VALUE ADDED RELATIONSHIP MANAGEMENT
A KEY TO EFFECTIVE MANAGER-SUBORDINATE RELATIONSHIPS

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Considerable effort, in recent years, has been devoted to improving individual, unit, and organisational effectiveness, primarily through the implementation of various types of human resources management policies and practices. Such efforts have yielded mixed results, and we believe this is because the focus of attention has been on the interface of the individual employee with the organisation (and its policies and practices). Largely neglected in prior implementation efforts has been what we believe to be a perhaps more relevant focus of attention, which is directed at the fundamental interaction of organisational life: the manager-subordinate relationship. This article presents the case that the manager-subordinate relationship can be problematic for a number of reasons, and until we devote serious attention to preventing the development of dysfunctional relationships, and work at cultivating effective relationships, we should not expect to see maximally effective employees or organisational units.

We propose a new approach, called Value Added Relationship Management (VARM), which we believe is a productive way to address manager-subordinate relationship problems, and we discuss its implications for practice.

The Nature of the Manager-Subordinate Relationship
A manager, usually, is on two teams: first, he or she is a manager or boss for his or her subordinates; and second, he or she is a subordinate for his or her boss or superior. This is true for all levels of managers, including the CEO, who reports to the board of directors of an organisation. Therefore, a manager switches roles all the time; he or she is a boss one moment and a subordinate the next.

Managers have traditionally been looked upon as people who manage money, machine (or resources), and man to achieve organisational goals. In that tradition, Mintzberg’s (1973) now classic study of managerial work identified ten managerial functions that can broadly be classified into three roles: (1) decisional (entrepreneur, disturbance handler, resource allocator, and negotiator); (2) informational (monitoring, disseminating, and spokesperson); and (3) interpersonal (figurehead, leader, and liaison). This description of managerial roles tacitly assumes the manager to be the epitome of a rational person, and often does not focus on the managers’ self-interest.

In the traditional perspective of a manager, it is also tacitly accepted that a manager’s primary goal is NOT to develop his or her subordinates, provide resources for them, and develop effective relationships. The issue of manager-subordinate relationship is often lost in the academic debate of whether a manager (leader) should be task oriented or people oriented.

We need to examine more carefully the managers’ focus of attention, goals, and objectives to better understand the nature of the manager-subordinate relationship. There has been some interest in
studying what managers do from the non-traditional perspective. Luthans, Hodgetts, and Rosenkrantz (1988) reported that managers spend almost 50% of their time on networking and politicking. They reported that managers focus on positioning themselves well for upward mobility and to create an image of being indispensable. It is clear that managers focus more on their role as a subordinate and concentrate on how they can manage their relationship with their boss for furthering their career.

Reasons managers engage in such externally focused (i.e., external to their own work unit) activities are several. First, many organisations have “fast-track” systems, which arguably focus people’s attention on the “wrong” behaviours; that is, taking on high visibility projects that will help them to be promoted quickly, not on developing themselves or their subordinates (Ferris & King, 1991).

Second, organisational restructuring/redesigning efforts have posed threats for managers, causing considerable insecurity among them. For example, downsizing threatens many managers because they are often the ones that are cut as organisations get smaller. Also, increased focus on employee involvement programs makes many managers feel they are relinquishing their control, and that they will be considered expendable.

Further compounding the problem, promotion systems encourage managers to behave politically in that the lack of structure, control, and accountability permit the “wrong” types of people to be promoted (Ferris, Buckley, & Allen, 1992). Also, the general nature of accountability needs to be addressed because we don’t seem to hold managers accountable for their actions. But it is not just the managers that are the problem in the manager-subordinate relationship. Subordinates can pose problems as well.

Freiberg (1991) recently reported an interesting finding from a long-term study by Professor Robert Hogan and colleagues of University of Tulsa in the APA monitor. At least 60% of the workers surveyed reported that the most stressful aspect of their job was their immediate supervisor. Managerial incompetence, therefore, seems to be a major problem today, and employees’ perception that their bosses are incompetent further compounds the manager-subordinate relationship.

