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Jennifer Dose
Messiah University, jdose@messiah.edu

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Jennifer J. Dose

University of Minnesota - Morris

Jennifer J. Dose, University of Minnesota-Morris, Division of Social Science, Morris, MN 56267. Phone: (320) 589-6191 or 6200, FAX: (320) 589-6117, email: dosejj@cda.mrs.umn.edu

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Author's note

Jennifer J. Dose, Division of Social Science, University of Minnesota-Morris, Morris, MN.

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Correspondence concerning this article should be addressed to Dr. Jennifer J. Dose, University of Minnesota-Morris, Division of Social Science, Morris, MN 56267. Electronic mail may be sent via Internet to dosejj@cda.mrs.umn.edu.

Abstract

Residence hall advisor teams and hall directors were surveyed to investigate the relationship of work values and actual and perceived similarity on these values with Leader Member Exchange (LMX) and Team Member Exchange (TMX). Demographic attributes were also investigated. Results showed that perceived similarity on the Protestant work ethic and preference for the work environment were positively related to LMX. Actual values and demographic attributes were not. TMX was positively related to actual similarity on several values, but not to perceived similarity.

The Relationship between Work Values Similarity and Team and Leader-Member Exchange Relationships

As both workplace diversity (Johnson & Packer, 1987) and the use of teams and groups in the workplace have increased (Sundstrom, DeMeuse, & Futrell, 1990), scholars have paid increasing attention to the role that composition plays in groups' effectiveness. Often, however, composition effects have been unclear, as shown in a variety of settings including groupthink (e.g., Janis, 1972; Moorehead, Ference, & Neck, 1991; Schafer & Crichlow, 1996), jury selection (e.g., Hans & Vidmar, 1982; Wrightsman, Nietzel, & Fortune, 1988), brainstorming (e.g., McLeod, Lobel, & Cox, 1996), and degree of information exchange (e.g., Dose, 1998; Wittenbaum, 1998).

Writers often depict a tension between the desire for heterogeneous work groups that foster creativity and optimal judgment (Jackson, 1991), and the desire for homogenous work groups that promote cohesiveness, attachment, and member satisfaction (Tsui, Egan, & O'Reilly, 1992). The results of diversity versus similarity in group membership are not so clear cut,

however. Rather than make sweeping conclusions, both the particular dependent variable (e.g., social exchange, creativity, quality of output) and the type of similarity (e.g., demographics, ability, attitudes) in question must be considered.

This article focuses on values, an important but relatively neglected composition variable (Connor & Becker, 1994; Dose, 1997), and the relationship between values similarity and quality of social exchange relationships. The premise is that values similarity will be positively related to high quality exchange relationships, and that certain types of values will demonstrate a stronger relationship in this regard than others. After discussing theory regarding values and values types, I will review previous research on similarity and on exchange relationships, and will advance hypotheses that were tested using teams and their supervisors in a work setting.

Values

Diversity issues and a renewed interest in ethical behavior (e.g., Miceli & Near, 1998; Treviño, 1986) have combined to promote the importance of values for society in general and work organizations in particular. Values are standards or criteria for choosing goals or guiding action that are thought to be general in nature, stable, and central to the individual's identity (Kluckhohn, 1951; Meglino, Ravlin, & Adkins, 1989; Rokeach, 1973; Schwartz, 1992). Thus, they tend to be important to the individual, have effects in a variety of situations, and are comparatively difficult to change.

Although values have been related to a variety of other constructs, the research foci (i.e., vocational behavior, ethical behavior, job attitudes), measures of values used, and even the definition of values have varied widely, and often researchers in the different fields have

neglected to cite each other's work. In her review of the work values literature, Dose (1997) proposed a framework that incorporates and integrates the research from these separate foci as well as distinguishing key differences in work values content (rather than content itself as in Schwartz, 1992). These key dimensions are (1) moral versus preference, and (2) personal versus social consensus. The moral component expresses a standard distinguishing whether something is right or wrong (e.g., altruism or holding a certain work ethic). Alternatively, a value having no moral aspect may simply be held due to individual preference (e.g., valuing a certain work environment such as working alone or having job security). Likewise, some values have a greater degree of social consensus regarding their desirability. Almost everyone would agree that job security is valuable but not everyone would prefer to work alone. This distinction also highlights the origin of values: some, particularly preferences values, are formed through direct experience (e.g., experience working alone may lead individuals to value or not value autonomy), while other values are more socially influenced (Fazio & Zanna, 1981; Scott, 1965). Moral values may be thought of as mostly agreed upon by society; nevertheless, issues such as whistle-blowing (Miceli & Near, 1998) illustrate that moral values may be held either personally or due to social consensus. Whether or not individuals decide to blow the whistle, they are deciding not to conform to the expectations of a significant social group (e.g., other organizational members, the community) in their moral judgments (Jensen, 1987).

