

Peering Into The Black Box Of Dyadic Relationships: A model to describe Dyadic Relationship Quality (DRQ) Development

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The candidate confirms that the work submitted is his/her own and that appropriate credit has been given where reference has been made to the work of others.

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Abstract

This thesis addresses the research question of how trust and relational leadership interact; it offers a model to describe how the quality of leader-follower relationships develops and explains how context impacts on these relations. There is a large body of scholarly research focused on leadership and leading, and millions of dollars and pounds are spent each year in attempting to understand and improve the practice of leading in the workplace (Day & Antonakis 2012). A growing body of thought suggests that rather than focusing on leaders, the focus should be on relationships within organizations as they “are central to social and organizational life” (Uhl-Bien, Maslyn and Ospina, 2012:291). An essential part of leader-follower relationships is trust (e.g. from Blau in 1964 to Bligh & Kohles in 2013). It is the ability of trust to support a relationship when “uncertainty, vulnerability, the stakes and relational interdependence are all high” (Li, 2012:102) which makes its inclusion essential in any attempt to describe dyadic relationship quality. In order to understand relationships, however, we also need to understand the environment in which they occur, the context in which they are embedded.

Empirical work for this thesis was carried out through qualitative research and mixed methods of analysis. Sixty semi-structured interviews were conducted in a longitudinal study of twelve leader-follower relationships. Qualitative and quantitative data analysis methods were used to develop a model that describes leader-follower relationship development and accounts for contextual influences on the dyad. This model also suggests a definition for Dyadic Relationship Quality (DRQ) and descriptors for differentiating between high and low quality relations in the workplace. The DRQ model offers an academic framework with which to better understand workplace relations, which could support practitioners through improved collaboration and organizational outcomes as well as being used to enhance leadership training and development.

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1 Introduction

1.1 Background to the Study

This thesis addresses the question of how the quality of leader-follower relationships develops within a workplace context. There is a large body of scholarly research focused on leadership and leading, and millions of dollars and pounds are spent each year in attempting to understand and improve the practice of leading in the workplace (Day & Antonakis 2012). A growing body of thought suggests that rather than focusing on leaders, the focus should be on relationships within organizations as they “are central to social and organizational life” (Uhl-Bien, Maslyn and Ospina, 2012:291). An essential part of leader-follower relationships is trust (e.g. from Blau in 1964 to Bligh & Kohles in 2013). It is the ability of trust to support a relationship when “uncertainty, vulnerability, the stakes and relational interdependence are all high” (Li, 2012:102) which makes its inclusion essential in any attempt to describe dyadic relationship quality. In order to understand relationships, however, we also need to understand the environment in which they occur, the context in which they are embedded.

The thesis aims to understand how relational leadership and interpersonal trust interact in workplace contexts, where leader-follower relationships occur. What is clear from extant work is that there is no mechanism or model for describing dyadic, leader-follower relationship quality unless by using LMX as a proxy. Basing assessments of relationship quality on LMX is problematic. The theory has been repeatedly critiqued for measuring perceptions rather than exchanges (Sheer, 2014) and for the confusion around whether it is exchange quality, relationship quality or exchange relationship quality that is being assessed (Gooty et al. 2012). Whilst it has long been acknowledged that trust and leadership need to be considered together in describing leader-follower relations, the dynamics between these two constructs are also cloudy (Ikononen, 2013). Finally, relationship quality is broader than either LMX or interpersonal trust, by themselves, are able to capture (e.g. Bernerth, Armenakis, Feild Giles and Walker, 2007; Brower, Schoorman and Tan, 2000) which makes it difficult to describe in any detail how relationship quality develops between leaders and followers.

This project addresses these issues in the literature by providing a model that describes a broader framework for describing leader-follower relationships than has previously been available. The model incorporates a range of relational leadership and

interpersonal trust theories and describes how relationship quality between leaders and followers develops in the context of high-tech start-ups in two locations in England. The study makes three theoretical contributions to literature and offers practical benefits. The contributions to literature are:

1. The thesis builds on previous work in the field of relational leadership, identifying which dimensions of existing relational leadership theories are needed to describe more fully leader-follower relations. This moves leadership research away from having to rely on the four dimensions of LMX-MDM, which as described above, has courted considerable criticism in recent years. The model provided here suggests that using an expanded set of dimensions (drawn from LMX, Economic and Social LMX and Individualised Leadership) can better capture relationship quality. Together, these dimensions allow for a broader view of the development of leader-follower relationship quality than has previously been available.
2. I propose a new model for Dyadic Relationship Quality development (DRQ Development), which builds on existing literature and the results of this study to plot how leader-follower relationships develop for Hi-tech start-ups. This model accounts for how interpersonal trust and context are interwoven with the dynamics between leaders and followers, using the expanded range of dimensions described above. DRQ-Development provides a framework for exploring how leaders and followers relate within their contextual environment at a range of levels. As such, DRQ-Development makes a significant contribution to the field in providing a model that chronologically maps the development of the quality of dyadic relationships accounting for interpersonal trust and context.
3. Finally, whereas in extant literature, the perceptions of research participants are used by the researcher to ascribe a level of quality (high or low) to workplace relationships, this study describes how leaders and followers make their own judgment about relationship quality (RQ) and what factors influence this evaluation. This provides a broader description of what RQ comprises than has previously been provided for within LMX literature and relates perceptions of quality with perceptions of the workplace behaviours of the other party. This qualifier is not an outcome of relationship quality development; rather it is a dimension of the relating process. This finding is particularly significant given that most teaching on leadership uses a model of inputs-process-outputs to describe how leader-follower relationships. The study argues instead that perceptions relationship quality, trusting behaviours and performance are dimensions within an iterative relationship development process that only stabilizes for as long as

context is stable. The finding provides a challenge to current wisdom and offers a more complex and nuanced view of relationship quality and its development over time.

From a practical perspective, understanding how relationship quality develops and what informs the perceptions of relationship quality is potentially valuable. This can improve recruitment, leader training and progression, and could impact workplace outcomes such as collaboration, retention, commitment, engagement and performance (e.g. Schriesheim, 2009; Davis and Bryant, 2009; Jensen and Tower, 2014). DRQ-Development maps closely to kite marks such as Investors in People which offer support in developing workplace practices and policies to support working relations. This chapter begins with the research question that sets the direction for the theoretical and empirical work that has been undertaken.

1.2 The Research Question

The thesis aims to understand how leader-follower relationships develop into high or low quality relations, in workplace contexts, using theories about relational leadership and interpersonal trust. The main research question for this thesis then is:

How do leader-follower relationships develop into high or low relationship quality?

In order to resolve this question, four sub-questions require answers:

1. Which forms of relational leadership approaches can be used to explain more of leader-follower interactions than LMX allows for (e.g. Bernerth et al. 2007)?
2. How does trust interact with relational leadership (e.g. Burke, Sims, Lazzara and Salas, 2007)?
3. How does context influence leader and follower relations (Shamir, 2013)?
4. How should relationship quality be described or defined (e.g. Bernerth et al. 2007; Sheer 2014; Ikonen 2014)?

This introduction chapter describes the content of the thesis, starting with the research question for the study. From this, the literature review provides a theoretical framework and the methodology chapter sets out how the research was undertaken. The qualitative and quantitative outcomes of the study are described in the results chapters. Finally, the theoretical and practical implications of the study are contained in the conclusion along with limitations and future directions for further research.

1.3 The Structure of the Thesis

The thesis is structured into four main parts: the literature chapter; the methodology; the results chapters and finally the concluding chapter. The first of these, the literature chapter is outlined below.

1.3.1 The Literature Chapter

This chapter uses existing literature to understand how leader-follower relationships develop in the context of the workplace and to explore the extent to which perceptions of relationship quality have previously been described. Relational leadership theories give insight into how leaders and followers interact (Cunliffe and Eriksen, 2011) and Uhl-Bien's (2006) Relational Leadership Framework provides a theoretical basis for exploring what takes place between leaders and followers. This study focuses on the dyad (in this case leader-follower pairs), where leaders and followers are entities in the workplace with roles that are formally described by the organization (e.g. Uhl-Bien, 2006; Uhl-Bien and Ospina, 2012).

Trust has long been acknowledged as essential in describing leader-follower relationships (e.g. Bligh and Kohles, 2013), likewise, context is increasingly described as important in leadership research but there remains a paucity of research that accounts for how context influences leader-follower, trusting relationships. In order to explore these themes in the field, I needed to develop a research design so that research and analysis processes could be articulated; these are summarized in the next section.

1.3.2 The Methodology

The methodology process describes the siting for the study and the ontological and epistemological position of the thesis. This is a theory-informed enquiry, seeking to understand which theories about leadership and trust help explain the workplace experience, and leader-follower relationship quality development. The context for the study was High-Tech Start-ups in England as described in section 1.5. The study is sited within objectivist ontology with a realist epistemology as this allows for an external reality to contain multiple layers of existence, one of which helps describe the subjective experiences of participants in the study. This philosophical position also allows for a qualitative, longitudinal study, which employed semi-structured interviews for data collection and used qualitative and quantitative methods of analysis. The results of this process were split into three results chapters.

1.3.3 Results Chapters

There are three results chapters for this thesis; the first deals with the beginning of the leader-follower relationship and the way in which interpersonal trust appears to function; the second describes relationship dynamics and the outcomes of dyadic relationships. The third results chapter uses the statistical process of multi-dimensional scaling analysis to explore whether statistical links in the data match the qualitative sense making which the thematic coding analysis provides. Relevant literature is reviewed alongside the results from all three chapters to support the process of interpreting the data. These results lead to the theoretical and practical implications that are presented in the final chapter of this thesis.

1.3.4 Conclusions from the Study

This chapter sets out an amended model for Dyadic Relationship Quality Development; delineating the roles which relational leadership, trust, communication, and context have on workplace relations. There are theoretical implications in regard to interpersonal trust, dyadic relationship development and context that are discussed, which allow three contributions to literature to be described. The practical implications of this study relate to the development of leaders in the workplace and HRM policies practices. The limitations to this study are explained and future research directions are suggested. A key feature of this work has been to ensure that this is a rigorous piece of research. To this end, Tracy's (2010) eight big tent criteria have been adopted and applied throughout the thesis where applicable. These are described below.

1.4 Ensuring Research Rigour using Tracy's (2010) Criteria

For quantitative research, rigour is achieved through validity, reliability and generalizability. These criteria, however, are not applicable to qualitative approaches which has left some doubt in the minds of positivist, empiricist researchers about the veracity and perspicacity of interpretivist work (Guba and Lincoln, 1994; Morse, Olson, and Spiers, 2002; Tobin and Begley, 2004). The field of qualitative research also fractured into paradigms and methodologies, each of which defined their own approaches to achieving qualitative rigour and validity making it difficult to compare quality and rigour across the field (Tracy 2010). In response these issues, Tracy developed a set of quality criteria. These eight aspects of rigour for qualitative research aim to unify the differentiated qualitative methodologies to encompass them within one "Big Tent."

This thesis adopts Tracy’s (2010:840) Eight “Big Tent” approach to Achieving excellence through qualitative research as shown in Figure 1. This approach is applicable to a range of disciplines and research strategies and provides an in-depth analysis of the level of quality that has been achieved through any individual research endeavour (Gordon and Patterson 2013). This fits the realist research perspective, which combines qualitative and quantitative analysis. The eight points are shown in Figure 1.

Criteria for quality (end goal)	Various means, practices, and methods through which to achieve
Worthy topic	The topic of the research is <ul style="list-style-type: none"> • Relevant • Timely • Significant • Interesting
Rich rigor	The study uses sufficient, abundant, appropriate, and complex <ul style="list-style-type: none"> • Theoretical constructs • Data and time in the field • Sample(s) • Context(s) • Data collection and analysis processes
Sincerity	The study is characterized by <ul style="list-style-type: none"> • Self-reflexivity about subjective values, biases, and inclinations of the researcher(s) • Transparency about the methods and challenges
Credibility	The research is marked by <ul style="list-style-type: none"> • Thick description, concrete detail, explication of tacit (nontextual) knowledge, and showing rather than telling • Triangulation or crystallization • Multivocality • Member reflections
Resonance	The research influences, affects, or moves particular readers or a variety of audiences through <ul style="list-style-type: none"> • Aesthetic, evocative representation • Naturalistic generalizations • Transferable findings
Significant contribution	The research provides a significant contribution <ul style="list-style-type: none"> • Conceptually/theoretically • Practically • Morally • Methodologically • Heuristically
Ethical	The research considers <ul style="list-style-type: none"> • Procedural ethics (such as human subjects) • Situational and culturally specific ethics • Relational ethics • Exiting ethics (leaving the scene and sharing the research)
Meaningful coherence	The study <ul style="list-style-type: none"> • Achieves what it purports to be about • Uses methods and procedures that fit its stated goals • Meaningfully interconnects literature, research questions/foci, findings, and interpretations with each other

Figure 1 - Tracey's (2010) Eight Big Tent Criteria for Quality Research

The worthiness of the topic represents the added value of this thesis. This is discussed here with the remaining seven elements being considered in the methodology, results and concluding chapters as appropriate.

1.4.1.1 Worthiness of the topic

The DRQ project attempts to unpick how the quality of leader-follower relationships develops within the context of hi-tech startups. This is worthy from an academic perspective, as this study answers a gap in the literature by providing a model for development of relationship quality that accounts more fully for relational leadership theories, trust and context than existing work in the field. This allows the influences on relationship quality to be elaborated upon and also provides descriptors for differentiating between high and low levels. From a practical perspective, a better understanding of leader-follower relationships will support recruitment, leadership development and progression and could improve workplace outcomes such as retention, commitment, engagement and performance through improving workplace relations. The final section in this chapter describes the context in which the research was carried out.

1.5 The Context for the Study

Context sets the scene for all workplace relationships (e.g. Shamir 2013). For this study, I interviewed leaders and their staff in eight start-up firms, operating in the cloud-technology environment offering virtual products and/or services. They had all had at least one round of investment funding for a minimum of £100,000. All of these firms have been through an accelerator programme that supports nascent firms through idea generation to the point of gaining investment and all have a minimum of four members in the company, including the co-founders.

1.5.1 Hi-tech start-ups

“New Technology Business Firms are known to be volatile dynamic organizations whose innovations are subject to short life cycles and product imitability” (Gannon et al. 2015, p.27). Leaders and followers in this study had made a positive choice to join a start up, either because they were familiar with and liked the way of working, or because it appeared attractive enough to risk a change of environment. The start-up world offers particular organizational benefits such as informality in dress code and times of the working day, set against the industry-wide risk of failure. On the one hand, firms tend to be flexible in terms of working conditions, roles are fluid and individuals are likely to gain

greater experience and responsibility than their corporate counterparts could expect. The downside of this rapidly changing environment is that it comes with lower rates of pay (for leaders as well as followers) with a 10-15% chance of gaining high-earning success (Dijkhuizen et al. 2014). This study explains the value of understanding and accounting for context in describing how the beginnings of relationships function (Kangas, 2013). For this study, context not only applied at industrial and organizational levels (in the form of Hi-tech start-ups) but also to two geographical locations in England: London and Newcastle-upon-Tyne.

1.5.2 London and Newcastle-upon-Tyne

This research began in London's hi-tech, startup environment, which is considered to be one of the major startup hubs, world-wide (Solon, 2012). The title of 'UK start-up hub', conferred by the coalition government is supported by tax incentives, strong social networks for cross-fertilization between startup companies, funding, and technical and mentoring support. These factors mean that the capital has gained a strong reputation for what it can offer startups in general and tech start-ups in particular (Nathan, Vandro and Voss, 2013). Much of the focus for digital and Internet startup activity has been around the Shoreditch and Clerkenwell areas of East London, where the "Silicon Roundabout" (actually the 'Old Street Underground Station', situated beneath the roundabout where City Road meets Old Street) has come to visually represent the area in marketing and media publications. However, startup hubs, workspaces and clusters are available all over Central London and are not confined to the East of the city (Hanson 2011).

London is not the only focus for startup activity in the UK; cities such as Birmingham, Manchester, Leeds and Newcastle are also developing networks of investment and technical support to encourage entrepreneurial activity (Baldwin 2014). Accelerator firms, university spin-outs and incubator centers constantly hunt for opportunities nationwide to find and support the brightest ideas into successful entrepreneurial companies. This activity is supported by the current Government who aim to resolve the country's financial fortunes through stoking entrepreneurial activity (Ghosh, 2013). Most UK universities now offer some form of entrepreneurial module or course as part of their business curricula or adjunct to careers centers, which run alongside student support services. Entrepreneurship is supported and thriving in the UK. Newcastle is the base for an accelerator programme (Ignite 100) and benefits from infrastructure investment, improved communication technologies and university links with four HE institutions in the

region that have encouraged specialized regional technology hubs to develop (Baldwin 2014).

This vibrant, fast moving, risk-taking environment is about as far removed as possible from the corporate world where much leadership work has traditionally been sited. This study aimed to explore the extent to which the models for workplace relationships applied and to look at how leader-follower relations developed in that environs.

1.6 Conclusion

This introduction has provided a background to the study, which explains why the subject is of interest, and the context for the work. The structure of the thesis has been described, as has the process used to ensure that research rigor was maintained. Next, is the literature chapter, which as described above, reviews literature for the fields of relational leadership and interpersonal trust and identifies the gap that the research questions are trying to address.

2 - Literature Chapter

Relationships have been described as “central to social and organizational life” (Uhl-Bien and Ospina, 2012:291), so that if academics and practitioners want to better understand leadership in the workplace, they may need to focus on what takes place between leaders and followers rather than focusing solely on either group of actors. Relational approaches to leadership explore the interpersonal interaction between leaders and followers, and provide a framework from which to explore what takes place in dyadic workplace relations (e.g. Uhl-Bien, 2006; Uhl-Bien and Ospina, 2012). When describing how relationships develop and function, trust has also been a key concept (from Blau, 1964 to Bligh and Kohles, 2013); it too is a relational theory. Therefore, using both relational leadership and trust theories to describe dyadic (leader-follower) relationships, provides a framework that builds on existing work and provides opportunities for deeper understanding than has currently been achieved (e.g. Burke et al., 2007). Together, these relational leadership and interpersonal trust theories allow this study to remain focused on the dyad (of leader and follower) rather than looking at groups or teams in the workplace or in broader social networks. This starting point is used to further describe how leader-follower relationships develop and to provide a framework for assessing relationship quality that is contextually based.

Context drives how organizations and individuals behave and has been under-represented in leadership and trust literatures (e.g. Shamir, 2013); researchers need to understand the environment in which relationships occur if they are to explain why they develop into high or low quality relations. This study accounts for the influence of workplace context, by seeking to understand how individuals, dyads, organizations and industries are impacted by the events and conditions that surround them. Different levels of contextual influence are described, with examples of how each of these levels will influence how relationship quality develops. The starting point for this study is leader-member exchange as it is a relational leadership theory that has been associated with relationship quality.

Since Graen and Uhl-Bien's (1995) paper on LMX, the theory has been used as a mechanism or model for describing dyadic, leader-follower relationship quality. However, there is considerable doubt whether LMX is able to fulfil this function (Sheer, 2014) and it has been suggested that what develops between a leader and follower is

broader than either LMX or interpersonal trust, by themselves, are able to capture (e.g. Bernerth et al., 2007; Brower et al., 2000). A gap exists in the literature in terms of more fully describing leader-follower relationship quality, which accounts for relational leadership and interpersonal trust and provides more depth than LMX accounts for. The thesis aims to understand how interpersonal trust and relational leadership interact in the workplace contexts where leader-follower relationships occur.

Extant research suggests that improving our understanding of dyadic relationships could lead to greater levels of job satisfaction, commitment, opportunities for creativity, innovation and development for individuals and ultimately to improved organizational outcomes (e.g. Davis and Bryant, 2009, Jensen and Tower, 2014). A more in-depth understanding of the dimensions and quality of this relationship might also contribute to enhancing leader-follower relationships through leadership development and improved management processes.

The chapter contains three sections: Firstly, because the focus of the research is leader-follower relations, I offer an overview of the relational leadership theory framework (Uhl-Bien, 2006; Uhl-Bien and Ospina, 2012), explaining how relational leadership theories apply to this thesis and outlining the role of context antecedents and consequences that apply to leader-follower relations. I will introduce a new term of Dyadic Relationship Quality (DRQ) as a more accurate way of describing the perceived quality of leader-follower relationships than using LMX as a synonym. The second section explains how trust belongs within a relational approach to dyads (Dirks and Ferrin, 2002); it outlines literature on interpersonal trust, describing the model of trust to be used in the research. This model differentiates between trustworthiness; levels of trust, and the need to account for perceived trusting behaviours that evidence where trust exists. Again, the role of context within trust research is outlined.

Finally, whilst there is a considerable body of empirical work where trust and relational leadership mediate and moderate organizational outcomes, much less has been done to integrate the two constructs theoretically. This section describes the two models that have combined interpersonal trust and relational leadership and the problems that these resolve or leave unanswered. A case is made for a new construct that combines relational leadership and trust in such a way as to allow us to explicitly describe leader-follower relationship quality. The literature chapter begins with relational leadership and the framework provided by Uhl-Bien in 2006 to describe extant work in this field.

2.1 Relational Leadership Theory Framework

This section distinguishes relational leadership from the rest of the leadership field and outlines the continuum of relational leadership approaches, from entitative to relational (Uhl-Bien, 2006, Cunliffe and Eriksen, 2011). The specific strands of relational leadership that help answer the research questions for this project are described in some detail along with the role of context. In addition, an argument is made for specifically describing relationship quality rather than using LMX as a synonym for this and as such, the concept of DRQ is introduced.

Relational Leadership is a relatively recent term in leadership scholarship and its definition is “open to interpretation” (Uhl-Bien, 2006:654). As a result, it is perhaps easier to distinguish it from the rest of the leadership literature by saying what it is not. It is not a process model that looks at inputs and then measures outputs to establish the effect of variables; it does not offer an account of leader traits, behaviours or actions because it is not aiming to examine the ‘leader’ as the central protagonist. Instead, relational leadership theories view leaders and followers as “relational beings who constitute each other as such – leader *and* follower, leader *or* follower – in an unfolding dynamic relationship...[which] means viewing the invisible threads that connect actors engaged in leadership processes and relationships as part of the reality to be studied” (Uhl-Bien and Ospina, 2012:xix, emphasis in text).

Relational leadership “...recognizes leadership wherever it occurs; it is not restricted to a single or even a small set of formal or informal leaders; and, in its strongest form, functions as a dynamic system embedding leadership, environmental, and organizational aspects” (Hunt and Dodge, 2001:448). This places relational leadership as embedded in its context and developing organically. In other words, relational leadership situates the relationship that shared by both parties (leader and follower), in their work environment and calls for research to provide an holistic account of what takes place there.

A range of classifications for approaches to relational leadership has been suggested, although their boundaries are fuzzy and overlapping (Cunliffe and Eriksen, 2011). Uhl-Bien, (2006) provides an overview of Relational Leadership (RL) in her Relational Leadership Theory framework. This has been summarized by dividing relational literature into two broad groups (see Figure 2) (Wilson, 2014). Towards the right hand side of this diagram are *relational perspectives*, which focus on the collective, dynamic interactions between

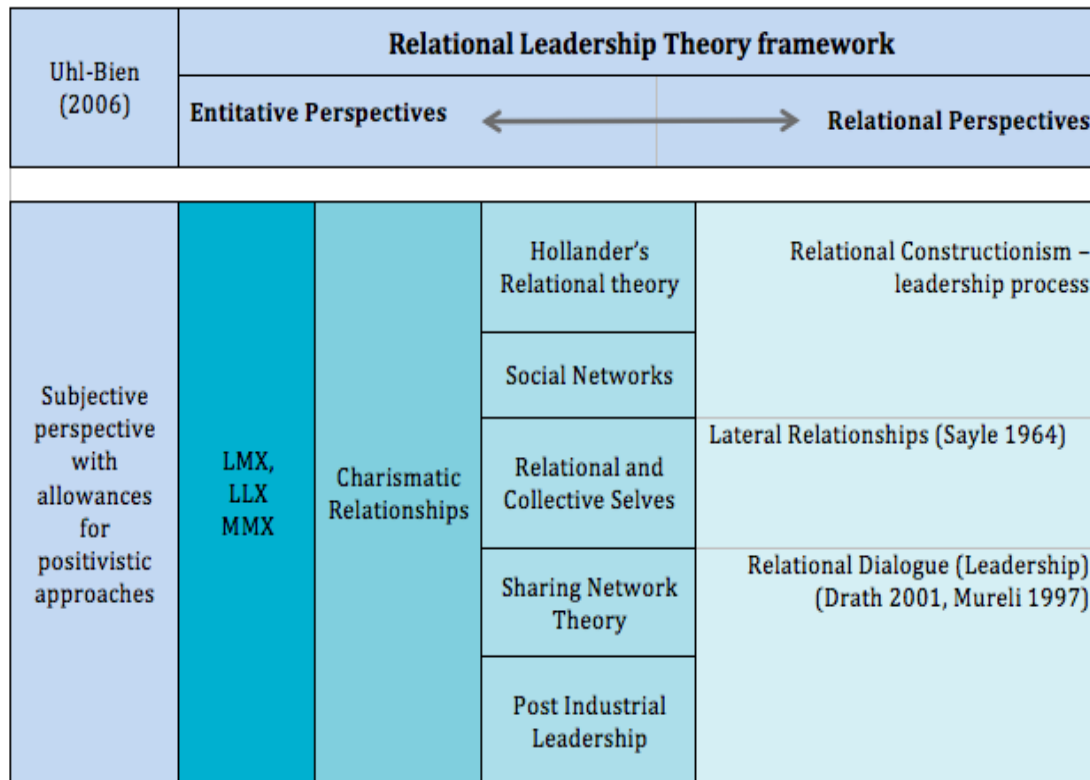


Figure 2 - Map of relational leadership theories, adapted from Uhl-Bien's (2006) relational leadership framework

NB: LMX – Leader-Member Exchange, LLX – Leader-Leader Exchange, MMX – Member-member Exchange

Individuals define their own relationships through the intricate interaction “between individual organizational members and the system” (Uhl-Bien, 2006:661). Here, leadership occurs through behaviours rather than industrially or organizationally defined roles. In other words, “leadership is co-constructed, a product of socio-historical and collective meaning making, and negotiated on an ongoing basis through a complex interplay among leadership actors, be they designated or emergent leaders, managers, and/or followers”(Fairhurst and Grant, 2010:172).

By contrast, the *entity approach* looks at individualistic perspectives, where “organizational life is viewed as the result of individual action” (Dachler and Hosking, 1995). Each individual in an organization, whether a leader or follower, has his or her own internal reality and experience that is set within the external environment in which they operate. The individual sees the rest of the world as separate to him/her self and as such seeks not to co-create relationships with others, but to influence them. Dachler and Hosking (1995:3) summarize this: “Social relations are enacted by subjects to achieve knowledge about, and influence over, other people and groups”. This thesis seeks to understand relationships that are defined by organizations, where individual actors operate within these environments, with the aim of gleaning insight into how these relationships are perceived and the role that trust plays in this process. As a result, this work adopts an entitative approach, leaving purely relational theories behind from this point.

2.2 Entitative Approaches to Relational Leadership

Entitative approaches describe “the relationship between leaders and organizing processes” (Cunliffe and Eriksen, 2011:1429), where the role of the individual is examined within the external reality of the organization and its defined and allotted roles. The entitative theories fall roughly into two groups. The first group focuses on collective relationships at a group, team, network or organizational level, the second concentrate on leader-follower pairs (dyads). It is the latter group that is of interest to this study, as the focus of this thesis is on leaders and followers not leaders and their groups or teams. LMX is the foundation theory for this study. As outlined above, LMX can’t fully account for relationship quality between leaders and followers, therefore additional approaches are required. The theories which are entitative and have a dyadic focus include Leader-Member Social Exchange, Economic LMX and Social LMX and Individualized leadership. These four entitative approaches are explained after LMX has been described in the next section.

2.2.2 A Brief History of LMX

LMX “acknowledges the importance of the role of followers in leadership processes and it emphasizes that both leader and follower mutually determine the quality of the relationship” (Howell and Shamir, 2005:98). This relationship is an interdependent one that grows, over time, on the basis of reciprocity and trust (Brower et al., 2000). LMX allows for entitative study, with explicitly defined roles within an organization where we can access leaders’ and followers’ individual perceptions of relationship quality (Uhl-

Bien, 2006). As a theory, Leader Member Exchange (LMX) was not initially intended to describe relationship quality although it has widely become used for that purpose. In order to understand precisely what LMX was intended to do, the following section briefly traces its development over time and shows where confusion has grown in terms of terminology and modelling.

LMX stems from Vertical Dyad Linkage theory (Dansereau, Graen and Haga, 1975). Prior to this theory being posited, organizational leadership research rested on two assumptions: firstly that followers of any given leader were likely to be homogeneous enough as a group to consider as a single entity and secondly that a leader will behave in essentially the same way towards all of those following her/him (Dansereau, Graen and Haga, 1975). As such, leadership research had looked for the Average Leadership Style that could allow academics and practitioners to understand what leader styles and behaviours would elicit the best results from followers. Vertical Dyad Linkage negated both of the assumptions underpinning the Average Leadership Style and posited that each relationship between a leader and follower would be different because members of a work group are all individuals and so relationships must develop on an individual basis.

This alternative form of theorizing leader-follower interactions began by describing how the “interpersonal exchange relationship” (Dansereau et al. 1975:49) provides a source of influence through which leaders can exchange the type of outcomes that the follower desires, in return for greater contribution to the superior and organization. Dansereau et al. predicted that this reciprocal relationship would start with role making between both parts of the dyad. This would lead to role negotiations between leader and follower before they eventually settle into routinized role behaviours. The latitude for followers to negotiate with their leaders in this interdependent relationship would determine the quality of the exchange; the greater the perceived ability of the follower and the latitude afforded by the leader, the better the quality of the relationship was likely to be. An individual's place in the ranking of a workgroup, whether they were ‘in’ the close group of employees who share positive relations or ‘out’ with those who had a more transactional exchange, would define the amount of trust and subsequent reward that was received. Dansereau et al. used a two-item scale for measuring negotiation latitude to establish the quality of the exchange. It should be noted that this important paper doesn't say how the decision of who is ‘in or ‘out’ is made and assumes that this is largely within the leader's gift. As such, Vertical Dyad Linkage takes more account of followers than Average Leadership Style and does focus strongly on the shared relationship, but remains firmly leader-centric.

Over the next two decades three further stages in the development of the LMX theory took place (Graen and Uhl-Bien, 1995); the next phase encompassed the progression from Vertical Dyad Linkage to LMX (Graen 1976; Graen and Cashman, 1975). The approach was differentiated from the rest of the leadership field by its focus on the dyadic relationship and offered greater understanding of leader-follower relationships. Empirical work was carried out into LMX and a broad range of associated issues including: performance; turnover; commitment; job satisfaction; organizational citizenship behaviours, justice, career progression and so on.

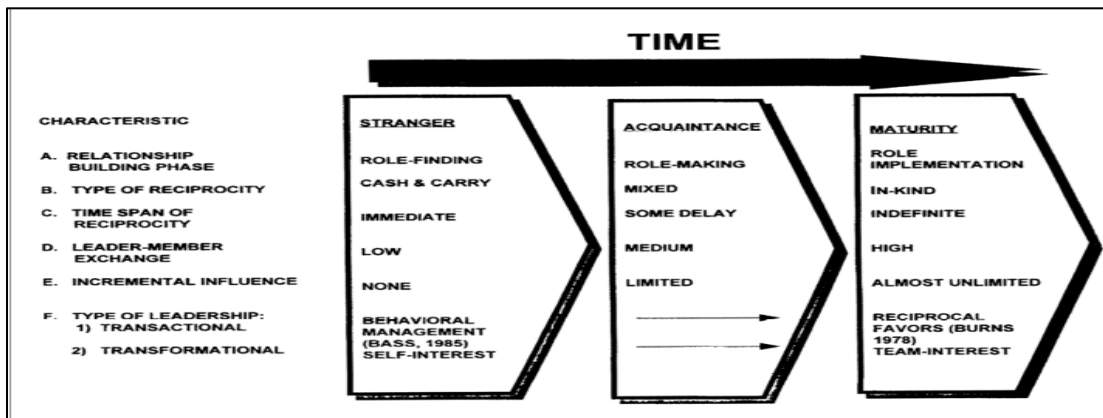


Figure 3 - Graen and Uhl-Bien's (1995) Model of leadership making

From there, LMX theory focused not on those who were 'in' or 'out' of the group, but how in fact the leadership making process developed; a Leadership Making Model (Graen and Uhl-Bien, 1995:230) emerged (see Figure 3). This described how the leader-member relationship developed through stages, from a transactional, low quality of exchange through a period of role-making to a mature, stable, and high quality exchange relationship from which both leader and member would benefit greatly (see Figure 4 below).

An alternative model for development with a more psychological explanation was provided by Dienesch and Liden (1986:627) who attempted to explain in more detail The links between the individual characteristics brought to the relationship by leader and follower and the interactions that took place between them. This is the first LMX development model which builds context into how the relationship functions. Dienesch and Liden describe three similar processes to Graen and Uhl-Bien's 1995 model, albeit in more depth; firstly, there is an initial interaction between leader and follower, which determines the start of the relationship. Secondly, the leader delegates a role to the follower and this is followed by an iterative (circular) process of interaction (role making

or negotiation) between both parties before, thirdly, roles become routinized and a mature, stable relationship develops. Dienesch and Liden therefore, show an explanation of how and why leader and follower progress from left to right across Graen and Uhl Bien's (1995) diagram for leadership making and relationship development.

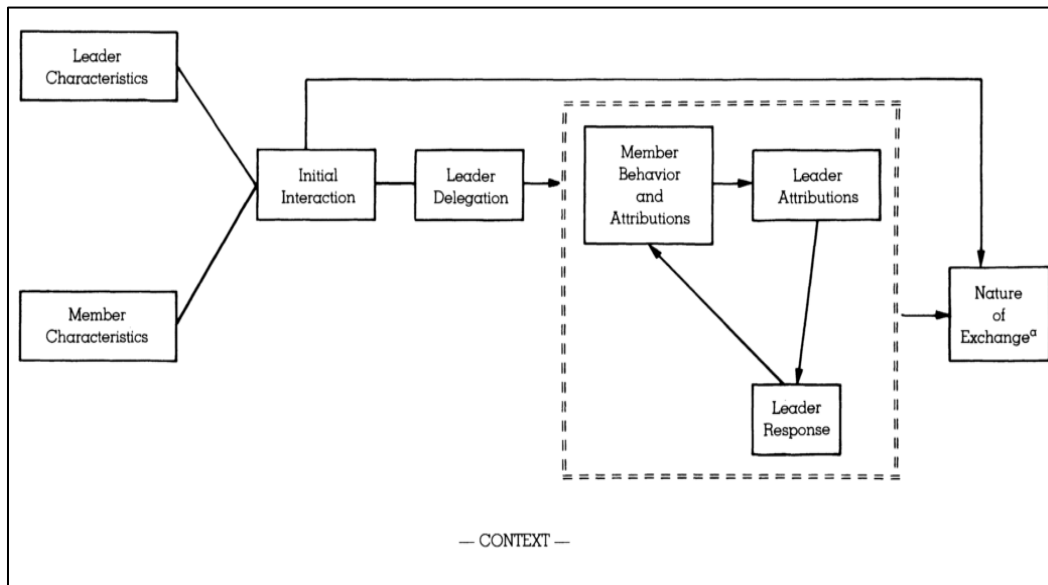


Figure 4 - Dienesch and Liden's (1986) Model of relationship development

Measurement scales for LMX no longer focused purely on the two items to describe negotiation latitude; four items were utilized for Vertical Exchange Negotiation Latitude (Liden and Graen, 1980), then five for Leader-Member Exchange, (Graen Novak and Sommerkamp, 1982), and finally, Scandura and Graen (1984) developed the LMX-7 Scale, a one-dimensional model comprising seven items. In 1998, a multi-dimensional model (Liden and Maslyn, 1998) was proposed which moved away from looking at role negotiation and focused instead on Contribution, Affect, Loyalty and Respect as dimensions of the relationship. This offered greater depth and understanding, defining four processes to describe what was taking place in dyadic relationships.

There has been some consensus across the LMX field in terms of defining the quality of exchanges between leaders and followers. A high quality exchange relationship between leader and member (follower) is characterized by “high trust, interaction, support and rewards” (Nahrgang, Morgeson and Ilies, 2009: 257), where “feelings of mutual obligation and reciprocity ... render such relationships more social in nature” (Dulebohn, Bommer, Liden, Brouer and Ferris, 2011:1717). This is contrasted with low quality exchanges that are restricted to merely fulfilling the employment contract, lacking

any other positive attributes (Dienesch and Liden, 1986). Nahrgang et al. (2009) suggest that relationships will generally develop in a positive direction from 'role-taking' through 'role-making' to 'role-routinization' as a mature, mutual understanding and set of expectations emerges. Exposure to the other half of the dyad improves exchange quality unless there is an abusive or subversive element to relations (e.g. Tepper, 2000). In general, researchers are left to choose whether to employ a single or multi-dimensional model for understanding the quality of exchanges.

The word 'dimensions' in the remainder of this thesis refers to constituent parts of a theory or model. Just as Liden and Maslyn, introduced a fourth dimension to LMX-MDM, so this thesis will introduce aspects of relationship development that are drawn from other relational leadership and interpersonal trust theories. In each case, where an additional aspect of a theory applies to the relationship quality development process, it will be referred to as a dimension. It is hoped that this terminology will avoid some of the confusion that exists in the field. There is some debate in the field about what LMX is being used to describe. This confusion in terminology is described below, followed by a rationale for distinguishing between different aspects of dyadic relationships before a suggestion is made for providing more clarity within the field.

2.2.2.1 Confusion in the field: What is being measured and why?

Alongside the consensus around some of the features of LMX, two areas of confusion emerged. The first related to the terminology used to describe what was being measured by the construct, the second was around the role of trust.

The literature began with looking at latitude for negotiation, through looking at negotiation and exchange to assessing perceptions of the exchange with LMX7 (Graen and Scandura, 1982) and then using the dimensions of affect, contribution, respect and loyalty with LMX-MDM to describe exchange quality (Liden and Maslyn, 1998). By the mid 1980's, the results of LMX studies were used to describe relationship quality although it was scales to measure exchange that were employed. Since then, LMX has variously been used to describe both the quality of exchanges (Sparrowe and Liden, 1997; Schyns and Day, 2010) and the quality of relationships (Gerstner and Day, 1997; Henderson Liden, Glibkowski and Chaudhry, 2009; Van Gils, Van Quaquebeke and Van Knippenberg, 2010). On other occasions, literature conflates 'exchange quality' with 'relationship quality' using the terms interchangeably (e.g. Nahrgang et al. 2009, Walumbwa, Cropanzano and Goldman, 2011, Sheer, 2014).

Further confusion appears with discussion around the quality not of exchanges, but exchange relationships (Yukl, O'Donnell and Taber, 2009), and finally there is mention of the "quality [of] vertical dyad linkage as represented by LMX" (Werbel and Henriques, 2009:780). As Gooty, Serban, Thomas, Gavin and Yammarino (2012) comment: "It is unclear as to what exactly LMX refers, and where LMX might reside...Some studies cast it as follower perceptions of their relationship with the leader. Others draw upon social exchange processes to argue for the quality of the relationship that supervisors and subordinates share" (Gooty et al. 2012:1082).

The role of trust also remains unclear; there has long been acknowledgement that trust belongs in LMX although it is conspicuous by its absence from any of the measurement scales that were developed (Bernerth et al. 2007, Liden and Maslyn, 1998, Dienesch and Liden, 1986, Graen and Cashman, 1975).

What is required therefore is an understanding of where the distinction lies between the quality of a leader-follower exchange and the quality of a relationship overall so that LMX is used as a measure of exchange quality, rather than having to account for overall relationship quality. In order to achieve this, there needs to be a clear distinction between the exchange and relationship qualities. As Bernerth et al. (2007) explain, the four dimensions within LMX (Contribution, Affect, Respect and Loyalty) are insufficient to account for relationship quality, therefore additional dimensions or theories are required in order to describe relationships more fully.

2.2.2.2 Differentiating exchange quality from relationship quality

The terms 'relationship' and 'exchange' are not equivalent: an 'exchange' is the reciprocal act of giving and taking; a 'relationship' describes how two or more people or things (in this case leaders and followers) are connected and how they behave towards each other. In defining what constitutes exchange quality, the multi-dimensional model of LMX (LMX-MDM, Liden and Maslyn, 1998) captures the contribution, loyalty, respect and affection that leaders and followers perceive to exchange with the other (e.g. Schyns and Day, 2010). A relationship may involve exchanges but it is a broader term that involves how two people are associated and all of their interactions. Whilst co-worker relationship quality has been defined on one occasion (see Settoon and Mossholder, 1996) literature defaults to LMX in attempting to define the value of leader-follower relationships without a formal link in theory ever having been made.

Bernerth et al. (2007) make two points in respect of LMX being insufficient to account fully for relationship quality. The first is that Vertical Dyad Linkage-based LMX (described as LMX from here on) is distinct from social exchange-based LMX (which they refer to as LMSX) and that the two types of LMX describe separate aspects of the leader-follower relationship. The differences lie in the nature of the exchange itself. LMX assumes that the relationship has been developed through a number of role-making events where the subordinate demonstrates ability and is then able to negotiate their work role. Leader and follower then assess the quality of exchanges on the basis of the contribution, ability, respect and loyalty that each shows the other. Social exchange LMX however, involves unspecified reciprocity, with no timescales to the return of an act of benevolence: "Social exchange simply implies as individuals act in ways that benefit others, an implicit obligation for future reciprocation is created. Specific commodities such as competence and trust are only part of the exchange cycle and do not define the general exchange themselves" (Bernerth et al., 2007:980). LMX measures perceived feelings about the other; LMSX is looking at behaviours and expectations. This suggests that at the very least, a relationship will encompass expectations, behaviours and emotions, none of which are accounted for in Liden and Maslyn's (1996) model. Therefore, a broader description for relationship quality would need at least these two constructs within it.

Bernerth et al.'s second point is that additional items such as: honesty, trust, openness, advice, friendship and workflows have been included in describing this relationship at various times in the history of LMX development. Again, the suggestion is that having the four dimensions that are provided by Liden and Maslyn might be insufficient to describe what takes place. The implication of these two points is that leader-member relations need more than LMX to describe them. Bernerth et al ask: "What else does LMX include and how are these different dimensions connected?" (Bernerth et al. 2007:983). The logical conclusion from their 2007 paper is that in order to capture leader-member relationships, both LMX and LMSX are required, and that a wide range of other dimensions might also apply.

In response to Bernerth et al.'s (2007) question about what LMX relationships include, and the separate call for clarity about what is being measured, (e.g. Gooty et al. 2012, Schriesheim Castro and Cogliser, 1999), a combined construct would clearly state that it is defining and measuring the relationship quality between a leader and follower. This could also attempt to combine a broad range of dimensions for how this relationship

functions. I propose that such a synergistic construct, which focuses on the quality of dyadic relationships, be titled Dyadic Relationship Quality (DRQ). This retains the dyadic focus of leader and member and clearly signals a broader approach that encompasses LMX in its various forms.

Other strands of LMX-related research have proposed additional approaches and associated dimensions that might belong in this combined construct. These include: Economic and Social LMX (ELMX, SLMX) and Individualized Leadership. Economic and Social LMX differentiate between the economic, transactional aspect of relations and those that are social and emotional in nature. Individualized leadership looks at the way in which each leader-follower relation is unique and how this interaction develops. Each of these theories adds to our understanding of leader-follower interactions without individually being able to fully account for what occurs. This range of approaches provides an opportunity for synergy; taken together, these potentially describe the development and quality of what passes between leader and follower and describe a broader view of the dyadic relationship, which therefore, could potentially offer a way to describe relationship quality. The following sections firstly explain how each of the related strands of relational leadership fits within this synergistic construct, and secondly describe how they might be combined.

2.2.3 Leader member Social Exchange (LMSX)

LMSX is differentiated from LMX in that it describes the quality or extent of the social exchange taking place between leader and follower rather than looking at the quality of exchange between the two using contribution, affect, respect and loyalty (Bernerth et al. 2007). LMX and Social Exchange Theory are separate theories with different antecedents. On the one hand, LMX describes relationships that have developed through role negotiation and experience of each other over time so that high quality exchanges involve trust and reciprocity. On the other hand, Social Exchange Theory describes a situation where leader and follower are individuals whose actions benefit each other and create implicit, unspecified and untimed obligations for future reciprocation (Blau, 1964); "Specific commodities such as competence and trust are only part of the exchange cycle and do not define the general exchange themselves" (Bernerth et al. 2007:980). Bernerth et al argue that extricating the social exchange element of Leader Member Exchange allows the quality of the exchange through behaviours and expectations to be measured rather than perceptions of its outcomes. Their paper expresses the concern that researchers use Social Exchange Theory to

build models for LMX without differentiating between the two constructs and measurement scales. The theoretical direction suggested here avoids this conflation, instead using both types of theory to build the new construct of DRQ.

Including LMSX in our understanding of DRQ allows us to define what types of unspecified, reciprocated behaviours might occur between both parties (Bernerth et al. 2007). Multi-dimensional LMX (LMX-MDM) is the first building block of DRQ, with its four dimensions of Contribution, Affect, Loyalty and Respect. The dimensions that LMSX adds to DRQ are: - (1) the perception of a two-way relationship, non-specific reciprocity and (2) balance between giving and taking, both of which are done on a voluntary basis. Bernerth et al. argue that LMSX items are clearly separate from LMX-MDM (and LMX-7) and therefore add new dimensions to the construct of social exchange between leaders and followers. They conducted convergent and discriminant validity tests. The convergence results quoted show that the constructs are strongly related (with a correlation of 0.79, ($p < 0.01$) between LMX-MDM and LMSX). No figures for discriminant validity tests are provided; Bernerth et al simply arguing that there was sufficient evidence that of discriminant validity. Whilst these figures are not strong, statistically speaking, there is enough evidence to suggest that leader-follower relationship quality might have an unspecified, voluntary aspect to it where vague notions of obligation exist between the two actors. From this, DRQ now draws upon from VDL-based and Social Exchange perspectives of leader-follower relations.

2.2.4 Economic LMX and Social LMX (E and SLMX)

LMX involves workplace relationships; this means that what takes place between a manager and employee has an economic aspect as well as social perspectives. One approach to capturing these two approaches (distinct from LMX) is to look at the economic and social aspects of leader-follower interactions (Kuvaas, Buch, Dysvik and Haerem, 2012).

Economic LMX tells us about the economic (transactional) perceptions of the relationship whereas Social LMX tells us about the social and emotional connections between leader and follower. "Blau's social exchange theory makes a clear distinction between social and economic exchange...Social exchange also involves a certain level of uncertainty in that social exchange members do not have exact prices or defined terms of agreement. Economic exchange, on the other hand, includes defined commodities and levels of return" (Bernerth and Walker, 2009:218). In other words, "social exchange has emphasized socio-emotional aspects of the employment relationship (i.e., feelings of

obligation and trust), while economic exchange has emphasized the financial and more tangible aspects of the exchange relationship” (Shore, Tetrick, Lynch and Barksdale, 2006). There is an obvious similarity between LMSX (see above) and SLMX theories: but importantly for this research the difference lies partly in the treatment of trust. For Bernerth et al (2007, 2009), Leader Member Social Exchange looks purely at exchange and reciprocity, arguing that LMX needs to expand in order to account for other aspects of leader-follower relationships including honesty, openness and trust (Bernerth et al .2007) and that a propensity to trust is an antecedent of strong exchange relationships (Bernerth and Walker, 2009).

For Social LMX, trust, investment in the relationship and a long-term orientation are critical to understanding what is taking place socially in workplace relations and that these are differentiated from Economic exchanges by their lack of financial considerations. Economic and Social LMX appear to each add an additional facet to the leader-member relationship. Where LMX exchanges are of a high quality, the long-term, social aspects of the relationship are most important to followers, whereas, when LMX exchanges have a low quality, employees are likely to focus on the short term economic benefits of the employment relation and are thus negatively linked to Economic LMX (Loi, Mao and Ngo, 2009).

Economic LMX and Social LMX each offer DRQ an additional set of dimensions. For ELMX these are: pay in return for work, short term rewards and discretionary effort on the basis of prior treatment. For Social LMX, the items include a long-term approach, the organization investing in the individual, levels of expectation of future reward (this can be positive or negative), an expression of trust and benevolence. As for LMSX, the dimensions are additional and separate to those expressed for LMX-MDM, which builds on the multi-dimensional LMX model (of Liden and Maslyn, 1998) and goes beyond an assessment of reciprocity (Bernerth et al. 2007). The addition of Economic LMX and Social LMX to DRQ allows the construct to account for the difference that economic and social factors (short and long term perspectives) make to the relationship over and above the leader-follower exchange and social exchange theory inputs. The fourth theory that is being employed to explain leader-follower relationship quality is Individualized Leadership, which is described below.

2.2.5 Individualized Leadership (IL)

This theory is about perceived quality of relationships from subordinate and superior perspectives and assumes that all relationships are individual and unique in nature:

Individualized Leadership “suggests that ... individuals are viewed as forming relationships with one individual totally independent of the relationships they form with other individuals. There need be no consistency on the part of an individual in forming relationships with multiple individuals. That is, an individual may treat a group of people the same way or all differently; it depends on how he or she views the other individuals. According to this view, formal as well as informal relationships between a focal individual (e.g., a superior) and another individual (e.g., a subordinate) tell us nothing about that focal individual’s relationships with any other individual (e.g. another subordinate)” (Dansereau, Yammarino, Markham, Alutto, Newman, Dumas, Nachman, Naughton, Kim, Al-Kelabi, Lee and Keller, 1995).

Wallis, Yammarino and Feyerherm (2011) link IL with Transformational Leadership and LMX arguing that it is the behaviours of (transformational) leaders which followers respond to, which increase commitment and trust and therefore “likely augment the relational dynamics in successful dyads” where high quality LMX and IL relationships already exist (Wallis et al. 2011:183). IL theory steps back from being leader-centric in looking for perspectives of both leaders and followers in order to understand how the relationship functions. There are two key identified perceptions: first that a subordinate’s performance satisfies the superior and secondly that the superior supports the subordinate’s feelings of self-worth. Importantly, superiors are only perceived as leaders if an initial assessment by the subordinate suggests that their perceptions of self-worth are likely to be supported.

There are strong cross-overs here between assessments of trustworthiness (Dietz and den Hartog, 2006) and willingness to trust (Gillespie, 2003) (see the next section on Trust) which further suggest that an initial interaction in the leader-follower at the start of the relationships sets the tone for how it is to develop. IL offers DRQ three additional dimensions; first that an initial interaction (see Dansereau and Liden, 1986 and Liden, Wayne and Stilwell, 1993) is important and will influence how the relationship progresses; secondly that for the relationship to be positive, the superior must have rated the subordinate’s performance as satisfying; and thirdly, that leaders and followers

must perceive and support the subordinate's sense of self-worth if the relationship is to grow into a high quality relationship. These three dimensions, together with those described in this section, can be combined to give a potential composite picture of what a model for the development of DRQ would need to contain. This is explained in the next section.

2.2.6 Dyadic Relationship Quality: Combining the dimensions

Each of the theories outlined above provides added dimensions to how relationship quality appears to develop. A combination of the five relational leadership theories suggests that DRQ could be expected to contain: loyalty, contribution, affect and professional respect (from LMX-MDM, Liden and Maslyn, 1998) as well as an element of unspecified reciprocity (LMSX, Bernerth et al. 2007). The exchange relationship will have distinct economic aspects that are separate from socio-economic perspectives (ELMX and SLMX, Loi et al. 2009, Kuuvas et al. 2012) and be individualized to the dyad in question with perceptions of the subordinate's self worth that are made early on in the relationship (IL, Dansereau, Yammarino and Markham et al., 1995). The dimensions that are likely to apply to DRQ are listed in Table 1.

Table 1 - Dimensions of DRQ from Relational Leadership theories

Theory	Dimensions
Multi-dimensional LMX (LMX-MDM)	Contribution, Affect, Respect, Loyalty
Leader Member Social Exchange (LMSX)	The perception of a two-way relationship, non-specific reciprocity, balance between giving and taking, actions which taken done on a voluntary basis
Economic LMX (ELMX)	Pay in return for work, short term rewards, discretionary effort on the basis of prior treatment
Social LMX (SLMX)	A long-term approach, the organization investing in the individual, levels of expectation of future reward (this can be positive or negative), an expression of trust and benevolence
Individualized Leadership (IL)	Leader perceives follower to give satisfying performance leader perceived to support the follower's sense of their own self-worth, leader recognizes follower's self-worth

So far, the discussion around relational leadership constructs has been disembodied; no specific environments or contexts have been included in any detail. However, there is an

increasing call for leadership literature to take account of this essential aspect of relationships and to embed empirical and theoretical work in the environments in which they occur (Shamir, 2013, Fletcher, 2012). The next section looks at how context influences relational leadership and discusses antecedents, and outcomes of leader-follower relationships.

2.2.7 Context and Relational Leadership

The approach chosen for this thesis is to see Leadership from an objectivist perspective, in line with an entitative approach to relational leadership, where context determines and defines how leadership processes function. Leadership research centers on “a micro approach and seems to be almost exclusively in the micro end of the systems spectrum [with a] myopic focus on the leader whereas a culture and discourse driven approach sees leadership as multi-level phenomena” (Alvesson and Sveningsson, 2012:208). In other words, leadership occurs in “a dynamic and multi-faceted socio-environmental context”, and as such, cannot be studied in isolation (Liden and Antonakis 2009:1594); in order for us to understand relational leadership more fully, we need to appreciate the context in which it occurs. This section touches upon the ontological views that have been taken on leadership and context and offers a structure by which context can be understood.

There are two main paradigmatic positions in literature: On the one hand, the world is socially constructed between humans: our understanding of ourselves and the meaning we make of the world that surrounds us comes from our interactions with whatever we believe the world to be (Uhl Bien and Ospina, 2012). If the process of leadership is socially constructed, or even a result of inter-subjective experience, it may also be “emerging and shifting in a dialectical interplay between ourselves, others and our surroundings. Experienced differently by different people” (Cunliffe, 2010:654). In which case, ‘Leadership’ defines, alters, changes and constructs ‘Context’. Alternatively, we can choose to employ an objectivist perspective where entities are discrete; a knowable and measureable truth is available, about which individuals can make objective judgments of the world. From this paradigm leadership is a role, given by an organizational situation, to which two dyadic actors respond and from which interaction, learning and relations develop, then leadership sits within what Shamir defines as: “circumstance, situations, and events surrounding the phenomenon under study and affecting the occurrence, form, internal dynamics and meaning” (Shamir, 2013:344).

Three further choices about leadership and context open up from this point (Shamir, 2013): firstly, context can be viewed as relatively unimportant; theories are leader-centric and therefore transferable between situations, context is subjugated to leader traits and behaviours. Secondly, leadership and context compensate for each other; either leadership is contingent and therefore responds to what the context does not provide, dealing with ambiguous situations or the context substitutes for leadership in that many constraints and guidelines are already available and leadership is less influential. Finally, context moderates and determines how leadership operates somewhere between seeing leadership as a dependent variable (Perrow, 1970) and viewing leadership as the outcome of group and individual identities within an organization (Shamir, 2013).

The perspective of this study, despite being situated within a realist paradigm, has similarities to a socially constructed perspective of leadership. The interrelation between follower and leader (their relations) respond to contextual constraints; leadership is formed from culture which provides the “regulatory ideals for doing leadership” (Alvesson and Sveningsson, 2012:209) to which individuals, teams, groups and whole organizations adapt and vary as they learn to understand the nature of the relationships being developed. This external regulatory framework informs local actions; without context, ascribed roles such as leader and follower disappear. What is less clearly understood is how relationships are formed, developed or changed and the macro influence that context has on the micro interactions between leader and follower (Alvesson and Sveningsson, 2012).

In order to understand how context and leadership interact (from a realist perspective), it is necessary to be clear about what we mean by context and to separate out the levels of analysis that this contains. Markham (2010) provides a model for studying context that delineates the levels at which context can be said to be operating. This provides a potential link between practitioners’ experiences in the workplace and how academics can research and describe the dynamics of those environments. Markham’s model (see Figure 5) offers eleven levels of contextual analysis, however, context is accounted for here at four levels to make this chapter easier to read. The levels chosen are: 1) the individual (leader or follower); 2) the dyad (leader-follower); organizations and industries. Using four layers allows for current leadership-context and trust-context themes in literature to be identified, without making the explication of context onerous for the reader.

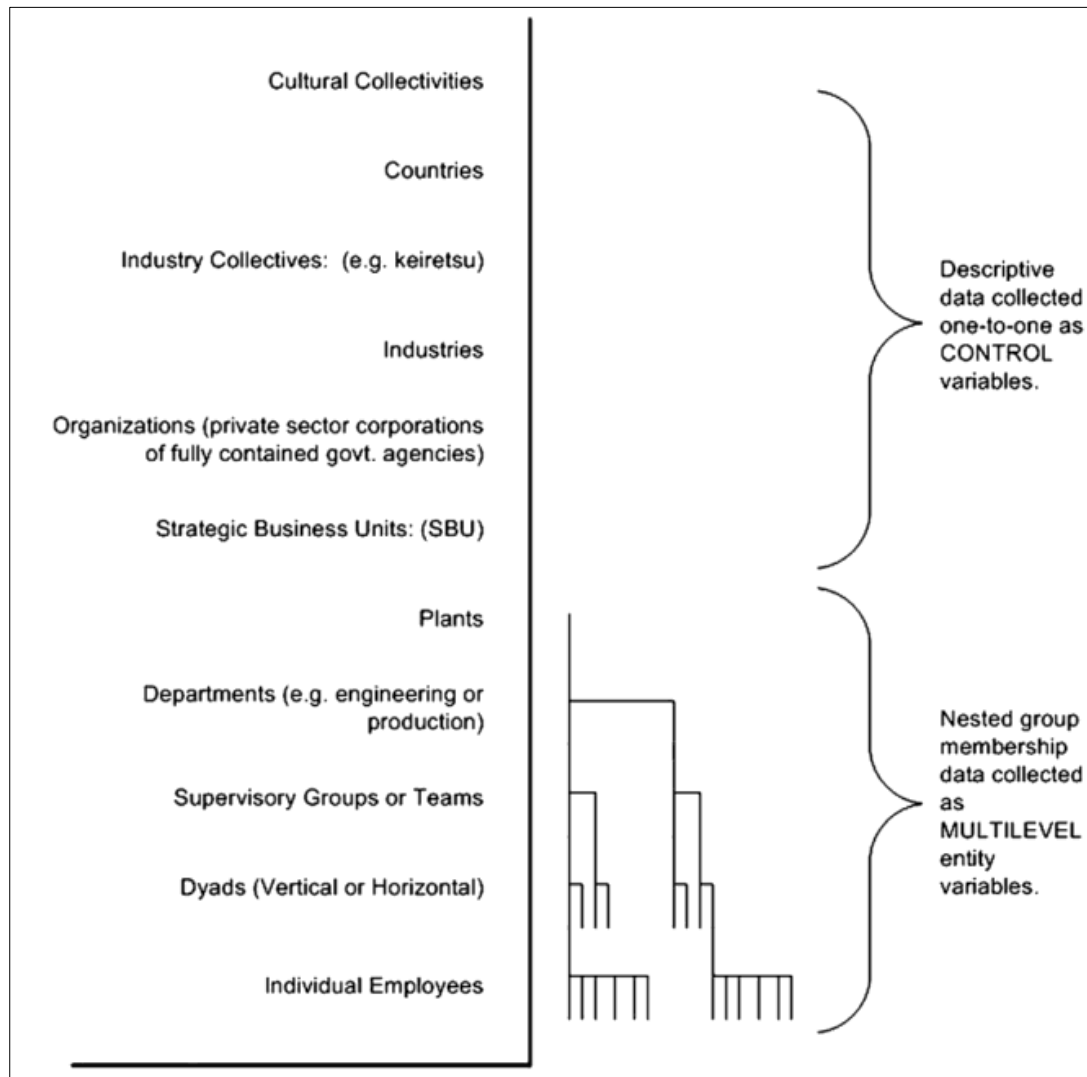


Figure 5 - Levels of context and analysis, Markham, 2010

The literature linking relational leadership and context is growing in response to an increasing demand for leadership research to take account of the environment in which leaders and followers are situated. For organizational influences, explicit policies can be used to improve the exchange between leaders and followers and to foster trust (see Liden and Antonakis, 2009; Six and Sorge, 2008, Whatley, 2012 etc.). These policies can be formally stated and described through HR or can be informally delivered through the ethical and cultural environment that the organization wishes to foster (Rockstuhl et al. 2012 and Scandura and Pellegrini, 2003). Such policies would extend from recruitment and selection processes, to rewards, opportunities for progression and promotion, channels of communication and whether these allow for bottom-up as well as top down flows of information.

