance, which is ascribed a role of an antecedent interacting with the relationship quality. In this case the subordinate perceives that the differing background is not interacting with LMX, rather it is seen as a relationship in which similarity is emphasised and where the actions as well as the performance of the subordinate dictate the nature of the relationship.

Int: Could you describe the processes of your relationship?

Pn17: It is pretty much normal working. We interact, he sometimes gives me some special assignments, but that is quite rare. Typically we just perform our work and discuss it and that's it. The issues handled in the discussions are work-related issues. Sure, we do joke around sometimes but mostly it is quite a professional thing. I think it is like that with him and everyone else as well.

In the above, a participant approaches the relationship as being supported by the supervisor's belief in the subordinate's abilities. The participant sees the relationship as a concept which is strongly characterised as a professional, performance-oriented evaluation process that is necessary for the perceived relationship. To include other, non-professional variables into the perceived evaluative process would be considered a significant flaw.

The belief in abilities repertoire may, by its other root, be constructed according to *diversity-emphasising dynamics*. In this case, a subordinate constructs the abilities recognition repertoire from the perception that the subordinate is identified by him-/herself, and by the supervisor, to be a member of a minority group and thus the member's performance is evaluated from that specific viewpoint. The diversity-emphasising dynamics do not refer to inequitable perceptions, but rather the relationship is seen to be constructed by a concept that builds on the perceived belief in abilities by accepting the differing background as a ca-

talyst that strongly exists in the dyadic relationship. A quotation representing the existence of the diversity-emphasising dynamics in the discourse is given.

Int: How is your relationship developing at the moment?

Pn14: I don't see it developing so much. Maybe it is more like establishing and consolidating itself to be as it is. When I look at our relationship, it is at least partly about her trusting me and that my skills are sufficient in my work. It has been like this for a while already and I think she believes in me. I know it is a bit different with me since I am a foreigner. I totally understand that. I have also really diverse experiences from other jobs. But there, maybe she is kind of more approving of that. We sometimes make it a subject of conversation, and the differences, they really are there, I mean the culture. But it is not harming me in our relationship, I mean.

When constructing the concept of LMX by acknowledging the belonging into a minority group, and perceiving that the other party sees the difference as well, the member commits to LMX with diversity-emphasising dynamics. The difference is perceived to be emphasised in the relationship and it colours the relationship at every level.

Discussion

With a discursive approach to the study of work relationships in the case of in-dyad ethnic diversity, any single behaviour represents only a partial composition of the perceived relationship. According to the data analysed here, it seems that four key repertoires are used when ethnic minority representatives approach and further construct the perceived LMX relationship.

Firstly, the trust repertoire was found and identified to be predominant as it interacted with other repertoires. In the repertoire, the relationship was seen as a concept nominated strongly by perceived trust. In the earlier literature, Liden and Maslyn (1998) characterised this by including loyalty as a dimension in their multidimensional measure for LMX. Moreover, Graen *et al.* (1982) touched on the essence of trust with various elements in their LMX-7 measure. This study suggests that trust should have a predominant role in LMX when there is in-dyad ethnic difference. The repertoire was constructed firstly by the supporting dynamics. The conditional nature of the trust is emphasised here, as the relationship is seen as a multilevel construct, in which the perceived trust refers to adaptation, openness, flexibility, and cooperative nature, which are all seen as important in the relationship. Moreover, the trust repertoire may be constructed by the preventing dynamics, in which the self-identification of the subordinate into the minority group may affect the interpretations of members in terms of how the trust is sig-

nalled and the nature of trust within the dyad. Important here is the merging of the perceptions of trust and the perceptions of other reactions, that are coloured by the perceived supervisor's reaction to the difference of the subordinate. The subordinates from a different ethnic background seem to construct the trust repertoire with the preventing dynamics by perceiving the supervisor as expressing trust in them differently compared to subordinates with less perceived diversity.

Secondly, the cultural acceptance repertoire is used as a standpoint to approach the LMX. It seems to draw from perceptions and feelings linked to perceived attitudes and reactions to ethnic diversity. The differing background is seen as a denominator of the relationship, affecting it at every level. This should not be a surprise according to Helms (1984) who suggested that a particular ethnic approach is taken when the relationship has been initiated and actively progressed. This ethnic approach is then further used to deal with the racial and ethnic issues that may arise during the relationship. Moreover, Chrobot-Mason (2004) has added that the degree to which the leader party has processed their own ethnic identity has indeed some impact on the perceptions constructed by the subordinates as the references to ethnicity and cultural background arise. The finding of the isolating dynamics is in agreement with most of the in-dyad diversity research supporting the conception of difference (see e.g. Duchon *et al.*, 1986; Zenger and Lawrence, 1989; Pelled and Xin, 2000) and particularly ethnic difference (see e.g. Pelled and Xin, 2000), necessitating the lowering of relationship quality perceptions. However, it seems that the understanding of the isolating dynamics of the cultural acceptance repertoire may include some findings that have not been found in previous studies. The interviewees of this study place a great emphasis on approaching the dyadic relationship through their ethnic minority membership. Compared to earlier research, it seems that the LMX may be seen as a categorisation tool by the supervisor, whereby the subordinate is placed into an isolated outgroup. Another starting point to the construction of the cultural acceptance repertoire are connecting dynamics. By presenting the dynamics as influencing, but not as limiting, the participants adopt an open approach to the LMX and emphasise the differing background as a possible point of reference from which the formation of the relationship can be established through activity, adaptation, and inclusion.

Thirdly, the role activity repertoire was found, through which the LMX can be constructed. According to Graen and Uhl-Bien (1995), Scandura (1999), and Brower *et al.* (2000) the leader initiates the process of role-making, during which certain evaluative processes are conducted and according to which the LMX receives its characteristics. At the level of repertoire, the result of this study supports earlier research. It should be expected that the subordinates perceive the

relationship to be steered according to the activity they perform. In the developing dynamics mode, the participants adopt a viewpoint about their own performance acting as an antecedent to the perceived level of LMX quality. It should be noted that the data produced some references to adoption of a subordinate in-dyad role, in which the subordinate may feel expected to behave in a certain way. Similarly, in the limiting dynamics mode, the subordinates more explicitly construct the repertoire with a clear and predefined role of the subordinate. In the latter case the adopted predefined role is seen as a limiting and indeed, basic characteristic of the LMX. This may refer to the direction that the study's participants perceive role-based expectations as limiting the efforts in the relationship.

Fourthly, according to the results of the study, the LMX may be approached from the standpoint of the belief in abilities repertoire. In light of earlier literature, this refers to the outcome of the process suggested by Dienesch and Liden (1986). Furthermore, Liden and Graen (1980), Graen *et al.*, (1982), and Scandura and Graen (1984) have linked this process to be relevant when defining the evaluation process outcome, particularly in terms of in- and out-groups. However, it seems that the belief in abilities repertoire, as it includes two differing dynamics, may contain more elements than is presented earlier. In the similarity-emphasising dynamics, the repertoire is constructed with the relations aspect. The LMX is seen as a concept created by the supervisor according to perceived performance, which then further determines the quality of the relationship. The supervisor's belief in the subordinate's abilities is seen to support the relationship. It should be observed here that the non-professional variable of inclusion is perceived by the subordinates as a significant flaw to be avoided. On the other hand, the repertoire may also be constructed by the diversity-emphasising dynamics. Here, it seems that role adaptations and self-identification into the minority group are, indeed, affecting the relationship. When constructing the concept of LMX by acknowledging the belonging in a minority group, the difference in the relationship is made to stand out and it colours the relationship at every level.

With regard to the results of this study, it should be acknowledged that some critique can be levelled against the scope of the sample, the validity of the methodology, and the generality of the research context. These limitations may, however, open new avenues of future research, which can also be found by more explicitly categorising the perceptions about the level of diversity as a variable in LMX construction. Furthermore, it seems that by means of in-depth analysis, the core and the perceived nature of the dyadic relationship between differing parties can be better illuminated and its relevant characteristics more comprehensively studied. The practical impacts of the findings should be considered especially on the field of supervisor training and developing. The results may also give some

guidance for those planning orientation programs for new employees. Lastly, policy-makers, employee relations specialists and union professionals should benefit of more comprehensive knowledge regarding to ethnic minority workers' perceptions in working communities.

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Discourses within supervisor-subordinate relationship development: a longitudinal ethnic minority follow-up

Jussi Leponiemi
University of Vaasa
Department of Management
Finland

Abstract

Purpose – To investigate the process of the development of relationships between subordinates from ethnic minority groups and their supervisors in the workplace.

Design/methodology/approach – Paper focuses on the discourses generated by subordinates at early and later stages of the relationship development. 20 immigrant subordinates with ethnic majority supervisors were followed during ten months with three interview rounds. Interviews were analysed with discourse analysis to gain an in-depth understanding of the perceptions at early and later stages during the development.

Findings – In the beginning, the views on the relationship handle the expected role performance and a positive and promising outlook of the relationship development. Later, these discourses have united and reshaped. Otherness and minority group membership emphasis are also becoming apparent. At the end, participants handled the role development with an attempt to alter the existing dynamics and the perceptions of otherness focused on the relationship. Participants also observed a requirement for adjustment of leader behaviour.

Research limitations/implications – Context, methodology and the length of the study provide lots of the work's contribution, but can also be seen as limitations. The findings highlight the disproportion between the developmental stages, the importance of transparent conditions for relationship development, and the role of social context, when the ethnic backgrounds differ.

Practical implications – Important aspects are provided for the organisations and supervisors confronting the subordinates with different ethnic backgrounds.

Originality/value of the paper – The paper further completes our knowledge on the theories of leader-member exchange LMX and workforce diversity and provides observations on the topical issue taking place in many organisations.

Research paper

Keywords – Discourse analysis, ethnic diversity, leader-member exchange, longitudinal follow-up, otherness, relationship development

Introduction

The question of workforce diversity has become an important topic in recent times. On the one hand, research has provided us with some solutions to challenges that may appear as the workforce becomes more diverse. On the other hand, studies have generated various practices through which the benefits of different individuals working together may be realised. An increasingly important aspect of diversity is ethnicity, or race and culture that also refer to individuals' different ethnic backgrounds, and the implications it has. According to Cox (1993) and Richard et al. (2004), ethnic diversity is incrementally developing the status of a research avenue that emphasises perceived differences stemming from visible and invisible characteristics related to ethnic background. Developing working communities and the demographic characteristics of the workforce also emphasise the role of ethnicity, and the research is establishing itself in this field (Hiller and Day, 2003; Eckel and Grossman, 2005).