Freiberg (1991) also quoted a 1988 nationwide poll, which revealed that only 41% of the respondents thought their supervisors dealt ethically with employees. In this context, Greenberg’s (1988, 1990) finding that managers are not very concerned about being fair, but extremely concerned about appearing to be fair becomes meaningful. It should hardly surprise us that subordinates also behave politically and try to manage the impression that they are doing a good job, are competent, and so forth.

Thus, managers are simultaneously, both, boss and subordinate. Traditionally, researchers have focused on their role as a superior and only recently has attention been paid to the nature of a manager’s role as a subordinate. What clearly comes out of these studies is that managers tend to network for both functional reasons as well as for promoting their self-interest of promotion and advancement. Given managers’ focus on “externalities,” (i.e., activities external to their functional roles), what can we say about how they should manage the relationship with their superiors? Before we put forth our recommendation, we critically examine some prior thought in this area that has contributed to the understanding and improvement of manager-subordinate relationships.

**Efforts to Improve the Manager-Subordinate Relationship**

Gabarro and Kotter (1980) start their article with a disclaimer that “managing your boss” does not refer to “political maneuvering or apple polishing.” Researchers’ fetish to avoid facing the reality of political behaviour in organisations is, we think, unfortunate. By merely stating a
disclaimer, we cannot avoid political behaviour. The tendency to disavow or avoid the notion of political behaviour stems from the belief that organisational politics is necessarily bad. However, this reflects only one view of politics.

We believe political behaviour is an integral part of organisational life, but a part of organisations that is not clearly understood and we need to understand much better (Kacmar & Ferris, 1993). Furthermore, we feel there is no need to apologize for managers' involvement in political behaviour. Instead, we provide an ethical basis and a few practical tips for dealing with political behaviour.

Gabarro and Kotter (1980) posit that effective managers recognize managing one's boss as a "legitimate" part of their work. However, they do not explain the source of this legitimacy. We believe most of us are hesitant to accept that, in a power hierarchy, it is always the less powerful who has to manage the more powerful. Perhaps it is this natural law that requires a subordinate to legitimately manage his or her boss. Unfortunately, the less powerful also have less access to material resources, and that makes it extremely difficult for them to manage their superiors without tapping their personal resources, (e.g., time, effort, information, loyalty, and commitment).

Gabarro and Kotter (1980) suggest that relationships involving mutual dependence (we prefer to use the term interdependence to describe superior-subordinate relationships) require good understanding of both self and others regarding goals, objectives, strengths and weaknesses, and working styles. Indeed, "understanding self and other" is the key, but this is a generic strategy to success in life, and is applicable to the superior-subordinate relationship in that sense. However, there is a need to focus on the superior-subordinate relationship beyond such abstract generalisations.

Gabarro and Kotter's (1980) recommendation that to build a healthy working relationship, a subordinate needs to actively communicate about mutual expectations and keep the information flow at the required level is in the same vein of generic strategies; so is their exhortation for subordinates to be dependable and honest.

Baird and Kram (1983) view superior-subordinate relationships in the context of phases of career, the phases being, establishment, advancement, maintenance, and withdrawal. Their heuristic of ‘career dynamics’ is reasonably deterministic, and the subordinates are not left with much choice but for praying for a good ‘fit’ with respect to their superiors’ career phase (i.e., if the subordinate is in the establishment phase, the boss should be in the advancement or maintenance phase; if the subordinate is in the advancement phase, the boss should be in the maintenance phase; etc.).

These authors imply that a boss in the withdrawal phase of his or her career is no good to a subordinate. This clearly is not what we find in real life where superiors planning to retire do groom their subordinates for advancement, often to carry their legacy in the future.

The most important contribution they make, with which we agree, is that the superior-subordinate relationship is an exchange relationship. However, because of their focus on career development phases, they completely miss the asymmetry that is involved in the exchange between superiors and subordinates, (i.e., the subordinate has more to gain from and less to offer to the superior).

Baird and Kram (1983) stress the need to “clearly identify your and the other party’s needs.” This is important but not for the same reasons that they forward. The trick is to add value to the relationship, and we think by adding value a subordinate can even transform a superior in the withdrawal phase into a growth phase (and reap rich dividends therein) with new and creative ideas, zeal, effort, and commitment.
These authors caution managers that the fit is likely to change over time but do not provide any hint as to how to handle a poor fit, which is a major weakness of their model. They do not address the question of ‘what if the career phases of a superior and subordinate do not match.’