It is less easy to define in the impact of industrial influences. The issue of national culture has received more attention of late and appears in both relational leadership and trust literatures (Wasti et al. 2011, Zhang et al. 2012). There is material which records the influence of the labour market for professional services and some consideration of types of contract and worker empowerment for itinerant or contracting staff in the working relationships of IT, hospitality and catering and so on (Bidwell et al. 2009; Barsky and Kaplan, 2007; Eriksson-Zetterquist et al. 2009). The broader, socio-historical perspectives of political, economic, and technological influences are mainly the purview of sociological schools of study rather than leadership-based academic enquiry.

An exploration of how an environment operates can help to explain how a relationship functions, but it cannot tell us what prior factors have caused a relationship to have a specific level of quality. To answer this question, we need to look for the antecedents to the relationship and what each party brings to the table. Only then, once we understand the environment, the individual contributions to the relationship and how it functions can we understand why particular outcomes are associated with it. The next part of this section explores antecedents to and outcomes of leader-follower relationships.

2.2.8 Antecedents and Consequences of Dyadic Relationships

Research into what helps create dyadic relationships and what results from relationships began in the 1980s and has extended to a large array of associated variables (Graen and Uhl-Bien, 1995). There has been relatively little longitudinal research with newly formed dyads to establish how these relationships develop. There appears to be some confusion in differentiating antecedents and consequences of relationships between leaders and followers (Erdogan and Bauer 2014). Here, antecedents comprise the attitudes, experiences, demographic and bio-graphic characteristics that individuals bring to a relationship. Consequences are outcomes of the relationship development process, although, as argued below, relationships are recursive in nature, not input-process-output models. This means that outcomes feed back into the relationship development process and influence relationship dynamics. This section starts by looking at relationship antecedents.

Dulebohn et al. (2012) provide a useful meta-analysis of LMX antecedents and consequences, which tracks the role of both aspects of leader-follower relations using 247 studies from 1975 to 2010; this is summarized in a diagram of antecedents, contextual factors and consequences of LMX mediation (see Figure 6 below). Although

Dulebohn et al.'s work only applies to LMX; I argue that the relational theories being combined in this chapter are sufficiently similar in nature for them to be applied to DRQ. These similarities lie in the theories being (a) entitative in nature, (b) dyadic in focus and (c) focused on the leader-follower relationship. Indeed, Bernerth et al. (2007) looked at the discriminant validity of a range of antecedent and consequential variables for LMSX which would fit with Dulebohn et al.'s list. For that reason, although the issues with their paper are outlined further on in this section, Figure 4 provides a useful starting point for discussing antecedents and consequences for DRQ. As a result, the antecedents and consequences for relational leadership are discussed below, followed by the issues that remain in the literature.

Antecedents of Dyadic Relationships

Dulebohn et al. (2012) split antecedents into three categories: - characteristics of followers, those of leaders and those of the interpersonal relationship (see Figure 4). Follower characteristics suggest that an initial attraction and assessment of follower competence positively predisposes the leader to the follower. If the leader finds the follower to be capable for their role, then the beginning of the relationship is likely to have high quality aspects. In addition, the follower Big Five personality factors (Openness, Agreeableness, Conscientiousness, Extraversion and Neuroticism), locus of control, positive and negative affectivity will each impact how the follower perceives and behaves towards the leader. If the follower also displays initiative based behaviours (feedback seeking, negotiation and increased communication), Graen and Scandura, 1987, this is likely to have a favourable impact on relationships.

For the leader antecedents, Dulebohn et al. present a leader-centric picture; they argue that because leaders have greater power than followers, they control the development of LMX relationships and as such, their contingent reward and transformational leader behaviours will dictate the quality of the relationship. In addition, because a smaller range of personality traits have been tested empirically for leaders than for followers, Dulebohn et al. find evidence only for leader Extraversion and Agreeableness impacting on leader-member exchange quality.

Leader-Member Exchange Antecedents and Consequences Theoretical Framework

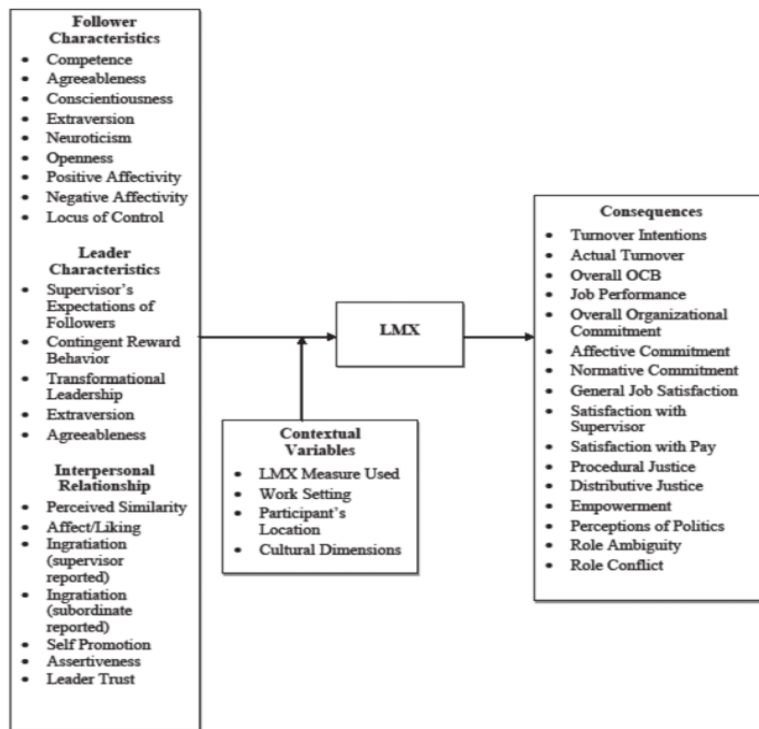


Figure 6 - Dulebohn et al.'s (2012) Diagram of Antecedents and Consequences for LMX

Dulebohn et al suggest that leader expectations of the follower will determine whether a follower will be given the opportunity to develop social and therefore higher quality exchanges. There is evidence to suggest that it is not just the leader's expectations that influence the type of exchange that develops. Implicit leadership and followership theories, i.e. "the cognitive schemas which specify the traits and behaviours that [leaders and] followers expect of leaders [and the] expectations about the follower role and about appropriate follower contributions to the LMX relationship" (Van Gils et al, 2010:342) are the lens through which a future relationship is viewed by both parties. Dulebohn et al (2012) present interpersonal aspects of the relationship as antecedents to the relationship, whereas, elsewhere in LMX literature, perceived similarity, affect, upward influencing behaviours, assertiveness and trust are treated as the mechanisms of the relationship itself.

The paper describes context as an antecedent. The contextual aspects of the relationship listed include: industry, geographical location, collectivism, power distance of country. On the positive side, Dulebohn et al. (2012) have explicitly accounted for context in their paper, which reflects a growing interest in context and leadership in

recent years (e.g. Fletcher 2012, Shamir, 2013). However, the paper offers an incomplete analysis of contextual factors: span of control (Schyns, Maslyn and Weibler, 2010), HRM policies and practices (e.g. (Sanders, Moorkamp, Torka, Groeneveld and Groeneveld, 2010) and culture (e.g. Rockstuhl, Dulebohn, Ang and Shore, 2012) are left out. Additionally, no attempt is made to define the separate levels of contextual analysis as suggested by Markham (2010). This lack of structure in terms of levels analysis potentially creates confusion; it is not clear how influences that operate at a national or geographical level impact on those taking place within dyads or organizations (e.g. Gooty, Serban and Thomas et al. 2012). Just as there is a lack of structure for context, there is some confusion in their list of consequences; justice, empowerment and workplace politics could all be seen as antecedents to the relationship or contextual factors and do not necessarily belong in the list of outcomes. The next part of this section looks at consequences in more detail.

Consequences of Dyadic Relationships

This study argues that leader-follower relationships are recursive; they have an iterative nature where each party constantly assesses the behaviours and attitudes of the other and uses these assessments to form judgements about their leader or follower (e.g. Dansereau et al., 1995; Dienesch and Liden, 1986). As such, consequences are a part of, rather than the end-point or final outcome, of the relationship development process. Leader and follower perceptions of consequences feed back into their view of the other party and how well the relationship is progressing; they also contribute to the quality of what develops. Dulebohn et al.'s (2012) list of consequences is shown in the diagram above (see Figure 6), which is presented as an input-output process model. The advantage of this model is that it demonstrates the range of outcomes that are prevalent in literature. Dulebohn et al. posit that the relationship between leader and follower is relational and co-created: "When leaders and followers both put effort into the relationship, they share positive perceptions of their relationship, and subsequently both parties benefit in terms of work outcomes. Thus, it is the nature or quality of leader-follower relationships (i.e., the way in which leader and follower characteristics and perceptions combine) that determines critical outcomes" (Dulebohn et al, 2012:1726). The two approaches conflict; this second statement implies an iterative, two-way process where leader and follower take feedback from the other's behaviours and reactions, a view that is supported by extant literature (e.g. Dienesch and Liden, 1986, Brower et al. 2000) in which case, an input-output model cannot fully explain relationship development, nor the process by which consequences are attained. Added to which, Dulebohn et al. note that their analysis is based only on subordinate perceptions rather

than a bilateral comparison of views, despite their statement that both parties' shared perceptions create relationship quality. Thus, we do not know what the leaders' corresponding views of the relationships are in any of the data used in this model and it is likely that the input-output process model is too simplistic to inform us about how these outcomes came about

2.2.9 Unresolved issues in Relational Leadership Literature

Two further issues in the literature are also reflected in Dulebohn et al.'s (2012) paper, these both have a bearing on how DRQ functions. Firstly, the ambiguous role of initial interactions in determining relationship quality is explored and secondly, the role of trust in leader-follower relations.

2.2.9.1 Ambiguity in the role of Initial Interactions

Dienesch and Liden (1986) discuss how individuals can affect the nature of the relationship as "Each brings unique physical characteristics, attitudes, appearance, abilities, personality, experience, age, and background to the meeting" (Dienesch and Liden, 1986:626). Dulebohn et al. (2012) place this initial interaction as a follower characteristic and antecedent to the relationship. It appears however, that an initial assessment of the other's ability, how easy they will be to like (affect) and the role of justice in the workplace all influence the start of the relationship for both parties (Day and Crain, 1992, Liden, Wayne and Stilwell, 1993; Scandura, 1999). High positive affect (an individual's "pleasurable engagement with the environment") and low negative affect (a "general factor of subjective distress") are thought to be independent dimensions that interact with an assessment of the other's ability (Watson et al., 1988:128). Where "negative affect is low, there is a positive relationship between ability and exchange quality" (Day and Crain, 1992:392) in other words, a likeable (or non-dislikable) appearance during the first few days of interactions, coupled with a positive assessment of the other's ability is a predictor for positive relationship quality (Liden, Wayne and Stilwell, 1993).

Once this initial assessment has been made, the experiences of the actual exchange are compared to expectations and an on-going evaluation of the relationship takes place (Liden et al. 1993, Van Gils et al. 2010). Thus, an initial assessment takes place after leader and follower have first met and this part of the relationship building process has a profound effect on later relationship quality (Liden et al. 1993). It is not an antecedent as described by Dulebohn et al. The initial interaction is, as Liden et al. (1993) describe, a distinct event, from which the relationship development process begins. It should be noted that there is relatively little literature within Relational Leadership directed towards

initial interactions, especially in comparison to the volume of work devoted to outcome variables such as organizational citizenship behaviours, job satisfaction and performance.

2.2.8.2 The role of Trust

Dulebohn et al (2012) present the role of trust (taken only from the leaders' perspective) as an antecedent rather than ongoing element of relationship development. There is clear evidence from literature that trust development is a two-way process, and that its role is integral to relationship development and maintenance (Colquitt, Scott and LePine, 2007). Despite the fact that Dulebohn et al. found a number of results relating to trust, specifically leader trust and follower behavioural and attitudinal outcomes, they leave trust as an interpersonal antecedent rather than looking for how it functions within the leader-follower relationship. As the role of trust within relational leadership is a major aspect of this thesis, a full discussion of the construct and its interrelation with leadership is dealt with further on in this chapter.

2.2.10 Summary of Relational Leadership

Relational leadership is about interpersonal interaction and therefore a relational approach is required to explain how leaders and followers interact and how we might determine the quality of their relationships. Relational leadership encompasses a broad range of theories; here we focus on entitative dyadic relationships, which are presented here as being embedded within context. Context is seen to influence the roles for leader and follower and the interpersonal relationships that are co-created at both an organizational and wider, industrial level. This section has shown that LMX has been used to describe exchange quality, relationship quality and exchange relationship quality, occasionally all three terms being used synonymously. However, it has been argued, that whilst LMX can account for the quality of exchange that takes place between leader and follower, it cannot account for all of the aspects that relate to relationship quality.

Alternative work on dyadic relationships appears to offer insights into aspects of these relations that broaden the understanding of what is taking place between leader and follower. These theories include leader member social exchange, economic and social leader member exchange and individualized leadership. I have argued that in order to represent relationship quality between dyads, a new construct of Dyadic Relationship Quality is required. This construct aims to combine the dimensions and dimensions of

these relational approaches and as such describe how dyadic relationships develop and provide a route forward to measuring dyadic relationship quality (DRQ). LMX has come to be used synonymously with relationship quality (as described above); there is no alternative construct with specifically aims to quantify the quality of dyadic relationships (see for instance Gooty et al 2012 or Settoon et al 1996). DRQ however would provide this theoretical contribution.

Whilst much of the literature in this field takes a process model approach, with a wide range of variables both that contribute to relationship quality and result from it, what is suggested here is an iterative or cyclical model, where outcomes in turn feed back into the antecedents and on-going relating that takes place. Evidence for this approach comes from as early as Dienesch and Liden in 1996 to later suggestions such as Brower et al 2000 and Bligh and Kohles (2013). Thus, antecedents become influences on a relationship whose outcomes inform and shape those same antecedent behaviours and attitudes. There are ambiguities in the literature that relate to the role of implicit theories and initial interactions, both of which have received less attention from the relational leadership community, certainly in comparison to organizational outcomes. It is also clear that trust belongs within relational leadership and DRQ but how this occurs is unclear (Brower et al. 2000, Bernerth, 2007, Burke et al 2007). Therefore, the next section describes in some detail models and dimensions of trust before the final section demonstrates the how it forms an integral part of the relational leadership process.

2.3 Trust

Trust has been linked with leadership relationships for more than five decades (e.g. Argyris, 1962; Blau, 1964) and plays a critical role “as the primary conduit or currency through which leaders and followers exchange power and influence” (Bligh and Kohles, 2013:89). Despite a common acceptance that trust plays a crucial role in leader-follower relationships, the field has no clear general theory, widely accepted definition or measure (Li, 2012), rather it is a family of constructs (Ferrin et al. 2008). This section has two aims; the first is to describe the forms that trust can develop into, along with a discussion of the antecedents that contribute to trust and finally what the positive and negative consequences of trust are likely to be. The second aim is to demonstrate the theoretical similarities between trust and relational leadership that could allow them to be integrated.

2.3.1 Forms of Interpersonal Trust and their Development

There are a number of models which divide trust literature. These include whether trust is a psychological or a behavioural trait; whether it should be viewed as having cognitive and affective antecedents or whether instead trustworthiness comprises ability, benevolence and integrity. I echo calls for unifying theories of trust, rather than treating these views as mutually exclusive. For that reason, the first part of this section explains the divisions and supports an inclusive model of trust development. From there, the antecedents and consequences of a unified model of trust are described. Lewicki, Tomlinson and Gillespie, (2006), in their meta-analytical view of Trust research, describe the field as taking two main approaches to how trust is viewed. The choice is presented as being between (a) a set of rational behavioural choices, where co-operative, reciprocal actions increase levels of trust or (b) a psychological approach to explain why and how trust occurs. Both perspectives are briefly described, followed by a suggestion for bridging this theoretical divide.

Firstly, behavioural trust is defined in terms of the rational choices that are made, resting on the cooperative and reciprocal behaviours that are experienced and “grounded in observable choices made by an actor in an interpersonal context” (Lewicki et al. 2006:993). This decision about whether or not to co-operate begins at a zero level, where no past history or information is available to inform this process. Levels of trust then build or disintegrate over time in response to the referent’s reciprocal behaviours and levels of cooperation. The positive or negative direction the relationship takes will depend on the trustor’s assessment of the motivations behind these behaviours; if a trustee is perceived as co-operative then trust will be given; otherwise trust will be withdrawn. There are three assumptions that Lewicki et al point to but leave unexplained. Firstly, the role of distrust is ambiguous, they posit that it might be the opposite of trust but do not explain how this might function, whether they are on one continuum (extreme distrust to extreme trust) or as a separate feature of a relationship.

Secondly, they describe a process of initial calibration from which subsequent decisions about what types of behaviour to first display are made, but there is no information about how this initial interaction might function. Rational choice models have been criticized as being “empirically untenable ... too narrow in their cognitive perspective [with] too little role given to emotional and social influences on trust decisions” (Kramer, 1999:573). Finally, the theory assumes that trustee and trustor have a perfect lack of prior

knowledge of each other; in organizational situations however, there is rarely such an information void. Data on another's professional achievements, reputation and links in social networks all serve as material upon which preconceptions are based and against which decisions about behaviours will later be drawn. Research in this area is largely based on lab-based experiments. Whilst these approaches have a lot to say about the types of motivations for reciprocal behaviours under these conditions, they can't explain why trust develops in an organizational setting or what processes are going on when trust develops between two or more people.

By contrast, the psychological perspective of trust attempts to offer such explanations in terms of beliefs, expectations and affect. Lewicki et al (2006) divide this approach into three streams with their respective models of trust definition, development and measurement. These streams are uni-dimensional trust, two-dimensional models and finally transformational trust. Two cognitive processes define uni-dimensional trust: the willingness to accept vulnerability, which is underpinned by the positive expectations of the other party's intentions (Ferrin et al. 2008). Within this are three states: 1) cognitive processes which make judgments about the other's trustworthiness as a way of reducing uncertainty; 2) emotional or affective factors which are likely to influence cognitive decisions and lastly, 3) behavioural outcomes of trusting intentions which provide evidence to reinforce or undermine cognitions and affective decisions about future trusting.

Empirical scale development has suggested that cognitive and affective aspects were virtually indistinguishable from each other but were clearly separate from behavioural intentions (Clarke and Payne, 1997). Trust under this approach is a uni-dimensional construct, with a continuum from distrust to high trust; the two are bipolar. Trust grows with evidence of the trustee's quality and behaviours and declines when positive expectations are disappointed; the trustor's cognitive, affective and behavioural expectations alongside contextual variables, feed into the process. Trust can begin either with initial distrust, zero trust or at a moderate to high levels. What causes trust (or distrust) to change over time involves a broad range of variables that range from psychological, behavioural and contextual issues.

Second, two-Dimensional trust sees trust and distrust as separate dimensions, they are interrelated, each ranging from low-to-high, and can co-exist. This reduces the uncertainty inherent in the uni-dimensional model; there may be simultaneous reasons to both trust and distrust another within the same relationship; "trust is qualified such that A

trusts B to do X and Y, yet distrusts B to do Z... When asked whether one trusts or distrusts another, the proper answer is not 'yes' or 'no' but 'to do what?'" (Lewicki et al, 2006:1002). Evidence for reasons to trust (or distrust) accumulate with interactions and both types of conceptualization can begin at low levels, where there is little or no information upon which to base an assessment. This approach gives a more complex description for how relationships function and develop.

Trust and distrust develop as a result of the number of interactions, their duration and range of experiences to either confirm a confident positive expectation of trust and potentially also assure a negative expectation (distrust) for other behaviours simultaneously. Some of the empirical evidence available supports the view that trust and distrust are at either end of a continuum and also suggests that the two can co-exist with separate antecedents and effects (Dimoka 2010). Saunders, Dietz and Thornhill (2014) looked at two public sector organizations and found evidence to support Lewicki et al.'s assertion that trust and distrust are separate constructs. They also found that one tended to preclude the other, with trust and distrust rarely occurring simultaneously when the participant considered a single trustee.

Saunders et al. (2014) concluded that further empirical research is required to understand how trust and distrust operate, and what influence context might have on these constructs. They recommend a range of qualitative and quantitative methodologies to explore these issues. The divisions in this field, such as measuring willingness to trust as opposed to trustworthiness (Gillespie, 2003) or differentiating trust from distrust (Saunders et al. 2014) fail to capture the overall picture of what takes place between trustee and trustor and highlight the additional work that is required in this area of enquiry.

The third and final form is Transformational trust. This describes different states of relationship that change according to interactional history and emotional bonds. All of these models start with trust based on a calculation of the outcomes of either trusting or abandoning the relationship, followed by trust based on knowledge of the referent. Eventually identification or relational trust develops from a close mutual understanding between trustee and referent after repeated interactions over time. Whilst each of the models details how trust can be increased at each level or base, there is less clarity about how they link together, what causes a trustee to go upwards and little indication of how or why they might move backwards. No account of distrust occurs in these models,

with trust starting at low, calculative levels where the trustor attempts to evaluate the costs and benefits of staying in or breaking the relationship.

Just as for relational leadership, affect appears to have a role to play in the early stages of trust development. Despite the ambiguity about the precise role that affect might play in the early stages it seems that its presence assists with the shift from a cognitive state towards a relational one (McKnight and Chervany, 1998; Johansen, Selart and Gronhaug, 2013). This provides a link between trust and DRQ in that both models of relationship development have an initial weighing-up stage where each assesses the other.

Another issue with these transformational models of development is that they present the different stages of relationship development and the increasing quality of relationship at each stage, as distinct types of trust. In essence, this offers a different way of describing the same process as uni-dimensional trust. Both uni-dimensional and transformational versions trace the same progression. Relationships are more cognitive at the beginning or when quality is lower and (assuming that trust develops without being violated) they will develop more affect and into higher quality as duration and the experience of interactions occurs. This suggests that rather than different types of trust occurring, transformational models are giving different labels to the same, universal process for the development of trust (Dietz, 2011). The result of Lewicki et al.'s (2006) analysis provides a 'black or white' choice between behavioural and psychological approaches towards trust where the role of distrust remains ambiguous and under explored (Dimoka, 2010).

Li (2012) argues that treating trust as a psychological attitude is insufficient and argues strongly in favour of a behavioural perspective. He posits that this approach has no direct link to concrete behaviours, being limited to willingness to trust rather than a choice to take action, rendering trust a static not dynamic construct. Thus, trust becomes redundant as a form of governance; an attitude cannot provide constraints for exchanges of an individual or organization; to affect such control would require behavioural actions and consequences instead. Li's final objection lies in his trust paradox; a trusting attitude is in great supply when no trusting behaviours are likely to be called for but it is in short supply when actual commitment to risk-taking actions is required.

Li however, fails to account for the behavioural aspect of a psychological approach. He presents us with the choice between 'trust as an attitude' and 'trust as a choice to act' as

if these are separate processes which cannot be combined. An alternative view is to see that thinking and doing are linked; as such, we require both the 'thinking' and the 'doing' parts of the process in order to understand how trust occurs and functions (Dietz and den Hartog, 2006). In which case a model that combines both approaches is required rather than one which insists on them remaining separate. Dietz and den Hartog (2006) provide a psychological model for interpersonal trust development, which not only meets Li's six criticisms, but could also be used to provide this alternative to the behavioural vs. psychological divide (see Figure 7 below).

This model describes how inputs inform an assessment of whether the referent is trustworthy, followed by a willingness or a decision to trust which may or may not result in trusting actions and behaviours. Trust in this approach has three dimensions: an assessment of trustworthiness, a decision to trust (level of trust) and finally, trusting behaviours. Feedback from experiences between trustor and trustee inform future assessments of trustworthiness and ultimately future risk-taking actions.

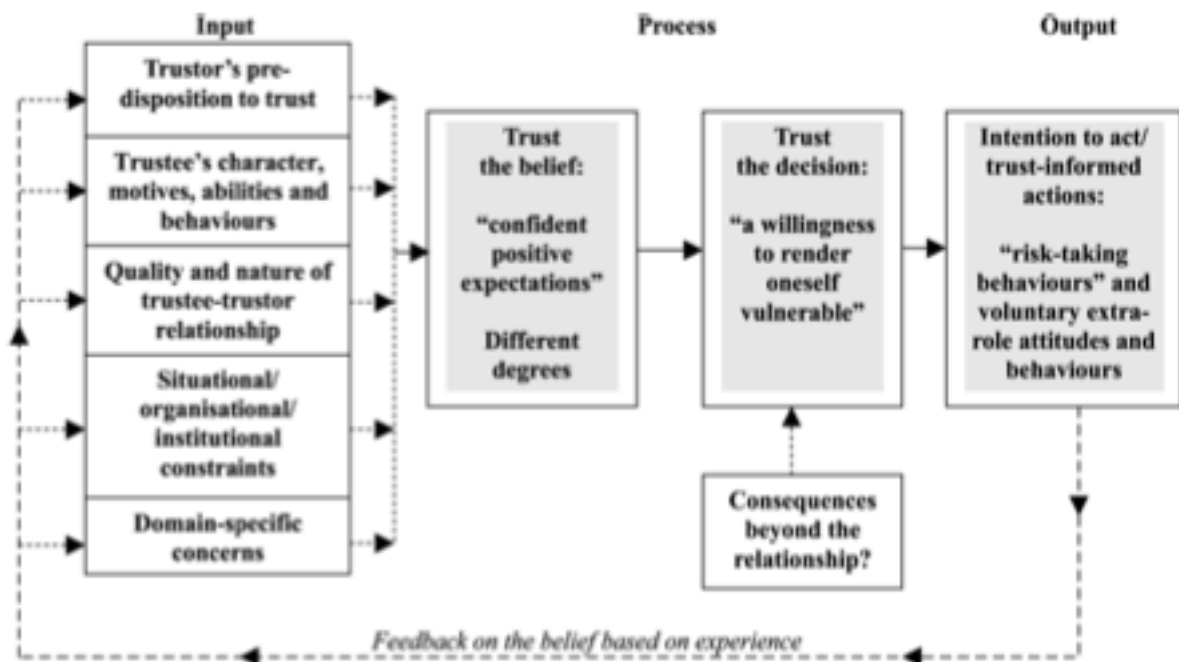


Figure 7 - Dietz and den Hartog (2006) Trust development model

A link between models for DRQ and trust occurs at this point; both have models that are iterative, where feedback informs implicit theories and predisposition to trust as well as other antecedent influences in a process where the experience of the relationship continually informs attitudes and behaviours. What transforms a decision to trust into a

risk-taking action is a moot point. Colquitt et al (2007) suggest that it may be the predisposition to trust that allows this 'leap of faith' into action (e.g. (Mollering, 2006); there appears to be an argument that organizational contextual factors such as leadership and HR policies and practices may facilitate trusting behaviours (Six et al. 2008).

Li's (2012) requirements are satisfied, as a link between trusting choices to trusting behaviours is provided by Dietz and den Hartog's (2006) model. If a trustee is deemed not to be trustworthy and a decision not to trust is made then risk taking behaviours are unlikely to ensue. If however the assessment is positive then there is the capacity for behaviour to result from this process. In this way, trust belief forms only one part of the trusting development process; trust as a construct, is much greater than simply an assessment of trustworthiness. This model therefore presents a dynamic process where trust can be built, damaged and repaired and as such, trust can form part of a mode of governance that moderates and constrains behaviour (e.g. Downey et al. 2015). Finally, I argue that Li's paradox (that you can't find trusting behaviours when you need them), can be resolved using Dietz and den Hartog's approach: if trust has developed within a relationship, then the potential for actions, for trusting behaviours to occur when they are needed is here also. A latent store of trusting actions might come from a process where assessment and decision have already been completed so that when action is required, it can happen relatively quickly.

Dietz and den Hartog (2006)'s model assumes that trustee and trustor have time to develop a relationship, and fail to address situations where an immediate decision about trustworthiness and trust levels (swift trust) is required. Swift, or eternally-derived trust can substitute for personal knowledge through personal reputations, formal qualifications or relevant social and professional networks (Meyerson, Weick and Kramer, 1996). A decision to trust then precedes the processes of trustworthiness assessment; trusting behaviours take place until interpersonal interactions can allow the trust development process as described above to take place (Alexopoulos and Buckley, 2013). This supports the earlier suggestion that Dietz den Hartog's (2006) model might require an intermediary step between the inputs and assessment of trust belief (trustworthiness). It appears that an initial assessment occurs before there has been time for either party to learn about each other as appears necessary for trust to grow or for and relationship quality to develop.

To summarize, although the literature on trust splits into psychological and behavioural camps, this section suggests that the divide is unnecessary; both 'thinking' and 'doing' are essential in the trust process and as such, the two schools each offer a perspective of a different part of this process. Evidence for this approach lies in extant theory. Both uni and two-dimensional psychological perspectives contain cognitive, affective and behavioural sub factors where trustworthiness and trusting (or distrusting) behaviours are linked. In transformational models, relational quality, cognitive assessments and behavioural predictability all form part of the same construct. Even the behavioural approach relies on rational choices, which presuppose a cognitive (psychological) activity that will have induced or eschewed risk-taking actions. Thus, thinking about trusting and then acting on those thoughts are indivisible dimensions of the same process and both behavioural and attitudinal approaches need to be employed (Schweitzer et al. 2006).

Dietz and den Hartog's (2006) model for trust development encapsulates this combined approach, incorporating the assessment of whether trustees are believed to be trustworthy, followed by a decision to trust (based on a willingness to trust) before risk-taking, trusting behaviours follow. This provides a multi-dimensional model for trust and trust development which is contextually embedded and that takes the trustor from a position of no or low trust to potential high trust. If then, an understanding of what form trust takes has been reached, it is important to be clear of what contributes to the development of trust, in other words, to examine its antecedents. Just as these were examined for DRQ, the debates around the antecedents of trust are described below. These show how trust and DRQ can be aligned as well as describing a potential solution to the divide that is provided by extant literature.

2.3.2 Antecedents of Trust

One of the issues with Lewicki et al.'s (2006) portrayal of the field is that trust and its antecedents are aggregated (Colquitt et al. 2007a) which doesn't give an in-depth indication of what contributes to trust development. Colquitt et al. offer a more detailed consideration on antecedents; whether or not a trustee will make himself or herself vulnerable (Rousseau et al. 1998) depends on antecedent processes. Antecedents appear to be working at three levels: 1) at the individual level through an individual's perspective of relationships and co-workers; 2) at the interpersonal level (between leaders and followers in this study) and 3) at an organizational level in that the policies, practices and ethical positions of an organization will influence the extent to which trust

can flourish (Erturk 2014). This section deals with antecedents at an individual level, considering trustworthiness and the propensity to trust. Interpersonal and organizational factors are dealt with under 'Context and trust'.

The first of these individual antecedents is the assessment of trustworthiness, measured by an assessment of a trustee's perceived ability, benevolence and integrity (Mayer et al. 1995). Trustworthiness is described in some detail in this section. By dealing with this in some detail, the gaps in literature can be assessed as can the contribution that the conceptualization of trustworthiness makes to DRQ. The second antecedent, propensity to trust, follows this. Finally, the role of context and contextual antecedents on trust are described before outlining the consequences of interpersonal trust.

2.3.2.1 Trustworthiness

Trustworthiness is central to understanding how trust functions "In the ideal case, one trusts someone because she is trustworthy, and one's trustworthiness inspires trust" (Flores and Solomon, 1998:209). From Gabarro, (1978) came the bases for trust which included Ability, "the knowledge and skills and general wisdom needed to succeed in an organization" and Character. Mayer et al (1995) later split this second facet into Benevolence: "the extent to which a trustee is believed to want to good for the trustor apart from any profit motives" and Integrity: "the extent to which a trustee is believed to adhere to sound moral and ethical principles" (Colquitt et al. 2007:910). Strong associations between trust levels and each of these facets of trustworthiness were found in Colquitt et al.'s meta-analysis suggesting that each (of Ability, Benevolence and Integrity) plays a role in building the level of trust that develops between leader and follower.

McAllister (1995) provides an alternative way of describing how trustworthiness is conceptualized. McAllister defines Trust as "the expectation that one will find what is expected rather than what is feared" (McAllister, 1995:25) instead of looking at a willingness to be vulnerable. He centers on the decision-making process looking at a leader's trust in a subordinate and the citizenship or defensive behaviours that might result. Trustworthiness is measured through two sub-constructs: cognition and affect, and the positive expectations that trustors have for trustees in terms of what they think and feel about that individual. This work is valuable in that it explains the relationship between cognitive and affect-based decisions to trust (Colquitt et al. 2007). Whilst literature has tended to present McAllister and Mayer's approaches as an 'either-or'

choice, the 'Ability, Benevolence and Integrity' model and McAllister's 'cognition and affect' approach may in fact be complementary rather than contradictory.

"A cognitive calculation of the skills, capabilities, values, and principles of the trustee (in the forms of ability and integrity) may be supplemented by a more affective acknowledgment of the mutual concern inherent in the relationship (in the form of benevolence)" (Colquitt et al. 2007:918).

In other words, McAllister's model explains how cognitive assessments of another's ability and integrity take place, followed by experiences of affective and benevolent behaviours. On this basis, a trustor assesses the trustworthiness of a trustee. In this way, both processes are required in combination to form the building blocks for future relations.

Other aspects of trustworthiness have appeared in the literature over time. These have included Shared Values (Hart et al. 1986), Past interactions (Boyle and Bonacich, 1970) Consistency (Butler 1991) and Previous outcomes (Gabarro, 1978). As a result of the similarities between these items, it has been suggested that the dimensions of trustworthiness should also include an item for predictability (Cunningham and MacGregor 2000; Dietz and Hartog 2006; McKnight and Chervany 1998) although this final element has yet to be universally adopted by researchers. Bringing McAllister, Mayer and predictability together would result in an aggregated assessment of trustworthiness where a cognitive assessment of ability, integrity and predictability was made alongside an affective view of the referent's benevolence. On the basis of this broader perspective, trustworthiness will be referred to as having the dimensions of Ability, Benevolence, Integrity and Predictability from here onwards and be underpinned by both cognitive and affective processes.

2.3.2.2 Propensity to Trust

One of the attributes that leaders and followers bring to a relationship, is their propensity to trust; the extent to which they are willing to trust others in general, outside the specific relationship in question (Dirks and Ferrin, 2002, Rotter, 1967). Both Meyer et al (1995) and McKnight et al. (1998) suggest that a propensity or predisposition to trust will impact on later trusting behaviours. McKnight et al developed a detailed model to explain why a new relationship might have high levels of initial trust. Part of their description was due to an individual's disposition to trust. Such a disposition depends on the faith that a person has in humanity, in "the extent to which one believes that nonspecific others are

trustworthy” (McKnight et al. 1998:478) and the trusting stance that is taken regardless of how trustworthy the referent may appear to be. Both aspects of this predisposition to trust depend on the individual’s view of the world rather than knowledge of specific others and support a willingness to become vulnerable.

McKnight’s model contributes to the basis upon which Colquitt et al (2007) suggest that a propensity to trust plays a dual role in leader-follower relationships. Firstly, it provides a filter that influences how the actions of others are interpreted. Secondly, they posit that trust may be the driver that moves an individual from believing that he/she can trust the other party to displaying behavioural trust through risk-taking actions. The precise role that trust propensity plays is unclear, literature has evidence that there is an influence and it has been linked with relational leadership and improving organizational outcomes (see Bernerth et al. 2007). The influence of propensity to trust on relationships requires further exploration; what is clear is that this belongs with a model for DRQ as it partially determines the attitudes and behaviours that leaders and followers display towards each other. Another input into leader-follower relationship quality, according to Dietz and den Hartog (2006) is context. Their model lists it’s influence as having situational/organisational and industrial constraints which are discussed below.

2.3.2.3 Context and Trust

Context impacts on how trust develops and is under-researched in the trust community (Li et al. 2011; Saunders et al. 2014). Research exists describing the contextual antecedents of organizational and interpersonal trust (e.g. Bijlsma and van de Bunt 2003; Dirks and Ferrin, 2002; Knoll and Gill 2011; Lau and Liden 2008; Luhmann, 1979). This section looks at how organizations influence leader and leader-follower behaviours and therefore impact on trust. This is followed by consideration of the effect that industrial norms can have on levels of trust. These are then related back to the need to bring macro and micro views of trust together, at the end of this section.

Context influences behaviours at interpersonal and organizational levels include structural and temporal factors such as whether dyads are based in the same geographical area or working virtually, and how long these pairs have been in existence (Dayan and Di Benedetto, 2010). Organizational level variables, such as justice, or performance impact individual level perceptions and behaviours. The longer a dyad has been in existence, the better their understanding of the other party is likely to be. If an organization is perceived to be acting with procedural, interpersonal and, distributive

forms of justice, then trust is likely to be higher between leaders and followers (e.g. Colquitt et al. 2012) and performance will be enhanced (e.g. Simmons, 2002).

There is evidence that an organization can set out to foster trust through policies relating to “human resource management (selection, initiation, socialization, training, career management) and how the organization is structured (handling of interdependencies, attribution of roles, sanctioning of behaviour, organization of workflow and teams)” (Six and Sorge 2008:858; see also Downey et al. 2015; Tzafrir 2005). Six and Sorge describe how the success of these policies depends on the links between individual actions and organizational environment where behaviour is guided by social rules as well as formal policies; these relational signals inform trustors that the trustee is able to perform according to expectations and whether they appear interested in developing the relationship in the future. If positive relational signals are detected, trustors are reassured rather than made to feel uncomfortable and interpersonal trust is reinforced. Therefore, whilst there is less literature that concentrates on organizational variables in comparison to the body of empirical evidence that has focused on individual perceptions, there is research available on the role of context and interpersonal trust.

The extant literature for industrial influences and trust (i.e. influences within whole industries or professions) exists in ‘silos’ that relate to specific areas of interest or activity and tends to be quite limited in each functional area. The medical profession is unique in the amount of work that considers the role of trust for nursing and for doctors in hospital settings. For chemical engineering, civil engineering, marketing, research and development, the legal profession, professional services generally, there are smaller numbers of papers looking at interpersonal trust (e.g. Massey and Kyriazis 2007; Sheppard and Sherman 1998). Outside this, some work is available that considers types of working arrangement such as knowledge working (see for instance Becerra et al. 2008; Camén et al. 2011; Janowicz-Panjaitan and Noorderhaven 2009) and virtual working (Blomqvist, 2007; Yakovleva et al. 2010). What has also recently appeared is a comparison of the differences in levels of trust by national culture (e.g. Zolin et al. 2004; Gunia et al. 2011). There is however, no body of work that has focused on industrial factors in the way that organizational issues, such as justice and performance have received academic attention, although this issue has received greater interest in the last decade than previously. This growing body of work suggests that the environment in which a relationship is situated can influence how a dyad performs (e.g. Colquitt et al. 2013; Gunia et al. 2011, Zolin et al. 2004).

Thus, the trust literature offers a multi-level view of antecedents; they influence relationships at individual, organizational and industrial contexts. An individual's predisposition to trust determines the filter that all relationship information passes through and colours future attitudes and behaviours. In addition, an assessment of the trustee's trustworthiness (a cognitive assessment of ability, integrity and predictability alongside an affective view of benevolence) takes place through interactions between trustor and referent. These interactions are set within a context that can enhance or detract from interpersonal trust development through the cultural influences, physical working environment, perceptions of justice and the explicit policies that an organization adopts in order to send relational signals that foster trust amongst its employees.

Finally, the norms that apply to the industrial or professional level will also shape how relationships develop. These three aspects allow macro, and micro levels of interaction to be linked (Dietz, 2011). What is being posited here, is that trust, and its antecedents should not be de-contextualized, macro-level factors are important to how relationships between actors develop (Bachmann, 2011, Fletcher, 2012). This need for context to be taken into account forms an additional link between trust and DRQ appears. Context must therefore be built into how we understand relationship quality, to develop and be accounted for in the multiple layers that Markham (2010) suggests, extending from individual employees, through organizational structures, industries to cultural collectives such as religious and national identities.

2.3.2.3 Summary of Antecedents to Trust

The antecedents to trust allow us to describe what each party brings to the beginning of a relationship. Again, a link between trust and DRQ occurs; propensity to trust influences how individuals are likely to respond to each other. They filter the interaction and feedback as decisions about whether the other party is trustworthy are made. DRQ and trust appear to mirror each other in terms of the processes involved in relationship development. What these individual and interpersonal experiences don't provide is information about the environment in which these assessments are made; contextual antecedents offer a view on how the macro view of relationships influences micro experiences. So far, I have looked at forms of trust and the antecedents that contribute to its development. The next section looks at the consequences both positive and negative that result from the presence or absence of trust in workplace relationships. This completes the picture of how trust functions and links again to DRQ in

demonstrating how similar the results of relational leadership and trust are for organizations and individuals alike.

2.3.1 Consequences of Trust

The positive outcomes of trust for individuals and organizations are well documented in literature where “trust works as a lubricant in economic transactions, by smoothing relations between actors and reducing transaction costs, related to control” (Bijlsma and Koopman, 2003:547). This appears to work on two levels (Dirks and Ferrin, 2002). Where trust is placed in the organization rather than direct leadership, this will influence OCBs and improved performance in terms of revenue and profit (Davis et al. 2000). Where trust in a direct leader is strong, individual-level outcomes range from improved OCBs, organizational commitment, reduced turnover and enhanced job satisfaction, job performance (Lewicki et al, 2006), satisfaction with leaders and leader member exchange (Dirks and Ferrin, 2002), to voluntary co-operation and greater knowledge sharing (Bijlsma and Bunt, 2003). It is interesting to note how similar the consequences of trust are to those for relational leadership and LMX Bligh and Kohles, Dirks and Ferrin).

A lack of trust also has negative consequences for relationship quality. An absence or violation of trust undoes the good outcomes described above. It creates barriers to knowledge sharing (Maguire and Phillips, 2008) and communication, reduces engagement, commitment and discretionary effort (Simons, 2002). Whether or not this damage is permanent appears to depend on the implicit beliefs of the trustor (Kim, 2001) and whether the transgression involved deception, in which case, trust may never fully recover (Schweitzer et al., 2006). These effects on the dyad will, if not repaired, impact on the performance of departments and wider groups, potentially negatively influencing organizational performance (Simons, 2002).

The positive and negative outcomes of trust and relational leadership show similarities; where both are positive, then they impact positively on the quality of relationship quality between leaders and followers and individual and organizational outcomes tend to improve (Davis et al., 2000). Where trust and relationships are poor, then relationship quality suffers as do organizational and individual outcomes (e.g. Schweitzer et al., 2006). This similarity between relational leadership and trust has implications for DRQ. Where trust and relationship dynamics are positive, relationship quality is likely to be high; where these are negative, the quality of relationships is likely to be low. Next is a

summary of trust, followed by a more detailed analysis of how relational leadership and trust have been integrated in the literature.

2.3.5 Summary of Trust

This section posited that rather than choosing between psychological or behavioural approaches, a fuller understanding of how interpersonal trust operates needs to embrace both aspects of the construct. The model cited here (Dietz et al. 2006) allows for this integration and provides a multi-dimensional approach to trust that is iterative in nature, taking feedback from the trustee's behaviours, making this a fluid and continually developing process. Three levels of antecedent contribute to trust development; these are at the individual, organizational and industrial or industrial level. An individual's propensities to trust will filter or colour how relationships are viewed and impact the initial interaction that takes place between leader and follower. This assessment of trustworthiness sets the tone of the relationship. Organizational and industrial precedents and policies mold and shape each of these processes so that relationships also reflect the environment in which they occur. The positive and negative outcomes of trust are similar to those for positive and negative leader-follower exchanges.

Trust is a relational theory; leadership and trust need to be considered together when describing dyadic relationships. Trust "is a key concept in several leadership theories... the importance of trust in leadership has also been emphasized in numerous other literatures across multiple disciplines" (Dirks and Ferrin, 2002:611). Trust concepts are critical to relational leadership in that the vulnerability inherent in relationships is compensated for with trust, without trust, these relationships would not develop and facets of trustworthiness (benevolence, ability or integrity) motivate reciprocation and therefore facilitate relationship development (Colquitt et al. 2007). Literature has yet to fully describe how the two constructs interact to explain how workplace relationships develop. Links and similarities between trust and DRQ have been pointed out throughout this section; these occur at the stages of making an initial assessment, deciding whether someone is trustworthy, in the feedback loops that inform and develop relationships, the consequences of trust and finally in the need to build context into models for both constructs. The next section builds on these similarities, describes how trust and relational leadership have been combined in extant literature and goes on to suggest a model for exploring and describing the quality of relationships between leaders and followers.

2.4 Integrating Relational Leadership and Trust Theories: Developing the Construct of DRQ

From the first introduction of Social Exchange Theory, alongside which LMX emerged, trust appeared to be a key element of relationship quality. The links between trust and relational leadership have continued across the following five decades: Blau (1964) in introducing SET, described how mutual trust and attraction were the basis on which relationships grow. Dansereau et al.'s (1975) paper first introduced the concept of leader-member exchange as the vertical dyad linkage model and appeared to assume that trust was a basic element of relationships between leaders and followers. Dienesch and Liden (1986) describe trust as one of the defining dimensions that distinguishes high-quality, in-group relationships from those that are low-quality, where employees are out of the group of followers with whom leaders have close relations. Gerstner and Day (1997), in their meta-analytical paper, describe how mutual trust and respect determine the relationship quality; Schyns and Day's (2010) overview paper describes how trust relates to LMX perceptions, psychological safety and the influence of Contextual factors on relationship quality. Finally, Bligh and Kohles (2013) describe trust as being an essential element of leadership relationships and Li (2013) describes it as essential for theories on dyadic relationships to have trust built into them.

It is clear that these two constructs are linked but what is not explained from either theoretical or empirical perspectives is how they interact within workplace relationships. The majority of research that links these two constructs, relates to LMX, which, as discussed above, is grouped within relational leadership theories. Little extant material is available which explicitly links LMSX, ELMX, SLMX or IL and trust, either theoretically or empirically; there has been one call for work to examine and find the redundant dimensions between trust and LMX (Burke, 2007). Below is a description of how the trust and relational leadership have been combined so far, the issues that remain unresolved in literature and a description of how DRQ might solve the problem of how to describe workplace relationships more fully and be used to measure their quality.

2.4.1 Existing models for combining trust and relational leadership

At times, trust has been measured as an integral part of LMX (e.g. Graen and Uhl-Bien, 1995, Schriesheim et al., 1999) at others it has been assumed as synonymous with loyalty (see Liden and Maslyn, 1998). There has also been a debate about whether Trust is an antecedent of LMX (e.g. Brower et al. 2000) or whether it was an outcome of the leader-follower relationship (see Scandura et al. 2008). There have been two

attempts to theoretically explain how trust and relational leadership (looking solely at LMX) might be intertwined: first, Scandura and Pellegrini (2003) use a transformational model of trust as the basis for their explorations of how trustworthiness (i.e. the assessment of ability, benevolence and integrity) and LMX interact. Secondly, Brower, Tan and Schoorman (2000) use Lewicki et al.'s (1996) model for trust development as the basis of their model. This looks at a transformational model of trust and how the quality leader-follower relationships influences trust development. Both models are explained in more detail below; they provide answers about how these constructs might be integrated and create additional questions that remain unresolved.

Scandura and Pellegrini (2003) provide a theoretical model of how trust and LMX interrelate and follow this with empirical work to test the efficacy of their model. They employ a truncated version of Lewicki and Bunker's (1995) three-stage transformational model of trust, reducing three stages of trust development to two. These are: "Calculus Based Trust" that is "a market oriented, transaction, economic calculation" (pp103) and its higher form of "Identification-Based Trust" where leaders and followers understand and respond to the needs of the other, protecting their interests without surveillance. The empirical outcomes of their paper supported their assertion that levels or types of trust differ depending on whether the relationship between leader and follower is high or low quality and that IBT is vulnerable, even when the perceived relationship quality is high. They posit that a curvilinear model will exist due to stress and workload for "Calculus Based Trust" but that there will be a linear relationship between "Identification-Based Trust" and LMX. This suggests that some form of trust, albeit at a transactional level will exist in relations but that stress and work pressures can reduce this, whereas when high quality relationships exist, the negative influence of workload can be overcome by the benefits of having a good working relationship.

These conclusions are useful in that they suggest that trust quality changes depending on the quality of leader-follower relations, and that pressures such as workload and stress will impact on how this relationship functions. There are, however, significant issues with their conclusions that relate to the how the transformational model of trust are used. By truncating Lewicki et al.'s (1995) model to a 'high' or 'low' perceptions of trust, the results cannot explain the dynamics taking place within the relationship. There is no way of understanding what the state of trust or distrust was at the start of the relationship; the model of trust development that they have employed is incremental; it starts at one low-positive level and ends at a high-positive level of trust with no negative or distrusting attitudes included. This raises two problems: assumptions of positive trust

which may be false (employees may start from a position of low to profound distrust) and an assumption that all relationships will reach the highest level of trust. The paper thus infers that all relationships start from some form of positive level and that they will move or 'jump' to another positive state over time, depending on the quality of the relationship.

Any model which attempts to explain how workplace relationships function needs to account for greater quality variability in trust, building in the possibility of no trust, which Scandura and Pellegrini (2003) fail to do either theoretically or empirically. Further, using LMX-7 as a measure of exchange quality alongside a transformational trust model does not explain how or why changes take place as LMX-7 is limited in what it can tell us about relationship development (Liden and Maslyn, 1998). Overall, however, whilst there are limitations with this work, it does demonstrate the need for a theoretical model that integrates the two concepts and potentially provides one stable measure for relationship quality based on both Trust and relational leadership

Brower et al. (2000) offer a theoretical map of trust and LMX. Strictly speaking, the model looks at trustworthiness in its considerations of Ability, Benevolence and Integrity, not trust as a whole, although this is not acknowledged by the paper's authors. For the sake of clarity, trust is replaced with trustworthiness from this point forward so that there is no confusion when relating Brower et al.'s model to DRQ. The paper presents trustworthiness as antecedent to relationship quality (see Figure 8 below). This compares levels of trustworthiness from supervisor towards subordinate and vice-versa. Brower et al.'s analysis of the constituent dimensions of trustworthiness and LMX results in an iterative model that demonstrates the on-going nature of relationship building. This notion is built on theoretical similarities between the two constructs; both rest on reciprocity and measure perceptions rather than defining actual relationship quality or trust levels. They also acknowledge that perceptions of the relationship will differ between leader and follower.

Brower et al state that an individual's propensity to relate is equal to their propensity to trust. They further argue that this is a personality trait that constitutes an antecedent to LMX quality; an individual's predisposition to relate or trust will determine the potential quality of relationship and will alter in response continuing interactions and experiences as the relationship develops. Similar to Dienesch and Liden (1986), Brower et al. suggest that this exchange is a continuous process; the relationship quality develops over time, depending upon the qualities and attributions that both parties bring to the relationship. They go further than previous literature, by theoretically demonstrating that

LMX cannot entirely account for relationship quality alone and that adding trustworthiness to the model provides a more robust explanation of what is taking place. However, in arguing that a propensity to relate is equal to the propensity to trust, the paper suggests that relating and trusting are equivalent. This has been contested; relating is neither equal nor limited to trusting but is a larger concept that incorporates all aspects of relationships (Gergen, 2009). A further issue arises if assuming that trusting

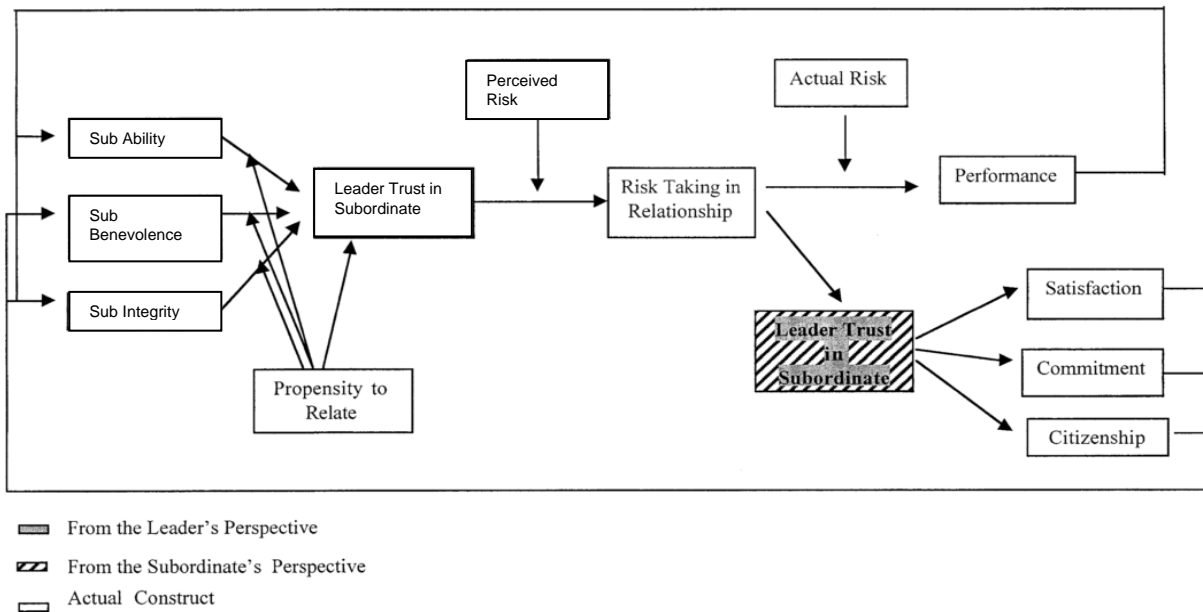


Figure 8 - Brower, Tan and Schooman's (2000) Model for relational leadership and trust

comes prior to developing relationship quality. First, there is no empirical or theoretical evidence supporting this claim, and secondly, other theorists have argued in contrast that trust is developed after a relationship has begun (Scandura and Pellegrini, 2003). This lack of clarity and disagreement limits our understanding of how the two concepts might be working together; unfortunately, there is no empirical work attached to this model to verify or contradict whether it relates to workplace relationships in the 'real' world. It is interesting that Brower et al.'s (2000) model contains no dimensions for LMX, solely judging relationship perceptions on an assessment of the referent's trustworthiness.

Finally, this model also leaves out levels of trust and the impact of trusting behaviours, both of which need building into any representation of how relations function. Without these additional dimensions, the model falls foul of Li's (2012) criticisms of theoretical work that treats trustworthiness and trust as synonymous. This negates the value of the

construct and provides no information about levels of trust or the types of risk-taking behaviours that might result from the relationship. These limitations mean that the model only describes trustworthiness and affect, which is a narrow view of the relationship in comparison, for instance, with the view that DRQ could offer. Most importantly perhaps, Brower et al (2000) make the case that LMX and trustworthiness as a combined conceptual model, offers a better representation of relationship quality than LMX can provide alone. “Both theories address an iterative process by which the relationship between subordinate and supervisor is formed... [Trust] clearly fits the domain specifications and contains the relational constructs that are found in LMX... [and together they reconcile] what have been critical discrepancies between LMX theory and results” (Brower et al. 2000:232). This sets the scene for the development of a model to describe relationship quality between leaders and followers that builds on relational leadership and trust literatures. The following section combines these theoretical structures to propose a new model for dyadic relationship quality.

2.5 Answering problems in the literature: towards a model for Dyadic Relationship Quality

There are three issues that remain in the literature when describing leader-follower relationships quality. Firstly, it is unclear how relational leadership and trust interact. Secondly, there have been calls for research to determine which dimensions of relational leadership and trust apply and where overlap between them exists (Burke et al. 2007). Finally, it is unclear how context informs these relationships. These questions are considered below followed by a model which, is proposed as a solution to the problems.

2.5.1 How do relational leadership and trust interact?

Scandura et al (2008) and Brower et al (2000) both support the need to map out how relational leadership and trust interact, where there are similarities and what differences might need exploring. Trust and relational leadership do overlap and interact; their integration is a logical development from what has been discussed so far. What they do not tell us is how relational leadership and a full construct for interpersonal trust might operate. Both papers described here account for an assessment of trustworthiness but do not address levels of trust or trusting behaviours. This means that we have no assessment of which dimensions of trust should be retained when trying to define dyadic relationships. Extant literature does not tell us how trustworthiness is transformed into

levels of trust and trusting behaviours and nowhere is a full construct of trust linked to relational leadership.

There are approaches that discuss related issues although they do not account fully for trust and relational leadership. For instance, Dirks and Sharlicki (2004) acknowledge the value of exploring Relational Models of leadership in relation to trustworthiness, (Dirks and Skarlicki 2004). Lee, Gillespie, Mann and Wearing (2010) look at levels of trust, leader-centric behaviours and how these can facilitate knowledge sharing. Burke et al. (2007) consider functional leadership and trustworthiness, arguing that context will influence trust in leadership, depending upon leadership behaviours and the implicit leadership beliefs held by followers. However, a tight focus on relational leadership and a full construct for trust is not available. This lack of attention emphasizes the need for a construct such as DRQ which deals with all three phases of trust, and encompasses a broader definition of relational leadership than LMX provides. DRQ uses both to describe the quality of dyadic interactions.

