

Examining the Followers' Effect on Leader's Performance: A "Reverse" Pygmalion Effect Perspective

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Abstract

This study examines the effect of the followers on their leader's performance. While the majority of the leadership theories and studies focus mainly on the leader instead of the follower, this study is aimed to provide empirical evidence to answer the question of whether followers are able to influence leaders' performance, and thus whether "reverse" Pygmalion Effect exists, which posits that followers' expectation can derive the self-fulfilling prophecy of the leader, that is, making him or her perform better.

Leveraging the theories of image compatibility, leader-member exchange (LMX), upward influence, and leaders' performance, this study examines the link that extends from followers' image compatibility of ideal and actual leader and their corresponding perceived LMX quality to followers' use of upward influence tactics and their leader's performance.

Data for this study were collected from one Business to Customer (B to C) company and one Business to Business (B to B) company in Indonesia. The total of 162 dyads (pairs of a leader and his or her follower) participated from the B to C and 196 dyads participated from the B to B companies that make an overall of 358 dyads.

The finding of this study is conclusive that followers' image compatibility and LMX quality are positively correlated. Yet, it cannot firmly demonstrate that followers' LMX quality leads to particular upward influence tactics and such tactics lead to leader's performance. Nonetheless, this study may suggest that personal-type upward influence tactics (i.e. personal appeal and inspirational appeal) are the likely candidates for generating higher leader's performance.

Keywords: Followership, Leadership, Image Compatibility, LMX, Upward Influence, Pygmalion Effect, and Leader's Performance.

Introduction

Background

“*There are two ways of spreading light: to be the candle or the mirror that reflects it*” (Edith Wharton, 1902¹)

Leaders and followers are mutually supportive. If the leader is the candle, who kindles the light with his or her vision, energy, and passion, then the followers are the mirrors who can spread the light by their actions and enthusiasm to make the organization shine and achieves its goal. Sometime, followers are the candles, who come up with the ideas and initiatives, and the leader acts as the mirror to spread it throughout the organization. Whether being a candle or a mirror, being a leader or follower, both can have the same impact on the organization's effectiveness. However, the majority of leadership theories and studies mainly focus on the leader instead of the follower. Shamir (2007) mentioned that theories and studies of leadership have tended to emphasize on the personal background, personality traits, perceptions, and actions of leaders. In addition, “most theories are still *leader-centered* and view followers as recipients or moderators of leader's influence” (Shamir, 2007, p. xxviii).

Similarly, Mayo & Pastor (2007) stated, “The organizational leadership literature has been, for several decades, dominated by leader-centered paradigm that puts the center of attention in the figure of the leader” (p. 94). It is focused on the leader's charismatic traits or behaviors, which influence the follower in a unidirectional, “top down” manner (Chen, Belkin, & Kurtzberg, 2007). Lord, Brown, & Freiberg (1999) asserted, “The follower remains an underexplored source of variance in understanding the leadership process” (p. 167). Bjugstad et.al., (2006) even called the followership subject understudied, and Graen & Uhl-Bien (1995) suggested that “Clearly, more research is needed on followers and the leadership relationship” (p. 222). To address those research gaps, this study focuses on the mutually supportive relations between leaders and followers, which exploring a bottom-up process where followers are the primary subjects of the study.

There are several reasons that can explain why followership studies are “less popular” compared to those focusing on leadership. First followers are considered less important than leaders. It is very much of a *leader-centric approach* according to Kellerman (2008). She stated, “Leaders are presumed to be so much more important than followers that our shared interest is in leadership, not in followership” (Kellerman, 2008, p. xviii). Secondly, followers are considered as individuals and groups that possess less power, lower rank, passive subjects to be influenced by leaders to achieve the goal (Kellerman, 2008; Shamir, 2007). Thirdly, it is because the exaggeration of the impact of leaders on followers and organizations. According to this view, the leader is single-handedly capable of determining the fate and fortunes of groups and organizations, a view referred to by Meindl, Ehrlich, & Dukerich (1985).

Lastly is the “negative” meaning of *follower*. The word *follower* has a meaning of “attaching him/herself to the person or opinions of another” (Merriam-Webster's Online Dictionary, 2009). It has a pejorative connotation, describing a situation where on one side, there

¹ Taken from the poem “Vesalius in Zante (1564)” by Edith Wharton, the first woman to win the Pulitzer Prize in Literature in 1920. She wrote this poem as a biography of Andreas Vesalius (1514-1564), one of the most important figures in the history of anatomy. Vesalius was the author of *De Humani Corporis Fabrica* (On the Fabric of the Human Body), a beautiful and revolutionary Renaissance study of the human body.

is a central leader who serves as the source of guidance, motivation, and authority and on the other side are the followers labeled as passive or lacking the right stuff, lacking drive and ambition (Frisina, 2005). In the hegemony of the word *leader*, this *follower* word connotes inferiority (Kelley, 2008), secondary and low status (Kellerman, 2008), negative (Chaleff, 1995), which creates the situation that Kellerman (2008) referred to as *fear of following*. However, the subject of followership is gaining more attention from both scholars and practitioners. Several books with the word of follower or followership in the title have been published (e.g. Kelley, 1992; Chaleff, 1995, Shamir et.al, 2007, Kellerman, 2008).

Followers are becoming more important now. “I am claiming that followers are important –every bit as important as are leaders,” said Kellerman (2008, p. xviii). The role of the followers is changing and followers are gaining more power. In a more democratic world, followers start to gain more power, as individuals or collectively in groups. Followers have more information and knowledge, more room to express their opinion, more opportunities to organize actions, and more courage to make challenges. A follower's role is no longer just to follow the leaders, but has shifted into collaborator, assessor, monitor, influencer, and constructor of the leaders (Shamir et al., 2007). It is more an active role instead of a passive role like in the past.

Leadership itself is actually a relationship between leader and follower. There will be no leader if there is no follower. Leadership will be enacted if there is a relationship between the leader and the follower(s). It is as in any other relationship, both sides, the leaders and the followers, contribute to its formation, nature, and consequences. Followers and leaders complement each other. From a different angle, Kellerman (2008) stated that good leaders are successful if they have good followers, and unethical leaders would not be able to do what they want to do without unethical followers. Focusing on followers will allow for deeper analysis of the parts they play in the relationship of leader-follower and will provide a clearer picture to empower them to achieve common goals.

Furthermore, in the real world followers influence the leaders and their organizations, either by the active process of influencing, or by not doing anything. The influences could be to the leader's behaviors and characteristics (Shamir, 2007; Kellerman, 2008; Kelley, 1992), or to the leader's motivation and performance (Shamir, 2007; Kellerman, 2008). Several early studies (e.g. Sims & Manz, 1984) showed that leadership style is influenced by subordinates' level of performance. Shamir (2007) argues that hypothetically, “one important way in which followers play an active role in the leadership process is by empowering the leader and increasing his or her self-efficacy perceptions. Self-efficacy perceptions are influenced, among other things, by others' expectation” (p. xxvi). In other words, follower actions can cause a Galatea Effect, related to the Pygmalion effect², in which a follower's competent accomplishment of orders can enhance the leader's positive self-assessment and subsequent performance.