The Dose (1997) framework is actually a conceptual extension of Rokeach's (1973) moral-competence and personal-social values dimensions in which a single value could only be classified along one dimension; only instrumental values were moral or competence and only terminal values were personal or social. However, because many of Rokeach's instrumental and terminal values are related (e.g., Loving and Mature Love), a two-dimensional classification

seemed warranted. Additionally, because other research on values (Schwartz, 1992) has failed to find a distinction between instrumental and terminal values, the Dose (1997) framework does not make this distinction. Finally, Dose (1997) uses the term "preferences" because it more nearly describes the opposite of moral values.

Conceptualizing values in such a framework has several advantages. First, it reduces the absolute number of different values that must be considered in a research effort. Second, it recognizes that not all values are the same in terms of how they came to be held by an individual, the degree of social consensus by which they are held, or the reactions they engender in individuals toward others with whom their values are incongruent. It is this final distinction that is important in the present research.

Similarity

Several research streams have investigated the relationship of similarity and working relationships in a variety of social and organizational settings (e.g., Pulakos & Wexley, 1983; Turban & Jones, 1988). Similarity has been widely shown to be related to attraction and satisfaction. Pulakos and Wexley (1983) and Turban and Jones (1988) found that a one-item question on perceived similarity in supervisor-subordinate dyads was positively related to performance ratings. Early studies such as these, though suggestive, are problematic for two reasons. First, similarity was assessed only using an overall, one-item measure. Second, the studies did not relate perceived similarity to actual similarity. Although arguably more important as a correlate, perceived similarity is not necessarily related to actual similarity. Actual similarity can be objectively measured and is not dependent on context or individuals' awareness of other's characteristics. Perceived similarity, however, is context dependent; the attribute in question must be made salient in order for it to affect individuals' perception of

similarity to team members.

Values similarity should be particularly relevant because agreement on what constitutes normatively appropriate values is far from universal (Payne, 1980). If individuals differ in their values, particularly on a relevant topic, there is the potential for conflict (e.g., Senger, 1971). Because of the differences in nature, causes, and level of social normativeness of different value types, it is probable that they will have differing consequences for perceptions of others and favorable exchange relationships. Thus, our investigation of how value's similarity affects social exchange processes proposes to consider values from several quadrants of the Dose (1997) model.

Exchange Relationships

One potentially important consequent of group member similarity is the quality of exchange relationships between group members, as well as between group members and their leader or supervisor. Exchange relationship quality includes reciprocity in contribution of ideas, feedback, assistance, information, and recognition (Seers, Petty, & Cashman, 1995). Most team research, however, has neglected social exchange dynamics (Seers et al., 1995). Exchange relationships have been measured by the construct of Team-Member Exchange (TMX; Seers, 1989) in groups, and by Leader-Member Exchange (LMX; Dansereau, Graen, & Haga, 1975; Graen & Cashman, 1975) in supervisor-subordinate dyads.

Team-Member Exchange

Seers (1989) developed the concept of team-member exchange quality as a parallel to LMX to measure the effectiveness of the working relationship and the reciprocity between a team member and his or her peer group. Most research has viewed organizational structure (e.g. team autonomy) as the primary antecedent (Seers, 1989; Seers et al., 1995) and have not

investigated others such as group composition. Using a one-item measure of TMX, Baugh and Graen (1997) hypothesized that gender and racial diversity in cross-functional teams would lead to lower perceptions of TMX quality; however this relationship was not supported. The researchers proposed that although heterogenous relationships are of equally high quality, individuals must work harder at creating and maintaining them.