2.5.2 Which dimensions of relational leadership and trust apply?

There is also some confusion about which dimensions of each theory apply to relationship quality; there is some overlap between them and their interaction is unclear. Brower et al (2000) map of trustworthiness against LMX, their paper suggested how trustworthiness contributes towards relationship development with outcomes that improve organizational performance but didn't describe how trustworthiness and the dimensions of LMX (Affect, Contribution, Respect and Loyalty) might interact or overlap. Burke et al.'s (2007) call for the redundancy in dimensions between LMX-MDM and trustworthiness, thus far remains unanswered. It is likely that empirical work is required to determine which dimensions of each theory actively contribute to the quality of relationships between leaders and followers. As Markham (2010) comments, future relational leadership research will need to account for and describe the levels at which context is being explored.

2.5.3 How does context influence these relationships

An increasing volume of literature is devoted to relational leadership and context (see Uhl-Bien and Ospina, 2012, Shamir, 2013); likewise, trust and context have attracted more attention of late (see for example Dayan and Di Benedetto, 2010, Li 2012, 2013, Welter, Friederike, Alex, 2012). I have argued that unless the industrial and organizational environment in which relationships are embedded are described, the

process of achieving high or low quality cannot be fully understood and qualified generalizations cannot safely be made. There is a growing body of work that looks at leadership and context as described in section 2.2.7 or trust and context (see 2.3.2.3). Any future model for describing relational leadership and trust must account for context at multiple layers as Markham (2010) suggests.

There are few papers referring directly to a definition or measure for relationship quality in either relational leadership or trust literatures. Settoon and Mossholder (1996) defined co-worker relationship quality as being a combination of support, trust, perspective taking and empathetic concern. However, literature defaults back to LMX when attempting to describe, define or measure the quality of leader-follower relationships, bringing us full circle. Therefore, an alternative approach is required. Such an alternative needs to remain dyadic and entitative, so that we retain our focus on leader-follower relations where these are explicitly described and understood within an organizational context. It also needs to explore which of the dimensions of relational leadership are pertinent (Leader Member exchange, LM Social X, Social LMX, Economic LMX and the individualized nature of leadership) and to take account of the dimensions and all stages of trust, being cognizant of the influence of context. Such a model would therefore attempt to describe perceptions of relationship development from both leader and follower perspectives in order to determine its quality.

2.5.3 An alternative model – Dyadic Relationship Quality (DRQ)

Drawing from the literature reviewed above, a 'jigsaw puzzle' of dimensions can be used to describe how dyadic relationship quality develops. These pieces take inspiration and evidence from a number of the papers cited in this chapter. Uhl-Bien and Ospina (2012) provide a framework for relational leadership that enables entitative, dyadic focused relationships to be identified. Dienesch and Liden (1996) described a model of LMX development that incorporated individual characteristics of leaders and followers in a cyclical relationship building process that was influenced by context. This paper also suggested that each party brings with them their personal knowledge, experiences and views on the world, which will influence relationships, including predispositions to trust (McKnight et al. 1998; Colquitt et al. 2007) and implicit theories about leadership (Dulebohn et al. 2012). Bernerth et al. (2007), Kuuvas et al. (2012) and Wallis et al. (2011) provide additional dimensions of the leader-follower relationship in the form of leader-member social exchange, economic and social forms of LMX and individualized leadership.

Mayer et al (1995) and McAllister (1995) mapped out how trust functions and how assessments of trustworthiness are formed. Dietz and den Hartog (2006) used a feedback loop when they proposed a trust development model where the individuals involved follow a process of assessing the other party, deciding whether or not to trust and following this with risk-taking (trusting) behaviours. This model contained contextual inputs that reflected the four levels of contextual analysis described earlier: from the external environment, the organization, the dyadic interaction and individual levels of previous experience. Finally, Brower et al (2000) suggested a structure for combining trustworthiness and LMX, which showed how the two constructs might interact to influence the outcomes of leader-follower relations. It is from these jigsaw pieces that a model for describing leader follower relationships and measuring its quality is presented here (Figure 9).

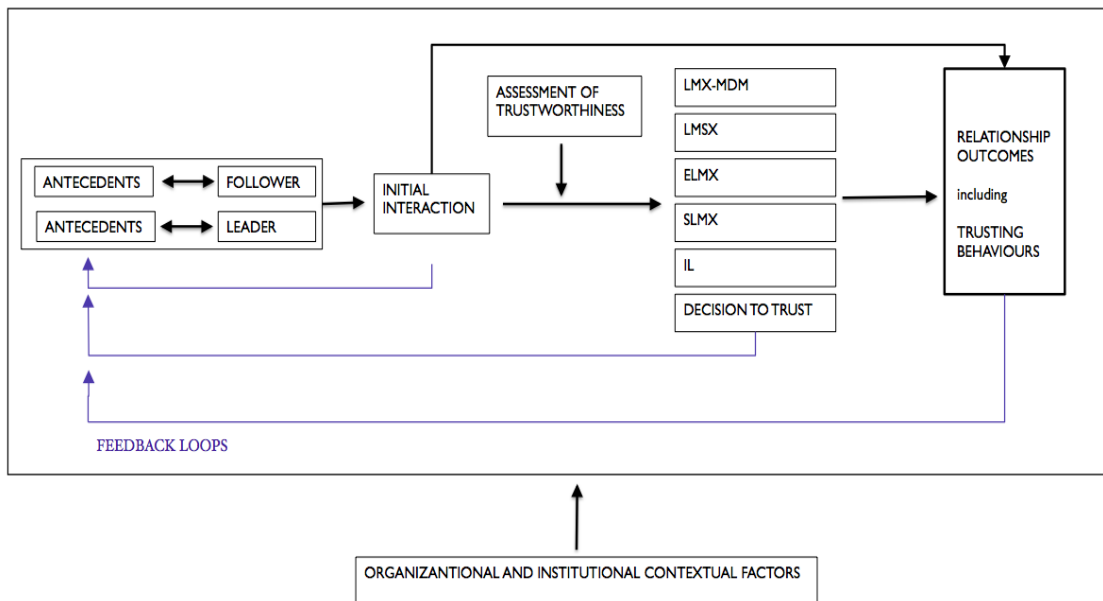


Figure 9 - Dyadic Relationship Quality Model, Wilson, 2014

NB: **Abbreviations in the model:**

LMX-MDM – Multi-dimensional leader-member exchange,

LMSX – Leader-member social exchange

ELMX – Economic leader-member exchange

SLMX – Social leader-member exchange

IL – Individualized leadership

This model has five distinct 'phases' of interaction that are cyclical or iterative and continue from the start of the relationship until it finally ceases. These phases are: 1) the influence of antecedents, 2) the initial interaction between leader and follower, 3) the dyadic interaction (based on the dimensions of the five relational leadership theories and trust) which lead to 4) the evidence or absence of trusting behaviours that in turn result in 5) the relationship consequences. The results of each phase of interaction within the dyad, goes back to inform the antecedents influencing each party; the process being repeated continually whilst the relationship is in existence. Two levels of contextual analysis are contained within this cyclical process: the organizational and industrial factors, which describe the relationship's environment that shapes and molds the interactions that take place. Each of these five phases of interaction and the contextual influence are explained in turn, below.

2.5.3.1 The influence of Antecedents

Both trust and relational leadership theories describe antecedents and influences that shape how leader and follower or trustor and trustee behave and respond. These factors fall into two categories; those that are demographic and biographic in nature (age, gender, qualifications, length of experiences in prior work and so on) (See Dienesch and Liden, 1986) and those that are psychological in nature, being drawn from implicit theories, propensities, personal behaviours and attitudes (see Colquitt et al. 2007 and Dulebohn et al. 2012). Together these form the 'baggage' that both individuals bring with them into the relationship. This baggage filters how experiences are interpreted and colours how each is likely to behave, what behaviours are likely to be offered in the first instance and how the relationship will be viewed and interpreted as it develops.

2.5.3.2 The Initial Interaction

There is evidence that before an assessment how of trustworthy the other party may be, an initial interaction occurs. This early, quick judgment considers whether the other party is likeable (affect), able (ability), what other referents there are for trust (as for swift trust where network opinions, qualifications and other signals take the place of assessing trustworthiness if necessary). This initial view can often be an accurate predictor for the future relationship quality over the next few weeks or months; it is an influential event for the remainder of the development process (e.g. Sparrow, Wayne and Stilwell, 1993). In Figure 8, this is shown with a dashed boarder as I suggest that this process will only take place once at the beginning of each new relationship.

In line with models by Dietz and den Hartog, (2006), Dienesch and Liden, (1986) and Brower et al. (2000), I propose that each stage of this process involves feedback loops where leader and follower separately process and check the results of the experience of working together against their prior knowledge, implicit theories and predispositions. Therefore, after the initial interaction, I posit that the first feedback loop occurs, informing both parties, through their antecedent filters about the experiences of the relationship so far. After the initial interaction has taken place, assuming that both parties are willing, the dyad continues to interact; I theorize that an assessment of trustworthiness occurs alongside the development of the relationship bond itself.

If it is not possible for this initial interaction to take place, the process of swift trust may be substituted. In which case, an external set of referents rather than internal information gathering and processing occurs and trusting behaviours are demonstrated

as soon as the relationship begins (e.g. Hyllengren et al. 2011). The literature suggests that this process might be supplemented with experiential feedback and that swift trust would be replaced over time with the individual's own conclusions.

2.5.3.3 Dyadic Interaction

The leader-follower relationship develops from this point. The literature reviewed in this chapter suggests that a number of types of exchange take place between leader and follower; this chapter has looked at LMX, Leader Member-Social Exchange, Social LMX, Economic LMX and Individualized Leadership. The combination of these theories suggests that roles are negotiated with specified behaviours and types of reciprocity being expected. At the same time, a social exchange with its looser unspecified interactions and sense of two-way relationship will occur (Bernerth et al. 2007). An economic aspect to the developing relationship exists where either side decides whether there is appropriate remuneration for the effort given. Finally, social and emotional aspects of the relationship develop; parties decide whether they like each other and how they feel about the other party to the dyad (Buch et al. 2014). Part of this process is also informed by mutual perceptions of the follower's self-worth, and the extent to which the leader is able or willing to support the follower (Wallis et al. 2011). Alongside these exchanges, both parties assess each other's trustworthiness and trust develops; each party comes to conclusions and makes decisions about their perceptions of the other half, the quality of the relationship and the extent to which they are willing to rely on the other and therefore become vulnerable. Once more, the results of this process feed back through to the individual's antecedent filters, where each processes the experience of the relationship as it is developing. The results of this process will be evidenced in the behaviours, trusting or otherwise, that either party displays.

2.5.3.4 Trusting Behaviours

"Trusting behaviour involves relinquishing control over outcomes valuable to the self" (Tanis and Postmes, 2005:413). The HRM field provides the majority of literature that describes the specific types of actions that occur in the workplace and therefore provide evidence of trust through behaviour (Delgado-Márquez et al. 2014a; Searle et al. 2011). The difference between trustworthiness and trusting behaviours is that the former is a passive assessment of the other party, without potentially damaging consequences, whereas trusting behaviour "requires an active investment of self-relevant outcomes" (Tanis et al.:414). Wasti, Tan and Erdil, (2011) describe a range of behaviours shown by managers and employees, which took place as a result of dyadic interactions. Their

results confirm a finding that perceptions of interpersonal trustworthiness are closely linked to trusting behaviours so that each party's assessment of trustworthiness of the other is likely to influence behaviours in the future.

For leaders, these behaviours include delegation, disclosure of (personal as well as professional) information and benevolent behaviours such as a willingness to support a promotion of a subordinate despite the leader's need for their skills and abilities. The behaviours that show follower trust include: disclosure of information (again personal and professional), offering discretionary effort and demonstrations of honesty along with courage: "In the high-power distant context...it appears that supervisors are expectant as well as weary of impression management behaviours, and are visibly impressed when given frank feedback" (Wasti et al. 2011:15). For the model presented here (Figure 8), the behaviours that evidence whether trust exists (or is absent) again feeds back to the antecedent perceptions that leader and follower bring with them and then to an assessment of trustworthiness and the developing forms of exchange that take place. These cause the outcomes and consequences for both individuals and organizations, which are briefly described below.

2.5.3.5 Relationship Consequences

The consequences or the outcomes of the relationship result from positive (or negative) interactions within the dyad, come. A wide range of outcomes has been associated with positive levels of trust and relational leadership. For the individual, these include increased job satisfaction, performance, commitment, perceptions of social and organizational justice etc. For organizations benefits of positive relationships include higher organizational citizenship behaviours, greater discretionary effort, improved organizational performance and an enhanced bottom line (Erdogan and Liden, 2002, Simmons, 2002). If the relationship is negative, then counterproductive behaviours including knowledge hiding, abusive attitudes, subversion and a loss of co-operation are likely to be the result (Tepper, 2000).

2.5.3.6 Relationship processes for DRQ

A summary of the dimensions for the relational leadership aspect of DRQ was given in Section One. Table 2 below shows which dimensions are needed to describe relational leadership and trust literatures. This table suggests that a complex range of interactions takes place as the relationship develops. Nahrgang et al (2009) suggest that a relationship becomes stable after six months, by which time roles have been negotiated

and decisions about trustworthiness and levels of trust have been made. Trusting behaviours by that point should have become routinized between both parties, which will lead to the relationship consequences described above. No attempt has been made to put an order to these events, it is unlikely that participants in a leader-follower relationship would be able to retrospectively identify which took place first. It is more likely that these are simultaneous reactions that have their own direct influences as well having combined effects. Each of these dimensions occurs in response not only to the individuals in the relationship but also as a result of the context in which they occur.

Table 2 - Dimensions of the dyadic relationship building process

Theory	Dimensions
Multi-dimensional LMX (LMX-MDM)	Contribution, affect, respect, loyalty
Leader Member Social Exchange (LMSX)	The perception of a two-way relationship, non-specific reciprocity, balance between giving and taking, actions done on a voluntary basis
Economic LMX (ELMX)	Pay in return for work, short term rewards, discretionary effort on the basis of prior treatment
Social LMX (SLMX)	A long-term approach, the organization investing in the individual, levels of expectation of future reward (this can be positive or negative), an expression of trust and benevolence
Individualized Leadership (IL)	Leader perceives follower to give satisfying performance Leader perceived to support the follower's sense of their own self-worth, leader recognizes follower's self-worth
Trustworthiness	Ability, benevolence, integrity, predictability
Trust Levels	Willingness to disclose information, willingness to rely on the other
Trusting Behaviours	Delegation, benevolence, disclosure, discretionary effort

2.5.3.7 Contextual Influences – more detail and explanation

Contextual influences have been discussed at organizational and industrial levels for the environment in which the relationship is sited. Leaders and followers are embedded within organizations and therefore, the policies and practices adopted at an organizational level, will influence how relationships develop.

These policies, practices and the ethos that prevails will impact perceived organizational justice, the structure of control, temporal aspects of the relationship and HRM. The extent to which an individual feels that they are invested in for instance will depend on the organization's policy on training and development, budgetary restrictions and availability of the type of investment that is desired. The remuneration and policies that encourage long-term commitment to the organization (reward policies based on tenure such as share options, additional days of paid holiday etc.) feed into the recognition that leaders and followers both ascribe to an individual's performance. Support towards promotion, access to professional networks and disclosure of information all indicate an environment where trust and trustworthiness are able to thrive. The interplay between organizational policies and ethos and leadership relationships is profound and complex; empirical studies would need to be able to describe the organization in some detail in order to provide a comprehensive understanding of the relationship environment.

Industrial issues include gaining access to qualifications and entry into the field of activity, collective practices, political, social, technical influences and the role of national and regional culture. Each of these aspects of context will help to shape how relationships form and function; any description of how a dyadic pair interacts needs to include an appreciation of what is taking place around the organization in order for it to 'make sense'. In environments which have generally been male environments, such as the legal profession promotion up the professional ladder may be more difficult for female participants than their male counterparts (Wass and McNabb 2006). Similarly, contracting arrangements may mean that there is an emphasis on short term rewards rather than long term goals such as traditionally prevailed in investment banking (Aldrick 2012) which would emphasize the economic rather than socio-emotional aspects of relationship development. Indeed, the amount of influence that individuals have will be determined by influences of the 'industry' rather than individual organizations within it (Donnelly 2011). These constraints will include working hours and structures, influence over clients, knowledge of their own market value and the tensions between client and employer loyalty (Donnelly 2006; Giauque et al. 2010).

The levels of context explored theoretically in throughout chapter have been limited to individual, dyadic, organizational and industrial. However, Markham (2010) identified eleven layers of context that could be studied. Markham's paper concentrated on LMX literature and improving multi-level analysis in the field, but he also briefly commented on narrowing the gap between practitioners and academics through accurate analysis of levels of contextual influence. It is likely that empirical work will reveal the influences of

additional contextual levels of influence apart from the four listed here and that each of these levels will shape how relationship quality develops. The final part of this chapter summarizes DRQ and provides a conclusion to the literature review.

2.5.4 Summary of DRQ

I propose Dyadic Relational Quality (DRQ) is a construct, which marries entitative aspects of relational leadership with interpersonal trust. This provides two new contributions to literature: – firstly, this chapter has identified the dimensions of relational leadership that are needed to describe leader-follower relationship quality. The second contribution is the model of Dyadic Relationship Quality which builds on existing literature, describes how trust and relational leadership interact and suggests how context can be accounted for across at least four levels of analysis.

DRQ pieces together dimensions of trust and relational leadership theory to explain how the quality of relations between leaders and followers develop. This jigsaw of provides a picture with five distinct phases, which individuals go through as their relationship develops. These phases are: 1) the antecedents which each party brings to the table, 2) their initial interactions followed by 3) dyadic interactions. From the interplay between leader and follower, 4) trusting (or non-trusting) behaviours develop and 5) the relationship outcomes or consequences follow. At each stage of this development process, feedback loops occur, where experiences are fed back through the filters of implicit beliefs and predispositions in order to interpret and colour future attitudes and behaviours. Thus, this relationship is iterative and cyclical.

This describes how leader-follower relationships function, the role of affect and trust and how these elicit trusting behaviours which, if positive, result in coveted consequences such as increased commitment, OCBs, retention, effort and performance. Equally, this model shows where potential stumbling blocks to positive relationships are likely to occur. If relations are of poor quality or contain abusive elements, then interaction will be negative, assessments of trustworthiness will result in few or no trusting behaviours and the consequences of the relationship are likely to be subversive and contrary to organizational desires.

DRQ also responds to calls to contextualize leadership and trust research, embedding relationships in their environment and arguing that all relationships respond to and are molded to the context in which they occur. A strong tenet of this chapter is the argument

that to disembody relationships from their environment is to lose understanding of how and why they develop and function as they do. Therefore, to gain a rich understanding of leader-follower relations, the context for the relationship also needs explicating.

The justification for this model is found in both trust and relational leadership literatures, whose common features supports their combination as previously presented (see Brower et al. 2000, Scandura et al. 2008). Both trust and relational leadership describe antecedents and consequences that are similar in nature; these include job satisfaction, OCBs, levels of turnover, commitment and performance. Within both theories there is a direct or implied stage where an initial interaction takes place between leader and follower regular interactions lead to stabilized behaviours. Finally, both literatures have increasingly called for context to be built into empirical and theoretical work so that the environment in which relationships occur can be accounted for. DRQ combines the similar dimensions of these two distinct theories and looks for the synergies between them.

This model offers a potentially stable and comprehensive answer to the problem of how trust and relational leadership interact between leader and follower, and what takes place within the relationship development process. Empirical work will be required to establish which dimensions apply to any given context and which are either redundant or inappropriate. This would also enable a measurement scale for the construct to be developed.

2.6 Conclusion

The literature reviewed here demonstrates how both relational leadership and trust theories have attempted to describe the quality of leader follower relationships but that neither can fully capture this on their own. Authors over the past four decades have linked leadership relations and trust although only two models have attempted to describe how their union might function. This chapter moves literature forward by offering a fuller account of the relationship than either LMX alone or interpersonal trust theories can offer. Combining entitative theories of relational leadership alleviates LMX from having to account for all aspects of leader-follower relations. Combining relational leadership and Trust deepens our understanding of what takes place between a leader and follower from a theoretical standpoint. The separate aspects of interpersonal trust are also unified here, building on the work of Dietz and den Hartog (2006) to offer a construct that accounts for trustworthiness, trust levels and trusting behaviours. In

addition, theoretical bridges are posited for the three main debates in this field: Macro vs. Micro perspectives, Behavioural vs. Psychological approaches and Mayer vs McAllister's definitions of trustworthiness.

Context is built into both relational leadership and interpersonal trust theories; this chapter answers increasingly loud calls for context to be used to explain and clarify how relationships function. Thus, DRQ offers a model for describing and ultimately measuring the relationship quality between leader and follower, based on their individual perceptions and experiences of what has taken place between them.

Finally, a model to describe how dyadic relationships function and to allow their quality to be measured was proposed. This was a synthesis of literatures from both the field of relational leadership and interpersonal trust. The next step from this is to design a research process and carry this out so that empirical work could confirm or challenge the assertions made about the theory. The methodology explains about the research process; the results are then presented to show that it is possible to model the dyadic relationship quality development process and define relationship quality for leaders and followers in the workplace.

3. Methodology Chapter

The aim of this thesis is to contribute to a theoretical understanding of how relationship quality develops in leader-follower dyads that occur in a workplace context. This methodology chapter sets out how the empirical work was conducted and the decisions that lay behind the research design. The chapter is organized into six sections (see Figure 10); the project timescales shown in the arrows on the left of Figure 10 relate to the periods of time in which the four activities took place across years two to four of the PhD. The first section of this chapter sets out the Philosophical position of the study, from this the research questions and methodological issues in the literature are described. Third and fourth, the inception of the DRQ model is described along with the research design process that would allow the research questions to be approached and context to be accounted for. Finally, the fifth and sixth sections are the research methods and data analysis processes. The write-up and submission process is self explanatory and has not been discussed in this chapter.

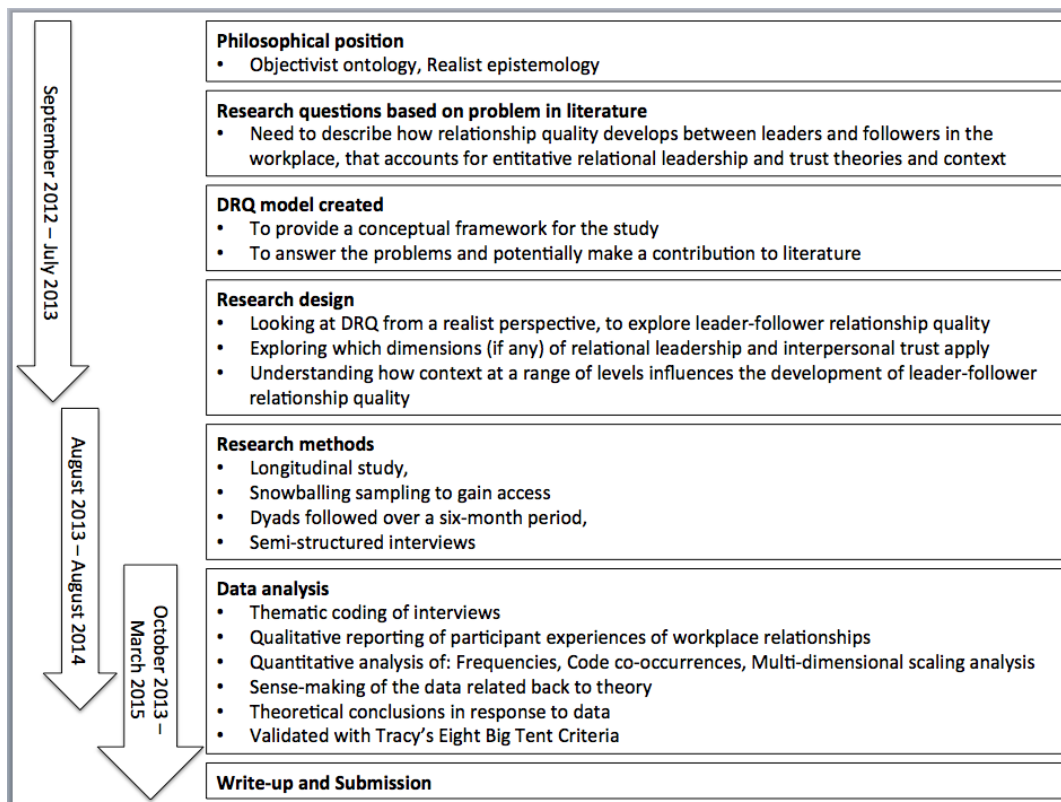


Figure 10 - Diagram to show the research design and timescales of this study

3.1 Philosophical Position

3.1.1 Ontological and Epistemological Situation

There is a range of ontologies and epistemologies; at one end sits objectivism, where relationships between entities are investigated in order to discover observable truths. At the other end, there is intersubjectivism, where relationships between people emerge and shift through dialogue between themselves and our experience of the world, with no objectifiable external reality (see Cunliffe, 2011). Between these two positions, there is subjectivism, where relationships occur in social contexts, influenced by internal individual and group interpretations and discursive practices. Across the distance between objectivist and intersubjectivist problematics lies a range of epistemic positions. It is not within the remit of this paper to describe all of these; rather this section will explain why this thesis fits the ontological position of objectivism and an epistemological position of realism.

Objectivism describes how relationships between entities occur within a pre-existing society where industrialized rules order common understandings and meaning of experience. Time is a universal experience, which runs sequentially; knowledge is a sharable construct, rather than a debated or co-constructed experience of the world (Cunliffe, 2010). There are a number of epistemological positions within the objectivist ontology. These range from positivism, empiricism and functionalism to critical realism, industrial theories and actor network theories. Realism is an epistemological position that acknowledges an external, objectifiable, multi-layered reality, influenced by observable and unobservable mechanisms and processes (e.g. see Hacking, 1982). This supports understanding the subjective views of those within structures and systems (Chakravartty, 2011).

This research fits with objectivism and realism because it is looking at leaders' and followers' relationship quality from an entitative position, which presupposes that leaders and followers have externally constructed, pre-defined roles. This also suggests that an external world exists outside the lived experience of being in a leader-follower relationship; otherwise, an objective view of how leaders and followers relate could not be investigated. In addition, the thesis seeks to understand the lived experience of leaders and followers through their subjective opinions. The fit between DRQ and Realism is described in more detail below.

3.1.2 Realism and the research process for DRQ

Using Cunliffe's (2010) map of problematics, realism describes relationships between entities within a pre-existing society and works from a single hermeneutic where researcher and researched are often separate. Realism holds that truth is fallible; theories offer the best way of representing what truth might be, in the knowledge that our current theories are likely to be superseded by new ones in the future. Theories, therefore, can be made about how the world operates; they allow us to make predictions. Researchers validate which theories should be accepted on the basis of how successful these predictions prove to be (Musgrave, 1988). In other words, if a theory's predictions about an entity's behaviour prove accurate, then that theory is accepted until our knowledge is updated and a better theory is used to explain and predict the behaviour in question. These theories work on observable and unobservable levels, applying to phenomena that we can see (as in natural and social sciences) and those that we struggle to find evidence for (such as quantum mechanics) (Brading, 2010).

This allows for the multiple perceptions of experience within DRQ and accepts external roles and organizations/institutions as entities in their own right. This philosophical standpoint can accommodate a model that looks at relationships from the four levels of individual/subjective, interpersonal, organizational and industrial. In other words, realism supports a study that looks at the subjective experiences of operating within organizational and industrial structures, as well as a description of how those structures function and influence the relationships within them. This approach also allows for both qualitative and quantitative research methods and analyses of data without compromising ontological assumptions. The epistemology is also flexible enough to accommodate both qualitative and quantitative analysis of the data. From this philosophical position, the next section describes the research questions for this thesis and highlights the gaps and issues in the literature from a methodological perspective.

3.2 The Research Questions

The thesis aims to understand how relationship quality develops between leaders and followers in the workplace. The main research question for this thesis is:

How do leader-follower relationships develop into high or low relationship quality?

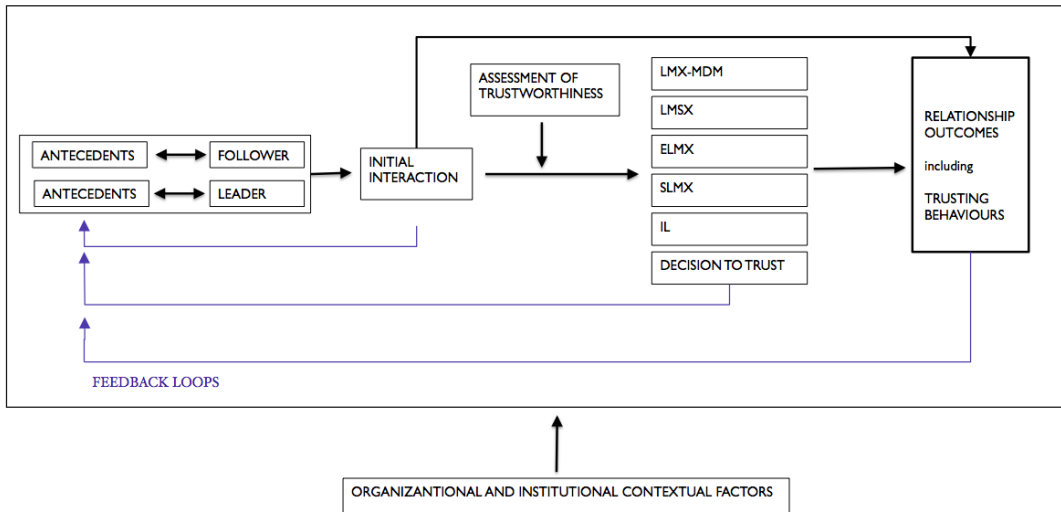
In order to resolve this question, four sub-questions require answers:

1. Which forms of relational leadership can we use to explain more of leader-follower interactions than LMX allows for (e.g. Bernerth et al. 2007)?
2. How does trust interact with relational leadership et al.,2007)?
3. How does context influence leader and follower relations (Shamir, 2013).
4. How should relationship quality be described or defined? (e.g. Bernerth et al., 2007; Ikonen 2014; Sheer 2014).

As described in the literature chapter, the constructs for relational leadership, interpersonal trust and context need to be explored in the empirical phase of the study. The research was not seeking to prove that the theoretical construct of DRQ existed, rather to understand participants' experiences of the workplace and to explore which theoretical dimensions might be useful in describing the process of relationship quality development. Reviewing and critiquing the literature led to the development of a new model for the development of dyadic relationship quality (DRQ) which is shown below.

3.3 The model for DRQ

The model for DRQ derives from the synthesis of literatures on relational leadership, interpersonal trust and context, aimed to provide a framework for describing how relationship quality develops in the workplace. Researching which (if any) of the dimensions of this model are applicable requires looking at individual, subjective opinions, comparing the experiences within and between dyads, taking into account organizational and industrial influences.



However, there are methodological issues that exist in the fields of relational leadership and interpersonal trust, which need to be accounted for before the research process can be designed.

3.3.1 Methodological Problems in the literature

As discussed in the literature chapter, there are three main issues in studies of relational leadership and interpersonal trust. The first of these relates to the lack of common definitions for either construct, which led to the second issue where the tools devised for measuring relationship quality didn't match the constructs themselves. Thirdly, both fields are dominated by quantitative research, which doesn't allow for emerging topics. Each of these is considered in turn, with a response for how DRQ aims to overcome the problems.

3.3.1.1 DRQ and definitions

As described in the literature chapter, this thesis aimed to describe dyadic relationship quality (DRQ), and develop a theoretical model to integrate relational leadership interpersonal trust. There is however, a lack of consensus around definitions for both constructs, which risks data being collected that may not match one or more interpretations of what leadership or trust mean to those who are in the workplace (e.g. Sheer, 2014, Lyon, Mollering and Saunders, 2012). This potentially causes confusion over what is being measured and how to interpret results.

In order to avoid the issue around definitions, this study looks at the constituent dimensions of relational leadership theories and interpersonal trust. By using open-ended questions in data-collection interviews, the perceptions of participants can be explored and the meaning of their responses can be confirmed through further questioning and reflecting back their answers to the other party. This avoids needing to frame their responses using terminology that has multiple definitions (such as the words 'trust' or 'leadership').

3.3.1.2 Measuring perceptions of relationships

When attempting to measure how a relationship is perceived, there are practical and empirical issues. From a practical perspective, researchers have tended to take recourse in psychometric tools in order to gain information that approximates how individuals 'feel' about one another. This leads to problems in finding, choosing and relying on previously developed scales to capture specifically what the researcher wishes to capture (Fletcher and Simpson, 1997; Sheer, 2014). The empirical issue that arises in measuring relationship perceptions comes from the difference between leader and follower perspectives of the same relationship (see Zhou and Schriesheim, 2010). If leaders and followers view relationships from a different position, with different criteria for judging the quality of their relationships, a converging their views can be problematic. Their opinions of the relationship will be formed on different bases and as such, their views cannot converge to a single understanding of how well the relationship is functioning.

Individualized Leadership theory attempts to overcome this by understanding how satisfied leaders are with their follower's performance and how far followers feel supported and valued by their leaders. However, this represents one small aspect of DRQ which has a wide range of dimensions. For this reason, the approach of understanding how individuals perceived their working relationship with the other half of the dyad needs to be broader. This study uses semi-structured interviews in a longitudinal study. The interview questions were related to theory but did not ask the type of specific questions that occur in quantitative data collection tools. By not using a specific tool or construct, differences in what was important to leaders and followers could emerge naturally without biasing results towards leader or follower criteria.

3.3.1.3 Dominance of quantitative research in the field

Much of the research in both the fields of interpersonal trust and leadership has come from a psychological background, traditionally using positivist approaches. This has meant that work is dominated by quantitative research methods (see Stentz et al., 2012). For leadership research, this trend has seen journals such as *The Leadership Quarterly* reduce the number of articles that it publishes which take a mixed-methods or qualitative approach, with three times as many quantitative to qualitative/mixed methods studies in 2009 (Gardner, Lowe, Moss, Mahoney, and Coglisier, 2010). Balancing influences have appeared in the last decade, in journals that focus on mixed methodology research or qualitative work, such as “*Qualitative Research in Management*”; “*The International Journal of Qualitative Methods*” and “*Qualitative Research Journal*.” The majority of leadership publications, however, remain quantitative and positivist in their approach.

Whilst quantitative research using surveys or structured interviews can be useful in confirming the extent to which a theory or model is applicable to a given context, it can't allow new theories to emerge as there is no mechanism for respondents to explain their perspectives (King, 2004). Qualitative research however, allows for exploratory work to be undertaken and for new themes, theories or models to be developed (Malterud, 2001). For this reason, a qualitative approach has been chosen for this research as it allows the issue of how relationship quality develops to be explored from the participants' perspectives.

To summarize, the issues in the literature are: 1) the difficulty in finding common conceptualizations of leadership and interpersonal trust; 2) practical and empirical issues in capturing the perceptions of a relationship; 3) the dominance of quantitative literature in the field, which means that new concepts cannot emerge easily from the data. The qualitative methodology adopted for this project allows for the perceptions of leaders and followers to be elicited independently so that the factors that were pertinent to each part of the dyad could appear naturally without one set of criteria or another being imposed on their recollections and perceptions. The next sections of this chapter describe how the research was designed, including the choice of context before moving on to describe and discuss research and data analysis processes.

3.4 Research Design

This project is about understanding how the quality of a relationship between a leader and follower develops in the workplace. From a realist perspective, this is exploring

relationships at a number of levels (the individual, the dyad, the organization and the industrial setting) and understanding how context informs and influences those relationships. The study uses a number of frameworks for relational leadership and interpersonal trust to try to capture the dimensions involved in developing relationship quality. However, this is not to 'prove' that particular dimensions apply, rather, the aim is to see which (if any) are relevant and to allow the perceptions of participants in the study to emerge.

This means that a qualitative data collection process is required, which accounts for how individuals feel, how dyadic pairs relate and how context is perceived to make a difference to the relationship quality development process. King (2004) describes how a realist approach to qualitative interviewing assumes "that the accounts participants produce in interviews bear a direct relationship to their 'real' experiences in the world beyond the interview situation" and that the similarities or differences between dyads, allow generalizations about the sample to be made (King, 2004:12). In order to allow these perceptions to emerge, a semi-structured interview approach is needed as this allows different levels of meaning to be explored (King, 2014). The interviews will contain open ended questions which are informed by theory but which are broad enough to allow participants to take their own interpretation of the question and explore their own feelings (Malterud, 2001).

The project is looking at relationship development over time. This approach requires a longitudinal study, so that changes in perceptions of relationship quality can be captured as relations develop. Ideally, relationships would be captured as close as possible to the day that they started. However, the context of the study (see below) and the nature of gaining access in closed groups makes this difficult to guarantee. Therefore a limit will be placed on the data collection process whereby all participants must have been in their leader-follower relationships for no more than 6 months. This time limit responds to research that suggests that relationships stabilize by the time they reach 6-9 months (Nahrgang et al., 2009). Having relationships that are younger than this in the sample should hopefully mean that they are still in a development phase and changes in relationship quality are still taking place. An additional benefit of having relationships that are more than a few weeks old is that this allows the stabilization period of relationships to be challenged.

The realist perspective will also inform how the data is analysed. In this case, the plan is to use qualitative and quantitative analysis methods. The qualitative thematic coding allows patterns in the data to be seen, which helps with theory-building and supports sense making from the information that participants have given (Tracy, 2013). In addition, using quantitative, summary data from the qualitative data also allows patterns across the data to emerge and helps the researcher to look for how strong associations in the data appear to be (Schilling, 2009). For these reasons, the data will be analysed using qualitative and quantitative approaches; these are described in more detail in the data analysis section of this chapter.

Finally, this study argues that context shapes and informs relationships and that this occurs at a number of levels (Markham, 2010). This study is looking at hi-tech start-ups, an environment which is very different to the corporate context which has often been used for leadership and trust research. The context of this study was explained in some detail in the introduction, it is summarised in the sub-section below.

3.4.1 Choice of Context

The research method choices flow from the research design and are described in section 3.5. First however, the research context where the data collection occurred is described. This is because some of the methods choices made were dictated by the type of context being explored.

Much of the empirical research for the fields of leadership and trust has been conducted in corporate environments, often in the USA, predominantly using white, male participants (Ayman and Korabik, 2010). It is interesting, therefore to explore whether theories that were formed from research in that environment would apply to a context that is fundamentally different in how it operates. Start-up organizations exist in a different environment to the corporate world, having little or no stability with a 90% failure-rate and their environment is fast-paced and insecure (Baldwin 2014). For that reason, the Hi-Tech, Start-up environs in the UK was selected for this study.

London's hi-tech, startup environment, is considered to be one of the major startup hubs, world-wide (Solon, 2012). London, however, is not the only focus for startup activity in the UK; cities such as Birmingham, Manchester, Leeds and Newcastle are also developing networks of investment and technical support to encourage entrepreneurial activity (Baldwin 2014). Given that this study explores how context influences

relationship quality development, I chose to compare the start-up experience for firms in London with Newcastle-upon-Tyne. Newcastle was selected through the snowballing sampling process that is described later in this chapter. The approach for identifying the type of study, the interview processes and access to the sample are described in the next section: Research Processes, followed by an explanation of the data analysis processes and write-up for the thesis.

3.5 Research Methods

Building from the realist perspective, this section starts with a description of the type of study undertaken. The methodological choices in this study are outlined, from development of the interview question content, piloting the interviews and then gaining access to participants. The process of snowballing sampling used in the study is explained along with the issues that arose.

3.5.1 Type of Study

This was a longitudinal, multiple-dyad study, the focus of which was hi-tech startups. A sample of firms was drawn from London and in Newcastle-upon-Tyne. Each firm that participated in the study contained at least one leader-follower relationship. The dyads each focused on one relationship, so that by understanding each pair, the data would provide information about the experience of running or working in a hi-tech start-up (Stake 2006). This approach was chosen because it provides the basis for in-depth exploration of the issues within the research context and the topic (how relational leadership and interpersonal trust between leaders and followers develops for a given context, so that relationship quality can be described). In particular, this methodology allows for the differences between and within dyads to be explored in order to see whether the constituent dimensions of the DRQ model appeared to be relevant to this group of firms. This also means that generalizations can be proposed across a population if sufficient cases are available for comparison

A longitudinal study was required to explore the process of relationship development. A single point of data collection would provide a snapshot of the quality of relationships at that moment in time but could not provide information about how or why relationship quality might change during the first year of its development. The longitudinal approach allows the process of relational development to be captured. This has the drawback of being time-expensive to conduct which explains why there is relatively less longitudinal research than cross-sectional work; it does however provide for an interactive approach, which can be valuable to researcher and participants alike (Thomson and Holland,

2003). The unit of analysis for this study was each individual's perception of the relationship; these perceptions were gathered using semi-structured interviews. The process for developing that content is considered next before moving onto piloting, sampling and data gathering processes.

3.5.2 Semi structured interviews

Interview questions for three time points were constructed using the DRQ model as a guide for content in order to capture how relationships were developing and changing. Semi-structured interviews were chosen over exploratory questions as the pilot work had ensured that I was already familiar with the context being studied (Leech 2002). Prompts and clarifying questions were used to elicit explanations, within a framework of uniform questions that were the same for managers and employees within firms and between organizations. This ensured that conversations could flow naturally and that the response structure would be similar enough to allow for comparisons during data analysis. The content of the interview questions was theory-led as described below.

3.5.2.1 Developing interview question content

The questions used for each of the three interviews needed to be broad enough not to lead or suggest responses and at the same time to relate to the theories contained within DRQ. The use of the word 'trust' was avoided as this emotionally charges an interview and potentially creates bias either towards or against the object of the subject's responses (Lyon et al. 2012). Likewise, although this study was exploring relationship quality, this phrase was avoided so that there were no leading questions on the topic. Therefore, open phrases such as "How would you describe your working relationship at this moment in time?" or "What happens if anything goes wrong with your work?" were developed. Given the breadth of DRQ and my desire to capture contextual influences, the questions changed slightly between the three time points so that full theoretical coverage of DRQ was possible. The question topics are summarized in Table 3 below where for instance, the topic of first impressions arises in each of the interview time points. In the first interview respondents were asked to retrospectively recall their first impressions of the other party. In the second and third time point interviews, respondents were asked if those first impressions had remained stable and what impact participants felt they had had on the relationship.

There were a maximum of 16 questions per interview; sufficient for an in-depth conversation without being onerous or exhausting for interviewer or interviewee. Although these questions have been grouped into theoretical headings here, it should be

noted that there is crossover both in the questions and the responses they elicited. For instance questions about what either side valued about the other indicates levels of trust and attitudes towards relational leadership as well as indicating perceptions of relationship quality (See Appendix 1 for the questions used for each interview phase and how these related to theoretical dimensions of DRQ)

Table 3 - Question Content over three phases

	Time 1	Time 2	Time 3
Initial interactions	First impressions and an incident that describes how accurate/inaccurate these were	Have first impressions still held/not held? Have they influenced the relationship?	Have first impressions still held/not held? Have they influenced the relationship?
Interpersonal Trust and Relational Leadership	Questions about reliance, disclosure, dealing with negative situations, is the relationship two-way/equal	How does either contribute to the relationship, what behaviours evidence this? What does either side contribute?	Questions about reliance, disclosure. How does either contribute to the relationship, what behaviours evidence this?
Relationship Quality	Can you sum up your relationship now? What does either side value about the other?	CIT – incidents where the relationship worked really well/was really stretched	CIT – incidents where the relationship worked really well/was really stretched, behaviours that indicate relationship quality?
Context	Asking about personal background, work history, general questions on “the IT world”	Any changes or developments? Organizational contextual influences: – HR, policies procedures, the start-up environment, external factors that influence the relationship? Does being in London/ Newcastle make a difference?	What changes or developments have there been? Questions about organizational management – influence on working relationship? Question on start-up environment and influence on relationship.

The structure of the questions aimed to facilitate a comparison between responses from data collection points. This meant that common themes ran through the questions at each data collection point. These common themes included: initial interactions, relational leadership and interpersonal trust, behaviours, overall relationship quality and contextual factors. All interviews were digitally recorded and transcribed before being analyzed (see Data Analysis below). They lasted between 30 and ninety minutes in length with leaders typically speaking for longer than followers. Before data gathering began, the questions were piloted as described below.

3.5.2.2 The piloting process

There were two piloting phases. The first took place with IT-knowledge workers in two different corporate banks with head offices based in London. Two dyads took part in this process, each answering questions at one time point. The interviews lasted for 45-90 minutes. The results of this pilot phase suggested that the questions were easily understood by respondents, provided answers that related well to the theory being explored and produced in-depth responses so that the data generated would be sufficient for the full study.

The second piloting phase was with members of the police force so that I could judge what a completely different audience would take from the questions. One dyad was used for all three sets of questions. Again, interviews lasted around 45 minutes, and respondents reported that they found the questions straightforward to answer, that they made sense for their working environment and that they were comfortable with the content of the questions and discussing their leader/follower. The next step in the study was to gain access to the sample, in this case, hi-tech startup leaders and their staff.

3.5.3 Sampling strategy

The hi-tech start-up environment is a highly networked and relatively closed community, where personal connections and introductions are the main method of getting to know individuals. In this context, a snowball sampling strategy was used to gain entry and make enough new contacts within it to gather sufficient data for the thesis. Snowballing is defined as a technique for finding research subjects where “One subject gives the researcher the name of another subject, who in turn provides the name of a third, and so on “ (Vogt 1999). The initial contact for this research came through a family member; from this point, additional links and network connections were made.

As a technique for finding research subjects, snowballing is used to conduct qualitative, often longitudinal, interview-based research where respondents are either limited in their numbers or gaining entry requires a level of trust (Atkinson and Flint, 2001; Bammens and Collewaert, 2012; Browne, 2005). Whilst this has a number of advantages, there are difficulties with this approach.

3.5.3.1 Snowballing and sampling issues

The issue with snowballing is that the sample used for research is unlikely to be representative of the entire population; Atkinson and Flint, (2001) describe how this approach necessarily involves three types of bias. (1) The sample is not randomly drawn; claims to sample representation and generalization will not therefore be possible. (2) The inclusion of existing members of social networks might over emphasize the inclusivity of the group. This means that those isolated from this network are therefore excluded from the research, despite still being part of population being investigated. (3) Gatekeeper bias is likely to occur, where those who provide access might themselves preclude or sway the direction of sampling either to protect prospective participants or the researcher.

In order to reduce these bias problems, additional links or chains that were independent were explored. By asking each new participating firm if they would be happy to make further recommendations to their contacts, a slightly different, new set of respondents was opened up after each set of interviews. This was especially so when talking to accelerator organizations. These groups have wide networks and as such were able to offer a sample that was geographically diverse (Newcastle as opposed to London) which meant that a broader sample could be explored. Whilst this broader sample structure, could not ensure generalizability, or guarantee that 'outsiders' from social networks were included, it did mean that observations across geographical bases could be made; it also reduced gatekeeper bias by increasing the number of gatekeepers involved. Once access was achieved, semi-structured interviews were used to gather the data. The content and types of questions employed are described below.

3.5.3.2 The data sample

In total, seventy-two interviews of entrepreneurs, employees, investors and support agencies were taken for this project. Sixty of these were used for the data analysis and reporting. The remainder of the interviews either occurred for relationships that were over one year old, or contained contextual information, which was useful for my own background information, but didn't relate directly to the study. For the twelve relationships studied here, the first interaction between leader and follower was the recruitment interview, which took place before my data collection began. All twelve of these conversations had gone well and the interviewee had been hired. There was no access to interviews that had gone badly, or to unsuccessful candidates. This means that all twelve relationships had positive beginnings. In each of the 12 relationships, I

was introduced to the leader from another entrepreneur or an investor and that leader selected the follower. My initial concern was that this would mean the sample was biased entirely towards positive relationships, however, as the results chapters demonstrate, whilst most of the relationships did develop well, two became very negative and a further four were ambivalent by the end of the data collection period.

Two, three or four interviews of each leader and follower took place during the research period (August 2013 to August 2014). All of these 21 participants were based in Hi-Tech Startup organizations, where leader-follower relationships were less than a year old. Table 2 below shows the number of firms and individuals who participated in this longitudinal study and how long the leader-follower relationship had been in existence at the various data collection points. Not all of these relationships lasted six months; two individuals (Maddie and Les) left their firms before the data collection process was complete, which meant that the corresponding leader/follower interviews were cancelled. Ken and Lloyd did the first and final interviews only, as Lloyd was abroad when the second data collection interview was due to take place. All of the interviews were digitally recorded with the respondents' permissions and the transcribed interviews were returned to participants so that they could confirm their accuracy.

To summarize the methodological choices, this is a longitudinal, multi-case study, which used snowballing as its data sampling strategy. The sample comprised 8 firms, within which twelve leader-follower relationships were studied. Five of the organizations were drawn from the hi-tech start-up communities in London, three more came from Newcastle-upon-Tyne, although one subsequently relocated to the Capital. The data was collected using semi-structured interviews over the course of a twelve-month period so that changes in the relationships between new leaders and followers could be captured. In this respect, the question content covered all aspects of DRQ and contained common question themes so that responses could be compared between data collection points. The next section describes how the data was analyzed and research rigour and quality maintained

Table 4 - Leader-follower longitudinal data sample

Firm Ref	Respondent	Based in:	Sex	Age	Nat	Role	L/ F	up to 1 month	2-5 months	6-9 months	10-13 months	over 13 months	Interviews conducted
1	Lance	London	M	32	US	CEO	L	✓	✓	✓	✓		4
	Adrian		M	24	UK	SE	F	✓	✓	✓	✓		4
	Bill		M	28	ITA	SE	F	✓	✓	✓			3
	Chris		M	26	UK	SE	F	✓	✓	✓			3
2	Les	London	M	32	US	CTO	L		✓	✓			2
	Dave		M	28	UK	SE	F		✓	✓			2
	Leon		M	27	UK	CEO	L		✓	✓	✓		3
	Edward		M	36	UK	CMO	F		✓	✓	✓		3
3	Leopold	Newcastle	M	22	UK	CEO	L		✓	✓	✓		3
	Fred		M	30	UK	SE	F		✓	✓	✓		3
4	Lorenzo	Newcastle then	F	42	UK	CEO	L		✓	✓	✓		3
	Gail	London	M	28	UK	Sales	F		✓	✓	✓		3
5	Leopold	Newcastle	M	28	UK	CEO	L		✓	✓	✓		3
	Harry		M	23	Lat	SE	F		✓	✓	✓		3
6	Lisa	London	F	26	UK	CEO	L			✓	✓	✓	3
	Izzy		F	26	UK	PR	F			✓	✓	✓	3
7	Lois	London	F	34	UK	CEO	L			✓	✓	✓	3
	Jeremy		M	29	UK	PR	F			✓	✓	✓	3
8	Lloyd	London	M	32	UK	CEO	L		✓	✓		✓	3
	Ken		M	29	UK	Sales	F			✓		✓	2
	Maddie		F	25	IRE	Sales	F		✓				1

Overview:
 Followers: 12
 Leaders: 9
 Interviews coded: 60
 Firms in Newcastle: 2
 Firms in London: 6
 Total participants: 21

KEY:
 Roles:
 CEO- Chief Executive Officer
 CMO- Chief Marketing Officer
 CTO- Chief Technical Officer

 SE = Software Engineer
 PR = Public Relations

 L = Leader
 F = Follower

3.6 Data Analysis Processes

This thesis used both qualitative and quantitative analysis methods so that the rich understanding of the interviews could be preserved and the overview that quantitative data offers could be added to this picture (e.g. Schilling, 2009). The section below reflects this process dealing first with the use of computer software to assist in thematic content analysis, secondly describing the process for taking quantitative results from the qualitative data and finally detailing how these were brought together to gain a full sense of the narrative of relationship development for the hi-tech companies in this study.

3.6.1 Thematic content analysis Using Computer-aided qualitative data analysis software (CAQDAS)

Qualitative content analysis can be defined as “an approach of empirical, methodological controlled analysis of texts within their context of communication, following content analytic rules and step by step models, without rash quantification” (Schilling, 2006:28). This allows theoretical issues to be tested by building conceptual categories that describe the phenomenon at hand (Elo and Kyngäs, 2008). For this thesis, computer software was used to assist with this analysis.

CAQDAS is database software that allows text, video, picture and sound files to be uploaded (Tracy, 2013). Once transcribed files are stored, the software (in this case “Atlas.ti”) can be used to analyse the interviews. This software is useful in allowing researchers to see how codes are linked and where networks of codes occur in the material. Atlas.ti also provides frequencies for how often codes have been used by individuals and groups of respondents (e.g. leaders or followers) and shows where codes have co-occurred in the material (i.e. where one quotation has two or more codes associated with it). The co-occurrences can be reported in the form of frequencies (how often two codes appear for one section of text) or with a coding co-occurrence coefficient. The co-occurrence co-efficient has similar uses to a correlation co-efficient, showing the strength of an association between two codes or themes. Co-occurrence does not imply that a causal relationship exists. For instance, there were 31 occasions where ‘communication’ and ‘performance’ co-occurred in the data, but this does not imply that communication influences performance, only that the two concepts are associated in this dataset.

Before analysis began, a decision needed to be made in terms of the unit of analysis; whether it was each word, or phrase or page of the transcribed interviews that was being assessed for meaning. I wanted to track participants across the early stages of their working relationship to see how their perception of leader-follower relationships might have changed and whether the concepts that emerged from subsequent interviews altered or remained constant. I made the decision to analyse the data by phrase rather than by individual words or by larger units of material. This decision stemmed from the respondents' answers. For instance, particular phrases appeared frequently when giving reasons for working with an employer. These included: "I'm not here for the money" or "I don't get paid enough to put up with this." This suggested that analysis by phrase would be the most appropriate in allowing me to appreciate the sense of what was being communicated. This is also consistent with common practice when thematically analyzing qualitative material (e.g. Schilling, 2009; Tracy, 2013; Wallis et al. 2011).

3.6.2 The coding process

In order to analyse the interviews, inductive codes were created from the transcribed conversations. I developed the initial, descriptive (in-vivo) codes by reading and re-reading the interviews to gain a sense of what the most obvious issues were in the data. This process created 294 codes, which were grouped into 20 code families with titles that came inductively from the data (such as 'behaviours' or 'business culture'). I then went back and re-read the interviews to look and listen for anything that didn't fit these preliminary code families. Using this iterative, constant comparison method between the data in each code is circular and time consuming to develop but helps to maintain tight definitions in each code word so that confusion and imprecise categorizations can be avoided (Tracy, 2013). The Atlas software assisted with this, it allowed for notes on each code and family to be created so that precise definitions of what each code/family should and should not contain could be referred to where necessary. This helped maintain rigour in analysis process.

The 20 code families were then synthesized and grouped and related back to the theoretical construct of DRQ to look for fit between the experiences of respondents and how theory suggests that these relationships might work (e.g. Wallis et al. 2011). This second, iterative process resulted in 14 dimensions being identified in the data. The Table of how the codes fitted to the theoretical model is available in Appendix 3.

Coding verification was carried out to ensure consistency and accuracy in interpreting the qualitative material. A fellow PhD student chose a random sample of 17% of interviews and applied the 304 codes, where relevant, to the interview material (e.g. Schilling, 2009; Wallis et al. 2011). The coding decisions that we had both made were then checked; there was an accuracy level of 92.51% between my coding decisions and those of my fellow student.

The results were then reported, following the structure of the proposed DRQ relationship development model. Quotations were used to illustrate where theory and data converged or diverged. These were selected for the results either through a code search on a particular topic (e.g. initial impressions) or because during the coding process particular statements stood out as relating to issues in the theory and were retrieved for that purpose. In addition, frequencies and co-occurrence data were used to gain a bigger picture overall. This helps prevent bias in reporting by being influenced by “untypical statements because they are unusual, vivid, or surprising” (Schilling, 2009:109). At this point, I needed to quantify the qualitative data.

From a realist, objectivist perspective, taking numbers from non-numerical data allows the researcher an overview of the data from which regularities or irregularities can be seen, to help determine patterns and potentially test hypotheses by finding relationships between phenomena (Maxwell 2011). Maxwell offers a set of cautions when treating qualitative data to quantitative processes. The first of these is to ensure that context is not lost; qualitative data is embedded in context, this must be preserved. Secondly, there might be a temptation to impose a variance approach to the results, looking for linear relationships where they do not exist in the material. Thirdly, numbers provide precision but cannot ensure validity, “the use of numbers is a legitimate and valuable strategy for qualitative researchers when it is used as a complement to an overall process orientation to the research” (Maxwell, 2011:480).

Whilst Maxwell is helpful in pointing out pitfalls, he offers no models or solutions to avoiding them. Because this empirical study is aiming to explore how relationships develop, to see whether this development process suggested by DRQ (my theoretical model) holds true in the field, it would not be appropriate to create hypotheses to prove or disprove. Rather the use of quantitative results help distinguish patterns from the qualitative data, to see whether the relationship development process looks similar to

DRQ and to identify where future research could go from this point onwards. The quantitative methods used to analyze the data are described below.

3.6.3 Quantifying qualitative data

From a realist, perspective, taking numbers from non-numerical data allows the researcher an overview of the data from which regularities or irregularities can be seen, to help determine patterns and potentially test hypotheses by finding relationships between phenomena (Maxwell 2011). Maxwell offers a set of cautions when treating qualitative data to quantitative processes. The first of these is to ensure that context is not lost; qualitative data is embedded in context, this must be preserved. Secondly, there might be a temptation to impose a variance approach to the results, looking for linear relationships where they do not exist in the material. Thirdly, numbers provide precision but cannot ensure validity, “the use of numbers is a legitimate and valuable strategy for qualitative researchers when it is used as a complement to an overall process orientation to the research” (Maxwell, 2011:480).

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3.6.3.1 Descriptive frequencies and code co-occurrences

Frequencies were drawn from the material which showed how often particular types of category appeared in the data. This allowed results to remain contextualized and for patterns across the data to be identifiable. Each construct in the results section is subdivided into the code families that are applicable and for each of these a table of frequencies is provided. These show how often a set of codes for any given code family appears, over time. These frequencies help distinguish between data that stands out qualitatively because it has interesting or surprising quotations from the overall picture of how often such a phenomenon occurred over the whole of the study.

Once this phase of analysis was complete, a matrix of code-co-occurrence frequencies was drawn up which allowed for a comparison of results for each of the fourteen

dimensions (see Table 3). This meant that patterns where codes co-occurred in the data were visible, showing which themes were lined in the data and how strong their association was. Recourse to theory and to qualitative material made sense of these numbers and enhanced their interpretation. The final quantitative process involved multi-dimensional scaling analysis in SPSS.

