# **Bryant University** HONORS THESIS

# The Relationship of Leader Member **Exchange Theory on Two Prevalent** Sources of Workplace Stress with a Focus on the Out-Group as an Outcast and How Moderate LMX may be the Key

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## **ABSTRACT**

This Honors Thesis intends to examine the relationship between the Leader Member Exchange Theory and workplace stress faced by employees. In particular, this theory is applied to two significant and prevalent sources of stress encountered by a strong majority of employees including interpersonal workplace relationships and overwhelming workload. This thesis applies LMX as a main cause of these two areas of stress by explaining how highquality vs low-quality exchanges yield different outcomes on both an individual and organizational level. One major focus of this study is diving into the negative effects of the leader-member relationship faced by the out-group. Lastly, this thesis aims to shed light onto a limited area of research by examining the effects of a moderate LMX relationship. It is suggested that this may be the most optimal LMX range and may bring advantageous consequences on all sides. In terms of methodology, a survey was distributed to over 100 participants in which two main results can be concluded. First, a low-quality exchange is the least effective on both the individual and organizational level. Second, on average, medium LMX relationships are connected to lower degrees of workplace stress. Additional research is necessary to further dive into what degree medium LMX may be more effective than high LMX. In the end, this thesis contributes additional research and data on the effects that LMX theory has on workplace stress to provide employers with concrete solutions to take an active approach on fostering positive and stress-reducing work environments to contribute to both organizational productivity as well as employee well-being.

# **INTRODUCTION**

This thesis is designed to explain how the Leader Member Exchange Theory can be directly linked to the degree of stress individual employees are experiencing at their respective organizations. Research shows workplace stress is accumulating throughout recent years, and therefore, the purpose of this comprehensive thesis study is to find attainable solutions to lower the current stress levels associated with the modern-day office. One large source of stress is attributed to the people aspect of work life including relationships with others, connections, meaningful communication, and feelings of respect and value. The second significant source of stress involves the manageability of workload employees are given as well as the resources they have to complete their ongoing tasks and projects. Each of these elements of stress can be explained and influenced by the Leader Member Exchange Theory. Thus, this thesis intends to examine the relationship between LMX theory and employee stress to attempt to uncover tangible solutions employers can utilize to minimize levels of stress associated with these aspects of work life.

# **LITERATURE REVIEW**

It is apparent that workplace stress is a significant challenge faced by countless employees yielding detrimental consequences at both the individual and organizational level. While there are a variety of causes to workplace stress, research suggests there are two most prominent sources. The first source involves negative interpersonal relationships at work and the second source involves overwhelming workload. These two sources of workplace stress can actually be classified under one main umbrella where the cause and solution are interchangeable. Each of these areas of stress can be explained by the Leader Member Exchange Theory or LMX. This theory exemplifies how the relationship between a supervisor and subordinate is either of high or low quality in which can either increase or mitigate workplace stress levels in these two specific areas. Overall, the Leader Member Exchange Theory has a direct correlation with workplace relationships and workload management producing a variety of both positive and negative outcomes on both a small and large scale, and as a result, it can be utilized to create optimal work environments.

Workplace stress is proven to be both significant and prevalent in today's society and, as suggested by LMX, management practices are a critical driving force behind it. In terms of interpersonal workplace relationships, several factors can induce stress. For instance, one article indicates how one specific stressor is a "lack of warmth and support with a feeling that staff were unimportant and not respected as people [and] insufficient praise or confidencebuilding" (Bhui, K., Dinos, S., Galant-Miecznikowska, M., de Jongh, B., & Stansfeld, S., 2016). Thus, a lack of empathy and recognition from managers can greatly impact satisfaction and happiness. Employees want more communication, open discussions, as well as a supportive, approachable, and appreciative environment (Bhui, K., Dinos, S., Galant-Miecznikowska, M., de Jongh, B., & Stansfeld, S., 2016). Therefore, the relationship a manager has with his or her employees proves to be significant in a variety of ways. Additionally, an overwhelming workload produced by management is a considerable and common source of stress faced by employees. This involves cases in which employees feel there is a too much work to be done in too little amount of time. In addition, general themes of a lack of resources and a lack of control play a significant role in this area of stress (Michie S., 2002).

These two categories of workplace stress can be demonstrated by the Leader Member Exchange Theory in a multitude of ways. In almost every organization, managers have a defined set of employees who are categorized in either the "in-group" or the "out-group." The in-group, or those with a high-quality leader member exchange, is "characterized by mutual trust, respect, and obligation that generate influence between an employee and his or her supervisor" (Shweta Jha, & Srirang Jha., 2013, p. 44). On the other hand, the out-group, or those with a low-quality leader member exchange, "is characterized by formal, role-defined interactions and predominantly contractual exchanges that result in hierarchy-based downward influence and distance between the parties" (Shweta Jha, & Srirang Jha., 2013, p. 44). Thus, managers form an in-group with certain employees in which they have positive interactions, meaningful connections, and no problem sharing helpful resources or opportunities for the employees to thrive. Contrarily, they have employees who belong to the unfortunate out-group where managers do not believe in them as strongly, spend less time with them, and are not as quick to offer resources. The critical problem with this is that employees are more than aware of these discrepancies, thus fueling a major source of stress for a large quantity of employees within a given organization. Therefore, it is important to evaluate the exact ways in which LMX can be attributed as a major cause to these two main sources of workplace stress: interpersonal workplace relationships and overwhelming workload.

In terms of interpersonal workplace relationships, Leader Member Exchange Theory has a crucial influence on how well employees feel connected to their manager and the organization on a personal level. High-quality exchanges are often much more beneficial in this area than low-quality exchanges. "Interpersonal justice is particularly important for the formation of high-quality LMX, since the trust, respect, and mutual obligation inherent in high-quality exchanges develop through a continuous series of satisfactory interactions between leaders and subordinates" (Son et al., 2014, p. 14). Thus, high LMX creates a positive emotional relationship between the employee and employer. However, this means that subordinates suffering from low-quality exchanges are faced with the exact opposite, leading to negative effects on psychological health and emotional well-being (Huang & Simha, 2018, p. 37). Therefore, members in the out-group have a negative interpersonal relationship with their

employers and even organization, adding substantial amounts of stress to their overall experience at a particular company.