From the perspective of a representative of an ethnic minority, the relationship with a supervisor who is a member of the ethnic majority is particularly important and meaningful and it determines greatly the perceived working reality (Morrison, 2002). A new employee and his or her supervisor typically cooperate and work together intensively during the first periods of the employee's career in a new working community. Therefore, the success of this cooperation greatly affects the working experience. Further, perceptions and experiences of the dyadic relationship by subordinates from an ethnic minority are not only central for them as 'members' themselves, but also for the supervisors, because there are many potential benefits motivating employers to search for new potential employees (Cox, 1993; Kossek and Lobel, 1996; Thompson and Gooler, 1996; Sargent and Sue-Chan, 2001; Konrad, 2003) and to create a positively perceived experiences in order to minimise the turnover and maximise the working contribution of individual employees (Cagnon and Cornelius, 2000; Kandola and Fullerton, 2004).

Initial interactions are central in forming a solid base for the high-quality relationship between a supervisor and a subordinate (see e.g. Graen and Uhl-Bien, 1995; Scandura, 1999; Brower et al., 2000). The most visible relationship changes will happen typically during the early phases, but it also seems that during the later phases of the relationship, the quality of the exchange is not by any means absolutely static or inviolable, but rather constantly developing (Dienesch and Liden, 1986; Liden et al., 1993), and thus the whole life-cycle of the relationship is interesting and a well-justified focus of research. The earlier research on leader-member exchange (LMX) theory, focusing on the development aspect, appears to be generally comprehensive and wide. Although some attention has been paid to

the ethnic diversity aspect in the LMX literature (Tsui and O'Reilly, 1989; Basu and Green, 1995; Pelled and Xin, 2000), more empirical research is needed about the development of the relationship. Further, the research settings and heavy quantitative research approach utilised in the extant research should be critically considered (Cogner, 1998; Waldman et al., 1998; Sherman, 2002).

Earlier LMX theory has given us a selection of relationship development conceptualisations, and literature on ethnic minority work experiences provides some relevant aspects which will affect the relationship development. Therefore, theoretically this paper is located at the description of the dyadic partnership building phase described by Graen and Uhl-Bien (1995) and the individual perspective of workforce diversity (Cox, 1993). The objective of this study is to investigate the developmental process by focusing on the discourses of ethnic minority subordinates generated at early and later stages of the development. A dyadic relationship with a supervisor may include personal and sensitive issues, opinions, feelings and experience-based cognisances (Graen, 2003) that are not perhaps openly expressed. The discourse analysis gives a possibility to gain a view of the objects and described characteristics that lie behind the thematically-oriented speech (Wetherell and Potter, 1992). The particular setting of this study is to investigate longitudinally the development as well as possible changes and transitions within the identified discourses. Next, the substantive literatures on LMX theory, especially the relationship development approach, as well as workforce ethnic diversity literature, especially incorporating the individual perspective relevant to exchange, are reviewed. After that, the research setting for this study is explained. Finally, after presenting the results, the findings are considered and reflected against the existing knowledge.

LMX research and the interest in development of the relationship

The theory of leader-member exchange (LMX) and its focus points can be described in terms of four developmental stages (Graen and Uhl-Bien, 1995), which have been identified in expounding this leadership-based theory. The first stage concentrates on the nature of the vertical linkages that the leader forms with each of the followers or members (Graen and Uhl-Bien, 1995; Scandura and Lankau, 1996; Schriesheim et al., 1999). The second stage focuses on the link between LMX relationships and a number of individual and organisational outcomes such as productivity and employee turnover (Scandura and Lankau, 1996; Graen and Uhl-Bien, 1995; Vecchio and Gobdel, 1984; Duchon et al., 1986; Gerstner and Day, 1997; Settoon et al., 1996). Whereas the fourth stage has widened, and is further widening, the research scope to include the social context as well as organisation as a frame for a network of individual dyads (Schriesheim et al., 1999),

the focal point of the third stage was to examine how the dyadic relationship is developed and how it can be intentionally affected.

The LMX approach is based on the concept that the relationship development will occur as role definitions happen in LMXs (Graen, 2003). According to results of research studies, during the initial interactions, leaders and followers initiate a role-making process (Graen and Uhl-Bien, 1995; Scandura, 1999; Brower et al., 2000). In this process, the leader gives different responsibilities and tasks to the follower and establishes a level of relationship quality based on the perceived performance (Dienesch and Liden, 1986). Leaders typically create a special high-quality exchange relationship with a small number of trusted followers, who are also referred to as belonging to an in-group (Graen and Uhl-Bien, 1995). Generally dimensions such as trust, affect, loyalty, obligation and respect are defined to form a concept of LMX quality (see e.g. Dienesch and Liden, 1986; Liden and Maslyn, 1998). The relationship created with other followers is significantly different. Earlier research incorporating different diversity variables has generally suggested that perceived difference leads to lower quality exchanges (Dienesch and Liden, 1986; Tsui and O'Reilly, 1989; Pelled and Xin, 2000, see also Byrne, 1970), though ethnicity has not been widely considered in these studies. Therefore, this paper aims to contribute to this topic and the developmental approach and ethnic diversity are discussed further in the following sections.

Development perspectives

Graen (1976) made one of the first suggestions concerning how supervisor-subordinate relationships develop when he stated that the exchange qualities are a result of a negotiation process, involving aspects of both role and social exchange theory. The negotiation process refers to the initial interactions, both work and non-work, that impact on how the supervisor feels about the subordinate. In these early studies (Graen and Cashman, 1975; Graen, 1976; Graen and Scheimann, 1978), the factors affecting this negotiation process were not, however, fully revealed. Some of the various thoughts on this topic suggested that there are leader and member characteristics (i.e., personality, ability, motivation) which will interact with this negotiation process eventually to decide the quality of the relationship.

In response to this gap in the knowledge, Dienesch and Liden (1986) proposed a process-oriented model of the LMX relationship development. The authors stated that the first component is the initial interaction. In this interaction, each person brings unique traits, characteristics, attitudes, and so on to the meeting. Here, leaders may make attributions which will likely influence later steps in forming the quality of the relationship. The second step is the delegation by the

leader to the member of an initial set of tasks or a trial assignment (Graen, 1976; Dienesch and Liden, 1986). These assignments test the member and lead to the next step. The third step in Dienesch and Liden's (1986) model involves the member's behaviour in response to the leader's delegation in step two. Thus, member behaviour serves as both the member's key input into the LMX, as well as the focus of the leader's attributions concerning the member's ability and motivation and the resulting leader behaviours. The fourth step involves the leader trying to interpret and explain the member's behaviour. Finally, through the interactive process of member inputs and leader attributions and interpretations, the nature of the LMX is determined.

Another popular approach explaining how the LMX development may unfold is the leadership-making model (Graen et al., 1982; Scandura and Graen, 1984). This attempts to explain the relationship development phenomenon as a life-cycle with three chronological relationship-building phases. These phases are *stranger*, *acquaintance* and *maturity*. The 'stranger' phase happens when individuals first come together without previous knowledge about each other. The interactions are typically formal, and cooperation is based on the contract and the effort to build a good-quality relationship. Although the first interactions are typically formal and surface-level, they steer the later development of the relationship. Dockery and Steiner (1999) concluded that initial interactions accounted for 46% of subordinates' and 79% of supervisors' assessed LMX variance.

In this initial 'stranger' phase, supervisors typically limit the information they give to the subordinate only to work-related issues. The subordinate focuses on the job and there are only limited levels of trust and personal information sharing. Later, both parties can make an offer for developing the working relationship 'through career-oriented social exchange' (Graen and Uhl-Bien, 1995: 230). If this offer is accepted, the relationship may develop towards the 'acquaintance' phase. Interestingly it seems that generally during the first periods, subordinates place more importance on the emotional and interactional aspects of the relationship, whereas the supervisors typically seem to emphasise the work-related issues such as productivity (Dockery and Steiner, 1990). Further on in the first period within the relationship, Burnes and Otte (1999) suggest that the social exchange between the parties begins to transform their in-dyad roles. This process continues until the development stagnates and the relationship quality is negotiated. Theoretical and empirical evidence have shown that high quality ('in-group') and low quality ('out-group') relationships develop particularly quickly in the beginning and remain fairly stable after they have been formed (Graen, 1976; Graen and Cashman, 1975; Liden and Graen, 1980). Lastly, by extending the unit of analysis to include also a surrounding social context, Sparrowe and Liden (1997) proposed

that during the initial relationship development phase, if the parties share a common contact, the process will be affected positively or negatively, depending on the similarity of the contact's nature.

In the 'acquaintance' phase, the relationship develops to be more dependent on social exchanges. Exchanges are less contract-based and there is increased level of trust and personal information sharing. However, there is still testing embedded into the exchanges, and fairness of giving and receiving is observed. Dansereau et al. (1975) and Graen and Cashman (1975) early came up with the concept of the negotiating latitude of a relationship. They defined the latitude to be the extent to which a supervisor allows a subordinate to identify his/her own role development. They did not specify the period, but it would seem well justified to assume that the identification would happen during the 'acquaintance' phase. Authors also suggested that this latitude would be essential for the quality development within the relationship, an observation that is in line with the leadership-making model (Graen et al., 1982; Scandura and Graen, 1984). According to Bauer and Green (1996), the role-making phase should happen during the 'acquaintance' phase, or after the initial stage. Graen (2003) elaborated this by concluding that after role-definitions have happened, the role development and further establishment of the relationship will follow. It has also been stated that role developments should support the development of the relationship and have positive outcomes. In his study, Sherman (2002) concluded that leader role inversion has positive in-dyad impacts, such as accountability and work-related attitudes. Furthermore, many authors have suggested that LMX is a multidimensional development process. For example, Dienesch and Liden (1986) proposed that the positive development of a relationship is dependent on the perceived contribution to the exchange, loyalty, and affect that is based more in interpersonal attraction than work or professional values. They also stated that the interaction between the parties and the attributions that they make about each other's behaviours are important when determining the direction of the development.

If the relationship develops positively to the next level, the concepts of maturity and partnership are added into the description. 'Maturity' is described as being the highest level of relationship development. Parties feel that they can trust each other and they perceive mutual loyalty as well as support. Bauer and Green (1996) have stated that here the participants are more able to predict the behaviour of the other through role-routines. Here, also, the emotional aspect beside the behavioural is present. Within the developmental process, respect and obligation grow and further establish the relationship. Participants may also change their work-related interests to be more mutual, instead of their own. Sparrowe and Liden (1997) also proposed that if the relationship reaches high-quality level, it is

likely that the leader (or supervisor) sponsors the member (or subordinate) into the organisational social networks beyond the close work-group. The leadership-making theory has suggested that personal interests are able to be fulfilled through satisfying the partnership interests (Graen and Uhl-Bien, 1995). Whereas at earlier phases, power difference between the parties is distinctive, here in the social exchanges it diminishes and changes to be personal influence (Lawler, 1992). Furthermore, Graen and Cashman (1975) found that subordinates with high-quality relationships used more personal and informal communication and had also more freedom to communicate with supervisors outside of formally prescribed channels about issues not directly related to their work.