Table 5 - Frequencies where dimensions co-occurred in the data

	Antecedents	Communication	ESLMX	InitialIm	GeoContext	IL	IndustContext	LMXIDM	OrgContext	Performance	RQ	Tstatements	Tbehaviours	Tworthiness
Antecedents	0	0	5	6	0	3	0	6	6	0	0	1	2	2
Communication		0	31	3	1	51	13	66	36	21	17	6	35	32
Economic and Social LMX			0	1	4	86	80	148	63	74	15	5	72	58
Initial Impressions				0	0	4	0	10	8	0	0	4	1	5
GeoContext					0	0	19	0	1	4	0	0	0	1
Individualised Leadership						0	26	110	51	56	16	14	49	71
IndustContext							0	52	75	33	13	8	34	24
Multi-dimensional LMX								0	71	105	39	17	140	99
OrgContext									0	28	6	4	70	35
Performance										0	7	3	45	26
RQ											0	6	17	16
Trust statements												0	11	43
Trust behaviours													0	70
Trustworthiness														0

3.6.4 Multi-Dimensional Scaling (MDS)

Multi-dimensional scaling (MDS) is a useful tool to help describe what theoretical dimensions might apply to data (Giguère 2006). Giguère explains how MDS was developed in the 1950s in the psychophysical field; this technique is used to determine the distances between points in the data and gives a visual representation of that data in the form of a plot or graph (Marcussen 2014). This technique allows researchers to see how similar or dissimilar one concept is from another in a data set and thereby helps to “systemize data in areas where organizing concepts and underlying dimensions are not well developed” (Schiffman, Reynolds and Young, 1981:3). Whilst in psychology-based research this is often used to confirm hypotheses (not appropriate for my study), it can also identify how concepts are grouped. The technique was useful for this project, as the

qualitative analysis had resulted in 14 main themes or dimensions in the data and using MDS allowed me to explore whether the theoretical interpretation I had taken from the qualitative results could be supported statistically. In this multiple-case study, the data takes the form of frequencies drawn from qualitative material, rather than results from quantitative, experimental data. For this reason, the non-metric form of MDS (non-metric MDS) was employed (see Schilling 2009). Table 3 represents the data entered into SPSS; the process of carrying out the tests is described below.

The scaling analysis was carried out in SPSS (version 22), and involved two tests: the first to determine the optimum number of dimensions for the data, the second using these dimensions to look for spatial links between the dimensions of DRQ (Giguère, 2006). A PROXSCAL test was conducted where the model used interval data to carry out proximity transformations. MDS can be performed on data that is dissimilar or similar; as the data entered was a set of frequencies where the data co-occurred, the option to perform the calculation on similarities was chosen. SPSS looks for the optimum number of dimensions to describe relationships between the data. In order to do this, the software was set to look for a number of dimensions between 2 and 13. A second test was then carried out to show the common space plot (a graph of how the data points relate to each other).

3.6.4.1 Interpreting MDS results

There are three outputs from PROXSCAL MDS tests to be interpreted. These are: 1) the STRESS figures, which describe how well the data fits the model being produced are provide; 2) the scree plot for dimensions and 3) the common space plot. Giguère (2006) offers a useful description of each of these types of outputs and their interpretations are described below.

1. The stress tests have a range of .20 (poor fit) to 0 (perfect fit) (Giguère 2006:34), the closer results are to zero, therefore, the better the fit of the model to the data.
2. The Scree Plot shows the amount of stress that each additional dimension reduces from the model. The dimension that creates the greatest reduction in stress is the optimal number of dimensions for the model
3. The common space plot is a graphical representation of the configuration of the data entered into the test. Care has to be taken when interpreting the dimensions and ascribing meaning to the Y and X axes, especially given that the data was non-metric. However, the data can also be inspected for clusters of categories (Schilling, 2009). The identification of clusters and interpretation of

the axes (dimensions) allows researchers to look for theoretical patterns in the data and to draw conclusions from these patterns (Marcussen, 2014).

This final form of data analysis provides statistical confirmation or challenge to the qualitative conclusions that have already been drawn from the data. The next stage in the analysis and interpretation process is to bring together qualitative and quantitative results and to make sense of these as a whole.

3.6.5 Making sense of Qualitative and Quantitative Data

Bringing qualitative and quantitative results together gives precision to statements about how frequently phenomena appear; quantitative data therefore support or are complementary to qualitative data but do not substitute for it (Maxwell, 2010).

In summary to this section, the data was subjected to two treatments in terms of analysis: firstly, qualitative thematic content analysis was conducted. From the results of this process, quantitative analysis of the frequencies and an MDS process was used to gain a broad picture of the results. After analysis, the two sets of results were brought together to gain a sense of the data overall and the messages that it contained.

Throughout the study, it was important to ensure that the research process was rigorous and that quality was maintained. The chapter now returns to Tracy's Eight Big Tent criteria to discuss the dimensions that apply to this chapter before concluding remarks are made.

3.6.6 Ensuring Research Rigour

In response to the need for a universal quality standard for qualitative research, Tracy (2010) developed an overarching set of quality criteria. These eight aspects of rigour for qualitative research (listed in the introduction chapter) aim to unify qualitative methodologies and to encompass them within one "Big Tent". The criteria that apply to this chapter below are research rigour, sincerity and credibility.

3.6.6.1 Research rigour, credibility, sincerity and ethical consideration

Tracy (2010; 2013) describes a number of markers for attaining research rigour, credibility and sincerity. Among these is that the researcher uses theoretical constructs that are appropriate and applicable to the study; sufficient time should be spent in the field partly to gain the trust of participants and gather a large enough amount of data. In addition, context of the study should be appropriate and data collection and analyses

processes should be transparent and well explained. To be credible, thick, multi-vocal descriptions are required that demonstrate what has been learnt and transparency allows the researcher to demonstrate sincerity. Below is an explanation of how these criteria have been met.

The theoretical constructs used in this study are represented in the DRQ model, which combines five aspects of leadership and three for trust and looks at these within the context of Hi-Tech, Start-ups. The literature chapter and the section in this chapter about methodological issues in the field demonstrate not only that this is a complex field of enquiry, but also that the longitudinal research design for this project is appropriate for a study about research development.

The time spent in the field is indicated by the interviews conducted every 3 months with each dyad over a 12-month period. For most leader-follower pairs I had three interviews to determine how they were interacting and the influence of the environment they worked in. Additionally, I conducted interviews with investors and entrepreneurs in London and Newcastle who were interested in the project but didn't have newly recruited team members. These additional interviews weren't analyzed for the project, as they didn't fit the research design, but they provided an invaluable perspective of the world of Hi-tech start-ups which informed my questions and interpretation of results. This meant that I was confident that the context was appropriate for this study and that the results demonstrate a credible depth of detail and complexity.

This research used multiple forms of analysis; the qualitative recording of results aimed not only to explicate how a theoretical model was developing but also to allow the voices of participants and their experiences to be heard. This rich description including the acknowledgement of contextual influences aimed to build a detailed picture of the lived work-place experience of participants. Finally, this methodology chapter aspired to document and explain research design, data collection and analysis processes in a transparent format. This transparency also contributes to the sincerity of this project; areas for further research are signposted throughout the study and its limitations are discussed in the final chapter. A summary of how this entire thesis meets Tracy's (2010; 2013) criteria for quality in qualitative research is provided in the concluding chapter.

Ethical Considerations

This study gained university ethics approval through offering confidentiality and anonymity to all participants. I took great care to protect the confidentiality and emotional welfare of all participants in this research through a number of processes.

At the start of the first interview with all participants, I described my background, briefly, and the fact that the research was looking into how leader-follower relationships developed. Participants knew that I had come to the PhD through a consultancy process and a desire to understand these relationships more clearly. I also explained the process for the research in that I was there to understand their perceptions of relationships rather than to work with them on a consultancy basis. All participants were made aware that the interviews were completely confidential, that none of their thoughts or feelings would be shared with either their leader/follower and that none of their quotes would be attributed to themselves or recognizable to a third party. The process of data collection was explained at the outset with each participant, confidentiality was maintained by taking non-work email addresses so that transcripts could be sent to respondents for their comment or amendment in private. All data was anonymized so that no company or individual was identifiable.

The interview process was designed to elicit information without causing distress. However, there was one occasion where Maddy became upset when relating her feelings about Lloyd and the company in general. In this case, I offered her information about external support services (relating to HR and counseling). I have training in counselling and am an NLP practitioner. These skills and experiences were used during interviews. I ensured that if participants related negative experiences, the interview didn't end until they were in a positive frame of mind, the conversation had moved onto neutral subjects and I felt that they were in a position of equilibrium. All participants had follow-up emails and/or phone calls after each interview to ensure that they were comfortable with our conversations and to give them a chance to talk if they felt the need; none of the participants expressed concern or wanted to talk on these occasions. Indeed, many participants thanked me for the opportunity to talk and reflect and stated that they had found the conversation helpful.

I am also aware that the process of interviewing both parts of a dyad could influence how the pair related. Occasionally leaders asked how their followers had responded to questions. I made it clear on all occasions that I would not discuss anything that was said by the other party. If leaders or followers had concerns about HR or processes or

systems, I was careful not to offer opinions, but to affirm their perceptions using phrases such as “I understand your position” or “I can see why you feel that way” and reflecting back their feelings without passing comment or judgement on the information I was being given. This contributes to the Ethical Considerations element of Tracy’s (2010) eight big tent criteria.

3.7 Conclusion

This methodology sought to explain how the research questions around DRQ could best be answered and the choices that had been made to facilitate the research process. The starting point for the empirical project was the model of DRQ, developed in the literature chapter. This linked relational leadership and interpersonal trust theories embedded within contextual influences to try to understand how the quality of leader-follower relationships develops. This process needed to identify which theories were relevant to the process, which dimensions of each theory might be redundant and how context influenced the development process. From this, a model for describing relationship quality could be formed.

This project sits within an objectivist ontology and realist epistemology. This philosophical position supports both qualitative and quantitative research, viewing the world as multi-layered with objectified, external entities, which are viewed subjectively by individual actors. From here, a longitudinal, instrumental, multi-case study allowed the DRQ model to be explored through the words of leaders and followers in the hi-tech startup environment. These views were gathered through semi-structured interviews, which aimed to reveal how relationships were represented in the physical workspaces.

Research rigour was measured using Tracy’s (2010) Big Tent Eight criteria. This thesis met Tracy’s quality assurance process an in-depth study of 8 companies meant that rich, credible data could be collected and analyzed using rigorous methods that were transparent, in a manner that was ethical. The data analysis was conducted using CAQDAS (in this case Atlas.ti) as it allowed thematic content analysis codes to be developed from the interview data and to be applied to photographic evidence. This software also enabled quantitative analysis processes to be used to find ‘big picture’ patterns and put numbers to the meanings that came from the data collection process.

The results referred to in this chapter are detailed in the next part of this thesis, the Results Chapter where the data is related back to the literature. The thesis concludes

with the Implications for Theory and Practice chapter, which draws the project together and describes routes forward for further research in this field.

4 Results of Relationship Beginnings and Interpersonal Trust

This is the first of three results chapters, which looks at the beginnings of leader-follower relationships and the role of interpersonal trust. This accounts for the antecedents that leaders and followers bring to the relationship, the retrospective view of first impressions and how trust was working during the initial impressions that leaders and followers took from each other. The second results chapter looks at relationship dynamics and the outcomes of the relationship development process. This examines the dimensions of each of the five relational leadership theories and trust to understand how these dimensions appear to interact and where any are redundant. Finally, the third chapter reports the results of multi-dimensional scaling analysis. All leader pseudonyms begin with the letter 'L' (e.g. Leon or Lisa) and all other names (beginning with any letter but 'L') denote that followers are speaking. The literature is discussed alongside the presentation of results, using a braided approach (see Tracy, 2013) in order to demonstrate the interwoven nature of trust, leadership and context that appears in the data. In order to present the findings of this thesis using the theoretical perspectives of relational leadership and trust, I return first to the questions of the study.

4.1.1. Returning to the question

This thesis addresses the research question of how trust and relational leadership interact; it offers a model to describe the development of leader-follower-relationship quality and to explain how context impacts on these relations. The main research question for this thesis then is: *How do leader-follower relationships develop into high or low relationship quality?*

In order to resolve this question, four sub-questions require answers:

1. Which forms of relational leadership can we use to explain more of leader-follower interactions than LMX allows for (e.g. Bernerth et al. 2007)?
2. How does trust interact with relational leadership (e.g. Burke et al., 2007)?
3. How does context influence leader and follower relations (Shamir, 2013).
4. How should relationship quality be described or defined? (e.g. Bernerth et al. 2007; Sheer 2014; Ikonen 2014).

4.1.2 Qualitative results and analysis

This chapter presents the findings of the research using braided description (Tracy 2013): individual accounts of interviewees, the fortunes of the companies in which they

worked and the process of relationship development itself within the dyad are interwoven to provide a picture of dyadic relationship development (see Goodall, 2012; Patterson, McAuley, and Fleet, 2012). The context of Hi-Tech start-ups influences relationships at every stage; from those who self-select to be in that type of working environment, to a willingness to tolerate unstable prospects and short term pecuniary disadvantage for potential long term gains and an exciting, if often chaotic, fast-paced working life. The subjective experiences of relations in this environment are interwoven with numerical information from the dataset; quantitative material is used as a backdrop to individual experiences of relationship development.

4.1.3 The development of DRQ

The literature chapter suggested a structure for the DRQ relationship development process (see Figure 13 below). As the empirical work undertaken aimed to discover whether this theoretical process applied to lived workplace experiences, this is the structure that has been taken for the results.

This results chapter deals with relationship beginnings: starting with antecedents, the initial interactions and an assessment of trustworthiness. Here, leaders and followers bring antecedents to the relationship before initial interactions take place when they first meet. The dyad then assesses the trustworthiness of the other before moving on to negotiate their roles. The results are presented using quotations and tables of frequencies.

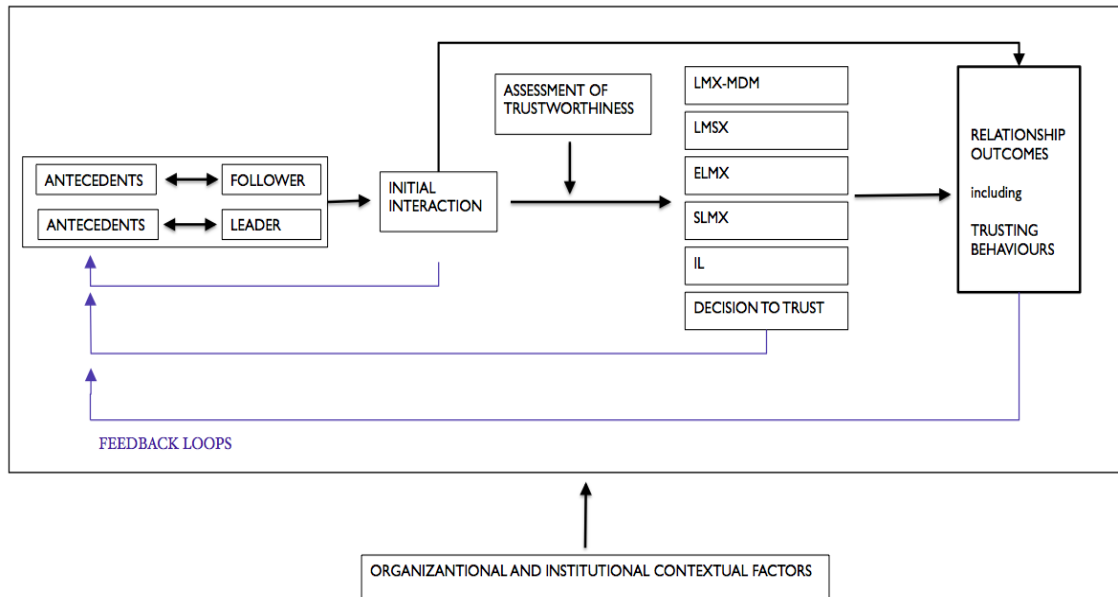


Figure 11 - DRQ Model, Wilson (2014)

4.1.4. Context as a self-selecting influence

Context was a key focus of the study; it was pervasive throughout the interviews. It arose in response to direct questions (e.g. “How does being in a start-up affect your relationship?”) but often it came out of conversations about the working relationship more generally. In total six categories of context-related codes came out of the data, two of these related to the organization, its culture and HR processes, the remainder concerned geographical location (UK vs. US, London vs. Newcastle), and the Hi-Tech start-up environment. In total, 40 themes were identified within these categories and over 750 quotations (32% of 3388 quotes in total) related to the influence of context at organizational, industrial or geographical levels. Markham (2010) suggested that there could be eleven levels of contextual analysis, however, this study focuses on these three levels of context (organization, industry and geographical location) as these are the codes that emerged inductively from the data.

In general, leaders and followers chose the Hi-Tech start-up environment because they preferred it to other types of workplace. For followers, such as Fred, this was a familiar environment: - *“I wanted to work at a start-up again. I’d worked at another start up previously and I really like the vibe of, you know, everyone wants to get something done and there’s no negativity like if you work in an agency... I guess it fosters a kind of like positivity in people... it gets people together that actually like what they’re doing as*

opposed to people that turn up and get paid... and better people work in this kind of environment."

This perspective was described in 75% of follower's interviews. Other reasons that followers cited for working in a start-up rather than corporate environment included: interesting and challenging work (75%); opportunities for learning and promotion (75%); informal HR processes such as starting and finishing times to the working day (50%); informal dress codes (42%); and a lack of office politics (25%). The fact that the start-up world is associated with high failure rates, lower pay, and long hours wasn't a disincentive. If the company succeeded, they would have been involved from the start and the share options and personal reputations that would come from eventual success made this a risk worth taking. Despite coming from a corporate background, Jeremy described the anticipated benefits: *"if the business does well, I do well, not just on a job security level, going into any other job, but if I'm part of a large company it always looks better doesn't it? Especially if I've worked from the start up."* For many of the leaders and followers, this lure of future success was an inducement to work in the start-up environment.

Context and relationship beginnings are intertwined, in organizational policies such as informal office hours and dress codes, and at an industrial level in terms of the fluidity and risk-tolerance across the environment as a whole. Followers described how they accepted the inherent lack of security; leaders expressed a desire to run their own firm or part of a new enterprise. As Laurence explained: *"A lot of start ups have founders...if you're working in a company and you see a massive problem, so you started a start-up with this vision of solving that problem. We're a little bit different because we were at university. We just wanted to start something because we're really entrepreneurial ... It didn't really matter what it was, it could have actually been selling tables."* Whether for improving society or just to be independent, leaders here wanted to be in the start up environment. Context then set the stage for the beginnings of these leader-follower relationships. The next section deals with the start of relationships, which is followed by an analysis of how trust appears to function.

4.2 Relationship Beginnings

In the DRQ model, relationship beginnings comprise the individuals' antecedents that they bring to the relationship and the initial interactions that take place when they meet. In this study, however, an additional process was at play; leaders and followers also sought information about the other from external sources before they met. These three processes are described below, in the order in which they occur in the results; firstly, individual antecedents, followed secondly by gaining information from external sources, followed by the initial interaction when leader and follower encounter each other and make their first impressions.

4.2.1 The role of antecedents

A significant minority of participants (6 out of 21 participants) described perspectives that related clearly to their internal view of the world and how this coloured their relationships. The views expressed by respondents concerned whether an individual was trusting by nature (whether they were predisposed to trust) and what expectations they held of how leaders should behave (their implicit leadership theories).

Les was employed to run the software engineering team for his firm. He described himself as a trusting person, willing to allow access to the company's code database once a recruit was hired. Even when Les was later fired from his firm, he described himself as still being "*a trusting kind of person*". He was determined not to change his way of working despite his recent employment experience. Conversely, Fred articulated a predisposition not to trust, stating: "*Well, you know what it's like, I don't necessarily want to trust, you know. If you think when you meet someone, you don't really know who they are and like even if you have that first impression, it doesn't necessarily mean it's gonna play out like that... I don't trust people to be the way they necessarily appear on face, coz if you meet someone, they can present any demeanour.*" In Fred's case, he made the point that, despite his not wanting to trust positive initial impressions, his natural caution against trusting Laurence had been overcome; the relationship had proved his distrusting inclinations unnecessary.

Ken demonstrates a 'trusting stance': he noted: "*Generally, I always think my colleagues or somebody I meet are honest. It's only when proven wrong I change my mind.*" Both Fred and Ken began their leader-follower relations in a positive vein and used their experiences to update views of their leaders in the light of on-going, constructive

experiences at work. In comparison, Edward, whose working relationship declined sharply from very positive beginnings, updated his view of whether or not it was safe to trust: *"I think before I kind of trusted instincts and jumped in, but now I'm probably much more cautious about my approach."* Trust had been violated in Edward's experience and as a result, he would be careful in the future. Trust had been rewarded in Fred and Ken's cases and as a result, they were trusting in current relationships. This suggests that for these participants, predispositions to trust appear to be functioning in hi-tech, start-ups, and that this antecedent influence can be altered by the experience of relationship dynamics.

Predisposition to trust has long been acknowledged as a construct in trust literature (Yakovleva et al. 2010). Mayer et al.'s (1995) model of dyadic trust in organizations, states that "trust is a function of the trustee's perceived trustworthiness and the trustor's propensity to trust" (Mayer et al. 1995). Its role was further defined by McKnight, Cummings, and Chervany, (1998) as key to trusting intentions and behaviours, and they break down a disposition to trust into having a "trusting stance" and having "faith in humanity". Faith in humanity means that others are seen as generally benevolent; a trusting stance means that individuals will behave as if others are trustworthy until information to counteract this is gathered. This statement implies that information from experiences is used to update and inform the predisposition to trust and the data here certainly suggests that that feedback from experience (referred to as a feedback loop in the DRQ diagram) is in evidence.

This is reflected in the study, where some respondents brought up these issues voluntarily. One leader and two followers declared that they were predisposed to trust; one leader and two followers described themselves as not being the type to trust others. Further study would be required to determine whether all leaders and followers were predisposed to trust or not and the impact that this would have on their relationships.

The second antecedent that emerged inductively related to the behaviours that followers expected of their leaders. Two of twelve followers described the behaviours that their leader carried out as being in line with what they would expect: Harry was discussing how his boss protected him from a demanding client adding *"I guess that's what you kind of expect from a boss isn't it?"* Harry's sentiments were echoed by Chris who admired Lance for his straight talking and direct target setting, which he regarded as *"not a bad thing to do if you're going to be a leader coz you need to push people."* These comments suggest that implicit leadership theories were at work in the relationships.

Implicit leadership theories are “ everyday images of what leaders are like in terms of traits and behaviours... which focus on the social context in which leadership occurs” (Schyns et al. 2011:398). These are important because they facilitate individuals either taking on the identity of a leader or accepting another party as having a leadership role. The greater the match between the implicit leadership theories and leader behaviours, the more likely an individual is to be followed (de Rue and Ashford, 2010).

There were no questions on implicit leadership theories during the interviews which accounts for their low incidence in the results, however for Harry and Chris, it would appear that there was a match between their implicit leadership theories and the behaviours and traits that they saw displayed by Leopold and Lance. This suggests that, for this sample, assumptions about leadership are at work. Leaders and followers have preconceived ideas of how leaders should behave, these followers are matching leader behaviours against these preconceptions. Further research would be required to make stronger assertions, but the results suggest that these antecedents to relationships were active in this context before the some of leaders and followers in this sample met or began to interact.

This suggests that some of the participants for this study had pre-existing attitudes towards trust and leadership before the relationship commenced. These results accord with literature in that both forms of antecedent process have appeared in previous research, they are acknowledged to influence the beginning of relationships and are influenced by the context in which they occur (e.g. Liden, Wayne, and Stilwell, 1993; McKnight et al., 1998; Yakovleva et al., 2010).

4.2.2 The Influence of External Opinions

The data suggests that external sources of information were sought before initial interactions took place. Twenty out of twenty-one leaders and followers made an effort to learn something about the other party through external sources, before their first encounter; Edward was the only individual who didn't take this precautionary step. Leaders and followers used different sources of information from which they collected the external opinions about the other party. Leaders received CVs or application forms from the potential followers through the recruitment process; this meant that leaders had a chance to assess the skills, ability and experience of their interviewees before they met. Followers often looked for information on the firms and leaders before coming to interview. Sources of reference included LinkedIn, YouTube and Google and specialist

publications such as 'Hacker News', where there was information about previous achievements, education and past work history. Adrian commented: *"I did some research before I went to my interview, so it's hard to say how much came from my first impression, how much came from what I knew... I didn't have too many preconceptions about how he would be like personality wise or how he would interact with people, but yeah."*

Personal connections and networks were also a source of reference. Leopold had used Newcastle University's computer science teaching staff as a starting point because an MSc course lecturer there recommended students for placements or subsequent posts. Lloyd employed Maddy because two of his staff already knew and rated her skills highly; Lisa used personal networks: *"everyone that we've hired has been through friends of friends... I've tried doing various different things like job postings, fairs and silicon roundabout, never with success. So everything has been very organic, natural, true friends of friends."* For this sample then, all of the leaders and all but one of the followers came to their initial meeting with some prior knowledge about the person (or at least their achievements) they were going to talk to.

Literature suggests that sources of evidence for trusting the other party come from organizational frameworks such as qualifications, references, contractual agreements and legislative requirements, or from reputation as provided by trusted and relevant social networks (Dietz et al. 2006). The evidence here is that leaders and followers actively sought out these external sources of trust before engaging in initial impressions; they wanted some form of referee or information to provide as a backup to their own personal opinions. Hence, they used 3rd-party sources of information as a proxy for learnt trust depending on university recommendations, personal contacts, digital sources and self-efficacy through CVs and application forms. Kangas (2013) similarly found that external sources of information were used to inform leaders and followers about their new relationships and helped set expectations that influenced the quality of relationships further down the line.

Therefore, the results suggest that individuals come to their first encounter with their antecedent views and with the information that they have been able to gather about the other person; only one individual in this sample stepped 'blind' into the meeting process. Armed with this information, leaders and followers were then ready to meet. The role of first impressions made during the initial interaction and whether leaders and followers

perceived similarities between them is explored below. This is followed by a discussion of the role of context in initial interactions.

4.2.3 Initial Interactions and the role of retrospective first impressions

The dyadic relationship starts to form on first meeting, it is the first impressions that one party makes of the other that will inform the first few months of their interactions (Liden et al. 1993). Theory posits that after the first few months, the relationship stabilizes and first impressions are no longer required (Nahrgang et al. 2009). The data suggest that for the unstable, high tech start-up environment, perspectives and relationships tend to fluctuate for much longer than six months. The first impressions made during the initial interactions are described below, followed by an analysis of their durability. All of the first meetings between leaders and followers took place during the recruitment process and were positive; otherwise, an offer of work would have not been made or accepted. Participants were asked about their first impressions of the other person; the responses were categorized into the codes in Table 2 below. It should be noted that these first impressions are all reported retrospectively, between one month and six months after they were formed.

4.2.3.1 Describing retrospective first impressions

The results of the study closely mirror those reported by Dockery and Steiner (1990): 78% of leaders and 67% of followers perceived that they could like one another (i.e. affect is present) and make positive assessments of the ability of the other to perform their role. As Dockery et al. (1990) describe, these two first impressions appear the most important to leaders and followers (see Table 2 below). The remainder of the descriptions included being impressive, a good communicator, calm, driven, motivated etc. These first impressions are important, they set the tone for the remainder of the relationship (Liden et al., 1993).

The importance of affect and ability are evident in this dataset. When Leon described meeting Edward, he was effusive about how much he liked him and how effective they thought he would be in his role: *"I guess he's about the nicest guy I've ever met... The guy is brilliant at his job with tons of experience...he has this big open face, he's really smiley. He didn't look like he was trying to hide anything. He seemed to care and when I introduced him to the rest of the board, they all really liked him too and thought he was*

the kind of person they could work with. He's also very calm and knows how to handle situations."

Lloyd and Ken gained positive impressions of each other's likeability and capability from first meeting. As Lloyd explained: *"you've got to be likable, but generally I think that if you're honest, you're generally going to be likable, I think it's mostly about being honest, articulate and being clever as well...He just came across as all of those things."* For Ken, it was important that Lloyd was skilled but also that his new boss had a strong reputation within the industry: *"he's got a really good reputation within the industry overall as well and that actually helps the business as well...the fact that he's got a lot of history...I think that helps with start ups."* Ken felt that Lloyd was capable because of his experience and network in the industry. There is a symmetry between Ken and Lloyd and their first impressions of each other. This data suggests that similarities between leader and follower might be important for these participants.

Laurence felt that his team shared a strong connection that was based on the similar aspirations and motivators that they shared. In all three interviews with me, he made the point that having staff who shared the values of being keen, motivated to learn, wanting challenged, was key to the company's success. *"There's certain traits that everyone in that room has, which is like: wanting to be the best, always wanting to learn, being competitive, simply just loving their work in general. And that's what Fred's like... he just loves, he just wants to be better, he loves a challenge, he wants to learn."* Laurence was the only leader who made this conceptual link between disposition and performance.

Table 6 - Codes and frequencies of first impressions

	Followers		Leaders	
	Number using codes	Frequency of codes	Number using codes	Frequency of codes
Capable/skilled/experienced/to learn from	7	10	8	11
Friendly/nice/likeable	8	9	7	9
Impressive/inspiring	3	5	3	4
Good communicator	2	1	4	7
Calm	6	5	1	1
Driven/motivated	3	2	4	4
Lots of potential	0	0	2	6
Polite/formal	2	1	3	3
Diff gender	1	1	1	2
Energetic	3	3	0	0
Fun/sense of humour	2	2	1	1
Intelligent	2	1	2	2
Strategic plan	3	3	0	0
Easy to deal/work with/helpful	0	0	1	2
Humility	2	2	0	0
Younger	2	3	0	0
Wants to learn	0	0	1	1

4.2.3.2 The role of perceived similarities between leaders and followers

The association between similarities and performance in this dataset includes only affect, ability and a desire to be proactive. This is mirrored by extant LMX literature where variables such as gender, age and education don't appear to influence how leaders and followers interrelate (Bauer et al. 1986, Zhang et al. 2012). There is less research available in the LMX field about the effect of similarities or differences between leaders and followers traits and personalities on relationship quality than for other areas of relational leadership (Zhang et al. 2012). Bauer and Green (1996) found that similar positive affectivity between leaders and followers improved relationship quality. Zhang et al. (2012:123) explored the impact of proactive personality traits, finding that "congruence was related to higher-quality LMX, which was in turn associated with higher levels of job satisfaction, affective commitment, and performance." Zhang et al.'s (2012) findings are echoed by Laurence's sentiments but further research that asked specifically about similarities (as well as predispositions to trust and implicit leadership theories) would be useful in determining the impact of these topics on early relationship development. It is also likely that the context in which these relations were developing was important to how the relationship was shaped.

4.2.3.3 Context and Initial Impressions

Context has been explored at multiple levels in this study: at individual, dyadic, organizational and industrial levels. Organizational context appears to influence first-impressions in this dataset. Employees were attracted to organizational informality, they reported wanting to work in a collaborative, fun, productive environment with laughter and where there are learning opportunities. For Phil, Harry, Fred, Izzy, Jeremy and Ken, these aspects of their environment were part of the appeal of working for a start-up. In this sample, followers' retrospective first impressions appeared to satisfy the desire for an informal and fun place to work, so this aspect of the relationship's beginning was positive. When Harry was asked about his first impressions of Leopold he answered: *"oh dear, I'm not sure if I even remember to be honest. It was more an impression of the office than Leo himself at that time. I walked in for the initial interview and thought, "Yeah, I would like to work here". The atmosphere seemed relaxed and I kind of prefer smaller companies rather than bigger ones. There's more responsibility but you get more involved in everything as well. It seemed like a good place to be."* Context at an organizational level therefore, influenced Harry's decision to take the job.

For leaders, finding staff that would fit into the type of company they were trying to build (as opposed to finding staff who were similar to themselves in particular) was an important part of the recruitment process. Les explained that when looking for software engineers, cultural fit is important: *"when I recruit someone there are three things that I look for. Firstly I want them to be hungry, to be ambitious. Secondly, they've got to be good at what they do, they've got to be capable. Thirdly, they've got to be the kind of person I'd want to have a beer with. If a guy hasn't got all three of these things then there won't be a cultural fit and it's that that I'm looking for. There needs to be a cultural fit for this to work."* If the first impressions didn't match with this desire to create a particular type of culture, then the recruitment process stopped at that point. As Leon stated: *"so for an engineer they've got to send really, really great code... we have to make sure that they're really articulate and bright and that they fit in with us when we have a drink with them. And if they fall down on one of those things our tendency is always to go back to the market."* Organizational culture is explored throughout this chapter, but it is clear that at this stage of relationship beginnings, an assessment on both sides of whether there will be a cultural fit is essential.

There is a down side to the start-up culture however; it doesn't suit all employees. Maddy had previously left another start-up after a poor experience and was recruited through personal networks into her new role: *"I was introduced to the company through someone else that works here, who I worked with a year ago and he thought that I would be a good fit. I met Lloyd and he seemed to think the same thing... [but] the role changed, because I ended up working in a role that was not offered, I became confused, thinking, 'well, why am I here?' ... I'm realizing about myself, I don't think I can work in a young disorganized company, I just can't. It takes too much out of me... I don't have that much respect and doubt the integrity of the company at the moment. I'm sure it could be great but I'm not the right person to be here for that."* Maddy soon left the company and later worked for the public sector. The instability and rapid developments in the high-tech start-up environment require employees to be flexible and assume the greater responsibility; what was attractive to Harry, was impossible for Maddy to tolerate.

4.2.3.4 How long do retrospective, first impressions last?

Table 6 (above) shows the number and frequency of leaders and followers who spoke about initial impressions. These frequencies were taken from the first interview that was conducted with each participant; in subsequent interviews, participants were reminded of

their initial answers and asked if their impressions were still accurate. Some of the relationships were less than a month in duration when the first interview took place, others were already 6 months old. Generally, first impressions remained stable across the data collection period; if the company did well and individuals could fulfil their role, positive impressions remained intact and were built upon with further positive experiences. If the company had problems or one party was unable to fulfil his/her role, then the first impressions were reviewed in a negative light or disregarded altogether and replaced with new, less positive views. Table 3 below shows the percentage frequencies of leaders and followers who felt that their first impressions had changed or stayed the same over time. For instance, there were 81 quotations from followers in month 1 about all subjects, of which only 1 related to unchanged or deepened impressions. Thus, 1.2% of all follower statements made during month 1 were about the fact that the first impressions had held or deepened from a follower's perspective. The cells in each table are shaded; the darker the shade, the higher the frequency of occurrence for each behaviour.

The data suggests that negative changes were associated with a lack of trust from negative events. Gail demonstrates this; during both our second and third interviews, Gail recounted negative experiences of working with her boss. Her positive first impressions of her manager had tarnished a little: *"I think probably I had the impression that he was the expert in some areas but I don't think he is. I probably have less trust in him having the answers, so less faith in him being the solution and problem solving and that's where I am now."* Gail had lost trust in her employer's ability to perform and this caused her to doubt the positive first impressions that she had gained.

For Lance, all of the relationships with his staff (Adrian, Bill and Chris) suffered somewhat when the company was struggling in February 2014. Despite the varying length from of relationships with his staff (from 3 to 6 months in duration), the pattern across all was consistent; negative behaviours from Lance caused them to question their initial views of him being calm and approachable. By June 2014, the firm was profitable, had raised further VC funding, and first impressions were seen as accurate once more. When asked about the negative change earlier in the year, all three employees had disliked, but understood why Lance's behaviours had changed given the pressures he was under. Length of relationship therefore, for this sample and in this context seemed

to have little influence on the tenure of initial impressions; company and individual performance appear more likely to cause a re-evaluation of the other party.

Table 7 - Durability of retrospective first impressions over time

		changed	unchanged /deepened	Total quotes for first impressions	Total quotes available
Followers	1 month	0.0%	1.2%	1	81
	2-5 months	1.0%	1.5%	10	50
	6-9 months	1.2%	1.2%	14	410
	10-13 months	0.2%	2.0%	10	437
	13+ months	0.0%	1.4%	3	587
Leaders	1 month	0.0%	2.0%	1	558
	2-5 months	0.5%	1.4%	8	446
	6-9 months	0.4%	1.6%	11	411
	10-13 months	0.0%	2.2%	9	219
	13+ months	0.5%	2.1%	5	189
Total quotations		17	55	72	3388

Lance and his team and their experiences account for six out of seventeen quotations relating to changes in first impressions during the spring of 2013. The vast majority of quotations for this set of codes however, demonstrate that first impressions held stable. This accords with literature around how we form first impressions and why they might be durable. McLaughlin (2014) explains that first impressions are made on the basis of implicit memory, where experiences allow individuals to make snap judgments. Only when explicit experiences counteract these, as with a negative or positive event, will these judgments be replaced with new information. For example, a near disaster for Lance’s firm in February 2014 changed his behaviour and his follower’s impressions changed in response to an altered context. The majority of the cohort had no such negative experience and as a result, their first impressions remained stable.

The downside of getting to know each other better is that any fears formed during initial interactions can be confirmed. For Lisa, who had known from the start that Izzy might not be able to meet the changing demands of the role: *“There are still things... like expectations and things that I really want from Izzy that I don’t think will necessarily come out. But at the same time, that kind of bond of her being the earliest person coming in and her being like my sidekick and kind of being able to help me out, that’s strengthened, even more so.”* By the end of the study, Lisa had invested a great deal of

time into coaching Izzy and was hoping she would rise to the challenge of her expanded work role. The first impressions made during these initial interactions appear to remain valid unless an event occurs that requires a change, whether positive or negative. These impressions supplement the antecedents and external information gathered prior to meeting. A summary of the processes where relationships start follows before interpersonal trust is explored in the next section.

4.2.4 Summary of Relationship Beginnings

Before leader and follower meet, they each have thoughts and perspectives about the world and their relationships, which they bring with them to the workplace. In this sample, implicit leadership theories and predispositions to trust were the antecedents that participants described; further research will help to unpick whether additional antecedents are required for any given context. The leaders and followers in this study also took the opportunity to learn something about each other before they met. There is evidence that this gave enough reassurance or encouragement to positively influence the initial interaction when it took place. None of the participants recounted finding negative information and presumably had they done so, they would not have continued with the recruitment process. These results support current research where previous knowledge of the other party supports initial interactions and first impressions and longer-term views of relationships (Kangas, 2013).

Upon their first encounter, leaders and followers made an impression on each other. Of these impressions, the most prevalent were an assessment of the other's likeability and capability. These findings conform to the literature around the importance of affect and ability in making positive initial impressions (e.g. Day and Crain, 1992, Dockery et al. 2000, Liden et al 1993). In general, these first impressions remained intact from the beginning of the relationship through the data collection process, when some relationships were over a year old. Where these impressions remained positive, the contextual fit between leaders, followers and the type of work being conducted, seemed to support this process; the relaxed, collaborate environment encouraged good relations. Where relations soured, it tended to be when individual or firm performance had faltered; either individuals were struggling with the demands of the hi-tech, start-up world, or the firms were foundering in this unstable and insecure context (see McLaughlin 2014). McLaughlin's paper also explains how feedback loops appear to be functioning between antecedent perspectives and new information as leaders and followers interact. Having made these first impressions, the relationship as described in Figure 1 would suggest a

move toward an assessment of trustworthiness and dynamic interactions. However, the process of trust development in this dataset didn't follow the pattern that DRQ suggests. Instead, a complex set of interpersonal trust processes took place at each stage of the relationship. These are explored in the next section.

4.2.5 Interpersonal trust and DRQ

The literature and DRQ model suggest that the process of trusting another individual occurs in discrete stages; each stage having separate influences that impact relationship quality. The data gathered for this study contradicts that picture, suggesting instead that assessments of trustworthiness, decisions to trust and performing trusting behaviours occur simultaneously and repeatedly from the beginning of the relationship until the end. Events at any point during the relationship can transform trust into distrust. Levels of trust or the extent of trusting behaviours, far from being stable constructs, can rise and fall depending on experiences as Saunders et al., (2014) suggest in their paper on trust and distrust. As described below, an accelerated trust process takes place alongside the initial impressions that leader and follower make of each other's ability and affect.

Les assessed Dave's trustworthiness, he also decided that he liked him and gave him access to the code base for the organization by the end of their first interaction (i.e. Dave's job interview). Likewise, Leon recalled that he had immediately decided he liked Edward, introduced him to the board and made a public statement to clients as well as employees of how highly he initially regarded his new Chief Marketing Officer. For both leaders, all three stages of Dietz and den Hartog's trust development model took place during the time frame of one interview. There was an assessment of trustworthiness, and in the course of that conversation, leaders demonstrated a decision to trust and trusting behaviours towards followers. As the relationship between Les and Dave progressed, Les offered Dave increasing amounts of responsibility and influence over the coding strategy for the technical team. These behaviours were repeated with no negative events to inhibit positive relationship development. Despite a similarly positive beginning, Leon and Edward's relationship suffered as Leon learnt that he couldn't trust Edward's ability to fulfil his role. As it became clear to Leon that Edward was struggling with the numeracy aspect of his role, his faith in Edward's ability to perform diminished, autonomy was withdrawn, the role was narrowed down and eventually Edward resigned. For leaders in this sample, trust is closely linked with ability to fulfil a role.

Jeremy came from a corporate role to work with Lois in her start-up; the level of responsibility and autonomy took him a while to get used to. During the first round of data collection interviews, Lois reported that she had great faith in the role that he was doing at that stage: *“He’s been with us for about six months, but I’ve seen a massive difference in him... He’s brilliant, I mean I can trust him 100% to talk to people. When he writes material it’s brilliant because he’s such a perfectionist, I know I’m not going to get any rubbish from him.”* At the same time, there were limits to this trust in Jeremy’s ability to perform: *“If something major happened, and I needed to pick up the phone to somebody it wouldn’t be Jeremy because he’s the most recent employee ... that’s partly just his level of inexperience.”* By time two, Jeremy’s confidence was growing, in response to the trust he gained from Lois: *“[She] gives us all the power to go forward without fear, fear of repercussions... there’s a certain amount of empowerment to stride forward in the vision as we see our own...she trusts that we’ll do a good job. When someone does the business and you see how hard they work, but they leave you alone because they know, trust that you’ll do your part to help that business. Because it’s not just her business, it’s her life at the moment and she’s given me part of that ... that’s very important, it is pretty cool. That’s why I’m a big fan.”*

By my final interview with each of them, they were working closely on client proposals together and Jeremy was cognizant of the joint role they were playing in the future of the firm: *“the two people who were working on [the new proposals] were Jude and I, everyone else was doing the normal day-to-day business... Jude would speak to people and get us time in front of them [clients] and I would write the proposals and Jude would present them. So, between the two of us, we’ve been doing a lot of that ... and her entrusting me to be one of those two people going forward, at least in the start has turned out really well for us.”* Jeremy enjoys the exclusive role he fulfils with Lois; he appears to be relishing the increased levels of trust and responsibility. For Lois, the sense of what Jeremy could achieve had grown along with his management role, although she felt that this was still work in progress: *“Jeremy’s doing a lot more like helping to manage the team while I’m not there. So, when I was in Germany, there were a couple of things that I asked him to keep an eye on with the team ... he’s been implementing things, I told him to do it and then just kind of left him to see what would happen...”*

These examples suggest an accelerated process of trust development takes place, in comparison to the one that DRQ describes. Rather than the trusting process taking weeks or months, an assessment of trustworthiness, decision to trust and then disclose information (described as a trusting behaviour, see Wasti et al 2011), all occur during the initial interaction. From this point forward, the extent to which this risk taking develops depends on the dynamics that develop between the two and whether each is able to fulfil their roles. The data suggests that the greater the number of positive experiences each has of the other, the more that one is willing to engage in trusting behaviours. Lance described this process of increasing levels of trust as “circles of trust”. New employees start in the outer circles; they still have access to code and commercial information but the greater the faith he was able to place in employees, the greater the level of access to sensitive data, decision making and team leading Lance would allow. However, Lance was clear that this was a reciprocal process: *“it’s a relationship, so it’s a two-way thing, so they have to trust me too.”* In order to explain the processes taking place in more detail, I have decomposed the trust process and its associated variables as they are presented in DRQ; these are shown in Table 8 below. Table 9 shows how trust appears to be functioning for the High-Tech start-up environment; the changes from Table 8 to Table 9 are then explained.

4.3 Interpersonal Trust

4.3.1 Assumptions about trust from DRQ

As elaborated in the literature review chapter, the DRQ model sees trust in the following way. Individuals come to the first meeting with antecedents, their own perspectives, demographic details and previous employment and relationship histories. DRQ then suggests that each assesses the trustworthiness of the other, their ability, benevolence, integrity and predictability or reliability. These assessments then inform the dynamics of the relationship in terms of what takes place between leader and follower. During this stage, decisions are made about whether to rely on the other party and how much personal or commercial information to disclose. Finally, there would be relationship outcomes of discretionary effort, benevolence, citizenship behaviours and performance on the part of employees. Leaders’ outcomes include performance, willingness to support the employee in terms of progression, promotion, introduction to social networks and benevolent actions. This process is summarized in Table 8 below.

Table 8 - DRQ and Trust processes

Relationship development stage	Prior to first meeting		Upon meeting and following onwards			
Element of DRQ where trust appears: -	Antecedents	External opinions	Initial interactions	Assessment of trustworthiness	Decisions to trust	Trusting behaviours
Associated Variables	Predisposition to trust Implicit leadership theories	Swift trust	Affect Ability	Ability Benevolence Integrity Predictability/ Reliability	Willingness to rely Willingness to disclose	Delegation Benevolence Discretionary effort Social network support Progression and promotion support

Table 9 - New description of trusting processes within DRQ

New DRQ trust processes	Antecedents	External opinions	Initial interaction.		Relationship dynamics
			1: Assessing trustworthiness	2: Initial trusting behaviour	3: On-going trusting behaviours
	Predisposition to trust Implicit leadership theories	Information gathered from external sources	Affect Ability including Reliability (in performing role) Benevolence Integrity	Benevolence Willingness to disclose work-related information	Benevolence Delegation Discretionary effort Progression and promotion support Being open about fears/problems Dealing with difficult tasks/issues

The literature suggests that a set of interactions occurs which allow leader and follower to separately decide how much to trust the other and with what, and that this process takes time. The information gathered in this study however, suggests that the process occurs not in stages over time, but all together, from the first interaction, and that the number and level of trusting behaviours then increases or decreases depending on relationship dynamics and events over time. This requires a modification of the trusting process as described in Table 9 below, changing trust development from a slow, incremental process into a more accelerated construct that then increases or decreases as experience of the other party grows (Dirks and Ferrin, 2002, Bligh and Kohles 2013).

4.3.2 Alternative trust dynamics in the study

The data set diverges from theory from the initial interaction onwards, where three stages of trust development emerge (see Table 9). Firstly, an initial assessment takes place concerning the ability, affect and trustworthiness of the other party. Trustworthiness comprises benevolence, integrity (Mayer et al. 1995) and ability (or reliability to perform the role). Secondly, during the initial interaction, there is also a display of initial trusting behaviours from the leader towards the follower (disclosing information). Thirdly, after the initial interaction, on-going trusting (or distrusting) behaviours occur, where greater or lesser levels of risk are taken. These are trusting behaviours appear in the form of delegation, on going discretionary effort, social network support and support with progression and promotion, being open about issues and dealing with difficult tasks. Each of these three phases is considered below.

4.3.2.1 Phase 1: Initial Interaction and assessing trustworthiness

The initial interaction column of Table 9 above shows assessments of ability and affect taking place when the dyads first meet. As described in the previous section, all of the twenty-one participants assessed the other person as either likable or capable; five leaders and three followers (eight in total) felt the other person was both likable and capable. This suggests that the requirement for Affect and/or Ability to be present were satisfied at the first encounter; enough for the employment relationship to begin. Two other trusting processes were associated with this initial impression in the data. These are whether the other appears reliable, and whether they are seen as honest (having integrity), both of which are dimensions of assessing trustworthiness (Dietz, 2011, Meyer et al. 1995). Evidence for how each of these materialized in the data is described below.

Eleven of the twelve relationships included a sense that the other party was reliable in their first data collection interview. There is some confusion about terminology over predictability and reliability within trustworthiness literature. For some, they are synonymous (e.g. Tzafrir and Dolan, 2004) for others they are discrete constructs (e.g. Dietz and den Hartog, 2006). This is discussed more fully at the end of this section, but it is worth noting here that trustworthiness and reliability (including predictability) appeared linked in the data.

When respondents were asked to recall their first impressions of the other party, there were no questions related to specific behaviours or dispositions. In this dataset, trust is closely associated with these first impressions and the forms of trust related to: integrity; being trusted with company information; benevolence; a sense of reliability; and of ability to perform the role required. In other words, ability, benevolence and integrity are here as forms of Meyer et al.'s (1995) description of trustworthiness. Being calm and friendly were often linked to an individual being described as nice, i.e. from a theoretical perspective there was affect at the relationship beginning. This supports the extant theory that ability and affect are important at the beginning of a relationship and that trustworthiness is assessed in initial interactions (see Dockery and Steiner, 2000 and Liden et al. 1993). There are high levels of trust throughout this set of results; further research focusing on first impressions would generate a clearer picture of how assessments of trustworthiness are made at this early stage. The link exists in this data however and for that reason, reliability is listed here as an assessment of trustworthiness that occurred during the initial interaction.

The exception to this is Lloyd and Maddy's relationship; Maddy felt that the team as a whole was reliable, but she had come from a previously negative experience in a start up and her current job role had changed dramatically in the first two months. During this interview the best she felt able to say was that *"the jury is out...I'm so fickle... So, I think its one job and then it's actually this job and I'm like OK first day then sobbing. I was like I can't do this job, can't do this job, this is completely impossible."* Lloyd, who had started to feel that the working relationship was untenable, felt Maddy to be distinctly unreliable: *"When things went wrong, she just completely went to pieces... That was the fundamental issue with her, she couldn't handle things going wrong...she couldn't handle the stress and that's what caused all the tears and all the upset... So that's one person, that's not right for us."* Maddy's overriding perspective was that the firm and Lloyd were dishonest; she distrusted them and found them unreliable. Unsurprisingly, Maddy soon left the firm. This example suggests therefore that an assessment of reliability takes place early on in the relationship.

A sense of the others' integrity or honesty was also important to a number of participants. Integrity is present in a number of the interviews at Time one. Adrian queried a line in his contract regarding intellectual property, as he wanted to retain ownership of material that he produced outside of work hours. Lance agreed that an exemption could be made and on this basis, Adrian signed his contract. He recalled the incident saying: *"so signing that is now an act of trust because it means that if I want to work on anything outside and not have [the company] own it I can't unless Lance says so."* I asked if he did trust Lance's word and Adrian's response was 'Yes'. Similarly, from a leader's perspective, Laurence felt that he could trust Fred's integrity: *"I mean I can trust Fred. I would trust him, like I would trust Fred to work from home every day and just sort of call in on Skype with the work that he'd done every morning."*

For Ken and Lloyd, there were joint impressions of integrity; Lloyd felt right from the first meeting that Ken was honest and that there was no "bullshit." Lloyd explained: *"you've got to be likable, but generally I think that if you're honest, you're generally going to be likable, I think it's mostly about being honest, articulate and being clever as well...He just came across as all of those things."* For Ken, Lloyd's openness about the company, its financial position and the vision for its future were evidence of Lloyd's honesty and integrity: *"Lloyd was very transparent about [the company's] plans over the next 2-3 years during our conversation whilst I was being interviewed. Within a few months of*

joining [the company] I noticed some of the points discussed materialize such as share options, new recruits, new office [overseas].” The initial interaction then includes a phase where trustworthiness is assessed, after external opinions have already been gathered and in light of each individual’s predisposition to trust and assumptions about leader-like behaviours. From this point, leaders displayed particular trusting behaviours as described below.

4.3.2.2 Phase 2: Initial interaction and display of trusting behaviours

In the initial meeting, two behaviours were displayed by leaders towards followers, which indicate that a decision to trust and be vulnerable had already occurred. These two behaviours were benevolence and disclosing information. Benevolence had a minor presence in early impressions; just two participants volunteered that they had thought the other party helpful, kind or considerate during their initial interaction. Further research would be needed to see if more leaders and followers thought this when they first met. Where absent, it contributes to a degeneration of the relationship quality; this is discussed in the Relationship Dynamics section later in this chapter.

The second, highly prevalent trusting-behaviour that appears during initial interactions was that new recruits perceived a disclosure of commercial information about the organization. Where the new staff were software engineers, they had immediate access to the company’s prize asset, its code base. Almost all employees were aware of the fact that they had been trusted with this information. Additional information that was revealed concerned the financial and marketing position of the company and future plans for expansion and growth. In the high-tech start-up environment, this is particularly pertinent data, it shows the direction and strategy of the firm and products that are being developed. This willingness to disclose is significant, it represents a departure from most trust literature which suggests that trusting behaviours will only occur after a period of one party getting to assess the trustworthiness of the other and then coming to decide that they trust enough to partake in risk-taking behaviours (e.g. Colquitt et al. 2007, Dietz, 2011).

McKnight et al., (1998) noted that new relationships can have high levels of trusting intentions when there is a high predisposition to trust based on personality, cognitive and industrial influences. A predisposition to trust could result in trusting behaviours; trusting

intentions and their antecedents explain high trust in early relationships. Delgado-Márquez, Aragón-Correa, Hurtado-Torres, and Aguilera-Caracuel, (2014) argue that it is a trustor's initial (prior) knowledge about a trustee that influences trusting behaviours because initial knowledge reduces uncertainty and allows a trustor to more accurately guess how a trustee might behave in future situations. Whilst Delgado-Márquez et al. used experimental, laboratory setting to test their assertions, their results accord with the findings here. Prior knowledge of the other party, combined with a predisposition to trust and in the context of high-tech startups where the rapid pace of developments makes speed important all appear to be interacting to create an early set of trusting behaviours. As there is a small amount of evidence around predisposition to trust was influencing relationship perceptions and the majority of participants had taken the trouble to gather external information prior to meeting, it is likely that the disclosure of information can be attributed to these theoretical explanations.

Delgado-Márquez et al. (2014) and McKnight et al. (1998) help to explain the presence of these initial trusting behaviours and tie together the value of external opinions that are gained before parties meet in forming early trust and displaying trust through the disclosure of company information. From this first set of leader behaviours towards followers, the relationship starts to develop. Additional trusting behaviours were identified by participants for this study as described below.

4.3.2.3 Phase 3: On-going trusting (and non-trusting) behaviours

Trusting behaviours occur where one individual relinquishes control over outcomes that are valuable to themselves and are an outcome of the trusting process (Tanis and Postmes 2005, Wasti et al 2011). From the responses in interviews, trusting behaviours were in line with literature and included: disclosing information, discretionary effort, benevolence, delegation, progression and promotion support, being open about fears/problems and being willing to deal with difficult tasks/issues. These types of behaviours coincide with the literature. Tables 10 and 11 show trust development over time Table 10 looks at code families for trustworthiness and trusting behaviour and gives an overview of how trust developed in across the data collection period. Table 11 gives more detail about trusting behaviours and how they developed from first interviews to those conducted over a year later at the end of the data collection period.

Table 10 - Trust development over time

Positive trust made over time (as a percentage of all quotations)

		trusting behaviours	benevolence	integrity	reliability	trust statements	ability	Total positive trust quotes
Followers	1 month	9.9%	11.1%	3.7%	3.7%	0.0%	0.0%	23
	2-5 months	7.1%	4.4%	2.7%	3.2%	2.4%	1.2%	86
	6-9 months	9.2%	3.2%	1.7%	1.7%	0.3%	2.2%	108
	10-13 months	6.5%	3.6%	3.6%	1.1%	2.7%	2.0%	87
	13+ months	7.3%	7.3%	3.2%	1.4%	3.2%	2.7%	55
Leaders	1 month	8.0%	6.0%	0.0%	2.0%	0.0%	0.0%	8
	2-5 months	8.7%	4.1%	2.5%	3.4%	2.3%	2.5%	103
	6-9 months	5.6%	3.0%	2.5%	2.5%	2.5%	1.3%	97
	10-13 months	6.8%	2.9%	3.4%	1.5%	3.4%	1.9%	82
	13+ months	10.6%	3.7%	0.5%	5.8%	1.1%	3.2%	47
TOTALS:		257	135	87	81	71	65	696

Negative trust statements made over time (as a percentage of all quotations)

		-ve trusting behaviours	-ve ability	-ve reliability	-ve integrity	-ve benevolence	Total negative trust quotes	Total quotes available
Followers	1 month	0.0%	0.0%	1.2%	0.0%	0.0%	1	81
	2-5 months	2.4%	0.7%	0.2%	1.0%	0.2%	19	410
	6-9 months	4.6%	0.7%	0.9%	0.2%	0.5%	40	587
	10-13 months	3.4%	0.4%	0.7%	0.7%	0.7%	26	446
	13+ months	2.7%	0.0%	0.0%	0.0%	0.5%	7	219
Leaders	1 month	0.0%	0.0%	4.0%	0.0%	2.0%	3	50
	2-5 months	2.5%	0.0%	1.1%	0.0%	0.7%	19	437
	6-9 months	3.4%	0.0%	0.7%	0.0%	0.2%	24	558
	10-13 months	3.9%	4.1%	0.7%	1.0%	0.7%	43	411
	13+ months	3.7%	0.0%	0.5%	1.1%	0.0%	10	189
TOTALS:		111	26	25	14	16	192	3388

Table 10 shows that there were 696 positive statements about trusting the other party in comparison with 192 made about negative feelings. The majority of negative comments were made by a four out of twenty one participants: Leon and Edward, Maddy towards Lloyd and Chris towards Lance. As the relationship between Leon and Edward worsened, they accounted for most of the comments about not trusting the other party, or perceiving behaviours that were not trusting. These are described in more detail in Table 11 below.