The study of followership therefore needs to be included in the study of leadership and organization. Kellerman (2008) stated, “there is a gradually growing interest in the leader-follower relationship, as opposed to an interest in leaders only” (p.14). The idea is not saying that leadership studies that focus on leader behavior, characteristics, actions, and performance

² Pygmalion is a sculptor, in Greek mythology, who carved a woman out of ivory and named her Galatea. His statue is so realistic that he falls in love with it. He offers the statue gifts and eventually prays to Venus, The Goddess of Love. She takes pity on him and brings the statue to life. They marry and live happily ever after. The story of Pygmalion then becomes an inspiration for explaining the effect of positive expectations that increase the self-efficacy of people and ultimately their performance, called the Pygmalion effect, a phenomenon pioneered by Eden (1988).

should be neglected, but rather to make a balanced model that includes both leaders and followers as a causal agent.

To enrich the recent development of the followership study, we conduct a study in two types of firm in Indonesia, in relation to their customers. The first type is the firm that the majority of its customers are individuals, or known as Business to Customer (B to C) type of firm, and the second is the firm that the majority of its customers are companies, or namely Business to Business (B to B) type of firm. Consistent with the stream of current followership study, this study puts emphasis on the active role of the followers in leadership activity, particularly the influence of the followers on their respective leader in an effort to generate leader's performance. While many approaches to understanding leadership go from the direction of leaders to followers, this study adopts a reverse lens of followers to leaders, which will better comprehend on how leadership is actually practiced.

Theoretical Gaps and Contributions

As the development of followership study is geared toward demonstrating the important role of the followers, mainly in the context of leadership, more explanation is needed on impacts of the followers on leader's performance. More specifically, there is a need to develop an integrated model that relates the followers' expectations of their leader, the followers' actions to influence the leaders, and the impact of those actions on leaders' performance. This chain of relations extends our understanding that the kind of expectations and actions the followers take may affect the extent to which their leaders will perform at work. In other words, it extends our understanding that leaders' performance may not only be determined by their actions, but also by the actions of their followers. Shamir (2007) hypothetically posited the above chain as "reverse" Pygmalion Effect in the lens of Eden's (1990) Pygmalion Effects Theory.

Furthermore, followers' expectations of their leader have been vastly studied under LMX Theory. In this theory, the study on followers' expectations of their leader is directed toward the development of dyadic relationship between followers and leaders. Image Theory has as well studied this kind of expectations but in a different direction: they are from leaders to followers and are toward image compatibility in motivating (leaders') actions. If leaders' actual image is compatible to the expected image of their followers, the leaders tend to act desirably toward their followers. Dunegan (2003) argued that the integration of Image Theory and LMX Theory offers a unique contribution in terms of the extent to which image compatibility motivate leaders to conduct a specific action, that is, developing a high quality dyadic relationship with each of their followers. This study offers additional value as it examines the followers' expectations of their leaders (upward expectations) because in previous studies, image compatibility has been examined in downward direction.

In addition, this study examines the extent to which the quality of leader-member relationship may affect the selection of influence tactics employed by followers toward their leaders, which eventually may affect leaders' performance. The result of this study will enrich our knowledge on upward influence tactics, which is still lack of compared to the studies on downward influence tactics, especially the ones that are employed to improve leaders' performance. Such a performance can be considered an influence outcome. Unlike the previous studies, the influence outcome examined in this study focuses on the bottom line (i.e. performance) rather than the general ones (i.e. commitment, compliance and resistance). In other words, this study addresses the gap in influence literature in identifying effective influence tactics, that is, the ones leading to high performance.

Objectives

By focusing on followers and the followers-leaders relationship, this study would like to contribute to the broader study of leadership and organization theory from the perspective of followers. On a smaller scale, this study intends to find and test the correlation of followers' influence on leadership performance. To that end, the objectives of this study are divided into general and specific objectives. For general objective, this study is intended to examine whether there is a process where followers can influence their leader's performance, and how such processes are constructed. In term of specific objectives, this study is intended to (1) demonstrate how followers' image compatibility affects their perceived quality of LMX, (2) demonstrate the effect of LMX quality on the upward influence tactics exercised by the followers towards their leaders, (3) demonstrate which tactics lead to leaders' performance, (4) to explore whether there is a link from followers' expectation as represented by the image compatibility to leaders' performance (reverse Pygmalion effect link), and (5) to explore the differences in the link between B to C and B to B companies.

The Scope of Study

This study is limited and bounded into the definition of followers as mentioned by Kellerman (2008). Followers as people who are subordinates with less power, authority, and influence than their superiors in the organization where the study was conducted (PT. XL Axiata Tbk namely XL and PT. Medco Energi Internasional Tbk in short MedcoEnergi). Followers are those who report to the designated leaders defined by the organization structure at XL and MedcoEnergi. The followership relation is a dyadic between followers and leaders in XL and MedcoEnergi based on the organization structure given by respective companies. The results of the study analysis will exclude the subjects of public leadership such as in the political science, and managerial economics.

It is acknowledged that the relationship between followers and leaders will vary over time, as well as it does in the other studies of strategic management (Pittigrew, Thomas, & Whittington, 2002). This study is not longitudinal which covers the past, present, and future of the relationships; instead it is more of a portrait of the relationship happening during the time of this study. Due to lack of collected data, some of the variables intended to use as control variables such as time of relationship between followers-leader, experience of working with the leaders before, and time of working in the company are not able to be represented in the result of study. This study is also limited to a single company (XL and MedcoEnergi) in its respective industry. However, since both companies have operations throughout Indonesia, and the respondents come from a variety of these operations, it is reasonable to assume that the process of relationships existing between followers-leader in XL are fairly representative of many Indonesian private companies. This study is not comparing and contrasting cultures, or type of company (such as multi-national vs. local company, or state-owned enterprise vs. private company).

Literature Review

Brief Description about Leadership Theories

There are many different definitions of leadership; as Bass (1990, p.11) wrote, "There are almost as many different definitions of leadership as there are persons who have attempted to define the concept". However, Northouse (1997) classified leadership definitions by their focus: on the group process, on personality traits, on acts or behaviors, on power relationships between leaders and followers, and on instruments for goal achievement. Kouzes and Posner (2007)

define leadership as a behavior and a relationship between leaders and followers. Jaques and Clement (1994) stressed that leadership is a process between leaders and followers. The definition being used for this dissertation study follows Northouse (1997, p.3) who stated, "Leadership is a process whereby an individual influences a group of individuals to achieve a common goal."