They exhort the subordinates to “understand the constraints” on the superior. This is a critical aspect of a superior-subordinate relationship which is compounded by increased span of control, or the presence of many subordinates reporting to a superior and the inherent competition among subordinates for resources. Baird and Kram (1983) completely miss this aspect by focusing on the career phase of a superior vis-a-vis that of a subordinate, and this is a second weakness in their career dynamics model.

Leach and Murray (1979) looked at the superior-subordinate relationship as a contract and contended that ‘job changes are often really searches for a better superior-subordinate relationship.’ They viewed the career contract as an implicit, dynamic relationship, and suggested that the subordinate moves on when the contract is broken.

They describe four archetypical superiors: an autocratic boss, a superior with a personal weakness (e.g., an alcoholic), a person facing career plateau, and a person who believes “all development is self-development.” Apparently, the best strategy for the subordinate, in each of these scenarios, is to break the contract and move on. This sounds like a defeatist approach to the superior-subordinate relationship, and indeed leaves one with little in the way of constructive alternatives.

These authors propose that the career contract is founded on three elements: (1) respect for the superior (subordinates treat the boss with high regard only if he or she is perceived as worthy, i.e., honest and ethical, firm but fair, accessible, listens to subordinates, etc.); (2) trust in the superior (the subordinate frequently places his or her career in the custody of the boss and perceives the boss as a career-advancement resource); and (3) learning from the boss (can the subordinate learn managerial or professional skills from the boss by emulating him or her, i.e., can the superior mentor effectively). Leach and Murray (1979) posit that if all the three elements are present in a ‘contract,’ it lasts; and if none of them are present, it breaks. They speculate that at least two of the three factors should be operating if a work relationship is to be rewarding.

A major weakness in the approach these authors took appears to be the emphasis they place on the superior. They suggest that the superior must be a relationship oriented person, a person who is willing to sponsor his or her subordinate, and a perfect mentor or role-model for the subordinate. We disagree with them and contend that the onus of building the superior-subordinate relationship is on the subordinate owing to the power and resource asymmetry between them.

To conclude, we find in the literature that researchers try to avoid confronting the issue of political behaviour in organisations, and imply that it is both pernicious and dysfunctional. Most authors in the past have also missed the discussion of asymmetry in power and resources between the superior and the subordinate, and the resulting inherent pressure on the subordinate to manage the relationship. Also, in the process of simplifying the relationship between the superior and subordinate, often, the presence of many subordinates for a superior is overlooked. We find that there have been no real “best answers,” and so we propose a new approach as a potentially effective way to handle superior-subordinate relationship.

**VARM: A Way to Improve the Manager-Subordinate Relationship**

Is political behaviour Machiavellian? Insincere? Exploitative? Manipulative? Unethical? Or all of them? We believe that it can be all of that if there is an intention of manipulation, and that the two people involved in a relationship are the best (and only) judges of intentionality (Ferris, Bhawuk, Fedor, & Judge, 1995). Given this limitation, can political behavior be used with clear conscience?
Bhawuk (1997) proposed ‘Value Added Relationship Management’ (VARM) as a tool to manage relationship, which can be used to manage this problem. However, before we get into the discussion of how value added relationship management can help managers address these questions, we need to define some of the terminology.

Ferris and colleagues (Ferris & King, 1991; Ferris, Fedor, & King, 1993; Ferris & Judge, 1991) conceptualize political behavior as a way of managing shared meaning. They argue that people manage shared meaning by managing their image in the eyes of significant others. This is what Schlenker (1980) has called Impression Management (IM).

Organ (1988) defines Organisational Citizenship Behavior (OCB) as “individual behaviour that is discretionary, not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective functioning of the organisation.” OCB is akin to extrarole and prosocial behaviours but fundamentally it is a behaviour that people perform without expecting any personal gain, for reasons of either altruism or conscientiousness (Organ, 1988).

Others (Williams & Anderson, 1991) have, however, categorized OCB into two categories: (1) those behaviours that benefit the organisation (OCBO); and (2) those behaviours that benefit an individual (OCBI) directly and the organisation indirectly. It is quite clear that both OCBO and OCBI benefit the individual, the difference is in the degree of directness.