There is no standard time for the progress of each relationship and some remain permanently in the 'stranger' or 'acquaintance' phase (Graen and Uhl-Bien, 1995). Generally the studies considering the time range of development are rare and some have focused more on the consistency of the relationship. Naturally the level of cooperation and the amount of possible social exchanges determine the pace of the development also. Liden et al. (1993) investigated LMX development from two weeks to six months in the leader-member relationship. The results from their study showed general consistency, though stability decreased the longer the time intervals between data collections. Dansereau et al. (1975) found that the in-group and out-group statuses of the members were fairly consistent over a nine-month time period. In a Japanese career progress study, Wakabayashi et al. (1988) found a median LMX stability of .60 after three years of the study and six different data collections. The cumulative findings from these studies suggest that LMX relationships develop early and are fairly stable over time, though they can change over the course of the relationship (Liden et al., 1993; Wakabayashi et al., 1988). Finally, when examining the developmental process, it should be kept in mind that contextual factors may greatly affect the process. Generally the research conducted suggests that when measuring the quality with traditional measures, the contextual factors should be incorporated (Cogliser and Schriesheim, 2000). There seem to be few LMX studies considering ethnic diversity, and none including also the developmental approach. Thus, some relevant insights into the theme are introduced next.

Aspects of ethnic diversity within LMX and its development

When reviewing the earlier literature, it seems that ethnicity and other tangential variables such as culture and race have been incorporated only to a limited extent in the present research on the supervisor-subordinate work relationship. One common observation is that the LMX measure values referring to relationship quality seem to be lower if the leader and the member differ demographically in

certain variables, namely, in age (Duchon et al., 1986; Zenger and Lawrence, 1989; Tsui and O'Reilly, 1989), gender (Duchon et al., 1986; Tsui and O'Reilly, 1989; Pelled and Xin, 2000), race (Tsui and O'Reilly, 1989), educational background (Tsui and O'Reilly (1989), or task-oriented communication (Zenger and Lawrence, 1989). Further, variables that promote the quality of the LMX are similarity in attitudes (Phillips and Bedeian, 1994), race (Pelled and Xin, 2000), member performance (Bauer and Green, 1996), and perceived personality similarity (Bauer and Green, 1996).

It seems that the knowledge of the in-dyad impact of ethnic diversity from the LMX developmental point of view is rather limited, but some observations can still be made. Firstly, it seems that at early stages of the LMX development, the personal characteristics of members matter, but as time goes by and the relationship develops, the exchange of resources and perceived performance, as well as competencies, should be more influential than the visible characteristics (Dienesch and Liden, 1986; Bauer and Green, 1996). Secondly, the perceived trust within the relationship seems to be particularly emphasised. There are several studies suggesting that ethnic minority representatives hold the perception of trust as significant when adapting to the social context of the workplace (Miller, 1994; Kossek and Lobel, 1996; Brun, 2004), forming interpersonal relationships in the workplace (Miller, 1994; Triandis, 2004), providing the motivation-based high performance (Panzer, 2003), and cognitively developing both formal and informal networks supporting the work (Kossek and Lobel, 1998; Brun, 2004). The finding that trust is important also discussed in the LMX literature. Relationships developing towards being high-quality are identified as containing high levels of mutual trust and respect (Bauer and Green, 1996). Also Dienesch and Liden (1986) emphasised the role of trust as a key component when actively developing high-quality LMXs that go further than formal employment contracts. Bauer and Green (1996) linked trust with the development of LMX relationship. According to them, cognitive-based trust precedes affect-based trust. This is analogous with the role-taking period and negotiating latitude (Dansereau et al., 1975; Graen and Cashman, 1975) during the 'acquaintance' phase, which may lead to high-quality relationship. Lastly, Willemyns et al. (2003) found that communication characteristics, such as non-dominating, openness to small talk and willingness to discuss and listen in general, were linked to leaders who were perceived to be trusted and enabling members to enter the in-group.

Thirdly, it is widely shared nowadays in the social identity literature that when a person belongs to a certain group, it is likely for him or her to derive their sense of identity partly from that group (James et al., 1994; Goldberg, 2005). Individuals also enhance the sense of identity by making comparisons with other

groups (James et al., 1994; Wellman, 2005). From the ethnic minority point of view, an individual arriving, perhaps alone, in the unfamiliar ethnic context may face a situation where there is no group to which to attach, and thus, the sense of identity remains and perhaps enhances the perception of belonging to the minority group (Jetten et al., 1996; Goldberg, 2005). This may further add challenges to the supervisor-subordinate relationship by increasing the distance between the interacting elements of the participants during the development. Chrobot-Mason (2004) investigated the ethnic identity development, ethnic group self-identification, education and participation in diversity training, as well as the relationship between ethnic identity and minority employee perceptions of managerial support. Her sample consisted of 142 supervisor-subordinate dyads, and among many suggestions, she emphasised that the role of ethnicity is great in cross-race work relationships, as it often seems to steer the success of cooperation. She also proposed that the level of racial consciousness affects the meaning the participants place on its processing within the relationship. Further, Thomas (1993) developed a model of racial dynamics. This model suggests that each member of a dyad comes to that relationship with established perspectives about race relations that influence that individual's attitudes and orientation toward other racial groups and assumptions about those groups. Another fairly similar avenue in the literature has investigated this from the points of view of social identity, identity groups and the perception of otherness (Banks, 1988; Hogg et al., 2005). Here, feelings of non-togetherness, unfamiliarity, and secondariness appear as an outcome of perceived prejudice and self-interpretations. Interestingly, Sparrowe and Liden (1997) emphasised the role of relationship networks within the workplace when investigating the supervisor-subordinate dyads particularly incorporating workforce diversity.

Lastly, the literature on ethnic and cultural adaptation in the workplace has suggested that an individual may experience a series of interpretations or perceptions that may act as cultural shocks in this situation (Overman, 1989; Marinetti and Dunn, 2002; Pornpitakphan, 2005). This may lead to introvert behaviour and will hinder the adaptation and possible process of inclusion (Marinetti and Dunn, 2002; Giacobbe-Miller et al., 2003). From the point of view of the supervisor-subordinate relationship, the supervisor or leader has a central role in this process. The importance of the initial interactions for the relationship development (Goldberg, 2005; Woods et al., 2005) is thus related also to the workplace cultural adaptation (Graen, 2003). When the perceived reality is positive, the processes may benefit each other, whereas negative perception from the LMX point of view may impede other social adaptation processes and thus make it more difficult for the ethnic minority representative to attach to the existing social groups in the work-

ing community (Giacobbe-Miller et al., 2003; Callero, 2005). The perceptions of the supervisor-subordinate relationship as well as individual social identity develop constantly during the process (Haslberger, 2005; Pornpitakpan, 2005), and thus the longitudinal investigation may be useful when studying the perceptions of representatives of ethnic minority groups.

The viewpoints presented above aim to highlight the need for understanding the cognitive processes of ethnic minority subordinates when they join the working community, but also to appreciate the longitudinal process of the relationship development as the perception of the supervisor-subordinate relationship develops alongside the perception of the working context and social identity development. The discipline offering a feasible aspect congruent with the framework is discourse analysis drawing from social constructivism. Next, the research setting and the longitudinal design of this study are presented.

Methodology and research design

This study uses discourse analysis suggested by Potter (2004). The objects and subjects that are central in interviewees' cognitions are targeted through the identified discourses (Fairclough, 1992; Wetherell and Potter, 1992; Prior, 1997). Discourse analysis has been stated to be particularly efficient in interpreting cognition-based views and opinions (Wetherell and Potter, 1992). Graen (2003) has stressed that relationships and social exchanges in the context of the work-place consist of attached opinions, feelings, and experience-based cognitions. The paper takes personal experience and perception of the relationship to be a central aspect of interest, and thus Potter's (2004) tradition is utilisable because it enables research reaching beyond textual details and understanding a person's affective opinions and views. To achieve its aims, this paper approaches the identification of discourses using the meso-approach of Alvesson and Kärreman (2000). This approach defines an individual's speech to be highly collapsed with cognitive processes. Furthermore, the analytical dimension of discourse determination directs the analysis towards the search of statements and identification of certain discourses that are used to refer to relatively established discourses incorporated in a certain meaning in a certain field (Alvesson and Kärreman, 2000).

The changing nature and developing views within the dyad during its development make it especially challenging to capture the parties' core perceptions. Therefore, a longitudinal design was established. Three interview rounds were conducted, during which the interviewees (all subordinates) were asked to describe and to reflect on the nature of their exchange relationships with supervisors. The discussions were also structured to include a substantial section where the development of the relationship was considered by asking the interviewee to

talk about his/her expectations of the relationship, and during the latter interview rounds, about his/her views on the development that had happened and the direction of forthcoming relationship development. The first interview round was organised in the beginning of March 2006, when the interviewees had just entered the organisations and had cooperated with their supervisors for approximately one week. The second data collection was held during the end of May 2006, when the participants had established the relationships for approximately three months and were able to elaborate on the relationship. The third collection happened between the end of December 2006 and mid-January 2007. At this phase, the participants had worked in the organisations for about ten months and had gained a better view of the reality of the exchange. This procedure is in line with the longitudinal multilevel model limited to the analysis of interview texts (Ruspini, 2002).

The interview data of the present study was gathered from immigrants, who originally came from Russia, Poland, Czech Republic, Venezuela, Somalia, Ethiopia and Turkey, and who were employed in different organisations operating in Finland. Immigrant members are here approached as a group of individuals, who do not belong into the ethnic majority based on both visible and invisible differences. Each of these organisations had less than seven percent ethnic minority workers in their workforce at the time of the first interview round. Each interviewee was in a subordinate position and had a supervisor who belonged to the ethnic majority. Ethnic majority member refers here to a native-born Finn with a Caucasian ethnic background. A total of 20 individuals were interviewed in depth concerning the LMX relationship with their supervisor. Two participants changed organisations before the last interview, and thus the third interview round included 18 participants. Interviewees worked together, or otherwise were in contact, with their supervisors approximately five to ten times a day. Interviews were conducted in Finnish or in English, depending on the interviewee's preference. Generally the language skills of the participants in Finnish and/or English were good and they used versatile and rich descriptions in their speech. Each participant was carefully oriented to the theme at the beginning of the interview, but during the interviews any researcher-based orientation was avoided (see Potter, 2004).