The Rise of Followership Studies

Contrary to the word 'leadership', the working definition of the word 'followership' is quite limited. Kellerman (2008) defines followership as "a relationship (rank) between subordinates and supervisors, and a response (behavior), of the former to the latter". Kelley (1992) mentioned that followership is the flip side of leadership, which refers to the process of following. Drawing from previous literature (Chaleff, 1995; Schyns & Meindl, 2005; Kellerman 2008), studies of followership cover several subject areas, such as (1) why people follow, (2) the types and characteristics of followers, (3) how to become a good follower, (4) the construction of leadership from the followers' perception through implicit leadership theory, (5) the role of followership in organizations, (6) contextual differences such as gender and culture and the impact on the leadership process and relations, and (7) the dynamic of the follower-leader relationship, which includes the influence of followers on their leaders.

There is a sub-field in leadership study, derived from the psychoanalysis field, called implicit leadership theory. Contrary to the popular belief, where the leader is the center of the leadership process, this theory posits that leadership defined by the follower. Followers play critical roles in leadership effectiveness, not just because there is no leadership without people following, but because leadership effectiveness is contingent on followers' social construction of leadership (Van Knippenberg, Van Knippenberg & Giessner, 2007). Schyns and Meindl (2005) stated "a summarizing definition about implicit leadership theories – which incorporates all approach, is the image that a person has of a leader in general, or of an effective leader. This definition allows for the possibility that the respective person applies this image to a target person in order to identify this target person as a leader, or applies this image to a person previously labeled as leader" (p. 21).

Theoretical Foundations for this study

The interaction of leaders-followers in an organization is a process involving variables such as expectations, perceptions, and actions. This interaction goes into two directions, top down and bottom-up. Both leaders and followers influence each other. Since this study focuses on followership, it employs three main theories: Image Theory, LMX Theory, Upward Influence Theory to represent the follower's influence on leadership performance.

Image Theory

According to this theory, images are schematic knowledge structures that decision makers used to organize their thinking about decisions (Beach, 1990). In the context of image compatibility, according to Beach's theory, people use images to evaluate whether current situations are compatible, or incompatible with their standards and expectation. When images of current or existing conditions are consistent with images of standards and expectations, equilibrium exists and people are inclined to maintain the status quo. On the other hand, when current and expected images are incompatible, the conflicting images produce a dissonance that people are motivated to act upon and try to resolve (Beach & Mitchell, 1987). Richmond, Bissel, and Beach (1998) applied this image compatibility concept to the dyadic relationship of

supervisor/subordinate. They found that incompatibility between current and expected images strongly correlated with dissatisfaction with the supervisor and dissatisfaction with the company for whom they worked.

Leader-Member Exchange (LMX) Theory

According to this theory, leaders and followers develop dyadic relationships and leaders treat individual followers differently, resulting in two groups of followers: an in-group and out-group. The in-group consists of a smaller number of trusted followers with whom the leader usually establishes a higher quality exchange relationship. The out-group includes the remaining followers with whom the relationships are relatively enduring and they develop owing to the leader's limited time and energy, and inability to give equal attention to all followers (Gerstner & Day, 1997). The quality of leader-member exchange has been found to be positively related to follower's satisfaction, organizational commitment, role clarity, performance rating given by leaders, and objective performance and negatively related to role conflict and turnover intentions (Gerstner & Day, 1997). Liden & Maslyn (1998) suggest that role theory, which has provided the theoretical foundation for LMX research (e.g. Graen, 1976), stresses that roles are multidimensional (Kantz & Kahn, 1978). Liden & Maslyn (1998) predicted that each of the four LMX MDM dimensions (i.e. affect, loyalty, contribution, and professional respect) would significantly correlate with satisfaction with supervisor.

Influence Theories and Upward Influence Tactics

Leadership is a process involving the leader, the follower, and the situation. In which case, the interaction of the people in the organization determines the effectiveness of that process given the specific situation. This interaction, which can go in both horizontal and vertical directions, involves an influence process. Yukl & Falbe (1990 p.1) wrote, "One of the most important determinants of managerial effectiveness is success in influencing subordinates, peers, and superiors". Kipnis et al. (1980) and Yukl and his colleagues (Yukl, Lepsinger & Lucia, 1992) have defined eleven tactics used in the upward, downward and lateral directions: (1) inspirational appeal, (2) personal appeal, (3) consultation, (4) collaboration, (5) rational, (6) appraising, (7) ingratiation, (8) exchange, (9) coalition, (10) legitimating, and (11) pressure. Upward influence refers to subordinates' (followers) attempts to influence their managers (leaders) to carry out requests (Yukl et al., 1996). Exercising upward influence tactics has generally been recognized as an essential aspect of organizational behavior, which contributes substantially to individual effectiveness (Schilit, 1986).

Leaders' Performance Measurement: Leadership Practice Inventory

Leaders performance, according to Kouzes and Posner (2007), is dependent on and influenced by their relationship with their followers as well as with their superior/boss (vertical relationship), and with their peers (horizontal relationship). While theory of leadership provides a framework for understanding leadership, it is the measurement of leadership that is crucial for identification of future leaders within, and for, organizations. The Leadership Practices Inventory (LPI) developed by Kouzes and Posner (2007) is a method to identify leadership practices and behaviors. The research began in 1983 when they wanted to know what people did when they were at their "personal best" in leading others. They assumed that by asking ordinary people to describe extraordinary experiences, they would find patterns of success. Their study indicated that when leaders perform at their best they used the following leadership practices: (1) modeling

the way, (2) inspire a shared vision, (3) challenge the process, (4) enable others to act, and (5) encourage the heart.

Integrating the Theories: “Reverse” Pygmalion Effect Perspective

As previously mentioned, followers are an integral element of leadership. Yet, studies in leadership have paid little attention to followers, in particular, the extent to which followers influence leaders' performance. To examine such influence, a sound conceptual framework that integrates the theories above is needed. One way to develop such a framework is using the perspective of the Pygmalion Effect. Eden (1988) posit the importance of people (agent) having positive expectations of others.

Transferring this Pygmalion Effect perspective into Implicit Leadership Theory, the process that being examined in this study can be explained starting from follower's congruency of ideal/expected and actual image of their leader. The actual image is not always congruent or compatible with the ideal one. The extent to which both images are compatible may determine the followers' perceived quality of their LMX (Lord & Maher, 1991). The congruency of this image will also foster expectations (Keller, 2005; Lord & Maher, 1991), and provide a basis for common understanding, as well as allow more automatic, intuitive social interactions (Engle & Lord, 1997). While some researchers argue that expectations can lead to performance through the process of motivation (Eden, 1988; Miner, 2005), the process explored in this study shows that expectation should affect (perceived) LMX quality between follower and leader, consistent with Engle & Lord (1997) and Keller (2005).