Leader-Member Exchange

According to LMX theory (Dansereau et al., 1975), a supervisor does not develop the same quality of relationship with each subordinate. Some subordinates receive added benefits, such as autonomy and influence, from the leader in return for greater assistance, loyalty, and commitment. Other subordinates receive only standard benefits, have less influence, and must comply with formal role requirements; thus receiving lower-quality "supervisory exchange."

The primary determinant of high or low LMX appears to be perception of the subordinate's competence (Dansereau et al., 1975); however, performance is unlikely to be the only factor. Because supervisor-subordinate relationships develop by a reciprocal social influence process, both leader and member characteristics contribute to member LMX (McClane, 1991), particularly perceived and demographic similarity (Liden, Wayne, & Stilwell, 1993). Research has shown that a global measure of perceived similarity was positively related to LMX (Liden et al., 1993; Phillips, 1992). In terms of demographic similarity, Liden et al. (1993) found that an index of demographic variables (gender, race, education, and age) was not related to LMX; however the specific attributes were not investigated separately. More recent research has begun to address specific attributes rather than global measures. Similarity in sex (Larwood & Blackmoor, 1978; McClane, 1991) and education (Basu & Green, 1995, Green, Anderson, & Shivers, 1996) have received mixed results. Similarity in age (Green et al., 1996),

need for achievement, or locus or control (McClane, 1991) did not predict LMX.

Values and Exchange Relationships

Agreement on work values may have important implications for exchange relationships. Subordinates with values similar to those of their superiors (e.g., family, power, efficiency) exhibit higher job satisfaction (Kemelgor, 1982). A simulation study demonstrated a positive relationship between values similarity on the Survey of Work Values (Wollack, Goodale, Wijting, & Smith, 1971) and favorable supervisor-subordinate interactions (Steiner, 1988). Gessner's (1992) survey of 58 dyads from several different organizations found a positive relationship between similarity on the Work Values Scale (Nevill & Super, 1989) and high LMX. Similarity on individual work values measured by the scale was not significantly predictive of LMX, however. To date, no studies have investigated the relationship between work values and TMX.

Although there has been some support for a positive relationship between actual and perceived values similarity and LMX and TMX, several questions remain to be answered. Although the results of these studies were promising, it would be beneficial to further investigate the relationship between work values similarity and exchange quality within the context of one organization and when eliciting responses from several subordinates of the same leader. The previous research discussed above has been done with simulations or with dyads from different organizations. Using several subordinates from the same leader would help delineate how individual leaders distinguish among their particular group of subordinates. Focusing on one organization allows investigation of several leaders who have the same job responsibilities.

It also may be beneficial to examine the nature of work values more fully to see whether particular values or categories of values relate more closely than others to social exchange. The

Dose (1997) framework classified values theories or measures that already existed in the literature. For the purposes of the present study, three work values measures from three different quadrants of the Dose (1997) framework were selected. Specifically, the study explored (1) preferences for aspects of one's work environment (e.g., job security, achievement), (2) ethical values such as relativism and idealism, and (3) the Protestant work ethic (PWE) as operationalized by Mirels and Garrett (1971). Because work environment preferences are based on individual choice developed through experience, they are placed in the personal-preference quadrant of the Dose (1997) framework. The second set of work values constructs to be selected was ethical values such as relativism and idealism (Forsyth, 1980). These values are moral values held by social consensus, changing according to culture. Finally, Mirels and Garrett (1971) conceptualize PWE as a moral-personal scale. They view it as being similar to a personality variable rather than being socially influenced.

Although it is likely that values similarity of any sort will promote exchange relationships, it is likely that moral values will play a greater role in predicting which subordinates will become part of the group that receives higher quality leadership exchange. Because moral values are typically held very strongly, are important to individuals (Scott, 1965), and viewed as objective standards that others should also hold (Sabini & Silver, 1978), those individuals who are congruent on these values will view each other favorably. Thus, those who do not have the same moral values may find themselves relegated to the group that is not considered for high quality exchange. On the other hand, preference values similarity, though still positively related to quality exchange relationships, will not be related quite as strongly because individuals will view preference values as more a matter of individual choice.

Hypothesis 1: Moral values similarity will demonstrate a stronger relationship with

LMX and TMX than will preference values similarity.