The data was processed by transcribing it to include irregularities and repetitions, as well as ordinary speech between the interviewer and the interviewee. The discourses were derived through carefully analysing the whole corpus of transcribed text for each participant as a single body of data, for each successive interview round. Deviancy of the cases was carefully analysed based on the recommendations of Potter (2004). The NVIVO-program was used in analysis in coding, categorising, and in early phases in discourse-generating. The coherence

of the results compared to earlier studies is open for the reader to evaluate (Edwards and Potter, 1993). In the following section, the results of the study are introduced with representative extracts from the text corpus. This is followed by a discussion of the findings with conclusions.

Findings

A total of seven discourses were found during the three interview rounds. They are introduced next, beginning with findings of the first interview round. Identified interconnections between the discourses are introduced after presenting the respective discourses. In the quotations, the abbreviation 'Int' represents the interviewer and 'Pn' the participant.

Performance counts (first round (1. rd.))

In the descriptions of seventeen participants, a discourse is identifiable of emphasising the performance expectations the leader signals towards them. Most of these participants assume that being a minority group representative would probably affect the interactions and overall relationship quality. Yet they had no such experiences by the time of the first interview. Rather, what they experienced was that the performance expectations are fairly high from the beginning and they perceive that the leader had also set the expected performance to be a condition for the initiation of development of their relationship. The following quotations illustrate these observations:

Int: Please tell me what is primarily on your mind now on the relationship?

Pn2: I would say the interactions between us are at a good level. They consist of the assignments and naturally he gives me a lot of practical guidance in many tasks. We also talk on the standards and things like that. There seems to be many new things to learn and I feel that all the time we have must be spent on those issues. It is important because I will be judged based on my performance. It will be interesting to see how my relationship develops compared to others' work relationships with the leader. I think that there will be some differences.

Int: Could you describe your cooperation with your supervisor?

Pn11: It is clear that the work phase here is tough. I don't know if the Finns perceive it similarly, but for me these first days have been really intense. There are lots of technical things and regulations. Fortunately she has supported me with these issues and we have talked a lot of these new things. I believe this rush is only for the beginning. She has also told me about all the evaluation I am under, as are other employees as well. So there are lots of requirements and I haven't had much time for a short personal chat with her. I still trust that we will get there also if I just meet those goals.

Members (subordinates) perceive that the interactions with the leader (supervisor) consist largely of the work-related issues. They legitimatise this partly in view of the ongoing induction training process and partly with the leader's object to socialise them into the hard-working community.

Promises of a good-quality relationship (1. rd.)

A discourse focusing on the promises of prospective positive relationship is identifiable in fifteen participants' descriptions. It seems that the leader has provided many signals for the members, which they have interpreted to be statements on the forthcoming relationship. The participants typically associate this aspect closely with certain demands that the leader has made of them, justifying the leader's behaviour. Therefore, there is a close and legitimating linkage between the first two discourses. The following quotations are examples of this discourse:

Int: How have you perceived leader's behaviour toward you?

Pn7: I have gathered that when I meet or exceed the basic requirements, I will eventually receive more demanding tasks and more responsibilities as well as more freedom with my work. You know, the usual process. I do take the expectations for real because I am willing to develop my career. I guess I am fortunate because I have this possibility. But nothing comes for free here, and it shouldn't. I have observed [a] few older workers' relationships with him and I can see the possibilities.

Int: In terms of formality, how would you describe your relationship?

Pn19: I think he is at first willing to see how I can handle my job. Only after being convinced of me, it is possible for him to bring the relationship to [a] more personal level or so. But that is my aim. I mean that it is so much easier with more relaxed and informal relationship. I think that I feel and work better in that kind of environment and relationship. Still, we are only getting to know each other and learning of each other, so it is hard to comment anything for sure.

Members perceive strongly the test-period atmosphere within the relationship. In their interactions, the members emphasise that leaders have given indirect promises on the relationship development. Generally during the first interview round there are only few references to ethnic minority membership.

Otherness, ethnic identity and minority group emphasis (Second round (2. rd.))

After working for three months, nine interviewees adopted a discourse focusing on the minority group membership references in their descriptions. Here, the participants begin to refer to social comparisons with ethnic majority workers and their relationships with the same supervisor. Interviewees also begin to observe

certain particularities in their relationships, which are interpreted to be references to the subordinate belonging to a minority group. Generally, there are no descriptions of discrimination and references are not made in a negative sense. Rather, it is important that the discourse is now established into the descriptions and seems to be of importance for the subordinate. The following quotation illustrates this:

Int: So, how are you getting along?

Pn6: Generally this period has been nice and I have learned great deal of issues. My working relationship with my supervisor has developed and I feel that it is going [in the] right direction, little by little. I am still a newcomer here, you know. Of course my background is one affecting thing. That is for sure. But there is no discrimination or anything. He tries his best to treat me similarly than the Finns, and I believe that he is succeeding well in that. [...] It is difficult to nominate situations or anything, maybe it is the background knowledge and perhaps differing interests. I do not care too much for sports, for example, but he likes to discuss on that, especially the national sports.

Generally it seems that the interviewees find it difficult to describe actual situations where the perceived otherness and emphasised minority group membership would be particularly clear. Rather, the references are made in an abstract level, flavouring the overall relationship.

Constant test-period (2. rd.)

After analysing the second round interviews, in fifteen interviewees' descriptions a continuing discourse from the two discourses of the first round was present. 'Constant test-period' discourse emphasises the high performance the leader still expects from the member. It also refers to earlier perceived promises, which have, in the interviewees' interpretations, changed partly to hints that high efforts are needed now to keep the relationship quality stable, on a neutral quality level. Seven interviewees introduce the discourse as occurring in a silent consecutively way so that there is no possibility for any actual relationship development activities through the perceived high performance expectations. The next quotations provide evidence on the discourse:

Int: Could you describe the relationship development in comparison with the beginning?

Pn8: Well, I think that I am still a new employee, and my capabilities and motivation are in a way still being tested for really getting to know me, and therefore I really have to push it hard. Those aspects have also developed, but it just takes time, you know. I think that I have learned a lot of him and I would say that I really know him as a person and trust on him, but it is slo-

wer [the] other way around. That is of course because he has to cooperate with ten employees.

Int: What has changed in your relationship during this period?

Pn11: Of course there are many things that have changed. I know her better now and I think she knows me better as well and understands perhaps a bit of my background and so on. This comes naturally just working in the same room most of the day. One thing, this work pace, has stayed the same and I think it is in a way hindering or limiting our work relationship, you know, the informality and relaxed talking. Maybe it is this rush and really high performance requirements that are in a way limiting the development to that direction. And naturally I have to work hard to keep my job and to be taken as a trusted worker. It is not the same for all here, but for some, so I am not alone with this.

The subordinates interviewed seem to appreciate the openness and informality within the relationship with a supervisor. This seems to be related to the nature of the relationships of other, possibly older, employees with the supervisor.

Roles given, roles taken (Third round (3. rd.))

According to this discourse, there seems to be some difference between the in-dyad roles given by the leader and roles aimed or taken by the member. Fifteen members state that they would like to have a high-quality relationship at this point, having cooperated for ten months with the supervisor. Justifications for such wishes are provided mainly in the social comparisons and perceived effort put in for the work and the relationship. In their speech, very often the other party, the leader, is introduced in a context that hinders the relationship development. To some extent the leader is seen as constructing irrelevant obstacles for the development, such as high competency requirements in language and local culture and habit knowledge. The following quotations illustrate these observations:

Int: Are there any aspects in your work relationship where you see development needs?

Pn12: I think I have now learned my tasks and perform better and better all the time. Our work relationship is rather fine, I guess. I mean, he has seen it as well and I can see that the trust between us is better now. Then again I think that there are some non-work issues that affect our relationship development. I mean, I am sure that he actually may not realise it openly, but just lets it happen. I think the reason is the history and small number of ethnic minorities here and all. There [are] language issues and everything, even though our common corporate language is English, but it somehow still affects on the relationship.

Int: How do you see the future development of your relationship?

Pn3: *It takes time, first of all. When there are new things to be learned, for both parties, the issues are handled with time and that is something I must adjust to. I believe that our relationship still develops. Especially I hope that it will become more normal and I or he doesn't have to prepare ourselves to the interactions and meetings anyhow, they just come normally. Now the thing is still partly developing, and I can see it is the differing cultural background. I mean, we don't share a common list of topics on which to discuss. I think I am there already but he is only at the half way [stage].*

There seems to be a will at this point to develop the relationship to be seen similarly from both angles. This refers also to the aim where the relationship would be equal. The participants generally trust that the relationship will develop positively, even though they might be slightly unconfident about the time period.

Dyadic otherness (3. rd.)

In the last interview round, the otherness, ethnic identity and minority group emphasis discourse was continued and gained more consistency, as thirteen participants referred to it. Dyadic otherness nevertheless differs from the second interview round's discourse by being more focused on interpersonal behaviour within the dyad. This discourse was produced with 'roles given, roles taken' discourse, and thus the leader's activities are seen here as primarily causing the perceptions. The following quotations illustrate these observations:

Int: *How would you describe your relationship quality at the moment?*

Pn3: *All in all it is good. We work together actively and during that he has learned to know me well. Of course these things always develop and still there are some boundaries between us. When we talk, for example on some project task, I perceive that he typically wants to clarify his message by using, for example, over-simplistic examples. I can speak Finnish well and I would definitely understand a message explained normally.*

Int: *How is your daily interaction?*

Pn5: *Well, we do speak on work-related matters and partly on others as well. Our discussions are growing to be natural and relaxed and I like that. I think our interaction is going towards the direction where the natives are with him.*

The members seem to place trust in the positive development of the relationship, regardless of its perceived differences from observed relationships between those leaders and members belonging to the ethnic majority.

Tailored relationships (3. rd.)