As in LMX theory, the high quality of LMX may determine the extent to which the dyadic relationships are characterized by mutual trust, respect, reciprocal influence, strong loyalty, obligation, and liking between followers and leaders (Liden & Maslyn, 1998). On the follower side, the quality of LMX may determine the extent to which the followers have more communication opportunity and administrative activities, as well as enjoy greater work support and responsiveness from the leader (Krone, 1991). This relationship may lead the followers to exercise more favorable upward influence tactics, consistent with the studies from Yukl & Falbe, 1990; Yukl, 2001. Such tactics may eventually lead higher leaders' performance.

Going back to and in the context of Pygmalion Effect, the direction has been top down: the extent to which leaders' expectations generate followers' performance. This is what Eden (1988) called leadership effectiveness. Eden further said that, "... leaders who expect more get more" (p. 648). This study follows the same logic: from expectations to performance, yet the direction is the other way around: from followers to leaders. Corresponding to Shamir's (2007) notion, this bottom up process is known as Reverse Pygmalion Effect, because the effect stays the same but the direction is reversed. This is the effect comprehensively examined in this study.

Theoretical Model and Hypotheses

Theoretical Model

Referring to theory integration previously, the model for this study is developed based on a “Reverse” Pygmalion framework. In contrast to the commonly understood Pygmalion Effect (Eden, 1988), the “Reverse” Pygmalion puts the follower at the center stage. This framework argues that it is the follower who affects their respective leader's behavior and performance. The effect begins with the compatibility of ideal image and actual image of the leader from the followers' perspective (Beach 1990; Dunegan, 2003). This image compatibility will determine followers' expectation, actions, and perception of their LMX relation with their leader (Liden &

Maslyn, 1998). Such a relation is represented by four dimensions (Liden & Maslyn, 1998): (1) affect dimension, which is the followers perception on their leaders in their working relationship; (2) loyalty dimension, which is the followers' perception on how much their leader is "loyal" to them and protects them; (3) contribution dimension, which is the followers' perception on how far they will contribute to their leaders and support them; (4) professional respect dimension, which is the followers' perception of the "quality" of their leader.

Liden and Maslyn (1998) argued that each dimension is expected to uniquely tap part of the global satisfaction of the followers with their leader, and the extent to which the followers are satisfied with their leader may determine which tactic(s) they are going to employ. Referring to Yukl and Falbe (1990); Yukl (2001); Yukl and Michel (2006), there are eleven possible tactics. Each tactic is unique and constructed differently depending on the conditions preceding it, and each tactic will also give different outcomes (Yukl, 2001). Yukl, Falbe and Youn (1993) stated that tactics can be employed in sequence (initial tactics, follow up tactics), and combined, but the study of tactic sequence and combination is very difficult. In this study, the focus is only on each separate tactic. Since not all the tactics are used for upward influence, this study will only use the following six tactics that are relevant and significant for upward influence, as well as fit with the Indonesian culture as explained by Hofstede (2001). They are (1) rational persuasion, (2), inspirational appeal, (3) personal appeal, (4) ingratiation, (5) coalition, and (6) personal appeal.

Leaders' performance is measured through Kouzes and Posner's (2007) Leadership Practice Inventory (LPI). The choice of this instrument to measure leadership performance is largely due to its high reliability and validity as found by previous researchers. According to Kouzes and Posner (2007), leadership performance is measured through five dimensions: (1) modeling the way, (2) inspiring a shared vision, (3) challenging the process, (4) enabling others to act, and (5) encouraging the heart. Their previous studies indicated that when leaders perform at their best, it is indicated by these leadership practices.

Hypotheses

To sum up the elaboration above, we develop several hypotheses. These hypotheses are divided into three main subjects below, and reflected in Diagram I.

Diagram I: Theoretical Model.

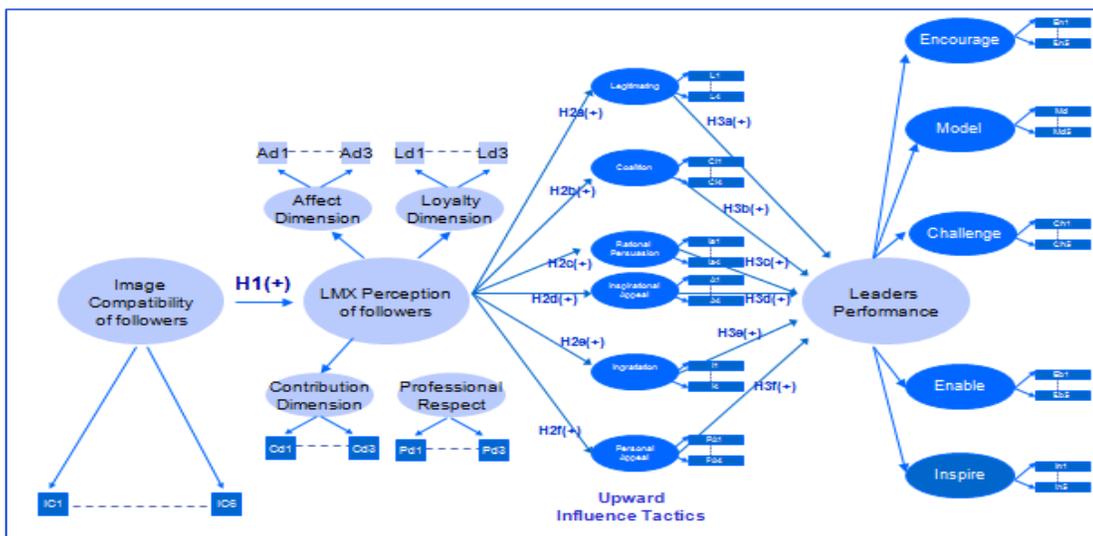


Image Compatibility and LMX Quality

While image theory is developed based on expectancy theory, the expectancy of followers of their leader is developed by their image compatibility (Beach, 1990). This argument is in line with those researchers who study implicit leadership theory (Lord & Maher, 1991; Engle & Lord, 1997). Image theory argues that each follower develops an ideal image of a leader (Bissel & Beach, 1996; Richmond, Bissel, & Beach, 1998). This image will be compared to an image the follower finds in reality (an actual image). The extent to which both images are similar will determine what is called image compatibility (Beach, 1996). The follower whose actual image of the leader is compatible to the ideal image will tend to develop a positive perception of the leader (Dunegan, 2003). Accordingly, he or she may want to build a higher quality relationship with his or leader.

Masllyn & Uhl-Bien (2001) argue that a significant relationship between image compatibility and LMX might also be expected because of the reciprocated effort and mutual adjustment that characterizes higher quality dyads. Dunegan (2003) posited that higher image compatibility would result in a higher level of LMX. Therefore, the level of image compatibility of followers will be positively related to the quality of follower's perception of LMX. Higher followers' image compatibility will make the followers perceive they can build an in-group dyadic relationship with their leader, which will make them receive more information, influence, confidence, and concerns from their leaders (Graen & Uhl-Biel, 1991).