Table 11 - Development of trusting behaviours over time

		Positive trusting behaviours							Total positive trust quotes	Total quotes available
	Relationship length	Discretionary effort	Open about issues	Discloses work info	Asking for help	Supports promotion/ progression	Delegation	Being accountable		
Followers	1 month	1.2%	1.2%	4.9%	1.2%	0.0%	0.0%	3.7%	10	81
	2-5 months	2.2%	1.5%	1.7%	1.0%	0.0%	0.0%	1.2%	31	410
	6-10 months	2.9%	2.7%	1.0%	0.7%	0.0%	0.9%	1.4%	56	587
	10-13 months	3.8%	0.9%	0.2%	0.9%	0.0%	0.4%	0.7%	31	446
	13+ months	4.6%	1.4%	0.0%	0.0%	0.0%	1.4%	0.0%	16	219
Leaders	1 month	4.0%	0.0%	2.0%	0.0%	0.0%	2.0%	0.0%	4	50
	2-5 months	2.1%	3.0%	2.1%	1.4%	0.0%	0.0%	0.7%	40	437
	6-10 months	3.0%	1.1%	0.4%	0.2%	0.0%	0.5%	0.4%	31	558
	10-13 months	1.5%	0.7%	0.5%	0.0%	3.2%	0.7%	0.2%	28	411
	13+ months	3.2%	1.1%	0.0%	0.0%	4.8%	2.1%	0.0%	21	189
TOTALS:		94	54	32	20	22	21	25	268	3388

		Negative (distrusting) behaviours								Total negative trust quotes
	Relationship length	Defensive/ insecure	Not admitting help's needed	Limits/ withdraws discretionary effort	Struggle to relinquish control	Won't disclose	Hides fears/ uncertainty	Over-reaction/ panic with problems	Risk averse	
Followers	1 month	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
	2-5 months	0.0%	0.5%	0.5%	0.0%	0.5%	0.5%	0.2%	0.0%	9
	6-10 months	0.2%	0.5%	1.0%	0.5%	1.9%	0.0%	0.0%	0.0%	24
	10-13 months	0.7%	0.0%	0.2%	0.9%	0.2%	0.0%	0.0%	0.2%	10
	13+ months	3.2%	0.0%	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%	8
Leaders	1 month	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1
	2-5 months	1.8%	0.2%	0.7%	0.0%	0.2%	0.5%	0.2%	0.0%	16
	6-10 months	0.9%	1.3%	0.7%	0.7%	0.2%	0.0%	0.4%	0.0%	23
	10-13 months	1.2%	1.9%	0.5%	0.7%	0.0%	0.0%	0.0%	0.0%	18
	13+ months	1.1%	1.1%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	7
TOTALS:		32	23	18	18	16	4	4	1	116

The figures quoted are frequencies, expressed percentages as described earlier in this chapter. Positive trusting behaviours are discussed first, in the following order: Discretionary effort, Disclosing information, Support with promotion and progression, Delegation and then dealing with problems through being open, accountable and asking for help. The distrusting behaviours are then discussed in light of the context in which they occur. Seventy percent (70%) of comments made for this section related to positive trusting behaviours, thirty (30.2%) percent dealt with non-trusting behaviours.

Discretionary effort

Discretionary effort appeared most strongly in the interviews throughout the data collection period, with 94 (of a total 3388 quotations) relating to this subject across all time periods. Discretionary effort often took the form of working long hours, weekends, and evenings where employees invested their time and effort above and beyond contractual hours in the hope of future rewards. This effort largely reflects the start-up environment that they operate within, as Izzy comments: *“if everybody had a really traditional office life, I don’t know that many start-ups would exist at all, because you have to work long hours, you have to put everything into it because you’re doing everything from scratch. And if you just set yourself a really constrained time, like 9-5, Monday to Friday, it would take years to get stuff done. So the idea of a start-up is just putting your all in, you can’t have it any other way, it’s gonna influence everything you do.”*

For followers, discretionary effort becomes more note-worthy as the relationship progresses. This is likely to reflect the growing workload that all followers experienced as they got to know their roles better and became engaged with the vision for their firms. Leaders appear to acknowledge the effort their followers make, and appreciate it, although there is no clear pattern for this in Table 10. This appreciation of their effort accords with Individualized Leadership, where leaders will support their followers if they perceive that they have received satisfactory follower performance (Dansereau et al., 1995).

Leaders reported an expectation that staff should be offering discretionary effort. For Leon, recruitment is on the basis that staff will do so: *“we were talking to [a potential*

candidate] about the role and the fact that we want to work, we work really hard and we have good commitments. He sort of sucked his teeth and said 'Well, you know, I've got a wife and I like to have family time and that sort of thing'. And I just said, 'well that's fine, absolutely, that's not a factor'. It is a huge factor. The trade-off that you're making is that you're compressing 20 years of your working life into three or four years and then you're gonna make a big exit, and if you want to have family time and you want to have kids and all that sort of thing, start-up's probably not for you." He continued, referring to Edward: *"Ed was exceptional, because Ed lives an hour and a half commute away... he does 9-5 everyday and then he goes home and he also carries on working... we understand and trust that he can do that and that he will go home and work."* This sentiment of needing to put in the hours to make the venture successful links trusting behaviours with their context, the environment drives the behaviour in this case. Employees trust that their investment of time and effort will be rewarded further down the line. Another aspect of trusting behaviours is the willingness to disclose information (Wasti et al., 2011), this is described in the next section followed by other trusting behaviours of supporting promotion, delegation and responding to problems.

Disclosing Information

As discussed in the initial interactions section above, disclosing or sharing work information is mentioned most frequently at the start of the relationship. This is reflected in Table 11 where both leaders and followers begin with this process as an initial behaviour. As the relationship develops the apparent need to discuss such information drops away. All leaders in this sample made it a policy to be transparent about company information; the drop in comments about this may reflect a familiarity with this way of working so that it becomes less noteworthy. Likewise, as software engineers become increasingly comfortable with the code base, there less need to receive new information. It is likely that leaders and followers became normalized to the practice of information sharing and no longer saw this as new or innovative, but rather a normal part of the small team operating to ensure the success of the firm.

Disclosing personal information however, depended on the boundaries that existed between leader and follower. The most extreme sharing took place between Lisa and Izzy; their company's product was a social media application and they both socialized with consumers. This means that the boundary between activities that were purely personal and those carried out for the business was blurred: *"[We have] sketchy personal boundaries sometimes when it comes to what we tell each other and things...*

because we feature a lot of club nights as part of our blog content... so it just makes sense. So, we've been out drinking together and representing [the company] and flyering and doing all these things. So, you do end up having that matey night out which is quite funny and we've got some good stories from that... I mean there's not tons that I wouldn't tell her, if it's like really personal I'm not gonna just offer that information up to my boss, but if it something that's funny that you might tell a workmate, yeah, I would tell Lisa coz she's the person who's sitting next to me at the desk."

Other relationships had clearer demarcation lines between what could and could not be shared with the other party. This line applied to the personal-professional divide; it also included controlling how participants were perceived as Adrian explained: *"I think I would be reluctant to share thoughts or ideas which kind of questioned the notion of devotion to the company you're working for, like work ethic and all the rest of that. I think in a professional setting, if I had comments of that nature, I would probably keep it to myself... because things like that can affect how people perceive you, which will affect how they interpret your actions."* In all relationships, personal information was not deemed suitable for sharing at work. On one occasion, under the influence of alcohol, Les revealed information given by a third member of the team.

Dave didn't regard this as a serious incident in itself but did see this as a warning that any information he revealed to Les might not be kept confidential: *"I don't think that ideas should be secret, if I had a cool idea I'd just tell everyone... [but] kind of when people have been drunk they've said things and other people have thought oh-oh... I can probably say anything but I would think that it might get told to someone else later on."* In the data, disclosure of work-related information was common, however there were clear boundaries regarding the personal-professional divide. Other trusting behaviours that Wasti et al. (2011) quote appeared in this data set and are explained, starting with a leader's intentions to support the progression of their subordinates.

Supporting promotion and progression

Time also influences the extent to which leaders will support followers in promotion or progression opportunities. Whilst encouraging the development of their staff occurs throughout the relationship, a promotion depends on a leader's assessment of a follower's role ability and performance, developed over the preceding months. Table 7 shows that this gift of leaders towards followers appeared later on in the relationship when bosses had had time to assess the abilities of their employees. Laurence offered

Fred an acting promotion position after the CTO (Chief Technical Officer) left the company. He felt unwilling to commit to offering the position on a permanent basis, as Fred hadn't done this role previously. The acting position was seen as a safety net for both parties: *"I don't want to give him that title for to then take it away, because either he's not done it before, so, he might not be enjoying it or he might just think, oh I don't wanna be the project manager...or you know, he might not be performing. That's not to say I don't think he will, because I actually do think he's gonna be a good CTO."*

Lorenzo however, had decided by the time Gail had been working with him for 9 months that he had enough information to promote Gail and invest in training for her new position. He was happy to do this because he trusted her ability to do the new role. He describes the process he went through in deciding to promote and re-train Gail: *[If] I've observed you in a very busy job, [and] someone's managed to excel in that, which she has done, then it gives you much more certainty to open up another sort of risk if you like ... there's much more trust. You know at interview, you hope, you trust your judgment but you can't possibly trust the person, there's a lot of hope. You know you can ask someone if they're trustworthy but now I have a trust that she'll certainly give it a good go, and also I guess I can trust a bit more of my own judgment because I can see enough of the skills. ... Now I've seen that she can interact, she can cope with a bit of chaos, she's certainly learnt things very quickly it's easier to make a sort of judgment on that."* Supporting promotion and progression is a leader-specific trusting behaviour as only the leader who can gift this opportunity. Delegation however, in an environment that relies so heavily on follower engagement and discretionary effort, could be expected to be highly evident; surprisingly, it is rarely referred to in this study, as described below.

Delegation

There were relatively few conversations about delegation with either leaders or followers regardless of the length of the relationship (21 quotations out of 3388 in total, see Table 7). This certainly contrasts with the picture presented by Scandura and Pellegrini (2004) where this trusting behaviour was seen as key. The reason for such a low frequency may rest in the context of hi-tech start-ups. In the start-up environment, tasks aren't delegated, the leader doesn't have time to manage individuals' personal activities; followers are expected and required to be autonomous and therefore to manage their tasks and workflow independently. This was one of the key reasons that Lisa struggled with managing Izzy: *"For me, this is kind of the last thing, if she can't do this I'm gonna let her go... the business is entering a different phase, it's like people have to take shit,*

own it and get it done and push things forward. I've always know this about her and I've been realizing that she couldn't do it and I was expecting too much from her. I think in a lot of businesses there's always a need for people that are doers and get stuff done, but we're a start-up and there's six people. And, if there's one person that isn't singlehandedly pushing forwards the part that they're looking after, it's not progressing and I can't do her part of the business as well as my part of the business. I need someone that can run that part of it." In order to survive in the context of high-tech start-ups, trusting behaviours and ability to perform are crucial.

By contrast, Ken looked for and relished the autonomy and lack of task management that Lloyd afforded him. Ken took a pay-cut to move from the Midlands to London for his role, part of the appeal was this expanded set of responsibilities that he wouldn't otherwise have had exposure to: *"I'm currently working as an account exec, but being in the start up is more than what an account exec's responsibilities would be. So, to a certain extent, it's a bit of account management, a bit of business development as well... you're sort of doing these added responsibilities. [It's] with you right from the start, even in slightly more junior roles."* This reliance on followers' judgement and initiative is crucial; Jeremy saw this as key to how he worked: *"I mean everything's so flexible. Like at the moment, if I don't think something works and I've got a good enough reason, I'll change it. Someone might pull me up on it and say 'why did you change it' and I'll say 'I changed it because of this' and that happens for all of us in everything."*

Where this ability to take the initiative is lacking, as for Izzy, frustrations arise as progress is slowed. Lance felt this keenly with Adrian, when the relationship was 4 months old he commented: *"I was the one finding the issues... and it's like, I shouldn't be finding this, you should have some pride in this thing you built."* Three months later Lance's irritation had grown, Adrian was still working on the same project and didn't seem to be making much progress, by the final data collection interview Lance had intervened, redirected Adrian's tasks and would have fired him, if a replacement were easily available. Delegation in start-ups doesn't make a strong appearance because it isn't appropriate. Employees need to display a similar entrepreneurial attitude as their employers and to be self-sustaining in terms of managing their workloads. Where this doesn't happen, staff are at risk of being fired or superseded. Leon illustrates this point, he explained (with some irritation) how he was managing Edward who as Chief Marketing Officer couldn't deal with numbers and wasn't taking responsibility for

monitoring campaign progress: *"So, we've started to divest Edward of some of his responsibility onto others... He's not terribly numerate... so we decided we would get someone who could do basic maths in their head to come in and look after the other areas."* Edward and Leon's relationship deteriorated in part because of Edwards fear about admitting issues and Leon's response to those problems. This type of behaviour is explored in the next section before concluding with other non-trusting behaviours.

Responding to problems

Another issue that arises with delegation is how problems are dealt with, 99 quotations related to participants trusting their other parties enough to be honest when they had difficulties, asking for help and being accountable (see Table 11). 31 quotations described non-trusting behaviours such as not admitting help was needed, hiding fears or uncertainty and panicking when issues arose. In each of the cases where employees haven't been able or willing to fulfil their roles, they weren't open about issues and tried to avoid accountability rather than asking for help. For Edward, this involved not admitting his issue with numeracy, for Izzy it was about avoiding tasks she was uncomfortable with, for Adrian, it was about taking responsibility and being accountable for testing the program he had built. Where relationships were strong, trusting behaviours such as being open when there are problems, seeking support and taking responsibility for errors were in evidence and were accompanied with an environment where risk taking was encouraged. Jeremy was empowered to become independent and autonomous from Lois; six months into the relationship she stated: *"I think he's starting to get used to the start-up environment. He's always been in big corporates, so I think that jumping ship and being in a start-up was a new scary thing for him... I think that now he sees that we can try and do things and if we fail, that's fine, we've learnt something. I'm even hearing him talking like that as well. We were talking about campaigns that didn't work so well and he just wants to get into the middle of it and work out why so we can do it better next time. He's not seeing it as 'oh my god, we failed', it's not a threat."*

Other non-Trusting behaviours

Context again, influences the incidence of trusting behaviours; this is a high-risk environment, organizations rely on trust within their small teams in order to function. Non-trusting behaviours recorded in the data included being defensive or insecure, limiting discretionary effort and not disclosing information. The occurrences of each of these behaviours are described in this section.

The negative relationships in this data set, such as Edward and Leon's, show that where trust in either party fails, then reports of defensive behaviours increase. Quotations about being defensive or insecure occurred 32 times, of which 25 were accounted for by Leon and Edward, and Lisa and Izzy's relationships. Where Edward and Izzy were insecure, they tended not to report problems due to fear of repercussions (lack of trust in supportive leader behaviours). This led to increased anxiety on the part of their leaders who made comments made about being reluctant to relinquish control, again a consequence of their lack of trust in their followers' role abilities.

Twelve of eighteen comments about limiting discretionary effort came from Lance and his team, most of these were Lance complaining that his team wouldn't go the 'extra mile' and work 'above and beyond' (Lance's comments) as he wanted them to volunteer to do. There were two processes taking place under 'not disclosing information'. One related to statements about boundaries between the type of information that it was deemed appropriate to share with leaders or followers as described earlier in this section. The other issue belonged to Gail who didn't feel that Lorenzo was making the right decisions, but who also didn't feel confident enough to share her opinions with her boss. Gail was the only participant who stated that she wouldn't share such information, other followers (Jeremy, Dave, Fred, Harry and Ken) all felt able to offer their opinions even when these were not what their boss necessarily wanted to hear.

In general, trusting behaviours were more common than non-trusting behaviours for this study, although followers such as Maddy who felt very distrustful left the company she worked for so that the sample became increasingly positive over time. The forms that these took largely mirrored literature in this area, with the exception of delegation. The high-tech start-up context probably accounts for low levels of delegation; followers need to be autonomous and independent, leaders need them to take responsibility for significant parts of the business and this includes the ability to make decisions. In these circumstances, delegating individual tasks to employees isn't appropriate, followers need to be able to stand alone, generating and monitoring their own workloads. What this section suggests is that trust behaves in similar but not identical ways as described elsewhere in extant literature. A summary of this section is provided below before moving onto the results for how leaders and followers relationships appear to function.

4.3.3 Discussion of how trust is working in this study

The initial stages of trust development in this study appear to conform to those postulated elsewhere in academic literature; individuals come to the relationship with implicit assumptions about how leaders should act and with their own predisposition to trust. These, combined with external opinions about the other party gained prior to the first meeting, mean that leaders and followers have made some decisions about the other party before the relationship starts (Delgado-Marquez et al., 2014, McKnight, 1998).

When the first encounter takes place, two processes appear to occur: firstly each assesses the affect and the trustworthiness of the other; and secondly, if these assessments are positive, leaders offer followers a trusting behaviour in the form of disclosing work-related information. The first part of this process depends on individuals' implicit theories, their predisposition to trust and the information previously gathered. This and the assessment of trustworthiness then start the relationship dynamics through this early trusting behaviour. All of the leaders in this sample described their trusting behaviours and disclosure of information. There was no information about non-disclosure of data or a lack of trust. This reflects the positive bias in the sample (as described in the limitations section of Chapter 7). Negative behaviours may have been under reported either because those who felt negative weren't employed by that company or left their employment, taking their negative perceptions with them.

Trusting behaviours involve "relinquishing control over outcomes valuable to the self." (Tanis and Postmes, 2005:413) and appear key to how relationships in this dataset function. The types of trusting behaviour in this study conform to those found elsewhere in literature. Wasti et al., (2011) describe how leaders delegate, disclose personal and professional information and are benevolent towards followers to the extent that they will support follower progression even when they need that individual to work within their team. For followers, disclosing information, displaying discretionary effort and showing honesty along with courage, providing feedback and information that they feel is important even this is not what their superiors want to hear. All of these behaviours have appeared in this study, where these results depart from literature is in the timeframe in which they occur. The extant research on trusting behaviours doesn't include a timeframe for their appearance. Theoretical models (such as Colquitt et al.,

2007, Dietz 2011, 2006, Dirks and Ferrin, 2002, Mayer et al, 1995.) suggest that these behaviours only occur once a confirmation of trustworthiness has taken place and a decision to trust has been made on the grounds of evidence, gathered over time.

The data here suggests that the trusting process in hi-tech, start-ups is accelerated and that the trustworthiness assessment and decision making activities take place during the initial interaction, from which, trusting behaviours are immediately evidenced. There are two levels of context which may be influencing this acceleration: the first the industrial level of context (see Markham, 2010) where hi-tech companies survive by constantly innovating. This sets the tone for rapid development and the need to bring new recruits up to full working capacity quickly. The second level of context that appears to be influencing behaviours is that of the organization. All of the firms in this sample are start-ups, which by their nature, are fluid organizations, in a thriving marketplace where survival is uncertain. Again, this means that new staff need to be able to function quickly and hence need access to information in order to perform at the required level in as short a time as possible.

Both Delgado- Márquez et al. (2014) and Korsgaard, Brower, and Lester, (2014) support the findings that the experiences of relationship dynamics with the other party will inform the assessment of trustworthiness and therefore influence the amount of trust and trusting behaviour that is displayed. As Korsgaard et al. (2014:8) comment: "trust begets trustworthiness and trustworthiness begets trust"; in other words, the more trust is displayed, the more it is received. Evidence of these dynamics appears with Jeremy, Ken, Fred, Harry, and Gail: positive behaviours such as discretionary effort, being open and committed to their jobs resulted in leaders showing trusting behaviours through offering their staff progression opportunities. For Chris, Adrian and Bill, a perceived lack of discretionary effort, failure to seek support and not admitting there were problems led to uncomfortable events, where Lance displayed non-trusting behaviours in the form of monitoring and questioning their work and knowledge.

Leon in particular felt frustrated at Edward's lack of honesty about his difficulties: *"I had to have a very flat conversation with Edward. I took him to one side and sat him opposite me and looked him in the eye and explained why this was unacceptable. He just looked at me and started crying... it's not a pleasant thing to have to do because there've been three or four conversations where he's teared up and felt bad... Any time*

we've asked him to do something open-ended where there's no revenue attached, such as turning £1 into £2, he's very very good; anything with KPIs associated with it he would not be so good at that..." Leon's lack of trust in Edward's ability to perform his role meant that his role was narrowed, his involvement was marginalized and the value of his work reduced all non-trusting behaviours.

The model for trust development in Table 5 has particular consequences for how a decision to trust has been accounted for. This "leap of faith" (Mollering 2006) from assessing trustworthiness and behaving in a trusting manner has previously been accounted for by Gillespie's Behavioural Trust Inventory (2003) (see Dietz, 2011). Gillespie (2003) asserts that a decision to trust is evidenced by a willingness (a) to rely on the other party and (b) to disclose personal and professional information. Two issues arise between the data presented here and Gillespie's structure; the first relates to willingness to rely on the other, the second to the willingness to disclose both personal and professional information.

There is some confusion in trust literature between reliability and predictability; authors such as Tzafrir and Dolan (2004), Mishra (1996) and Cunningham and McGregor (2000) conflate the items and include them in their definition of trustworthiness. Dietz and den Hartog (2006) describe predictability, as a consistency and regularity of behaviour and leave out any detailed discussion of reliability. In addition, there is potential confusion between reliability and loyalty (a dimension of LMX-MDM). Liden and Maslyn (1998:46) describe examples of loyalty as occasions where "Leaders are more likely to ask loyal members to take on tasks that require independent judgement and/or responsibility". In other words, leaders are relying on followers as part of their leader-member exchange. Potentially, this means that the same behaviour is being accounted for three times through trustworthiness, trust belief and the loyalty dimension of LMX-MDM.

<p style="text-align: center;">Behavioural Trust Inventory</p> <p>Instructions: How willing are you to ...</p> <p>Reliance</p> <ol style="list-style-type: none">1. Rely on your leader's work-related judgements.2. Rely on your leader's task-related skills and abilities.3. Depend on your leader to handle an important issue on your behalf.4. Rely on your leader to represent your work accurately to others.5. Depend on your leader to back you up in difficult situations. <p>Disclosure</p> <ol style="list-style-type: none">1. Share your personal feelings with your leader.2. Confide in your leader about personal issues that are affecting your work.3. Discuss how you honestly feel about your work, even negative feelings and frustration.4. Discuss work-related problems or difficulties that could potentially be used to disadvantage you.5. Share your personal beliefs with your leader. <p>Scale (1 = not at all willing to 7 = completely willing)</p>
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Figure 12 - Gillespie (2003) Behavioural Trust Inventory

A choice between using the term 'reliability' and 'predictability' needed to be made before data collection started. In order to avoid participant confusion about the difference between the two words, I decided to use 'reliability' on the basis that it was likely to be virtually interchangeable with the word 'predictability'. The results for reliability spread across all types of behaviour, disposition and contextual influences and gave no conclusive results in terms of whether this was a trust-behaviour, trustworthiness assessment or linked to the Loyalty dimension of LMX-MDM. When reliability was tested for co-occurrence with other trusting codes it was linked to ability to perform a role consistently and to show benevolent and trusting behaviours such as disclosing work information, providing discretionary effort to support the leader or the team. These co-occurrences don't closely relate to Gillespie's behavioural trust inventory (see Figure 12) and the range of other codes (75 in total) that this is linked with suggests that reliability is an important issue, but don't give a clear indication of how this code is related to trust or indeed, whether this is an aspect of LMX. Further empirical work is required to clarify how reliability and predictability can be delineated and which is operating at what time points in the relationship development process.

The second issue that arises with Gillespie's (2003) definition of behavioural trust is that of disclosing personal and professional information. For respondents in this dataset,

disclosing information had consistent barriers that were never transgressed. Disclosing personal information between leaders and followers was seen as inappropriate. Even when both parties were friends, socialized together and shared leisure-time pursuits, they perceived a clear boundary between boss-employee that not even Izzy and Lisa would not cross by divulging sensitive personal information. With regard to work-place information, employees felt that again, there were boundaries. If information would place them at a personal disadvantage but would be of benefit to the firm or the leader, they would consider sharing this knowledge. If however, employees held personal information about their co-workers, they would not share this, partially to protect their colleagues but also to protect their employer from an embarrassing situation.

Lau et al (2014:123) similarly found that whilst feeling that a leader relied upon a follower impacted on follower behaviours and performance, the same was not true for disclosure. They concluded: “disclosure in vertical dyads may involve more than relationship building or social exchanges. As a type of trusting behaviour, its effects require further examination in future research.” It would appear that there is a set of calculations around disclosing work-related information that goes beyond the employee-employer relationship, extending into ethical, contextual considerations for the team and the whole organization.

These two sets of issues call into question whether Gillespie’s inventory of behavioural trust is helpful in this context. If reliability and predictability are either synonymous or at the very least very closely related, and connected to LMX, then this aspect of Gillespie’s inventory isn’t applicable to the context of High-tech, start-ups as decisions about trusting behaviours are being made that eliminate the need for such a decision to be made. If disclosure of information is restricted both by the boss-employee divide and by a set of ethical considerations that transcend the dyadic relationship, then again, an alternative approach is required to describe how decisions around information sharing is managed. Further, the decision to trust appears to be made during the initial interaction stage of relationships in this context, and seems to rest on prior information and the outcomes of the initial interaction. The implication here is that an assessment of trustworthiness, including the reliability of the other to perform their role, supplies enough information for the decision of whether or not to engage in trusting behaviours. Further research would be required to establish this assertion more strongly. The links between the results so far and literature suggest that trust behaviours appear in an accelerated

fashion in this context. However, trust is one part of the dynamics taking place between leader and follower, in order to appreciate the relationship more fully, the next section looks at how those dynamics are working and which aspects of relational leadership do or do not apply in the hi-tech start-up environment.

4.4 Summary of Relationship Beginnings

This section has described the role of antecedents in terms of individuals' predisposition to trust and their implicit leadership theories. What became evident was that leaders and followers also sought external opinions of the other party before they met. When the first interaction took place, leaders and followers assessed the trustworthiness of the other party and leaders offered trusting behaviours during this initial encounter. The following results chapter describes how these relationships continued to develop and the outcomes of that process.

5 Results of Relationship Dynamics

The literature review identified five relational leadership constructs that relate to DRQ (Multi-dimensional Leader-member Exchange, Leader-member social exchange, Economic and Social leader member exchange and Individualized leadership) and Interpersonal Trust. One aim of this study was to determine whether all five of the relational leadership theories were required (or enough) to describe dyadic relationship quality. This section is structured around the five relational leadership theories; each theory is considered in terms of what it adds to our understanding of relationship dynamics between leaders and followers and where any dimensions of these theories might be redundant. There are a large number of dimensions that apply to these theories as presented in this chapter, all of which are related back to the literature.

Trust and context were intertwined with these five relational leadership theories; they are reported as they appeared in the data, rather than as separate sections for two reasons. Firstly this was how they appeared in the data and secondly, this way of reporting is consistent with the theoretical approach taken so far, where relational leadership, trust and context are inter-related in interact with each other. Starting with Multi-dimensional LMX, (LMX-MDM), the results for each of the theories is considered in turn. Following LMX are Leader-member social exchange (LMSX), Economic and Social leader-member exchange (ELMX and SLMX) and then Individualized Leadership (IL) are considered in turn. A summary at the end of this section draws together the dimensions of relationship dynamics as they appear in theory and harmonizes this with the results from this dataset.

Table 12 - Codes for Contribution shown as percentage frequencies

		Positive aspects of Contribution								
		high skills/ ability/ talent	previous experience	strong drive /work ethic	talking it through	determined to resolve problems	staying calm	learning from mistakes	Positive contribution quotes	Total quotes available
Followers	1 month	2.5%	6.2%	3.7%	0.0%	2.5%	2.5%	0.0%	14	81
	2-5 months	24.0%	16.0%	6.0%	18.0%	18.0%	10.0%	6.0%	49	410
	6-10 months	2.4%	1.7%	0.2%	2.9%	2.4%	0.2%	2.0%	49	587
	10-13 months	3.7%	0.9%	1.6%	0.9%	0.7%	0.5%	0.0%	36	446
	13+ months	0.3%	0.3%	0.5%	0.3%	0.0%	0.2%	0.0%	10	219
Leaders	1 month	0.4%	0.2%	0.0%	0.2%	0.0%	0.2%	0.0%	5	50
	2-5 months	4.9%	1.1%	1.6%	0.7%	1.1%	0.7%	0.2%	46	437
	6-10 months	6.8%	0.5%	1.5%	2.7%	0.2%	0.7%	0.5%	53	558
	10-13 months	8.7%	1.4%	1.4%	0.9%	0.5%	0.5%	0.5%	30	411
	13+ months	6.3%	1.6%	1.6%	2.1%	2.1%	0.0%	0.0%	26	189
Total Quotes		125	40	36	48	35	19	15	318	3388

		proactively avoiding problems	blue sky thinker /creative	intelligent	never stops/ hard working/	correct/ guide other	perfectionist	energetic	Positive contribution quotes	Total quotes available
Followers	1 month	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0	81
	2-5 months	8.0%	2.0%	8.0%	0.0%	2.0%	2.0%	2.0%	12	410
	6-10 months	1.2%	1.0%	0.2%	0.2%	0.0%	0.2%	0.2%	13	587
	10-13 months	0.0%	0.2%	0.5%	0.7%	0.7%	0.5%	0.0%	11	446
	13+ months	0.0%	0.5%	0.0%	0.7%	0.2%	0.0%	0.3%	10	219
Leaders	1 month	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	1	50
	2-5 months	0.4%	0.0%	0.7%	0.0%	0.0%	0.2%	0.0%	6	437
	6-10 months	1.0%	0.5%	0.2%	0.0%	0.2%	0.0%	0.0%	8	558
	10-13 months	0.0%	0.0%	0.5%	0.9%	0.0%	0.0%	0.0%	3	411
	13+ months	0.0%	1.1%	0.0%	0.5%	0.0%	0.0%	0.0%	3	189
Total Quotes		15	13	13	11	6	5	4	67	3388

Negative aspects of Contribution

		nervous/ anxious/ low confidence	avoidance difficult tasks	not intelligent/ capable	distanced/ disengaged	correction/ guiding withheld	Total negative contribution quotes	Total quotes available
Followers	1 month	1.2%	0.0%	0.0%	0.0%	0.0%	1	81
	2-5 months	18.0%	0.0%	2.0%	0.0%	0.0%	11	410
	6-10 months	2.0%	0.2%	0.0%	0.2%	0.7%	17	587
	10-13 months	2.5%	0.5%	0.0%	0.7%	0.2%	21	446
	13+ months	0.0%	0.0%	0.0%	0.0%	0.0%	0	219
Leaders	1 month	0.2%	0.0%	0.0%	0.0%	0.0%	1	50
	2-5 months	0.4%	0.0%	0.0%	0.0%	0.2%	3	437
	6-10 months	0.7%	0.7%	0.0%	0.0%	0.5%	8	558
	10-13 months	1.8%	2.3%	0.5%	1.8%	0.0%	15	411
	13+ months	0.0%	0.0%	4.2%	0.0%	0.0%	8	189
Total Quotes		39	11	10	8	7	75	3388

5.1 Leader-Member Exchange (LMX-MDM)

Liden and Maslyn (1998) suggested that exchanges between leaders and followers could be captured through four dimensions: contribution, affect, respect and loyalty. They define 'contribution' as relating to the extent to which either side is willing and able to support the other. Affect describes whether either party likes the other beyond a professional interaction, Respect relates to the professional rating that one gives the other in terms of their ability to perform their roles and Loyalty describes whether or not either half of the dyad would protect the other. Coding of the data highlighted links with these four dimensions as shown in Appendix 2 – Concept Mapping. The evidence for each of these dimensions is discussed in turn.

5.1.1 Contribution

The highest number of codes that related to any single construct across relational leadership, applied to the contribution dimension of multi-dimensional LMX (LMX-MDM). The codes associated with contribution are shown in Table 12 below, which also shows how each aspect of LMX-MDM changed over time as the data collection period progressed. Quotations are used to convey the sense that can be made of what leaders and followers were experiencing during data collection. Again, the figures are represented as a percentage of the total number of quotations made by leaders or followers for any given time-period.

In a start-up environment, there are few resources and great reliance is placed on individual performance, making each person's contribution crucial to the company's survival. A leader's and follower's skills and talents, and their willingness to engage are therefore important. Just over a quarter of all comments coded as contribution (26.6%), related to the skills and talents of leaders and followers. All of the male employers in this sample cited intelligence and talent as important to the relationship. For female employers, the ability to communicate and have a positive attitude was more important. Followers were more interested in working in a highly skilled team than having leaders who were talented or intelligent. For software engineers, working in a good technical team meant that there was more likely to be interesting work and colleagues that they could share ideas and problems with. Fred commented: *"So, the contracting stuff was better paid, but then there's a lot more stress in that you have to work on things that aren't that interesting... I am pretty good at what I do and getting developers who actually know what they're on about is*

actually pretty hard.” Previous experience is valued by leaders and followers; for leaders this meant that employees were likely to come with higher skill sets, for followers, it meant that the leader was more likely to know what they were doing and take the company on towards success.

Other aspects that fed into contribution included leaders and followers who had a strong drive, would talk through problems, be determined to resolve issues and who could stay calm in stressful situations. Both parties described behaviours and attitudes that negatively impacted on contribution (see Table 12). Followers who were low in confidence and avoided difficult tasks were frustrating for their leaders. Lisa, for instance, found that she had to spend a significant amount of time supporting Izzy to up-skill and do the parts of the role that she couldn't fulfil. Leon, likewise, employed additional marketing agencies and staff to cover the numerical aspects of the role that Edward wasn't comfortable with. Eventually, Lisa and Leon concluded that their followers were simply not capable of dealing with the roles being asked of them. During our last interviews these two employers made 8 of 10 negative comments about Edward and Izzy's inability to perform their roles.

Contribution then, explains what each side brings to the relationship in terms of what they can give positively but also behaviours and descriptions that reduce the quality of the relationship. Key to this dimension of LMX is an individual's skills and ability to perform their role, their determination to stay calm and work through problems and their confidence in doing so. If confidence is lacking then the ability of leaders and followers to function is reduced and the relationship quality is likely to suffer. In addition to contribution, Affect describes how leaders and followers feel for each other. The next section explains why Leon and Lisa were so reluctant to fire Edward or Izzy and the lengths they each went to try and support their staff in becoming more successful.

5.1.2 Affect

As described for the initial interactions, liking the other party (affect) was a key part of why the relationship started. It would be expected that this aspect of the relationship would remain important, especially given the pressurized environment that leaders and followers are operating within. Affect includes friendship and liking each other's company. In this sample, respondents also linked affect with the other party being calm and easy going. For nine out of the twelve relationships studied here, the positive affect between leaders and followers remained stable or grew over the data collection period. The quotations below explain the most significant features of these aspects of Affect. Table 13 also summarizes how these elements altered over time; again the figures presented here are a percentage of the total number of comments made by either group for a given relationship length.

Table 13 - Levels of Affect for leaders and followers

		open/ outgoing / cheerful/ nice	liking/ affection / friends/ family	calm/ easy going	friendly	hard to get to know/ read	Total affect quotes	Total quotes availab le
Followers	1 month	3.7%	1.2%	3.7%	0.0%	0.0%	7	81
	2-5 months	1.5%	0.0%	2.4%	0.2%	0.2%	18	410
	6-9 months	0.9%	1.4%	1.2%	1.0%	1.7%	36	587
	10-13 months	0.7%	2.2%	0.4%	1.1%	1.1%	25	446
	13+ months	1.8%	1.4%	0.0%	0.0%	0.0%	7	219
Leaders	1 month	4.0%	0.0%	0.0%	2.0%	0.0%	3	50
	2-5 months	4.1%	1.4%	0.7%	0.7%	0.0%	30	437
	6-9 months	0.7%	0.7%	0.2%	1.3%	0.2%	17	558
	10-13 months	1.7%	1.7%	0.5%	0.7%	0.2%	20	411
	13+ months	0.0%	0.5%	0.0%	0.0%	0.0%	1	189
TOTALS:		52	40	28	26	18	164	3388

Fred and Laurence typify the positive relationships in the dataset. They liked each other throughout the relationship. Laurence described Fred in our final data collection interview: *"Fred's like I mean he's a really nice, he's one of the nicest guys I've ever met."* These sentiments were echoed by the majority of the rest of the participants in this study. Part of this liking related to whether leaders or followers felt that the other party would remain calm under pressure. Edward felt that his own ability to remain calm was an asset: *".... because I'm quite quiet when I talk... I use that to my advantage because I know that people have to really listen to hear me... particularly I've had to do a lot of diplomatic work sorting out issues and trouble shooting so I kind of learnt very quickly to be very calm and quiet."* Izzy was reassured by Lisa's ability to remain calm: *"I don't see her panic very often, which is good, maybe she's panicking inside and just doesn't show it but its that thing of knowing all the time what's happening and what needs to be done... So, yeah I don't see her panicking too often, which is reassuring for me because inside I'm like going "what am I meant to be doing?"*

However, liking the other party and staying calm were not always enough. Leon described his feelings about Edward after he had hired a replacement Chief Marketing Officer, whilst Edward was still at the company: *"I thought he was really great. I think, I still think he's great as a person, he deserves success in his life... I think that one of the things that it does come back to on his side is definitely numeracy. If he had confidence, numerically, then he would do the tracking and get it right and lead with it as a way to express 'this is how well I'm doing or how badly I'm doing'. But I just don't think he's that confident, he doesn't feel, he's not cocky enough."* Confidence and calmness sit together for Leon; as well as ability to perform a role, individuals must also demonstrate self-assurance. Ability to perform, calmness and confidence are therefore linked; Lloyd lost Maddy's confidence because she didn't believe in his ability to judge new contracts accurately; Maddy herself lost the self-assurance that she could cope in a fluid environment; Izzy wasn't confident enough to take on a more strategic role, despite the coaching and support that Lisa offered. Where one or both parties lost confidence in the other to remain calm and perform their role, the relationship itself was called into question.

A second impediment to relationship development arose when one side found the other party difficult to interpret or understand. For Harry, this didn't stop him relating to Leopold as they still shared sporting pursuits outside work, but it was significant enough

for Harry to volunteer the same information in second and third data-collection interviews: *“He’s one of those people that I find really, really hard to describe, I don’t know why. It’s like, we seem to have a good relationship between us and it’s all good, but he’s like this one person that’s hard to understand, hard to get through to, to know what he might be thinking or not.”* For Bill, this lack of cues made it difficult to know how he was supposed to behave: *“So this is why I say there is no real relationship because ... Coz in that way I don’t know what are you thinking, so I can’t know you, I can’t understand what are you thinking now and so what I’m doing [is] wrong or right?... So, next time what I’m going to do? I don’t know.”* Bill was concerned that he didn’t know what behaviours were expected of him as a result of this encounter and was uncomfortable as a result. This lack of understanding meant that he didn’t feel a real relationship could exist. This is in contrast to Lance’s beliefs about their interactions: *“I think Bill likes the team, me in particular, like I’m approachable, he comes up and talks to me. I like that about him, he doesn’t always do it with tact, but I like that... especially with a team of introverts, it is nice culturally to have an extrovert on the team.”*

Table 13 shows that an appreciation of and liking for the other party was strongest at the start of relationships. It is present in the form of being cheerful or nice, having liking or affection or being calm and easy-going at some point across the whole data collection period, its influence on relationships appears much weaker than the impact had by contribution. Maddy, Lloyd and Lisa’s experiences also suggest that professional respect for the other party impacts the extent to which they have confidence in their ability to perform and therefore, like them as a colleague. The issue of professional respect is discussed below.

5.1.3 Respect

From the quotations above, professional respect appears to support the perceptions of ability to perform a role and affect between leaders and followers; respect develops as the parties grow to understand each other. Codes such as having respect, admiring the other, having clear boundaries and being humble related to respect in the interviews and are shown in Table 14 below. Where employees and employers maintained the roles and responsibilities of the other party, they felt respected (as described below) and when these boundaries were eroded, confusion about roles ensued.

There is a clear temporal aspect here, as Table 14 shows, respect grows over time, as Laurence explained: *"I suppose the longer you work with someone [the] more you do grow, you both grow a sort of a respect for each other as well... I suppose now because of the closer we're working I've seen that Fred [is] actually really good at his job... he's one of the nicest guys I ever met, like he's got great morals and actually he's not a pushover."* This statement clearly provides the link between time, ability to perform a role, affect and respect. The longer Fred and Laurence worked together and got to understand one another, the more they found to like and appreciate about the other party.

Izzy adds to this sense of a relationship growing over time and deepening in respect. *"When we first met the company was so young and so small and we were figuring loads of just basic shit out like and going to parties and events in neon pink jeans to get attention. It was all the graft and I had to learn that graft and I had to learn it from Lisa because she had all this energy and I was like 'I better step up and match that energy'. And, now we're even further along she does even more, like she goes to the Whitehouse... she still does all these awesome things so it's very easy to look up to her."* Respect then has an element of admiration for Izzy, for what Lisa does and for the fact that she doesn't feel she would be able to achieve the same things.

Table 14 - Development of respect for leaders and followers over time

		respect	admiration	boundaries clear	one understands the other	boundaries unclear	humility	Total Respect quotes	Total quotes available
Followers	1 month	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	1	81
	2-5 months	1.5%	1.2%	0.5%	0.0%	0.5%	0.5%	15	410
	6-10 months	0.3%	0.5%	0.7%	0.0%	0.7%	0.0%	13	587
	10-13 months	0.9%	0.9%	0.7%	0.9%	0.7%	0.0%	15	446
	13+ months	0.9%	2.3%	1.4%	0.5%	1.4%	0.0%	11	219
Leaders	1 month	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0	50
	2-5 months	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%	3	437
	6-10 months	0.4%	0.2%	0.2%	0.2%	0.2%	0.0%	7	558
	10-13 months	1.9%	0.2%	0.0%	1.0%	0.0%	0.0%	14	411
	13+ months	0.0%	0.5%	0.0%	1.6%	0.0%	0.0%	6	189
TOTALS:		25	20	13	14	10	3	85	3388

The strength of the boundaries between leaders and followers can be positive or negative for leaders and followers. For Lisa and Izzy, their loose boundaries regarding personal information facilitated their working relationship when Lisa was in America: *“It’s definitely still the same as it’s always been at the beginning, like it’s you know, a lot more personal information... I think there’s the things that make it slightly different in a start-up, is that if I send her an email at like nine or ten o’clock in the evening... I’ll expect a reply, not because it’s her duty to give a reply but just because I’m used to getting a reply... she can work the hours that she wants and I trust her to do that...”* Having loose boundaries in this case doesn’t mean that Lisa has less respect for Izzy; here, the leader trusts the follower to manage her work hours so that the business can operate. The relationship between Izzy and Lisa is developed on the understanding of how they will work; their personal boundaries appear fuzzy, their working boundaries are fluid and based on Lisa’s trust in Izzy’s discretionary effort.

For Edward and Leon however, the greater Leon’s encroachment into Edwards work role, the less respected and valued he felt: *“Today he met a DM [digital marketing] agency, but that’s surely what I should be doing... and this sort of brings it to that area where it’s ‘what’s my remit and what is his remit?’”* Rather than dealing with the issue, Edward chose to organize the office Christmas party leaving his boss to sign up the digital marketing agency that would handle their marketing campaigns for the following six months. For Maddy and Lloyd, Maddy’s role had become so unclear that she felt unable to function: *“because the role changed, because I ended up working in a role that I was not offered, I became confused in thinking ‘well, why am I here?’”* Lloyd couldn’t give Maddy the structure that she needed to understand her role: *“We definitely learnt a lot from that because we messed up quite a few things, particularly around the structure of her job, changing her job and all that sort of stuff which is not good...”*

Context again informs and influences how relationships function, this time if appears at an organizational level. For Laurence, clear boundaries are part of good management and showing respect: *“If you have good role clarity then... everyone knows what they do and everyone does what they do because 1) they like doing it and 2) they’re good at doing it. And, if everyone’s like that then because we’re all the same type of people, we all respect that everyone’s good at it and there’s no bitchiness and ego and all the shit like that.”* This means that at an organizational level, policies and procedures are required to prevent the loss of trust and erosion of relationship quality. If leaders and

followers struggle to deal with the inherent fluidity of the start-up environment, and no organizational policies exist to structure work roles, then as Maddy demonstrates, followers can fail to cope. If both parties are happy with the rapidly developing start-up environment and enjoy its fluidity, then organizational policies to establish role clarity don't appear necessary.

Lance and his team demonstrate this. Lance avoided all forms of organizational policy apart from having holiday forms and rough working hours of 10am-7pm each day. Otherwise, he left it up to the engineers to decide what they would work on and how they would structure this. He monitored project process, but only intervened if a project seemed to falter as happened for Adrian and his mobile phone app. After the data collection period finished, I followed up with another conversation some weeks later. Lance had decided to take employee empowerment a step further, buying computer tables with wheels and removing any workflow monitoring so that engineers could work on any project, with any colleague in the office. His vision was that his staff would truly engage in the vision if they could take complete ownership.

Respect in start-up relationships appears to have a significant influence, and involves an understanding that has developed over time. Start-ups either need clear boundaries between leaders and followers or staff who are happy with an unstructured environment. This reliance on being able to cope with fluid management presupposes a level of engagement and loyalty on the staff's part. Loyalty is the fourth dimension of LMX-MDM and the findings on this element are described next before an overview of LMX and its links with trust and context at the end of this section.

5.1.4 Loyalty

From the LMX literature, Loyalty refers to the extent to which leaders and followers will support each other's actions and character (Liden and Maslyn, 1998). For participants in this dataset, three codes appeared inductively that relate to this construct: 'loyalty', 'not wanting to let down the other party' and feeling that 'reputation had been tarnished or embarrassment had been caused' (see Table 15). When this final code emerged, it was linked with a loss of loyalty, where one party wished to distance themselves from the other and was no longer willing to defend their actions or decisions to others.

Not wanting to let down the other party is also a form of loyalty. Liden and Maslyn (1996:46) state that "Leaders are more likely to ask loyal members to take on tasks that require independent judgement and/or responsibility" but they don't describe how a follower might respond to such a task. Not wanting to let down the other party after being entrusted, is the response to that trust. It expresses a desire to do well for that person, to meet up to their expectations and needs and to demonstrate loyalty through the performance of skills and abilities. When participants didn't want to let down the other party or the whole team, they referred to both the achievements of the company and the reputation that they had personally as reliable co-workers. This was the most common form of loyalty for the study, and was felt more strongly by followers than leaders.

Izzy described her feelings: *"We were sort of going over my job role, maybe two or three months ago, just making sure we were on track and both on the same page with things and we both said like, it is my job to make people love this product. So, I feel quite comfortable in owning that now but it does still terrify me cos it's hard. But, I also get scared and terrified because Lisa's putting a lot of faith in me being able to do that and I don't want to let her down and I don't want to let myself down and I don't want to let the company down."* Izzy's experience suggests that trust is linked with this dimension of LMX; aware of Lisa's trust in her ability to perform, she wanted to be able to match that expectation.

Leon sensed this desire to perform well in Edward: *"He works hard, he wants to do well, he doesn't want to let the company down, he doesn't want to let me down. In fact, it may be that he personally likes me because he doesn't talk about letting the company down;"*

he talks about letting me down. And trying to work hard and wanting to help me and things like that." Edward was aware that there were issues: "it's just that feeling when you feel you've not only let yourself down but you've let, you know you've been in this room with three guys for 45 minutes and you've been working off the wrong document and you haven't been doing the right thing and it feels; I felt urgh." Edward felt that he had let Leon down; he had failed his leader, which he found personally embarrassing. He was also aware that this was a turning point in their relationship, from that moment onwards Leon had distanced himself.

Table 15 - Development of loyalty for leaders and followers

		don't want to let down	loyalty	embarrassment /reputation tarnished	Total loyalty quotes	Total quotes available
Followers	1 month	0.0%	1.2%	0.0%	1	81
	2-5 months	0.7%	0.2%	0.0%	4	410
	6-9 months	0.3%	0.2%	0.0%	3	587
	10-13 months	1.6%	0.0%	0.0%	7	446
	13+ months	1.4%	0.9%	0.0%	5	411
Leaders	1 month	0.0%	0.0%	0.0%	0	219
	2-5 months	0.0%	0.2%	0.0%	1	50
	6-9 months	0.0%	0.0%	0.0%	0	437
	10-13 months	0.5%	0.0%	0.2%	3	558
	13+ months	0.5%	0.5%	0.0%	2	189
	TOTALS:	18	7	1	26	3388

His perception was correct, Leon described feeling that if he supported Edward it would be his own position that was questioned: *“I could feel other people’s palpable sense of confidence draining out of the room as he presented... Right now it doesn’t affect anything, but very soon, I think it would start to affect other people’s confidence in me if we didn’t either turn him around or if he didn’t sort of head off.”* Leon was no longer loyal towards Edward, he no longer supported him in team meetings and actively started looking for Edward’s replacement from the week in which this incident took place.

Other relationships in the dataset were more positive with a mutual sense of loyalty and support. Lorenzo and Gail, Leopold and Harry, Lois and Jeremy, Laurence and Fred, Lloyd and Ken, Adrian and Lance all had a sense of loyalty between them, evidenced either through the use of the word ‘loyal’ or through this sense of not wanting to let the side down. Table 15 shows the relative percentage frequencies for leaders and followers and the codes relating to loyalty. As described above, followers felt the need to meet expectations of performance more than leaders and were more likely to describe themselves as loyal. There was only one leader, Leon, who felt that his reputation was under threat by having a member of the team whom he didn’t trust to perform his role.

Loyalty then appears in the form of statements about being loyal and in wanting to protect the work and reputation of both individuals and the companies that they work for. There is a link between loyalty and trusting in the ability of the other party to perform. When Leon and Lisa felt that their respective followers couldn’t do the roles being asked of them, they suspended a sense of loyalty, put the needs of their firms first and looked for replacements. In this data set, loyalty occurs providing the condition of being able to perform a role is met.

5.1.5 Summary of LMX-MDM dimensions for this dataset

There was significant evidence in the dataset to suggest that the multi-dimensional model for leader-member exchange (LMX-MDM) was relevant and that, with trust, the dimensions of contribution, affect, respect and loyalty were operating as part of the relationship dynamics. Table 16 shows how the four dimensions of trust developed over time for participants of this study. The dimensions are broken down

Table 16 - How the dimensions of LMX-MDM develop over time

		contribution	affect	negative contribution	respect	negative affect	loyalty	Total quotes for LMX-MDM	Total quotes available
Followers	1 month	19%	10%	1%	1%	0%	1%	26	81
	2-5 months	13%	5%	3%	3%	0%	1%	103	410
	6-9 months	13%	5%	3%	2%	3%	1%	154	587
	10-13 months	15%	4%	5%	3%	2%	2%	141	446
	13+ months	17%	5%	0%	5%	0%	2%	63	219
Leaders	1 month	12%	8%	2%	0%	0%	0%	11	50
	2-5 months	13%	7%	2%	1%	1%	0%	105	437
	6-9 months	12%	4%	2%	1%	0%	0%	110	558
	10-13 months	8%	5%	4%	3%	0%	0%	84	411
	13+ months	16%	1%	4%	3%	0%	1%	47	189
		445	164	96	80	34	25	844	3388

into positive and negative codes for contribution and affect to demonstrate how the two aspects of these process were working and again, the table shows the percentage of comments made by leaders/followers for any given relationship length in comparison to the total number of comments made for a given length of relationship. Positive contribution has the greatest influence on the relationship as discussed earlier, with positive affect having the next biggest impact. For followers, both these positive dimensions start with their strongest figures (19% and 10% respectively); then drop and remain relatively stable across the rest of the time-periods. For leaders, the fluctuations are greater for contribution with affect following the pattern for followers. The rise in negative contribution and drop in positive may be explained by the impact of Edward and Leon. Leon in particular was very negative about Edward's performance and this is a sufficiently small dataset that one individual of 21 participants could skew the results. The figures return to their previous level for positive contribution after Edward and Leon have finished participating in the study. Edward, who was disaffected, left his organization during the 10- 13-month period, which is likely to explain why negative contribution and affect disappear after this point for followers.

Respect grows for leaders and followers over time; it appears to take longer for leaders to feel respect for their subordinates whereas followers describe respect from the beginning of the relationship. This is likely to be a reflection of the effort, energy and vision that is required to be successful in the Hi-Tech Start-up environment. Few firms make it through the selection process for accelerator organizations, followed by finding funding, followed by successful trading and growth. To reach this point in development is an achievement and this probably accounts for the sense of respect that followers describe for their leaders.

Similarly, loyalty grows over time and is present in higher degrees for followers than leaders. Again, this reflects the imbalance between leaders and followers relationship where leaders are employers, in charge of pay as well as creating the vision that followers buy in to. Lloyd expressed a desire to support his staff and a sense of loyalty towards them, being aware that he was providing a livelihood for his team: *"It's impossible for me not to care... Because I started the whole thing, it's my baby, I've got a lot of eggs in one basket, I've also got a lot of people who are reliant on it now as well..."*

Trust informed these relationship dynamics and was interwoven with each of the four dimensions of LMX-MDM. Table 17 shows that contribution and affect are most strongly linked with trusting behaviours, trusting in the ability of the other party to perform and trust in their benevolence (to 'have their back' and support them if need-be). Given that trusting behaviours involved discretionary effort, dealing effectively with problems, disclosing information and being supportive, it is unsurprising that this should have a strong link with the positive perception of the other's ability and willingness to contribute to the relationship. Likewise, these behaviours are linked with respecting the other party, maintaining clear boundaries and not being arrogant towards each other. Affect links most strongly with integrity and trusting behaviours, suggesting that liking the other party involves assessing them as honest as well as liking them for what they do for you. Loyalty also links with trust; it would appear that feeling someone will protect and help you (i.e. perceiving the other party as benevolent) and seeing this in their behaviours will earn a sense of loyalty towards the other party. Integrity and reliability however, don't have to be present in order for individuals to give or perceive loyalty.

Table 17 - Co-occurrences of trust and dimensions of LMX-MDM

Aspect of trust	Aspect of LMX-MDM			
	contribution	affect	respect	loyalty
trust ability	13	4	3	1
trust benevolence	16	4	1	3
trust integrity	2	7	0	0
trust reliability	8	3	1	0
trust behaviours	19	7	16	4
trust statements	4	5	4	0

These findings build on extant work that often explores supervisor or subordinate trust in the other party and job performance (see for example Kelley et al. 2014) whereas this study looks at the relationships from both leader and follower perspectives. However, as Sue-Chan et al. (2011) conducted bi-lateral research and note that: "Supervisors who stimulate among their subordinates an optimistic, hopeful, growth oriented motivational state tend to win their trust and enhance their experience of LMX quality. Subordinates' job performance positively predicted their supervisor's trust in them" (p. 6). The results here are in line with this research, where contribution is high, trust in ability to perform and trusting behaviours are also high and this applies to leaders and followers.

5.1.6 LMX-MDM and context

Underpinning all of these dynamics is the context that the individuals were working in. This fast-paced environment meant that leaders and followers needed to rely on the ability of the other to perform, to protect the company and those working in it and to contribute their discretionary effort, mostly in the form of long hours. This intense working culture led to strong positive relationships unless one party didn't trust the other to perform, in which case, relationships broke down and each of the followers that leaders lost faith in (Edward, Maddy and Izzy) either left of their own accord or were eventually fired.

All of these organizations were relatively young and had informal HR processes and systems although many of them were developing more structured approaches to managing people and workflows by the end of the data collection period. This fluid environment suited the majority of participants; again, those who needed more structure floundered. This process of adjusting to a start-up was far from easy; Edward (who came from a corporate background) sums up how trust, relationship dynamics and the ad-hoc working environment combined to make him uncomfortable:

"You know, it's just like a thousand carpets, shifting underneath your feet and you're just falling down and down and down. But you just don't really have anything to hold onto and you don't really know where you stand... I guess its the fact of a start-up, I'm wondering, I think that there's just so much pressure on so few people that you know, once they all get into the melting pot then it must be quite difficult. And, if you're new to that environment and... to be an entrepreneur as Leon is, you have to be of a certain mind-set and maybe, that's the type of person I really don't work well with. Maybe that's something I should look out for in the future."

Edward's predisposition to trust has been challenged, his relationship with Leon had gone from very positive, to feeling undermined and undervalued, where Leon lost all faith in his ability to perform the role he was hired for. Feeding into this was an environment that was fluid, with rapid developments, none of the administrative or numerical support that Edward had been used to in previous roles and a lack of time to learn. Edward

couldn't fulfil his role, Leon took on parts of the work whilst he recruited and installed Edward's replacement; Edward left before he became redundant and found a new position in a larger more corporate environment. Context is clearly informing and shaping relationships, providing a driver for leader and follower behaviours and dynamics. So far, LMX, trust and context have accounted for a good proportion of the dynamics taking place. However, economic and socio-emotional aspects are largely absent from the results above and the individual, unique nature of the relationship hasn't been accounted for. The following sections each address these aspects of theory, starting with Leader-Member Social Exchange.

5.1 Leader-member Social Exchange (LMSX)

Leader-member social exchange looks at the exchange between leaders and followers not from a position of negotiating latitude but from a set of unspecified obligations, developed over time. The essential difference between LMSX and LMX-MDM is a sense that there will be unspecified reciprocity between leaders and followers; they should be able to identify an exchange relationship but not necessarily be able to describe what each side gives to the other, or what is expected in return. The literature also implies that there will be equality between leaders and followers, not that they are equal in terms of power relations, but that what they give and take will have equal value to each party (see Bernerth et al. 2007). Codes exploring this interchange are shown in Table 15, which details how these expectations changed over time. The figures quoted are represented as percentage frequencies as for other tables in this chapter.

The evidence from this study was that all exchanges were easily described, specified and explained. Table 18 indicates there were no participants who could not describe what they gave or received from the other party. In terms of who gave more, this altered depending on the dyads and their circumstances.

Table 18 - Leader Member Social Exchange for followers and leaders over time

		specified	equal/ balanced	leader gives more	follower gives more	anticipates change	Unspecified reciprocity	Total reciprocity quotes	Total quotes available
Follower s	1 month	1.2%	0.0%	0.0%	0.0%	0.0%	1.2%	1	81
	2-5 months	0.2%	0.7%	0.2%	0.7%	0.0%	0.2%	7	410
	6-10 months	0.7%	0.2%	0.0%	0.2%	0.0%	0.7%	5	587
	10-13 months	0.4%	0.4%	0.7%	0.4%	0.2%	0.4%	8	446
	13+ months	1.8%	1.4%	0.0%	1.4%	0.0%	1.8%	7	219
Leaders	1 month	2.0%	0.0%	0.0%	0.0%	-	2.0%	1	50
	2-5 months	0.0%	0.2%	0.0%	0.2%	-	0.0%	2	437
	6-10 months	0.5%	0.2%	0.4%	0.2%	-	0.5%	6	558
	10-13 months	0.5%	0.5%	0.0%	0.5%	-	0.5%	4	411
	13+ months	2.1%	1.6%	0.0%	1.6%	-	2.1%	8	189
TOTALS:		22	16	6	4	1	0	49	3388

In four of the relationships, leader and follower felt that the give and take was equal or balanced; Les and Dave gave a number of examples about how their specified reciprocity was of equal value. Lloyd and Lisa felt that their followers gave more, because of the discretionary effort that they contributed to the workplace. Laurence felt that he gave more in terms of taking care of the relationships and staff at work, his job was to make sure the staff were happy as well as doing his business role. Jeremy felt that Lois gave more in terms of the coaching and support that he received.

In each of these relationships, work came first and the relationships were formed around the work-based activities. There was one notable exception to this; Leon commented that he made more effort and that he would prefer Edward to be more self-sufficient. He explained: *“I think that reluctantly, a lot of start-up life is about trying to make life easier for the senior management team and in particular the founder, especially if they’re as*

vainglorious as I am.” Leon’s workplace relationships appear to be about his experience of running the business rather than about a team effort that puts the business first.

In summary, the factors in the LMSX model do not appear to apply to this context. The clues that this might be the case sit within Bernerth et al.’s (2007) paper. Bernerth et al. (2007) demonstrated statistically that although 70% of the variance for studies of exchange relationships was accounted for by LMX-MDM or LMX-7 (the two measurement scales for leader-member exchange), there was 30% of variance unaccounted for. Therefore, they posited that their construct (LMSX) must be capturing something different and additional and that this could be attributed to the unspecified obligations that result from social exchange between leaders and followers.