The third discourse of the last interview round is called ‘Tailored relationships’. Here, eleven participants make references that hint towards the observation of leaders adjusting their behaviour in order to adapt better to the members. Participants see this as a positive signal for the relationship and trust the relationship to be developing. The following quotation is an example of this discourse:

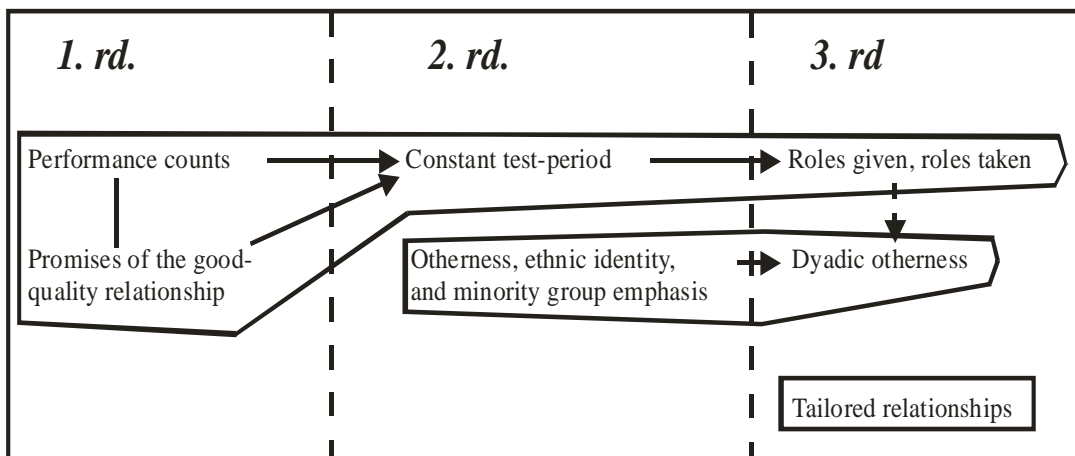
Int: What has changed in your relationship during the last period?

Pn14: Lots of things have developed and changed in our work relationship and in my learning into this community as well. I think my supervisor now sees better my special skills and is also partly changing his behaviour so that the skills would be most beneficial for my work and organisation. I guess that is the main thing. I adjusted and learned the adaptation needs in early phase, but it took a bit longer for my supervisor. The same things that go with others just don't work perhaps similarly with me, we are all individuals. Of course th[ere] is culture difference as well. And still, it is only beginning to happen. But I am happier now, because I finally see some real development in our relationship. I guess that within the next six months our work relationship would be already somewhere, where I would like to see it being.

Many of the members suggested that they were flexible for the adjustment in early phases, but the supervisor did not focus enough on the special needs they had and did not invest enough time on the relationship.

In Figure 1, the discourses identified during the relationship development are introduced.

Figure 1. Identified discourses during the relationship development



As can be seen in Figure 1, when the evolution lines ‘logic’ and ‘content similarity’ are considered, two predominant developing discourses can be formed. The first handles the member’s perceived expectations of the leader, their relation to aimed-for high-quality relationships, and finally the in-dyad roles. The other appears during the second and third interview rounds. It concentrates on the member’s perceived otherness and the meaning of belonging to the ethnic minority group. These predominant discourses have a linkage that appeared during analysis of the third-round interviews. Lastly, there is an individual discourse identified during the third interview round, called ‘tailored relationships’ that focuses on the perceived behaviour adjustment of the leader.

Discussion

The progression of the leader-member relationship through different phases has raised researchers’ interest and a great deal of research has been conducted to understand the dynamics of the process. However, studies incorporating the now typical ethnically diverse workforce and supervisor-subordinate dyads appear as clearly narrow and incomplete. Therefore, this longitudinal investigation aimed to study the developmental process by focusing on the discourses of the ethnic minority subordinates’ generated at early and later stages of the development of the relationship with an ethnic majority supervisor. Three interview rounds were conducted during approximately ten months of relationship development, originally among 20 ethnic minority subordinates. During these interviews, a total of seven discourses were identified that describe subordinates’ perceptions of the relationship during different phases of relationship development.

Utilising the terminology of the leadership-making model, it seems that, during the ‘stranger’ phase, the relationship perceptions of the ethnic minority representatives’ follow the earlier researchers’ suggestions on the contract-based relationship. Both discourses identified here refer towards the job and performance-based establishment and development of the relationship. Particularly in line with Dockery and Steiner’s (1990) suggestion on the supervisors’ work-related orientation is the ‘Performance counts’ discourse. The ‘Promises of a good-quality relationship’ discourse is perhaps seen as a source of motivation by subordinates with references to the possibility of entering the ‘in-group’.

Interestingly, it seems that after working together with a leader for three months, previous discourses have developed and united to form the ‘Constant test-period’ discourse. This discourse has a clear linkage to the ‘acquaintance’ phase of the relationship development. It seems that here the subordinates perceive increasingly the expectations for high performance. On the other hand, by interpreting leader’s behaviour, they see only small possibilities for developing

the relationship within the given role. By following further this developing line of discourse, after working for about ten months, this discourse is again reshaped. The discourse 'Roles given, roles taken' implies that, based on the interviewees' aims, and social comparisons conducted among other subordinates' relationships, a new approach is sought in an effort to achieve the high-quality relationship. Important here is that the leader is seen as not fulfilling the role development expectations within the relationship. Therefore, other influencing factors are sought and considered for the change. On the one hand, some seem to trust that demonstrating high performance will consecutively develop the relationship. On the other hand, some are beginning to show signs of passivity and frustration, and joining their discourse to the adjacent 'Dyadic otherness' discourse. A separate discourse of 'Tailored relationships' further emphasises the need for adjustment of the leader's behaviour for levelling the relationship.

When considering the results of this study and bearing in mind the study's angles, from both the LMX and workforce diversity points of view, there are several important theoretical and practical issues. Firstly, it seems that supervisors should be made aware of the importance of the initial interactions and should be encouraged to structure interactions with new group members accordingly. Great promises given at the beginning for the development of the relationship may motivate the ethnic minority member for a short while, but later they can prove problematic. Overall it seems to be important that the conditions for a high-quality relationship are openly clarified. Secondly, leaders should acknowledge that the 'stranger' phase is bypassed rather quickly, but the move from the 'acquaintance' phase is harder and seems to take more time than the length of this study. In the last periods analysed here, there is a hint that the development towards a mature phase happened mainly because the leader adjusted the in-dyad behaviour and thus affected the roles within the ethnically-diverse exchange. Thirdly, the ethnic minority member perceives otherness that seems to be of importance for the relationship development and effort provided. Rather soon after beginning work, the participants had some observations on the different behaviours of leaders towards members. While this is not necessarily a negative phenomenon, it should be considered when cooperating with members from different ethnic backgrounds in a shared social context. Lastly, behaviour tailoring and leader adjustment seems to be necessary for developing the relationships. This follows the overall LMX presumptions, and is further emphasised with ethnically diverse members.

When the findings of this study are investigated and used, it should be acknowledged that the length of this follow-up covers by no means the life-cycle of the relationship. On the contrary, it can be interpreted that, after ten months, relationships are still mainly at the 'acquaintance' phase. Another important as-

pect is the context where the data was gathered. It should be kept in mind that the organisations involved here are still generally ethnically homogeneous. On the other hand this may have supported the identification of discourses by creating a setting where differing ethnic origin and its implications may appear easier to study. Further, this study did not group ethnic minority members into narrower groups. That kind of approach requires larger participant population and offers interesting possibilities for future research. It is clear that our understanding of the ethnic diversity in supervisor-subordinate relations is still narrow. As a general implication for such research, the field of LMX would benefit from studies focusing on the impact of social context and identity groups.

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Ethnic Identity in Relationships between the Leaders and Followers

Jussi Leponiemi
Department of Management, University of Vaasa
Finland

Abstract

Ethnic majority supervisors have to establish ethnically diverse working relationships as organisations' workforces increasingly comprise immigrants and other individuals with differing ethnic backgrounds. Earlier research on leader-member exchanges (LMX) has provided some evidence on the negative relationship between perceived in-dyad difference and lower quality exchanges. However, the role of ethnic identity has not been considered in these relationships. Therefore, this article focuses on minority workers' ethnic identity and its implications for their perception of the relationship with an ethnic majority member supervisor. By utilising discourse analysis, the study investigates the ethnic minority workers' perceptions of the relationship with the supervisor and their ethnic identity's role within it. Three discourses were identified, illuminating the roles of ethnic identity and social context in LMX relationships. According to the results, ethnic identity and social comparisons are pertinent to the relationship's nature, quality and development.

Keywords: ethnic minority member, leader-member exchange, identity, ethnic identity, otherness

Introduction

For some time now it has been a matter of academic interest to investigate whether supervisors, in order to be effective, should relate to their subordinates as individualised members of the group or as unique individuals who work in a group with other individuals. The Leader-Member Exchange (LMX) theory of leadership (see e.g., Dansereau et al., 1975; Graen and Uhl-Bien, 1995) has supported the personalised approach where a dyad is formed between the supervisor and the subordinate with only limited attention to the social context. However, in a modern working community it is increasingly difficult not to take notice of other group members. On the one hand, work practices are ordinarily based on group activities. On the other hand, the role of other individuals is emphasised based on individual differences. An important viewpoint on the discussion comes from the leadership related social identity theory (Hogg, 2001), which suggests that members' identification with the group and the group's self-conceptual salience determines the effectiveness of the leader-member relationship (see e.g. Hogg et al., 2003; Martin et al., 2005).

The question of the most effective approach is significant because there are multiple positive individual and organisational outcomes that are obtainable if the quality of the exchange is good (e.g. Liden et al., 1993; Basu and Green, 1995; Schriesheim et al., 1999) and the member is brought into an in-group (Scandura and Lankau, 1996; Chrobot-Mason, 2004). Furthermore, it has been suggested in a multitude of studies that low-quality relationships are fatal for success of both the organisation and individuals (e.g. Pelled and Xin, 2000; Colella and Varma, 2001). Until recently, the meaning of the relationship participants' social identity processes has been largely bypassed. Based on two empirical studies, Hogg et al. (2005: 1002–1003) concluded that the salience of group membership is associated with perceived leader-member relationship effectiveness, and that the effectiveness is in agreement with social identity processes. Schyns (2006) suggests that LMX consensus within a team affects on organisational performance and thus, similar relationships should be strived for with every follower. Furthermore, in a theoretical article van Breukelen et al. (2006) point out that current LMX theory has long been criticised for a lack of attention to group dynamics – a critique that is still valid.

An individual's ethnic and cultural background is claimed to be one of the identity layers defining and strongly denominating person's identity (Williams and O'Reilly, 1998). It refers to individual's need for and aptitude in relating to groups in work contexts (Thatcher and Jehn, 1998). Workforce's ethnic diversity has been included in a few earlier studies investigating leaders' and subordinates' relationship. However, referring to Graen and Uhl-Bien's (1995) classification of

LMX research's developmental stages, these studies are mostly located at the level of *the investigation of characteristics of LMX dyads and their organisational implications* (Graen and Uhl-Bien, 1995: 225). The studies incorporating individuals' differing ethnic backgrounds have focused on the impact of a relationship's quality, resulting in a negative (Pelled and Xin, 2000) or a neutral dependency (Basu and Green, 1995). The latest LMX research's developmental stage, *the aggregation of differentiated dyadic relationships to group and network levels* (Graen and Uhl-Bien, 1995: 225) that allows a social context to be one of the central elements of research has not considered individuals' ethnic diversity or a person's background-related identity layers.