The second dimension of the work values framework, that of personal versus social consensus values, is thought to have differential effects on quality of exchange relationships as well. Similar values in terms of personal preferences for the work environment may facilitate establishment of procedural norms and ease of working together; thus, similarity in this values type may be especially critical. On the other hand, individuals may routinely expect others to be similar on social consensus values because these values are developed by social influence and should generally be relatively similar within a particular culture (Schwartz, 1992).

Hypothesis 2: Personal preference values similarity will demonstrate a stronger relationship with LMX and TMX than will social consensus similarity.

The logic leading to the hypotheses is essentially the same for LMX and TMX; therefore, the hypotheses are the same as well.

The distinction between actual and perceived similarity is also important. As discussed above, perceived similarity will not necessarily mirror actual similarity because perceived similarity is based on those attributes of others that are both known and salient. Because of various information processing biases such as the false consensus effect (Ross, Amabile, & Steinmetz, 1977) individuals may overestimate perceived similarity. Conversely, aspects of the situation may bring certain characteristics of others into the forefront of one's attention and overshadow others. Thus, the following hypothesis is put forward:

Hypothesis 3: Perceived similarity will demonstrate a stronger relationship with LMX and TMX than will actual similarity.

Finally, it would be fruitful to investigate the relationship of values similarity to LMX and TMX concurrently. Many organizations utilize both teams and some sort of supervisor or

leader. Even if the team has no officially appointed leader, a leader will often develop. Although TMX is based upon the LMX construct, relationships between them have not been explored. Because of the exploratory nature of this investigation, no hypotheses regarding the relationship between LMX and TMX are put forward.

Method

Participants and Setting

Participants in the study were all dormitory hall directors (HD) and their entire resident advisor (RA) teams at a large Midwestern university. HD's were responsible for training, supervising, and evaluating residence hall staff, assigning duty schedules, advising student residents on social, academic, and behavioral concerns, coordinating the development of a student community in the residence hall, and making sure rules were enforced. RA's lived in the residence halls among the students, usually one per floor. RA's worked together as teams, defined as two or more people who interact interdependently over time toward a common task-oriented goal (McGrath, 1984; Salas, Dickinson, Converse, & Tannenbaum, 1992). In preparation for their assignment, RA teams attended a ten-week training class, a retreat, and frequent staff meetings (at least weekly). RA teams were responsible for developing programs (e.g., study skills, diversity training), social and recreational activities, providing limited guidance services (on academic, personal, and social matters, and making referrals when appropriate), and investigating misconduct (e.g., alcohol violations) and conflict (e.g., roommate disputes). Although some tasks were performed independently, allocation of human resources was determined by the RA team (together with the HD), and larger tasks were done collectively (more than 50% of their total work time was spent in team tasks). Although technically a "student sample," RA's were typically seniors or graduate students who undertook this task as

their primary job for at least a year. They devoted at least 20 hours per week to this job; thus, it was not a simple laboratory task.

Twenty-one residence hall teams participated in the study; teams comprised between 10 and 21 RA's. Respondents were 45% male and 55% female. Mean age of RA's was 21.67, with 90% between the ages of 20 and 23. Racial distribution was 76.5% Caucasian, 13.7% African-American, 3.5% Asian, and 3.0% Hispanic.

Procedures

Surveys were distributed to all RA's and HD's as part of the hall staff meeting agenda and completed at that time (N = 198). Response rate was 100%. There was no incentive for complying nor were participants required to complete the survey. The survey was distributed at the first staff meeting of the second quarter of the school year, approximately twelve weeks after formation of the residence hall team. This time frame was chosen to allow for relationships to develop throughout a complete 10-week term and to give consideration to the RA's schedules (the beginning of a term is less hectic than the end; thus, HD's were more willing to provide meeting time and RA's did not feel time pressure to complete the survey). Evidence of previous relationships between individuals prior to RA assignment was not assessed; however, given the size of the university and the geographic separation among living areas, it is likely that RA teams had minimal contact before team formation.