According to multiple studies, leader-member relationships also have a large impact on an employee's workload. Employees who belong to the in-group often have increased "access to more of their supervisors' resources, time, and support as well" (Hackney et al., 2018, p.108). Additionally, "in high-quality exchanges, followers receive special attention and privileges (e.g., access to key information), career-enhancing opportunities (e.g., special work assignment), and increasing levels of autonomy in doing their jobs from the supervisors" (Zhang et al., 2013, p. 562). Thus, the out-group faces a lower number of resources and opportunities provided by the employer. This, in turn, increases role ambiguity, uncertainty, and even helplessness (Montani et al., 2017). Furthermore, "researchers have identified all these feelings of uncertainty, lack of control, and being threatened as potential stressors" (Harris & Kacmar, 2006, p. 68). Once again, it is clear the detrimental impact low-quality exchanges can have for employees.

Overall, the leader-member relationship contributes to the two top sources of stress that employees swear by. Research suggests that the Leader Member Exchange Theory considerably accounts for poor interpersonal relationships and challenges with workload for the out-group. Thus, it is essential to examine the consequences this has for both the outgroup individual and the organization. A poor-quality exchange between an employee and their employer is known to increase cases of job burnout (Son et al., 2014, p. 14). Additionally, this leads to emotional exhaustion among employees where they even "become less able to maintain psychological health" (Huang & Simha, 2018, p. 30). Additionally, this "impact on employee emotional experiences (e.g., depression, anxiety and tiredness) persists in the long term (Karanika-Murray et al., 2015, p. 58). Not only is this source of stress harmful for an employee's health but it also impacts their performance. In fact, "studies have revealed that emotionally exhausted employees are more likely to have lower organizational commitment and a higher turnover intention" (Son et al., 2014, p.12). Therefore, low-quality leader member exchanges create countless adverse effects for both the individual and the organization, proving noteworthy on all sides.

Low-quality leader-member relationships have an abundance of negative effects and related consequences for employees that are classified as the out-group. However, research shows that the grass is truly not always greener on the other side. While, in many ways, high-quality exchanges between leaders and subordinates prove to be more advantageous than low-quality member exchanges, there are even negative consequences that can be seen with the in-group. First, "high-quality LMX does not reduce role overload and time pressure for these individuals" (Lawrence & Kacmar, 2012, p. 39). In fact, because employees feel so valued by their employers, they have stronger feelings of not wanting to produce any errors in their workload or let their supervisors down emotionally. For one to be a part of the in-group, they are more respected and trusted by their managers, and thus, are appointed a higher level of job involvement. However, "this increased emotional investment in the work role includes increased time and energy focusing on the work role and can include behaviors such as, taking work home or continuing to think about unfinished tasks at work and how they will be completed on the next day" (Lawrence & Kacmar, 2012, p.42). Thus, this level of increased obligation and commitment can have adverse impacts and be a large source of stress for these employees. The question is then posed, what is the optimal type of leader-member relationship?

The relationship between a leader and their subordinate is a complex one. However, in conclusion, it is evident that there are truly few positive outcomes to low-quality exchanges in an organization. These negative feelings are believed to be significant on both an individual and organization-wide level. In many ways, high-quality relationships are thought to have an exact opposite effect. They increase the availability of resources, role clarity, commitment, satisfaction, engagement, and so on among in-group employees. This is found to be accurate across a variety of studies. However, it is also clear that at a certain point, the positive relationship of a high-quality leader member exchange becomes overextended. At one point, employees are faced with information overload, too much pressure, and too high of obligations. Thus, leader member exchanges that are too low or too high prove to yield similar results of increased stress, which is known to create several additional consequences including psychological distress or turnover. Thus, some research recommends that leaders instead

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utilize "a moderately high level of LMX quality" (Harris & Kacmar, 2006, p.77). In the end, the solution to a favorable work environment is more effort on a leader's part to make it one.

In order to promote an effective work environment for all employees, a lot is required from the manager. One suggestion is for supervisors to be kinder and more respectful of their subordinates (Son et al., 2014, p.21). Additionally, it is recommended for managers to receive increased proper training in this area. Above all, it is found that "competent and reliable leaders who treat their employees with respect and courtesy will help organizations retain talented and skilled employees, which ultimately strengthens their competitive advantages" (Son et al., 2014, p.21). Hence, a more supportive and competent manager who is aware of the effects of LMX proves to be the most successful. Additionally, the Leader Member Exchange Theory proves to be effective when utilized in a desired moderate range for employees. The benefits of operating within this desired range are remarkable, yet the consequences of functioning outside of this established range proves to be detrimental for both employees and the organization. Thus, more research is needed to establish what exactly attributes to this moderate and effective LMX range and what managers can specifically do to reach it.

In conclusion, the leader-member relationship can be attributed as a main cause of workplace stress depending on how it is categorized. In particular, it can be seen in the examples of the two most prominent sources of workplace stress: interpersonal relationships and an overbearing workload. Leaders tend to form better and more meaningful mutual relationships with their in-group. In terms of their out-group, there tends to be a lack of a meaningful connection with lower levels of trust and respect. This proves to be a large source of stress for out-group employees leading to psychological health issues. This also creates a lack of organizational commitment and increases likelihood of turnover. In-group employees also are more trusted to complete assignments causing employers to spend more time and provide more resources to such employees. On the other hand, out-group members instead are given less opportunities and guidance. Once again, this leads to increased cases of stress as well as emotional exhaustion and lower levels of motivation and performance.

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As studies show, too high of LMX between members can also produce similarly negative outcomes. Therefore, it is important for leaders to be fair and supportive to all employees and implement a moderate LMX level. Nevertheless, more research is needed on how exactly managers can operate within this optimal LMX range and what effects that has for employees. Overall, the Leader Member Exchange Theory represents the two most significant sources of stress for all employees, thus making it crucial for leaders to be aware of its effects and adjust how it is applied throughout the organization accordingly.