Contemporary reality in working communities is one of ethnic diversity, where a growing number of immigrant workers is entering into formerly ethnically homogeneous organisations. Therefore, this article takes preliminary steps by reviewing the research on minority workers' ethnic identity and its implications on perceptions of a relationship with an ethnic majority member supervisor. By using the research on LMX as a guiding frame for analysis, this study focuses empirically on the broad question of how ethnic minority workers' perceptions of the working relationship with their supervisor and their ethnic identity are related. This is explored by utilising discourse analysis. After reviewing the relevant literature, the design of the research is presented. The paper goes on to report the results and conclusions, after which some practical implications are considered.

Ethnic identity and organisational context

When addressing individual's background, the terms culture and ethnicity overlap and are used widely for similar meanings. Many authors include both terms when describing or referring to a person's affiliation with a particular ethnic group, or to their sharing qualities, characteristics or customs (see e.g. Fiske et al., 1998; Ting-Toomey et al., 2000). Many researchers have emphasised that a tangible term, race, should not be used because it is not a sociocultural term (see e.g. Foster and Martinez, 1995; Phinney, 1996), though it may be of relevance in discussions on ethnicity. When identity's aspects are considered, the ethnicity seems to be emphasised over against culture. In addition, there are several studies which have adopted the term ethnic identity as a reference to various personal dimensions, of which cultural background is one (see e.g. Shapiro, 2000). Ethnic identity is personal and has many facets comprising of nationality, race, culture, religion, language, geography, ancestry, family and sub-culture or any combination of these (Fiske et al., 1998; Jehn, 1999). Following the core elements of the widely used Multigroup ethnic identity measure (Rotheram and Phinney, 1989), ethnic identity is suggested to be the extent to which an individual identifies with a par-

ticular ethnic group and in which one claims heritage. Applying the logic from the theory of self-categorisation (see Onorato and Turner, 2001), ethnic identity also alludes to an individual's perception of belonging to an ethnic group and in part to one's feelings, thinking and behaviour that is due to ethnic group membership (Phinney, 1996; Hedström and Swedberg, 1998).

Ethnic identity is said to evolve with changes in social context and to involve attitudes and values (Yeh and Huang, 1996). Robins (1999) has suggested that a person can receive a realistic observation of one's own identity in unexpected and insecure situations. Furthermore, Bauman (1996) concluded that a person processes one's identity particularly in situations where it is difficult to identify the familiar reference to regain a feeling of secure social context. Similarly, few other studies suggest that ethnic identity's influence on interpersonal relations is important in situations where it is difficult to identify a group of reference (James et al., 1994) or where one's ethnic and cultural identity is forced to adapt or change (Kirmayer et al., 2000), which may happen, for example, when immigrant workers enter into an ethnically homogeneous community. Another perspective on ethnic identity is offered by Byrne (1971) through the similarity attraction theory, although it was not principally applied to identity. Its application occurred later and results have shown, for example, that race, amongst other variables, has an impact on a person's choice of the preferred type allowed into the in-group (Touhey, 1974; Goldberg, 2005).

Interactions between individuals from different ethnic groups are always unique, based on individuals' experiences, capabilities, attitudes and roles in the social context. Interaction is referred to here as a situation where parties listen to and communicate with each other, and want to be understood and to understand each other. When individuals with differing ethnic backgrounds meet, it has been suggested that their ethnic identities interact, during which the participants regulate and set their contribution towards the relationship (Zenger and Lawrence, 1989; Wayne et al., 1997). Perceptions of prejudice are reported to be possible in these situations, particularly when the ethnic minority member has a high ethnic identification. Fiske (2001) reported that in interactions, low-identified minority members often try to overlook the perceived prejudice, whereas high-identified minority members have a strong reaction to it.

One phenomenon typically present in the interactions between individuals from different identity groups is the concept of otherness. It has been described as an identity produced for the other or self, and it is often linked with the feeling of non-togetherness, unfamiliarity, and secondariness (Banks, 1988). Kristeva (1993) suggests that otherness is based on perceived prejudice but includes also knowledge from certain experiences. Otherness often takes place in people's in-

terpretation processes, when a person entering into a social context is perceived to be different (Jenkins, 1996), but it can also be a person's self-interpretation model, where a person in his or her own surroundings is perceived to be different and stands out from the crowd (Liebkind, 1992). The perception of otherness is explained to lead to a situation where the interpreter's preconceptions affect the real interaction (Jenkins, 1996). Here, the constructivism of otherness is also suggested to occur. The interpreter sees the actions of the interpreted as a part of general discourse related to the identity group, in which the interpreter evaluates the interpreted to belong (Davies, 2004). It seems that otherness can be used to understand ethnic identity in many ways. For instance, Hall (1992) has suggested that otherness and out-group membership are outcomes of a process in which one's own identity group, the in-group, is consolidated. The attractiveness of the out-group is diminished to maintain the in-group, and thus, for the out-group members otherness becomes more unpleasant and negative (Hall, 1992). The members of the out-group, for example minority members, may also know instinctively that something negative is linked to them.

Fairness and procedural justice also have a role in a discussion of ethnic identity, interactions and relationships. For example, Hogg et al. (2005) cite procedural justice to be one variable partly determining relationship quality, and Tyler and Blader (2003) emphasise that in organisational contexts followers make judgments about the fairness of the leader's actions. If a member of a minority group perceives that he/she or his/her identity group is treated unfairly, motivational challenges are likely to appear. Furthermore, McCoy and Major (2003) suggest that for highly group identified individuals, prejudice against the in-group is a threat against the self. Thus, the self-protective strategy of attributing negative feedback to discrimination may be effective for individuals who do not consider the group a central aspect of self.

Lastly, when discussing ethnic identity and identity groups, it is important to bear in mind that various ethnic minorities may form a minority group of their own in a workplace even if the ethnic origins vary inside that group (Hogg et al., 2005). This may happen if the number of ethnic minority members is very small compared to majority members. In this kind of group it is the minority group identification that integrates individuals (Hogg et al., 2005; Martin et al., 2005). The group may, for example, consist of an organisation's immigrant workers. Next, the ethnic identity approach is discussed in connection with LMX theory.

Ethnic identity and LMX

There are at least two different possible viewpoints available when considering the ethnic identity's impact on the relationship between supervisor and subordi-

nate. The traditional viewpoint is to some extent adopted by the LMX research, according to which exchanges take place within the dyad regardless of groups or various combinations of dyads forming networks (Graen and Uhl-Bien, 1995). This approach views the relationship as isolated from other dyads and the group surrounding the individual. The key assumption is that individuals evaluate their relationships in an absolute sense (Hogg et al., 2005: 992). The more recent viewpoint is different in its underlying assumptions concerning the role of social context in exchanges and the emphasis, according to which it is natural for individuals to make social comparisons. Indeed, the context of each leader-member exchange relationship is filled with a network of other relationships between leaders and subordinates (Hogg et al., 2003). These comparisons are made according to the perceptions of other employees' LMX relationships in a working community (Hogg et al., 2005; Martin et al., 2005). Observations of equity, procedural justice, and the possible effect of intergroup comparisons are all likely to have a role in perceptions of LMX quality (Hogg et al., 2005). Therefore, it has been argued that members determine their LMX quality not only in an absolute sense, but also according to the above dimensions in social context and other relationships (Hogg et al., 2005; Martin et al., 2005).

Ethnic identity, in the sense of individual's perception and identification with an ethnic group, is allowed to play a role in the latter approach, which takes social context, equity and procedural justice into account. From the individual perspective, it has been suggested that belonging to a certain ethnic or cultural minority is a focal definer of the work perception in general (Cox, 1993). Furthermore, immigrant workers' ethnic and culture-related backgrounds and characteristics are also suggested to have an impact on the relationship with their supervisors. The extant studies conducted according to the isolated dyad approach generally show a negative relation between such dissimilarity and exchange quality (see e.g. Dienesch and Liden, 1986; Tsui and O'Reilly, 1989; Pelled and Xin, 2000). The results of these studies emphasise the meaning of perceived dissimilarity in ethnicity and other related diversity variables. By adopting the social context approach, many interesting questions arise, such as what is the role of social comparison between members from different ethnic identity groups in the determination of LMX quality, and does ethnic minority membership provide some premises for the LMX relationship evaluation?

As referred to earlier, Graen and Uhl-Bien's (1995) taxonomy on LMX theory's developmental stages gives a feasible frame, against which to reflect the potential effects of ethnic identity on LMX. When investigating the results of the *Discovery of differentiated dyads* stage (see Graen and Uhl-Bien, 1995: 226) that focused on revising the leadership frame in relationships, it should be noticed that

already early LMX studies linked the high- and low-quality relationships as conceptual in- and out-groups the supervisor uses to apply certain approaches to certain subordinates. Not only does this fit with the taxonomy discussed above on otherness, but it also follows closely the concept of social identity as the level of analysis is limited to the dyad with the working unit as well as procedural justice aspects of identity. Other relevant LMX research aspect that is interesting for social identity perspective is the LMX stage *Description of dyadic partnership building* (Graen and Uhl-Bien, 1995: 229), during which the developmental process aspect of relationships were discussed, and also the considerations of similarity attraction in supervisor-subordinate relationships (Byrne, 1971; Basu and Green, 1995).

According to the leadership making model describing the development of LMX, the relationship development process consists of three phases, if successful. In the beginning stranger phase, two persons come together and start working with each other on a formal basis (Uhl-Bien and Graen, 1992). Consequently, in the acquaintance phase, the relationship's quality rises from low to medium and social exchanges increase. Lastly, if the relationship develops further, it enters the mature phase, where the relationship includes trust and loyalty (Uhl-Bien and Graen, 1992; Graen and Uhl-Bien, 1995). When as we consider the differing ethnic backgrounds of individuals and their interacting ethnic identities (Zenger and Lawrence, 1989; Wayne et al., 1997), it seems that the transition from stranger to acquaintance level is challenging due to possible prejudices as well as to the similarity attraction process.

Empirical studies that have shown a relationship between perceived similarity and LMX relationship quality seems to be of importance from the ethnic identity perspective (for relevant variables, see e.g. Tsui and O'Reilly, 1989; Pelled and Xin, 2000, see also Basu and Green, 1995). This refers strongly the similarity attraction approach (Byrne, 1971), and also racial aspects of similarity perception (Goldberg, 2005). On the other hand, earlier results on ethnic identity's influence on relationships when an identity group's identification is difficult (James et al., 1994) approaches the issue from the opposite direction. Perceived dissimilarity of self is seen here as an obstacle to an individual's actions. Furthermore, the aspects of procedural justice and fairness focus on activities and consequences occurring after a perception by a member of an identity group as having been treated unfairly (Tyler and Blader, 2003; Hogg et al., 2005).