We believe the difference between OCB and IM is rather superficial. We do not rule out altruism as the cause of many human behaviours; however, we do think that IM can become second nature (i.e., habitual) to many sophisticated managers and politicians, and may seem like OCB. On the other hand, people less sophisticated with the use of power may find those same behaviours as IM (Brislin, 1991). We think OCB can be considered the very minimum that one needs to do IM. Hence, OCB can be argued to be a part of the broader construct of IM. In this article, we do not delve into the similarities and differences of OCB and IM, but only mention them where appropriate. We now return to the discussion of VARM.

What is VARM? It is an approach to consciously managing one's organisational relationships. We think it is a philosophical position, a state of mind, or an attitude that successful managers and public leaders show towards their relationship with people in positions of power; a skill that can be acquired or cultivated.

We think it is extremely important for today’s “existential managers” (Kelly, 1993), whose value is “exploiting visibility,” whose information channels are “electric mail and extremely short one-on-one meetings,” whose choice of management process is “networking, brief encounters, gossip, and soft-info, all characterized by high speed, brevity, variety, and discontinuity,” and whose choice of structure is “controlled anarchy and adhocracy.”

In a situation where everyone is networking for his or her own benefit, we all seek to get something from each of our relationships, and we promptly drop a relationship when it becomes dysfunctional. In other words, we pick and choose relationships that add value to our work, and to our network. We believe successful managers practice VARM, they continuously evaluate their relationships and cultivate those that increase their “net worth.” We describe below the characteristics of VARM.

**Long-term Versus Short-term Perspectives**

VARM requires a long-term perspective and we believe one must indulge in political behaviour with an understanding that relationships are built over years and nothing can be achieved in a day or two. For example, a professor evaluates a research student over an extended period of time to
judge his or her ability, and their work relationship is founded on this extended evaluation. At the work place too, a supervisor observes a subordinate over an extended period of time to make any global judgment about him or her.

In taking a long-term perspective, political behaviour should be viewed as an investment made in a relationship that may or may not bear fruit. When there is an implicit assumption that the relationship may not bring any gain to a person, it cannot be termed insincere or Machiavellian. Thus, the long-term view of a relationship makes it ethical to indulge in managing relationships which could otherwise be considered questionable.

Short-term relationships are managed by evaluating what one gains from versus what one has to contribute to the relationship. Therefore, there is not much need for, and effort by either party to indulge in, political behaviour. However, if these are viewed as opportunities to build the relationship, then political behavior does come into play.

An aspect of the long-term approach is building trust. Often it is thought that if a person managing impressions loses subtlety, he or she would fall out of grace. We do not believe this happens if the approach is to build a relationship over the years. A person can always apologize for his or her behaviour if a manager considers that behaviour as insincere, “sucking up,” or “brown-nosing.” There is always some slack or flexibility in relationships, and most lasting long-term relationships go through ups and downs.

**Investing in Relationships**

Relationships could be looked upon as a bank account. What one can draw from his or her bank account is limited to what one has deposited. Similarly, one can ask for favors from a superior to the extent one has obligated him or her. In the same way that one cannot write a check for the amount that is more than what one has in his or her account, one cannot request a person to do things for him or her too often without standing the risk of facing refusal. If one uses the bank account approach to relationship management, then it cannot be considered unethical or Machiavellian.

The simple principle of managing one’s bank account is that one should keep depositing in the account so that when needed one can write a check. How can one deposit in a ‘relationship account’ or invest in a relationship?

Usually in a work relationship the superior has more resources under his or her control than a subordinate. We believe that the way a subordinate can add value to the relationship is by being dependable. Every organisation goes through crises and that is the time when a superior needs the help of a subordinate most. Subordinates should look at these situations as opportunities to invest in their relationship, occasion to indulge in political behavior. It may require working extra hours, doing things at odd hours, and so forth. Dependability has been identified as a characteristic of OCB, and this is an important similarity between OCB and VARM.