## **RESEARCH QUESTIONS**

A. Goals, Objectives, and Hypotheses of this Thesis

- 1. To shed light on the most prevalent and impactful sources of workplace stress as it is an important subject faced by countless employees.
- To remodel the current objective organizations are pushing. Many organizations are pushing initiatives such as flexibility or work-life balance as keys to lowering stress, however, this thesis is intended to guide managers into a different, perhaps more meaningful, and influential direction.
- To determine the exact factors that create the optimal moderate LMX range, how managers can produce this environment, and what the outcomes of this LMX range would have for individuals and the organization.

Hypothesis 1: Based on data collection through utilizing a survey, moderate LMX will be more beneficial for employees and the organization than high-quality LMX has proven to be.

Hypothesis 2: When acting in a moderate LMX range, managers that give a moderate number of resources and opportunities, yet a large degree of support, communication, and recognition will yield the most optimal results and outcomes.

B. Scope and Focus of this Honors Thesis

The scope of this thesis is to analyze the effects that LMX theory has on both employees and the organization. This thesis is particularly aimed to examine how LMX plays a considerable role in the two most significant and prevalent sources of stress employees face in which are poor interpersonal workplace relationships and overwhelming workload. The purpose is to then dive into how high-quality and low-quality exchanges can particularly influence stress and other psychological distress as well as the consequences this has for the overall organization. There is a strong focus on the out-group as they experience the most adverse effects.

However, minimal research suggests that there are instances where too high of a leader member exchange can yield similar consequences, and thus, a moderate range of LMX may be the most optimal for individuals and the company. This is a limitation as there is less research to prove the positive impact moderate LMX can have. As a result, moderate LMX is examined throughout this thesis and research study in order to establish what an optimal LMX range truly looks like, how managers can produce it, and the effects this will bear on individuals and the overall organization.

# **METHODOLOGY**

In terms of data collection, a LMX Scale was utilized to formulate a survey. Questions were constructed to have participants answer various questions about the relationship with their current or most recent supervisor. The participants were asked to categorize various areas within their leader-member relationships such as degrees of trust and respect, access to resources, decision-making ability, and so on. They classified these areas on a scale from extremely ineffective (1) to extremely effective (5).There were also questions asking employees how they rate their levels of workplace stress. Thus, responses have been analyzed based on the LMX scale in which responses that averaged a 1-2 rating are classified as low-quality LMX, ratings that averaged 3-4 are indicated as medium-quality LMX, and responses that averaged 4-5 suggest a high-quality LMX. Responses are also analyzed in comparison to the levels of workplace stress indicated to determine the effect that LMX relationships have on workplace stress as well as to establish which quality of LMX is most optimal. Please see Appendix B for the survey questions.

The survey consisting of 17 questions was distributed to various demographics. Multiple modes of data collection were used such as social media platforms and other modes of communication. Demographics including age and gender were recorded. The survey has reached over 100 individuals between the ages of 18-71. Individuals were able to indicate how many years they have been working in which responses consisted of individuals who have only been working for a couple of years to those working for 40-50+ years. A variety of different workplace fields, industries, and organizations were able to be anonymously used for this survey to limit any biases. After data collection, a metanalysis was conducted and several results were drawn from the statistics.

# DATA ANALYSIS

In order to collect and organize data, the survey "LMX Theory in Relation to Workplace Stress" was distributed to a wide variety of individuals reaching a total of 105 responses. Multiple channels were used to collect data such as social media sites, direct communication, mass emails, and so forth. This ensured a wide range of individuals from different perspectives was reached. In the beginning of the survey, participants would have had to agree to the clearly defined terms and confirm that they were 18 years or older in order to participate. They were then asked to refer to their most recent boss or supervisor when answering the following questions. In terms of demographics, age and gender were recorded for all participants as well as some had the option of documenting class year if it applied. Participants also answered the question of how many years they have been working in which answers ranged from only a few years to 40-50+ years. In terms of age range, participants consisted of individuals ranging from ages 18-71. The median age recorded was 21 due to the Bryant population being one of the largest audiences in data collection. Please see Exhibit 2 for visualization.

As far as gender, the survey provided options including male, female, non-binary, or prefer not to say. Nearly 71% of participants were female while 27% were male and less than 1% were documented as non-binary or preferred not to say. Refer to Exhibit 3 to examine the data further. Both age and gender may have an effect on LMX relationships or vulnerability to stress and future research is needed to conclude whether or not there were any correlations between these demographics and the quality of relationships employees have with their employers and how this may have impacted overall workplace stress levels. One of the first questions in the survey pertains to workplace stress levels on average. The question was phrased, "on average, how stressed do you feel at work?" Well over half of the participants indicated that they were either moderately or extremely stressed at work reminding us of the prevalence that stress has in the workplace. Furthermore, when asked how many participants commonly took their stress from work home with them at the end of the day, the results showed that 37% of individuals sometimes took their stress home as opposed to rarely or frequently. Keeping these questions regarding stress levels in mind, the survey then dives into the discussion regarding the relationships between employees and their

supervisors based off of several ideals from a commonly used Leader Member Exchange Theory scale.

A variety of measures were used to collect the data. For example, scales of 1-10, multiple choice questions, and open-ended essay style questions were all utilized. To dive into the responses and results of the survey, one of the questions utilized a scale of 1-10 for participants to choose which value they felt best corresponded with the degree of trust and respect they feel they have with their boss or supervisor. On a scale of 1-10, a median of 7.34 was concluded rating an overall medium exchange between boss and subordinate. Another question the survey posed has to do with how manageable employees feel their workload is. Based on the responses, 61.17% feel their workload is just "manageable" as opposed to being perceived as too much or too little. The next question concerned the level of resources managers and leaders provide their employees with based on the employee perspective. According to the data, 47.57% of respondents experienced a medium-level exchange in terms of access to resources. This was opposed to 37.86% of individuals feeling they are more than prepared while 15% feeling they do not receive an adequate number of resources by their boss at all.

The next question dives into the degree in which employees feel both appreciated and recognized by their boss or supervisor. The question asks, "how often is your boss satisfied with your work?" The choices range from rarely to very often. In this question, 58.25% of individuals selected the highest degree possible by answering "very often" while nearly 35% selected one level lower of "fairly often." The data proved to be interesting as 0% selected "rarely" as their answer. This is one of the few questions in which the majority selected the highest range of LMX over a medium range.