Measures

The survey measured three types of work values (work environment preferences, ethical values, and work ethic), exchange relationship quality, perceived similarity, and demographic items. Work environment preferences were measured by Pryor's (1981) 52-item Work Aspects Preference Scale (WAPS). Subscales (= .74 - .90) measure the importance of: Independence,

Coworkers, Self-Development, Creativity, Money, Lifestyle, Prestige, Altruism, Security, Management, Detachment, Physical Activity, and Surroundings. Eight additional items assessed Service Orientation and Teamwork Orientation (Inks, 1992). The "work ethic" or the extent to which hard work is seen as "good" was assessed by Mirels and Garrett's (1971) Protestant work ethic (PWE) scale (= .71). Finally, ethical values were measured by Forsyth's (1980) Ethics Position Questionnaire (EPQ) that contained two scales: Idealism (= .87; sample item: "A person should make certain that their actions never intentionally harm another even to a small degree.") and Relativism (= .87; sample item: "Different types of moralities cannot be compared as to 'rightness.' "). Responses are on a scale from 1 (completely disagree) to 9 (completely agree).

Exchange relationship quality was assessed by the seven-item LMX scale (= .71; Scandura & Graen, 1984; recommended by Graen & Uhl-Bien, 1995). An example of an item is "Do you usually feel that you know where you stand . . . do you usually know how satisfied your hall director is with what you do?" with response points of always, usually, seldom, and never. Team Member Exchange (TMX) was measured by a series of questions adapted from Seers (1989) and included three scales: Exchange (= .75), Cohesiveness (= .67), and Meetings (= .86). The Exchange scale constitutes the primary measure of TMX (sample item: "How often I suggest better work methods to others"). Cohesiveness and Meetings were viewed by Seers (1989) as important related measures of relationship quality and correlate with the Exchange scale r = .35 and r = .22, respectively. The Meetings scale assesses the efficacy of team meetings, an important part of the RA's job description (sample item: "Meetings are good for expressing my ideas."). A sample Cohesiveness item is "Team has a strong sense of togetherness"). TMX items were answered on a scale from 1 [never] to 5 [very frequently]).

Perceived similarity was assessed in the following manner. After each of the three sections of values items, participants were asked two questions: "Compared to you, how similarly would you say your hall director answered the questions in this section?" and "Compared to you, how similarly would you say other staff answered the questions in this section?" Responses were reported on a scale from 1 (very differently) to 5 (very similarly). Finally, demographic questions such as gender and experience were also assessed.

Actual similarity between each RA and his or her residence hall RA team was measured by taking the square root of the summed squared differences between an individual's score on a specific variable and the score on the same variable for every other individual in the RA team, divided by the total number of respondents in the unit (Tsui et al., 1992), a commonly used index of similarity between an individual and the rest of a group. As dyads, similarity between the RA and the Hall Director was calculated using the absolute difference between their values. Although the appropriateness of difference scores has been debated (e.g., Bedeian, Day, Edwards, Tisak, & Smith, 1994), the fact that the scores in question are collected from multiple individuals, at a single point in time, and have high internal consistency makes this an acceptable approach (Tisak & Smith, 1994). It has also been used in other LMX research (e.g., Phillips &

Bedeian, 1994).

Data analysis

Predictors for LMX and TMX were analyzed using multiple regression correlation (MRC) analyses (Cohen & Cohen, 1983). Predictor variables were grouped into sets for both theoretical and statistical reasons. Each set was theoretically related in terms of being demographic or being composed of work values of a similar type. Sets were entered hierarchically into the regression in the following order: demographic/background variables, values, actual similarity on demographic variables, actual similarity on values, and finally perceived similarity on values. This a priori ordering provides the change in R^2 between measured variables that are innate (e.g., race), those that are learned, and similarity with others in these characteristics. Using an adaptation of Fisher's protected t test, each set of variables had to lead to a significant change in R^2 for any one member of the set to be tested for significance (Cohen & Cohen, 1983). Statistically, use of this technique mitigates problems inherent in a large predictor to n ratio having to do with potential for set-wise and experiment-wise Type I error (Cohen & Cohen, 1983) because the F test for the set as a whole must be significant before individual variables within the set are considered.

Results Results are discussed first in terms of LMX, followed by TMX. An alpha level of .05 was used for all statistical tests. A particular R^2 is reported only once, though it may be relevant for more than one hypothesis.