Another way to add value is to find out what the superior’s other needs or interests are and try to be of help. This may appear to be ‘sucking up’ but we believe it is more like adding lubrication to a bearing to make it run smoothly. If a student comes across an interesting paper during his or her library research which he or she knows is in the area of interest of a professor, it does not hurt the student to make a copy for the professor. It shows that the student cares. It does not hurt to bring a souvenir from a trip to a foreign country (a bottle of wine is a souvenir, a Rolex watch is not). It also helps to share information one has that may help the superior in some way.

The idea is to use one’s resourcefulness to make the relationship rich. Since the superior has more organisational resources at his or her command, the subordinate faces the challenge to find out
both formal and informal, professional and personal, avenues to add value to the relationship. Taking stock from time to time helps one discover how much one has taken from a relationship and how much one has added to the relationship, thus avoiding overdrawing.

**Being Resourceful**

VARM requires subordinates to look for roles beyond their organisational roles. In large organisations, it often helps to look for a role beyond one’s organisational role to increase one’s resourcefulness. There are always volunteers needed to organise social events and this provides an opportunity to interact with many people informally. For example, the first author helped the publicity department start the house journal for Royal Nepal Airlines and served as its managing editor beyond his organisational role as training manager. This allowed him to network with managers of all departments and the CEO, which facilitated his function as training manager on many occasions.

In general, any assignment for which one does not receive remuneration provides one opportunities to enrich his or her network which can eventually be used to invest in one’s relationship with the supervisor.

Something needs to be said about informal situations here. These offer many opportunities for political behaviour. For example, in a formal situation one cannot share one’s hidden talents with the superior but in an informal situation one can. Informal interaction also allows one to discover the superiors’ interests and hobbies. One cannot get close to a superior by playing tennis if the superior loves to play golf. We do not think there is anything wrong in cultivating new interests or hobbies, if one can. But if one cannot, the information still can be used effectively. For example, to start a business discussion with informal talk is customary and one can talk about what interests the superior, say, the forth coming big golf event.

Others (Jennings, 1971) have also recommended developing skills and expertise which are crucial to one’s superior’s success as a ‘route to the executive suite.’ We propose that managers develop other skills that are not directly related to their work or organisational roles that facilitate their interaction with their superiors to add value to manager-subordinate relationship.

**Learning Political Skills**

We argued earlier that because of the asymmetry in power and resources between a manager and a subordinate, it is always the subordinate who has to manage the superior and hence he or she must take the initiative in cultivating the relationship. Therefore, to effectively add value to a manager-subordinate relationship a positive attitude or a predisposition to political behaviour is required. An attitude of ‘I don’t care what he or she likes’ is a definite hindrance to VARM. We believe it is this callousness on the part of efficient subordinates that allows the less efficient ones to succeed in gaining the grace of the superiors. Indeed, much attention has been devoted to the nature of influence tactics and what to do in the execution of political behaviour. Obviously, this is important to understand. However, at least as, if not more, important is the skill necessary to execute political behaviour in a way that is perceived by others as genuine, sincere, well-intentioned, and thus effective. Scholars have labeled this social skill or style component, about which we still know so little, as “political skill” (Ferris, Perrew, Anthony, & Gilmore, 2000), and we would argue that it is critical to the effective execution of VARM.

**Developing a Thick-Skin**

We think this is one of the ‘hard-to-practice’ strategies, but a definite characteristic of VARM. There always is an occasion when a peer gets that coveted trip, training, or promotion that one is willing to lose his or her cool. However, the subordinate is better off accepting the situation and
working at the relationship with the superior with a positive attitude. Even a put down by the superior has to be taken as a bitter pill, a suggestion for improvement.

If one feels insulted because of the superior’s behaviour, it is important to clear it up with him or her rather than to simply consider the relationship to be over, or worse, to let the incident fester inside you until such resentment builds that it destroys the relationship. It is the subordinate who has more to lose and, therefore, must rationalize ‘insult.’ Mastery of political behaviour requires a continuous rationalisation of negative feedback, put downs, and criticism offered by the superior, beyond what would normally be expected as OCB. In other words, subordinates need to develop emotional muscle to handle their supervisors’ negative behaviours. The following brief incident illustrates these notions.