H1: Followers' image compatibility will be positively related to LMX quality as perceived by followers.

LMX Quality and Upward Influence Tactics

Compared to studies that examine the link between LMX quality and downward influence tactics, such as on decision influence (Scandura & Graen, 1984), empowerment (Sparrowe, 1994), members' helping behavior (Sparrowe, Soetjipto & Kraimer, 2006), and leaders' exercise of their influence tactics (Do, 2006), studies on the correlation of LMX quality and upward influence are quite limited. Liden, Sparrowe and Wayne (1997) mentioned that upward influence is actually one of the consequences of the LMX. Krone (1991) shows that upward influence tactics chosen by the follower will depend on the LMX quality of the relationship.

Deluga and Perry (1991) further explained that the LMX model has upward influence from the subordinate to supervisor. Those with higher quality LMX would be positively associated with the use of bargaining, reason and friendliness and would be associated with upward subordinate influence effectiveness, subordinate satisfaction with the superior and superior effectiveness. This upward influence is also known as "negotiating latitude". Negotiating latitude is the leader's willingness to allow changes in the member's job and, regardless of the leader's formal authority, his or her inclination to use position power to help the member solve work-related problems (Deluga & Perry, 1991). Those with high quality LMX would thus be able to develop their own job role. Hence, if followers perceive they have a high LMX quality with their leader, they will have more confidence to put upward influence on their leaders.

One of the upward influence tactics previously studied is legitimating tactic, which involves efforts where followers bring evidence that could legitimate their proposal or ideas (Yukl & Mitchell, 2006). However, referring to Deluga and Perry (1991), followers may have confidence to provide a legitimate backup for their proposal or ideas when they perceive their

relationship with their leaders is close (high quality LMX). Moreover, followers with high perception of LMX quality may not be hesitant to ask help from other persons that their leader respects to support their proposal or ideas. With a high LMX perception, followers think that they have a very close, friendly relationship with their leaders, thus they have the confidence that their leader will not perceive this influence activity as a negative action. Thus, we can hypothesize as follows.

H2a: LMX quality as perceived by followers will be positively related to followers' exercise of legitimating tactic.

H2b: LMX quality as perceived by followers will be positively related to followers' exercise of coalition tactic.

Another upward influence tactic is rational persuasion, which involves an effort to logically explain why a request or idea or proposed activity is important for attaining shared objectives and why it is feasible (Yukl & Mitchell, 2006; Yukl, 2001). The tactic might include subjective opinions, which is supported by rational evidences (Deluga & Perry, 1991; Yukl & Falbe, 1990). Rational persuasion is easier to use and more likely to be effective when the target person (leader) trusts the agent (follower), which is the case of high quality LMX.

Correspondingly, inspirational appeal tactic may likely be used in high quality LMX situation because the use of this tactic requires similarity of values and ideal between the target person (leader) and the agent (follower) as this tactic involves the activity of influencing the target with the arguments that relate to the target's values or ideals (Yukl & Mitchell, 2006). The agent will make an idea or proposal that fits with the target's values and ideals (Yukl & Falbe, 1990). Therefore, the hypotheses are formulated as follows.

H2c: LMX quality as perceived by followers will be positively related to followers' exercise of rational persuasion tactic.

H2d: LMX quality as perceived by followers will be positively related to followers' exercise of inspirational appeal tactic.

Following the study of Deluga and Perry (1991), the agent (follower) with high quality LMX perception will consider they have a close relationship with the target (leader), and presume that they already know each other very well. Hence, the use of ingratiation tactic, which focuses on flattery and praise, may give no negative impact to their relationship. Followers may think that using ingratiation tactics will make their leader happy, thus support their ideas or proposals. Likewise, the use of personal appeal tactic involves activities that show the friendliness of the relationship as a base (Yukl & Falbe, 1990; Yukl & Mitchell, 2006; Yukl, 2001). To the extent that followers perceive their LMX quality to be high may determine the friendliness level. The higher the perceived LMX quality, the more likely followers employ personal appeal tactic. Accordingly, the hypotheses are the following.

H2e: LMX quality as perceived by followers will be positively related to followers' exercise of ingratiation tactic.

H2f: LMX quality as perceived by followers will be positively related to followers' exercise of personal appeal tactic.

Upward Influence Tactics and Leader's Performance

Deluga and Perry (1991) posited that higher quality LMX would be associated with upward influence effectiveness, subordinate satisfaction with the superior, and superior effectiveness. High quality LMX means more resource exchange and mutual trust between follower and leader. Resources include the tangible and intangible, and exchange means receiving and sending. The leader not only provides resources, but also receives resources from his or her followers, which means the leader receives influence from the followers. High LMX also means more mutual trust and more informal communication flow (“in-group” relationship), which gives the followers the opportunity to influence his or her leader because the leader is more confident with the followers’ suggestions and ideas (Liden & Maslyn, 1998).

Upward influence refers to subordinates’ (followers’) attempts to influence their managers (leaders) to carry out the followers’ requests (Yukl, et al., 1996). Yukl, Guinan, and Sottolano (1995) stated that influence attempts to the superiors usually involved request for approval, resources, political support, or personal benefit. Yukl (2001) mentioned that in dyadic relationships, influence tactics from an agent directly affect the influence outcome, in terms of commitment, compliance, and resistance (Yukl & Falbe, 1990). When followers attempt to influence leaders by using different tactics, they expect the leaders will follow what they propose (gaining commitment from the leaders), and show the desired management practices and behaviors that are translated into leadership performance (Kouzes and Posner, 2007).

As mentioned before, followers who attempt to influence through legitimating tactic will use rules, policies, precedent events or activities, and contracts as a legitimating source for their request or proposal (Yukl, 2001). In this case, leaders will be supportive to the influence made by followers as it is complemented by legitimate information or documents. When leaders support the followers’ ideas or proposals, they will show the desired management practices and behaviors that lead to their performance (Kouzes and Posner, 2007). Correspondingly, coalition tactic involves followers asking others to persuade their leaders to carry out their request. Normally these persons are the ones who the leader respects or have a higher rank (Yukl, 2001). In this case, leaders are expected to listen to these persons’ opinion and give support to the idea or request being proposed, which then followed by leader’s congruent management practices and behaviors and eventually performance. Based on the above arguments, we propose the following hypotheses.

H3a: Followers’ exercise of legitimating tactic will be positively related to leader’s performance.

H3b: Followers’ exercise of coalition tactic will be positively related to leader’s performance.