The complete MRC analysis for LMX is shown in Table 1. Adjusted R^2 = .28. There was partial support for the prediction that actual and perceived similarity would be positively related to LMX. LMX was not related to any measure of actual work values similarity, but was positively related to Resident Advisor's perception of similarity to the Hall Director on the

Protestant work ethic ($\underline{R}^2 = .02$, $\underline{p} < .05$) and perception of similarity on preference for the work environment (WAPS, $\underline{R}^2 = .10$, $\underline{p} < .00001$). Hypothesis 1 that moral values similarity would demonstrate a stronger relationship to LMX than preference values similarity was not supported. Perceived similarity in preference values was positively related to LMX, but perceived similarity on only one of the moral values types was positively related to LMX. Hypothesis 2 was supported: personal preference values (measured by WAPS) were positively related to LMX and social consensus values (idealism and relativism measured by the EPQ) were not. Because perceived similarity was positively related to LMX and actual similarity was not, Hypothesis 3 was supported. LMX was not related to any measure of actual demographic similarity or on the demographic attributes or work values themselves.

The complete MRC analysis for TMX-cohesiveness is shown in Table 2, adjusted $\underline{R}^2 = .38$. The MRC for TMX-exchange is presented in Table 3, adjusted $\underline{R}^2 = .16$. The MRC for TMX-meetings is presented in Table 4, adjusted $\underline{R}^2 = .27$. Perceived values similarity was not related to TMX. There was some support for Hypothesis 1 for TMX. Higher actual similarity in Protestant work ethic (moral-personal) was related to TMX-cohesiveness ($\underline{R}^2 = .27$, $\underline{p} < .05$) and TMX-meetings ($\underline{R}^2 = .02$, $\underline{p} < .05$), but idealism and relativism (moral-social consensus) were not. Actual similarity in preference for Security ($\underline{R}^2 = .02$, $\underline{p} < .05$), actual similarity in preference for Surroundings ($\underline{R}^2 = .02$, $\underline{p} < .05$), and actual similarity in Teamwork Orientation ($\underline{R}^2 = .02$, $\underline{p} < .05$) were positively related to TMX-cohesiveness. Actual similarity in Management (valuing work with management responsibilities) was negatively related to TMX-meetings ($\underline{R}^2 = .03$, $\underline{p} < .05$). Hypothesis 2 received support. The preference values just mentioned (Security, Surroundings, Teamwork Orientation, Management) were related to TMX, but social consensus values were not. Hypothesis 3 was not supported; actual values similarity

was related to TMX, but perceived similarity was not.

In terms of other significant relationships found in the MRC, importance of Coworkers was positively related to TMX-exchange (R^2 = .08, p < .001) and TMX-cohesiveness (R^2 = .17, p < .0001). TMX-meetings was positively related to LMX (R^2 = .05, p < .01).

Regarding the exploration of the relationship between LMX and TMX, LMX was correlated with all three TMX scales: TMX-exchange (r = .16, p < .05), TMX-cohesiveness (r = .26, p < .0001), TMX-meetings (r = .38, p < .0001). Although these two measures of exchange relationships were related, they did not share the same relationships with the other variables in the study. In particular, perceived similarity was positively related to LMX and actual similarity was positively related to TMX.

Discussion

The purpose of this study was to investigate the effect of types of work values similarity on working relationships. Data were collected on the entire population of resident advisors and hall directors at one organization. Multiple regression analyses assessed the effects of demographic attributes and values themselves as well as similarity on these attributes. Hypothesized relationships received moderate support. Perception of similarity on two of the three values types (PWE and work environment preferences) predicted LMX over and above demographic attributes or values themselves. In contrast, TMX was related to holding a specific value (preference for coworkers on TMX-cohesiveness), as well as actual similarity on certain values (PWE, preference for security, preference for surroundings, teamwork orientation for TMX-cohesiveness; dissimilarity in terms of valuing work with management responsibilities on TMX-meetings).

Several potential reasons exist for the differing roles that actual versus perceived similarity played in LMX versus TMX. Team members may have more accurate perceptions

about peers than a supervisor. Training in teamwork may have facilitated this accuracy. Additionally, RA teams interacted frequently, also sharing the same living situation and educational milieu; thus, they may have come to know each other's values as they related to that setting. In contrast, a subordinate simply may be less aware of their supervisor's values, relying more on perceptions than reality. Finally, individual RA's perceptions about their Hall Director also may have been influenced by other RA team members, consistent with the idea of social construction of meaning (Salancik & Pfeffer, 1978) and the influence of characteristics of other members in the work group (Tsui et al., 1992).