The CEO of Nepal TV, a government owned television broadcasting company in Nepal, apparently did not like one of his subordinates. As a punishment to this subordinate he assigned him to the morning shift, and denied him office transportation on some pretext, causing the poor fellow to leave home at four in the morning to start his work at six.

This fellow took the transfer in his stride. He did it for months without ever complaining and when the CEO asked him how he was finding his new assignment, the subordinate gracefully thanked him and expressed his joy at enjoying his morning walk. He told the CEO that his health had improved in just a few months and that much to his own surprise he loved to be a morning person. The CEO was as peeved as the subordinate was cheerful.

The subordinate was immediately transferred to the late night shift. This allowed the subordinate to use the day for so many things he always wanted to do, but had never found the time to do. He was cheerful as ever when reporting his feelings about his job to the CEO. This earned him transfer to a difficult location outside the city and finally to another city, away from home.

The subordinate was not discouraged (or so he behaved!) and stuck it out. He never complained about these arbitrary transfers. He always expressed his thankfulness to the CEO and expressed his desire to carry out any assignment that the CEO thought fit for him.

Finally, the CEO gave in. He even took a liking for this subordinate and brought him in in his own office as a special assistant. The glaring arbitrariness of the CEO’s behaviour may appear appalling and a characteristic of the developing world. However, when we come to think of it, we find that such arbitrariness is not uncommon in the U.S. either (firing of Lee Iacocca by Ford is a well known example of such arbitrariness). The moral of this incident, at least in the context of VARM, is: Rationalize “insult.” In the long run it always pays.

In summary, VARM provides the ethical basis for managing the manager-subordinate relationship in that in following this approach, people invest in a relationship over a long period of time rather than looking for a quick gain, taking care that they do not overuse the relationship. Also, considering its similarities with OCB and IM, we think VARM is the foundation of most types of political behaviour, including these two. The strategies to adopt VARM is to think long-term, exploit the relationship sparingly but constructively, look for roles beyond one’s organisational roles, develop a predisposition to political behavior and its effective execution, and develop emotional muscle to rationalize the supervisor’s negative behaviours.

Discussion and Implications
In this article, we have attempted to confront the issue of whether political behaviour is Machiavellian, manipulative, or insincere, that other researchers have hitherto chosen to avoid. We propose that managers can approach political behaviour at the work place in a healthy and
functional way by adopting value added relationship management. This, we argue, would allow them to plunge into organisational politics without apologizing to anyone and with a clear conscience. Indeed, effective demonstration and execution of politics is key to both effectiveness and survival in organisations.

We also provided some practical techniques for managers to practice VARM in organisations. By adding value to the manager-subordinate relationship, subordinates are able to develop a productive relationship with their supervisors. Unlike Gabarro and Kotter (1980), we propose specific strategies for managing one's boss, beyond generic strategies like maintaining appropriate level of communication and understanding self and other.

VARM allows managers in any phase of their career to develop a productive relationship with their supervisors, unlike Baird and Kram's (1983) deterministic view of the limited choice available to managers whose superiors are in the withdrawal or maintenance phase of their careers. We believe, following the VARM approach, managers can develop a fit with even autocratic supervisors or with managers that do not contribute to the self-development of subordinates, unlike Leach and Murray (1979) have proposed.

Ferris, Fedor, and King (1993) have pointed out that political behaviour of supervisors does not always cause negative feelings in subordinates. For example, when managers bring more resources to a unit by networking with other units of the organisation, subordinates appreciate their effort since it also helps them individually. Similarly, we believe, when subordinates use their personal resourcefulness to assist their supervisors in their work, supervisors appreciate their efforts. Hence, political behaviour certainly can have a definite organisational function which is positive, and this article supports this conceptualisation of political behaviour.

We believe managers can help improve organisational effectiveness by espousing VARM and rewarding people for demonstrating how they add value to their relationships. Future research in VARM could help us understand the foggy concept of interpersonal fit; a positive fit could be defined as a relationship in which value is added by both the parties whereas a negative fit would constitute a complete lack of added value.

We think the most value can be obtained if managers begin to think positively about organisational politics and political behaviour, an attitude that VARM proposes. Also, future research should focus on studying how effective managers add value to their relationships. This will help both practitioners and researchers to accept political behaviour without bias.

References