Moving along with the results of the survey, the next question relates to how well employees feel they are understood by their superiors. This is an important part of LMX theory as it provides employees and employers to have a deeper connection within their relationship. To be seen is one thing and to be understood is another. Looking at the data, nearly 46% of individuals felt that their boss understands them "quite a bit" instead of only 20.39% selecting their boss understands them "a great deal" which is the highest rating and around 10% felt their boss does not understand them at all. Therefore, on average, the participants in this

survey felt that their supervisors truly understood them including their wants, needs, and feelings at around a moderate level.

Next, the survey analyzed the degree to which employees feel their employers truly recognize their potential. This could include how well employees feel their supervisors believe in them to perform, achieve great results, go above and beyond in work-ethic, and how equipped they are to advance and develop within the company. Individuals could answer based on if they feel their boss recognizes their potential fully, mostly, moderately, a little, or not at all. Thus, "mostly" and "moderately" would be considered a medium-exchange versus "fully", which is categorized as a high exchange and "a little" or "not at all" would qualify as a low exchange. The results concluded that 40.78% of participants chose "mostly" while 35.92% selected "fully." Additionally, around 8% totally selected either "a little" or "not at all" as their responses. Thus, the majority of answers demonstrate that there is more of a moderate or medium level of positive feelings associated with recognition.

The survey also provided questions regarding power and authority differences between employees and employers. It is accepted that bosses and organizational leaders are going to yield more power and authority than subordinates. However, this question takes that information and pushes it to the next level to better relate to the actual relationship and connection between leader and employee. Thus, the question asks, "what are the chances your boss would use their authority/power to help you solve your problems at work?" in order to recognize the power and status difference between the two parties but better connect it to what that might mean between their relationship in order to correspond with LMX theory. Participants could select what the chances are of their boss helping them out using their own status on a range between "none" or "very high." The data found that 33.01% felt there was simply a high chance while 29.13% thought there would be a very high chance. Following close behind, 28.16% concluded there was about a moderate chance and 9.71% felt there was only a small chance or no chance at all.

Therefore, this question shows that the majority of participants felt there was either a medium or high enough level of exchange between themselves and their managers when it came to how likely their boss would be to use their own power to help out their employees. Similarly to the previous question, the next question the survey poses is relating to how likely the

participants felt their boss would actually "bail them out" at their expense. This takes it one step further in relation to the quality of the relationship between employee and manager. The results were that, in this case, almost 35% of the participants felt there was about a moderate chance of their boss bailing them out while 19.42% felt there was a very high chance and similarly 20.39% felt there was actually a small chance. Thus, the majority of participants viewed their relationship as a medium level of exchange when it came to a request of this magnitude.

The next question dives into the relationship between employee and boss from a different perspective. It has already been covered to what degree employees feel their boss believes in them, yet this next question actually goes into how well the employee believes in their boss. In particular, this question is posed around the context of decision-making. It states, "I have enough confidence in my boss that I would justify their decision if they were not present to do so" where the participant has to choose the extent to which they agree with this statement on a scale of strongly disagree to strongly agree. The data shows that 38.83% felt they simply just "agree" with this statement compared with only 24.27% who concluded they "strongly agree" and 7.77% selected either "disagree" or "strongly disagree." In this question, there is a clear average of most individuals feeling about a medium or moderate level of exchange within their relationship with their supervisor when it comes to how strongly and to what extent they believe in their boss when it comes to decision-making.

The final question of the survey asks the participants, who are answering from the perspective of the employee, "how would you characterize your working relationship with your boss?" This provides individuals a chance to personally categorize the quality of their relationship with their boss. In other words, it is a chance for them to answer what level of exchange they believe they have with their supervisor whether it be low, medium, or high leader member exchange. The majority at 42.72% believe they have an "above average" relationship with their boss followed by 28.16% feeling they have an "average" relationship. Furthermore, 23.30% labeled it as the highest option of "extremely effective" indicating a high leader member exchange and 5.82% felt they had a "worse than average" or "extremely ineffective" relationship indicating a low level of exchange.

# **DISCUSSION**

The question of this thesis then remains, which level of LMX theory is the best and most effective level to lowering workplace stress? Using the data collected from the survey, there are several conclusions that can be drawn. First, it becomes clear that a low leader member exchange is the least beneficial type of relationship. Moreover, it also is true that the more effective relationships involve medium or high leader member exchanges. It is also evident that the majority of individuals rated their relationships with their boss or supervisors as a whole as better than average which is at a level four. This indicates that most participants were engaged in a more medium to high degree of LMX relationships. Interestingly enough, the majority of participants simultaneously indicated low or moderate stress levels. Thus, it can be inferred that having a medium or high exchange on average does produce moderate to low stress levels.

It is evident that many of the responses proved to be quite surprising. For instance, some individuals reported having an extremely effective relationship with their boss but also extremely high stress levels. Additionally, some participants indicated having very ineffective and poor relationships with their supervisors yet reported low stress levels. However, for the most part, there can be general conclusions drawn based on the data. In terms of analysis, it is important to report on the two extremes of stress levels rather than those who saw their workplace stress as moderate or average. For the purpose of this study, it is essential to focus on the responses of participants who reported having extremely low stress levels and extremely high stress levels to see what correlation there may be to the ratings of how effective their relationship is with their boss or supervisor.

According to the LMX scale, which was used as a reference for this survey, a relationship that is viewed as extremely ineffective is classified as a 1 whereas relationships deemed as extremely effective are a 5. Scores averaging somewhere between a 3 and a 4 in terms of one's rating of their relationship with their supervisor is classified as a medium level of LMX. Scores ranging from 4-5 would be considered high LMX while scores averaging from 1-2 are categorized as low LMX. After reviewing the results of the survey, it is true that participants who indicated having no or low stress levels averaged a score for their employee to supervisor

relationship of 3.8. This would indicate that a medium level exchange is most effective for reducing workplace stress levels. When analyzing those who overall selected a level of having extremely high stress levels of work, the average LMX score was a 3.0. Thus, boss to subordinate relationships who are less effective yield slightly higher stress levels on average. Next, it is important to discuss the limitations of this survey. First, it would have been beneficial if this project had the resources to distribute the survey on a larger scale by reaching perhaps 1,000 participants instead of only 100. In addition, this survey reached a smaller demographic of individuals and it would have been helpful to reach a more diverse pool of respondents. Furthermore, it is important to note that the questions in the survey were geared to analyzing one's relationship with their boss or supervisor which focused on certain elements such as the degree of trust and respect, level of understanding, opportunity for resources, or level of satisfaction. The survey also asked about one's overall stress levels in relation to the workplace to see if there would be a link between LMX and stress. However, some applicants indicated positive relationships with their boss yet very high workplace stress levels. Thus, there could be many other individual perceptions that go into one's workplace stress that do not have to do with one's relationship with their superior. These could include areas such as challenges with coworkers, commute, job insecurity, etc. Therefore, a future survey may ask additional questions to be able to rule out these other factors that would help pinpoint if LMX is the true leading cause in stress.