The relationship between perceived and actual similarity was also noteworthy. There was no significant correlation between RA's perceived and actual similarity with their hall director, but there was a significant correlation between RA's perceived and actual similarity with their residence hall team on work environment preferences ($r = .18$, $p < .05$) and PWE ($r = .21$, $p < .01$). Perceived similarity to team members and to the hall director on the various types of values was also highly correlated (see Table 5). Actual similarity on the various types of values was not significantly correlated for RA teams, and only preference and Protestant work ethic values were correlated for RA's and hall directors. Perceptions of similarity appear to be more global than actual similarity warrants. Nevertheless, this finding is consistent with previous research demonstrating that individuals who are similar on one or more characteristics perceive each other to be similar on other attributes as well (e.g., Levinger & Breedlove, 1966) and that individuals generally assume similarity with groups of which they are members (e.g., Holtz, 1997).

Findings regarding the particular attributes or similarity on attributes are of interest as well. First, it is noteworthy that demographic attributes or similarity demonstrated only one

relationship: similarity in age was associated with higher scores on TMX-meetings. Admittedly, age had a small range (though this is not uncommon among groups of subordinates). However, it is reassuring to note that differences in sex or race did not lead to poorer working relationships. Other discussions of group processes in the workplace (e.g., Jackson, 1991) have noted the potential for conflict in diverse teams. If work values similarity is salient, the negative effects of demographic diversity may be reduced. An individual group member will be seen to have a profile of various characteristics rather than being viewed stereotypically. Alternatively, the lack of any negative effect due to demographic diversity may be due in part to RA's being selected for their ability to interact well with different types of people, as well as RA's own self-selection into this type of work. The effect is probably not due to any lack of diversity in this sample as compared to other research. The characteristics of diversity that are usually considered most problematic (see Jackson, 1991) are sex and race, which are equally if not more diverse in this sample.

Although there was no relationship between demographic attributes or similarity in supervisor-subordinate dyadic relationships in this study, other research has found different results. Women and minorities are more likely to select similar mentors (Burke & McKeen, 1995; Galaskiewicz & Shetin, 1981). Age and race similarity are related to higher supervisor ratings of affect for the subordinate and higher subordinate ratings of role ambiguity and conflict (Tsui & O'Reilly, 1989).

Another observation concerns the predictive ability of values and similarity. Not surprisingly, placing value on the importance of coworkers in the work setting had positive effects on TMX. In contrast, idealism and relativism as measured by the EPQ showed no significant relationships. It is very likely that certain values are made salient or consequential by

the particular team context or task itself. Individuals who value coworkers in the work setting are potentially more likely to engage in high quality exchange relationships with other team members. The residence hall team setting is one that encourages exchange relationships. On the other hand, though potentially shaped through influences of education, idealism and relativism may not be as readily articulated in the residence hall team context.

Limitations and Directions for Future Research

Some limitations of the present study should be noted. The sample in this study was somewhat different from that typically used in organizational research. Supervisors did not have power to give pay increases or promotions, and subordinates typically held their job only one or two years. These attributes of the sample may limit generalizability to a certain degree. On the other hand, subordinates did receive direction from their supervisor, the tasks subordinates engaged in were often done in teams, and the supervisor had the discretion to treat subordinates differently. These attributes make the sample a good one in terms of investigating LMX and TMX. Arguably, the sample is most generalizable to other settings related to human services because of the nature of the tasks and the configuration of values held by the sample. Moral values may be more important in one type of sample than others. Future research will help to resolve this question.

The sample size was somewhat small given the number of variables investigated; however, it would be problematic in most organizations to obtain a larger sample. The sample size is consistent with other TMX and LMX research (e.g., Phillips & Bedeian, 1994; Seers, 1989). Nevertheless, it was valuable to obtain a sample of such willing respondents, eliminating concern about why some individuals volunteered and others did not.

In addition to the suggestions for future research already mentioned, additional research

should focus on other types of variables in the work values framework. The present study investigated only three of the four quadrants, and only one measure of work values from those quadrants. It may be that particular work values content as well as type demonstrate important relationships with LMX and TMX. Further work must also be done to ascertain whether the theoretical placement of the work values measures in the quadrants is valid.