Yukl and Mitchell (2006), Yukl, Guinan and Sottolano (1995), Yukl, Falbe and Youn (1993) mentioned that rational persuasion tactic was significant in the upward direction to get approvals, political support, and resources. When followers use rational arguments and factual information in influencing their leader, the leader is expected to listen and may not consider this tactic as a negative tactic pressuring them to accept or support. Thus they will show positive management practices and behaviors that will lead to good leadership performance. Meanwhile, inspirational appeal tactic use the target’s (leader’s) values, ideals, and aspirations as a basis for gaining commitment to a request (Yukl & Falbe, 1990). This tactic has no negative connotations to the leader, therefore, the leader is likely to accept this influence and demonstrate good management practices and behaviors of listening to and respecting inputs that may result in higher leader’s performance. Accordingly, the hypotheses are as follows.

H3c: Followers' exercise of rational persuasion tactic will be positively related to leader's performance.

H3d: Followers' exercise of inspirational appeal tactic will be positively related to leader's performance.

Followers use ingratiation tactic by delivering praises or flattery to the leader to gain commitment for their ideas or proposals (Yukl, 2001; Yukl & Mitchell, 2006). When followers praise their leaders for what they have accomplished before, the leader is expected to show positive feedback and supports the followers' ideas and proposals. Consequently, the leader may show positive management practices and behaviors leading to higher leader's performance. When followers use personal appeal tactic, they will take advantage of their personal relationship with their leader to influence the leader to carry out their request or support ideas and proposals (Yukl & Mitchell, 2006; Yukl, 2001). To the extent that followers have a close relationship with their leaders may determine the leader's positive management practices and behaviors to support the followers' request, hence, create higher leader's performance. Consistent with argument above, the hypotheses are the following.

H3e: Followers' exercise of ingratiation tactic will be positively related to leader's performance.

H3f: Followers' exercise of personal appeal tactic will be positively related to leader's performance.

Research Methodology

Measurement of Variables

There are four main variables that will be assessed in this study: image compatibility, LMX perception of followers, influence tactics, and leader's performance. The following is the detail of the measurement of each variable.

Image compatibility is measured by an image compatibility questionnaire developed by Dunegan (2003). It consists of six indicators that are measured by a six-level Likert scale. Image compatibility is measured directly through it's indicators.

LMX quality (as perceived by followers) is measured by an LMX-MDM (Leader-Member Exchange Multidimensional) questionnaire. It is represented by four latent variables, where each latent variable consists of three indicators. Four latent variables on LMX perceptions are the dimensions of LMX, which represents the relationship quality between leader and follower (Liden & Maslyn, 1998). They are (1) affect dimension, represents the friendly type of relationship between leader and follower, (2) loyalty dimension, represents the willingness of the leader to defend the follower in front of others, (3) contribution dimension, represents the willingness of the follower to make efforts on behalf of the leader, and (4) professional respect dimension, represents the evaluation of the leader's knowledge, competency, and skills.

Upward influence tactics is measured by the upward influence IBQ-Target G44, a questionnaire developed by Yukl (2006). In the case of upward influence tactics, each of the tactics is unique and generates different outcome, therefore, each tactic becomes a main variable, and measured individually by its indicators. Following the explanations in the previous pages, upward influence tactics will use six variables selected based on the application in the upward direction and the consideration of practices in the culture of Indonesia based on Hofstede (2001, 2009) studies.

Leadership performance is measured by the Leadership Practice Inventory (LPI). It is represented by five latent variables, where each latent variable consists of six indicators. These five latent variables are categorizations of leadership practices that leaders perform when they are at their best. They are (1) modeling the way, which is defined as the leader's practice of modeling the behaviors they expect of others, (2) inspire a shared vision, which is defined as the leader's practice of having a clear image of the future, but at the same time also understand their constituents' needs, aspirations, visions, and values, (3) challenge the process, which is defined as the leader's practice of challenging the status quo, pioneering to step out into the unknown, and searching for opportunities to innovate, grow, and improve, (4) enable others to act, which is defined as the leader's practice of fostering collaboration and trust, and turning their constituents into leaders themselves through the relationship between them and their constituents, and (5) encourage the heart, which is defined as the leader's practice of caring for their constituents and uplifting their spirits to carry on in the long and tough journey forward. LPI is used because it has a sound statistical record. As noted by Lewis (1995), LPI's internal reliabilities for the five leadership practices (both self and observer versions) are very good and are consistent over time (at the level of .90 and above). The underlying factor structure has been sustained across a variety of studies and settings, and support continues to be generated for the instrument's construct and concurrent validity. For the most part, findings are relatively consistent across people, gender, ethnicity and cultural backgrounds, as well as across various organizational characteristics.

Research Context at PT XL Axiata Tbk and PT Medco Energi Internasional Tbk

PT. XL Axiata Tbk (XL) was established on October 6, 1989 as a business in general trade and services. In 1996, XL got the license to operate as the first cellular telecommunication GSM provider in Indonesia with the focus area of Jakarta, Bandung, and Surabaya. XL is known as a pioneer in the cellular telecommunication market in Indonesia. XL is listed on Indonesian Stock Exchange and is owned by TM International Berhad through Indocel Holdings Sdn Bhd (83.80 percent) and the Emirates Telecommunication Corporation (Etisalat) through Etisalat International Indonesia Ltd. (16.00 percent). XL has partnership with independent retail companies, and in 2008 they already had two hundred thousand independent retailers (XL Website, 2009) with main customers are individuals. This is the company that we can categorize as a Business to Consumer (B to C) company.

PT. Medco Energi Internasional Tbk (MedcoEnergi) is the Indonesian publicly listed largest oil and gas producer in Indonesia. MedcoEnergi was established in June 1980 and has been listed on Indonesian Stock Exchange since 1994. Its continuous expansion transforms MedcoEnergi as one of the biggest integrated oil and gas producer in Indonesia with market capitalization of more than one billion American dollars. This company is majority owned by Encore Energy Pte. Ltd. (50.70 percent), PT Medco Energi Internasional Tbk (treasury stock) (11.72 percent), and others (including public) (37.33 percent). Deals only with corporate sectors, in which all of its customers are corporations, MedcoEnergi is then considered as a Business to Business (B to B) company.

Sample Selection and Data Collection

This study is a dyadic study, which means the data were collected from two sides: the leaders (superiors) and the members (subordinates). The basis of determining who the leaders and who the members is on the structure of the organization. Because there are multi managerial levels in the structure of the organization in the target companies, we had to select one level that could ensure two things: (1) sufficiency of the respondents (this level provides sufficient numbers

of leaders and members to participate in the study), (2) sufficiency of interactions (this level provides sufficient interactions at work between leaders and members to know each other). Leaders and members in this selected level were then identified and coded to maintain confidentiality. Members were asked to fill out one questionnaire, yet leaders were asked to fill out more than one, depending on the number of members underneath them.

To obtain higher participation, the questionnaires included the endorsement letter from HR Director. In addition, HR Division of both companies informed all respondents through email and internal communications. Reminders were also sent by email to those who had not responded to the questionnaire. As a result, in XL, of 283 target dyads, 162 dyads (162 members and their respective leaders) participated in this study, or 57.24 percent participation rate. In MedcoEnergi, of 253 target dyads, 196 dyads, or 77.47 percent participation rate. The total of 358 dyads far exceeded the minimum number of 100 respondents (Hair et al., 1998), as the average of 67.36 percent is considered very good participation rate compared to common return rates in most surveys, which range from 20 – 25 percent (Barringer & Bluedorn, 1999).