Another limitation is the fact that further research may be needed based on these initial findings. For example, it would be interesting to conclude whether other factors such as age or gender play a role in the answers to these questions. Furthermore, it would be meaningful in future research to see if the amount of time that employees maintain the relationship with their same boss affects how effective it is. It would also be interesting to see if length of service in a job has any impact on stress levels. For instance, it might be necessary to see if new employees are more or less stressed than longer-term employees. Thus, further research might be helpful to this area of research. Lastly, a limitation is the fact that the methodology used was a survey. Historically, surveys can sometimes come with challenges such as biased answers based on the specific wording of questions. Therefore, in the future, it may be beneficial to use multiple modes of data collection.

# **CONCLUSION**

In conclusion, leader-member relationships have an active role in the area of workplace stress for employees. Based on research, the most significant sources of workplace stress have been indicated as poor workplace relationships and overwhelming workload. Within this thesis, Leader Member Exchange theory was undertaken to determine if these two known stressors were higher or lower depending on the leader-member relationship. LMX theory suggests that the relationship one has with their superior has an effect on these two specific sources of stress. Studies show that positive LMX relationships provide employees with more positive workplace relationships and greater access to resources and opportunities to help manage workload. Lower LMX relationships are related to a lack of engagement, work satisfaction, commitment, and ability to perform effectively. Therefore, initial research indicates that a high LMX relationship will be more beneficial at both the individual and organizational level and consequently lower workplace stress levels while low LMX relationships are negative in several areas and lead to more mental health crises. However, it is not always this clear cut. Newer research has been able to bring a different perspective to this area in which is the fact that a high LMX relationship is not always advantageous. Research now shows that high leader member exchanges can sometimes cause additional hardships and stressors onto the employees as there is this daunting task of having to constantly exceed high expectations. In addition, the closer the relationship one has with their boss, the more intense the desire is to not disappoint or embarrass them. Thus, new studies suggest that a medium level of exchange may actually be the most beneficial. In these circumstances, relationships are strong, resources are accessible, and there is a strong degree of trust and respect between both parties. However, there is not as much of an intensity or sense of pressure as with high leader member exchanges. The employee is very much associated with the in-group, yet it is less of an overwhelming experience.

As of a result of this research, this thesis intended to further dive into the effects of LMX and workplace stress as well as to conclude if a medium level of exchange is truly the key. The first hypothesis proposed that moderate LMX will be more beneficial for employees and the organization than high-quality LMX has proven to be. The second hypothesis posed that when acting in a moderate LMX range, managers that provide a moderate number of resources and

opportunities, yet offer a large degree of support, communication, and recognition will yield the most optimal results and outcomes. In order to test these research questions, a survey was conducted reaching over 100 participants. The questions in the survey were based on an LMX scale in which participants could rate the different levels of their relationship with their current or most recent boss or supervisor on a scale of 1-5. The score of 1 indicates an extremely ineffective relationship while a 5 implies an extremely effective relationship. The survey questions asked about various areas of the LMX relationships such as level of trust, decision-making ability, manageable workload, and so on. Scores ranging from 1-2 indicate a low LMX, scores averaging 3-4 imply a medium LMX, and scores averaging 4-5 signal a high LMX. These responses were then analyzed and compared to the responses regarding average levels of workplace stress.

Based on the data collected from the survey, several conclusions can be drawn. First, it is evident that low LMX relationships have a negative influence on workplace stress levels. This can be inferred to be a result of the majority of low LMX employees feeling as they are in the out-group in which they are less likely to be able to manage workload or have positive experiences in their relationships at work. It was also found that participants who selected no or low workplace stress levels averaged a 3.8 in their overall scores relative to their relationships with their superiors which indicates a medium level of exchange. Thus, it can be inferred that medium LMX relationships do correspond to lower workplace stress levels on average. Furthermore, participants who selected having extremely high stress levels at work averaged an LMX score of 3.0. Therefore, the lower the LMX score, the higher the stress level.

Nonetheless, several limitations were discussed such as the effects that wording of survey questions can have on responses. In addition, more research is needed to determine if outside factors other than LMX relationships were being taken into consideration when individuals answered the questions in the survey. Lastly, it would be beneficial in future projects if the survey could be distributed to a wider demographic of individuals or even if additional forms of methodology could be utilized for data collection.

In conclusion, this thesis was able to encapsulate research regarding the relationship of workplace stress and LMX theory. It is true that medium or high LMX relationships are more

advantageous on both the individual and organizational levels. However, more research may be needed to compare the effects between a medium or high LMX relationship. Overall, this thesis confirms what contributes and mitigates the stress levels of employees. This is information that management can now utilize to help create the most optimal work environments for their organizations. In the end, employers have more power than they may realize in being an active force in the experience each of their employees have at work in which not only contributes to their levels of stress but also their overall well-being.