Values similarity has some important implications for human resources in organizations. On the positive side, similarity is likely to enhance communication, satisfaction, and enhance development of procedural norms. On the other hand, decision making ability as a team can potentially be impaired because people with similar values will suffer from perceptual set and are not likely to find as many alternative solutions (Billings, Milburn, & Schaalman, 1980). In conclusion, by showing the relationship of perceived similarity of ethics and preferences for the work environment on leader-member exchange relationships and the importance of actual and perceived values for team exchange, this study demonstrated that work values are a potentially important variable to consider in terms of the efficacy of group processes, particularly exchange relationships.

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Table 1

Predictors of Leader Member Exchange

		B	Beta	R^2
I	Demographic, Background Variables			.01
II	Values scores			.15
III	Actual similarity between RA and HD on Demographic variables			.01
IV	Actual similarity between RA and HD on Values			.11
V	Perceived similarity on values			
.16*****				
	Protestant work ethic	.13	.23	.02*
	Ethics Position Questionnaire	.00	.01	.00
	Work Aspects Preference Scale	.25	.52	.10******

n = 157, * p < .05, ** p < .01,*** p < .005, **** p < .0005, ***** p < .0001,

****** p < .00001

Table 2

Predictors of Team Member Exchange: Cohesiveness Scale

		B	Beta	R^2
I	Demographic, Background Variables			.04
II	Values scores			.26****
	Coworkers[1]	.62	.56	.17*****
III	Actual similarity between RA and team on Demographic variables			.03
IV	Actual similarity between RA and team on Values			.18***
	PWE	.57	.24	.27*
	Security	.37	.19	.02*
	Surroundings	.46	.20	.02*
	Teamwork Orientation	.31	.28	.02*
V	Perceived similarity on values			
.05*				
	WAPS	.18	.20	.02*

[1]Non-significant values scores and values similarity scores not listed.

n = 157, * p < .05, ** p < .01,*** p < .005, **** p < .0005, ***** p < .0001

Table 3

Predictors of Team Member Exchange: Exchange Scale

		B	Beta	R^2
I	Demographic, Background Variables			.03
II	Values scores			.26***
	Coworkers[1]	.25	.39	.08***
III	Actual similarity between RA and team on Demographic variables			.01
IV	Actual similarity between RA and team on Values			.10
V	Perceived similarity on values			.01

[1]Non-significant values scores and values similarity scores not listed.

n = 157, * p < .05, ** p < .01,*** p < .005, **** p < .0005, ***** p < .0001

Table 4

Predictors of Team Member Exchange: Meetings Scale

		B	Beta	R^2
I	Demographic, Background Variables			.06
II	Values scores			.18
III	Actual similarity between RA and team on Demographic variables			.07*
	Age[1]	.16	.40	.05***
IV	Actual similarity between RA and team on Values			.15*
	PWE	.55	.20	.02*
	Management	-.38	-.21	.03*
V	Perceived similarity on values			
.03				

[1]Non-significant values scores and values similarity scores not listed.

n = 157, * p < .05, ** p < .01,*** p < .005, **** p < .0005, ***** p < .0001

Table 5

Correlations between Actual and Perceived Values

				1	2	3	4	5	6	7	8	9	10	11
(1)	Pref.[1]	Team	Actual											
(2)			Perc.	.18*										
(3)		HD	Actual	.36**	.04									
(4)			Perc.	.05	.46**	.07								
(5)	EPQ	Team	Actual	.05	.00	.09	.07							
(6)			Perc.	.25**	.54**	.04	.32**	.14						
(7)		HD	Actual	.18**	.01	.04	.02	.30**	.12					
(8)			Perc.	.11	.31**	.10	.41**	.18*	.67**	.08				
(9)	PWE	Team	Actual	.06	.07	.08	.04	.05	.03	.03	.18*			
(10)			Perc.	.08	.25**	.02	.54	.09	.34**	.02	.49**	.00		
(11)		HD	Actual	.03	.07	.19**	.15	.11	.08	.01	.20**	.28	.24**	
(12)			Perc.	.15*	.44**	.01	.32**	.04	.51**	.04	.35**	.01	60**	.21**

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[1]Pref. = Preferences for work environment; EPQ = Ethics Position Questionnaire; PWE = Protestant work ethic; Team = RA team; HD = Hall Director; Actual = Actual values; Perc. = Perceived values

*$p < .05$, **$p < .01$