However, what this thesis suggests is that rather than the 30% of unaccounted variance coming from social exchange; it might instead be coming from the additional aspects of relationship dynamics, explored here through other relational leadership theories. Certainly, for this study, there is no evidence for unspecified exchanges and LMSX does not appear to be relevant to these participants from hi-tech start-ups. Indeed, Bernerth hasn’t used his measurement scale since 2009 and a recent evaluation of the conceptualization of LMX found that “LMSX clearly consists of overlapping, redundant items which measure largely the same thing.” (Sheer, 2014:9). In order to account for the remainder of the 30% variance that Bernerth identified, this section continues by exploring the remainder of the relational leadership theories that apply.

There has not yet been a discussion of the pecuniary aspect of leader-follower relationships. Kuuvas et al. (2011) counterbalance Economic LMX and Social LMX as two aspects of leader-member relationships unexplored in the literature. Basing their work on Shore et al (2006) they suggest that Economic LMX describes pecuniary, transactional and short term perspectives of relationships whereas Social LMX describes the longer-term, socio emotional aspects where leader and follower are benevolent and take care of each other. Whilst ELMX is distinct from any of the constructs discussed so far, SLMX is based on mutual trust, commitment and reciprocity. There is overlap here between SLMX and trust in the form of benevolence, and trusting behaviours, and between SLMX and LMX-MDM in that reciprocity is a key feature of both. Evidence for both ELMX and SLMX are discussed in the following paragraphs, with implications for theory briefly outlined before Individualized leadership is explored.

5.3 Economic Leader-Member Exchange (ELMX)

5.3.1 Pecuniary focus

According to Kuuvas et al. (2011), economic LMX relationships are typified by transactional, lower quality relations, which focus on financial, short-term rewards rather than any long-term investment in the relationship by leader or follower. In general, this description didn't represent the types of relationship in this study, most leaders and followers were paid less than corporate salaries for their work and they were happy to trade this for the more relaxed work environment and for higher quality work and work relationships. The high-tech start-up context reduces the impact of the short-term pecuniary relations. There is a potential long-term, financial reward to being in a start-up, if it is successful and either floats on the stock exchange or is bought out by a much larger company, then significant sums of money can be made. However, this has to be balanced against the 90% failure rate of start-ups in general and against the short-term disadvantage of relatively poor wages whilst the firm is growing.

Most of the participants in the study volunteered the fact that their relationship had a financial aspect. This ranged from a simple statement such as Harry's "*Well, he pays my wages*" to Lisa's perception that the economic aspect of the relationship created a barrier between herself and the team. "*I wanted to behave like an equal relationship but what I wasn't aware of is the fact that it's never going to be. I'm paying their salary so I can't, they're never going to be able to talk to me in the way that I want to be able to talk to them...*" Table 16 below shows the inductive codes that relate to the pecuniary aspect of ELMX. It is worth noting that both the codes of 'shares, rewards' and/or 'pay rises' and the sentiment of 'not being in the role for financial reasons', increase in strength for leaders and followers as the relationship progresses. Lloyd offered a slightly broader perspective: "*I think everybody wants to be recognized for their work, so I think its recognition...*" Lloyd saw salaries and potential future rewards as a way of showing individuals that their work was valued and he demonstrated this financially using bonuses or sales commission.

Table 19 - Aspects of ELMX for leaders and followers over time

		shares/ rewards/ pay rises	not here for the money	pay for work	boss controls pay	needs/ wants more money	Total pecuniary quotes	Total available quotes
Followers	1 month	0.0%	1.2%	0.0%	0.0%	0.0%	1	81
	2-5 months	0.5%	1.0%	0.5%	0.2%	0.0%	9	410
	6-10 months	1.2%	1.7%	0.3%	1.0%	0.9%	30	587
	10-13 months	2.2%	2.0%	1.3%	1.1%	1.3%	36	446
	13+ months	2.7%	2.7%	0.5%	0.0%	0.5%	14	219
Leaders	1 month	2.0%	0.0%	0.0%	0.0%	2.0%	2	50
	2-5 months	0.7%	0.5%	1.6%	0.5%	0.0%	14	437
	6-10 months	1.8%	1.1%	1.8%	2.3%	0.5%	42	558
	10-13 months	3.9%	1.9%	1.0%	1.0%	1.0%	36	411
	13+ months	5.8%	2.1%	1.6%	0.0%	2.6%	23	189
TOTALS:		66	50	35	31	25	207	3388

For some of the followers, the financial sacrifice of working in a start-up made life difficult, especially given the cost-of-living in London. Bill (who was still taking English lessons) described why he had asked Lance for a pay rise: *“I don’t really care so much about the money, I really care about the money to live here, so for sure, I will like to have a bigger salary, but not because I want more money, because I need more money, is different... Right now, I’m living in a room basically. For a thirty years-old man... I have a girlfriend in Italy and so if I want to bring my girlfriend here...”* Lance’s response to this request was to make Bill wait for five weeks before granting the pay rise exercising the power that his leadership position afforded him. This is consistent with other leader-follower power relations in the study where the power difference between leader and follower was felt by both parties and in this case, extended into the financial rewards available; the boss always controls the pay. Awareness of this by leaders and followers appears strongest around 6-13 months (see Table 19). For a number of firms, staff had joined on a lower salary than they needed to be comfortable, once they felt confident in their role they requested or were offered a pay rise.

On occasions, this awareness of financial outcomes had a positive impact and this explains the growing awareness of shares and rewards within relationships (see Table 19). As Lois described: *“we’re giving Jeremy share options and he wants to see how he can buy more, so that he can earn more form the business which I think is a really nice thing.”* In Jeremy’s words: *“So if the business does well, it makes sure that I do well.”* Three months later, the firm had expanded its client base, was now profitable and had had its first offer of a buy-out. There was a keener financial focus for all members of the team and an excitement about where this growth could lead: *“I guess when you’re a small company, stability is what you strive for, before you go beyond that where stability becomes not enough and you want money and exponential growth... [To the point where] our influence grows which means our ability to scale grows and our buy-out grows.”* For Jeremy, part of being in the start-up context was the potential financial gain if the firm did well, although he was clear that it was the quality of his relationship with Lois that was most important. When asked how important money had been to this relationship, his unequivocal reply was *“Not at all.”*

The financial aspect of relationships in start-ups is evident and clearly influences how relations develop. For the most part, the role that money plays is small, providing that wages are sufficient to live on and there are financial incentives to keep the entrepreneurial spirit alive during the long hours that are devoted to making the start-up

successful. The remaining two aspects of ELMX are a transactional relationship and a short-term approach. This short-term view of ELMX is linked to the long-term perspective of SLMX. For this reason, they have been dealt with together and are discussed after the transactional elements of leader-follower relations.

5.3.2 Transactional relationship dynamics

The transactional, contractual aspect of ELMX involves “active management by exception” and “contingent reward” (Kuvaas et al., 2012:2). Contingent rewards are discussed above under the Pecuniary Focus heading. Active management by exception, within transactional relationships, is based on relationships that have formal differences in status, with downward influence of leader upon follower and short term discrete agreements. Buch, Kuvaas, Dysvik and Schyns (2014) found that ELMX is negatively related to work effort and that intrinsic motivation does not moderate the amount of effort that workers make where their working relationships are transactional in nature.

The lack of influence of intrinsic motivation and the emphasis in high-tech start-ups of high levels of discretionary effort and performance mean that leaders need to take more active management approaches where their relationships with staff are transactional rather than social or emotional with their followers. Management by exception in this study was evident and behaviours described by leaders and followers included: punishing those who didn't appear to work quickly or well enough with pressurizing behaviours, closely monitoring output and attempting to maximise staff and improve motivation (see Table 20).

Table 20 - Perceptions of transactional behaviours for leaders and followers over time

		pressurized	maximising/ improving productivity	monitoring	motivating staff	Total quotes for trans- actional behaviours	Total available quotes
Follower s	1 month	0.0%	2.5%	0.0%	0.0%	2	81
	2-5 months	0.0%	1.5%	1.5%	0.7%	15	410
	6-9 months	1.0%	1.9%	1.0%	0.5%	26	587
	10-13 months	0.0%	0.7%	0.0%	1.3%	9	446
	13+ months	0.5%	0.0%	0.0%	0.0%	1	219
Leader s	1 month	0.0%	2.0%	0.0%	4.0%	3	50
	2-5 months	0.0%	2.7%	3.0%	2.1%	34	437
	6-9 months	0.0%	3.0%	1.3%	1.3%	31	558
	10-13 months	1.5%	1.0%	2.2%	0.7%	22	411
	13+ months	0.0%	1.1%	0.5%	0.5%	4	189
TOTALS:		13	58	42	34	147	3388

The first of the behaviours shown in Table 20, 'seeking to improve productivity', was often linked to keeping staff happy, but the outcome desired was improved productivity. Laurence and Fred had a very positive relationship and Laurence clearly saw the link between his role in keeping staff happy and improving productivity: *"He's got to be happy, if he's not happy, he's not gonna work well. If he doesn't work well, then that's not good"* and talking about the wider team: *if they're not happy, they're not motivated and if they're not motivated then they're not going to work very well."* Care-taking for the team then, has a directly beneficial performance outcome for Laurence and the firm.

Whilst Laurence's approach to motivation was about making the workplace a pleasant environment, Lance took a somewhat more direct approach. Adrian, Bill and Chris felt under pressure from time to time; they were aware of being monitored by Lance. Bill explained: *"It's more, he wants more. He asks you for something more than you can do. He pushes you to do more than what you can do. This is fine in a certain way, because it brings you past your limits, but sometimes the push might be a bit too hard."* Chris describes the pushing: *"He has a way of looking at you like you should know your answer and a way of asking probing questions that just push you into an area where you're not entirely comfortable with. And then, he's able to make you feel like you really should go figure this out."* This extended to having the boss standing behind his chair, waiting for Chris to solve a problem, which he and his colleagues all found intimidating. Lance was aware of the impact that this had on staff describing his behaviour as *"a mixture of aggressive and passive"* as an alternative to yelling. He added: *"I try not to do them too often, because I know they're annoying. I mean, I don't get pissy that often."* For this team, being monitored and pressurized were Lance's strategies for motivating staff and maximizing productivity.

Adrian, Bill and Chris all described how this type of behaviour was more common with new members of staff; everyone had been subjected to it in February, when the company was in jeopardy and Lance was particularly stressed. This explains the peak in followers' perceptions of being pressurized in Table 17 below. The only relationships where productivity and motivation weren't mentioned were Lloyd's relations with Ken and Maddy. Otherwise, all leaders used these approaches and most of the followers were aware of them. There is a temporal aspect to this, the pressure to improve productivity drops away as relationships mature. This is likely to be a result of employees becoming

more skilled at their roles and therefore needing less monitoring or motivation in order to perform. The peak at 6-9 months for leaders improving productivity relates to six firms, all of whom were facing difficulties or expanding at that point in time. This is a reflection of the contextual pressure to avoid failure, either through improving productivity, becoming profitable or raising additional investment finance. Twelve out of the thirteen leader-comments made about pressure came from Lance and his team. The thirteenth comment came from Izzy, in her final interview, when talking about the new type of work that was being asked of her and how she hadn't yet managed to fulfil Lisa's expectations.

These results show that there is indeed a transactional element to relationships and that, depending on the style of management, followers will feel greater or lesser amounts of pressure to perform and either gain direct rewards in terms of share values, or avoid being subjected to intimidating and unpleasant behaviours from their leaders. There is also a time-based element to this discussion; the contingent rewards in a start-up are generally linked to share values, which are linked to the longer-term success of the firm. This temporal perspective of ELMX is in direct contrast with the long term perspectives of SLMX. For that reason, long and short term perspectives are considered at the end of the SLMX section. Next, trust context and ELMX are described.

5.3.3 Trust, context and ELMX

Trust and context again inform this aspect of relationships. Context is operating at an industrial level for employment alternatives and the environment that hi-tech start-ups offer in general. It is also influencing relationships at an organizational level; if the culture of the firm is to provide growth and development, then employees are more likely to stay, especially if they are software engineers. For Gail and Ken, it was also operating at a geographical level; both had moved South in search of better opportunities. A lack of trust in another person's ability to perform their role appears to reduce a long-term attitude towards relationships and for Lance, the ability to fire an employee was how he thought he would strengthen his team's trust in his ability to lead. The relatively low incidence of intention to quit or fire employees suggests whilst that ELMX is relevant to DRQ, the social and emotional aspects of relations are also likely to have greater influence. The dimensions of Social LMX are dealt with next before moving on to the last relational leadership construct of Individualized Leadership.

5.4 Social Leader Member Exchange

SLMX theory concerns the socio-emotional aspect of relationships; this includes commitment, benevolence and mutual trust. This dataset explored start-up organizations where fun and laughter were often a strong feature of the dynamics, these positive emotions have therefore, been incorporated into this theoretical grouping along with being approachable, and no shouting or negativity in the relationship. Behaviours that would undermine SLMX were those that involved crying, shouting or being unpleasant. There is an overlap between SLMX, trusting behaviours and trusting benevolence. In order to avoid duplication, trust benevolence and trusting behaviours are referred to in the discussion below but the associated codes are not analyzed here as they have already been explored earlier in this chapter.

Table 21 below shows how often respondents discussed each code over time, again these are presented as percentages of all codes quoted for any given relationship length, by leaders or followers. The excerpts here demonstrate that rather than these codes being discrete processes, they are interwoven with trust and context. The codes associated with SLMX were commitment, approachability, either the presence or absence of shouting and negativity and fun and laughter. The next section begins with commitment before explaining the rest of the codes for this section.

5.4.1 Commitment

Follower and leader commitment grew over time. The relationship between Les and Dave sums up this sense of a follower being committed to the work and this being recognized by the leader. Les comments: *"I think that for the most part, he's committing totally, he's emailing me at all times with things that we should be looking out for, things that even I sometimes glance over. I'll say, you know we don't need to worry about security right now, we have enough and he's 'No, no, we should definitely do this' and yeah, like, if you give people room to breathe, they'll breathe and they'll make things come to life."* What Les is suggesting is that if staff are given room to be autonomous and take ownership of their work, their levels of commitment will grow. That statement holds true for most dyads in this research, high-tech start-ups need workers to quickly assume independence and work without close direction, which in turn fosters commitment in staff. Adrian described having an emotional investment in the company and how this meant that he would *"act in a way that will favour the company more than I would without that... there has to be an emotional investment otherwise everyone would act only in their own self interest and everything would collapse."* This suggests that

benevolence and affective commitment are present in the emotional aspect of these relationships. For leaders and followers, it was also important that a leader was approachable, this is discussed next.

5.4.2 Approachability

Most of comments on approachability related to the leader, either in their own estimation or according to followers. Followers perceive leaders to be most approachable at the start of the relationship, after which this ebbs and flows across the months. For leaders, the number of comments they make about their own approachability declines steadily from the beginning of the relationship. There are, therefore, no clear patterns for how approachability is functioning over time. This may be due to the fluctuating fortunes of such a small sample over a 12-month period. When leaders are stressed (as for Lance in Feb 2014) or in another country for a few weeks at a time (as for Lois, Lloyd and Lisa), they are less approachable than when they are calm and physically present in the office with their teams.

Approachability is associated with socio-emotional relationships. Lorenzo's view was: *"I think she'd find me open and approachable, with a relatively decent sense of humour, you can't live in the North without having one, it goes with the territory; it rains, and there's no fire and wheels and so you've got to have a sense of humour."* For Lorenzo, sharing a sense of humour, being able to laugh and being approachable are all linked, suggesting that the socio-emotional aspects of his relationship with Gail are important to him. Ken's comments link approachability and trust in benevolence: *"I know that he's very approachable if I have any issues erm in relation to my role or any problems that I have... then I know he's always available there, if he has a busy schedule we try to fit that time in."* Approachability then, links to the ability to share information and humour. The following section looks at the social and emotional aspects of SLMX before the temporal aspects that apply to SLMX and ELMX are considered.

Table 21 - Development of codes for SLMX over time

		commitment	approachable	no shouting/ negativity	fun	laughter	crying/ shouting/ unpleasant	Total SLMX quotes	Total available quotes
Followers	1 month	0.0%	4.9%	2.5%	0.0%	0.0%	0.0%	6	81
	2-5 months	0.5%	1.0%	1.0%	0.0%	0.0%	0.2%	11	410
	6-9 months	0.7%	1.5%	0.3%	0.2%	0.2%	0.9%	22	587
	10-13 months	3.4%	0.2%	0.2%	0.2%	0.0%	0.9%	22	446
	13+ months	5.5%	2.3%	0.0%	0.0%	0.5%	0.0%	18	219
Leaders	1 month	0.0%	2.0%	2.0%	0.0%	0.0%	0.0%	2	50
	2-5 months	0.0%	1.6%	0.5%	0.2%	0.2%	0.9%	15	437
	6-9 months	1.8%	0.9%	0.4%	0.2%	0.0%	0.0%	18	558
	10-13 months	0.5%	0.5%	0.2%	0.0%	0.0%	0.2%	6	411
	13+ months	1.1%	0.0%	1.6%	0.5%	0.0%	0.0%	6	189
TOTALS:		47	38	18	5	3	15	126	3388

5.4.3 Socio-emotional aspects of working relationships

Fun, laughter and having a relationship where there was no shouting or negativity was important and these features contributed to the culture of the organization; again trust is interwoven with these concepts. Izzy describes how these elements work together: *“in the office it’s definitely a fun atmosphere. We definitely get our stuff done but we have room to play around and have a laugh and be the loudest pod in the office and be ridiculous, but that’s also part of [the company]. If we were just quiet, just solidly working and in our own individual worlds [the company] wouldn’t be what it is because it comes from, [the company] is all about connections between team women. So, if me and Lisa didn’t get on or didn’t have a positive like fun friendly relationship in the office the product would suffer because if you can’t have that in your own office how can you expect people to connect with themselves and other people in your app. It doesn’t work, so it’s a positive relationship.”* For Izzy then, fun, laughter and positivity are part of the culture as much as part of the relationship. Lois links fun, productivity and honesty: *“I think it’s quite a fun relationship... not only do we get the job done but I feel like I can be quite frank and honest with him and he’s not gonna take offence.”* These statements imply trust: from Lisa towards Izzy, trust that the role will be fulfilled and the work will get done; from Lois towards Jeremy that the fun relationship will be unaffected when she is honest and has to give negative messages.

The lack of shouting and negativity is also important and to how mistakes or other problems were dealt with. Lance describes how he would avoid shouting at his staff: *“you know like whenever somebody makes a mistake I, I don’t know if I’ve ever yelled at anybody, so that’s not my style.”* Adrian corroborates this commenting on how he would expect Lance to deal with mistakes or problems: *“to the best of my knowledge, I think he would be ok with it, he wouldn’t, like he would prefer that it didn’t happen again but he wouldn’t start shouting at you or whatever.”* Part of this approach to dealing with mistakes relates to the Hi-Tech start-up environment: each company is creating a new piece of software, it’s code, application and eventual uptake are all experimental, therefore risks have to be taken in order for progress to be made; failures are learning opportunities rather than evidence of ineptitude. Leaders and followers are trusted to be competent and take risks unless evidence it becomes evident that they are unable to perform their role.

By contrast, Maddy had very little faith in Lloyd's ability to accurately sell new contracts and she was very unhappy in her role. As Lloyd described: "*The client project was a disaster but that's not all her fault, definitely not but she had a big impact then on everybody else's morale but she couldn't deal with it... Crying at work... at various times, you'd see her go to the toilets and crying and then coming back and seeing water in her eyes and stuff like that. And that's where it got to the point, where it's like... and that's when I thought it was all my fault. Oh my god, what have I done, I can't believe that I've ruined someone's life! This is just awful.*" Maddy was quite open about her emotions: "*Yes, I cry a lot though. I was inconsolable, and cos it was basically beforehand I'd worked in the market research agencies you know questionnaire design, report writing and all stuff like that. And, then once I got here... its definitely different. I was so confused, this is different, is it different, what's going on and I was like dead upset about that.*" Maddy later rationalized this as her being in the wrong environment rather than anything that Lloyd was doing on a personal level to make her unhappy. Maddy's tendency to cry though, did have an impact on the culture and experience of work for the rest of the team.

Together, these code headings and excerpts suggest that the socio-emotional aspect of working relationships are important and have an impact on the whole team, not just individuals or dyads. These also make up part of the culture of the organization, as Izzy stated, the company wouldn't be the same if there was less fun. This also responds to the industrial context, Hi-tech start-ups are supposed to be fun environments; they attract the type of employees who want to work in that type of office. Trust also supports these relationships, trust that leaders and followers can be honest with each other, will be benevolent towards the other party and that individuals have the ability and willingness to make sure the work gets done. The final aspect of ELMX and SLMX dimensions is the approach long or short term perspectives, these are described below.

5.4.4 Short and long term perspectives

Economic LMX relationships are typified by short-term attitudes towards their work, social LMX relations have a long-term perspective, these perspectives form two sides of the same theoretical, temporal coin. The individual invests in their future with the firm through discretionary effort and benevolent behaviours; the organization invests in the individual with training, support for promotion and progression (i.e. through trusting behaviours) (Buch et al. 2014; Kuvaas et al. 2012). Most participants in this study were

investing time and effort in their firms for the long term, they saw working for a start-up as a potential long-term strategy either in terms of building a good CV, gaining experience or the lure of possible financial future gains. Learning, being challenged and being ambitious were strong themes in the interviews.

Part of the emphasis on learning relates to the high proportion of software engineers in this sample. The coders in this sample love problem solving; their work is a set of software problems that they use code to resolve. If the work becomes mundane or repetitive, then the opportunity to learn new skills or be challenged is reduced. If the quality of work remains low or looks as though it might be poor for some time, software engineers will look for other employment opportunities. Phil expressed this in our second interview; his time was being used to clear up bugs in the software, he was bored and considering moving on if the work didn't become more technically challenging. Phil was typical of the other software engineers in this data set; they were aware that they had skills that were in demand in the labour market although this didn't necessarily translate to a clear understanding of their actual market value.

Table 22 represents this dynamic. New employees come into post wanting a challenge, with hopes of a learning environment, which is evidenced by the relatively high figure of 4.9% of all comments applying to this code for Month 1 in the table. This desire to be up skilled and develop grows over the following months and in that sense, employees are being strategic about where they are going and the time and effort they offer to the firm. Gail had been in post for around 3 months when she commented: *"I took a real terms money pay cut to come here because my future long term potential is much higher here. I had reached a ceiling up there."* Gail had moved down from Newcastle to London to work for Lorenzo because she felt that opportunities for the type of work that she wanted to do were scarce in the North East compared to the Capital.

Table 22 - Long/short term perspectives and future reward over time

		wants to learn/ upskill/ ambition	strong learning ethic/ wants challenge	strategic	happy to walk/ intention to quit	may fire employee	Total quotes for temporal issues	Total available quotes
Followers	1 month	0.0%	4.9%	0.0%	0.0%	0.0%	4	81
	2-5 months	1.7%	1.2%	1.5%	0.7%	0.0%	21	410
	6-9 months	2.0%	1.0%	0.0%	1.9%	0.0%	29	587
	10-13 months	3.4%	2.0%	0.4%	0.9%	0.0%	30	446
	13+ months	0.5%	0.5%	0.5%	0.0%	0.0%	3	219
Leaders	1 month	0.0%	2.0%	0.0%	0.0%	0.0%	1	50
	2-5 months	0.9%	1.1%	1.6%	0.0%	0.5%	18	437
	6-9 months	0.7%	1.3%	0.4%	0.2%	0.4%	16	558
	10-13 months	1.9%	1.0%	0.5%	0.0%	0.7%	17	411
	13+ months	1.6%	0.5%	0.5%	0.0%	1.6%	8	189
TOTALS:		54	43	21	19	10	147	3388

By the time the interviews at 13+ months took place, the three firms still involved had either had buy-out offers which changed the focus from learning to the new possibilities for the team, or there were no software engineers still involved in the data collection process. This accounts for the apparent disappearance of the desire to learn and be challenged. Three followers expressed a desire to leave their roles. Maddy, who resigned from working with Lloyd when she had been in post around 3 months; Edward whose role at 6-9 and 10-13 months was being undermined and who felt under threat and Fred who felt that the work had become dull. Fred commented: *“because I wasn’t doing anything interesting. Nothing interesting had been going on so basically a lot of this stuff you know has been stabilizing the product and like we’ve been very like short term focused.”* Fred felt that there was no challenge in the work he had been given and that if this didn’t improve, he would look elsewhere for work. Leaders appreciate the learning ethic that followers display, either because like Les and Lance, they were previously software engineers themselves, or because they understand how important learning is to their staff. For this dataset, there is little evidence of challenge being required once the relationship is a year old; that is not to say that challenge is not wanted, but those who require it most, i.e. software engineers, had finished the data collection process for this study before relationships were 13+ months old.

Lisa, Leon and Lance were the employers who discussed firing an employee. For Leon, this was a painful process; he wanted to retain Edward if he could; Lisa was concerned that Izzy wouldn’t be able to meet the growing demands of the company and reluctantly acknowledged that if Izzy couldn’t meet the demands of the role she would have to be replaced with someone who could. Lance had learnt to be comfortable with terminating employment: -

“It’s my specialty. Have you ever seen the movie True Romance? ...there’s a scene in there where James Gandolfini ... talks about killing people and he said ‘the first time you kill somebody you just think about it like crazy and like worry about it and you’re sick to your stomach ... each time you do it, it gets easier’. He ends up saying ‘Now I just do it to see the expression on their face change.’ So firing people is a little bit like that; like the first time I did it you know I agonized it about it for over five weeks, you know I was like ‘Should I, shouldn’t I?’ Now it’s like, you know I don’t do it just to see the expression on their face change but I’m pretty comfortable with it and I know how to approach it. Usually it’s not a good two way fit so it’s

usually when you have a firing conversation it's they know they're underperforming and nobody likes to be in a place where they're underperforming... Like, I don't wanna be mean about it, but you know, I think firing people or at least pruning the team... is important in technology because nobody wants to be around underperformers and so if you get, if you get rid of underperformers it actually helps morale... if you don't fire them that means you think they're good."

For Lance, firing staff who are underperforming is a way of demonstrating leadership strength over staff who are either not a good cultural fit for the company or who are struggling technically with the work. Lance's comments account for all of the statistics under the code 'may fire an employee' in Table 22, at 13+ months. At this stage, Lance was unhappy with Adrian's progress, but the firm was understaffed and as a result, Lance couldn't afford to fire him. Apart from Lance, the remaining employers were all keen to develop their working relationships and help their employees grow and improve in their roles, especially if they were underperforming.

Overall, the majority of individuals in this study take a positive, long-term view of their relationships rather than a short-term perspective. Employees want to learn and develop and in return give discretionary effort to their employers. Most employers want their staff to do well and to help grow the company to a position where it will either be profitable in its own right or would be an attractive proposition to a larger firm who would buy it out. Those with a short-term attitude appear to have lost trust in the type of work on offer (as for Fred) or in the ability of an individual to perform their role.

5.4.5 Summary of ELMX and SLMX in leader-follower relationships

There is evidence here that these two constructs are each independently adding to our understanding of how leader-follower relationships function. This view of the separate dimensions of ELMX and SLMX allows participants to acknowledge both the financial and socio-emotional aspects of their workplace relationships. The evidence here also contributes to view that SLMX involves investing in the future and trusting that this investment will be returned rather than the short-term, specific-rewards-focused view of ELMX (e.g. Buch et al., 2014). ELMX appears in this study in terms of leaders and followers' appreciation of the financial aspect of their relations. It also allows for a small amount of transactional leadership that appears in this data sample when a minority of leaders used monitoring to improve productivity.

Workers in this dataset joined their start-ups with a view to long-term rewards, wanting to invest in the potential gains of being in at the beginning of an organization. In addition, the emotional commitment, trust and benevolence that existed between the majority of leaders and followers evidences higher levels of SLMX than ELMX. This again accords with Buch et al. (2014) who found that highly motivated staff took great pleasure in their work and needed less emotional support from leaders, whereas less intrinsically motivated followers appeared to need the emotional benefits of SLMX relationships to support their work efforts.

What hasn't been addressed so far is whether the dyadic relationships examined here are unique in their relative workplaces and the extent to which followers feel supported and acknowledged by their leaders. These are the main dimensions of Individualized Leadership, which is discussed below.

5.5 Individualized Leadership

This construct builds on LMX and transformational leadership to explore the dynamics of effective, close relationships which have two conditions. The first is that leaders need to perceive that they have received satisfactory performance from their subordinates (Dansereau et al., 1995). The second condition for individual leadership is that followers view their superiors as leaders if they discern that leaders support the follower's sense of self worth (Wallis et al., 2011). Codes that related to support by leaders for followers' opinions, contributions, and achievements are shown in Table 23 below. Again, items

are listed in order of highest frequency from left to right, and presented as a percentage of all the comments made by leaders or followers at a given time point.

5.5.1 Supporting followers' sense of self-worth and leader satisfaction with performance

The majority of comments for each of the headings in Table 23 related to how leaders and followers their relationships. These perceptions mirror the way in which Dansereau et al. (1995) described individualised relationships to function. Leaders need to be satisfied by follower performances. Followers need to feel their self worth is recognized through leaders acknowledging follower achievement, appreciating their opinions and ideas, and empowering them to take on increasing levels of responsibility in their roles (see also Wallis et al., 2011). The impact of giving followers autonomy was two-fold in this dataset.; one on hand, followers felt that their superiors trusted them and had confidence in their ability and willingness to do a good job; on the other, this increased their sense of commitment and desire to offer discretionary effort, reinforcing the trust that had been placed in them. Three particular behaviours on the part of leaders appear key; they show interest and support their staff, they listened and occasionally, used empathy to show that they understood what their followers were experiencing in carrying out their roles.

Encouraging development and keeping staff happy are particularly significant in the early stages of employment; this is where staff are being inducted into their roles, becoming acquainted with the culture of the firm and the foundations for the relationship are laid down. For Liza and Izzy and Lois and Jeremy, encouraging development were important even when the relationship was over a year old. For Lisa and Izzy, this related to Lisa's attempts to up-skill Izzy into the new role she needed her to fulfil; for Lois, her Chief Operating Officer had left and she was empowering Jeremy to fill that 'right hand man' role that she was confident he was capable of. Otherwise, each of the behaviours listed below are present, at a low but consistent level throughout the relationship development process. Leaders show that they are content with the performance of their followers through acknowledging and valuing the contribution that their employees make.

5.5.2 Individualized support and equality within the group

Another aspect of individualized leadership, as described by Wallis et al (2011) is that higher quality relationships will have strong levels of individualized support and consideration. As such, codes that suggested whether the follower felt 'in' or 'out' of a

close relationship with the leader and whether the treatment they received was individualized or common would be important to their perceptions of relationship quality. In addition, Dansereau et al. (1995) identified that dyads are independent and unique; however, this does not mean that members of a dyad cannot compare the quality of their relationship with the quality of relationship that their leader/follower shares with another individual. Dansereau et al argued that perceived differences between dyads across a workgroup will support or undermine individuals' perceptions of the value of their relationship. Workplace relationships exist amongst other relationships, they do not occur in a vacuum. The organisational context of dyadic relationships in environments where resources are scarce, and will lead to relationships which are "richer" or "poorer" depending on the dyad's position in the organisational hierarchy (Yammarino & Dansereau 2002:96). Four codes (shown in Table 21 above) applied to this sense of individualized consideration, these were: 1) whether there was equality across the workgroup; 2) if there was equality between leader and follower; 3) whether the follower felt out of the in-group and 4) if he/she felt there was inconsistency or favouritism in the company.

A sense of equality across the workgroup became increasingly important for leaders and followers over time; for all but one relationship, this was a positive experience. Gail felt that Lorenzo's personal relationship with a senior member of the team was negatively influencing the dynamics in the office; he allowed this colleague to enforce rules that she didn't follow; Lorenzo was aware of the inconsistencies, he did nothing about them. Gail's increasing irritation is shown in our final interview, where her comments alone account for the figure for inconsistency and favouritism at 10-13 months. For Gail, this issue was significant because she felt that his lack of action on this point was undermining the professional working atmosphere and creating "*tension, bad feeling and hostility... I think if they weren't together that that would have been dealt with... nipped in the bud very, very early on, but it hasn't been and as a result people notice it and think that there's a problem in the company.*" For Gail then, inconsistency creates tension and undermines the culture of the firm.

Table 23 - Individualized Leadership comments over time

		encourages other's development	keeping staff happy	contribution is valued	shows interest/supports	follower has autonomy	being empowered
Followers	1 month	2.5%	1.2%	0.0%	2.5%	2.5%	1.2%
	2-5 months	1.2%	1.0%	1.0%	1.5%	1.5%	0.2%
	6-9 months	1.0%	1.4%	1.4%	0.9%	1.4%	1.0%
	10-13 months	1.1%	1.1%	1.8%	1.6%	2.2%	1.8%
	13+ months	1.8%	0.5%	1.8%	1.8%	1.8%	1.8%
Leaders	1 month	8.0%	14.0%	2.0%	4.0%	4.0%	4.0%
	2-5 months	1.8%	3.0%	1.6%	0.7%	2.1%	1.4%
	6-9 months	3.2%	3.8%	2.9%	3.6%	1.4%	2.5%
	10-13 months	2.4%	1.9%	3.2%	2.7%	1.7%	2.2%
	13+ months	6.9%	3.7%	1.6%	1.1%	3.2%	5.3%
TOTALS:		70	70	61	61	59	58

		personal opinion and ideas valued	listens	acknowledge achievement	uses empathetic phrases	Total quotations for IL	Total available quotes
Followers	1 month	0.0%	2.5%	0.0%	0.0%	10	81
	2-5 months	2.4%	1.7%	0.0%	0.0%	43	410
	6-9 months	1.7%	1.2%	0.3%	0.2%	54	587
	10-13 months	3.1%	0.2%	1.1%	0.0%	63	446
	13+ months	2.7%	0.0%	0.5%	0.9%	30	219
Leaders	1 month	0.0%	0.0%	0.0%	0.0%	18	50
	2-5 months	0.9%	0.2%	0.5%	0.0%	42	437
	6-9 months	1.4%	0.9%	1.1%	0.5%	113	558
	10-13 months	0.5%	0.5%	0.7%	0.5%	67	411
	13+ months	1.6%	0.5%	1.1%	0.0%	47	189
TOTALS:		55	26	19	8	487	3388

Generally, followers and leaders felt that leaders behaved consistently towards followers, and that within their small, close-knit teams all of the staff were treated and valued equally. Jeremy was keen to stress this sense of ‘team’ at the end of our final conversation: *“I guess what I’m telling you about is a family and what you’re asking about is two people within that family. Family’s made up of multiple members who each play their own part... By asking just about the boss and just about the employee you’re never really getting the full picture of how a really truly working environment comes together from two people, coz Lois and I do not make [the company]. Lois owns it in name, I work there as an employee, but that’s just a statistic, you know, that’s just my name on the contract, but that’s not [the company], that’s not how we function.”* For Jeremy, my questions about equality, parity and fairness were redundant, if these weren’t elements of the culture, none of the rest of the team would stay at the firm. The context of being in a hi-tech start up means that in order to survive and prosper, these teams must begin their entrepreneurial journey as autonomous, empowered colleagues, capable of taking ownership and responsibility for their parts of the company’s function. Without staff that can be independent, there is unequal treatment which becomes the distraction that Gail describes. Worse still, where staff cannot fulfil the demands of their roles, they either leave as Edward did or are made redundant as was the eventual outcome for Izzy.

Table 24 - Levels of individuality or equality over time

		(in) equality across workgroup	partnership/equality/peers	out of group/distanced	inconsistency/favouritism	Total equality quotes	Total available quotes
Followers	1 month	0.0%	0.0%	0.0%	0.0%	0	81
	2-5 months	0.5%	1.0%	0.5%	0.2%	9	410
	6-9 months	0.3%	0.7%	1.0%	0.2%	13	587
	10-13 months	1.1%	0.7%	0.7%	0.9%	15	446
	13+ months	2.3%	2.3%	0.0%	0.0%	10	219
Leaders	1 month	0.0%	0.0%	0.0%	0.0%	0	50
	2-5 months	0.0%	0.5%	0.0%	0.0%	2	437
	6-9 months	0.7%	0.4%	0.0%	0.0%	6	558
	10-13 months	1.5%	0.2%	0.0%	0.5%	9	411
	13+ months	1.6%	1.6%	0.0%	0.0%	6	189
TOTALS:		27	24	11	8	70	3388

5.5.3 Summary of individualized leadership

Individualized Leadership appears as relevant in this dataset in the sense that it is important for followers to feel valued, recognized and that they receive the individualized attention necessary for them to function. This does not mean that they want or need more or better attention from leaders in relation to the rest of the team, rather they want equal treatment, because the sense of being in a tight-knit group who are all working towards the same goal is part of the start-up experience that they enjoy. For individuals who don't feel that they are being supported or recognized, it can be uncomfortable. Edward described feeling at "*arms length*" and "*out of the loop*"; the less Leon trusted Edward's ability to perform his role, the further from the leader Edward felt and the less support or value he received. This breakdown in trust on either side, eventually led to Edward seeking alternative employment elsewhere.

Leaders were aware of valuing their staff, actively working to listen to them and keep them happy; followers acknowledged receipt of these behaviours. On the one occasion that there was inconsistency (where Gail perceived inconsistent behaviours from Lorenzo), this impacted how Gail perceived the quality of her relationship with her boss.

This sense of individualized support, of being taken care of and empowered, having personal opinions valued and being trusted all contribute to followers feeling trusted. Trust and individualized leadership are closely connected here. Behaviours that evidence a leader's trust in a follower are picked up by the follower and encourage the offering of discretionary effort and commitment, reinforcing the trust that has developed between them. There is extant literature which supports these findings, Wallis et al (2011) describe how individualized leadership will contain high levels of mutual trust; these processes are explained by La et al., (2014). Lau et al.'s findings support the mechanisms that appear in this data, namely that where employees feel trusted, this raises their self esteem in the workplace which improves their levels of effort and performance. Izzy is a good example of how this functions; the individualized support she receives from Lisa makes her feel valued and trusted. This felt trust reinforces her desire to offer discretionary effort. It was not for the lack of trying that Izzy failed to meet the new demands of her role as the company grew and expanded.

5.5.4 Summary of relationship dynamics

I was looking for how relationships functioned and which aspects of the relational leadership theories and interpersonal trust were (or were not) applicable to leader-follower relationships in the context of high-tech start-ups in the UK. The multi-dimensional form of LMX delivered the strongest results of the five relational leadership theories; it accounts for greatest number of codes and all four dimensions of contribution, affect respect and loyalty were present in the data. Contribution was the most significant, with 470 comments from leaders and followers combined out of a total 3180 comments made across all 68 interviews. After contribution, affect had the second highest frequency with 209 quotes; respect was mentioned 81 times and loyalty was the least prevalent with just 25 occurrences.

The second relational leadership theory explored was Leader Member Social Exchange (Bernerth et al. 2007) which argued that social exchange theory might account for some of the dynamics between leaders and followers rather than relying solely on LMX which stems from vertical dyad linkage. However, there was no evidence to suggest that unspecified reciprocity was present in this dataset; all participants were specific about what they gave and received and the obligations and reciprocity that existed could be accounted for through interpersonal trust, LMX, economic and social LMX or individualized leadership. From this point onwards, LMSX will no longer be included in the DRQ model.

Economic and Social LMX theories were both evident, with the economic aspect of relationships appearing in the form of rewards, payments and share options. The socio-emotional aspects of these relationships was strong, most participants were in their current roles for the long term and thrived on the strong emotional bonds that are typical of those quoted here. Where relationships went wrong, negative emotions were as strong as the positive feelings associated with high quality interactions. There was overlap between social LMX and trust with benevolence featuring strongly in the data. Again, the findings of this research support those of literature for ELMX and SLMX being separate constructs which both offer additional dimensions to what is taking place within the relationship.

Individualized Leadership suggests that followers accept superiors as leaders if they support followers' sense of self worth and provide individualized support and leaders accept followers if they feel that they have received satisfactory performance. Leaders

and followers both described behaviours which met these criteria in this sample. In addition, whilst leaders' behaviours were tailored to individual followers needs, there was parity across the group; followers had individualized treatment but didn't generally feel that they got more favourable treatment than other members of the team. What was key was that followers felt trusted and valued by their leaders; this fed into their motivation to work, which contributed to performance.

Trust is woven throughout these dynamics; it is not a separate process but informs and is informed by how leaders and followers interact. Trust appears before leaders and followers meet, their predispositions to trust form part of the antecedents that filter how they view relationships and the world around them. At the initial interaction, (which was the interview or pre-employment conversation for all participants in this study) leaders and followers assess trustworthiness and immediately offer trusting behaviours in form of disclosed information. From this point, the relationship between leader and follower involves trusting in the other party to perform their role and this becomes essential to the dyadic dynamics. Again, existing literature offers numerous examples of how trust is essential to this relationship where its presence contributes to relationship quality and performance and it's absence has the opposite effect (see Bligh and Kohles, 2013; Delgado-Márquez et al. 2014).

Like trust, context is intricately involved in these relationships from providing the reason why followers or leaders are interested in high-tech start-ups, to influencing how quickly trusting behaviours are offered. This high-pressure, fluid environment demands that leaders give autonomy to their followers; success often depends not only on the ability of all colleagues to perform but also on the level of discretionary effort and commitment that both sides are willing to contribute. High –tech start-ups tend to be fun places to work, they are fast paced with rapid changes as new technologies are created, adopted or responded to. These firms tend to have fewer HR policies and practices than more established corporate organizations; this affords the leader more control over rewards and terms and conditions and means that employees can take advantage of flexible working practices and informal dress codes.

Context operated on a number of levels for this data set. This study explored relationships within firms in Newcastle and London. Geographical location was important in terms of applying for work or recruiting staff, a number of participants had

relocated from Newcastle down to London in search of investment and better opportunities. Several participants liked London for its social activities and sports, Harry preferred Newcastle to London and being able to remain in the North East was key to his intention to stay in his current role. The hi-tech industry and start-up organizational influences also impacted on the speed at which relationships developed and the trusting behaviours that leaders and followers displayed.

The outcome of the leader-follower relationship is often described in terms of outcomes related to performance measures. Codes relating to performance appeared in the data and are explained below before conclusions from this chapter are offered.

5.6 Outcomes

This data set had 234 quotations related to outcomes; of these 141 (60.3%) were positive outcomes, the remainder being negative. The most significant positive comments related to individual growth and development, individuals loving or liking their role and taking pride in work. The negative comments related to attitudes, behaviours and the performance management strategies that leaders used, such as intimidation, to control their staff. It should be noted that in discussing 'outcomes' in this study, the term does not refer to the output of a linear, input-process-output model. Rather, each of the 'outcomes' of relationship quality development result from the interaction of the previous dimensions of DRQ and then in turn, go on to influence relationship dynamics. For instance, when Edward became withdrawn in response to Leon's behaviours, this influenced Leon's perception of his employee negatively, which further reinforced Edwards's behaviours and attitudes, until eventually, Edward left the company. Thus, becoming withdrawn and introverted is an outcome of the dynamics between leaders and followers, but it also contributes to how the relationship quality continues to develop through the feedback loops in the DRQ model.

The outcomes and their percentage frequencies are shown in Table 25 they are discussed in more detail in this section, starting with positive outcomes and then moving to negative issues. The two most frequent positive outcome of leader-follower relationships were individual growth and development, and loving the job.

5.6.1 Positive Outcomes

5.6.1.1 Individual growth and development

This code was included in outcomes as it was associated with improved performance, increased confidence and a growing ability to perform their role. Five out of the nine relationships studied here involved recognition of how one or both parties had grown and developed. For Lisa and Izzy, both felt that they had developed as individuals and could see how the other had also grown; the company had moved from a nascent start-up in London to a successful mobile phone app that had launched in the US, all during the six months of the data collection period. For the other four firms, leaders and followers acknowledged follower development rather than mutual change. Jeremy in particular related how his role had changed him as a person as well as an employee: *"It's helped me on so many levels, not just in a business sense but helped me personally. I go out to meetings now I never did that before so I'm learning to socialize and interact with people outside of my company."* Table 25 shows clearly how this sense of development increased over time. Part of this personal journey was the enjoyment and satisfaction that individuals gained from their work life; explored next.

5.6.1.2 Likes or loves the job (job satisfaction)

For all but two relationships, the leader felt that the follower was happy; followers stating that they enjoyed their work supported these views. Fred and Laurence are a good example; Laurence commented: *He likes his work. And like I said before he wants to just get better and learn new things and he's getting now, he's working on like really interesting technology.* Fred echoed this: *everything about like this job is like good you know.* The symmetry in this understanding also worked for relationships where the employee was unhappy; Lloyd's short relationship with Maddy and Edward's relationship with his boss, Leon. In these cases, the employee was uncomfortable in their role and the boss was aware of their feelings. Table 25 demonstrates how employees and leaders started the relationship with very positive feelings. As events unfolded and some participants had less positive experiences, the level of positive comments dips after month 1, however, there is a constant presence of job satisfaction throughout the time-period.

Table 25 - Outcomes for leaders and followers over time

Positive outcomes		individual has grown/ developed	likes/ loves their job	takes pride	offering help	on top of everything /organised	manages expectations	Total positive outcome quotes
Followers	1 month	0.0%	4.9%	0.0%	0.0%	0.0%	0.0%	4
	2-5 months	0.0%	1.2%	0.2%	0.2%	0.2%	0.2%	9
	6-9 months	0.9%	1.7%	0.2%	0.2%	0.3%	0.3%	21
	10-13 months	2.5%	1.6%	1.3%	0.2%	0.4%	0.0%	27
	13+ months	2.7%	1.4%	0.0%	0.5%	0.9%	0.0%	12
Leaders	1 month	0.0%	4.0%	0.0%	0.0%	0.0%	0.0%	2
	2-5 months	0.2%	1.8%	1.4%	0.5%	0.0%	0.0%	17
	6-9 months	1.4%	0.5%	0.5%	0.4%	0.0%	0.5%	19
	10-13 months	2.2%	1.0%	0.2%	0.0%	0.0%	0.2%	15
	13+ months	5.8%	2.6%	0.5%	0.0%	0.5%	0.0%	18
TOTALS:		51	51	19	8	8	7	144

Negative Outcomes		withdrawn /introverted	disinterested /dismissive	distracted / distracting	intimidation /ignoring	performance issues	Total negative outcome quotes	Total quotes available
Followers	1 month	0.0%	0.0%	0.0%	0.0%	0.0%	0	81
	2-5 months	0.0%	0.0%	0.0%	1.0%	0.0%	4	410
	6-9 months	0.0%	0.0%	1.4%	1.2%	1.4%	23	587
	10-13 months	0.7%	0.2%	0.0%	0.0%	1.6%	11	446
	13+ months	0.0%	0.0%	0.0%	0.0%	0.0%	0	219
Leaders	1 month	0.0%	0.0%	0.0%	4.0%	0.0%	2	50
	2-5 months	0.0%	0.2%	0.5%	1.1%	0.2%	9	437
	6-9 months	0.5%	1.1%	0.0%	0.4%	0.9%	16	558
	10-13 months	0.5%	1.2%	0.0%	1.0%	5.1%	32	411
	13+ months	0.0%	0.0%	0.0%	0.0%	3.7%	7	189
TOTALS:		8	13	10	24	49	104	3388

For a number of participants, enjoying work was about the geographical context as well as the nature of the role that they were fulfilling. Bill, Chris, Gail and Ken were particularly glad to be in London, Chris because he liked rollerblading, Gail and Ken because they saw being in London as good for their future career prospects. Conversely, Harry disliked London and as a result was glad to be living in Newcastle where he had a good social life built around sporting activities. For Izzy and Lisa, and Lois and Jeremy, the geographical net had spread wider; they were now trading in the US, which held opportunities for investment, growth and higher valuations in the event of company sales. Izzy and Lisa also held a unique market place position, with the only social media app aimed at gay women, their business's context had a sexual element as well as geographical and industrial influences. Liking the job therefore, related to the work being given, the type of organization and geographical location. When leaders and followers enjoyed their work, they also talked about taking pride in their roles.

5.6.1.3 Taking pride in work

Where leaders or followers were seen to take pride in their work, this was an indicator of success in a role because they could identify events where their efforts had resulted in positive outcomes. Fred was intensely proud of what he produced: *I guess I've got like that attention to detail like I feel like I have a lot of pride in my work you know and if I'm not producing something that I'm proud of I'll get it's really hard for me.* This was echoed by Laurence, who felt that he could rely on Fred's judgement; as a leader he trusted Fred's ability to perform his role: *"He's got pride in his work as well. So, I'm sort of confident that if like Phil is happy with the sort of thing then I know its good coz he takes pride in his work."* Having pride in your work then indicates a positive performance outcome.

Leaders didn't just recognize their follower's sense of pride, they also felt this about what they and their teams had achieved. Les took pride in the work on his own behalf and that of his follower. For Les, taking pride was mixed with a sense of purpose, of making the world a better place through the technology and what could be achieved with it. *"I want to build something that lasts longer than I do [and] I want my team to feel proud of the work they've done when they go home at the end of the day."* Lisa described the same sense of pride in what she and the team had achieved having launched the app in America and gained an overwhelmingly positive response from her new customers in the US: *"my kind of pride in it and belief in it has changed so I believe in it so much more."*

Followers also had a keen sense of pride in the companies that they worked for – Mike:” *I like the, I mean a bunch of reasons I like the way that the business is set up like the way that the commission structure is set up. More, I like the way that, I like the design of the site more, I like the idea behind [The Company].*” When Lois’ firm won a digital industry award, she took Jeremy to the awards ceremony; both were proud and pleased to win: *“we didn’t know whether we were gonna win and it was really sweet actually. He made me take a picture of him with the award so he could show his mum, it was really cute.”* The figures in Table 25 don’t show any pattern developing over time, but between leaders and followers pride in the work and in achievements are present in the data. These achievements were built on teamwork and effort; codes linking this industrious attitude and outcomes also included offering help, ‘being on top of everything’ and managing expectations

5.6.1.4 Offering help, being on top of everything and managing expectations

Three further outcome codes came out of the data: offering help to colleagues, being on top of everything and organized and managing expectations (upwards and downwards). The frequencies for each of these outcomes are small (see Table 25), yet these actions were significant enough for participants to comment on them. Offering help was a behaviour that involved supporting colleagues, leaders or followers, similar to the way that organizational citizenship behaviours (OCBs) are reported elsewhere in extant literature (Harris et al. 2014). There was a small but tangible sense of this evident from leaders towards followers and followers towards leaders. Leaders often felt that it was part of their role to assist their followers to perform; followers also felt that they wanted to contribute support. As Gail commented: *“...it would be nice for me to get to know him a bit better and also ask him what are you doing, do you need help with it.”* This is congruent with recent findings where positive leader-follower relationships were associated with followers offering OCBs (Harris et al. 2014).

Viewing the other party as being ‘on top of everything’ or organized occurred in three relationships. Jeremy viewed Lois almost as a superwoman in terms of what she managed to do and how much effort she put into the business as well as family and personal relationships. Fred saw Laurence as being strategic and being on top of everything that was required to keep the business afloat and developing. The majority of

comments (six out of 8 made in total) came from Izzy and Lisa in terms of what they appreciated about the other. Izzy admired Lisa's ability to manage the firm; Lisa admired Izzy's organizational skills, which meant that she had a PA as well as someone taking care of the social networking community.

Managing expectations was more commonly performed by leaders, but followers also saw this as part of their role. Les used a process of goal setting with managing expectations of short and long-term rewards to motivate his team. For Lisa, this applied to moderating what she could expect from Izzy in terms of performance; Izzy was unlikely to be able to meet the new demands of the role and Lisa therefore stopped asking for outcomes that Izzy couldn't provide: *"it was good for me to realize like what I can expect and manage expectations between us... So, it's kind of knowing what I should and shouldn't [ask for]."* Bill was learning how to interpret Lance's behaviours and manage his own expectations of the relationship: *"Now I know what I can do and what I can't. So, is more like if I want to do something that I know Lance won't like, I know what I ... expect from him. So, maybe I'll do it in a different way. Or I'll do it, but I will expect something to come back from Lance but now I know."*

These positive outcomes are behaviours that leaders and followers can identify in themselves and in each other. The negative outcomes also included strategies that leaders used to control their workers.

5.6.2 Negative Outcomes:

The negative behaviours and strategies evidenced in the table occurred in a small pool of the companies in this sample: Lance and his team, Leon and Edward and Lisa and Izzy account for the majority of the issues in the dataset.

5.6.2.1 Introversion

The start-ups in this study were small teams who needed to be able to communicate effectively to work together; where leader, follower or both were introverted, this meant that problem solving was inhibited, with a detrimental effect on performance. Lance found Adrian's introversion was having just such an impact: *"The introversion, still frustrates me because I know that when he, when Adrian hits a wall, there's a time when it's better to ask than trying to figure it out himself and sometimes he'll ignore it and try to solve it himself or bury the problem."* This didn't improve over time and six months later Lance was still concerned: *"He's really hard to talk to. Because he's so shy and he*

doesn't make any effort to connect with other people. Like he'll just sit there, he'd rather sit there and not say anything than talk." Eventually, Adrian learnt to communicate more effectively, a few months after the end of the data collection process I met up with Lance to talk about how the company was faring, he commented about how Adrian was now a star employee, leading innovation across the engineering team. The key to this transformation had been the quality of Adrian's work, this had earned him the respect of his colleagues and over time, he had in turn become more outgoing.

Even more crucial in these nascent companies is the ability of the leader to be outgoing and to enthuse those around him or her. Over the course of the six months I had been talking to Gail and Lorenzo, she had noticed a change in her employer who had become increasingly withdrawn from his team. *"He is very quiet and the reason this has been picked up is that our new sales guys who've been recruited are saying it's a little bit odd like 'I thought this was like you know fun start-up place and this guy doesn't even smile'. I don't know why that is because we're doing quite well business wise, and money wise we're bringing in loads of money."* Gail was concerned that this was the impact of Lorenzo's difficult personal relationship at work, but wasn't sure of the cause. She was however, very clear that the 'start-up buzz' was lacking and that Lorenzo was either unaware of the issue or unable to resolve it.

5.6.2.2 Disinterested/dismissive

So far, the relationship dynamics have described leaders and followers who, if not happy, were generally engaged with each other. There were occasions however, where one or both parties became disinterested or dismissive of the other, which damaged relationship quality. Leon, Edward and Lance account for all of these comments in Table 25.

Leon's perception of Edward's inability to perform meant that he became disinterested in Edward as a person and dismissive of his value to the team: *"I'm not particularly bothered because I look at him as a cost centre of about £115k a year including his on-costs. So he's either got to be generating fantastic results or like, there's not really a lot of room... for the senior management team to be carrying somebody."* Edward was aware of being 'out of the loop' and distanced from Leon and this increased his sense of being undervalued.

For Lance, it was his team's apparent lack of interest in the outcomes of their work that he found frustrating. Lance described his feelings about Adrian and the rest of the team in February, when the company's future was uncertain. The team were writing code for an on-line betting process: *"He's working on the same thing that Adrian's working on how, he had never signed up for the website and placed a bet and I feel like, I was just shocked that he never tested the thing that he's working on."* Becoming disengaged or dismissive then, by followers or leaders, has an impact on performance outcomes as well as relationship quality. On occasions, this lack of attention was due to distractions.

5.6.2.3 Distractions

Edward, Dave and Izzy account for the majority of comments under this heading. Edward was going through personal crises over the six months of our conversations, he was aware of the impact this was having on his performance and Leon's frustrations: *"I can see his point in some respects, on some things. And then they become my frustrations at myself that I don't have enough hours or I didn't do it, I didn't give as much time as I should have given it because I had other pressures."* In the end, this lack of concentration on work meant that he was superseded in his role. On other occasions, the start-up environment of having fun could be a distraction in itself, leaving Izzy and Dave wearing noise reduction headphones to blank out the office environment so that they could concentrate and to signal to their co-workers to leave them alone to work in peace.

5.6.2.4 Intimidation

Of the 24 comments about intimidation, 22 were used by Lance and his team. Lance used intimidation deliberately as a form of performance management. Les and Leon also used intimidation of staff to improve performance. Lance created this outcome on purpose was open about this: *"I want them to feel intimidated at the right points but I also want them to feel like we're in this together."* Adrian, Bill and Chris reported feeling intimidated and described Lance's behaviours: standing over their chairs as they worked, public questioning, looks of disapproval, all of which they found discomforting. Leon described an incident where he felt he had intimidated Edward: *"The next day after the board meeting I pulled him in and said you know just explained to him how unhappy I was and why I was so unhappy with him. He completely got it and so there was a strain. I think he felt pretty insecure about it for that period where he'd sent me the board reports and I said look I'll just do it; just give me what you've got so far. And when I*

didn't talk to him between then and like 1 p.m. the next day, he probably was pretty afraid and like feeling, you know, stressed and then we had a chat and it was all sorted."

Even an ostensibly positive relationship had an example where the leader used his power to intimidate followers, Les deliberately left Dave in uncertainty when an error had been made and the consequences of the problem were unclear. Enforcing the power distance between leader and follower and leaving the follower to 'squirm' when there had been a difficulty was a management technique used by these three male leaders.

5.6.2.5 Poor performance

There were three relationships where poor performance was evident, between Edward and Leon, Lance and his team (in February 2014 and then again with Chris) and between Lisa when she couldn't get Izzy to fill the new role that the company needed. The majority of comments for this section came from Leon who was voluble about Edward's lack of ability to perform his role of Chief Marketing Office. Neither Edward nor Izzy survived in their roles at their start-ups. Adrian, as described above, eventually responded to what the context required of him and blossomed in his role with Lance.

5.6.3 Summary of outcomes

The findings of this research support those of literature linked with trust and relational leadership. The majority of relationships in this data set were positive, as were the results for outcomes. That is not to say that there is a causal link between the two but literature suggests that where relationships between leaders and followers are of high quality, outcomes are likely to be better than for poor relationships (e.g. Jensen and Tower, 2014).

Where relationship quality is high, outcomes included high job satisfaction, personal and professional growth, being 'on top of everything', offering help (similar to Organization Citizenship Behaviours or OCBs) and taking pride in team and individual achievements. This follows the trend in LMX literature that outcomes of good leader-follower relations will result in higher job satisfaction, OCBs and performance (e.g. Davis and Bryant, 2009, Gerstner and Day, 1997). Where there were negative performance issues, three of nine leaders used intimidation to try to correct problems. This took the form of behaviours such as standing over workers, asking difficult questions in public and

leaving staff insecure about outcomes and job security if there had been a problem. These behaviours were used deliberately; leaders were aware of what they were doing and the likely impact on their staff. Other negative impacts on performance included introverted or withdrawn behaviours and being distracted either by personal issues or a boisterous working environment.