Method of Data Analysis

Prior to doing the field survey, a pretest was conducted to test the validity of the research instruments, i.e. the questionnaires. Pretest was done with 50 questionnaires, and the results suggested good validity for all instruments. Data collected were analyzed using Structural Equation Modeling (SEM). The analysis was done with a “two-stage approach” (Wijanto, 2008), that is, the analysis of measurement model and the analysis of structural model. The analysis of measurement model used *Confirmatory Factor Analysis* (CFA) to determine whether the various indicators or observed variables could be grouped into a latent variable as has been constructed in the research model. This analysis covers the process of: (a) analysis of measurement model of the original research model, (b) calculation of *Latent Variable Score* (LVS) of each latent variable for simplification of the model, (c) simplification of the model, and (d) analysis of the measurement model of the simplified research model. The analysis of structural model is to examine the relationships among all simplified latent variables. In addition, the analysis of significance test results was performed for each hypothesis to determine whether the hypothesis was accepted or rejected.

Results

Respondent (Follower) Profile

Respondents in XL are 75 percent male, mostly (71 percent) between 31 to 40 years of age, and mostly (61 percent) have worked for 2 to 10 years. The dyadic profile of these respondents is as follows: 88 percent of them have the same gender, yet the education and place of origin are not (95 percent and 68 percent, respectively). In addition, most of the dyads have not worked together before (71 percent), but have known each other between 1 to 5 years (79 percent).

Respondents in MedcoEnergi are 77 percent male, mostly (53 percent) between 31 to 40 years of age, and mostly (76 percent) have worked for 2 to 10 years. The dyadic profile of these respondents is as follows: 53 percent, 59 percent and 55 percent of them have the same gender, education and place of origin. In addition, most of the dyads have not worked together before (83 percent), but have known each other between 1 to 5 years (56 percent). The differences of MedcoEnergi vis-à-vis XL respondents rest on the similarities in terms of education and place of

origin. The majority of XL respondents do not have similarities in both categories while the majority of MedcoEnergi respondents do.

Hypotheses Tests

Hypothesis 1 (H1) was mixed. The finding in MedcoEnergi samples did not support H1, yet the finding in XL samples supported it. These results are inconsistent with Dunegan's (2003) notion that followers' image compatibility may positively be related to followers' LMX quality. In other words, followers whose ideal and actual images of their leader are compatible (fit to each other) do not always develop a perception of higher LMX quality. According to Bauer and Green (1996), Green, Anderson and Shivers (1996) and Liden, Wayne and Stilwell (1993), leaders may form expectations of and perceptions about their followers based on dyadic tenure as well as on such demographic similarities as age, education, gender and race. The same may be true for followers toward their leaders. These factors will likely be more dominant than image compatibility.

H2a was not supported in both samples, and interestingly, in XL samples, the relationship is significant and negative. This finding indicates that legitimating tactic is not a tactic of preference for the followers in a high power distance country like Indonesia (Hofstede, 2001), in which legitimating (identical to power) rests on the leaders. In such a country, followers are perceived as powerless by their leader that make the use of legitimating tactic by the followers ineffective. The hesitancy to use legitimating tactic is more apparent for the followers with high quality perception of LMX (refer to XL samples), which leads to a significant and negative relationship between LMX quality and the use of legitimating tactic.

H2b was not supported in both samples, and similar to H2a, in XL samples, the relationship is significant and negative. This finding indicates that followers who have developed a higher LMX quality with their leader are likely to be hesitant to employ a coalition tactic. It is because the followers feel that they have established confidence and trust in their leader (Liden & Maslyn, 1998) so they do not need help from someone else to support their proposal or ideas. In addition, followers with perceived higher LMX quality sense that their leader have extended negotiating latitude to them (Graen & Scandura, 1987), which means they have a room to convince their leader themselves about their proposal or ideas.

H2c was also mixed. The finding in XL samples did not support H2c, yet the finding in MedcoEnergi samples supported it. It is due to the likely fact that higher LMX quality embeds trust and trust goes beyond merely rational evidences. This is understandable because followers who perceive that their leader trusts them may think that their leader is willing to accept uncertainty and latitude in the followers' ideas and proposal (Mayer, Davis & Schoorman, 1995), and thus more acceptable to the lack of rational evidences on such ideas and proposal. If that is the case, there may be no reason for the followers to employ rational persuasion tactic.

Different from the above, the finding for H2d was favorable. This finding is in consistent with the notion that higher LMX quality indicates a similarity in values between followers and their leaders (Ashkanasy & O'Connor, 1997), which may lead to followers' use of inspirational tactic (Yukl & Mitchell, 2006). As described previously, this tactic involves the activity of influencing the leaders with the arguments that relate to their values or ideals (Yukl & Mitchell, 2006). The followers will make an idea or proposal that fits with their leader's values and ideals (Yukl & Falbe, 1990).

H2e was not supported in both samples, which indicates that followers with perceived higher LMX quality are likely to avoid to use flattery and praise to influence their leader to support their ideas or proposals. They simply may not need it because they have perceived they

have higher quality LMX and hence feel that they have gained trust already from the leader. Complimenting their leader to get what they want may be simply too much or unnecessary. This notion is more apparent in XL samples since the relationship between LMX quality and the use of ingratiation is significant but negative. This indicates that followers tend to avoid the use of such a tactic if they perceive they have a higher quality relationship with their leader.

The finding for H2f was not supported as well. This finding is on the contrary to the notion that followers' perceived higher LMX quality may indicate the friendliness level toward their leader, in which the higher the perceived LMX quality, the more likely followers employ personal appeal tactic. Similar to the argument for unsupported H2e, the hesitancy of the followers employing this tactic may be related to the fact that perceived higher LMX quality embeds mutual trust, thus, there may be redundant for the followers to influence their leader using personal appeal tactic because trust may go more than merely friendliness.

H3a was mixed. The finding in MedcoEnergi samples did not support H3a, yet the finding in XL samples supported it. The unsupported finding indicates that followers who employ legitimating tactic may not yield their leader's desired management practices and behaviors that lead to their performance. In other words, the use of such a tactic may be seen as the contrary of the mutual trust both parties have built for higher quality relationship. Leaders who have trusted their followers may consider their followers' effort to demonstrate that their ideas and proposal as legitimate as an insult to their trust. This notion is more apparent in MedcoEnergi samples, in which the relationship between the use of legitimating tactic and leader's performance is significant but negative, meaning that the use of such a tactic may result in the opposite effect in terms of leader's performance.