Considering both the obvious and indirect links between LMX theory and the ethnic identity of an individual discussed above, it is clear that further investigation along these lines is justified. However, there are no studies approaching

these issues together. Next, before presenting the results of this study, the adopted research design and the study's participants are introduced.

Research design

When an individual's ethnic identity is subjected to empirical investigation, the utilisation of narrative and discursive approaches has been recommended due to identity's close link to self-conception (Barker and Galasinski, 2001). The present study makes primary use of the discourse analytical tradition introduced by Potter (2004), focusing on the discourses that create both objects and subjects (see Fairclough, 1992; Wetherell and Potter, 1992; Prior, 1997). Firstly, this is based on the interpretation of relationships and social exchanges between individuals as attached opinions, feelings, and experience-based cognitions (Graen, 2003) that become visible as objects and described characteristics when individuals produce thematically oriented discourses (Wetherell and Potter, 1992). Secondly, as the paper takes a layer of social identity, namely ethnic identity, to be one central aspect of interest, Potter's (2004) tradition is applicable insofar as it enables the research to reach beyond textual details to understanding a person's self-conceptual views. To achieve its aims, this paper approaches the identification of discourses using the meso-approach of Alvesson and Kärreman (2000). This approach defines an individual's speech to be highly collapsed with cognitive processes. Furthermore, the analytical dimension of discourse determination directs the analysis towards the search of statements and the identification of certain discourses that are used to refer to relatively established discourses incorporated in a certain meaning in a certain field (Alvesson and Kärreman, 2000). Based on the discussion above, this approach seems to be well suited to the present study in its aims of understanding the role of ethnic identity in relationships between the leader and the subordinate.

The interview data of the present study was gathered from immigrant members in different organisations operating in Finland. Each of the organisations had less than five percent immigrant workers in their workforce during the interview period. Interviews were conducted before any developmental activities in order to achieve a neutral and realistic view of the matter. Immigrant members were selected based on them fulfilling the condition of ethnic minority representation, thus enabling the research of ethnic identity's role in supervisor-subordinate relationship in a situation where the subordinate is an ethnic minority representative. It should be emphasised here that the intention was not to identify discourses related to a certain ethnic identity group, but rather to take the first steps in understanding the role of ethnic identity in the relationship between the leader and the subordinate in general. Therefore, the interviews of subordinate ethnic minority

members have been treated in analysis as a text corpus of a group with a shared characteristic of ethnic minority membership.

Each interviewee was in a subordinate position and had an ethnic majority member supervisor. A total of 20 individuals originally from Estonia, Russia, Poland, Czech Republic, Venezuela, Somalia, Ethiopia and Turkey were interviewed in depth concerning the LMX relationship with their supervisor. Interviews were conducted in Finnish or in English, depending on the interviewee's preference. Generally the language skills of the participants were good and they used versatile and rich descriptions in their dialogue. The interviewees were asked to describe and to reflect on the nature of their exchange relationship. The discussions were also structured to include a broad section where social and ethnic identity was investigated by asking the interviewee to tell about his/her groups of reference and perceptions of leader's comparative behaviour towards the interviewee, the interviewee's possible reference group, and other groups. The data was processed by transcribing it to include repetitions, irregularities as well as ordinary dialogue between the interviewer and the interviewee. The discourses were derived through carefully analysing the whole corpus of transcribed text for each participant as a single body of data. The NVIVO-program was used in analysis in coding, categorising, and in the early phases in discourse generating.

The validity of this research is based on four elements suggested by Potter (2004). The first principle that is followed here is the orientation of the participants to the theme, which was supported by carefully introducing the research topic and background to the interviewees. Another response to potential threats on validity in this paper is the deviancy of the cases. Deviancy is used to allow for the explication of the revision need of analytical generalisations and also to provide support for the micro-level contentions. In addition to these, the coherence of the results compared to earlier studies is opened for a reader to evaluate (see Edwards and Potter, 1993). The reliability is also actively supported by delivering multiple extracts from the interview texts for each discourse. In the following section, the results of the study are introduced with representative extracts from the text corpus. This is followed by a discussion of the findings and some tentative conclusions.

Findings

Three discourses that have a role in the representation of ethnic identity in relationships between the leader and the subordinate were identified based on the ethnic minority subordinates' interviews. They are *otherness*, *working relationship admittance*, and *minority group allusions*. In part, the discourses are interrelated and include hierarchical and causal relations. Interviewees' comments and

descriptions do not necessarily reflect the reality in organisations but rather, are the interviewees' perceptions and individual constructions. Next, the discourses and their construction are introduced and ethnic identity's role in the relationships between the leader and the subordinate is outlined. Quotations of the interviews are attached to the discourse descriptions in order to enable the reader to evaluate the validity of identified discourses. In the quotations, the abbreviation "Int" represents the interviewer and "Pn" the participant.

Otherness

In most of the participants' dialogues the discourse emphasising the perceived otherness is identifiable. It is also present either directly or indirectly in two other discourses at the level of their repertoires, and thus it is the predominant discourse. In their dialogue of the relationship with an ethnic majority supervisor, the interviewees often adopted a dualist approach on the relationship and the working community. In the descriptions of the relationship, by placing oneself into the group, which is referred as others, immigrants, or for example coloured, or just by using initiatively the collective pronoun "us", by which the minority members are referred, and referring the supervisor and other ethnic majority members, including the ethnic majority subordinates, as the Finns, locals, natives, and them, the interviewees link the leader-member relationship with collective relation between the ethnic minority and majority members. The following quotations illustrate these observations:

Int: Could you describe what the relationship is like in everyday work?

Pn9: Well, it is the normal work, where he and I cooperate at some level, depending on the task, of course. Usually it is very smooth, and that is what I've heard from the others as well. We are treated nicely here. Naturally it depends on the supervisor in question, but in general yes.

Int: Could you describe the quality of the relationship between you and your direct supervisor?

Pn13: I would say she has been my strongest support here. And the relationship is very good, I think so, yes. I have very nice work relationships with every Finn working in here. They understand us very well and see that sometimes some flexibility is needed

For some of the interviewees, the descriptions of the supervisor with whom the interviewees have a working relationship, are based almost seamlessly on the category of ethnic majority members in general, also linking personal descriptions with different organisational positions. In these representations the interviewees begin with a reference to the single person, the supervisor, but when sharpening

and amplifying the description they often search for support for their perceptions from the characteristics and perceived typical features of ethnic majority subordinates. For example:

Int: Do you feel that your supervisor trusts you?

Pn2: I have learned that the locals here evaluate people based on their trustworthiness, loyalty and partly also on their behaviour. My supervisor and my Finnish team-members are all very stereotypical in those respects and I think that because I've succeeded quite nicely in my tasks, they do trust me. Me and my supervisor can also discuss personal matters and that, I think, is quite an explicit signal of trust, I mean, considering the openness of Finns in general.

Firstly, it is worthy of note that neither the supervisor position nor the boundaries of the dyadic relationship limit the cognitive generalisation of supervisor description within the LMX relationship. Rather, it seems to be natural that the description of the leader in the relationship receives contents from the description of other identity group members and relationships with them. Secondly, it seems that the identity is actively produced for the other based on the perceptions gained from the identity group members in general, into which the other is counted.

When describing the relationship, its quality, issues exchanged, and other characteristics, it was common for the interviewees to refer to themselves collectively and as a member of identity group. It is an initiative for many of the interviewees to talk about the dynamics of their individual relationship with a supervisor through describing not only their own experiences, but also other minority identity group members' experiences that they have observed. The following quotation exemplifies the perceived reality gaining contents from the social context:

Int: Could you generally describe your professional relationship with your supervisor?

Pn3: Our relationship is very professional and perhaps a bit formal, I think. I believe that it is same for all of us, I mean, compared to the Finns. Of course, we have not been here for long, so I guess it is also changing. My supervisor treats me well, or unemotionally. I've seen the same thing with other immigrants as well, we know it and in general, I think it is ok. No harm is done and there is also respect in the relationships.

In addition, the otherness discourse was observable and became evident in the discussion surrounding the relationship description. Some of the interviewees connected the relationship descriptions as consequences, realisations and evidences following the descriptions of the working community and its social realisations. On the other hand, the descriptions of the relationship were in some cases continued to working community descriptions. Most description continuations

were done to increase the credibility and personal significance of perceived minority group membership.

The nature and the development of the relationship with the leader were described to be affected by the perceived belonging to an ethnic minority group either directly or indirectly. Firstly, as the interviewees described their early experiences at work and about the relationship with their supervisors, they mention that relationship development was determined by their difference. While this is also important for the second discourse, the allowance into the working relationship, it has importance from the perceived otherness point of view as well. Some of the interviewees described that the relationship with their supervisor, especially in the early phases of relationship development, presented obstacles typical to them, which were absent for ethnic majority subordinates. The following quotation illustrates some evidence of this:

Int: Do you see your differing ethnic and cultural background as a factor affecting the relationship?

Pn10: Well, naturally it has an effect. Now we have learned to deal with those issues, or at least they are not obstacles to cooperation, but when I arrived here, there were really odd situations and communication was really rare. There were also some natives in my group and they had no such perceptions, so it has to be the difference, you know. I mean, compared to the relationship at the moment, I didn't have anything back then. Gradually, I learned things by observing and at some point he started to talk to me as well. There are still some difficulties, but I guess I've learned to deal with them personally now.

This comparison drawn between ethnic identity groups emphasises the existence of comparison between identity groups and hints that the dyadic relationship is evaluated in the workplace by actively observing the surrounding actions, not just those within the dyad. The contents of the descriptions refer to a longer stranger phase, increased expectations for the subordinate to adapt into the communication and working practices of the community, and processing the difference in cultural and ethnic backgrounds between the parties.

Secondly, the nature of the exchanges was reported to be on a surface or acquaintance -level, where trust and affection have a limited role, in comparison to the perceptions received by observing the interaction situations between the leader and the members from ethnic majority groups. Furthermore, "us" is used in several interviews to link the interviewee with other minority members, for example in a situation where the participant had observed the lower quality of exchanges of some other ethnic identity group members in a minority position. Lastly, perhaps due to small numbers of ethnic minority members in the work

places, there were no comparisons made between the distinctive ethnic minority groups. Instead, otherness referred to being different and to not being a Finn.

Working relationship admittance

A discourse focusing on the process of an ethnic minority member being allowed to establish a higher-quality working relationship with a supervisor was identifiable in many interviews. The allowance is a minority member's perception of changed and developed relationship quality and nature with a supervisor after personal investments in learning, showing trustworthiness and being hard-working. The descriptions were typically based on comparisons between ethnic minority and majority group members' observed developments, but also on expectations of fairness and equity in relation to the received relationship quality and feedback from the supervisor.