## **APPENDICES**

# Appendix A – (LMX Scale)

1. Do you know where you stand with him/her... do you usually know how satisfied he/she is with what you do?

		1	2	3	4	5
		Rarely	Occasionally	Sometimes	Fairly often	Very often
	How well	does he/she unde	rstand your job p	roblems and needs?	?	
		1	2	3	4	5
		Not a bit	A little	A fair amount	Quite a bit	A great deal
	How well	does he/she reco	gnize your potent	ial?		
		1	2	3	4	5
		Not at all	A little	Moderately	Mostly	Fully
ŀ.	-	s of how much fo	rmal authority he	e/she has built into h solve problems in y 3	A	what are the chance
	he/she wo	s of how much fo uld use his/ her p 1 None	rmal authority he ower to help you 2 Small ount of formal au	solve problems in y	your work? 4 High	5 Very high
	he/she wo	s of how much fo uld use his/ her p l None gardless of the am	rmal authority he ower to help you 2 Small ount of formal au	e/she has built into h solve problems in y 3 Moderate	your work? 4 High	5 Very high
	he/she wo	s of how much fo uld use his/ her p l None gardless of the am	rmal authority he ower to help you 2 Small ount of formal au e?	e/she has built into h solve problems in y 3 Moderate uthority he/she has,	your work? 4 High what are the chan	5 Very high ces that he/she wo
4. 5.	Again, reg you out,"	s of how much fo uld use his/ her p 1 None gardless of the am at his/ her expens 1 None	rmal authority he ower to help you 2 Small ount of formal au e? 2 Small	e/she has built into h solve problems in y 3 Moderate athority he/she has, 3	your work? 4 High what are the chan- 4 High	5 Very high ces that he/she wo 5 Very high
5.	Again, reg you out,"	s of how much fo uld use his/ her p 1 None gardless of the am at his/ her expens 1 None	rmal authority he ower to help you 2 Small ount of formal au e? 2 Small	e/she has built into h solve problems in y 3 Moderate athority he/she has, 3 Moderate	your work? 4 High what are the chan- 4 High	5 Very high ces that he/she wo 5 Very high

1	2	3	4	5
Extremely ineffective	Worse than average	Average	Better than average	Extremely effective

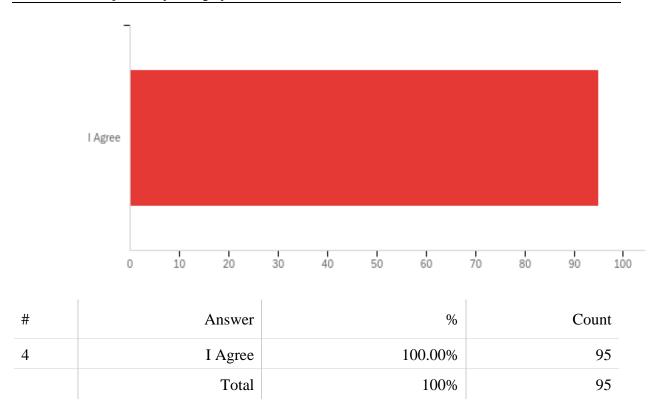
(Scandura, T. A., 1994).

#### <u>Appendix B – (Survey Questions and Data Reports)</u>

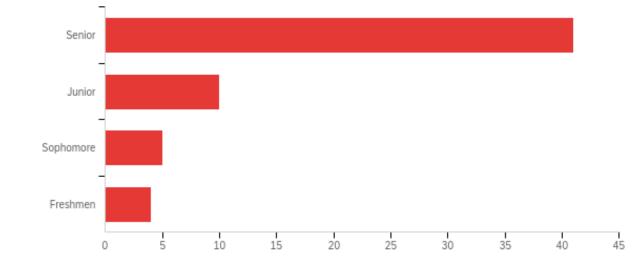
Q1: You are invited to participate in the study of LMX Theory in Relation to Workplace Stress. The purpose of this study is to learn about your workplace relationship with your boss or supervisor as well as your overall stress levels at work. You may refer to your most recent boss or supervisor when answering these questions. In addition, please note that you must be at least 18 years of age to complete this Survey. Your participation is totally voluntary, and your decision whether or not to participate will not affect your future relations with Bryant University or its employees in any way. If you decide to participate, you are also free to discontinue participation at any time without affecting such relationships. However, it is requested that you notify the investigator of this. We understand your time is very valuable, but we would appreciate if you could take just a few minutes out of your day to answer the questions honestly and to the best of your ability. However, you may skip or refuse to answer any questions within this Survey and the responses recorded will be completely anonymous. We thank you in advance for your participation. Any information obtained in connection with this study will remain confidential and will not be disclosed to the general public in a way that can be traced to you. In any written reports or publications, no participant other than the researchers will be identified, and only anonymous data will be presented. Please click "I Agree" below if you have read and consent to the information provided above. This will also indicate that you are at least 18 years of age. This does not obligate you to participate, and you may withdraw from the study at any time without consequences.

If you have any questions, please contact:

Abby Murphy Bryant University 2021 Management Major Email: <u>amurphy16@bryant.edu</u> Phone: 978-500-9953



# Exhibit 1: Q - What year are you?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count	
1	What year are you?	1.00	4.00	1.53	0.90	0.82	60	

#	Answer	%	Count
1	Senior	68.33%	41
2	Junior	16.67%	10
3	Sophomore	8.33%	5
4	Freshmen	6.67%	4
	Total	100%	60

Exhibit 2: Q - What is your age?

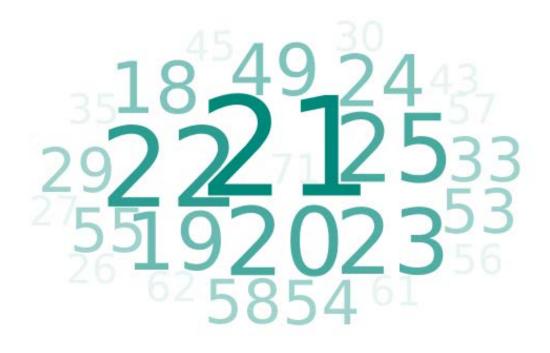
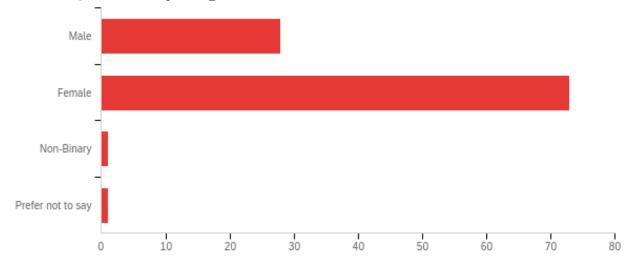


Exhibit 3: Q - What is your gender?