The finding for H3b was unfavorable. This finding indicates that leaders may not always akin to their followers' effort to bring person(s) whom those leaders respect to back up the followers' ideas and proposal. This effort may be seen as the followers' low self-confidence toward the ideas and proposal, such a thing may eventually lead to leaders' distrust to their followers. Accordingly, the leaders may refuse their followers' ideas and proposal and, without the followers' support, may get lower performance.

The finding for H3c was also mixed. The finding in MedcoEnergi samples did not support H3c, yet the finding in XL samples supported it. The finding in MedcoEnergi samples demonstrates that rational persuasion was not as powerful as Yukl and Mitchell (2006), Yukl, Guinan and Sottolano (1995), Yukl, Falbe and Youn (1993) might have expected in influencing leaders. This may be because presenting rational arguments and factual information to support ideas and proposal is perceived as employing pressure to leaders. These leaders may feel offended as they are treated like they do not know such information disgrace. Therefore, instead of accepting followers' ideas and proposal, the leaders may go against them and, thus, earn lower performance.

Similar finding applies for H3d, which shows that followers' effort to gain support for their ideas and proposal by appealing to their leader's values, ideals and aspiration may not always work. Leaders may not like their values, ideals and aspiration are being brought up and related to their work and workplace. These values, ideals and aspiration are quite personal and private for some leaders. They may prefer not to be discussed openly, especially by their followers, whom in a high power distance country like Indonesia (Hofstede, 2001) may be considered having a lower class or status. Therefore, the followers and their leader may not act in sync, which in turn may grant the leader lower performance.

The finding for H3e was not in line with the hypothesis for both samples. This finding demonstrates that praises and flatteries toward leaders may not always be seen as a positive way

of influencing leaders. Leaders may feel that, for example, praises toward their achievement is redundant because everybody knows such an achievement since the information is publicly provided. As a result, leaders do not show positive management practices and behaviors yielding higher leader's performance.

H3f was not supported as well. This finding is not according to Yukl & Mitchell's (2006) and Yukl's (2001) arguments that close personal relationship may matter in influencing leaders to accept followers' ideas and proposal that eventually lead to better leaders' performance. As such, closer personal relationship between a leader and a follower may not always translate into higher (mutual) trust between them and into more alignment between both thoughts. Consequently, the leader may not show corresponding positive management practices and behaviors leading to higher leader's performance. These are the practices and behaviors that the followers expect as a result of supporting their ideas and proposals.

Conclusions and Limitations

Conclusions

This study was intended to examine the link from followers' image compatibility, followers' perception on LMX quality, followers' use of (upward) influence tactics and leader's performance, and examine the differences in terms of the aforementioned link between the two types of companies (B to C and B to B). However, the conclusions are paradoxical because essentially there is no conclusive finding can be drawn from this study on the connection between followers' image compatibility and their perception on higher LMX quality as well as between followers' perception on LMX quality and their use of (upward) influence tactics, and between followers' use of (upward) influence tactics and leaders' performance. In fact, only one hypothesis was supported by both samples, that is, the (positive) connection between followers' perception on LMX quality and their use of inspirational appeal tactic. This inconclusive finding implies that, first, the extent to which followers' ideal image fit with the actual one may not determine how the followers perceive on the quality of the relationship with their leader. It is likely that this perception is affected by other factors, such dyadic tenure and demographic similarities in terms of age, education, gender and race.

Secondly, the finding implies that the choice the influence tactics used by the followers toward their leader may not always refer to the quality of LMX as perceived by the followers. The only tactic that will likely be selected based on followers' perception of LMX is inspirational tactic. It is possible that the use of other tactics is based on the followers' power (legitimate, referent, expert, reward and coercive) (Yukl, Kim & Falbe, 1996). Thirdly, the finding implies that leaders' performance may not be determined by the exercise of upward influence tactics. Referring to Kouzes and Posner's (2007) five practices and ten commitments of leadership, the likely factors, among others, that determines leaders' performance are corporate culture, leaders' behavior that is consistent with such culture, clear and encouraging vision, external opportunities, risk taking level, teamwork, and HR competency and system.

If this is the case, this study may fail to demonstrate the existence of Reverse Pygmalion Effect in the relationship between a leader and a follower. Therefore, future research should put more effort to empirically examine this Shamir's hypothetical framework, yet followers' actions are not supposed to be limited to influence actions. One possible endeavor is to examine followers' communication approach or style toward their leader, since communication also represents and reflect the interaction between followers and leaders.

With regard to differences between two samples (companies), for MedcoEnergi, the model is inconclusive since there was no significant relationship that connected image compatibility all the way to leaders' performance. In fact, of all hypotheses tested, only two hypotheses were supported. They are the positive relationship between the quality of LMX as perceived by followers and the use of rational persuasion tactic and between the quality of LMX as perceived by followers and the use of inspirational appeal tactic. For XL, we may draw the conclusion on one link: higher followers' image compatibility toward their leader may lead to followers' use of inspirational appeal tactic toward their leader and eventually to leader's performance.

Limitations

As many empirical studies, this study suffers from several limitations. There are several limitations related to this study. The first limitation concerns with the use of perceptual measures for data gathering. In this case, all data collected were as perceived by respondents. Soetjipto (2002) mentioned, "this kind of measure is subject to what Podsakoff & Organ (1986) called the consistency motives, in which respondents attempt to maintain a consistent perception for all logically related items throughout the questionnaire" (p. 111). The consistency may or may not reflect their actual perception and may lead to a biased or inaccurate answer. In addition, this study gathered dyadic and self-reported data, in which leaders are asked about their followers and about themselves, while followers are asked about their leader and about themselves. Collecting dyadic data from leaders may pose problem of differentiating their followers since most of the leaders have more than one follower. In terms of self-reported data, respondents might have exaggerated or understated their answers and consequently may not portray the actual conditions.

Another limitation concerns with the generalizability of the findings since the respondent profile is skewed in such categories as gender, age and work tenure. The dyadic profile is also skewed in terms of the lengths they have worked together and known each other. In other words, the respondents and dyads are not heterogeneous. Consequently, the applicability of the findings may be problematic in companies with more diverse employee populations (i.e. more balanced gender, age, education and work tenure) and more diverse dyad populations (i.e. more balanced gender, age, education and place of origin similarities, as well as more balanced lengths they have worked together and known each other). Moreover, the application of the findings may warrant caution in companies from other industries than the participating companies (XL and MedcoEnergi), considering that each industry has unique characteristics.

The last limitation comes from the basic premise of this study that all followers have the same type, which theoretically is not. For example, "sheep" type of the followers is different from "effective" type of the followers (Kelley, 1992). These differences may result in different perception of ideal vs. actual image of their leaders, different perception of LMX quality, different choice of upward influence tactics to be used and thus different impact on their leader's performance. Homogeneous assumption of the type of the followers employed in this study may warrant caution when applying its findings in actual workplace where the types may diverge.

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