The comparison aspect partly followed the same rationale of the otherness discourse, according to which comparisons are made between the ethnic identity groups and where the relationship's quality is evaluated in relation to one's observations on others' relationships. The shared understanding was that the ethnic majority members began to develop the relationship quality at the higher level and that development efforts faced less challenges and were concluded quickly. There were also some references to Finnish subordinates being allowed into the higher quality relationships without a great effort. The following quotations are examples of this discourse:

Int: Could you describe the development of your relationship with your supervisor?

Pn15: I would say it has evolved since I have been very active. I feel that compared to Finns, I am expected to work very hard, and yet I don't think that my relationship with my supervisor is equally as good as the Finns'. So it's about me being an immigrant with obvious visible differences as well. At least I think so. Especially in the early phases, the efforts I made were not rewarded in increased communication or anything like that. At the same time, I felt like the locals' relationships seemed to evolve automatically. I don't know, but it is better now.

Int: How is your relationship developing at the moment?

Pn14: I don't see it developing, but rather remaining stable at the moment. I have done my work and she must have seen that. I hear no criticism, so I guess things are ok. Still, believe me, as a new worker, I mean as an immigrant, it is difficult and one has to work really hard. It is the cultural differences, you know.

Notably, there were no references to actual observations. Rather, it seemed that the interviewees used the preconception of perceived similarity as a way of describing the prejudices they face in the relationship.

The fairness and equity aspect seemed to be of importance when outlining the discourse. In some interviewees' descriptions about the relationship's development, it was observable that they emphasised the relationship's development from stranger to acquaintance and perhaps even mature levels to be much wider in comparison to ethnic majority members, who were in a position to begin the relationship development with their supervisor at the level that originally was higher. Interestingly, one participant described the challenges that an ethnic minority member has to overcome in order to be at the same level in supervisor-subordinate relationships with the ethnic majority member. In next quotation the interviewee talks about another immigrant member, who had difficulties with the language and social skills. The interviewee uses this example to approach the discourse from the prevention repertoire, where unlikeness hinders the possibilities in relationship:

Int: Could you say something on the development of your working relationship with your supervisor?

Pn2: I started in the same group as my friend, who has difficulties with the language and other social skills, and I think that he has still a very limited relationship. It is understandable, of course, I mean, when you work with someone different it is not natural for the relationship to develop. One has to work very hard to be accepted into the relationship, I think. Of course, it is hard for the one being the outsider. I think there should be some processes helping and supporting each party in this matter. Working should not be struggling, I mean. My own relationship has developed quite nicely. When I think about the relationship I had at the beginning and today's situation, there is an amazing difference.

Fairness and procedural justice aspects of the discourse were observable here as well. The interviewee perceived that a member of a related identity group was treated unfairly. It is unclear if the described member was in the interviewee's in-group, but the interviewee relates the described person to be an individual whose reality also represents the interviewee's perceived reality.

Minority group allusions

Some of the study's participants described both their experiences of the working community and their relationship with the supervisor being coloured with different references, hints and signals, which they interpreted to be allusions to a collective group of minority members. Within the relationship with their supervisor the references are mainly gathered from the in-dyad behaviour of the supervisor.

The in-dyad communication the member receives seems to include qualities the member perceives to be allusions of his/her belonging to a minority group. Firstly, some interviewees described that the supervisor focuses extensively on giving them work practice instructions. In a few descriptions, the interviewees emphasise the control aspect. The following quotation illustrates this:

Int: Do you feel that you get different treatment from your supervisor because you are an immigrant?

Pn4: Yes, I think I do at some level. Our work includes quite a lot of details, and I think that I am being helped, supported and sometimes also instructed more. It is really odd, since I think I know my work, at least at the same level as everyone else here. I get this extra attention. I guess it happens because she thinks that I would have some difficulties in understanding the instructions or something. It doesn't bother me especially, but still, I can do my work with the same amount of instruction that the others.

Secondly, related to language and dialectical differences, some interviewees reported that the supervisor uses formal means of speaking with them, which further limits the relationship development to include trust and personal information.

Int: Are there any special features in your relationship?

Pn1: Well, not really. We work very smoothly, and that's fine for me. Sometimes though, he speaks very sharply, I mean, very formally. That is kind of a negative thing for me. I can understand dialects and I've tried to develop our communication to become more relaxed, but it is slow. I have noticed that with some others it is different, they joke and are relaxed. I guess our relationship isn't yet at that level.

Both of these observations emphasised the comparison between ethnic minority and majority groups.

Furthermore, two interviewees told that in the early phases of relationship development, they received inferences from the supervisor, that in order to develop a successful relationship, they should try to adopt similar in-dyad behaviour with others, the ethnic majority members. The inferences were indirect perceptions and valid only for the early phases, but still relevant for the two interviewees who described that their in-dyad ethnic minority membership was seen as important from the ethnic identity interaction, similarity attraction, and perceived self's dissimilarity aspects.

Discussion

According to the findings of the present study, the working relationships between the supervisor and the subordinate from different ethnic identity groups are af-

ected by perceptions related to ethnic identity and the perceived social context outside of the dyad. Three discourses were identified from 20 immigrants' dialogues on their supervisor-subordinate relationships, emphasising the meaning of ethnic identity either directly or indirectly. The discourses identified were otherness, working relationship admittance, and minority group allusions.

Otherness is a predominant discourse based on its presence in two other discourses and its collective appearance in most of the participants' interviews. The principal assumption the discourse includes is the dualist approach to ethnic majority and minority identity groups existing in the workplace. Following the earlier definition by Banks (1988), the self is identified as being counted into the minority group. The supervisor party is seen not only as a member with a distinctive organisational status, but also as a representative of a majority ethnic identity group. This was described according to the perceptions and also the prejudicial assumptions of the identity group in general (Jenkins, 1996). This explanation also fits with Liebkind's (1992) suggestion that otherness is a self-interpretation model. Furthermore, the ethnic identity group seems to have an impact on the dyad, supporting Martin et al.'s (2005) and Hogg et al.'s, (2005) suggestions. This observation also supports the conclusion of Banks (1988) insofar as that in interactions between individuals from different identity groups, identity is produced for the other. Important for the otherness discourse is also that when describing one's role and reality in the dyadic relationship, the immigrant member typically refers to his/her own identity group (Jenkins, 1996), and that the relationship description often begins from and continues to a description of working community experiences in general. Interesting in this respect is Byrne's (1971) and later Touhey's (1974) and Goldberg's (2005) conclusions on the similarity attraction's role in individual's identity and practical aspects on the concept of in-group. Equally interesting for Kristeva's (1993) suggestion on prejudice-based knowledge on otherness, are also the interviewees' references to "us" when they describe their individual relationships with a supervisor drawing on contents from other minority members' experiences. This is a reflection of Hogg et al.'s (2005) discussion on minority identity group formation. Social comparison and an individual's ethnic identity are particularly central in this discourse.

Working relationship admittance is a description of a process that has obvious relevance for ethnic identity. According to this discourse, ethnic minority members face a different reality with an ethnic majority supervisor when developing the relationship and aiming to improve its quality. On the one hand, it is rather easy to find explanations for this in the conclusions provided by Touhey (1974) and Goldberg (2005). On the other hand, the similarity attraction (Byrne, 1971) origin studies on choices of the preferred type allowed into the in-group have not

specifically focused on ethnic identity. Therefore, this conclusion still includes some extended work possibilities. The ethnic identity interaction explanations (see Zenger and Lawrence, 1989; Wayne et al., 1997) may also include some revealing agreements, especially when considered with the model of leadership-making and its features when the relationship is developed from stranger to acquaintance level (Uhl-Bien and Graen, 1992). There, the stranger stage seems to include obstacles and to take a longer period of time compared to members' observations on ethnic majority subordinates' relationships. The general absence of mature stage relationships and overall lower quality of the relationships is generalised in some cases to be the reality typically confronted by the minority members.

The expectations and demands in the dyad are perceived to be greater for the minority members when the observations of the majority member subordinates are compared. The justice and fairness perceptions are central here not only according to Hogg et al.'s (2005) suggestion on procedural justice and its LMX realisations, but also according to Tyler and Blader's (2003) conclusion on the perceived fairness of leader's actions. The majority members are referred to as having a privileged position in comparison to minority members and relationship development is slower. The conclusion by James et al. (1994) may offer some help in understanding the described development. Obstacles for individual actions are possible when the perceived dissimilarity of a self is based on the difficulty of reference group's identification. Contrary to this subordinate-based explanation, Hall's (1992) suggestion on unpleasant otherness may also give us a feasible approach for future studies.

The minority group allusions discourse bases itself on the references, hints, and signals comprised in the interviewees' text corpus. These references are interpreted in the dyad of the supervisor's behaviour. Extensive instruction giving and to some extent control and the formal way of speaking are perceived to be typical for ethnic minority members, whereas such behaviours are absent with the ethnic majority subordinates. On the one hand this may refer to similarity attraction (Byrne, 1971), and especially racial aspects of it (Golberg, 2005). On the other hand, Zenger and Lawrence's (1989) as well as Wayne et al.'s (1997) discussion on the interacting ethnic identities, and borrowing also contents from the Davies's (2004) suggestion of general identity group related discourse's influence may help in understanding the processes described. The references of in-dyad suggestion to follow the behaviours of ethnic majority members may be linked with James et al.'s (1994) conclusion of the reference group's identification's challenges and Kirmayer et al.'s (2000) observation of cultural identity's adapta-

tion or change demands. Lastly, Hall's (1992) suggestion of in-group's maintenance and diminishing out-group's attractiveness ought to be considered here.

With regard to the results of this study, it should be acknowledged that some limitations can be levelled against the scope of the sample, the validity of the methodology, and the generality of the research context. These limitations may, however, open new avenues of future research, which can also be pursued by more explicitly categorising the perceptions on the level of ethnic diversity as a variable in LMX construction. By explicitly evaluating the separate ethnic identity groups and perceived difference, interesting results are obtainable. It seems that by means of in-depth analysis, the core and the perceived nature of the dyadic relationship between differing parties can be better illuminated and its relevant characteristics more comprehensively studied. By following identified discourses further and investigating the corresponding theoretical bases, new knowledge on LMX relationships can be derived. Furthermore, the role of otherness discourse should be accentuated here as a central allusion of ethnic identity's role in LMX relationships. The practical implications of the findings should be considered in the field of supervisor training and development. The results may also give some guidance for those planning orientation programs for new employees. Lastly, policy-makers, employee relations specialists and union professionals should benefit from more comprehensive knowledge regarding ethnic minority workers' perceptions in working communities.

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