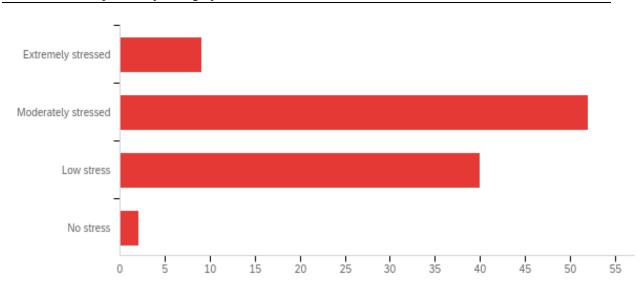


#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	What is your gender?	1.00	4.00	1.76	0.51	0.26	103
#			Answer		%		Count
1			Male		27.18%		28
2			Female		70.87%		73
3			Non-Binary		0.97%		1
4		Pref	er not to say		0.97%		1
			Total		100%		103

Exhibit 4: Q - How many years have you been working?



Exhibit 5: Q - On average, how stressed do you feel at work?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	On average, how stressed do you feel at work?	1.00	4.00	2.34	0.66	0.44	103

#	Answer	%	Count
1	Extremely stressed	8.74%	9
2	Moderately stressed	50.49%	52
3	Low stress	38.83%	40
4	No stress	1.94%	2
	Total	100%	103

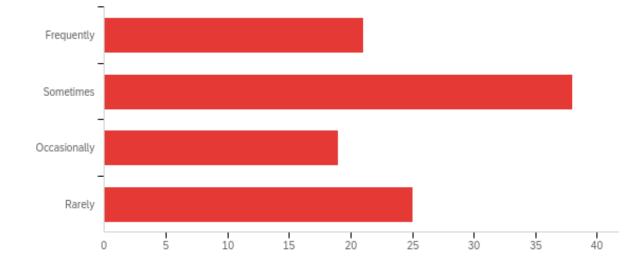


Exhibit 6: Q - How often do you take your workplace stress home with you?

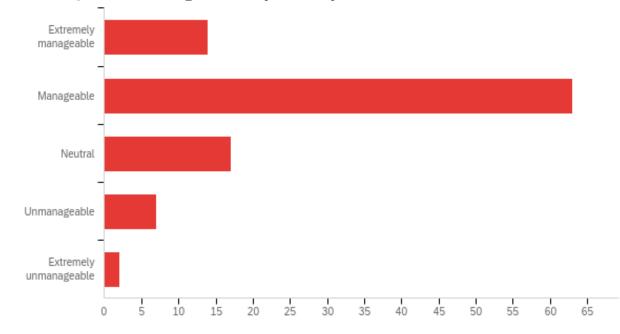
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How often do you take your workplace stress home with you?	1.00	4.00	2.47	1.07	1.14	103

#	Answer	%	Count
1	Frequently	20.39%	21
2	Sometimes	36.89%	38
3	Occasionally	18.45%	19
4	Rarely	24.27%	25
	Total	100%	103

Exhibit 7: Q - How would you rate the degree of trust and respect you and your boss/supervisor have for one another on a scale of 1-10?

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Levels of trust/respect	1.00	10.00	7.34	2.08	4.32	103



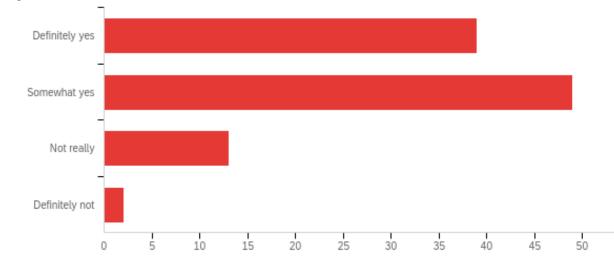


# Exhibit 8:Q - How manageable do you feel your workload is?

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How manageable do you feel your workload is?	1.00	5.00	2.22	0.84	0.70	103

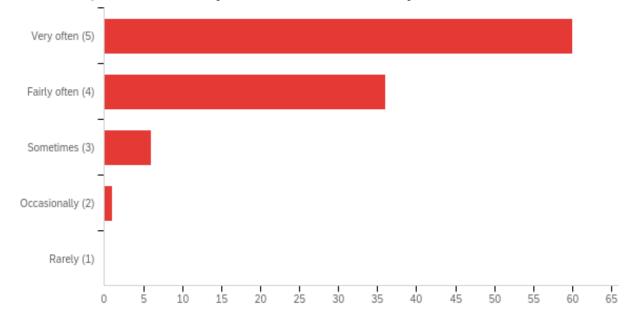
#	Answer	%	Count
1	Extremely manageable	13.59%	14
2	Manageable	61.17%	63
3	Neutral	16.50%	17
4	Unmanageable	6.80%	7
5	Extremely unmanageable	1.94%	2
	Total	100%	103

Exhibit 9: Q - Do you feel your boss provides you with enough resources to get your work done?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Do you feel your boss provides you with enough resources to get your work done?	1.00	4.00	1.79	0.73	0.54	103

#	Answer	%	Count
1	Definitely yes	37.86%	39
2	Somewhat yes	47.57%	49
3	Not really	12.62%	13
4	Definitely not	1.94%	2
	Total	100%	103



# Exhibit 10: Q - How often is your boss satisfied with your work?

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How often is your boss satisfied with your work?	1.00	4.00	1.50	0.65	0.42	103

#	Answer	%	Count
1	Very often (5)	58.25%	60
2	Fairly often (4)	34.95%	36
3	Sometimes (3)	5.83%	6
4	Occasionally (2)	0.97%	1
5	Rarely (1)	0.00%	0
	Total	100%	103

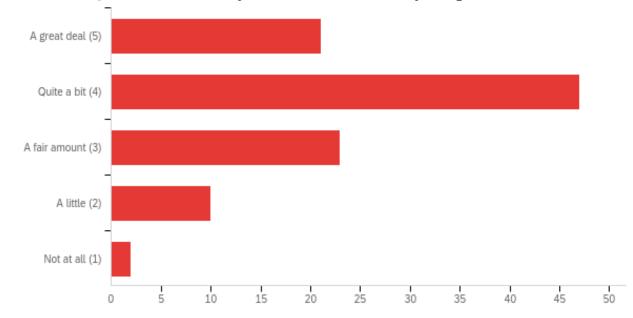


Exhibit 11: Q - How well does your boss understand your problems/needs?

