

## **What makes teams work: leader- member relationship quality and employee performance and job attitudes**

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The use of teams in organizations has expanded rapidly. Typically these teams have internal leaders (team leaders) and/or external leaders (supervisors). A relationship between leaders and subordinates is cited as a key means through which the productivity of the apparel industry can be improved. Therefore, this study examines the link between the relationship quality of leaders – both internal and external – with their members and team level outcomes using leader-member exchange (LMX) theory as a theoretical framework. LMX theory examines the quality of the dyadic relationship between a leader and a subordinate. Four dimensions of relationship quality were examined: The extent to which the dyadic relationship is based on interpersonal attraction (affect), public support for the other member of the dyad (loyalty), perceptions of the effort the other member puts towards mutual goals (perceived contribution), and the reputation that each member has built for him or herself (professional respect). The study was conducted in an apparel manufacturing organization that uses work teams. The work team was used as the unit of analysis. Data from the members and the leaders were used to assess the quality of the relationship between the leaders and the subordinates. The affect, loyalty, contribution and professional respect dimensions were positively related to output quantity, commitment, and job satisfaction but were negatively related with the number of rejections and absenteeism. The study, however, did not find different patterns of results for internal and external leaders, suggesting that a high quality relationship between the subordinates and both types of leaders is important for effective team level outcomes.

**Key words:** LMX theory, Job performance, Commitment, Job satisfaction, Dyadic relationship

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