Other than the use of intimidating behaviours, there are no other examples of abusive supervisory behaviours or of subversive follower actions. In general, relationships were good; all of the firms in this study were at least moving towards breaking even, some were clearly in profit and looking to expand. All but one of the firms were looking to reach a point where they would float on the stock exchange or be bought out by a larger company on the basis of their performance so far and projected results in the future. The one firm that this didn't apply to was Leopold's firm in Newcastle; Leopold and his co-founder had made the decision to grow slowly and avoid needing further investment from Angels or Venture Capitalists; they were however, considering moving part of their operation to London to improve their networks for business development and support.

Outcomes in this dataset then were largely positive and the majority of behaviours were focused on improving relationships, empowering individuals and growing and developing the company. This aspect of the relationship dynamics concludes the journey of DRQ from antecedents before leaders and followers met, with the influence of context and the interplay of trust in all interactions. The interdependence of the dimensions is evident here, outcomes influence how other aspects of the relationship are functioning through feedback loops. The data was explored to see if each of the theoretical dimensions of DRQ appeared relevant and how these dimensions were interacting. As described later in this chapter and again in the conclusion, outcomes of the relationship feed back into leader and follower perceptions of how the relationship functions.

In addition to the relational leadership, interpersonal trust and contextual dimensions of the relationship, two other themes emerged inductively from the analysis. These two extra themes, Communication and Relationship quality are described and discussed in the next section.

5.7 Additional Themes of Communication and Relationship Quality

5.7.1 Quotes about Communication

The theme of communication emerged inductively from the data in the form of eight codes, five of which were positive, the remainder being negative, shown in Table 26. The greatest proportion of positive codes related to the acknowledgement of open and good communication and its importance to leaders and followers. There was no particular temporal pattern for good communication; it varied across time points according to events taking place within each firm. Awareness of communication and its quality appeared at the beginning of the relationship and continued until the data collection process was complete. There was a much lower incidence of negative comments about communication than positive statements. Almost all of these negative quotations were made by Edward, discussing his relationship with Leon, which also explains the spike in comments around 6-9 and 10-13 months, when their relationship had taken a turn for the worse, before Edward left the company.

Table 26 - Percentage frequencies relating to communication

Positive communication themes

		Open/ good communication	Openness important	Good communicator /concise	Team focus	Focused not general communication	Positive communication quotes
Followers	1 month	1.2%	1.2%	0.0%	0.0%	0.0%	2
	2-5 months	2.2%	1.0%	0.7%	0.2%	0.0%	17
	6-9 months	1.4%	2.0%	0.3%	0.3%	0.3%	26
	10-13 months	2.0%	1.3%	0.4%	0.2%	0.0%	18
	13+ months	3.7%	2.7%	0.0%	0.0%	0.0%	14
Leaders	1 month	0.0%	0.0%	0.0%	0.0%	0.0%	0
	2-5 months	0.5%	2.5%	0.9%	0.2%	0.2%	19
	6-9 months	1.6%	1.6%	0.4%	0.2%	0.0%	21
	10-13 months	2.9%	1.7%	1.0%	0.2%	0.0%	24
	13+ months	1.6%	0.5%	0.0%	0.0%	0.0%	4
TOTALS:		61	57	17	7	3	145

Negative communication themes

		Miscommunication /confusion	Out of loop	Negative feedback	Negative communication quotes	Total quotes available
Followers	1 month	0.0%	0.0%	0.0%	0	81
	2-5 months	0.5%	0.2%	0.2%	4	410
	6-9 months	3.1%	2.6%	1.5%	42	587
	10-13 months	0.4%	1.6%	1.1%	14	446
	13+ months	0.5%	0.5%	0.5%	3	219
Leaders	1 month	0.0%	0.0%	0.0%	0	50
	2-5 months	0.2%	0.0%	0.0%	1	437
	6-9 months	0.2%	0.0%	0.0%	1	558
	10-13 months	0.2%	0.2%	0.0%	2	411
	13+ months	0.0%	0.0%	0.0%	0	189
TOTALS:		26	25	16	67	3388

The majority of comments were made in about communication being open, the other party’s ability to communicate and the importance of having open relationships where communication was possible. Izzy, Lisa, Les, Dave, Gail, Lois and Harry all cited communication as a way of dealing with issues and improving relationships. Les sums this up “*Honesty transparency – same as the conversation I have with my wife; transparency is the key*” and Lois builds on this adding the need for ‘safety’ in relations: “*I find as well that he can challenge me and I can challenge him. And, he doesn’t get his back up, we can go for a drink afterwards and its fine.*”

Communication appears embedded within relationships; Table 27 shows the frequency with which communication and other dimensions in the data co-occurred (i.e. the number of times a quote related to communication and at least one other theme). The figures suggest that being able to communicate influences all aspects of the relationship, from the initial interaction onwards; communication does not appear associated with events or thought processes that took place before leader and followers first met.

Table 27 - Co-occurrences between communication and other dimensions of DRQ

	LMXMDM	Individualized Leadership	Organizational Context	Trusting behaviours	Trustworthiness	ESLMX	Performance	RQ	Industrial Context	Trust statements	Initial Impressions	Geographical Context	Antecedents
Communication	66	51	36	35	32	31	21	17	13	6	3	1	0

The greatest link between communication and other dimensions is with LMX and Individualized leadership. This suggests that communication is associated with exchange relationships and recognition of self-worth and individual needs; arguably, no relationship could involve exchange or mutual recognition unless both parties were able to articulate their perspectives (Sheer, 2014). Next most associated with communication are organizational context, trust and Economic and Social LMX. Transparency about company information was a common feature amongst leaders in the data set; it is therefore, not surprising that communication should feature with organizational context,

as the entrepreneurs interviewed here sought to have good communication links as part of their culture. Likewise, trusting behaviours were most evidenced in the data through disclosure of information, on the basis of an assessment of trustworthiness. Economic LMX relates to an understanding of the basis of reward amongst other transactional aspects of the relationship and Social LMX describes the social and emotional aspects of relations, both of which require communication for their expression (Sheer, 2014).

Communication had not been a major feature of LMX literature until the turn of the century (Fairhurst and Connaughton 2014; Jian and Dalisay 2015) but extant research suggests that the frequency, style, and media of communication all impact on relationship quality (e.g. Abu Bakar and Sheer 2013; Ilies et al. 2007; Kacmar et al. 2003; Michael, 2011). The results quoted here support recent work that suggests communication is a dynamic, mutually influencing process central to how leaders and followers relate (Sheer, 2014). There is insufficient evidence here to link with recent models for leader-follower communication, such as Jian and Dalisay (2015) provide. Further work, focused on the role of communication within relationship development would be required to substantiate precisely how communication influences workplace relations. What is in evidence, however, is that communication is important to leader-follower relationships and that both parties, from the beginning of their interactions note its influence on relationship quality.

5.7.2 Relationship Quality (RQ)

As explained in the introduction, this study set out to describe how quality developed over time between leaders and followers. I had not anticipated that relationship quality would appear in this form, however, when I turned to the field; all but one of the participants volunteered a subjective view of the quality of their relationship with their leader or follower. This means that relationship development is a process from which a separate dimension of relationship quality emerges. There are two distinct dimensions to dyadic relationship quality (DRQ): 1) the dyadic relationship quality development process and 2) relationship quality as a dimension of that process.

In the data, the majority of perceptions of relationship quality were positive and appeared to strengthen over time; only two out of the twelve relationships having negative comments (made by Edward and Leon and Maddie about Lloyd). Table 28 suggests

that relationship quality is still developing even when a leader and follower have been working together for over a year. This contradicts previous research, which has suggested that the dynamic within the dyad will stabilize at around anything from within a few days (e.g. Liden et al., 1993) to 6 months (e.g. Dienesch and Liden, 1996, Graen and Uhl-Bien, 1995, Nahrgang et al 2009).

Table 28 - Percentage frequencies of comments made about RQ over time

		positive	negative	not known long enough	Total quality quotes	total quotes available
Followers	1 month	0.0%	0.0%	0.0%	0	81
	2-5 months	1.5%	0.0%	0.5%	8	410
	6-9 months	2.2%	0.9%	0.0%	18	587
	10-13 months	2.2%	1.3%	0.0%	16	446
	13+ months	1.8%	0.0%	0.0%	4	219
Leaders	1 month	0.0%	0.0%	0.0%	0	50
	2-5 months	0.9%	0.9%	0.0%	8	437
	6-9 months	1.3%	0.0%	0.0%	7	558
	10-13 months	2.7%	0.2%	0.0%	12	411
	13+ months	3.2%	0.0%	0.0%	6	189
TOTALS:		61	16	2	79	3388

It is important to note that RQ is not an independent dimension of the relationship quality development process; it and all of the dimensions appear to be interdependent. As events occur, opinions and experiences of the relationship change and opinions about RQ are reassessed. The dimensions of RQ that are applicable in the particular circumstance interact to shape opinions about the relationship's current quality.

As Lloyd commented about Ken, his estimation of the quality of their relationship was based on a number of factors: “[Ken is] someone who is cheerful, hard working, reliable, capable, somebody who naturally gets on with others anyway, so this is an easy working relationship”. For Lloyd, RQ is based on a range of factors that he has experienced in working with Ken and on that basis, he was keen to support and promote his employee. Lloyd’s comments can be mapped against several of the interdependent dimensions of DRQ Development and RQ. His statement is associated with: LMX-MDM (Affect - he likes Ken, Contribution - because he’s hard working; Respect - as Ken is capable);

Individualized Leadership (Ken provides satisfactory performance, and as a result, Lloyd is supporting his employee's promotion); SLMX (social and emotional qualities - being cheerful, getting on with others); and Trustworthy (Ken is reliable/predictable).

By contrast, Edward's experience was negative, his judgement about the relationship with Leon was very different by the time we had our third data collection interview. *"...that was the point when I thought this is it I can't just keep doing this this is not good, this isn't a good relationship...You know the comment, the comments about you know he's not gonna get rid of me, being an instant comment you know makes you think that he's obviously talked about it and wants has wanted to. That doesn't fill you with confidence."* Edward felt insecure, there had been a number of conversations with Leon at this third time point about a new marketing director joining the firm. Comments had been made by Leon to Edward about how the board had no faith in Edward. Here, RQ is linked with lack of trust in Edward's ability to do the role (Individualized Leadership – unsatisfactory performance and LMX-MDM – poor contribution); a, lack of trust in Leon to protect his role (undermining SLMX – benevolence and commitment and Trustworthiness – benevolence and integrity), and a belief that Leon wants to fire him (ELMX, transactional leadership and managing by exception).

Edward's perceptions fed into his behaviours until he finally left the company. His sense that the relationship with Leon was poor meant that he was not inclined to approach new members of staff; he avoided conflict with Leon which meant that they didn't communicate often; he became increasingly withdrawn and unhappy, all of which impacted on his ability to perform his role of Chief Marketing Officer. Lloyd and Ken both felt that they had a positive relationship and this meant that Ken continued to offer discretionary effort in the form of long working hours and additional responsibility. The behaviours of these dyads typifies that of the rest of the sample; the perception of RQ was based on the dynamics that had taken place so far between leader and follower and this in turn impacted on future behaviours. RQ then is an interdependent dimension of the recursive DRQ Development process.

These quotes show that participants in this study assess the quality of their relationships and ascribe a value to that assessment. The view taken is dependent on a number of other factors and feeds back into those other dimensions of the relationship. The links between RQ and the majority of the dimensions identified in the results, become clear in

the quantitative data. Table 29 shows the frequency of co-occurrences of codes across all 60 interviews. This shows that RQ is associated (co-occurs) with communication, LMX, economic and social LMX and individualized leadership as well as trust in the form of trustworthiness, trust statements and trusting behaviours. RQ also co-occurs with performance and with industrial and organizational context. This supports the assertion that, for this study, the perception of RQ develops alongside an understanding of the other party, taking into account the organization and the industry in which individuals work.

RQ, then, is a dimension of dyadic relationship quality development. It feeds back into the development process (as do all of the dimensions from this study) to allow leaders and followers to make a qualified judgement about the quality of their relationship. However, as Table 29 shows, not all of the dimensions that influence overall relationship quality development appear to interact with RQ itself, as explained below.

Table 29 - Co-occurrences of RQ with other dimensions of DRQ

	Multi-dimensional LMX	Communication	Trusting behaviours	Individualised Leadership	Trustworthiness	Economic and Social LMX	Industrial Context	Performance	Organizational Context	Trusting statements	Antecedents	Initial Impressions	Geographical Context
RQ	39	17	17	16	16	15	13	7	6	6	0	0	0

5.7.3 Dimensions not associated with RQ

There are three dimensions not associated with RQ in Table 29; these are antecedents, initial interactions, and geographical context. As these are important aspects of the relationship development process, it is important to explain why these don't appear to link to RQ. The lack of co-occurrence between antecedents and RQ is logical, neither leader nor follower can assess relationship quality before they have met, even if information from external sources has already been gathered. This reinforces the impression that RQ develops over time, in response to events and experiences of the workplace relationship.

Given the nature of initial interactions and the length of time for which they can endure (see earlier results and Delgado-Márquez et al. 2014; Geys 2014; Liden et al. 1993), the lack of link between RQ and first impressions might seem surprising. The answer appears to lie in how respondents viewed their first impressions. In the final data collection interviews, all respondents were asked how they would describe the development of their relationship. Some participants saw the relationship developing in layers, building successively on the first reactions. For others, there had been phases moving on from those initial interactions. All participants were conscious of the first impressions that they had gathered and could recall them clearly, albeit retrospectively even when the relationship was over a year old. However, all felt that new information had superseded their early understanding of the other party; it was the current information that they used as a basis for relating to their leader or follower.

The lack of a link with geographical context requires further investigation; in this study, the associations with organizational and industrial context appear stronger. HR policies and the culture of an organization can foster positive or negative leader-follower relations and an industrial context will inform what behaviours are expected of either party (e.g. Erturk 2014; Searle et al. 2011; Sorge and Six 2008). In contrast the results obtained in this study for geographical location focused on the opportunities that each area offered individuals or firms, rather than any insights into how relations might change. For instance, Gail and Ken had both relocated to London for working opportunities and Harry liked Newcastle because he preferred a quieter lifestyle. For Lois, Lisa, Leopold and Lloyd, relationships with their employees remained unchanged despite their constant travel and the fact that they had opened subsidiaries in other countries. In this sample, the Hi-tech start-ups world attracts a particular type of individual; relationships in this case appear less influenced by location than by the industry in which they operate and the processes and systems that develop in these small, highly charged companies.

As such, RQ is an outcome of the relationship development process. It encompasses many aspects of relationship development and features of the exchange between leader and follower. Any measure (qualitative or quantitative) for RQ would need to account for interpersonal trust, relational leadership, communication and performance. Taking all of the dimensions of these constructs, this would result in RQ being associated with the following themes shown in Table 30 below.

Table 30 - Dimensions of DRQ

Theory	Dimensions
Multi-dimensional LMX (LMX-MDM)	Contribution, affect, respect, loyalty
Economic LMX (ELMX)	Transactional interaction, pecuniary rewards,
Social LMX (SLMX)	Investment in the relationship, long term orientation, trust (benevolence), commitment
Individualized Leadership (IL)	Leader and follower recognize needs, contribution and self-worth of follower
Trustworthiness	Ability, benevolence, integrity, predictability (reliability)
Trusting Behaviours	Delegation, benevolence, disclosure, discretionary effort
Communication	Communication behaviours, receiving feedback

Tables 29 and 30 provide the basis for a definition of Relationship Quality, where many of the dimensions of relationship building are involved in the perception of quality. This set of dimensions encompasses the range of dimensions that Bernerth et al (2007) suggested would be required for LMX to more fully account for relationship quality. Furthermore, it weaves in trust in terms of assessing trustworthiness and acknowledging trusting behaviours. It also allows for the importance of communication behaviours within relationships (although considerably more work is required to define this how communication operates within a relational leadership context). Whilst this list demonstrates what relationship quality comprises, it doesn't describe what high or low quality relationships feel like. This is addressed next, using the experiences of participants in the study.

5.7.3 High and Low Relationship Quality

Participants in this study were clear that a good quality relationship existed where there was respect, acknowledgement of achievement, long-term orientation to the relationship where the contribution of the other is acknowledged and valued. In addition, communication is open and clear, with both parties being able to express their thoughts in an atmosphere of trust. As a result, high quality relationships exhibited benevolence,

discretionary effort, loyalty and in some cases, devotion to the other person. By contrast, low quality relationships often resulted from violated trust, communication was poor, often involving miscommunication or exclusion from receiving information. These relations demonstrated little loyalty or affection, personal needs and contributions were under appreciated and trusting behaviours such as delegation or discretionary effort, were withdrawn. Low quality relations, (such as Edward's) tended to have a pecuniary focus and were short-term in approach with either leader or follower looking for opportunities to terminate the relationship.

The third research question aimed to define RQ and potentially describe how this could be assessed or measured. This definition for levels of relationship quality and a list of the dimensions for a measurement tool that could be developed in the future, mean that this aspect of the research question has been answered.

5.8 Conclusion

The aim of the empirical work for this thesis was to address the research questions and in doing so, to understand how trust and relational leadership were linked and which forms of either construct applied to or were redundant from the theoretical construct of DRQ. Within this, I sought to explain the role of context in shaping relationships, in this case the environment in which high-tech start-ups operate both in London and in Newcastle-upon-Tyne.

At the single level of analysis, these aims have been achieved although there are a number of additional questions that have arisen, which are addressed in Results Chapter 2. There was evidence that all four dimensions of multi-dimensional LMX apply to DRQ. In addition, economic and socio-emotional forms of LMX added pecuniary, temporal and emotional aspects to the construct. Individualized leadership captured the extent to which followers felt supported and leaders felt they were supporting staff; it also informed us about parity across workgroups and the need for these small teams to perceive equality within the group. There was no evidence that leader member social exchange (LMSX) was present in this data, all exchanges could be specified and described clearly by leaders and followers. The data showed that assertions about reciprocity and obligation could be satisfied without LMSX theory and as a result, it will be excluded from the revised model DRQ in the chapter on Implications for Theory and Practice.

Three phases of trust were mooted for DRQ; assessing trustworthiness at the beginning of the relationship, deciding to rely on and disclose information to the other party and then engaging in trusting behaviours. These phases did not represent how trust operated for this context. In this sample, an assessment of trustworthiness, a decision to disclose information and engaging in this trusting behaviour all occurred during the initial interaction. There are explanations for this in theory (see McKnight 1998 and Delaquez-Martinez et al. 2014) but in general, this set of findings deviates from the majority of findings in literature. I suggest that this swift move to trusting behaviours may be a result of the fast-paced start-up context, but further empirical work is required to establish whether this phenomenon is unique to this study, to the context being explored or whether in fact it represents how relationships function in general.

The functioning of trust raised two issues. The first was the role of antecedents; the second was around Gillespie's (2003) Behavioural Trust Inventory. No questions about antecedents were included in the interviews; they arose in the forms of implicit leadership theories, predispositions to trust and the actions taken by leaders and followers to gather information about the other party before meeting. Further research would be useful to confirm both the presence of these and other antecedent influences that are recognized in extant literature. With regard to Gillespie's behavioural trust inventory, firstly, there are issues around conflation of predictability (an oft-included item for trustworthiness) and reliability and secondly there is little evidence of leaders or followers disclosing personal information as Gillespie's work suggests that they might. These developments have been taken account of in the Implications for Theory and Practice chapter, where a revised form of DRQ presents how dimensions of trust and relational leadership are reconstructed, in light of the results from this and the second results chapter.

Finally, despite the interview containing no questions about the subject, performance management and performance outcomes arose in the dataset. In general, most individuals were happy in their roles and positive performance codes linked to job satisfaction, ability to perform and OCBs appeared. There were negative perceptions of performance, described by leaders and followers, which were mostly accounted for by three relationships out of the nine in this study. There is also an association between trust, performance and leadership that appears in the data, which is explored through multi-level analysis in Results Chapter 2.

Throughout the process of leader-follower-interaction context clearly influences relationship dynamics. This starts before leader and follower meet; the particular set of conditions that come with high-tech start-ups (high failure rates, long-term rewards for success, informal and fast-paced working environments) is attractive to some and an anathema to others. Context influences the way in which leader and follower interact through the amount of pressure that is placed on individuals to be autonomous, and self-managing. This influence extends to business culture, the dynamics of the high-tech, start-up industry as a whole and the impact of geographical location where money, talent and opportunities are easier to find in London and harder to realize further away from the capital.

There were additional theoretical issues that arose in the data, which included the role of communication and leader and follower perceptions of relationship quality itself. The final results chapter deals with multi-dimensional scanning analysis, which is used to explore where codes for context (at organizational, industrial and geographical levels) co-occur with trust, forms of relational leadership, and performance.

6 Multi Dimensional Scaling

The results so far largely support the theoretical model of DRQ proposed in the literature chapter. A multi-dimensional scaling analysis was conducted, to determine whether the quantitative results supported the qualitative data. This short chapter is followed by the concluding chapter, which draws together qualitative and quantitative data, proposes an amended model for DRQ and describes the contributions that this study makes to literature.

6.1 Multi Dimensional Scaling

Multi-dimensional scaling (MDS) is a useful tool to help describe what theoretical dimensions might apply to the data and how they are linked (Giguère 2006), in this case, as the data is drawn from qualitative material, the non-metric form of MDS is employed (see Schilling 2009). Analysis of the interview data in Atlas provided codes, themes (code families) and dimensions for the data. In addition, a code co-occurrences analysis showed where dimensions appeared together in quotations from the interviews. Table 23 represents the data entered into SPSS, this table shows the frequencies of code co-occurrences as a result of the thematic coding analysis. As described in the methodology paper, there were two tests carried out for the MDS analysis. The first confirmed the number of dimensions that were optimal for n MDS model; the second showed the spatial pattern of the 14 dimensions shown above. The results of each test are described in turn below.

6.1.1 Non-Metric, Multi-dimensional Scaling Tests

6.1.1.1 Test One

The scree plot (Figure 13) shows a graphical interpretation of the stress results. Stress dropped after the second dimension, showing that the optimum configuration was a two-dimensional model. The Normalized Raw Stress result was .008. The results in Figure 13 are close to perfect with a coefficient of congruence and dispersion accounted for at 95.79%. The initial test was set to determine the optimum number of dimensions for the data. Once this had been achieved, the test was re-run to gain an accurate spatial representation of the data.

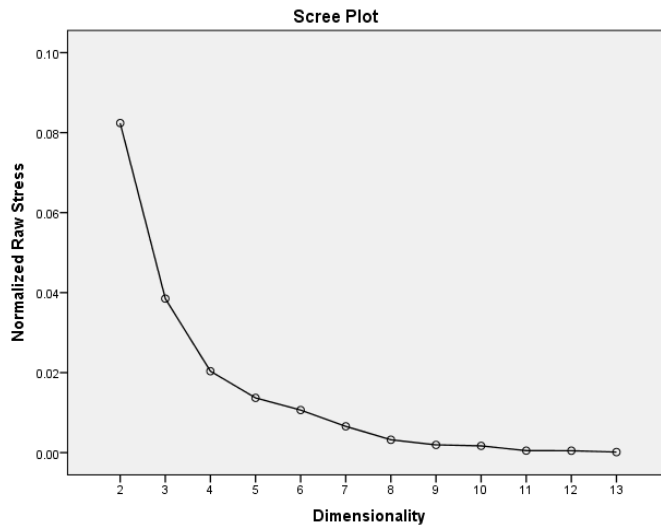


Figure 13 - Scree Plot showing stress levels per dimension in the MDS model

6.1.1.2 Test Two

A PROXSCAL test was repeated using interval proximity transformations on data that represented similarities, with a maximum number of dimensions of 2. The Normalized Raw Stress figure was .07, indicating a close fit to the model. A common space plot resulted as shown in Figure 14.

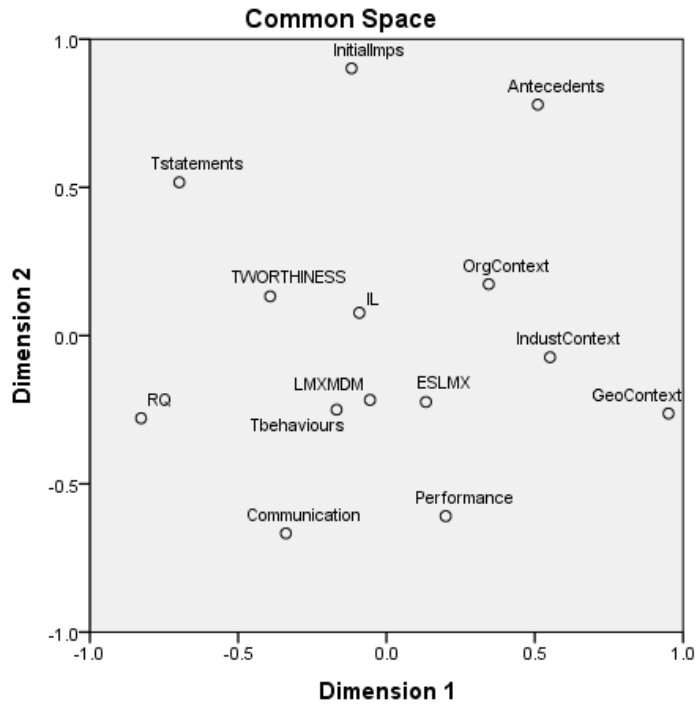


Figure 14 - Common space plot for DRQ Development

6.2. Interpretation of the Common Space Plot

Four observable clusters were mapped onto the common space plot as shown in Figure 6. These informal clusters comprise 1) Antecedents and Initial impressions, 2) Organizational, Industrialized context and Geographical contexts, 3) Statements of Trust, Trustworthiness, Individualized Leadership, Economic and Social LMX, Multi dimensional LMX, trusting behaviours and Performance and finally 4) Relationship Quality and Communication.

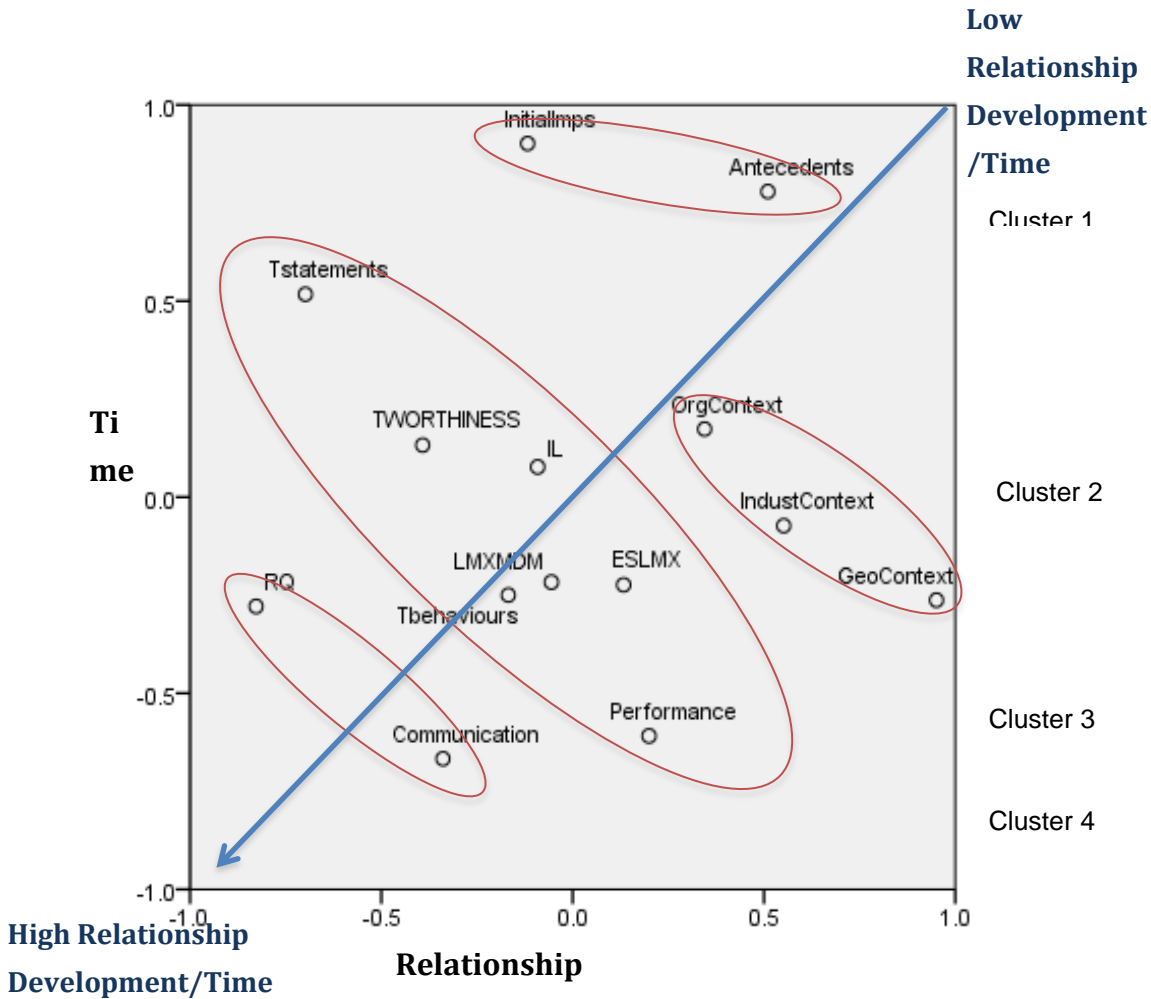


Figure 15 - MDS Common Space Plot

This graphical representation of Figure 15 suggests that Dimension 2 could represent time, running in an inverse direction (from +1 to -1) along the Y-axis. Dimension 1 would then represent Relationship Development, again running from +1 to -1 along the X-axis. This would mean that an inverse relationship development process runs diagonally across the plot (shown by the blue arrow on Figure 15). Top right of this diagram, shows a point where relationship development and time are low. The closer you get to the point where Y and X axes meet, the better leader and follower know each other as they have spent longer working together. If the relationships are positive, then a positive relationship quality will be the result of this development process. If however, relationships are negative or abusive then a negative relationship quality will ensue. This plot does not imply what the quality of the relationship will be, rather that the

development of the relationship occurs over time, in a specific pattern for Hi-tech start-ups. The implications of Figure 15 are described below.

6.4. Implications for DRQ

The results of the MDS analysis support the assertions of the qualitative results and appear to follow the same pattern of relationship development suggested in the DRQ model and in the results chapters. In Cluster 1, the relationship begins with individuals' antecedents and the initial impressions. This is at the top of the diagram, as time and relationship quality are low, as the two individuals have only just met. Cluster 2 shows how context informs this relationship with geographical context having the lowest value on relationship quality and organizational context having greater influence, being closer to the blue relationship development arrow. Cluster 3 involves the relationship development process where trust and relational leadership and performance appear. Finally, in Cluster 4, communication and relationship quality are outcomes of the relationship. Communication appeared at all stages in the qualitative data analysis, its placement here at the end of the process is accounted for by the increased frequency with which participants mentioned communication later on in the relationship (see section 5.7.1).

6.5. Summary of MDS analysis

The MDS analysis provides statistical support for the model for DRQ Development present earlier in this thesis. The model demonstrates a temporal relationship in the data and suggests a relationship development process, the outcome of this relationship in terms of quality and performance will depend on whether the dynamics between leader and follower are positive or negative. This is the final analysis applied to the data; next the final chapter in this thesis discusses a refined model for DRQ, outlines contributions to literature and theoretical and practical implications of this research.

7. Conclusions - Theoretical and Practical Implications of the Study

The study aimed to understand how relationship quality develops in leader-follower relationships.

The main research question was: *How do leader-follower relationships develop into high or low relationship quality?*

In order to resolve this question, four sub-questions were identified:

1. Which forms of relational leadership can be used to explain more of leader-follower interactions than LMX allows for (e.g. Bernerth et al. 2007)?
2. How does trust interact with relational leadership (e.g. Burke et al. 2007)?
3. How does context influence leader and follower relations (Shamir, 2013).
4. How should relationship quality be described or defined?

This concluding chapter addresses the theoretical and practical implications that result from this study and considers how far these research questions have been answered. It will also outline the contributions made to literature, the limitations of the research and future directions for continuing work in this field. Firstly, the theoretical implications of the results are discussed, and this is used as the basis for the answers to the research questions.

7.1 Theoretical Implications from the Research

7.1.1 The need to revise DRQ

The results of the qualitative analysis suggested that trust and relational leadership function slightly differently for hi-tech start-ups than literature for these two fields suggests. Two themes emerged inductively from the data, which had not featured in the literature review, these were the role of communication, and the perception of relationship quality. The second of these, a qualifying statement about relationship quality departs from literature in LMX fields. In general, researchers ascribe a level of quality to the perceptions of relationships as described by leaders or followers. What

emerged from this study was the participants own value statement (or qualifier) about the quality of their leader-follower relationships, and how they had arrived at that conclusion.

A statistical analysis (Multi-Dimensional Scaling) was applied to the data to support or challenge the qualitative results. The outcomes of the analyses create six points of divergence between the results for this dataset and the previous model for DRQ. The points of divergence are: 1) the role of context; 2) the speed with which trust develops in a relationship and the role of trusting behaviours; 3) the removal of LMSX as a relevant theory for this cohort; 4) the inclusion of communication into the model and 5) the introduction of a qualifying statement of 'Relationship Quality' (RQ) as perceived by leaders and follower. Finally 6) is the amendment of the DRQ process to differentiate between DRQ Development and RQ itself. DRQ is the development process whereas RQ is a dimension of this process where members of a relationship ascribe their own perception of relationship quality. This section explains these six developments in the light of qualitative and quantitative processes of analysis and presents an amended model for DRQ, which incorporates the concept of Relationship Quality.

7.1.2 Changes required to the DRQ Model

Some aspects of the original DRQ model remain unaltered. The development process retains its linear structure, where the antecedents that each party brings with them, feed into the initial interaction between leader and follower and this influences the dynamics between them, and perceptions of relationship quality and performance. In addition, the role of feedback loops is unaltered. The changes listed above, however, require the theoretical construct of DRQ to be amended. The first of these, context, sets the scene for the relationship between leader and follower as described below.

7.1.2.1 The role of context

One of the common calls in leadership and trust literatures in the past ten years has been for context to be accounted for in research (e.g. Liden and Antonakis 2009; Shamir 2013). Whilst context appears in a number of conceptual models for LMX development, (e.g. Dienesch and Liden, 1996, Brower et al. 2000) it tends to be represented at an organizational level and accounts of its influence are often vague. This study shows how context influences relationships from the very beginning and continues to have an impact throughout the development process.

Three levels of context were explored in this study at geographical, industrial and organizational levels. Respondents referred to their geographical location in terms of the city or country that they worked in and compared this to other locations that they had experience or knowledge of. Likewise, they all talked about the experience of working in a start-up but more specifically about the realities of working in a high-tech environment. Technical and start-up communities are active, with social networking and information sharing events that take place weekly or monthly and a range of investment organizations specifically focus on the hi-tech community. Being part of the hi-tech community influences opportunities and networking and attracts individuals who want to be part of that environment. Finally, business culture and HR and systems and procedures were referred to. As the firms in this study matured and developed, they took on additional systems and processes to manage workflow as well as staff. All participants were aware of the culture of long hours, fun and hard work that are associated with being in a start-up.

The results from the previous chapters suggest that it is possible to identify how the workplace environments affects relations. The fast pace of change in this industry influences the rate of work, research and development and this in turn impacts on working practices and terms and conditions for employees and entrepreneurs alike. In this dataset, all candidates had made positive choices about wanting to work in London (or Newcastle), in the hi-tech industry, and for a small start-up, because of the type of workplace that this context provides. These aspects of context influence the pace and direction in which trust develops and other dynamics take place.

7.1.2.2 Trust development and trusting behaviours

In a number of development models (e.g. Dietz and den Hartog, 2006, Gillespie, 2003, Lewicki and Bunker, 1996) interpersonal trust grows or is eroded over time in response to events and experiences. The results for this study showed that trust developed at an accelerated pace at the beginning of the relationship. During the initial interaction, (in these cases, the recruitment interviews) leaders made decisions about trustworthiness. They acted upon these decisions, making themselves vulnerable by offering confidential company information at that point. From this first meeting, trusting behaviours then reappear or are withdrawn by leader and follower throughout the relationship's lifetime. The major departure from existing theory is that for this study, trusting behaviours were apparent at the start of the relationship rather than as an outcome of a mature stage of

relationship development. In addition, this study found no evidence for Gillespie's (2003) inventory of behavioural trust.

Gillespie's (2003) Inventory of Behavioural Trust suggests that leaders and followers will decide whether or not to trust the other party by disclosing information or being willing to rely on them, the theory does not extend to whether individuals will take part in risk-taking behaviours. The difficulty with this model is that disclosing information and being reliable are accounted for elsewhere in trust literatures. Disclosing information on personal and professional levels has been accounted for as a trusting action as opposed to decision about a potential future behaviour (Wasti et al. 2011). Its role in deciding to trust as opposed to actually behaving in a trusting manner is unclear. In addition, there are boundaries about what individuals will share with each other that are based on context, not on trust levels, which casts doubt on how this aspect of the theory operates (e.g. Lau et al., 2014). The second aspect of Gillespie's inventory concerns reliability. Reliability is similar to predictability and there have been issues in the literature in separating these dimensions of trust (e.g. Tzafrir & Dolan 2004). There is also potential overlap between reliability and loyalty as described by Liden and Maslyn (1998). As such, the inventory doesn't appear to add new dimensions to DRQ and overlaps with other dimensions in a way that is likely to cause confusion. For these reasons, it has not been included as part of DRQ.

7.1.2.3 Relevance of relational leadership theories

Four out of the five relational leadership theories used for DRQ resonated strongly in the data. These were multi-dimensional LMX (Dienesch and Liden, 1996), Economic and Social LMX (Kuuvas et al 2011) and Individualized Leadership (Yammarino 1990, Wallis et al 2011). Leader Member Social Exchange (see Bernerth et al. 2007) however was excluded from the revised model: all participants had been able to describe and explain what they gave to and took from the relationships with the other party, there was no evidence of non-specific reciprocity between leaders and followers. In addition, the overlap between this theory and multi-dimensional LMX calls into question the contribution that LMSX makes to the understanding of relational dynamics (e.g. Sheer 2014, Wilson 2014). Two new dimensions, communication and perceived relationship quality appeared inductively in the results, and are summarized below.

7.1.2.4 The role of communication

Communication arose inductively as a theme from the data, there being no questions in the interviews on this topic. The results demonstrated that communication is an important aspect of relationship development from the initial interaction onwards and that this links with perceptions of relationship quality by leaders and followers alike. Communication also appears to be strongly related to most of the dimensions of the DRQ Development process, having the strongest association with LMX-MDM and Individualized Leadership. Other strong links involved the organizational context, and levels of trust which suggests that communication is a facet of how organizations run as well as how individuals relate. As a result, communication needs to be incorporated into the DRQ model, running throughout the development process as it contributes to the perception of relationship quality between leaders and followers.

7.1.2.5 Relationship Quality (RQ) as a qualifying dimension of DRQ Development

Relationship Quality is the perceived quality of the interactions between leaders and followers. This construct emerged inductively from the data analysis, and is separate from the process of relationship development. The perception of RQ develops from the experiences of the relationship and is interdependent with the dimensions involved in the dynamic between leader and follower. Whether positive or negative, this perception in turn influences behaviours and experiences through the feedback loops that support the DRQ Development process. As such RQ is not an outcome of the development process, rather it is one of the dimensions of the development process itself, it results from and feeds back into the relationship.

Understanding this dynamic process means that it is possible to classify high and low quality relationships. High quality relationships are long-term in focus and are characterized by high interpersonal trust, affect, respect, loyalty, recognition of contributions and self and the other party's worth, all of which are underpinned by open communication. Poor relationships often result from breaches of trust, with poor communication, little loyalty or affection where personal needs and contributions are under-appreciated. RQ provides a qualifying dimension for describing the development of relationship quality as described below.

7.1.2.6 DRQ Development and Relationship Quality (RQ)

The original model for DRQ, as presented in the literature chapter, shows how relationship quality develops over time but doesn't differentiate relationship quality from relationship development. The results of the analysis from this study demonstrate that relationship quality is a dimension of the relationship quality development process.

DRQ Development starts from the antecedents that individuals bring to relationships before they meet, continuing to the dynamics that take place between leader and follower, ceasing when the relationship finishes. RQ is the perceived relationship quality that is a dimension of those relationships. RQ is interdependent with all of the other dimensions of the development process; it is drawn from the experiences that those dynamics provide and in turn influences how those dynamics operate. What is also clear, is that ascribing a level for RQ requires less information than the full DRQ Development process. Antecedents, initial interactions had no bearing on an assessment of RQ for this sample, whereas these were relevant to DRQ Development. In addition, whilst DRQ Development and RQ are influenced by industrial and organizational contexts, further research is required to determine whether geographical context influences RQ; for this data set there was no connection.

Before a revised model for DRQ Development was constructed, Multi-Dimensional Scaling analysis was carried out to look for statistical links that might exist in the data and support or challenge the qualitative assertions that have been made so far. The results of that analysis are summarized here before the amended model for DRQ Development is described.

7.1.3 Confirmation using Multi-Dimensional Scaling (MDS) Analysis

The findings of the MDS Analysis supported the assertions made from the qualitative analysis. The process provided a common space plot whose axes appeared to show relationship development (on the X-Axis) and time (on the Y-Axis). In addition, clustering the construct co-ordinates on the plot showed relationship development that followed the same pattern as described for DRQ Development as the model in Figure 1. This analysis suggests that quantitative analysis of the qualitative data supports the sense making that took place in the qualitative analysis. Leaders and followers are aware of a relationship developing between them. They see relationship quality as an outcome of

their interactions, and this perception of quality depends on how the two have worked together and perceptions of the performance of the other party.

As a result of the differences between DRQ Development and RQ from the qualitative analysis and the confirmation of the temporal model from quantitative MDS analysis, an amended model relationship development has been created. The model in Figure 1 below is presented in two colours; RQ is denoted in RED; the additional dimensions that belong to DRQ Development are BLUE. The individual dimensions of each of the relational leadership, trust and communication theories are not listed separately in the diagram for the sake of brevity; these can be seen in Table 1 below, which follows Figure 1.

7.2 A model for DRQ Development and Relationship Quality (RQ)

The model in Figure 16 suggests that DRQ Development begins with the antecedents that individuals carry with them (i.e. the demographic and biographical experiences, predispositions to trust and implicit leadership theories) and the external information that either party gathers before first meeting. During the initial interaction, an assessment of trustworthiness is made and, if a positive assessment occurs, trusting behaviours are offered at this point. From this, communication skills assist in the relationship development where the dimensions of LMX, Economic and Social LMX and Individualized Leadership, combine with continuing trusting behaviours to influence performance. ***This process allows each individual to assess the quality of their relationship with the other party and for this to feed back into the relationship development process.***

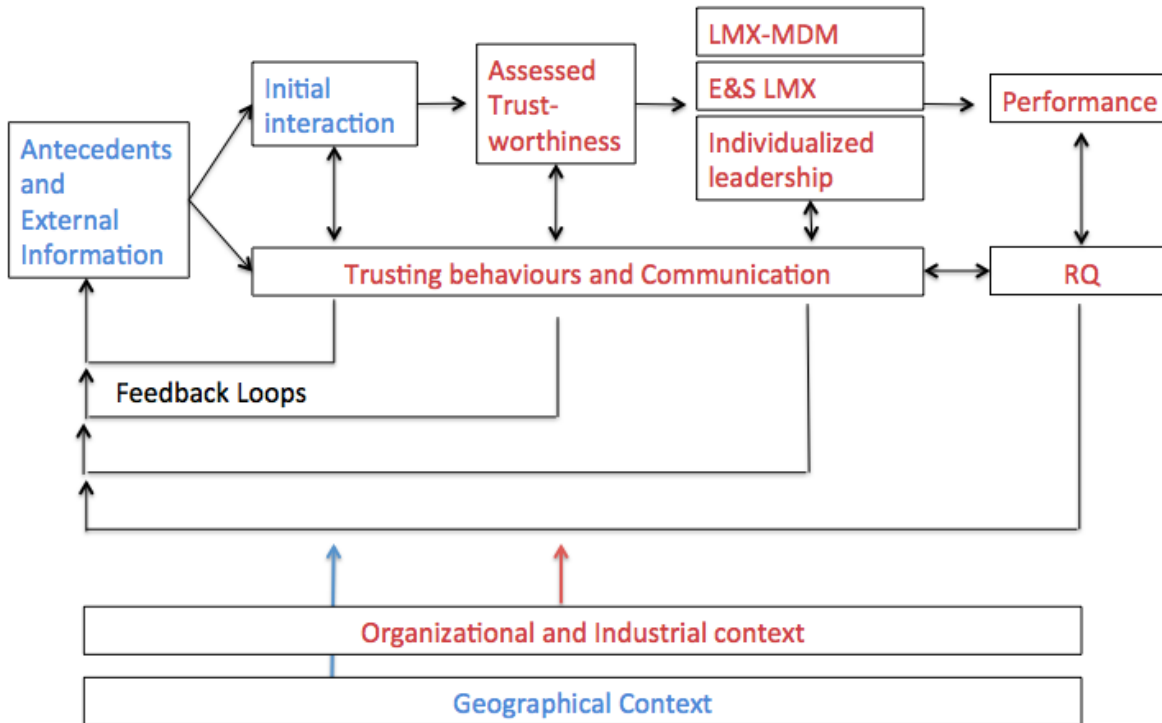


Figure 16 - DRQ Development Model showing RQ

NB **Red** labels indicate dimensions that contribute to the dimensions of Relationship Quality

The DRQ Development process comprises **Red** and **Blue** labels in the diagram, i.e. RQ is a dimension of DRQ Development

Feedback loops take experiences of the leader or follower and interpret these events through the original filters that their antecedents provide. These loops operate at each stage of the relationship development process and continue until the relationship ceases. For the hi-tech start-up environment, relationships did not plateau or stabilize as other literature has suggested (e.g. (Dienesch and Liden 1986; Graen and Uhl-Bien 1995; Nahrgang et al. 2009), **rather relationship quality continues to fluctuate in response to events that take place within organizations and their personal relationships.**

Context sets the scene, determines modes of communication, influences behaviours and relationship outcomes all the way through the DRQ Development process. Individuals choose a geographical location, an industrial environment and the type of organization to be involved with, both as an employee and a manager. **Three levels of context (organizational, industrial and geographical) were explored in this study and were**

found to influence the development of relationships but there is a question whether geographical context changes the perception of relationship quality for individuals providing their industrial and organizational contexts remain stable.

Table 31 - Dimensions DRQ Development and RQ

Theory	Dimensions
Multi-dimensional LMX (LMX-MDM)	Contribution, Affect, Respect, Loyalty
Economic LMX (ELMX)	Transactional interaction, pecuniary rewards,
Social LMX (SLMX)	Investment in the relationship, Long term orientation, Trust (Benevolence), Commitment
Individualized Leadership (IL)	Leader perceives follower to give satisfying performance Leader and follower recognize needs, contribution and self-worth of follower
Trustworthiness	Ability, Benevolence, Integrity, Predictability (reliability)
Trusting Behaviours	Delegation, Benevolence, Disclosure, Discretionary effort
Communication	Communication behaviours, Receiving feedback

Within DRQ Development, ***perceived relationship quality develops on the basis of the assessed trustworthiness of the other party, the trusting behaviours that are offered and their communication skills. In addition, the dimensions described by relational leadership theories influence how leader and follower interact. Together, with an assessment of performance, these dimensions provide enough information for each party to determine what they perceive the quality of their relationship to be.*** Again, this assessment is not a single, stable outcome of the relationship development process; the perceived level of quality will fluctuate over time (at least for High-Tech Start-ups) depending on experiences and events that take place and will feed back into how the relationship functions.

This analysis means that a new model for DRQ emerged, which accounts more fully for the dyadic relationship quality development process (DRQ Development) and for a construct where relationship quality (RQ) itself can be described. These constructs take

account of prior theory in the fields of relational leadership and interpersonal trust and respond to the findings of the study carried out for this thesis. This theoretical development brings together qualitative and quantitative analyses, providing answers to the research questions and makes a number of contributions to literature as described below.

7.3 Contributions to literature and answering the research questions

The main research question for this thesis was "How do leader-follower relationships develop into high or low relationship quality?" The four sub-questions below are dealt with in turn to demonstrate how these questions have been answered and the main contribution to literature.

7.3.1 Sub-question 1 – Which forms of relational leadership can be used to explain more leader-follower interactions than LMX allows for?

There is a broad range of relational leadership theories that could be used to describe how leaders and followers interact. Five theories were entitative (describing the relationship of leaders and followers as observable entities) and focused on the dyad rather than being leader-focused or looking at group relationships. What was unclear at the start of the process was whether each of these theories added a unique set of dimensions to the construct of DRQ or whether there was overlap between them. *The data clearly demonstrated that four of the five theories added dimensions that were distinct from each other and which explained how leaders and followers interact. For one theory, Leader Member Social Exchange, no evidence of a distinct construct appeared in the results.* In addition, this theory is similar to LMX and therefore, with recourse to the literature (see Sheer, 2014), it has been removed from the model for DRQ Development. ***There is therefore a contribution to literature in that there is evidence for an entitative model of relational leadership, which concurs with recent literature regarding the role of LMSX for future studies of leader-follower relations*** (e.g. see Sheer, 2014). However, a central argument of this thesis is that relationships cannot be accounted for through relational leadership alone and that interpersonal trust needs to be included in a relationship development model.

7.3.2 Sub-question 2 – How does Interpersonal Trust interact with relational leadership?

There are a number of models for interpersonal trust development that focus on cognitive, behavioural or psychological aspects of relationships and which describe trust as developing in different forms, levels and phases (e.g. Dietz and Hartog, 2006; Dietz, 2011; Gillespie, 2003; Lewicki et al. 2006). The literature chapter presented a combined approach, where trust is seen as a cognitive and affective process that involves psychological processes and behavioural outcomes (see Colquitt et al. 2007). The data analysis called into question whether all dimensions of the trust development structure presented in the DRQ model (largely based on Dietz and den Hartog's (2006) model for trust development) were relevant for this study. ***The results here, combined with recent research suggested that trust can take an accelerated form, moving quickly from assessing trustworthiness to offering trusting behaviours in the space of one meeting. In addition, there was no evidence for Gillespie's model of behavioural trust as her constructs of disclosing information and relying on the other party could both be accounted for elsewhere in the results.*** The second part of the first research question has therefore been answered. The dimensions of trust that apply to leader-follower relationship development have been isolated and an explanation for the process of trust development for Hi-tech start-ups has been provided. Trust's operation for this study is a contextualized process, which means that in order to understand how relationships develop, their contextual environment needs to be understood and articulated.

7.3.3 Sub-question 3 – How does context influence leader-follower relations?

Three levels of context emerged for this study; these geographical, industrial and organizational influences determined how relationships began and shaped their dynamics as they progressed. The organizational and industrial influences for Hi-tech start-ups are clear and answer the research question in this respect. Industrial influences of being in the high-tech start-up environment provide for a fast-paced, rapidly changing environment. This influences the organisational environment which responds with an emphasis on learning and being autonomous and independent whether as a leader or a follower. The combination of these factors often also leads to a more informal working environment in terms of hours worked, dress codes and hierarchical distance between leader and follower.

Further research is required to determine how geographical context influences relationship development; in this study, there was no connection. It would be interesting to see whether the culture which exists for a given industry and type of organization outweighs the influences of culture and religion that change with geographical location. Certainly there is evidence elsewhere in literature that national and religious cultures do impact on relationship development (see for instance Harris et al. 2014; Welter et al. 2012). The descriptors used here for context apply specifically to this piece of research; other studies have defined context in different ways, using alternative terminology (see for instance Antonakis et al. 2003; Fairhurst 2009; Hannah and Snowden 2013; Welter et al. 2012). The data analysis clearly demonstrated participants' awareness of the context in which they operate and the influence that this has on them individually and as dyads; all were able to explain how context affected the quality of their relationships.

7.3.4 Sub question 4 – How should relationship quality (RQ) be defined within a DRQ Development process?

A key driver for this research was the lack of a suitable model for describing relationship quality in extant literature. *The third research question, of how this might be achieved has been answered by proposing a model that describes how relationship quality develops and suggests how interpersonal trust and relational leadership interact over time.* This is one of the key contributions to literature made by this study, as the definition of RQ, along with the model for dyadic relationship development (see below) solves a problem that has received an increasing amount of attention in the literature in the past few years (e.g. (Burke et al. 2007; Dulebohn et al. 2011; Sheer, 2014).

7.3.5 Main Research Question – How do leader-follower relationships develop into high or low quality?

This thesis began by describing how LMX is used in current research to represent relationship quality for leaders and followers. A number of reasons were given for why this is an inadequate model for accounting for relationship quality and development. *This thesis has therefore responded to the gap in the literature, providing a model (see Figure 16, above) that synthesizes extant theory in the fields of entitative relationship leadership and interpersonal trust within the context of Hi-tech start-ups. This model develops current theory by accounting more fully for relationship*

development than has been done so far. It offers a framework for relationship development that can be applied to alternative environments and contexts. With these theoretical dimensions come existing tools which can be adapted to suit different research questions.

To conclude, the results presented so far demonstrate that the research questions have been answered. In addition, three contributions to literature have been achieved: firstly determining which relational leadership theories explain entitative leader-follower relationships and describing how trust interacts in relationship development; secondly defining relationship quality; and thirdly, providing a relationship development model which incorporates relational leadership and interpersonal trust and provides a framework for future research. The following section considers the practical implications of DRQ Development and RQ before moving to the conclusions of this study.

7.4 Practical Implications of the DRQ Development Model

There is a plethora of material for practitioners, which instructs leaders on how to improve workplace relationships; for leaders and managers, much of this material is focused on improving performance (e.g. Day and Antonakis, 2012). Similarly, there is an extensive body of research that has looked at LMX quality and performance outcomes mediated or moderated by a host of additional variables such as organizational justice, innovation, creativity, gender, emotional intelligence and so on (Sheer, 2014). The practical significance of this piece of work is that it offers leaders and followers a way of understanding the importance and nature of relationship quality. With further research, this may well develop into a scale that could be used for recruitment, improving leadership development and identifying where good practice and areas for development exist within dyads. Ultimately, information in these key areas could be used to gain improvements in performance, engagement, commitment and retention. The practical implications of this study are considered below in two broad groups; the first relates to leaders and leadership development, the second considers HRM policies and practices.

7.4.1 Leadership and Leader-Follower Relationship Development

Whilst this thesis sought to avoid leader-centric theories, there are implications from RQ and DRQ Development for leaders and their development processes. The construct of

RQ and the DRQ Development process can make three contributions to leaders and their development. The first is in the selection of candidates for leader development, the second lies in tools for developing leaders' self-awareness. Thirdly, RQ can provide a tool for reflective practice, which could facilitate the development of leader behaviours and identity.

As described in the HRM Policies and Procedures section below, selection of leaders is crucial for an organization. Whether candidates are internal or external, it is important to try to gauge whether these individuals are predisposed to trust, what their implicit leadership theories might be, how they have developed and maintained relationships in the past and the outcomes of prior leader-follower experiences. These are distinct from broader recruitment processes which are looking at functional skills rather than leader-follower, relationship building aptitudes. Dimensions for RQ and DRQ development mean that an individual's previous experiences can be used to help refine candidate choices when looking for leaders in an organisation.

This study has focused on Relational Leadership, where leadership is a phenomenon that is embedded in human experience. Leaders and followers exist in relation to others; they require the ability to be what Cunliffe and Eriksen (2011:1433) describe as "relationally responsive". This responsive approach includes the ability to talk with people, be collaborative and develop respectful and trusting relationships, which allow others the freedom to express themselves. The model of DRQ Development could be used as a structure from which leaders could analyse and understand their own behaviours. Explication of the model's dimensions can demonstrate how leaders and followers interrelate and where issues/strengths can occur. From this, an appreciation of their personal role in relationship dynamics could be developed which would help leaders gain insight into the quality of their workplace relations. This self-awareness process could in turn support an on-going, reflective process where the DRQ Development model provides a tool to assist in understanding the behaviours that they and others exhibit, the processes that are needed to support positive leader-follower relationships and therefore to reflectively build strong workplace relations.

Evidence for the value of using DRQ-D dimensions to select candidates for leadership training and or development prior to leadership development comes from this dataset. Had leaders such as Leon or Lance had training in leadership which allowed them to

develop reflective capacity and self awareness, they might have been less likely to indulge in behaviours that made their staff so uncomfortable. If such training proved fruitless in moderating tendencies such as bullying, micro-managing and shouting at staff, then these individuals could be blocked from gaining promotion in the firms using DRQ-D for that purpose.

7.4.2 HRM Policies and Procedures

DRQ-Development can support positive workplace relationships in four ways: 1) through recruitment and selection; 2) in understanding the level of relationship quality within a firm; 3) in supporting employer branding and finally 4) through developing policies and practices that encourage high quality workplace relations. These are briefly outlined below.

An essential element of the HR function is recruiting staff to support the operations of an organisation and its objectives. A variety of selection techniques are available to HR professionals in their quest for the best-suited employees including: interviews, references, aptitude tests, assessment centres, work samples, and personality testing (Bryson et al. 2013). DRQ Development suggests that those individuals with a propensity to trust are likely to exhibit trusting behaviours and that the propensity to trust might have positive impacts on relationship quality and organizational outcomes (e.g. Searle et al. 2011). Using tests at the beginning of the recruitment and selection process that look for predispositions to trust, attitudes towards others, and the ability to communicate can enhance the selection process, reducing selection costs, and the risks of employing candidates that appear suitable during the interview but later are unable to develop high quality relationships (e.g. Bateson et al. 2014).

The quality of workplace relationships also influences staff retention; where relationships are positive, supportive and collaborative, workers are less likely to want to leave. Where relationships with supervisors are negative and staff feel that their contribution is undervalued, they are more likely to look for alternative employment opportunities (e.g. Deckop et al. 2006). Monitoring the quality of workplace relationships, understanding where issues have arisen and taking action to mediate where leader-follower problems is, therefore, important (Six and Skinner, 2010). That is not to suggest that repairing breaches of trust and negative relationship dynamics is a straightforward process, but

being aware of what has gone wrong and why is essential if solutions are to be found. DRQ-Development could be of use in two ways: firstly to test the temperature of relationships on a regular basis within an organisation and look for trouble spots; secondly to support HR policies that aim to rebuild relationships through leader training, awareness and policies that support open communication (e.g. Desmet et al. 2011; Six and Skinner 2010).

Encouraging and supporting positive workplace relations has an impact on employees' and the general public's perception of the organisation. Employer branding, becoming an employer of choice and achieving awards such as 'Investors in People' (IIP) are ways in which organizations seek to recruit and retain the high quality staff and foster a positive public image (Carvalho and Areal 2015). Whilst there is some debate about causal relationships between awards such as IIP and organizational performance, there is evidence that firms who do focus on positive workplace relationships and positive employer branding outperform firms that have not invested in this type of quality badge (Carvalho and Areal 2015). RQ then and awareness of the relationship development process could be used to look for trouble spots in relationship dynamics and identify which aspects of the relationship require attention. This could support the organisation in achieving its financial objectives and could contribute to workplace well-being for its employees (e.g. Clinton and van Veldhoven 2013). When examining the current criteria for the IIP quality award, it is interesting to see how many of the items rest on positive relationships between leaders and followers. A short mapping exercise between the two is available in Appendix A.3., which compares the criteria for Investors in People with the practical applications of DRQ described in this section.