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How well does your boss understand your problems/needs?	1.00	5.00	2.27	0.96	0.92	103

#	Answer	%	Count
1	A great deal (5)	20.39%	21
2	Quite a bit (4)	45.63%	47
3	A fair amount (3)	22.33%	23
4	A little (2)	9.71%	10
5	Not at all (1)	1.94%	2
	Total	100%	103

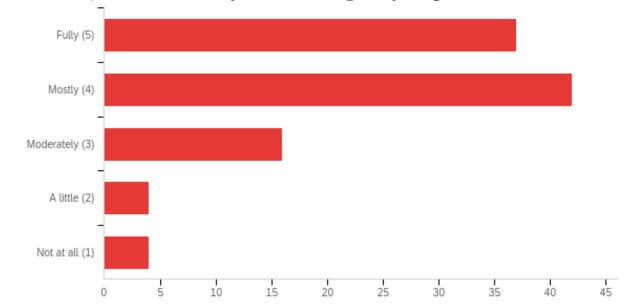
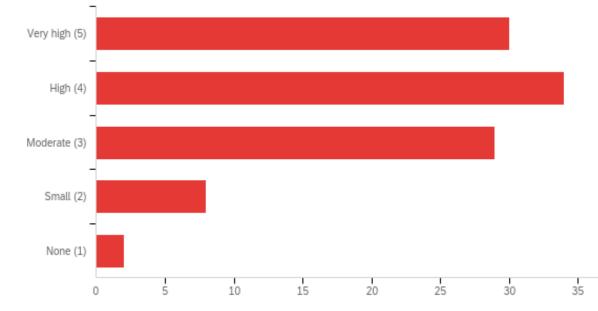


Exhibit 12: Q - How well does your boss recognize your potential?

#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How well does your boss recognize your potential?	1.00	5.00	1.99	1.01	1.02	103

#	Answer	%	Count
1	Fully (5)	35.92%	37
2	Mostly (4)	40.78%	42
3	Moderately (3)	15.53%	16
4	A little (2)	3.88%	4
5	Not at all (1)	3.88%	4
	Total	100%	103

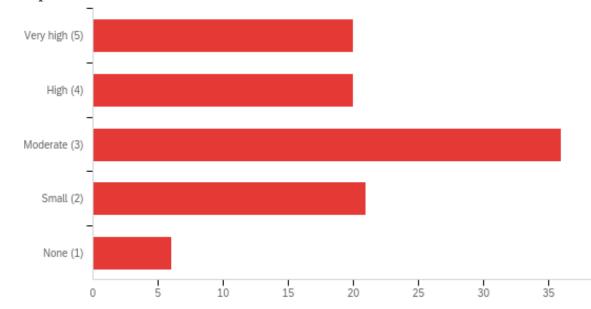
Exhibit 13: Q - What are the chances your boss would use their authority/power to help you solve your problems at work?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	What are the chances your boss would use their authority/power to help you solve your problems at work?	1.00	5.00	2.20	1.01	1.02	103

#	Answer	%	Count
1	Very high (5)	29.13%	30
2	High (4)	33.01%	34
3	Moderate (3)	28.16%	29
4	Small (2)	7.77%	8
5	None (1)	1.94%	2
	Total	100%	103

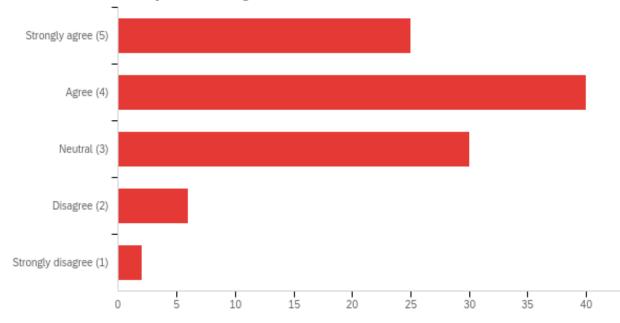
Exhibit 14: Q - What are the chances your boss would "bail you out" at their expense?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	What are the chances your boss would "bail you out" at their expense?	1.00	5.00	2.74	1.16	1.34	103

#	Answer	%	Count
1	Very high (5)	19.42%	20
2	High (4)	19.42%	20
3	Moderate (3)	34.95%	36
4	Small (2)	20.39%	21
5	None (1)	5.83%	6
	Total	100%	103

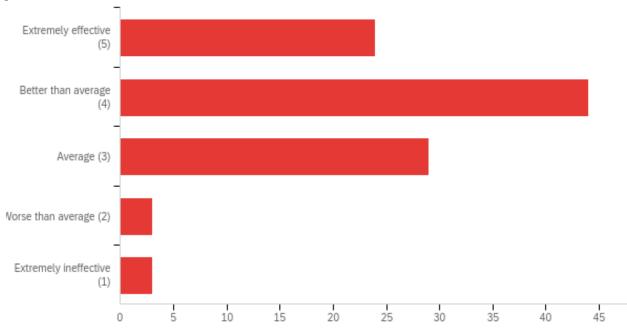
Exhibit 15: Q - I have enough confidence in my boss that I would justify their decision if they were not present to do so.



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	I have enough confidence in my boss that I would justify their decision if they were not present to do so.	1.00	5.00	2.22	0.94	0.89	103

#	Answer	%	Count
1	Strongly agree (5)	24.27%	25
2	Agree (4)	38.83%	40
3	Neutral (3)	29.13%	30
4	Disagree (2)	5.83%	6
5	Strongly disagree (1)	1.94%	2
	Total	100%	103

Exhibit 16: Q - How would you characterize your working relationship with your boss?



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	How would you characterize your working relationship with your boss?	1.00	5.00	2.19	0.92	0.86	103

#	Answer	%	Count
1	Extremely effective (5)	23.30%	24
2	Better than average (4)	42.72%	44
3	Average (3)	28.16%	29
4	Worse than average (2)	2.91%	3
5	Extremely ineffective (1)	2.91%	3
	Total	100%	103

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