

How's Your Relationship with Your Manager? The Impact of Strong Supervisor-Employee Relationships on Turnover

More than ever, organizations are facing the growing challenge of maintaining strong talent as employees are leaving jobs quicker than ever before. Many approaches have been taken to help tackle the problem of employee turnover; however, the question still remains, what is the best method for keeping employees happy and engaged enough to stay? Recent research has shown that strong supervisor-employee relationships could be the solution.

For decades researchers and organizational leaders alike have sought to find solutions to the growing problem of employee turnover. In a culture of transience and low commitment, corporations are struggling more than ever to find ways to retain top talent and avoid the cyclical process of replacing employees. Turnover dramatically impacts the bottom line as additional resources have to be allocated to recruitment, selection, and the training of new employees. Additionally, changeover within organizations has the potential to unsettle social networks and decrease productivity as teams adjust to the shift of losing key players and onboarding new coworkers.

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What Motivates Commitment?

Corporations such as Facebook, Google, and Slack have explored many methods for creating work cultures that inspire engagement and keep their people happy. From complimentary taco Tuesday lunches to dog-friendly offices and kombucha on tap, corporations are taking proactive steps to avoid employee turnover. Yet, amidst all of these strategies lies a fundamental question: what do employees really want? Even with the growing perks, retention rates still remain a problem.

We are all wired for connections and relationships that fulfill our pressing desire to know and be known. Perhaps the human phenomenon of needing to feel connected to others applies to the workplace as well. It seems possible that with the

deep desire to feel connected at work, strong relationships could serve as a powerful motivator and incentive for employees to stay engaged and, as a result, commit to their organizations.

Strong Management Relationships

It has been commonly said that “people leave managers, not jobs.” Indeed, researchers have successfully identified strong links between managerial relationships and employees’ turnover intentions. According to Jeffrey Muldoon and researchers at Emporia State University, “often one of the primary determinants of organizational outcomes among subordinates is their relationship with their supervisor” (Muldoon et al., 2018, p. 232). In exploring this affiliation,

scholars traditionally utilize the theory of Leader-Member Exchange (LMX) to explain management style and the relationship between employees and supervisors. LMX suggests that the leader-follower, or employee-supervisor, relationship exists on a continuum of low to high-quality relationships. High-quality LMX relationships are characterized by increased levels of mutual trust, respect, and obligation. Conversely, low-quality LMX relationships operate from a purely obligatory standpoint. In this case, the relationship is transactional and does not involve any level of association apart from formal job requirements.

With limited capacity and resources, managers unconsciously develop high-quality LMX relationships with a selected few employees. This segregation naturally creates “in-groups” and “out-groups” in the workplace. As a result, those employees that establish high-quality LMX relationships receive more support from their leader, more rewards, and more access to additional resources and positive feedback. Studies have consistently shown a negative relationship between LMX and turnover intentions, supporting the idea that positive LMX relationships construct a strong relational connection that works as a reinforcement for employees to stay committed to their leader and organization.

How LMX Decreases Turnover?

From the follower’s perspective, if the LMX relationship with a supervisor is strong, they will be less inclined to abandon the relationship. This is true for three fundamental reasons.

1) Self-interest—research grounded in social exchange theory shows that when the benefit of the supervisor-employee relationship exceeds the

cost of the amount of work put out for the job, employees are less likely to leave.

2) External social pressure—if the relationship is positive, then it would be unjust to leave the supervisor and therefore is sensible for the employee to continue the relationship.

3) Norm of reciprocity, which creates an internal conviction to offer an exchange of some value when one has been provided something. In this context, the level of support, resources, and attention provided by the supervisor naturally create a sense of guilt and obligation in the employee to mirror the benefit he or she has received from the manager.

A recent study done by Sobia Rashid and colleagues (2018) discovered that high-quality LMX relationships are directly connected to employees’ level of organizational commitment. Their findings align with the literature of social exchange theory, which suggests that employees who feel supported and connected to their supervisors naturally reciprocate in their level of commitment. With this clear link, supervisors have the ability to dramatically impact their employee’s level of organizational commitment by forming strong relationships marked by trust, honesty, and mutual respect. This intentional pursuit of strong leader-member exchange can act as a major antidote to employee turnover. As employees feel closer and more connected to their supervisors, they will hope to preserve that relationship and, as a result, remain committed to the organization.

Combating Negative Feelings Toward Work

Although it is clear that LMX can have a tremendous impact on employee’s positive attitudes towards work, recent studies have also

found that strong LMX relationships have the ability to help employees combat negative feelings about their work. One of the primary reasons why people leave organizations is because of perceived social exchange imbalance. When an imbalance occurs, an employee might experience high levels of stress, ambiguity, and change—shifting the scales to negative stressors outweighing the benefits of the job.

In a recent study, Muldoon et al. (2018) investigated how the added resources provided through strong LMX relationships can help reduce the impact of negative stressors such as organizational change, perceptions of organizational politics, and interpersonal conflict in the workplace. What they discovered was that the establishment of strong LMX relationships significantly helped reduce the impact these negative stressors had on employees' turnover intentions. What we now know is that supervisors have the ability to significantly reduce the impact that organizational stressors can have on employees' intention to quit. With this in mind, the formation of LMX relationships can truly be a deciding factor of whether or not an employee stays or leaves during organizational turbulence.

LMX has also been shown to have a positive relationship with the employee's organizational identification; this means that as followers establish closer relationships with their leader, they also begin to identify more closely as a committed member of the organization. In another recent study of two garment manufacturing companies in southern China, Loi et al. (2014) examined the impact LMX had on organizational identification and job satisfaction. They specifically sought to see if and how organizational identification might mediate the relationship between LMX and job satisfaction.

They discovered that quality LMX relationships had a positive relationship with employee organizational identification and that it acted as a mediator between LMX and job satisfaction. Undoubtedly, the quality of LMX relationships can be a powerful determinant of an employee's level of organizational identification. As employees begin to identify more with their organization, they are more likely to feel a part of the larger mission and goals, which in turn creates higher levels of engagement, satisfaction, and ultimately reduces turnover.

Practical Applications for Organizations

With various strategic initiatives all seeking to reduce employee turnover, organizations would do well to consider the impact that healthy LMX relationships can have on employees' overall level of organizational commitment and intentions to quit. Managers must take the time to develop relationships with subordinates that are characterized by open sharing, honesty, and mutual respect. Additionally, organizations should consider training options to help develop managers' relational leadership skills so that they can purposefully develop higher quality LMX relationships with their employees. Managers can also consider carving out additional time during one-on-one check-ins to connect with their employees on topics outside of their specific role as an employee. In doing so, employees perceive their manager as being someone that cares about them on a personal level, which results in higher quality relationships and greater overall commitment to the leader.

Finally, managers should identify those who have become a part of the "out-group" and seek to build a stronger rapport with those members that might feel on the outside. In doing so, those employees are likely to feel more connected to

their leader and organization at large and potentially prevent intentions to quit. People are driven by relationships. Therefore, it is logical to assume that the same principle is true within the workplace. As organizations seek to create healthy environments of open sharing, support, and feedback, employees will feel closer to their managers which, as shown by the research, is a leading solution to the problem of employee turnover.

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