The third part of the process of improving workplace relationships lies in using the practices suggested in IIP to develop policies and systems that create a positive working environment, foster trust and high relationship quality within the organization. Adopting such practices and monitoring their impact on workplace relations through the use of DRQ-Development provides both a structure for improvement and potential insight into how individuals feel about their leaders/followers and the organization as a whole. The links then to improving HRM and workplace relationship quality are through using a tool, such as DRQ-Development to understand the nature of relationships within an organisation, foster positive perceptions of the organisation and at the same time use policies and procedures to encourage

What is clear from the practical implications from an HRM perspective is that these relationships depend on leaders who are self-aware and taking care of employees.

The DRQ Development process and construct of RQ have potential applications in Leader development and HRM. These applications presuppose that this piece of research has been assessed as meeting quality assurance standards. Below is a description of how the remainder of Tracey's Eight Big Tent Criteria (2010) has been satisfied in this study.

7.5 Research Rigour – Tracy's (2010) Eight 'Big Tent' criteria

These eight criteria have been introduced earlier in this thesis; in the introduction worthiness of topic and ethical considerations were discussed, the methodology described how criteria for research rigour, credibility and sincerity had been met. This final chapter describes how resonance, significance of the contribution, and meaningful coherence have been achieved. Resonance looks at how audiences have been affected or transferable findings have come out of research, and from this, whether a significant contribution has been made. Finally, meaningful coherence refers to whether studies achieve their purpose and interconnect with literature, methods and findings. These interrelated themes are discussed together in this section.

In order for a piece of research to have resonance, Tracy (2010) suggests that an audience must be influence or affected and that transferable findings will be an outcome of this process. This thesis aimed to make a conceptual and theoretical contribution in its treatment of five forms of entitative, relational leadership and three phases of trust, taking account of multiple levels of context. By combining these items, strong theoretical links have been made, that established how and why trust and relational leadership belong together and also to use empirical work to look for the dimensions of each of these items that appear pertinent to the context being explored. This study looked at Hi-tech start-ups based in the UK, but it seems likely that given the rate at which participants in the study travelled or moved between cities in England and even between the UK and the USA, that these findings are likely to apply to a number of fledgling organizations in the Western, cloud-based technology market. This suggests that this work will have resonance within the Hi-Tech start-up context and makes significant contribution to literature understands of how dyadic workplace relationships function for this environment.

The longitudinal, qualitative study was supported using qualitative and quantitative methods of analysis that were used to explore how well the theoretical model of DRQ fitted the context. This afforded a rich understanding of how the relationship development process might work and provided results which allowed the purpose of the study to be achieved, the research questions to be answered and for contributions to literature to be described. In this way, the work was coherent and its contribution measurable. Finally, there are identifiable practical applications for this work, for HRM practitioners and the development of leaders. All of which suggests that a resonant, coherent contribution has been made in this study. In summary, this thesis meets the eight 'big tent' criteria that Tracy proposes for judging the quality of qualitative research and therefore can be described as a rigorous piece of work. Despite the rigour of this piece of work, as with all research projects, there are limitations to the study. These are described below followed by the future directions for further research and final conclusions.

7.6 Limitations of the study

There are six limitations in this study, these are: 1) the size of the sample and 2) the snowballing technique used to gain it which led to 3) an uneven balance between firms in London and Newcastle upon Tyne and 4) not all dyads being less than six months old. In addition, there 5) were two forms of bias: in the positive beginnings for these relationships, which came from their recruitment process and in the retrospective recall of first impressions. Finally, 6) an entitative, realist lens has been used here to analyse this data, however other approaches could have been used to draw out different results. Each of these limitations is discussed in turn, starting with the size and generation of the sample.

7.6.1.1 Sample size and the ability to make generalizations

This was a qualitative study, the results of which were based on 21 individuals, in 12 relationships across 8 firms. Qualitative enquiries allow for an in-depth study of a small population but cannot therefore be used to generalize about larger groups of individuals or organizations (Stake 1996). This was an explorative piece of work, however, that was theoretically ambitious in attempting to combine a number of theories into one process. In order to understand how leaders and followers relate and their workplace relationships develop, a qualitative study was the appropriate form of enquiry (Tracy 2013). A large-scale quantitative piece of work would have generated answers in terms of what

respondents felt at a given snapshot in time but would not have explained why they felt this way, or how those feelings had developed.

7.6.1.2 Snowballing Sampling

Access to the sample was an issue for my study, I wanted to explore a commercial environment that was very different to the corporate, large-scale organisations that are often used for LMX and trust research. In order to achieve access I received a personal introduction and then moved from one entrepreneur to another on using recommendations. The methodology chapter outlined the issues of bias that apply to this form of sampling including the limitations of controlling the characteristics of the participants in terms of demographic and biographic information. However, this approach allowed me to reach and work with a group of individuals who would have been unlikely to respond using other contact methods (Browne, 2005), and as such, it was appropriate for this piece of work.

7.6.1.3 Balance between London and Newcastle firms

Another downside of snowball sampling for this piece of work was the uneven distribution between firms in London and Newcastle upon Tyne. This could have been overcome with longer in the field to find and study additional companies in the North East and other parts of the UK. The fieldwork for this study lasted for 12 months, however, and within the confines of PhD timescales, this was an appropriate sample size and study for the thesis.

7.6.1.4 Length of relationships in the sample

A third downside to snowball sampling was the problem that not all relationships were in the first 3 months of development. Only three of the relationships studied were new (i.e. less than a month old) when data collection began, a further six were 2-5 months in duration, the remainder being six months old at the start of our interviews. Nahrgang et al. (2009) suggest that for LMX suggests that relationships that are six months in duration or older should have stabilized; what was interesting for this sample was that the data suggested otherwise. In high-tech start-ups in London and Newcastle, relationships in this study didn't stabilize, they continued to fluctuate in quality well past 12-months in duration. If the study had focused entirely on new relationships that were 1-3 months old, this finding could not have come to light. Whilst this sample was not

large enough to allow for generalizations about all hi-tech start-ups, the data suggests that the fluid context in which these relationships grow may be influencing the length of time that they take to stabilize.

7.6.1.5 Positive bias in the sample

Another feature of this sample is that dyads had all started with a recruitment process and as a result, both leaders and followers had chosen to work together and had a positive experience of the start of their relationship. In many employment situations, leaders or followers inherit existing staff when they take a position and have less influence over who works with them or the beginning of their relationship development. Further studies of existing relationships where leaders and followers didn't have the opportunity to choose who to work with would provide the balance to this picture.

Another form of potential bias is in the retrospective recall of first impressions. As no researcher was present to gather perspectives of the other person immediately as they were being made, the first impressions that are described in the study are retrospective. This influences the data in that, if the relationship is positive, first impressions will be recollected through a positive light. If however, the relationship has become negative, then the impression of those first perspectives will be influenced by subsequent experiences. As most of the relationships in this study were positive (8 eight of 12), it is possible that the role of first impressions in this study has a more positive appearance than might be the case if these impressions were captured immediately, or there was more balance between positive and negative relationship quality across the sample.

7.6.1.6 Using a different lens to analyse the data

I would like to acknowledge here that there are a number of alternative perspectives and lenses which could have been applied to this qualitative material. My approach to this thesis has been to use a realist perspective to analyse the data, which has meant that there are themes that have not been explored, including gender, age and sexuality. The issue of gender provides a good example of how an alternative approach could have been taken.

Participants in this study often made gender-neutral assumptions about their views; however, there is a good deal of data that is highly gendered, that is latent or implicit in

this research. For instance, one of the leaders, Les commented: *"when I recruit someone there are three things that I look for. Firstly I want them to be **hungry**, to be **ambitious**. Secondly, they've got to be good at what they do, they've got to be capable. Thirdly, they've got to be **the kind of person I'd want to have a beer with**. If a guy hasn't got all three of these things then there won't be a cultural fit and it's that that I'm looking for. There needs to be a cultural fit for this to work (my emphasis added)."* Les assumed that he would be recruiting a male employee into a male-dominated industry; he uses gendered language such as "*hungry*", "*ambitious*", "*the kind of person I want to have a beer with*" etc.

The data quoted here follows explicit, not latent expressions. The latent material in the dataset has been left unexplored for two reasons. Firstly the scale of this project was such that concentrating on the development of relationship quality using the lenses of relational leadership, interpersonal trust and contextual theories provided a good deal of complexity and data. The second reason relates to the type of codes, how they emerged and were analysed. There were frequent examples of gender bias that the participants appeared unaware of. Eliciting these implicit or latent perspectives would have been a fascinating study but would not have allowed me to focus on answering the research questions or to manage the scale of the project. For that reason, they have not been included in the present piece of work.

I am not discounting these aspects of relationships as irrelevant to relationship quality development. The converse is true; DRQ Development and RQ are a framework from which further work could be undertaken to explore relationship quality in numerous directions. The dimensions presented in this thesis represent a literature that is largely objectivist, quantitative and non-radical. I am aware however, that these additional perspectives are important and that DRQ Development and RQ could be adapted in the future to account for such approaches.

To summarize, this study examined the nature of leader-follower relationships in the under researched context of entrepreneurs and their staff in hi-tech start-ups in the UK. The process of gaining access required snowball sampling, which in turn provided the limitations in this piece of work. These issues related to the size, demographics, duration and beginnings of the sample. However, these drawbacks also meant that new information was gained about the length of time relationships take to stabilize in the Hi-

Tech Start-up environment. These limitations also point to future directions for research in this area, which are discussed in the following section.

7.7 Future Directions for Research

In the light of this study and recent research on trust in dyadic relationships, there is a call for additional work to improve our understanding of how leader-follower relationships grow over time (Ikonen 2014). I would like to echo that call, and to add that these studies need to compare how relationships develop in a variety of contexts: corporate organizations, small businesses; non-hi-tech start-ups and non-commercial environments also need to be explored. It is not clear to what extent the claims about DRQ Development hold true outside of the context used for this study.

An unanswered question in this dataset relates to how long relationships take to stabilize in different contexts. With the exception of Harry and Leopold, whose relationship had stabilized by three months, relationships in the seven other firms of this study fluctuated in quality, responding to events and behaviours that occurred and the organisations grew and became established. It is not clear whether this is a feature purely of hi-tech start-ups or whether many workplace environments are inherently unstable and therefore, relationships are less predictable than the literature suggests (e.g. Nahrgang et al. 2009; Dienesch and Liden, 1996).

A surprising feature of the results quoted here was the relatively low impact of the role of geographical context as opposed to industrial and organizational influences. There is evidence that nationality and religious identity influence how individuals behave (Erez and Gati 2004; Faris and Parry 2011; Scandura and Dorfman 2004), but again, it is unclear whether it is geographical context or another form of influence which shapes how relationships grow and develop. As such, further work, which delineates between geographical and other forms of national/regional/cultural identity, needs to take place to see which forms of context are most influential and to determine how these interact with organizational and industrial contextual inputs.

This study found that there were early trusting behaviours, which suggested an accelerated form of trust occurring in this study. It is not clear whether this occurs in the hi-tech environment because of its fluid, fast-paced environment or whether these

behaviours occurring in other types of work environment too. Further research on early trust development, looking for the presence of trusting behaviours and taking account of context will help determine whether the findings in this study are at all generalizable.

This study looked at interpersonal trust and how it developed. There were occasions when participants suffered from a breach of trust; this was recorded but the notion of distrust was not explored. There is further work to do to understand how trust and distrust work in dyadic relationships, and what influence organizational, industrial and broader forms of context have on those dynamics.

This work has looked at vertical relationships, and at how leaders and followers interrelate. The scope of DRQ Development and RQ is quite broad, it comprises a number of dimensions that could be expected within co-worker relationships. Could these constructs capture horizontal, co-worker relationship quality as well as vertical RQ? Additional qualitative and quantitative work would be required to determine whether the outcomes of this research could capture vertical and horizontal relationships.

Finally, no attempt has been made here to develop scales to measure relationship quality (RQ). The questions used in this research could be adapted for measurement of RQ in cross-sectional as well as longitudinal research. In addition, a large-scale quantitative longitudinal study could be conducted to look for statistical modelling opportunities, and develop a scale to accompany the model, which would allow RQ to be quantified and measured.

To summarize the future directions for research, there were a number of additional questions that rose out of the results and theoretical implications of this study. These ranged from exploring how well DRQ Development and RQ would fit alternative contexts to looking at horizontal relationships and understanding how trust and distrust operate in more detail.

7.8 Conclusions

The thesis aimed to understand how interpersonal trust and relational leadership interact in workplace contexts where leader-follower relationships occur. The study has explored

leader-follower relationships in the context of hi-tech start-ups and found evidence for a model for relationship development that combined four forms of relational leadership and two phases of interpersonal trust. No evidence was found for one form of relational leadership (leader-member social exchange) and one aspect of trust (Gillespie's Behavioural Trust Inventory). Communication also appeared as an important feature of relationship development which influences perceptions of relationship quality. These developments have been discussed and justified in the results chapters of this thesis.

The model of Dyadic Relationship Quality Development (DRQ Development) was drawn from literature and empirical work and appears to account more fully for relationship development than either LMX or trust literatures had previously managed to do. In addition, a separate construct of relationship quality (RQ) appeared in the data, which had not been anticipated from the literature review. This assessment of the value of the relationship from both leader and follower perspectives was an additional contribution to literature and distinguishes the dyadic relationship development process from the outcome of a perception of relationship quality in its own right. Finally, context emerged at three levels from this study; industrial and organizational context appears to exert greater influence over relationship development than geographical context although the need to explore this in subsequent research has been described both in the results and here in this chapter.

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Appendices

A.1 Qualitative interview Questions mapped to dimensions from relational leadership and trust theories

The following tables show how questions were used to explore leader-follower relationships. The questions asking about events were aimed at finding out how the two parties behaved towards each other and what interpretation each ascribed to those experiences.

A number of the questions are similar or related to the same theoretical dimensions across two or more time points. This allows for some comparison of perceptions across the data collection period.

Table 32 - Interview questions mapped against theory

Questions Time 1	Dimensions
1. Tell me about what you do. How did you come to be in this role?	<ul style="list-style-type: none"> • Warm up question • Potential for antecedents including demographic/biographic information • Context at individual, organizational, and other levels
2. How long have you worked here?	<ul style="list-style-type: none"> • Warm up question • Demographic/biographic information • Temporal aspect of ELMX or SLMX
3. How would you describe X?	<ul style="list-style-type: none"> • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
4. What were your first impressions of him/her?	<ul style="list-style-type: none"> • Retrospective initial impressions • Plus dimensions of DRQ as listed above
5. Can you describe an event that sums up how accurate or inaccurate these first impressions proved to be?	<ul style="list-style-type: none"> • Retrospective initial impressions • Durability of retrospective views • Events that demonstrate how the relationship functions
6. How would you describe your relationship with X at this moment in time?	<ul style="list-style-type: none"> • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)

<p>7. Is this a two-way or an equal relationship?</p>	<ul style="list-style-type: none"> • Reciprocity, specified/unspecified (LMSX, LMX-MDM, Individualized Leadership – parity of contribution)
<p>8. How do you get help with your work from X if you need it?</p>	<ul style="list-style-type: none"> • Benevolence, Loyalty, Reliability • Individualized Leadership (support for work/ perceived satisfactory performance)
<p>9. What happens if anything goes wrong with your work or if there's a problem?</p>	<ul style="list-style-type: none"> • Loyalty, Integrity, Benevolence, Reliability
<p>10. What do you think X most values about you to X?</p>	<ul style="list-style-type: none"> • Individualized leadership – contribution being valued/perceived satisfactory performance • LMX-MDM (Contribution) • Trustworthiness (Ability) • Other aspects of DRQ
<p>11. How willing are you to rely on X?</p>	<ul style="list-style-type: none"> • Reliance • Predictability • Loyalty
<p>12. How willing are you to share personal or work-based information or confide in X?</p>	<ul style="list-style-type: none"> • Disclosure – Trust decision • Trusting behaviours • Loyalty
<p>13. What do you get out of your relationship with X?</p>	<ul style="list-style-type: none"> • Balance between giving and taking • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
<p>14. Can you give me an example of a time or event that demonstrates your relationship with X?</p>	<ul style="list-style-type: none"> • Behaviours that demonstrate how the relationship is functioning • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
<p>15. What's [name of organization] like to work for?</p>	<ul style="list-style-type: none"> • Organizational environment • Industrial/geographic context • Individual contextual antecedents
<p>16. What about the IT world in general?</p>	<ul style="list-style-type: none"> • Context- institutional antecedents and environment • Geographic context • Individual contextual antecedents

Questions Time 2	Dimensions
1. How's the company doing? What developments or changes have there been in the last 3 months?	<ul style="list-style-type: none"> • Warm up question • Potential for antecedents including demographic/biographic information • Context at individual, organizational, and other levels
2. Last time we talked about your first impressions of X being, you felt that they had been (in)accurate. Does that impression still hold?	<ul style="list-style-type: none"> • Retrospective initial impressions • Stability/fluidity of the relationship
3. How do you think those first impressions influenced your working relationship?	<ul style="list-style-type: none"> • Retrospective initial impressions • Perspectives of how relationships develop
4. You've had longer working together since our first chat, how would you describe your working relationship now?	<ul style="list-style-type: none"> • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
5. Can you describe a situation where your relationship worked really well?	<ul style="list-style-type: none"> • Positive events that demonstrate how the relationship functions • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
6. Can you describe a situation where the relationship was really stretched?	<ul style="list-style-type: none"> • Negative events that demonstrate how the relationship functions • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
7. What does X do to contribute to this relationship?	<ul style="list-style-type: none"> • Balance between giving and taking • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
8. What do you think X most values about you?	<ul style="list-style-type: none"> • Individualized leadership – contribution being valued/perceived satisfactory performance • LMX-MDM (Contribution) • Trustworthiness (Ability) • Other aspects of DRQ
9. How does the way that [Company Name] is run affect your working relationship (performance management, rewards, opportunities for development etc.)?	<ul style="list-style-type: none"> • Organizational context linking policies and procedures with perceptions of relationship working

<p>10. Are there any policies or procedures that you would change?</p>	<ul style="list-style-type: none"> • Personal context and preferences • Organizational context linking policies and procedures with perceptions of relationship working • Links to wider levels of context?
<p>11. How does the start-up environment affect your working relationship with X?</p>	<ul style="list-style-type: none"> • Industrial and organizational contexts linking challenges and rewards of start-ups with perceptions of relationship working
<p>12. What difference does being in [Geographical Location] make?</p>	<ul style="list-style-type: none"> • Geographic context • Individual contextual antecedents • Institutional antecedents and environment •
<p>13. Are there other factors outside [Geographical Location] that affect this relationship?</p>	<ul style="list-style-type: none"> • Any other contextual issues
<p>14. Is there anything else that I should ask about?</p>	<ul style="list-style-type: none"> • Open question

<p>Questions Time 3</p>	<p>Dimensions</p>
<p>1. How's the work going? What developments or changes have there been in the last 3 months?</p>	<ul style="list-style-type: none"> • Warm up question • Potential for antecedents including demographic/biographic information • Context at individual, organizational, and other levels
<p>2. How do you describe this working relationship with X to people outside work?</p>	<ul style="list-style-type: none"> • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
<p>3. Last time we talked about your first impressions of X being ..., you felt that they had been (in)accurate. Does that impression still hold?</p>	<ul style="list-style-type: none"> • Retrospective initial impressions • Stability/fluidity of the relationship
<p>4. Have those first impressions influenced your working relationship?</p>	<ul style="list-style-type: none"> • Retrospective initial impressions • Perspective of how the relationship functions

<p>5. If you had to define the stages (cycles/levels/ other descriptors) in which a relationship develops, what would you say they were?</p>	<ul style="list-style-type: none"> • View of how relationships develop • Factors which influence relationship development
<p>6. Is X on your side, does he/she have your back?</p>	<ul style="list-style-type: none"> • Benevolence, Loyalty, Reliability • Individualized Leadership (support for work/ perceived satisfactory performance)
<p>7. How much has money played a part in the last six months of this relationship?</p>	<ul style="list-style-type: none"> • ELMX (pecuniary aspects of the relationship, transactional, contractual perspectives, short term views)
<p>8. How (if at all) has your working environment influenced the relationship?</p>	<ul style="list-style-type: none"> • Organizational context linking policies and procedures with perceptions of relationship working
<p>9. How would you describe the balance between you and X?</p>	<ul style="list-style-type: none"> • Reciprocity, specified/unspecified (LMSX, LMX-MDM) • Individualized Leadership • Hierarchical vs. shared power, autonomy, empowerment
<p>10. How does your relationship with X differ to your relationship with other team members?</p>	<ul style="list-style-type: none"> • Individualized Leadership – between independent dyads •
<p>11. How does X behave towards you?</p>	<ul style="list-style-type: none"> • Individualized leadership – contribution being valued/perceived satisfactory performance • LMX-MDM (Contribution) • Trusting behaviours • Other aspects of DRQ
<p>12. Can you describe a situation where your relationship worked really well?</p>	<ul style="list-style-type: none"> • Positive events that demonstrate how the relationship functions • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)
<p>13. Can you describe a situation where the relationship was really stretched?</p>	<ul style="list-style-type: none"> • Negative events that demonstrate how the relationship functions • Any dimension of DRQ (LMX-MDM, LMSX, ELMX, SLMX, IL, Trustworthiness, Trust decisions or Trusting behaviours)

14. Which behaviours of yours do you think X most values?	<ul style="list-style-type: none">• Individualized leadership – contribution being valued/perceived satisfactory performance• LMX-MDM (Contribution)• Trusting behaviours• Other aspects of DRQ
15. How does the start-up environment affect your working relationship with X?	<ul style="list-style-type: none">• Industrial and organizational contexts linking challenges and rewards of start-ups with perceptions of relationship working
16. Is there anything else that I should ask about?	<ul style="list-style-type: none">• Open question

Abandoned Question Time 3

Following Question 15, this question was included in the first two time-three interviews. “How does that affect X’s performance and the company overall?” The question was confusing to respondents and seemed to cause irritation, so I stopped using it.

A.3 Concept mapping from the thematic data analysis

The following diagrams show how each of the inductive codes have been grouped into theory-based code families. There are 14 dimensions in the results; each of these is labelled in uppercase to distinguish dimensions from the code families of which they are comprised. Each of the concept maps follows the direction of the DRQ Development Model, i.e. from antecedents to trust and communication, to relational leadership theories and so on. The final two pages of codes were not used in the results chapters; the reasons for their exclusions are listed next to the code maps themselves.

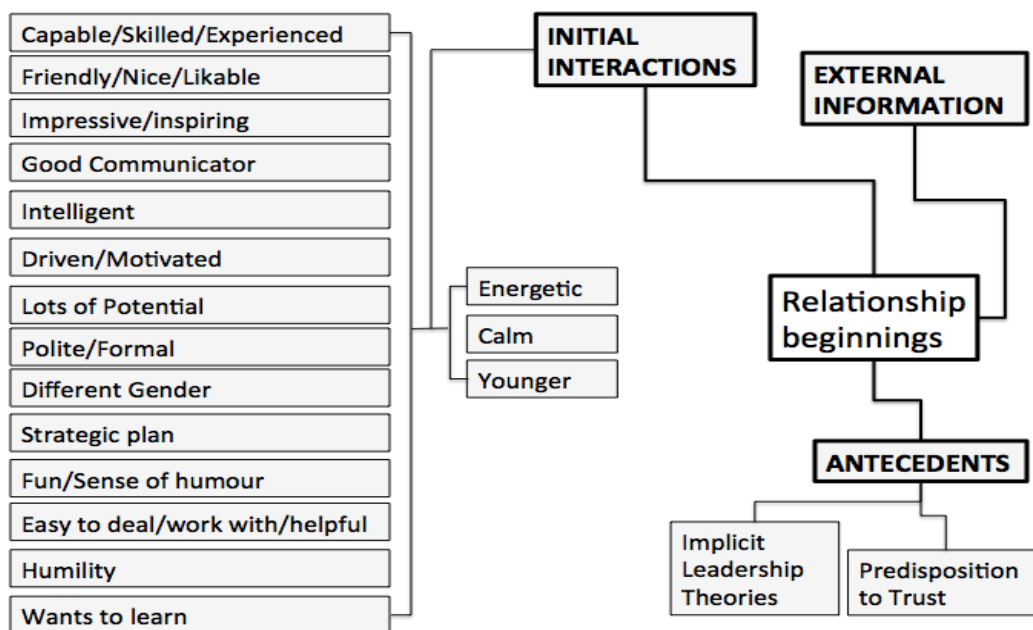


Figure 17 - Code Map for Relationship Beginnings

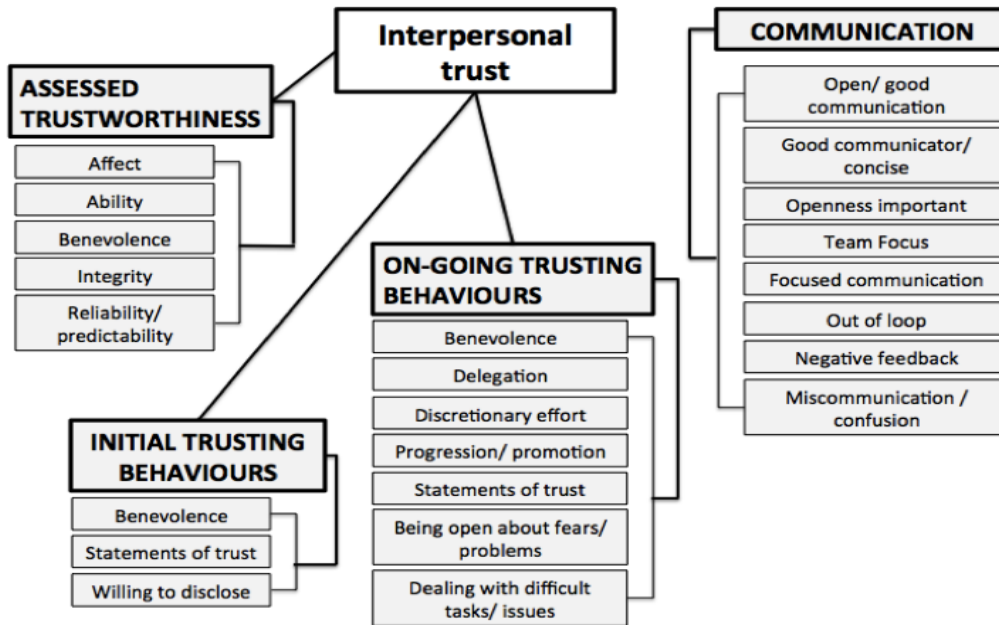


Figure 18 - Codes for Interpersonal Trust and Communication

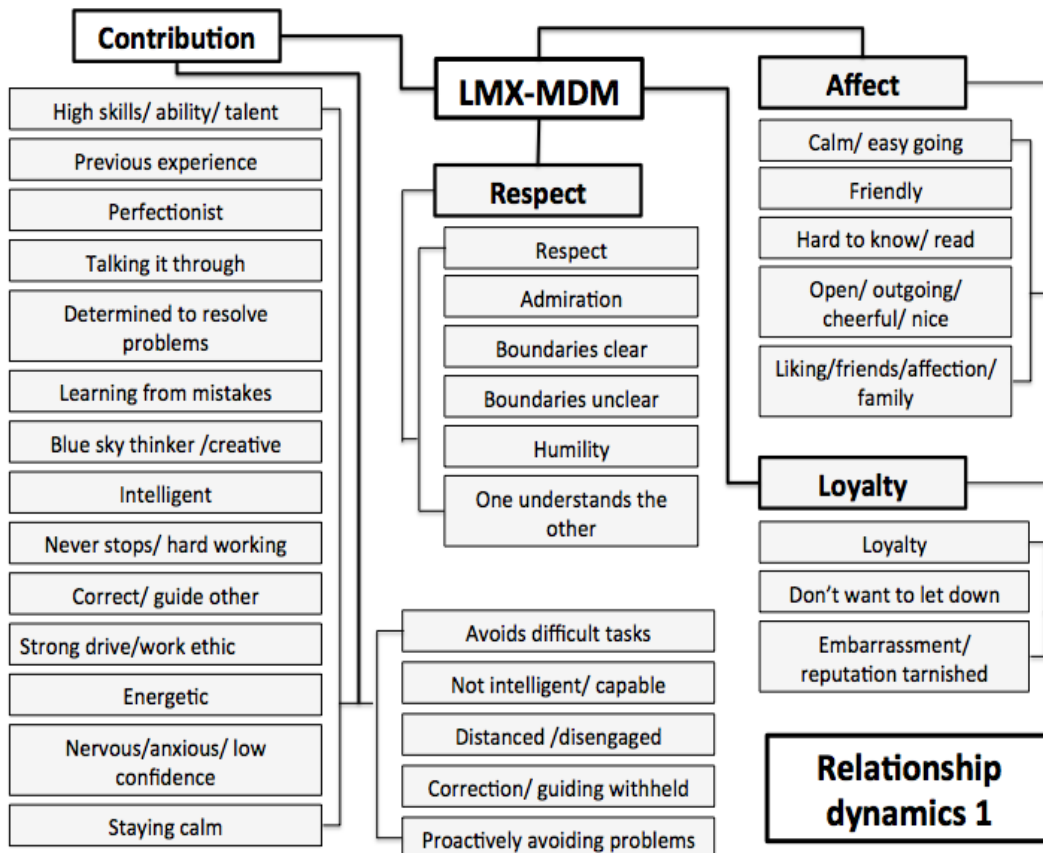


Figure 19 - Code Map for LMX-MDM

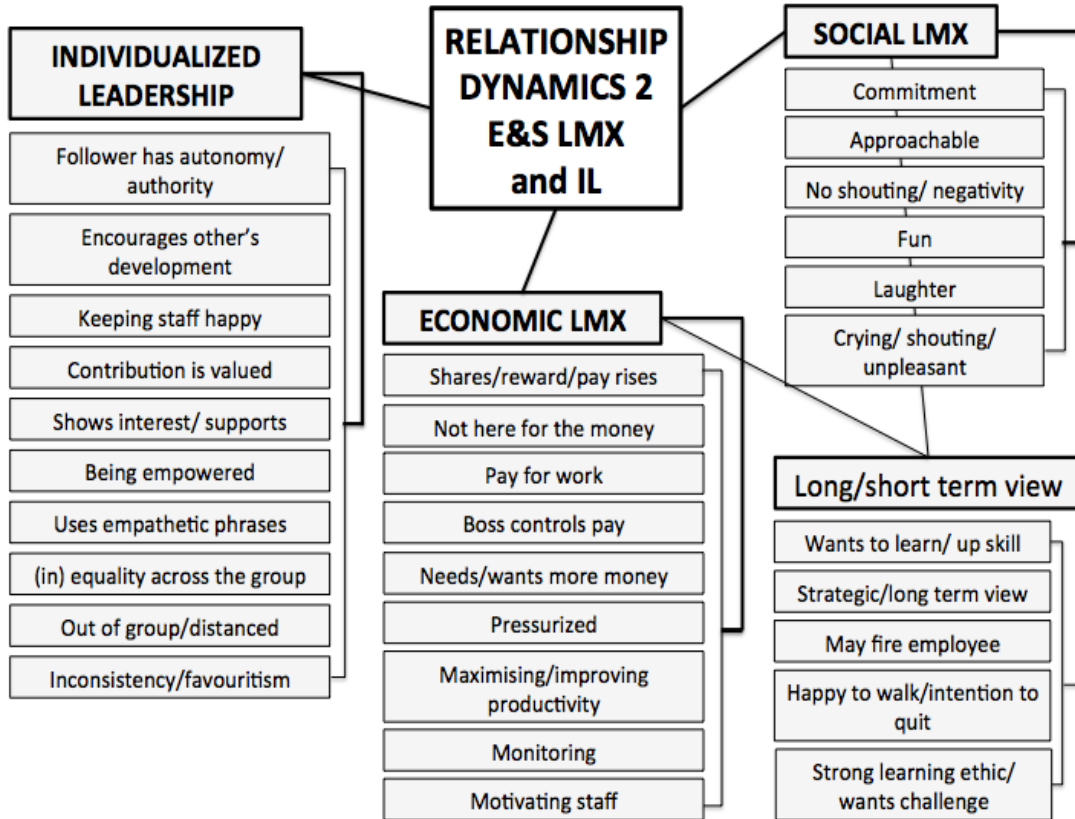


Figure 20 - Codes for E&S LMX and IL

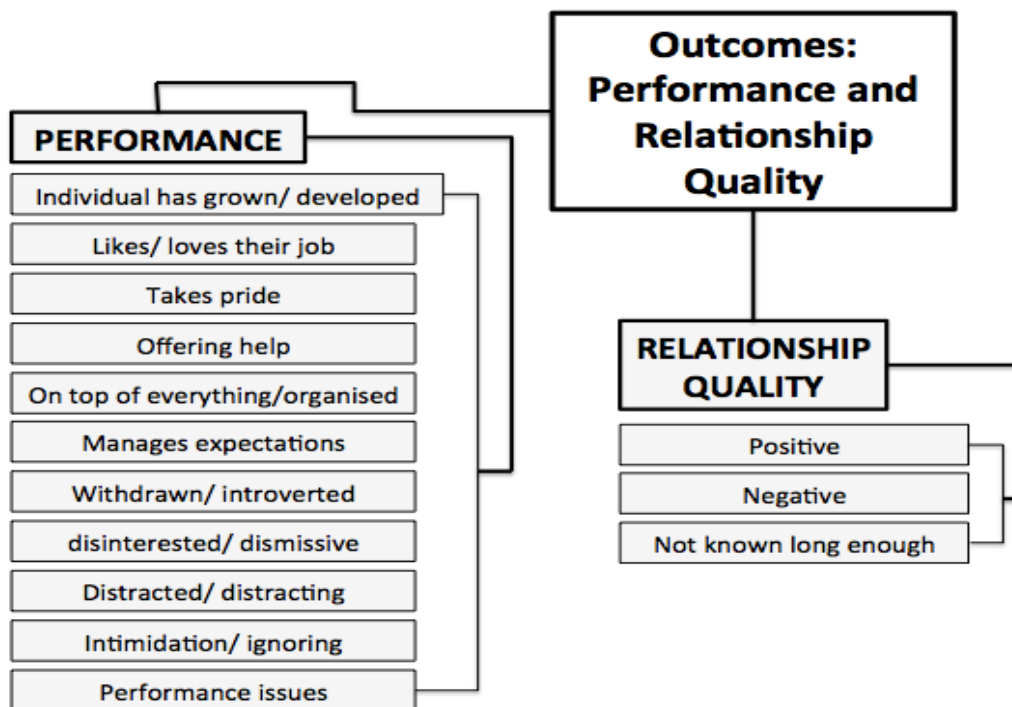


Figure 21 - Codes for Performance and RQ

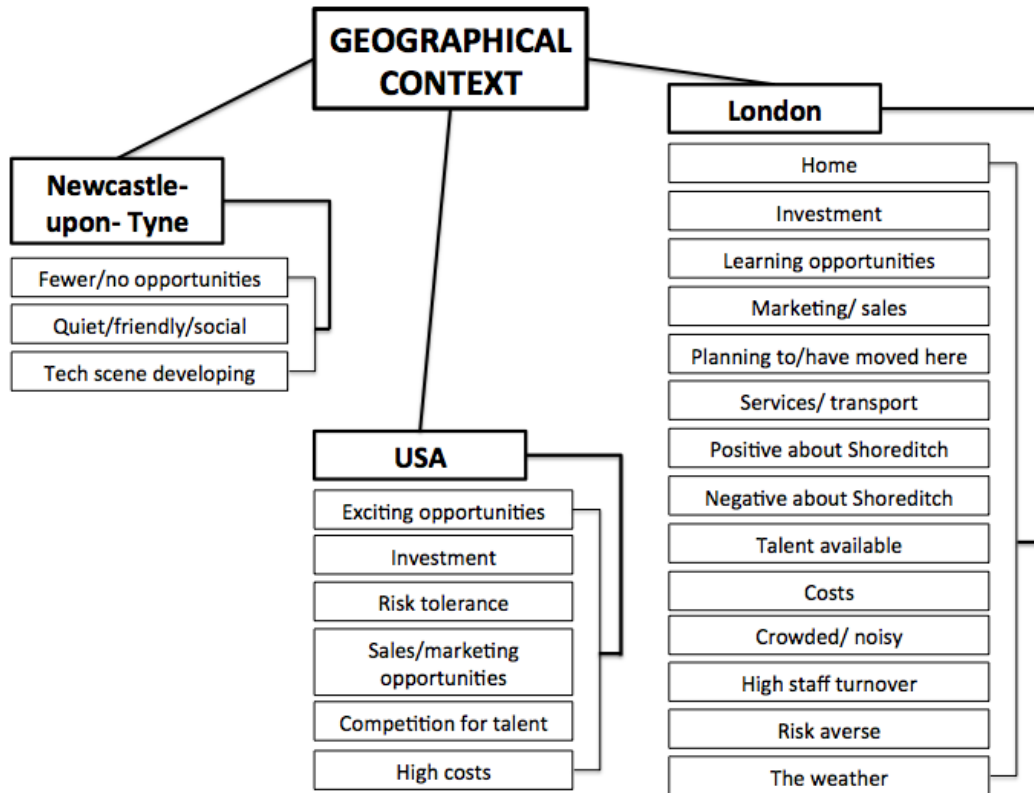


Figure 22 - Code Map for geographical context

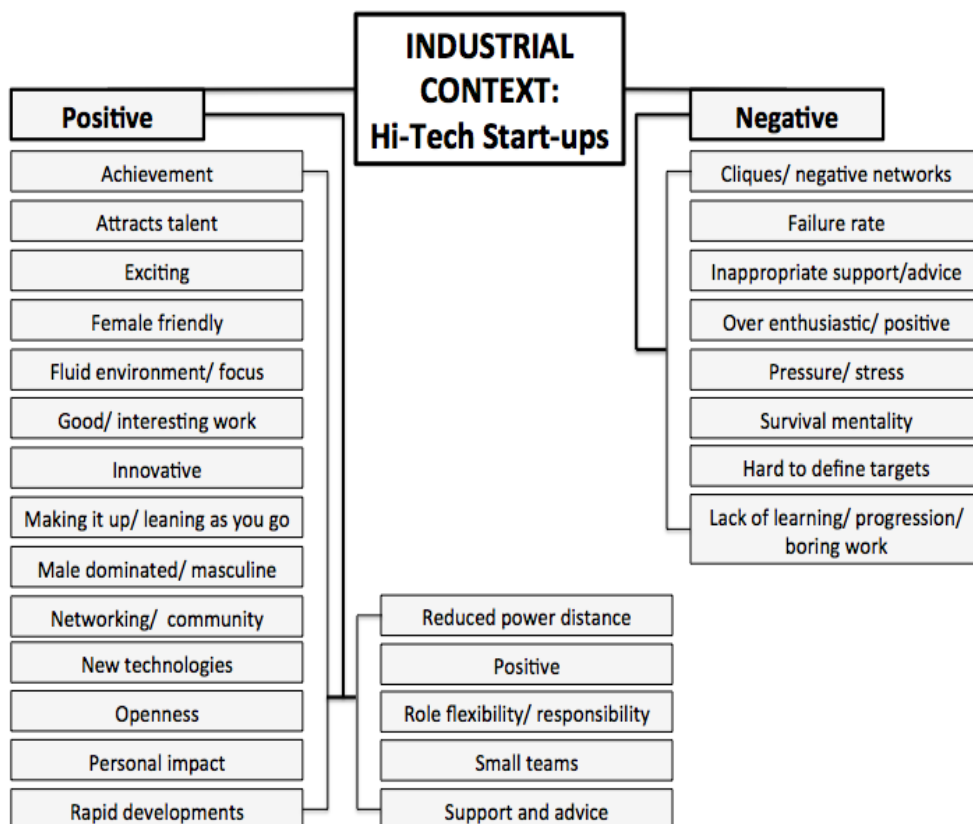


Figure 23 - Codes for industrial context

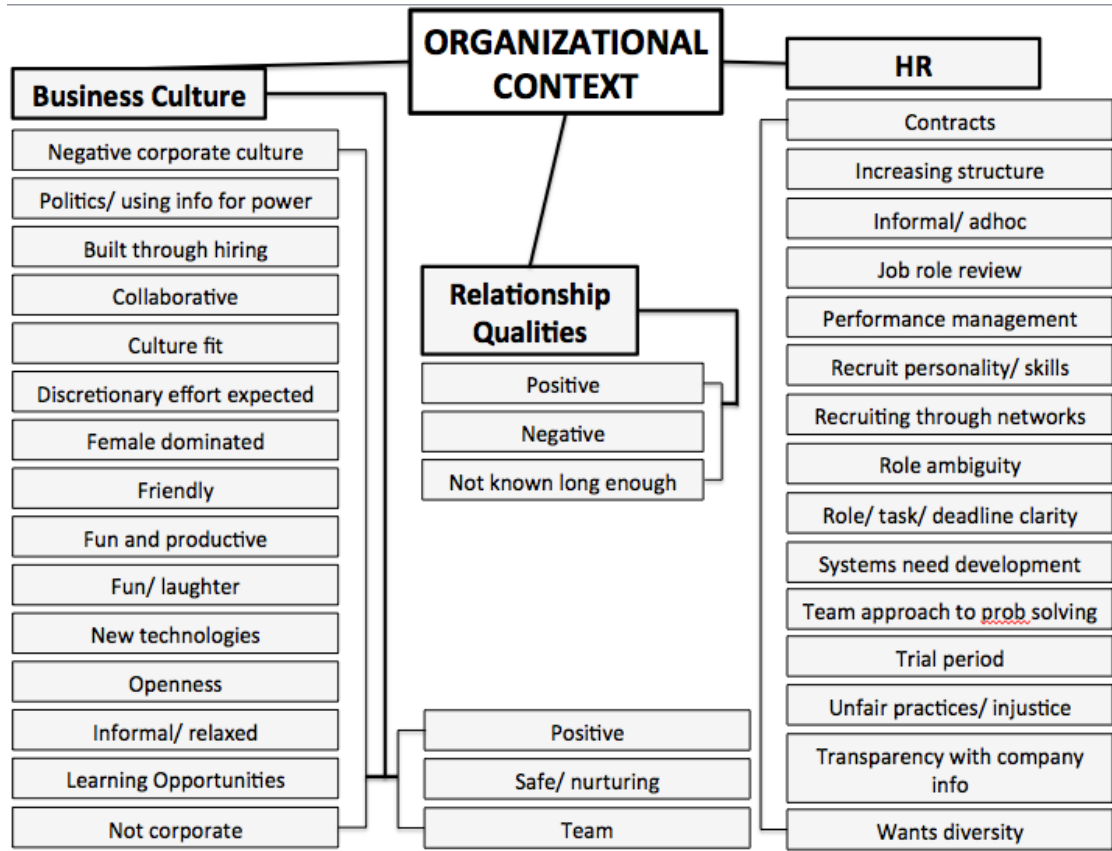


Figure 24 - Codes for Industrial Context

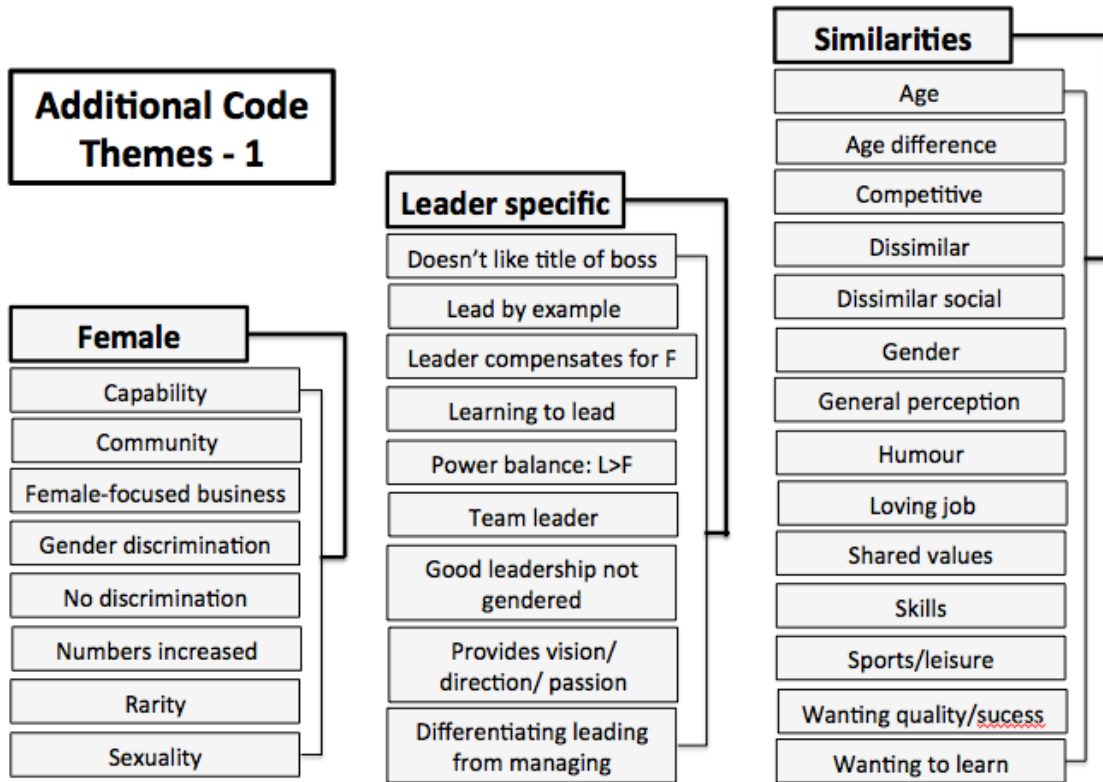


Figure 26 - Additional Code Themes 1

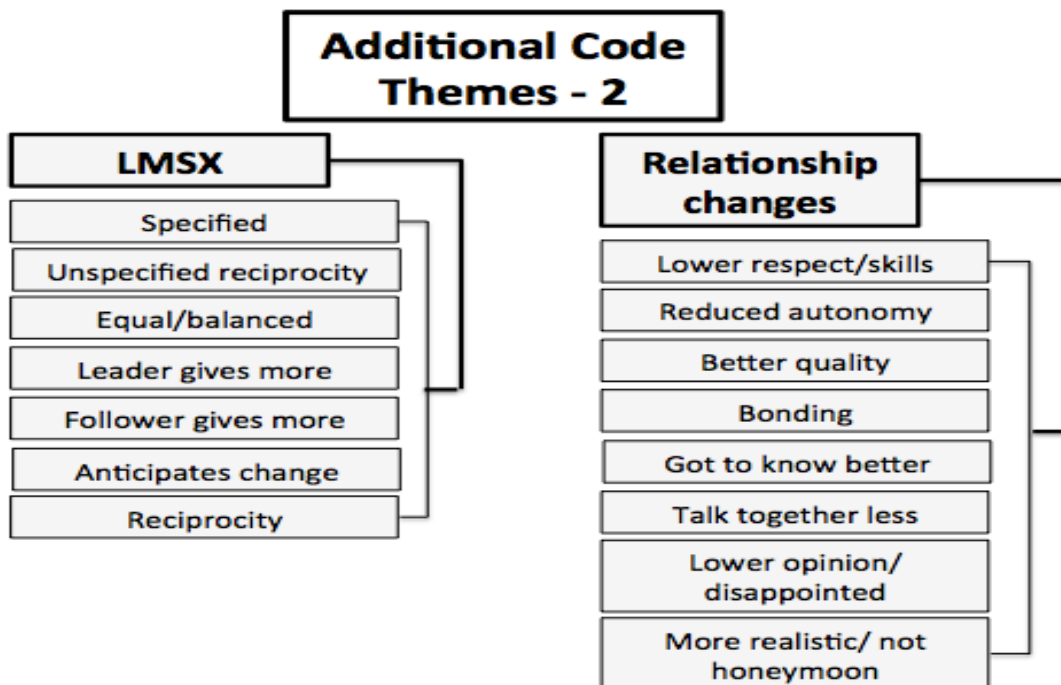


Figure 25 - Additional Code Themes 2

A.2.1 Additional Code themes

There were five sets of codes which occurred in the data but which were not used for the construction of the DRQ Development model. These are shown in Figures 25 and 26 and the decision not to include the codes is explained below.

A2.1.1 Female Codes

Codes relating to sexuality and being female came almost exclusively from one dyad: Lisa and Izzy. Their company developed and sold a mobile phone dating app for Lesbians, and they were part of the gay community themselves. For this pair, gender and sexuality were central to their personal and professional identities and hence whilst there were no questions on this topic, they volunteered information on this topic. For all other eleven relationships, gender was not an issue; one participant (Jeremy) made the point that good leadership was not gendered. For this reason, to avoid bias in the data and generalizing a perception of gender across the whole sample, these codes were recorded but not included in the model for DRQ Development.

A.2.1.2 Leader-Specific codes

There were nine codes in this category, eight of which were generated by leaders regarding their experience of running a start-up. This study focused on the relationship between leader and follower and how that developed and for this reason, I didn't want to distract from the mutual perception of the other party with perceptions of one side's experience. These codes would form the basis of future study, looking at the development of identity and behaviours of leaders over time. The majority of leaders in this sample had no previous experience of leadership, and as such a sample of new entrepreneur leaders in a longitudinal study would be an interesting group to follow as their leadership develops.

A2.1.3 Similarities

As discussed earlier in Chapter 4 (See section 4.2.3), similarities between leaders and followers appear to have a marginal role in the development of leader-follower relationships. For this reason, they have not been included in the DRQ development model.

A.2.1.4 LMSX

As described in Chapter 5 (see section 5.2), the feature that distinguished Leader-Member Exchange from leader-Member Social Exchange, is LMSX's social exchange element with unspecified reciprocity. There was no evidence for non-specific exchanges in the data. In addition, respondents often didn't understand the question about give and take between leader and follower, or felt that this point wasn't relevant to their relationship. Therefore, exchange didn't appear to be a key feature of leader-follower relationships in comparison with the positive results that other theories elicited. For these two reasons, LMSX has not been included in the DRQ Development Model.

A.2.1.5 Relationship Changes

As the research progressed, the quality of relationships changed for a variety of reasons, as captured by the codes in Figure 27. These changing dynamics have been described in the individual case studies in the results chapters. There were no clear patterns in these changes, no type of change occurred at a particular time across all relationships and some codes did not apply to more than one or two relationships. For this reason, this set of codes was not included in the model for DRQ Development.

A.3 Mapping DRQ against Investors in People Criteria

Mapping IIP Standards against DRQ Development and RQ

In order for organizations to grow and develop effectively, they need to be aware of the quality of existing relationships and which aspects of those relations could be improved. Using Qualitative or Quantitative measures for RQ as a snapshot would inform an organization about the current state of perceptions of leaders and followers. Using a longitudinal approach, especially related to training and development interventions would potentially reveal changes in relationship quality and spotlight areas for improvement.

IIP Standard	Details and audience	Contribution of DRQ Development and RQ
<p>1 Business Strategy</p> <p>A strategy for improving the performance of the organization is clearly defined and understood.</p>	<p>1.1 Top managers make sure the organization has a clear purpose and vision supported by a strategy for improving its performance</p> <p>1.2 Top managers make sure the organization has a business plan with measurable performance objectives</p> <p>1.3 Top managers make sure there are constructive relationships with representative groups (where they exist) and the groups are consulted when developing the organization's business plan</p> <p>1.4 Managers can describe how they involve people when developing the organization's business plan and when agreeing team and individual objectives</p> <p>1.5 People who are members of representative groups can confirm that top managers make sure there are constructive relationships with the groups and they are consulted when developing the organization's business plan</p> <p>1.6 People can explain the objectives of their team and the organization at a level that is appropriate to their role, and can describe how they are expected to contribute to developing and achieving them</p>	<p>By understanding the quality of relationships that exists between top managers and managers, and managers and people, two-way communication can be improved.</p> <p>Top-down communication can only be effective if the messages appear authentic and consultation has been perceived to be an honest process.</p> <p>Bottom-up communication requires honesty and trust in order for subordinates to be honest in describing their roles and contributions to the organization and in developing appropriate targets and objectives.</p> <p>Using DRQ (in qualitative or quantitative forms) will help management understand the perceptions of staff at lower levels and could be used to facilitate better communication, greater trust and more appropriate objectives as a result.</p>

<p>2 Learning and Development Strategy</p> <p>Learning and development is planned to achieve the organization's objectives.</p>	<p>2.1 Top managers can explain the organization's learning and development needs, the plans and resources in place to meet them, how these link to achieving specific objectives and how the impact will be evaluated</p>	<p>Once again, these organizational objectives rest on the honesty of employees in discussing their developmental needs and the outcomes of training and development.</p>
	<p>2.2 Managers can explain team learning and development needs, the activities planned to meet them, how these link to achieving specific team objectives and how the impact will be evaluated</p>	<p>An assessment of the DRQ Development and of the quality of relationships that exist will support this process and reduce investment in interventions that are ineffective.</p>
	<p>2.3 People can describe how they are involved in identifying their learning and development needs and the activities planned to meet them</p>	<p>As a result, the business case for future development strategies is more accurate, less time and funding is wasted on ineffective processes and staff feel that their needs have been taken account of.</p>
	<p>2.4 People can explain what their learning and development activities should achieve for them, their team and the organization</p>	

<p>3 People Management Strategy</p> <p>Strategies for managing people are designed to promote equality of opportunity in the development of the organization's people.</p>	<p>3.1 Top managers can describe strategies they have in place to create an environment where everyone is encouraged to contribute ideas to improve their own and other people's performance</p>	<p>A key aspect of Individualized Leadership, which forms part of RQ, is that individual contributions are acknowledged and supported. This aspect of RQ feeds directly into this aspect of IIP.</p>
	<p>3.2 Top managers recognize the different needs of people and can describe strategies they have in place to make sure everyone has appropriate and fair access to the support they need and there is equality of opportunity for people to learn and develop which will improve their performance</p>	<p>By seeking to understand the quality of relationships, questions around individualized leadership and contribution will highlight the extent to which these aims have already been achieved and what gaps there are in perceptions of followers' self-worth and contribution between leader and follower.</p>
	<p>3.3 Managers recognize the different needs of people and can describe how they make sure everyone has appropriate and fair access to the support they need and there is equality of opportunity for people to learn and develop which will improve their performance</p>	

	<p>3.4 People believe managers are genuinely committed to making sure everyone has appropriate and fair access to the support they need and there is equality of opportunity for them to learn and develop which will improve their performance</p> <p>3.5 People can give examples of how they have been encouraged to contribute ideas to improve their own and other people's performance</p>	
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<p>4 Leadership & Management Strategy The capabilities managers need to lead, manage and develop people effectively are clearly defined and understood.</p>	<p>4.1 Top managers can describe the knowledge, skills and behaviours managers need to lead, manage and develop people effectively, and the plans they have in place to make sure managers have these capabilities</p>	<p>The DRQ Development model acknowledges the role of antecedents, including the role of implicit leadership theories that describe what followers believe makes a good leader.</p> <p>By exploring implicit leadership theories of leaders and followers, and setting this against the context of organizational demands, an organization could improve understanding of the facilities that leaders need to display and how followers are likely to respond.</p>
	<p>4.2 Managers can describe the knowledge, skills and behaviours they need to lead, manage and develop people effectively</p>	
	<p>4.3 People can describe what their manager should be doing to lead, manage and develop them effectively</p>	

<p>5 Management Effectiveness Managers are effective in leading, managing and developing people.</p>	<p>5.1 Managers can explain how they are effective in leading, managing and developing people</p>	<p>Managers can rate their effectiveness against two types of criteria: 1) the metrics that an organization produces that relate to output, contribution to profit and management of costs or 2) the quality of relationships that they have with their teams. An assessment of RQ would facilitate an understanding of those relationships. Levels of trust and honesty in communication can be assessed and improved to</p>
	<p>5.2 Managers can give examples of how they give people constructive feedback on their performance regularly and when appropriate</p>	
	<p>5.3 People can explain how their managers are effective in leading, managing and developing them</p>	
	<p>5.4 People can give examples of how they receive constructive feedback on their performance regularly and when appropriate</p>	

		ensure that accurate feedback can be gained.
6 Recognition & Reward People's contribution to the organization is recognized and valued.	6.1 Managers can give examples of how they recognize and value people's individual contribution to the organization	As for objective 3 above, aspects of RQ specifically look to understand how individuals' self worth and contributions are recognized and valued.
	6.2 People can describe how they contribute to the organization and believe they make a positive difference to its performance	
	6.3 People can describe how their contribution to the organization is recognized and valued	
7 People are encouraged to take ownership and responsibility by being involved in decision-making.	7.1 Managers can describe how they promote a sense of ownership and responsibility by encouraging people to be involved in decision-making, both individually and through representative groups, where they exist	Delegation and engagement are outcomes of a trusting relationship. Using RQ to explore levels of trust and trusting behaviours could improve understanding of why some groups engage in this work more than others and why some leaders are more likely to delegate and empower their staff than other leaders.
	7.2 People can describe how they are encouraged to be involved in decision making that affects the performance of individuals, teams and the organization, at a level that is appropriate to their role	
	7.3 People can describe how they are encouraged to take ownership and responsibility for decisions that affect the performance of individuals, teams and the organization, at a level that is appropriate to their role	
8 Learning & Development People learn and develop effectively.	8.1 Managers can describe how they make sure people's learning and development needs are met	
	8.2 People can describe how their learning and development needs have been met, what they have learnt and how they have applied this in their role	
	8.3 People who are new to the organization, and those new to a role, can describe how their induction has helped them to perform effectively	

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9 Performance Measurement Investment in People improves the performance of the organization.	9.1 Top managers can describe the organization's overall investment of time, money and resources in learning and development	See objectives 4, 5, 6, and 7
	9.2 Top managers can explain, and quantify where appropriate, how learning and development has improved the performance of the organization	
	9.3 Top managers can describe how the evaluation of their investment in people is used to develop their strategy for improving the performance of the organization	
	9.4 Managers can give examples of how learning and development has improved the performance of their team and the organization	
	9.5 People can give examples of how learning and development has improved their performance, the performance of their team and that of the organization	

<p>10 Continuous Improvement Improvements are continually made to the way people are managed and developed.</p>	<p>10.1 Top managers can give examples of how the evaluation of their investment in people has resulted in improvements in the organization's strategy for managing and developing people</p>	<p>These improvements and reporting of their effectiveness rest on the quality of relationships between leaders and followers, the level of trust and open communication between them. Without these, accuracy about improvements is unlikely to be achievable as employees will be more likely to give managers the information that they think they want than their actual perceptions.</p>
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